OHIO AUDITOR OF STATE
KEITH FABER

ATHENS METROPOLITAN HOUSING AUTHORITY
ATHENS COUNTY
DECEMBER 31, 2023

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ATHENS COUNTY
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INDEPENDENT AUDITOR'S REPORT

Athens Metropolitan Housing Authority
Athens County
10 Hope Drive
Athens, Ohio 45701

To the Board of Commissioners:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Athens Metropolitan Housing Authority, Athens County, Ohio (Authority), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Athens Metropolitan Housing Authority, Athens County, Ohio as of December 31, 2023, and the changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 12 to the financial statements, during 2023, the Authority restated the Net Position at December 31, 2022 due to the identification of an overstatement of Loan-Payable in the prior period. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedules of Net Pension and Other Post-Employment Benefit Liabilities, and Pension and Other Post-Employment Benefit Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Financial Data Schedule and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2025, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

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

July 15, 2025

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The Athens Metropolitan Housing Authority's ("the Authority") Management 's Discussion and Analysis (MD&A) 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 position, and (d) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statement.

FINANCIAL HIGHLIGHTS

- The Authority’s net position decreased by $53,360. Since the Authority engages in only business-type activities, the decrease is all in the category of business-type net position.

- The Authority’s total revenues decreased by $36,235, about 0.52%, making revenues $6,966,580 compared to that of $7,002,815 in 2022.

- The total expenses of all Authority-wide programs decreased by $31,706. Total expenses were $7,019,940 in 2023 compared to $7,051,646 in 2022.

Authority Financial Statements

The Authority 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, minus liabilities, equal "Net Position", formerly known as equity. 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 Net Position") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Position (formerly equity) are reported in three broad categories:

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

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

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

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

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

Fund Financial Statements

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.

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

THE AUTHORITY'S PROGRAMS

Conventional Public Housing - Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Grant funding to enable the Authority to provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

Housing Choice Voucher Program - 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 made to the landlord. The program is administered under an Annual Contribution Contract with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income. The Authority earns administrative fees to cover the cost of administering the program.

Shelter Plus Care - AMHA has an ongoing collaboration effort with the Athens County Continuum of Care working group which in 1999 the PHA was successful in receiving grant funding for the Athens County Dual Diagnosis Housing Initiative Shelter Plus Care project which is now completed and up and running. The grant provided 10 years of subsidized rent for 5 units of housing for dually diagnosed persons with mental illness and substance abuse.

Business Activities - The Business Activities represents Authority owned housing properties that are not subsidized by HUD. The revenue and expenses for these services are identified and tracked separate from the HUD activities.

Emergency Housing Voucher – AMHA participates in the Emergency Housing Voucher (EHV) program which provides a significant opportunity for Public Housing Authorities to develop collaborative partnerships and strategies that effectively address the needs of vulnerable populations in their communities. Housing choice vouchers are provided in order to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability.

PIH Family Self Sufficiency Program – AMHA participates in the PIH Family Self Sufficiency program which provides HUD-assisted families to increase their earned income and reduce their dependency on public assistance and rental subsidies.

AUTHORITY STATEMENTS

Statement of Net Position

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

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

	2023	2022
Assets and Deferred Outflows		
Current Assets	$ 803,666	$ 252,382
Capital Assets, Net	6,142,978	6,495,344
Non-Current Assets	211,938	-
Deferred Outflows of Resources	21,822	380,880
Total Assets and Deferred Outflows	$ 7,180,404	$ 7,128,606
Liabilities and Deferred Inflows		
Current Liabilities	$ 426,865	$ 390,649
Non-Current Liabilities	2,608,590	2,747,623
Deferred Inflows of Resources	214,324	6,349
Total Liabilities and Deferred Inflows	3,249,779	3,144,621
Net Position		
Net Invested in Capital Assets	4,480,641	4,748,181
Restricted Net Position	144,193	5,159
Unrestricted Net Position	(694,209)	(769,355)
Total Net Position	3,930,625	3,983,985
Total Liabilities, Deferred Inflows, and Net Position	$ 7,180,404	$ 7,128,606

Major Factors Affecting the Statement of Net Position

Results from operations and market factors led to assets and deferred outflows of resources increasing by $51,798 (0.73%) in FY23. This change was comprised of a significant decrease in deferred outflows of $359,058 (94.27%) due to annual revaluations of the Pension and OPEB liabilities. This was however fully offset by a significant increase in operating cash primarily attributable the HCV program.

Total liabilities and deferred inflows of resources increased by $105,158 (3.34%) in FY23. This increase was largely attributable to a $207,975 increase in deferred inflows of resources related to the annual Pension liability revaluation. An important point of emphasis is the paydown of debt.

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 in only business-type activities.

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

	2023	2022
Tenant Revenue	$ 772,124	$ 815,251
HUD Operating Grants	5,423,924	6,074,717
Other Revenue	693,469	112,755
Capital Grants	76,844	-
Investment Income	219	92
Total Revenues	6,966,580	7,002,815
Administrative	1,298,105	751,075
Tenant Services	6,120	-
Utilities	307,622	265,008
Ordinary Repairs and Maintenance	627,305	745,203
Insurance	156,952	86,803
General	12,727	407,385
Housing Assistance Payments	4,141,750	4,337,554
Depreciation	448,830	458,618
Interest Expense	20,529	-
Total Expenses	7,019,940	7,051,646
Change in Net Position	(53,360)	(48,831)
Net Position at the beginning of the year- Restated	3,983,985	4,032,816
Total Net Position	$ 3,930,625	$ 3,983,985

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

Overall revenues remained fairly consistent from FY22 to FY23. Important items of note include a $591,957 revenue resulting from a fraud settlement agreement with a former director in FY23 as well as FY22 other revenues included a one-time $700,000 TRA grant.

Changes in expense categories were impacted primarily from the annual Pension and OPEB revaluation adjustments to employee benefit expenses reported in the Administrative expense line. Additionally, FY22 reported a $326,777 bad debt expense in the General expense line related to the aforementioned fraud incident.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of fiscal year-end, the Authority had $6,142,978 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease (addition, deductions, and depreciation) of $352,366 from the end of last fiscal year.

Table 3 - Condensed Statement of Changes in Capital Assets

	2023	2022
Land	$ 1,326,033	$ 1,326,033
Construction in progress	-	-
Buildings and improvements	12,704,250	12,704,250
Furniture and equipment	685,687	589,223
Accumulated depreciation	(8,572,992)	(8,124,162)
Capital assets, net	$ 6,142,978	$ 6,495,344

The following reconciliation summarizes the change in capital assets, which is presented in detail in Note 5 of the financial statements.

Table 4 - Changes in Capital Assets

Beginning balance	$ 6,495,344
Current year additions	96,464
Current year dispositions	-
Current year depreciation	(448,830)
Ending Balance	$ 6,142,978

The current year additions were primarily HVAC units purchased using Capital Fund Program grant funding.

Debt Outstanding

Below is a summary of changes in debt of the Authority in the period:

Table 5 - Condensed Statement of Changes in Debt Outstanding

Beginning balance	$ 2,836,515
Restatement	(1,089,352)
Current year additions	0
Current year principal payments	(84,826)
Ending Balance	$ 1,662,337

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- The Department of Housing and Urban Development (HUD) has historically been underfunded to meet the subsidy needs of Public Housing Authorities (PHAs). We do not expect this trend to change.

- Local labor supply and demand, which can affect salary and wage rates.

- Local inflationary, recessionary, and employment trends, which can affect resident incomes and therefore the amount of rental income.

- Unknown financial and operational impacts.

FINANCIAL CONTACT

The individual to be contacted regarding this report is Sherrie Boudinot, Finance Director of the Athens Metropolitan Housing Authority. Specific requests may be submitted to the finance department of Athens Metropolitan Housing Authority, 10 Hope Drive, Athens, 45701.

ATHENS METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2023

ASSETS	
Current assets:	
Cash and cash equivalents	$628,784
Tenant security deposits	56,150
Receivables, net	31,786
Prepaid expenses and other assets	86,946
Total current assets	803,666
Non-current assets:	
Restricted cash	183,906
Capital assets, net	6,142,978
Net OPEB asset	28,032
Total non-current assets	6,354,916
Total assets	7,158,582
DEFERRED OUTFLOWS OF RESOURCES	
Pension	5,781
OPEB	16,041
Total deferred outflows of resources Total	21,822
assets and deferred outflows of resources	7,180,404
LIABILITIES	
Current liabilities:	
Accounts payable	186,965
Accrued expenses	74,189
Accrued compensated absences, current	44,723
Tenant security deposits	56,150
Unearned revenue	34,571
Loan payable, current	22,002
Other current liabilities	8,265
Total current liabilities	426,865
Non-current liabilities:	
Accrued compensated absences, non-current	56,472
Accrued pension liability	872,070
Loan payable, non-current	1,640,335
Other non-current liabilities	39,713
Total non-current liabilities	2,608,590
Total liabilities	3,035,455
DEFERRED INFLOWS OF RESOURCES	
Pension	190,273
OPEB	24,051
Total deferred inflows of resources	214,324
NET POSITION	
Net invested in capital assets	4,480,641
Restricted net position	144,193
Unrestricted net position	(694,209)
Total net position	3,930,625
Total liabilities, deferred inflows of resources and net position	$7,180,404

See accompanying notes to financial statements.

ATHENS METROPOLITAN HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023

Operating revenues:	
Tenant revenue	$772,124
HUD operating grants	5,423,924
Other revenues	693,469
Total operating revenues	6,889,517
Operating expenses:	
Administrative	1,298,105
Tenant services	6,120
Utilities	307,622
Ordinary repairs and maintenance	627,305
Insurance	156,952
General	12,727
Housing assistance payments	4,141,750
Depreciation	448,830
Total operating expenses	6,999,411
Operating loss	(109,894)
Non-operating revenues (expenses):	
Interest expense	(20,529)
Investment income	219
Total non-operating expenses, net	(20,310)
Loss before capital grants	(130,204)
Capital grants	76,844
Change in net position	(53,360)
Net position, beginning of year	2,894,633
Prior-period corrections	1,089,352
Total Net Position at End of Year	$3,930,625

See accompanying notes to financial statements.

ATHENS METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

Cash flows from operating activities:	
Cash received from tenants and others	$773,367
Cash received from grantors	5,417,649
Cash paid to and on behalf of employees	(902,767)
Cash paid to vendors and suppliers	(5,150,513)
Other operating cash receipts and payments	693,471
Net cash provided by operating activities	831,207
Cash flows from capital and related financing activities:	
Purchase of capital assets	(96,465)
Principal payments on loans	(84,826)
Interest paid on long-term debt	(20,529)
Proceeds from capital grants	76,844
Principal payments on SBITA	(3,288)
Net cash used by capital and related financing activities	(128,264)
Cash flows from investing activities:	
Investment income	219
Net cash provided by investing activities	219
Net increase in cash and cash equivalents and restricted cash	703,162
Cash and cash equivalents and restricted cash, beginning of year	165,678
Cash and cash equivalents and restricted cash, end of year	$868,840
Reconciliation of cash and cash equivalents and restricted cash to the Statement of Net Position is as follows:	
Cash and cash equivalents	628,784
Tenant security deposits	56,150
Restricted cash	183,906
Cash and cash equivalents and restricted cash	868,840
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	($109,894)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	448,830
Changes in operating assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Accounts receivable, net	(11,390)
Prepaid expenses and other assets	(20,638)
Deferred outflows of resources	359,058
OPEB asset	(47,282)
Accounts payable	186,249
Accrued expenses	(93,765)
Tenant security deposits	(312)
Accrued compensated absences	3,290
Unearned revenue	5,141
Accrued pension liability	(96,253)
Deferred inflows of resources	208,173
Net cash provided by operating activities	$831,207

See accompanying notes to financial statements.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Summary of Significant Accounting Policies

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

Reporting Entity

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

The accompanying basic financial statements comply with the provisions of GASB Statement No. 39, *Determining Whether Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity*: *Omnibus*, in that the financial statements include all organizations, activities and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.
Section 2100 indicates that the reporting entity consists of **a)** the primary government, **b)** organizations for which the primary government is financially accountable and **c)** other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's government body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.
A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government **a)** is entitled to the organization's resources; **b)** is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or **c)** is obligated in some manner for the debt of the organization.

Nelsonville Public Square, Inc.

The Nelsonville Public Square, inc. was incorporated in 1978 as a Not-for-Profit Organization under Ohio Revised Code § 1702.01 to aid Athens County, Ohio , in the acquisition, rehabilitation, and management of the Dew House on the Public Square in Nelsonville, Ohio, for the sole purpose of providing housing for low-income Athens County senior citizens and to aid Athens County, Ohio and Nelsonville. Ohio in the development and improvement of facilities on the Public Square in Nelsonville, Ohio. The Board of Trustees is made up of the current Board Members of the Authority. No significant financial activity occurred for the Nelsonville Public Square, Inc. during 2023. As a result, no financial information for the Nelsonville Public Square, Inc. has been included as a blended component unit of the Authority and no additional disclosures have been made.

Basis of Presentation

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

Fund Accounting

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

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

Proprietary Fund Types

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

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

Measurement Focus/ Basis of Accounting

The proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred. The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Description of programs

The following are the various programs which are included in the single enterprise fund:

A. Public Housing Program

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

B. Capital Fund Program

The Capital Fund Program provides funds annually, via a formula, to Public Housing Agencies for capital and management activities, including modernization and development housing.

C. PIH Family Self-Sufficiency Program

The Family Self-Sufficiency Program provides HUD-assisted families to increase their earned income and reduce their dependency on public assistance and rental subsidies.

D. Housing Choice Voucher Program

The Housing Choice Voucher Program was authorized by Section 8 of the National Housing Act and provides housing assistance payments to private, not-for-profit or public landlords to subsidize rentals for low-income persons.

E. Emergency Housing Voucher Program

The Emergency Housing Voucher (EHV) Program is available through the American Rescue Plan Act (ARPA). Through EHV, HUD is providing housing choice vouchers to local Public Housing Authorities in order to assist individuals and families who are homeless, at-risk of homelessness, fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of homeless instability.

F. Shelter Plus Care

AMHA has an ongoing collaboration effort with the Athens County Continuum of Care working group which in 1999 the PHA was successful in receiving grant funding for the Athens County Dual Diagnosis Housing Initiative Shelter Plus Care project which is now completed and up and running. The grant provided 10 years of subsidized rent for 5 units of housing for dually diagnosed persons with mental illness and substance abuse.

G. Business Activities

The Business Activities represents Authority owned housing properties that are not subsidized by HUD. The revenue and expenses for these services are identified and tracked separate from the HUD activities.

Investments

Investments are restricted by the provisions of the HUD Regulations. Investments are valued at market value. Interest income earned in fiscal year 2023 totaled $219.

Capital Assets

Capital assets are stated at cost. The capitalization policy of the Authority is to depreciate all non-expendable personal property having a useful life of more than one year and purchase price of $5,000 or more per unit. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Depreciation is calculated using the straight-line method over the estimated useful lives:

Building	30 years
Building Improvements	15 years
Furniture and Equipment	5 years
Vehicles	5 years

Net Position

Net position represents the difference between assets and liabilities. Net invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is recorded as restricted when there are limitations imposed on their use by internal or external restrictions.

The Housing Authority's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position are available.

Operating Revenues and Expenses

Operating revenues and expenses are those revenues that are generated directly from the primary activities of the proprietary fund and expenses incurred for the day-to-day operation. For the Authority, operating revenues are tenant rent charges, operating subsidy from HUD and other miscellaneous revenue.

Capital Contributions

This represents contributions made available by HUD with respect to all federally aided projects under an annual contribution contract. There were no capital contributions received in 2023.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less. The Authority places its temporary cash investments with high credit quality financial institutions. Amounts in excess of FDIC insurance limits are fully collateralized.

Compensated Absences

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

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

In the proprietary fund, the compensated absences are expensed when earned with the amount reported as a fund liability.

Budgetary Accounting

The Authority is required by contractual agreements to adopt annual operating budgets for all its HUD funded programs. The budget for its programs is prepared on a HUD basis, which is materially consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at fiscal year-end. The Board of Commissioners adopts the budget through passage of a budget resolution.

Accounting and Reporting for Non-exchange Transactions

The Authority accounts for non-exchange transactions in accordance with Governmental Accounting Standards Board (GASB) Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions. Non-exchange transactions occur when the Authority receives (or gives) value without directly giving (or receiving) equal value in return.

In conformity with the requirements of GASB 33, the Authority has recognized grant funds expended for capital assets acquired after September 30, 2000 as revenues and the related depreciation thereon, as expenses in the accompanying Combined Statement of Revenue and Expenses.

Estimates

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Authority, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Note 6 and 7.

In addition to liabilities, the statements of financial position report a separate 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 plans are explained in Notes 6 and 7.

Pensions/Other Postemployment Benefits (OPEB)

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

Receivables – Net of Allowance

Total receivables at December 31, 2023 are $31,786. This amount is net of the allowance for doubtful accounts.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded to prepaid expenses using the consumption method. A current asset for the amount is recorded at the time of the purchase and expense is reported in the year in which the services are consumed.

Unearned Revenue

Unearned revenue arises when revenues are received before revenue recognition criteria have been satisfied.

NOTE 2. DEPOSITS AND INVESTMENTS

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

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

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

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

Protection of the Authority deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by collateral held by Authority or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. At fiscal year-end December 31, 2023, the carrying amount of the Authority's deposits totaled $868,840 and its bank balance was $1,055,754. Based on the criteria described in GASB Statement No 40, "Deposit and Investment Risk Disclosure", as of December 31st, 2023 $250,000 was covered by the Federal Depository Insurance Corporation.

Custodial credit risk is the risk that in the event of bank failure, the Authority will not be able to recover the deposits. Ohio law requires, that deposits be either insured or be protected by eligible securities pledged to the Authority and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

NOTE 3. RESTRICTED CASH

The restricted cash balance of $183,906 on the financial statements represents the following:

Cash Category	Amount
HAP Funds	$ 144,193
FSS Escrow funds held for the tenants - HCV	39,713
Total restricted cash	$ 183,906

NOTE 4. INSURANCE AND 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.

The Authority participates in the State Housing Authorities Risk Pool (SHARP), a public entity risk plan that operates as a common risk management and insurance program for housing authorities. The Authority pays insurance premiums directly to SHARP. Premiums are paid monthly. The Authority also pays unemployment claims to the State of Ohio as incurred.

The Authority continues to carry commercial insurance for other risks of loss. There has been no significant reduction in insurance coverage from coverage in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 5. CAPITAL ASSETS

The following is a summary of changes:

Description	Balance 12/31/2022	Additions	Dispositions	Balance 12/31/2023
Non-depreciable				
Land	$ 1,326,033	$ -	$ -	$ 1,326,033
Construction in Progress	-	-	-	-
Subtotal	1,326,033	-	-	1,326,033
Depreciable				
Buildings and Improvements	12,704,250	-	-	12,704,250
Furniture and Equipmnt	589,223	96,464	-	685,687
Subtotal	13,293,473	96,464	-	13,389,937
Less Accumulated Depreciation				
Buildings, Furniture, Machinery, and Equipment & Leasehold Improvements	(8,124,162)	(448,830)	-	(8,572,992)
Net capital assets	$ 6,495,344	$ (352,366)	$ -	$ 6,142,978

NOTE 6. DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description

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

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group.

The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS ACFR referenced above for additional information):

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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.
Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

2023 Statutory Minimum Contributions Rates	State and Local
Employer	14.0%
Employee	10.0%

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 Authority's contractually required contributions used to fund pension benefits was $76,757 for fiscal year ending December 31, 2023.

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, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

Proportion of Net Pension Liability:	
Prior Measurement Date	0.0032780%
Proportion of Net Pension Liability:	
Current Measurement Date	0.0033310%
Change in Proportionate Share	0.0000530%
Proportionate Share of Net Pension Liability	$ 872,070
Pension Expense	$ 98,266

At December 31, 2023 , the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected & actual experience	$ -	$ 14,253
Effect of changes in assumptions	-	-
Differences between projected & actual investment earnings	-	176,020
Effect of changes in proportions	5,781	-
Differences between proportionate share & actual contributions	-	-
Contributions subsequent to measurement date	-	-
	$ 5,781	$ 190,273

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ending December 31:	
2024	$ (47,361)
2025	(51,749)
2026	(110,448)
2027	25,066
Thereafter	-
	$ (184,492)

Actuarial Assumptions – OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2023 , using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67:

Actuarial Information	OPERS - Traditional Pension Plan
Measurement and Valuation Date	12/31/2023
Experience Study	5-Year Period Ended December 31, 2020
Actuarial Cost Method	Individual entry age
Investment Rate of Return	6.90%
Wage Inflation	2.75%
Projected Salary Increases	2.75%-10.75% (includes wage inflation at 2.75%)
Cost-of-living Adjustments	Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 2.30% Simple through 2024, then 2.05% Simple

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

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

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023 these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	2.85%
Domestic Equities	21.00%	4.27%
Real Estate	13.00%	4.46%
Private Equity	15.00%	7.52%
International Equities	20.00%	5.16%
Risk Parity	2.00%	4.38%
Other Investments	5.00%	3.46%
Total	100.00%	

Discount Rate

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

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

The following table presents the Authority's proportionate share of the net pension liability calculated using the current period discount rate, 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 or 1 percentage point higher than the current rate.

	1% Decrease 5.9%	Discount Rate 6.9%	1% Increase 7.9%
OPERS - Traditional Pension Plan	$ 1,372,872	$ 872,070	$ 455,548

NOTE 7. DEFINED BENEFIT OPEB PLAN

Net OPEB Liability/Asset

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

The net OPEB liability/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 liability/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 way OPEB are financed; however, the Authority does receive the benefit of employees' services in exchange for compensation including OPEB.

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

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

Plan Description

Health Care Plan Description - The Ohio Public Employees Retirement System (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.

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

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

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

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

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

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

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, no portion of the employer contribution rate was allocated to the health care for the Traditional Pension Plan. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2021 remained at 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2023 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. Authority's contractually required contribution was $0 for the fiscal year 2023.

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

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

Proportion of Net OPEB Liability/Asset:	
Prior Measurement Date	0.0030530%
Proportion of Net OPEB Liability/Asset:	
Current Measurement Date	0.0031060%
Change in Proportionate Share	0.0000530%
Proportionate Share of Net OPEB Liability (Asset)	($28,032)
Pension Expense (Income)	($3,014)

At December 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected & actual experience	$ 3,990	$ -
Effect of changes in assumptions	12,051	7,216
Differences between projected & actual investment earnings	-	16,835
Effect of changes in proportions	-	-
Differences between proportionate share & actual contributions	-	-
Contributions subsequent to measurement date	-	-
	$ 16,041	$ 24,051

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

Year ending December 31:	
2024	$ 711
2025	(1,303)
2026	(13,105)
2027	5,687
Thereafter	-
	$ (8,010)

Actuarial Assumptions – OPERS

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 75:

Actuarial Information	OPERS - Traditional Pension Plan
Actuarial Valuation Date	12/31/2023
Rolled-Forward Measurement Date	12/31/2022
Experience Study	5-Year Period Ended December 31, 2020
Actuarial Cost Method	Individual entry age
Single Discount Rate	5.70%
Investment Rate of Return	6.00%
Municipal Bond Rate	3.77%
Wage Inflation	2.75%
Projected Salary Increases	2.75%-10.75% (includes wage inflation at 2.75%)
Health Care Cost Trend Rate	5.50% initial, 3.50% ultimate in 2038

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

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

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

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	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	5.00%	2.43%
Total	100.00%	

Discount Rate

A single discount rate of 5.7 percent was used to measure the OPEB liability on the measurement date of December 31, 2023. A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

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

The following presents the Authority's proportionate share of the net OPEB liability calculated using the current discount rate, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	1% Decrease	Discount Rate	1% Increase
	4.70%	5.70%	6.70%
OPERS - OPEB Plan	$ 15,406	$ (28,032)	$ (64,015)

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability/Asset to Changes in the Healthcare Trend Rate

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 liability/asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 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 the health care 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.

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
OPERS - OPEB Plan	$ (29,196)	$ (28,032)	$ (26,712)

NOTE 8. LONG-TERM DEBT

The following is a summary changes in non-current liabilities:

Description	12/31/2022-Restated	Additions	Payments/Retirements	12/31/2023	Amounts due within one year
Accrued compensated absences	54,711	46,484	0	101,195	44,723
Accrued pension liability	968,323	0	(96,253)	872,070	0
Accrued OPEB liability	19,250	0	(19,250)	0	0
Loans payable- Restated	1,747,163	0	(84,826)	1,662,337	22,002
Other *	43,001	0	(3,288)	39,713	0
	2,832,448	46,484	(203,617)	2,675,315	66,725

* Consisted entirely of FSS escrow funds relating to the Housing Choice Voucher program.

Debt Issue	Balance at 12/31/2022-Restated	Additions	Deletions	Balance at 12/31/23	Amount Due within One Year
Ohio Dept. of Mental Hear - 430 Union Street Property	106,671	0	0	106,671	0
JP Morgan Chase- MRDD Properties 2008	63,744	0	(63,744)	0	0
Athens County Board of Dev. Disabilities- 36 Eden	56,995	0	0	56,995	0
Athens County Board of Developmental Disabilities - 9 Avon Place	53,440	0	0	53,440	0
City of Nelsonville- 629 Chestnut	20,550	0	0	20,550	0
Hocking Valley Bank- 20 Garfield	107,677	0	(9,510)	98,167	9,922
Ohio Depart. Of Disabilities- 20 Garfield	108,820	0	0	108,820	0
City of Athens- 20 Garfield	18,225	0	0	18,225	0
Ohio dept. of Mental Health and Ohio Housing Finance- Blueline	704,534	0	0	704,534	0
Athens County Board of Developmental Disabilities- 22 Ball and 42 S. Plains Drive	84,032	0	0	84,032	0
Hocking Valley Bank	188,278	0	(4,947)	183,331	5,185
City of Athens - 7065 North Blackburn Rd.	119,350	0	0	119,350	0
Hocking Valley Bank- Poston Rd.	114,847	0	(6,625)	108,222	6,895
Total	1,747,163	0	(84,826)	1,662,337	22,002

Loan payable to Ohio Department of Mental Health to purchase 430 Union Street Property. Total borrowing was $200,000 with a term of 20 years at 0% interest rate.

Note payable to JP Morgan Chase Bank to purchase and rehab 6 MRDD Properties in 2008. Total borrowing was $601,176 with a term of 15 years at 4.9% interest rate. From February 23, 2008 through February 23, 2009, the Authority was only required to pay interest on this loan. The Authority borrowed another $98,824 in 2009. Monthly installments of principal and interest commence on February 23, 2009.

Loan payable to Athens County Board of Developmental Disabilities to purchase and rehab property located 36 Eden Plan. Total borrowing on December 15, 2014 was $80,000 with a term of 15 years at 0% interest rate.

Loan payable to Athens County Board of Developmental Disabilities to purchase and rehab property located 9 Avon Place. Total borrowing on April 15, 2014 was $80,000 with a term of 15 years at 0% interest rate.

Loan payable to the City of Nelsonville to purchase property located 629 Chestnut. Total borrowing on November 17, 2015 was $34,250 with a term of 15 years at 0% interest rate.

Note payable to Hocking Valley Bank to purchase 20 Garfield, Athens Oh. Total borrowed was $155,000 with a term of 15 years at 4.25% interest rate.

Loan payable to Ohio Department of Development Disabilities to purchase and rehab 20 Garfield for Autism tenants. Total borrowed on June 21, 2016 was $148,392 with a term of 15 years at 0% interest rate.

Loan payable to the City of Athens for rehab of property located at 20 Garfield. Total borrowed was $36,450 with term of 10 years at 0% interest rate. Repayment is only if property rehab is sold within 10 years.

Note payable to Ohio Department of Mental Health and Ohio Housing Finance to purchase and rehab property identified as Blueline.

Note payable to Athens County board of Developmental Disabilities executed on May 2, 2017 for purchase two properties located at 22 Ball Drive, Athens and 42 S Plains Drive, Plains. The mortgage amounts were $53,885 for each property. There is no payment due as long as the Authority remains in compliance with the term of the agreement for 180 consecutive months.

On March 3, 2017, the authority entered into 3 loans with Hocking Valley Bank for the purchase or rehab of various properties. The property and term of the loans are as follows:

PROPERTY	LOAN AMOUNT INTEREST RATE		DATE	MATURITY
22 Ball Drive	$415,421	03/03/17	03/03/19	4.57%
16-22 N Plains	$114,976	03/03/17	03/03/47	4.70%
64-66 N Plains	$ 90,938	03/03/17	03/03/47	4.70%

On August 12, 2019 the Authority entered into a contract with the City of Athens to receive a donated property located in 7065 North Blackburn Road, Athens, Ohio. The property was appraised at a value of $124,000. There is no payment due as long as the Authority remains in compliance with the term of the agreement for 360 consecutive months.

On May 24, 2024 the Authority entered into a Note Payable to Hocking Valley Bank to purchase 27 Poston Road, the Plains, Ohio. The total note was $125,000 with a term of 180 months at a rate of 4%.

Estimated future payments of debt are as follows for years ending December 31:

Year	Principal	Interest	Total
2024	109,988	22,278	132,266
2025	81,901	22,368	104,269
2026	86,969	21,323	108,292
2027	84,196	20,231	104,427
2028	78,485	19,092	97,577
2029 - 2033	385,394	77,317	462,711
2034 - 2038	275,717	52,959	328,676
2039 - 2043	264,262	23,200	287,462
2044 - 2048	189,290	3,698	192,988
2049 - 2053	34,835	0	34,835
2054 - 2058	7,750	0	7,750
2059 - 2063	7,750	0	7,750
2064 - 2068	7,750	0	7,750
2069 - 2073	7,750	0	7,750
2074 - 2078	7,750	0	7,750
2079 - 2083	7,750	0	7,750
2084 - 2088	7,750	0	7,750
2089 - 2093	7,750	0	7,750
2094 - 2098	9,300	0	9,300
2099 - 2103	0	0	0
Subtotal	1,662,337	262,466	1,924,803

NOTE 9. ECONOMIC DEPENDENCY

Both the PHA Low Rent Public Housing Program and the Voucher Program are economically dependent on annual contributions and grants from HUD. Both programs operate at a loss prior to receiving the contributions and grants.

NOTE 10. CONTINGENCIES

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 cost 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 recapture amounts would not have a material adverse effect on the overall financial position at December 31, 2023.

NOTE 11. SUBSEQUENT EVENTS

The Authority has been working to obtain and receive the insurance loss claims for recovery of funds from the theft by the former director. The Authority also worked on selling the Rickard estate. The Authority has received no indication from HUD on any affect to their funding. On July 23, 2024, the board approved a settlement with Kevin Rickard. On October 15, 2024, the board indicated receiving the second fraud recovery claim from Travelers in the amount of $500,000.

NOTE 12. RESTATEMENT

For calendar year 2023, the Authority restated net position at December 31, 2022 due to items included in Loan-Payable- noncurrent listing which had been paid off in prior years without being removed from the outstanding total. As such, the Loan-Payable- noncurrent was overstated by $1,089,352.

	12/31/2022 Net Position as Previously Reported	Restatement to Loan-Payable	12/31/2022- Net Position Restated
Enterprise Fund	2,894,633	1,089,352	3,983,985

ATHENS METROPOLITAN HOUSING AUTHORITY
REQUIRED PENSION INFORMATION
FISCAL YEARS AVAILABLE

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY FOR THE LAST TEN FISCAL YEARS

Traditional Plan	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Authority's Proportion of the Net Pension Liability	0.003717%	0.003717%	0.003821%	0.003773%	0.003689%	0.003666%	0.003529%	0.003178%	0.003278%	0.003331%
Authority's Proportionate Share of the Net Pension Liability	$ 438,186	$ 448,312	$ 661,845	$ 856,784	$ 578,731	$ 724,610	$ 522,568	$ 276,499	$ 968,323	$ 872,069
Authority's Covered-Employee Payroll	$ 438,186	$ 476,417	$ 478,726	$ 487,507	$ 493,919	$ 515,786	$ 496,976	$ 461,210	$ 514,670	$ 548,264
Authority's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	100.00%	94.10%	138.25%	175.75%	117.17%	140.49%	105.15%	59.95%	188.14%	159.06%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.36%	86.45%	81.08%	77.25%	84.66%	82.17%	86.88%	92.62%	75.74%	79.01%

See accompanying notes to the required supplementary information.

ATHENS METROPOLITAN HOUSING AUTHORITY
REQUIRED PENSION INFORMATION
FISCAL YEARS AVAILABLE

SCHEDULE OF AUTHORITY CONTRIBUTIONS FOR THE LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contributions:										
Traditional Plan	$ 54,987	$ 57,170	$ 58,376	$ 63,376	$ 69,149	$ 72,210	$ 69,577	$ 64,569	$ 71,145	$ 76,757
Combined Plan	-	-	-	-	-	-	-	-	-	-
Total	$ 54,987	$ 57,170	$ 58,376	$ 63,376	$ 69,149	$ 72,210	$ 69,577	$ 64,569	$ 71,145	$ 76,757
Contributions In Relation to the Contractually Required Contribution	(54,987)	(57,170)	(58,376)	(63,376)	(69,149)	(72,210)	(69,577)	(64,569)	(71,145)	(76,757)
(Over)/Under Funded	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered-Employee Payroll:										
Traditional Plan	$ 450,713	$ 476,417	$ 487,726	$ 487,507	$ 493,919	$ 515,786	$ 496,976	$ 461,210	$ 514,670	$ 548,264
Combined Plan	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions as a Percentage of Covered-Employee Payroll:										
Traditional Plan	12.20%	12.00%	12.00%	13.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Combined Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

NOTES TO PENSION SCHEDULES

Changes in benefit terms: There were no changes in benefit terms for 2015 through 2017. For 2018, COLAs provided up to December 31, 2018 will be based upon a simple, 3 percent COLA.COLAs provided after December 31, 2018 continue to be simple but will be based upon the annual percentage change in the Consumer Price Index (CPI), and not greater than 3 percent.

There were no significant changes in benefit terms for 2019 or 2020. For 2021, in October 2020, the OPERS Board adopted a change in COLA for Post January 7, 2013 retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to .5 percent simple through 2021 then 2.15 percent simple.

Changes in Assumptions: There were no significant changes in assumptions for 2015 through 2018.

For 2018, the employer contribution rate allocated to pensions increased from 13.00 percent to 14.00 percent. For 2019, the investment rate of return decreased from 7.5 percent to 7.2 percent.
There were no significant changes in assumptions for 2020, 2022 or 2023.

ATHENS METROPOLITAN HOUSING AUTHORITY
REQUIRED OTHER POST-EMPLOYMENT BENEFITS INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY FOR THE LAST TEN FISCAL YEARS*

	2017	2018	2019	2020	2021	2022	2023
Authority's Proportion of the Net OPEB Liability	0.003440%	0.003440%	0.003414%	0.003286%	0.002958%	0.003053%	0.003106%
Authority's Proportionate Share of the Net OPEB Liability (Asset)	$ 347,452	$ 373,559	$ 471,562	$ (58,543)	$ (92,649)	$ 19,250	$ (28,032)
Authority's Covered-Employee Payroll	$ 487,507	$ 493,919	$ 515,786	$ 496,976	$ 461,210	$ 514,670	$ 548,264
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	71.27%	75.63%	91.43%	-11.78%	-20.09%	3.74%	-5.11%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	68.52%	54.14%	47.80%	115.57%	128.23%	94.79%	107.77%

* Until a full 10-year trend is compiled the Authority is presenting information for those years that are available.

See accompanying notes to the required supplementary information.

ATHENS METROPOLITAN HOUSING AUTHORITY
REQUIRED OTHER POST-EMPLOYMENT BENEFITS INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023

SCHEDULE OF AUTHORITY CONTRIBUTIONS FOR THE LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Statutorily required Contribution	$ 9,164	$ 9,561	$ 9,751	$ 4,872	$ -	$ -	$ -	$ -	$ -	$ -
Contributions In Relation to the Contractually Required Contributions	(9,164)	(9,561)	(9,751)	(4,872)	-	-	-	-	-	-
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered-Employee Payroll	$ 450,713	$ 476,417	$ 487,726	$ 487,507	$ 493,919	$ 515,786	$ 496,976	$ 461,210	$ 514,670	$ 548,264
Contributions as a Percentage of Covered-Employee Payroll	2.03%	2.01%	1.00%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

NOTES TO OPEB SCHEDULES:

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2023.

Changes in benefit terms: For 2018, the single discounts rate decreased from 4.23 percent to 3.85 percent. The employer contribution rate allocated to health care decreased from 1.00 percent to 0.00 percent. For 2019, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) the single discount rate increased from 3.85 percent to 3.96 percent (b) the investment rate of return decreased from 6.5 percent to 6 percent (c) the municipal bond rate increased from 3.31 percent to 3.71 percent (d) the initial health care cost trend rate increased from 7.5 percent to 10 percent. For 2020, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) the single discount rate decreased from 3.96 percent to 3.16 percent (b) The municipal bond rate decreased from 3.71 percent to 2.75 percent. For 2021, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) the single discount rate increased from 3.16 percent to 6.00 percent (b) the municipal bond rate decreased from 2.75 percent to 2.00 percent. For 2022, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) the single discount rate decreased from 6% to 5.22% (b) the municipal bond rate increased from 1.84% in 2021 to 4.05% (c) the future salary increases, including inflation changes from 2.75% to 2.75% - 10.75% (d) Health care cost trend changes from 5.5% initial and 3.5% ultimate in 2034 to 5.5% initial and 3.5% ultimate in 2036.

ATHENS METROPOLITAN HOUSING AUTHORITY
ATHENS COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR ***Pass Through Grantor*** **Program / Cluster Title**	**Federal AL Number**	**Total Federal Expenditures**
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Direct Program		
Shelter Plus Care	14.238	$203,164
Public Housing Operating Fund	14.850	443,672
Housing Voucher Cluster		
Section 8 Housing Choice Vouchers	14.871	4,563,247
COVID-19: Section 8 Housing Choice Vouchers	14.871	124,402
Total Housing Voucher Cluster		4,687,649
Public Housing Capital Fund	14.872	120,386
Family Self-Sufficiency Program	14.896	45,897
Total U.S. Department of Housing and Urban Development		5,500,768
Total Expenditures of Federal Awards		**$5,500,768**

The accompanying notes are an integral part of this Schedule.

ATHENS METROPOLITAN HOUSING AUHTORITY
ATHENS COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Athens Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

ATHENS METROPOLITAN HOUSING AUHTORITY

ATHENS COUNTY

FINANCIAL DATA SCHEDULE- ENTITY WIDE BALANCE SHEET SUMMARY

AS OF DECEMBER 31, 2023

	Project Total	1 Business Activities	14.238 Shelter Plus Care	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
111 Cash - Unrestricted	$423,782	$0	$0	$0	$157,819	$47,183	$628,784		$628,784
112 Cash - Restricted - Modernization and Development	0	0	0	0	0		0		0
113 Cash - Other Restricted	0	0	0	0	183,906		183,906		183,906
114 Cash - Tenant Security Deposits	21,183	34,967	0	0	0		56,150		56,150
115 Cash - Restricted for Payment of Current Liabilities	0	0	0	0	0		0		0
100 Total Cash	444,965	34,967	0	0	341,725	47,183	868,840	0	868,840
							0		
121 Accounts Receivable - PHA Projects	0	0	0	0	0		0		0
122 Accounts Receivable - HUD Other Projects	0	0	0	0	0	11,179	11,179		11,179
124 Accounts Receivable - Other Government	0	0	0	0	0		0		0
125 Accounts Receivable - Miscellaneous	0	3,385	0	0	0		3,385		3,385
126 Accounts Receivable - Tenants	24,756	14,889	0	0	0		39,645		39,645
126.1 Allowance for Doubtful Accounts -Tenants	(14,053)	(8,370)	0	0	0		(22,423)		(22,423)
126.2 Allowance for Doubtful Accounts - Other	0	0	0	0	0	0	0		0
127 Notes, Loans, & Mortgages Receivable - Current	0	0	0	0	0		0		0
128 Fraud Recovery	0	0	0	0	0		0		0
128.1 Allowance for Doubtful Accounts - Fraud	0	0	0	0	0		0		0
129 Accrued Interest Receivable	0	0	0	0	0		0		0
120 Total Receivables, Net of Allowances for Doubtful Accounts	10,703	9,904	0	0	0	11,179	31,786	0	31,786
							0		
131 Investments - Unrestricted	0	0	0	0	0		0		0
132 Investments - Restricted	0	0	0	0	0		0		0
135 Investments - Restricted for Payment of Current Liability	0	0	0	0	0		0		0
142 Prepaid Expenses and Other Assets	36,482	43,504	0	0	6,960		86,946		86,946
143 Inventories	0	0	0	0	0		0		0
143.1 Allowance for Obsolete Inventories	0	0	0	0	0		0		0
144 Inter Program Due From	0	0	72,791	0	594,267		667,058	(667,058)	0
145 Assets Held for Sale	0	0	0	0	0		0		0
150 Total Current Assets	492,150	88,375	72,791	0	942,952	58,362	1,654,630	(667,058)	987,572
							0		
161 Land	696,850	629,183	0	0	0	0	1,326,033		1,326,033
162 Buildings	6,667,787	5,949,778	0	0	0	0	12,617,565		12,617,565
163 Furniture, Equipment & Machinery - Dwellings	394,076	0	0	0	0	0	394,076		394,076
164 Furniture, Equipment & Machinery - Administration	72,521	90,439	0	0	128,651	0	291,611		291,611
165 Leasehold Improvements	0	86,685	0	0	0	0	86,685		86,685
166 Accumulated Depreciation	(5,740,738)	(2,703,603)	0	0	(128,651)	0	(8,572,992)		(8,572,992)
167 Construction in Progress	0	0	0	0	0		0		0
168 Infrastructure	0	0	0	0	0		0		0
160 Total Capital Assets, Net of Accumulated Depreciation	2,090,496	4,052,482	0	0	0	0	6,142,978	0	6,142,978
							0		
171 Notes, Loans and Mortgages Receivable - Non-Current	0	0	0	0	0		0		0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	0	0	0	0	0		0		0
173 Grants Receivable - Non Current	0	0	0	0	0		0		0
174 Other Assets	6,365	7,285	0	0	14,382		28,032		28,032
176 Investments in Joint Ventures	0	0	0	0	0		0		0
180 Total Non-Current Assets	2,096,861	4,059,767	0	0	14,382	0	6,171,010	0	6,171,010
							0		
200 Deferred Outflow of Resources	4,955	5,671	0	0	11,196		21,822	0	21,822
							0		
290 Total Assets and Deferred Outflow of Resources	2,593,966	4,153,813	72,791	0	968,530	58,362	7,847,462	(667,058)	7,180,404
							0		
311 Bank Overdraft	0	0	0	0	0		0		0
312 Accounts Payable <= 90 Days	0	0	0	0	0		0		0
313 Accounts Payable >90 Days Past Due	0	0	0	0	0		0		0
321 Accrued Wage/Payroll Taxes Payable	2,856	7,627	0	0	10,129		20,612		20,612
322 Accrued Compensated Absences - Current Portion	8,351	17,352	0	0	19,020		44,723		44,723
324 Accrued Contingency Liability	0	0	0	0	0		0		0
325 Accrued Interest Payable	0	0	0	0	0		0		0
331 Accounts Payable - HUD PHA Programs	114,174	0	72,791	0	0		186,965		186,965
332 Account Payable - PHA Projects	0	0	0	0	0		0		0
333 Accounts Payable - Other Government	0	0	0	0	0		0		0
341 Tenant Security Deposits	21,183	34,967	0	0	0		56,150		56,150
342 Unearned Revenue	3,213	3,580	0	0	0	27,778	34,571		34,571
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	0	22,002	0	0	0		22,002		22,002
344 Current Portion of Long-term Debt - Operating Borrowings	0	0	0	0	0		0		0
345 Other Current Liabilities	2,095	6,170	0	0	0		8,265		8,265
346 Accrued Liabilities - Other	17,358	14,149	0	0	22,070		53,577		53,577
347 Inter Program - Due To	0	667,058	0	0	0		667,058	(667,058)	0
348 Loan Liability - Current	0	0	0	0	0		0		0
310 Total Current Liabilities	169,230	772,905	72,791	0	51,219	27,778	1,093,923	(667,058)	426,865
							0		
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	0	1,640,335	0	0	0		1,640,335		1,640,335
352 Long-term Debt, Net of Current - Operating Borrowings	0	0	0	0	0		0		0
353 Non-current Liabilities - Other	0	0	0	0	39,713		39,713		39,713
354 Accrued Compensated Absences - Non Current	12,017	21,208	0	0	23,247		56,472		56,472
355 Loan Liability - Non Current	0	0	0	0	0		0		0
356 FASB 5 Liabilities	0	0	0	0	0		0		0

ATHENS METROPOLITAN HOUSING AUHTORITY

ATHENS COUNTY

FINANCIAL DATA SCHEDULE- ENTITY WIDE BALANCE SHEET SUMMARY

AS OF DECEMBER 31, 2023

	Project Total	1 Business Activities	14.238 Shelter Plus Care	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
357 Accrued Pension and OPEB Liabilities	198,013	226,637	0	0	447,420		872,070		872,070
350 Total Non-Current Liabilities	210,030	1,888,180	0	0	510,380	0	2,608,590	0	2,608,590
							0		
300 Total Liabilities	379,260	2,661,085	72,791	0	561,599	27,778	3,702,513	(667,058)	3,035,455
							0		
400 Deferred Inflow of Resources	48,665	55,699	0	0	109,960		214,324	0	214,324
							0		
508.4 Net Investment in Capital Assets	2,090,496	2,390,145	0	0	0		4,480,641		4,480,641
511.4 Restricted Net Position	0	0	0	0	144,193		144,193		144,193
512.4 Unrestricted Net Position	75,545	(953,116)	0	0	152,778	30,584	(694,209)		(694,209)
513 Total Equity - Net Assets / Position	2,166,041	1,437,029	0	0	296,971	30,584	3,930,625	0	3,930,625
							0		
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$2,593,966	$4,153,813	$72,791	$0	$968,530	$58,362	$7,847,462	($667,058)	$7,180,404

ATHENS METROPOLITAN HOUSING AUHTORITY

ATHENS COUNTY

FINANCIAL DATA SCHEDULE- ENTITY WIDE BALANCE SHEET SUMMARY

AS OF DECEMBER 31, 2023

	Project Total	1 Business Activities	14.238 Shelter Plus Care	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$197,889	$533,348	$0	$0	$0		$731,237		$731,237
70400 Tenant Revenue - Other	22,456	18,431	0	0	0		40,887		40,887
70500 Total Tenant Revenue	220,345	551,779	0	0	0	0	772,124	0	772,124
70600 HUD PHA Operating Grants	487,214	0	203,164	45,897	4,563,247	124,402	5,423,924		5,423,924
70610 Capital Grants	76,844				0		76,844		76,844
70700 Total Fee Revenue	0	0	0	0	0	0	0	0	0
70800 Other Government Grants	0	0	0	0	0		0		0
71100 Investment Income - Unrestricted	8	0	0	0	211		219		219
71400 Fraud Recovery	0	0	0	0	8,404		8,404		8,404
71500 Other Revenue	19,924	72,858	0	0	592,283		685,065		685,065
70000 Total Revenue	804,335	624,637	203,164	45,897	5,164,145	124,402	6,966,580	0	6,966,580
91100 Administrative Salaries	24,086	91,105	16,399	29,833	238,646	4,000	404,069		404,069
91200 Auditing Fees	2,072	2,368	0	0	25,165		29,605		29,605
91300 Management Fee	0	0	0	0	0		0		0
91310 Book-keeping Fee	0	0	0	0	0		0		0
91400 Advertising and Marketing	0	0	0	0	88		88		88
91500 Employee Benefit contributions - Administrative	18,102	72,094	4,100	16,064	188,848	2,555	301,763		301,763
91600 Office Expenses	15,337	11,292	0	0	89,413		116,042		116,042
91700 Legal Expense	2,476	3,679	0	0	18,505		24,660		24,660
91800 Travel	78	66	0	0	415		559		559
91810 Allocated Overhead	0	0	0	0	0		0		0
91900 Other	58,339	134,300	0	0	228,680		421,319		421,319
91000 Total Operating - Administrative	120,490	314,904	20,499	45,897	789,760	6,555	1,298,105	0	1,298,105
92400 Tenant Services - Other	6,120	0	0	0	0		6,120		6,120
92500 Total Tenant Services	6,120	0	0	0	0	0	6,120	0	6,120
93100 Water	15,595	13,590	0	0	197		29,382		29,382
93200 Electricity	116,768	69,149	0	0	13,154		199,071		199,071
93300 Gas	32,702	7,234	0	0	1,101		41,037		41,037
93400 Fuel	0	0	0	0	0		0		0
93500 Labor	0	0	0	0	0		0		0
93600 Sewer	18,187	19,600	0	0	345		38,132		38,132
93700 Employee Benefit Contributions - Utilities	0	0	0	0	0		0		0
93800 Other Utilities Expense	0	0	0	0	0		0		0
93000 Total Utilities	183,252	109,573	0	0	14,797	0	307,622	0	307,622
94100 Ordinary Maintenance and Operations - Labor	81,531	29,779	0	0	0		111,310		111,310
94200 Ordinary Maintenance and Operations - Materials and Other	50,783	51,200	0	0	5,527		107,510		107,510
94300 Ordinary Maintenance and Operations Contracts	66,933	97,554	0	0	156,019		320,506		320,506
94500 Employee Benefit Contributions - Ordinary Maintenance	64,414	23,565	0	0	0		87,979		87,979
94000 Total Maintenance	263,661	202,098	0	0	161,546	0	627,305	0	627,305
96110 Property Insurance	61,463	71,986	0	0	14,784		148,233		148,233
96120 Liability Insurance	0	0	0	0	0		0		0
96130 Workmen's Compensation	0	0	0	0	0		0		0
96140 All Other Insurance	7,587	1,132	0	0	0		8,719		8,719
96100 Total insurance Premiums	69,050	73,118	0	0	14,784	0	156,952	0	156,952
96400 Bad debt - Tenant Rents	12,727	0	0	0	0		12,727		12,727
96000 Total Other General Expenses	12,727	0	0	0	0	0	12,727	0	12,727
96710 Interest of Mortgage (or Bonds) Payable	0	20,529	0	0	0		20,529		20,529
96720 Interest on Notes Payable (Short and Long Term)	0	0	0	0	0		0		0
96730 Amortization of Bond Issue Costs	0	0	0	0	0		0		0
96700 Total Interest Expense and Amortization Cost	0	20,529	0	0	0	0	20,529	0	20,529
96900 Total Operating Expenses	655,300	720,222	20,499	45,897	980,887	6,555	2,429,360	0	2,429,360
97000 Excess of Operating Revenue over Operating Expenses	149,035	(95,585)	182,665	0	4,183,258	117,847	4,537,220	0	4,537,220
97100 Extraordinary Maintenance	0	0	0	0	0		0		0
97200 Casualty Losses - Non-capitalized	0	0	0	0	0		0		0
97300 Housing Assistance Payments	0	13,252	182,665	0	3,829,838	115,995	4,141,750		4,141,750

ATHENS METROPOLITAN HOUSING AUHTORITY

ATHENS COUNTY

FINANCIAL DATA SCHEDULE- ENTITY WIDE BALANCE SHEET SUMMARY

AS OF DECEMBER 31, 2023

	Project Total	1 Business Activities	14.238 Shelter Plus Care	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	Subtotal	ELIM	Total
97350 HAP Portability-In	0	0	0	0	0		0		0
97400 Depreciation Expense	173,567	275,263	0	0	0		448,830		448,830
90000 Total Expenses	828,867	1,008,737	203,164	45,897	4,810,725	122,550	7,019,940	0	7,019,940
10010 Operating Transfer In	42,400	0	0	0	0		42,400	(42,400)	0
10020 Operating transfer Out	(42,400)	0	0	0	0		(42,400)	42,400	0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	(24,532)	(384,100)	0	0	353,420	1,852	(53,360)	0	(53,360)
							0		
11020 Required Annual Debt Principal Payments	0	22,002	0	0	0	0	22,002		22,002
11030 Beginning Equity	2,188,880	732,587	0	0	(55,566)	28,732	2,894,633		2,894,633
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	1,693	1,088,542	0	0	(883)		1,089,352		1,089,352
11170 Administrative Fee Equity					152,778		152,778		152,778
11180 Housing Assistance Payments Equity					144,193		144,193		144,193
11190 Unit Months Available	852	924	60	0	9,996	204	12,036		12,036
11210 Number of Unit Months Leased	838	862	52	0	9,098	197	11,047		11,047
11610 Land Purchases	0						0		0
11620 Building Purchases	76,844						76,844		76,844

OHIO AUDITOR OF STATE
KEITH FABER

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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*

Athens Metropolitan Housing Authority
Athens County
10 Hope Drive
Athens, Ohio 45701

To the Board of Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the Athens Metropolitan Housing Authority, Athens County, Ohio (the Authority), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated July 15, 2025 wherein we noted the Authority restated the Net Position at December 31, 2022 due to the identification of an overstatement of Loan-Payable in the prior period.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

Authority's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Corrective Action Plan. The Authority's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

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

July 15, 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 REQUIRED BY THE UNIFORM GUIDANCE

Athens Metropolitan Housing Authority
Athens County
10 Hope Drive
Athens, Ohio 45701

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

Qualified Opinion

We have audited Athens Metropolitan Housing Authority's, Athens County, Ohio (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 Athens Metropolitan Housing Authority's major federal program for the year ended December 31, 2023. Athens Metropolitan Housing Authority's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

Qualified Opinion on Housing Voucher Cluster

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion* section of our report, Athens 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 Housing Voucher Cluster for the year ended December 31, 2023.

Basis for Qualified Opinion

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

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

Matters Giving Rise to Qualified Opinion on Housing Voucher Cluster

As described in findings 2023-002 through 2023-005 in the accompanying Schedule of Findings, the Authority did not comply with requirements regarding the following:

Finding #	Assistance Listing #	Program (or Cluster) Name	Compliance Requirement
2023-002	14.871	Housing Voucher Cluster	Special Tests and Provisions
2023-003	14.871	Housing Voucher Cluster	Special Tests and Provisions
2023-004	14.871	Housing Voucher Cluster	Reporting
2023-005	14.871	Housing Voucher Cluster	Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Compliance with such requirements is necessary, in our opinion, for the Authority to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's responses to the noncompliance findings identified in our compliance audit described in the accompanying Corrective Action Plan. The Authority's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

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

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**.** We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings as items 2023-002 through 2023-005 to be material weaknesses.

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

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's responses to the internal control over compliance findings identified in our audit described in the accompanying Corrective Action Plan. The Authority's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

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

July 15, 2025

ATHENS METRPOLITAN HOUSNG AUTHORITY
ATHENS COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2023

1. SUMMARY OF AUDITOR'S RESULTS

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

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

Finding Number 2023-001

Material Weakness – Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

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

Finding Number 2023-001 (Continued)

Material Weakness – Financial Reporting (Continued)

Portions of long-term debt were paid off in a prior year but remained as a liability on the financial statements due to insufficient controls and monitoring by the prior Executive Director. This resulted in a material audit adjustment to decrease long-term debt and restate beginning balance by $1,089,352. As a result, adjustments with this which the Authority's management agrees, were made to the financial statements and ledgers and are reflected in the accompanying financial statements. These and other immaterial adjustments agreed to by management were made to the notes to the financial statements.

The Authority's Fiscal Manager should review all debt documentations to ensure properly recorded. Further, the Fiscal Manager should review the annual report before submitting to the Hinkle System to ensure accuracy.

Officials' Response: See Corrective Action Plan.

3. FINDINGS FOR FEDERAL AWARDS

Rent Reasonableness

Finding Number:	**2023-002**
Assistance Listing Number and Title:	**AL # 14.871 - Section 8 Housing Choice Vouchers/Housing Voucher Cluster**
Federal Award Identification Number / Year:	**2023**
Federal Agency:	**U.S. Department of Housing and Urban Development**
Compliance Requirement:	**Special Tests and Provisions, Reasonable Rent**
Pass-Through Entity:	**N/A**
Repeat Finding from Prior Audit?	**Yes**
Prior Audit Finding Number:	**2022-008**

Noncompliance and Material Weakness

24 CFR § 982.158(f)(7) provides that the Public Housing Authority (PHA) must keep records to document the basis for PHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract) for at least three years.

24 CFR § 982.54(d)(15) provide the Public Housing Authority (PHA) administrative plan must cover policies on the method of determining that rent to owner is a reasonable rent (initially and during the term of a Housing Assistance Payment contract).

The Authority's Housing Choice Voucher Administrative Plan Section 8 provides the Authority will make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

3. FINDINGS FOR FEDERAL AWARDS (Continued)

Finding Number 2023-002 (Continued)

Noncompliance and Material Weakness – Rent Reasonableness (Continued)

The Authority could not provide the reasonable rent certification for 12.5 percent of the initial occupancy tenant files tested and 1.7 percent of the current files tested for the Housing Voucher Cluster program. The failure to document rent reasonableness could lead to future questioned costs, reduced future federal funding, and the requirement to repay the U.S. Department of Housing and Urban Development.

The Executive Director and Housing Voucher Cluster employees should ensure all tenant files maintain the appropriate documentation and meet the requirements for rent reasonableness.

Officials' Response: See Corrective Action Plan.

HQS Enforcement

Finding Number:	**2023-003**
Assistance Listing Number and Title:	**AL # 14.871 - Section 8 Housing Choice Vouchers/Housing Voucher Cluster**
Federal Award Identification Number / Year:	**2023**
Federal Agency:	**U.S. Department of Housing and Urban Development**
Compliance Requirement:	**Special Tests and Provisions, HQS Enforcement/Housing Quality Standards Inspections**
Pass-Through Entity:	**N/A**
Repeat Finding from Prior Audit?	**Yes**
Prior Audit Finding Number:	**2022-004**

Noncompliance and Material Weakness

2 CFR § 982.404 provides that the owner must maintain the unit in accordance with HQS. If the owner fails to maintain the dwelling unit in accordance with Housing Quality Standards (HQS), the PHA must take prompt and vigorous action to enforce the owner obligations. PHA remedies for such breach of the HQS include termination, suspension or reduction of housing assistance payments and termination of the HAP contract. The PHA must not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the PHA and the PHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any PHA-approved extension). The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible (as provided in § 982.404(b) and § 982.551(c)). However, the PHA may terminate assistance to a family because of HQS breach caused by the family.

The Authority did not have HQS re-inspections completed within 30 calendar days for HQS inspection failures for 43 percent of inspection failures tested. Further, the Authority did not formally approve any related extensions. Failure to complete timely reinspections or approve extensions could result in dwellings not maintained in accordance with HQS.

3. FINDINGS FOR FEDERAL AWARDS (Continued)

Finding Number 2023-003 (Continued)

Noncompliance and Material Weakness – HQS Enforcement (Continued)

The Authority should complete re-inspections within the required time frame or approve extensions.

Officials' Response: See Corrective Action Plan.

Reporting

Finding Number:	**2023-004**
Assistance Listing Number and Title:	**AL # 14.871 - Section 8 Housing Choice Vouchers/Housing Voucher Cluster**
Federal Award Identification Number / Year:	**2023**
Federal Agency:	**U.S. Department of Housing and Urban Development**
Compliance Requirement:	**Reporting**
Pass-Through Entity:	**N/A**
Repeat Finding from Prior Audit?	**Yes**
Prior Audit Finding Number:	**2022-005**

Noncompliance and Material Weakness

2 CFR § 2400.101 gives regulatory effect to the Department of Housing and Urban Development for **2 CFR § 200.328** which provides that, unless otherwise approved by OMB, the Federal awarding agency must solicit only the OMB-approved governmentwide data elements for collection of financial information at time of publication the Federal Financial Report or such future, OMB-approved, governmentwide data elements available from the OMB-designated standards lead. This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes, and preferably in coordination with performance reporting. The Federal awarding agency must use OMB approved common information collections, as applicable, when providing financial and performance reporting information.

24 CFR § 5.801 (d)(1) provides that unaudited financial statements will be required 60 days after the PHA's fiscal year end, and audited financial statements will then be required no later than 9 months after the PHA's fiscal year end, in accordance with the Single Audit Act and 2 CFR part 200, subpart F. In addition, **24 CFR § 5.801 (b)(1)** provides that entities to which this subpart is applicable must provide to HUD such financial information as required by HUD prepared in accordance with Generally Accepted Accounting Principles (GAAP).

The Authority submitted its audited submission for the year ended December 31, 2022 in the Financial Assessment Sub-system (FASS-PH) on October 30, 2024. The Authority had received a ninety-two-day extension until December 31, 2023. This submission was not within the required timeframes or extension.

3. FINDINGS FOR FEDERAL AWARDS (Continued)

Finding Number 2023-004 (Continued)

Noncompliance and Material Weakness – Reporting (Continued)

The delays in submissions were due to investigations into fraudulent transactions by the former Executive Director. The failure to timely submit the required financial information reduces the U.S. Department of Housing and Urban Development's ability to monitor subrecipients.

The Authority should continue working with their compiler and auditors to rectify the accounting issues resulting from the actions of the former Executive Director. Once that is completed, the Authority should timely remit the required reports.

Officials' Response: See Corrective Action Plan.

Payroll Allocations and Contract Allocations

Finding Number:	**2023-005**
Assistance Listing Number and Title:	**AL # 14.871 - Section 8 Housing Choice Vouchers/Housing Voucher Cluster**
Federal Award Identification Number / Year:	**2023**
Federal Agency:	**U.S. Department of Housing and Urban Development**
Compliance Requirement:	**Activities Allowed or Unallowed and Allowable Costs/Cost Principles**
Pass-Through Entity:	**N/A**
Repeat Finding from Prior Audit?	**Yes**
Prior Audit Finding Number:	**2022-007**

Noncompliance and Material Weakness

2 CFR § 2400.101 gives regulatory effect to the Department of Housing and Urban Development for **2 CFR Part 200 Subpart E § 200.403** which provides that, except where otherwise authorized by statute, costs must meet certain general criteria in order to be allowable under Federal awards including being necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles and being adequately documented.

2 C.F.R. § 200.430 provides, in part, that costs of compensation are allowable to the extent that they satisfy the specific requirements of this part, and that the total compensation for individual employees is reasonable for the services rendered and conforms to the established written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities.

The Authority utilizes a standard allocation of 85% to serve as a cost allocation plan for consultant contracts to the Housing Choice Voucher (HCV) Program. However, the percentages in the plan are not updated annually and the plan does not specify which expenses are subject to the allocation percentage. Further, the Authority was unable to provide supporting documentation for the allocation percentages in the plan. As such, during 2023, the Authority charged $9,068 to the Housing Voucher Cluster in excess of supported amounts.

3. FINDINGS FOR FEDERAL AWARDS (Continued)

Finding Number 2023-005 (Continued)

Noncompliance and Material Weakness – Payroll Allocations and Contract Allocations (Continued)

In addition, the Authority approved a standard allocation of 59% for employee benefits charged to the Housing Choice Voucher (HCV) Program. However, the Authority charged 85% of certain benefits for employees during 2023 resulting in $2,080 charged to the Housing Voucher Cluster in excess of supported amounts.

The failure to update and support percentages used to allocate federal expenditures to ensure they are reasonable based on current activity could result in findings for adjustment or questioned costs in the federal programs. During 2023, the total unsupported charges totaled $11,148.

The Authority should update the percentages used in its cost allocation plan. Further, the Authority should update its plan to identify which expenses are subject to allocation by this plan. In addition, the Authority should utilize only approved and supported percentages for allocation of federal expenditures.

Officials' Response: See Corrective Action Plan.

Athens Metropolitan Housing Authority
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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
2 CFR 200.511(b)
DECEMBER 31, 2023

Finding Number	Finding Summary	Status	Additional Information
2022-001	Noncompliance and Material Weakness relating to Ohio Rev. Code §117.38 due to late and incomplete HINKLE filing.	Fully Corrected	N/A
2022-002	Material Weakness relating to inadequate Segregation of Duties.	Fully Corrected	N/A
2022-003	Material Weakness related to a lack of timely and accurate bank reconciliations and lack of audit evidence to support the completeness of the amounts reported on the financial statements, as well as certain transactions, including fraudulent transactions.	Fully Corrected	N/A
2022-004	Noncompliance and Material Weakness related to 24 CFR § 982.404 and HQS Enforcement for AL # 14.871 - Section 8 Housing Choice Vouchers/Housing Voucher Cluster.	Not Corrected	The Authority has contracted with the Inspection Group and has contracted with HAPCAP to also do inspections to ensure that all inspections are done in time. The Authority has designated a staff person to keep track of abatements and to send an inspector out to do a reinspection within the permitted time frames. If the unit fails a second inspection, in most cases the HAP is abated, or a formal extension is granted on occasion.
2022-005	Noncompliance and Material Weakness pertaining to the Reporting compliance for AL # 14.871 - Section 8 Housing Choice Vouchers/Housing Voucher Cluster.	Not Corrected	The extension was granted and the housing authority kept in contact by email to HUD in regard to the lengthy audit process due to former executive director. Our plan is to be timelier once these issues are rectified.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
2 CFR 200.511(b)
DECEMBER 31, 2023
(Continued)

Finding Number	**Finding Summary**	**Status**	**Additional Information**
2022-006	Noncompliance, Material Weakness, and Questioned Cost for $324,624 pertaining to the Activities Allowed or Unallowed and Allowable Costs/Cost Principles of AL # 14.871 - Section 8 Housing Choice Vouchers/Housing Voucher Cluster.	Fully Corrected	N/A
2022-007	Noncompliance and Significant Deficiency pertaining to Activities Allowed or Unallowed and Allowable Costs/Cost Principles for AL # 14.871 - Section 8 Housing Choice Vouchers/Housing Voucher Cluster.	Not Corrected	The Authority has updated our allocation plan and added actual percentages to the plan. A/P was unaware that all employee benefits were at a different percentage; has since then been remedied.
2022-008	Noncompliance and Material Weakness pertaining to Rent Reasonableness in the AL # 14.871 - Section 8 Housing Choice Vouchers/Housing Voucher Cluster.	Not Corrected	The Authority is now in contract with the Nelrod company to do Authority Rent Reasonableness.
2022-009	Material Weakness related to financial reporting as it pertains to single audit compliance.	Fully Corrected	N/A

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CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
DECEMBER 31, 2023

Finding Number:	2023-001
Planned Corrective Action:	All debt documentation has been reviewed, and finance will work with our fee accountant to follow up.
Anticipated Completion Date:	June 30, 2025
Responsible Contact Person:	Sherrie Boudinot

Finding Number:	2023-002
Planned Corrective Action:	The Authority is now in contract with the Nelrod company to do Authority Rent Reasonableness.
Anticipated Completion Date:	August 2024
Responsible Contact Person:	Zackary Dye/Erica Flanders

Finding Number:	2023-003
Planned Corrective Action:	The Authority has contracted with the Inspection Group and has contracted with HAPCAP to also do inspections to ensure that all inspections are done in time. The Authority has designated a staff person to keep track of abatements and to send an inspector out to do a reinspection within the permitted time frames. If the unit fails a second inspection, in most cases the HAP is abated, or a formal extension is granted on occasion.
Anticipated Completion Date:	October 2024
Responsible Contact Person:	Erica Flanders

Finding Number:	2023-004
Planned Corrective Action:	The extension was granted and the housing authority kept in contact by email to HUD in regard to the lengthy audit process due to former executive director. Our plan is to be timelier once these issues are rectified.
Anticipated Completion Date:	May 31, 2025
Responsible Contact Person:	Sherrie Boudinot, Zackary Dye

Finding Number:	2023-005
Planned Corrective Action:	The Authority has updated our allocation plan and added actual percentages to the plan. A/P was unaware that all employee benefits were at a different percentage; has since then been remedied.
Anticipated Completion Date:	April 15, 2025
Responsible Contact Person:	Sherrie Boudinot

OHIO AUDITOR OF STATE
KEITH FABER

ATHENS METROPOLITAN HOUSING AUTHORITY

ATHENS 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 8/12/2025

65 East State Street, Columbus, Ohio 43215
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