



**bhm cpa group, inc.**  
CERTIFIED PUBLIC ACCOUNTANTS

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WAYNE METROPOLITAN HOUSING AUTHORITY  
WAYNE COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2022

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OHIO AUDITOR OF STATE  
KEITH FABER



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Board of Commissioners  
Wayne Metropolitan Housing Authority  
345 North Market Street  
Wooster, Ohio 44691

We have reviewed the *Independent Auditor's Report* of Wayne Metropolitan Housing Authority, Wayne County, prepared by BHM CPA Group, Inc., for the audit period January 1 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

November 22, 2023

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**Wayne Metropolitan Housing Authority**  
**Wayne County**  
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*For the Year Ended December 31, 2022*

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**INDEPENDENT AUDITOR'S REPORT**

Wayne Metropolitan Housing Authority  
Wayne County  
345 North Market Street  
Wooster, Ohio 44691

To the Board of Commissioners:

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the financial statements of the Wayne Metropolitan Housing Authority, Wayne County, Ohio (Authority), as of and for the year ended December 31, 2022, 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 Wayne Metropolitan Housing Authority, Wayne County, Ohio as of December 31, 2022, and the changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Basis for Opinion***

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

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

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



**Supplementary information**

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

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Certificate of Actual Modernization Costs, Supplemental Financial Data Schedules and 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 August 30, 2023, 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.



BHM CPA Group, Inc.  
Piketon, Ohio  
August 30, 2023

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**WAYNE METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)**

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The Wayne 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 2022 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 increased by \$410,394 or 7.4% from what was reported at December 31, 2021. Since the Authority engages only in business-type activities, the decrease is all in the category of business-type net position.
- Revenues decreased by \$226,280 or 2.9% during 2022.
- Total expenses of all Authority programs increased by \$277,748, or 4.0% during 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) is reported in three broad categories:

**WAYNE METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
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Net Investment 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 net position, 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 does not meet the definition of “Net Investment in Capital Assets” or “Restricted Net Position”.

The Authority financial statements also include a Statement of Revenues, Expenses and Changes in Net Position, which is 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 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 funds 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.

**WAYNE METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
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**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 ACC 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.

State / Local – State / Local represents Authority owned housing properties that are not subsidized by HUD; management services that the Authority provides to a local non-profit entity under contract for management (Secrest Village Apartments); Community Housing Impact and Preservation programs that the Authority administers and implements under contract with both Wayne County and the City of Wooster; and a multi-family project that is subsidized by USDA Rural Development (Shreve Manor Apartments). Revenues and expenses for these services are identified and tracked separate from the HUD activities.

The Authority's properties not subsidized by HUD or USDA Rural Development are generally dedicated to clients of the local Board of Developmental Disabilities (DD) or the local Mental Health and Recovery Board (MHRB). Some of these properties have debt attached to them, however most received a portion of their acquisition costs from either client-family contributions, from the State of Ohio Community Capital Assistance Funds applied for through the Board of DD, or from a forgivable grant received through the Ohio Department of Mental Health.

The Authority's management contract is with a not-for-profit entity that depends on the Authority to handle all of its management concerns including day-to-day operations as well as corporate accounting and reporting.

**WAYNE METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)**

**AUTHORITY STATEMENTS**

**Statement of Net Position**

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

**TABLE 1  
STATEMENT OF NET POSITION**

	<b><u>2022</u></b>	<b><u>2021</u></b>
Current Assets	\$ 1,298,465	\$ 1,246,833
Capital and Non-Current Assets	8,304,387	8,401,049
<b>Total Assets</b>	<b>\$ 9,602,852</b>	<b>\$ 9,647,882</b>
Deferred Outflows	\$ 511,179	\$ 61,588
<b>Total Assets &amp; Deferred Outflows</b>	<b><u>\$ 10,114,031</u></b>	<b><u>\$ 9,709,470</u></b>
Current Liabilities	\$ 568,659	\$ 525,035
Long-Term Liabilities	2,438,954	2,816,657
<b>Total Liabilities</b>	<b>\$ 3,007,613</b>	<b>\$ 3,341,692</b>
Deferred Inflows	\$ 1,143,883	\$ 815,637
Net Position:		
Net Investment in Capital Assets	\$ 6,215,968	\$ 6,307,113
Restricted Net Position	170,433	133,879
Unrestricted Net Position	(423,866)	(888,851)
<b>Total Net Position</b>	<b>\$ 5,962,535</b>	<b>\$ 5,552,141</b>
<b>Total Liabilities, Deferred Inflows, and Net Position</b>	<b><u>\$ 10,114,031</u></b>	<b><u>\$ 9,709,470</u></b>

**WAYNE METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
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**Major Factors Affecting the Statement Of Net Position**

During 2022, current assets increased by \$51,632, and current liabilities increased by \$43,624. The increase in current assets is mostly due to increases in cash, prepaid expenses, and inventory due to normal operations. The increase in current liabilities is due primarily to an increase in accrued expenses and liabilities from the previous year.

Net Investment in Capital Assets decreased to \$6,215,968 from \$6,307,113. The \$91,145 decrease can be attributed to a net result of property improvements, equipment additions, debt repayment, and depreciation from normal operations. For more detail see "Capital Assets" presented later in this report.

The following table presents details on the change in Unrestricted Net Position.

**TABLE 2  
CHANGE OF UNRESTRICTED NET POSITION**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Investment In Capital Assets</b>
Beginning Balance - January 1, 2022	\$ (888,851)	\$ 133,879	\$ 6,307,113
Results of Operation	410,394		
Adjustments:			
Current Year Depreciation Expense (1)	501,168		(501,168)
Capital Expenditure, Net of Disposal (2)	(259,618)		259,618
Current Year Debt Proceeds, Net of Retirement	(150,405)		150,405
Transfer to (from) Restricted Net Position	(36,554)	36,554	
<b>Ending Balance - December 31, 2022</b>	<b>\$ (423,866)</b>	<b>\$ 170,433</b>	<b>\$ 6,215,968</b>

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

(2) Capital expenditures represent an outflow of unrestricted net position, but are not treated as an expense against Results of Operations, and therefore must be deducted.

**WAYNE METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)**

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While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer presentation of financial position.

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

**TABLE 3**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

	<u>2022</u>	<u>2021</u>
<b><u>Revenues</u></b>		
Total Tenant Rent Revenues	\$ 1,152,664	\$ 1,063,967
Operating Subsidies	6,069,622	6,202,300
Capital Grants	175,680	94,461
Investment Income	1,074	1,994
Other Revenues	239,182	501,780
	<b>7,638,222</b>	<b>7,864,502</b>
<b><u>Expenses</u></b>		
Administrative	1,152,355	612,540
Utilities	399,910	375,339
Maintenance	701,172	974,977
General and Interest Expenses	260,438	296,790
Housing Assistance Payments	4,212,785	4,176,880
Depreciation	501,168	513,554
	<b>7,227,828</b>	<b>6,950,080</b>
<b>Net Increases (Decreases)</b>	<b>\$ 410,394</b>	<b>\$ 914,422</b>



**WAYNE METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)**

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**Major Factors Affecting The Statement Of Revenue, Expenses And Changes In Net Position**

Tenant revenue increased by \$88,697 during 2022 compared to the prior year. The increase was due primarily to increases in unit occupancy as compared to 2021. Capital Grants show an increase of \$81,219 from 2021 due to an increased amount of capital expenditures from the grant during this period. Overall total revenue decreased by \$226,280 from 2021, mostly due to the expiration of emergency funding from HUD through the CARES Act, decreased Section 8 HAP funds, and fewer private donations as compared to the previous period.

Administrative expenses increased by \$539,815 from 2021. This was mostly due to significant wage and benefit increases during the period, as well as increased expense for proportionate share of pension and OPEB liabilities per GASB 68 and GASB 75 requirements. Maintenance expense decreased by \$273,805 due to lower contracts expense. General expenses decreased by \$36,352 mostly because of the expiration of landlord incentive payments on the Housing Choice Voucher program. All other expense categories varied by less than 10% from the previous year.

**CAPITAL ASSETS**

**Capital Assets**

As of year-end, the Authority had \$7,734,049 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of \$241,550 or about 3.0% from the end of 2021. This decrease was a net result of normal property improvements and equipment additions, payment of mortgage debts, and the accumulated depreciation of all properties and other fixed assets.

**WAYNE METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)**

**TABLE 4**

**CAPITAL ASSETS AT YEAR-END (NET OF DEPRECIATION)**

	<u>2022</u>	<u>2021</u>
Land and Land Rights	\$ 2,341,833	\$ 2,310,732
Buildings and Improvements/Additions	21,770,635	21,558,220
Furniture & Equipment	875,786	887,127
Construction in Progress	276,726	328,304
Accumulated Depreciation	(17,530,931)	(17,108,784)
<b>Total</b>	<b>\$ 7,734,049</b>	<b>\$ 7,975,599</b>

The following reconciliation identifies the change in Capital Assets.

**TABLE 5**

**CHANGE IN CAPITAL ASSETS**

Beginning Balance - January 1, 2022	\$ 7,975,599
Current Year Additions	259,618
Current Year Depreciation Expense	(501,168)
Adjustments to A/D to Properly	79,023
State Assets	
Disposal of Assets	(79,023)
<b>Ending Balance - December 31, 2022</b>	<b>\$ 7,734,049</b>
Current Year Additions are summarized	
as follows:	
Buildings Improvements & Additions	306,088
Equipment Additions	5,108
Change in Construction in Progress	(51,578)
<b>Total Additions, 2022</b>	<b>\$ 259,618</b>

**WAYNE METROPOLITAN HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022  
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**Debt Outstanding**

As of year-end, the Authority has \$1,518,081 in debt (mortgages and loans) outstanding compared to \$1,668,486 in the previous year. The \$150,405 decrease was a result of regular principal payments on existing loans.

**TABLE 6**

**CONDENSED STATEMENT OF CHANGES IN DEBT OUTSTANDING**

Beginning Balance - January 1, 2022		\$ 1,668,486
Current Year Loans		-
Current Year Loan Retirements		(150,405)
<b>Ending Balance - December 31, 2022</b>		<b>\$ 1,518,081</b>

**ECONOMIC FACTORS**

Significant economic factors affecting the Authority are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development
- 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
- Inflationary pressure on utility rates, supplies and other costs

**FINANCIAL CONTACT**

The individual to be contacted regarding this report is Debra A. Catlett, Executive Director of the Wayne Metropolitan Housing Authority, who can be reached by phone at (330) 264-2727.

Specific requests may be submitted to the Wayne Metropolitan Housing Authority at:  
 345 North Market Street, Wooster, Ohio 44691  
 Fax: (330) 263-1521  
 Email: [dcattlett@waynemha.org](mailto:dcattlett@waynemha.org)

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**STATEMENT OF NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**ASSETS**

**Current Assets**

Cash and Cash Equivalents - Unrestricted	\$ 598,467
Cash and Cash Equivalents - Restricted	430,636
Receivables, Net of Allowance for Doubtful Accounts	109,158
Inventory, Net of Allowance for Obsolete	43,343
Prepaid Expenses	116,861
<b>Total Current Assets</b>	<b>1,298,465</b>

**Noncurrent Assets**

Other Non-Current Assets	300,200
Net Pension Asset	12,675
Net OPEB Asset	257,463
Non-Depreciable Capital Assets	2,618,559
Depreciable Capital Assets, Net of Depreciation	5,115,490
<b>Total Noncurrent Assets</b>	<b>8,304,387</b>

Deferred Outflow of Resources	511,179
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<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 10,114,031</b>
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**LIABILITIES**

**Current Liabilities**

Accounts Payable	\$ 87
Accrued Wages & Payroll Taxes	96,117
Tenant Security Deposits	76,035
Accrued Compensated Absences, Current Portion	11,980
Accrued Intergovernmental Payable	112,279
Unearned Revenue	24,245
Other Current Liabilities	90,555
Long-Term Debt, Current Portion	157,361
<b>Total Current Liabilities</b>	<b>568,659</b>

**Noncurrent Liabilities**

Other Non-Current Liabilities	312,755
Net Pension Liability	721,264
Accrued Compensated Absences, Net of Current Portion	44,215
Long-Term Debt, Net of Current Portion	1,360,720
<b>Total Noncurrent Liabilities</b>	<b>2,438,954</b>
<b>TOTAL LIABILITIES</b>	<b>3,007,613</b>

Deferred Inflow of Resources	1,143,883
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**NET POSITION**

Net Investment in Capital Assets	6,215,968
Restricted Net Position	170,433
Unrestricted Net Position	(423,866)
<b>TOTAL NET POSITION</b>	<b>5,962,535</b>

<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, &amp; NET POSITION</b>	<b>\$ 10,114,031</b>
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See accompanying notes to the financial statements.

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

<b><u>Operating Revenue</u></b>	
Government Operating Subsidies and Grants	\$ 6,069,622
Tenant Revenue	1,152,664
Other Income	236,122
<b>Total Operating Revenue</b>	<b>7,458,408</b>
 <b><u>Operating Expenses</u></b>	
Administration	1,152,355
Utilities	399,910
Maintenance	701,172
General	212,432
Housing Assistance Payments	4,212,785
Depreciation	501,168
<b>Total Operating Expenses</b>	<b>7,179,822</b>
<b>Net Operating Income (Loss)</b>	<b>278,586</b>
 <b><u>Nonoperating Revenues/(Expenses)</u></b>	
Investment Income - Unrestricted	1,074
Interest Expense	(48,006)
Loss (Gain) on Sale of Assets	3,060
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>(43,872)</b>
Excess of Revenue Over(Under) Expenses before Capital Grants	234,714
Capital Grants	175,680
<b>Change in Net Position</b>	<b>410,394</b>
Total Net Position - Beginning of Year	5,552,141
<b>Total Net Position - Ending</b>	<b>\$ 5,962,535</b>

See accompanying notes to the financial statements.

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

<b><u>Cash Flows from Operating Activities</u></b>	
Receipts from Operating Grants	\$ 6,061,195
Receipts from Residents	1,148,218
Other Receipts	253,535
Payments for Housing Assistance	(4,212,785)
Payments for Administrative Expenses	(1,689,290)
Payments for General Expenses	(1,263,002)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>297,871</b>
<b><u>Cash Flows from Capital and Related Financing Activities</u></b>	
Property and Equipment Additions	(256,558)
Long-Term Debt Incurred	0
Payments on Long-Term Debt	(150,405)
Interest Paid on Long-Term Debt	(48,006)
Capital Grant Funds Received	175,680
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(279,289)</b>
<b><u>Cash Flows from Investing Activities</u></b>	
Investment Income	1,263
<b>Net Cash Provided from Investing Activities</b>	<b>1,263</b>
<b>Net Increase (Decrease) in Cash</b>	<b>19,845</b>
Cash and Cash Equivalents at Beginning of Year	1,009,258
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 1,029,103</b>
<b><u>Reconciliation of Net Operating Income to Net Cash Provided (Used) by Operating Activities</u></b>	
Net Operating Income (Loss)	\$ 278,586
Adjustments to Reconcile Net Income to Net Cash:	
Provided by Operating Activities:	
Depreciation	501,168
(Increase) Decrease in:	
Accounts Receivable	(7,962)
Inventory	(12,576)
Other Non-Current Assets	(144,888)
Deferred Outflows	(449,591)
Prepaid Expenses	(11,131)
Increase (Decrease) in:	
Accounts Payable	(250)
Accrued Wages and Benefits Payable	(26,319)
Unearned Revenue	1,644
Compensated Absences	(17,054)
Other Liabilities	31,306
Intergovernmental Payable	27,542
Accrued Pension & OPEB Liabilities	(264,764)
Deferred Inflows	328,246
Tenant Security Deposits	1,727
Other Non-Current Liabilities	62,187
<b>Net Cash provided (Used) by Operating Activities</b>	<b>\$ 297,871</b>

See accompanying notes to the financial statements

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Reporting Entity**

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

The nucleus of the financial reporting entity as defined by the Governmental Accounting Standards Board (GASB) Statement No. 61 is the “primary government”. A fundamental characteristic of a primary government is that it is a fiscally independent entity. In evaluating how to define the financial reporting entity, management has considered all potential component units. A component unit is a legally separate entity for which the primary government is financially accountable. The criteria of financial accountability are the ability of the primary government to impose its will upon the potential component unit. These criteria were considered in determining the reporting entity. The Authority has no component units based on the above considerations.

**Basis of Presentation**

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

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

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

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

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

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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

**Measurement Focus and Basis of Accounting**

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

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

**Use of Estimates**

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

**Cash and Cash Equivalents**

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

**Capital Assets**

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

Buildings	30 years
Building Improvements	15 years
Land Improvements	15 years
Equipment	5 years
Autos	5 years
Computers	5 years



**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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

**Capitalization of Interest**

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

**Investments**

Investments are stated at fair value. Cost based measures of fair value were applied to nonnegotiable certificates of deposit and money market investments.

**Compensated Absences**

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

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

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

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement 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) until then. For the Authority, deferred outflows of resources are reported on the Statement of Net Position for pension and other postemployment benefits (OPEB). The deferred outflows of resources related to pension/OPEB are explained in Notes 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 as an inflow or resources (revenue) until that time. For the Authority, deferred inflows of resources include pension, OPEB and grants. Deferred inflows of resources related to pension, OPEB and grants are reported on the Statement of Net Position.

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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

**Pensions and Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the defined benefit retirement plans discussed in Notes 6 and 7 and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2: **DEPOSITS AND INVESTMENTS**

**Cash on Hand**

At December 31, 2022, the carrying amount of the Authority's deposits was \$1,029,103 (including \$430,636 of restricted funds, and \$100 of petty cash).

At December 31, 2022, the bank balance of the Authority's cash deposits was \$1,216,083. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of December 31, 2022, deposits totaling \$500,000 were covered by Federal Depository Insurance and deposits totaling \$716,083 were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Authority's name.

Custodial credit is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. The Authority's policy is to place deposits with major local banks approved by the Board. Multiple financial institution collateral pools that insure public deposits must maintain collateral in excess of 110 percent of deposits. All deposits, except for deposits held by fiscal and escrow agents, are collateralized with eligible securities in amounts equal to at least 110 percent of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the Ohio Revised Code, is held in financial institution pools at Federal Reserve banks, or at member banks of the Federal Reserve system in the name of the respective depository bank, and pledged as a pool of collateral against all of the public deposits it holds, or as specific collateral held at a Federal Reserve bank in the name of the Authority.

**Investments**

The Authority has a formal investment policy. The Authority follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At December 31, 2022, the Authority had no investments.

**WAYNE METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 2: **DEPOSITS AND INVESTMENTS** (Continued)

**Interest Rate Risk**

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

**Credit Risk**

The credit risks of the Authority’s investments are in the table below. The Authority has no investment policy that would further limit its investment choices.

**Custodial Credit Risk**

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

**Concentration of Credit Risk**

The Authority places no limit on the amount it may invest in any one insurer. The Authority’s deposits in financial institutions represent 100 percent of its deposits.

Cash and investments at year-end were as follows:

<u>Cash and Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (≤ 1 Year)</u>
Carrying Amount of Deposits	\$ 1,029,003	\$ 1,029,003
Petty Cash	100	100
<b>Totals</b>	<b>\$ 1,029,103</b>	<b>\$ 1,029,103</b>

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**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE 3: RESTRICTED CASH**

The restricted cash balance of \$430,636 on the financial statements represents the following:

Excess cash advanced to the Housing Choice Voucher Program				
by HUD for Housing Assistance Payments			\$	99,896
Tenant Security Deposits				76,035
FSS Escrow Funds				184,168
Reserve for Replacement and Mortgage Sinking Funds				70,537
				Total Restricted Cash
			\$	430,636

**NOTE 4: CAPITAL ASSETS**

A summary of capital assets at December 31, 2022 by class is as follows:

	Balance 12/31/2021	Reclasses	Additions	Deletions	Balance 12/31/2022
<b><u>Capital Assets Not Being Depreciated</u></b>					
Land	\$ 2,310,732	\$ 31,101	\$ -	\$ -	\$ 2,341,833
Construction in Progress	328,304	(246,083)	194,505	-	276,726
<b>Total Capital Assets</b>					
<b>Not Being Depreciated</b>	2,639,036	(214,982)	194,505	-	2,618,559
<b><u>Capital Assets Being Depreciated</u></b>					
Buildings and Improvements	21,558,222	214,982	60,005	(62,574)	21,770,635
Furniture, Equipment, and Machinery - Dwelling	194,466	-	2,849	-	197,315
Furniture, Equipment, and Machinery - Admin	692,661	-	2,259	(16,449)	678,471
<b>Subtotal Capital Assets</b>					
<b>Being Depreciated</b>	22,445,349	214,982	65,113	(79,023)	22,646,421
<b><u>Accumulated Depreciation</u></b>					
Buildings and Improvements	(16,407,085)	-	(446,446)	62,574	(16,790,957)
Furniture and Equipment - Dwelling	(181,156)	-	(4,908)	-	(186,064)
Furniture and Equipment - Admin	(520,545)	-	(49,814)	16,449	(553,910)
<b>Subtotal Accumulated Depreciation</b>	(17,108,786)	-	(501,168)	79,023	(17,530,931)
<b>Capital Assets Being Depreciated, Net</b>	5,336,563	214,982	(436,055)	-	5,115,490
<b>Total Capital Assets, Net</b>	\$ 7,975,599	\$ -	\$ (241,550)	\$ -	\$ 7,734,049

Depreciation is calculated using the straight line method with lives varying between 5 and 30 years.

The depreciation expense for the year ended December 31, 2022 was \$501,168.

**WAYNE METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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**NOTE 5: RESTRICTED NET POSITION**

The Authority’s restricted net position are as follows:

Section 8 Housing Choice Voucher funds provided	\$99,896
for Housing Assistance Payments in excess of the amounts used	
Reserve for Replacement and Mortgage Sinking Funds	70,537
Total Restricted Net Position	\$170,433

**NOTE 6: DEFINED BENEFIT PENSION PLAN**

**Net Pension Liability (Asset)/Net OPEB Liability (Asset)**

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

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset).

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

**Net Pension Liability (Asset)/Net OPEB Liability (Asset)** (Continued)

Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The remainder of this note includes the pension disclosures. See Note 7 for the OPEB disclosures.

**Plan Description – Ohio Public Employees Retirement System**

All public employees, except those covered by another state retirement system in Ohio or the Cincinnati Retirement System, are required to become contributing members of OPERS when they begin public employment unless they are exempted or excluded as defined by the Ohio Revised Code. For actuarial purposes, employees who have earned sufficient service credit (60 contributing months) are entitled to a future benefit from OPERS. Employer, employee and retiree data as of December 31, 2021 can be found in the OPERS 2021 Annual Comprehensive Financial Report.

**Pension Benefits**

The Authority participates 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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

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

**WAYNE METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)**

**Pension Benefits (Continued)**

<b>Group A</b> Eligible to retire prior to January 7, 2013, or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013, or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

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

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

**Pension Benefits** (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Effective January 1, 2022, the Combined Plan was consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option is no longer be available for member selection.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the fiscal year ended December 31, 2022, the contribution rate for members in the state and local classification remained 10 percent. The Authority's contribution rate for members in state and local classifications for the fiscal year ended December 31, 2022 was 14.0 percent. State statute sets a maximum contribution rate for the Authority of 14.0 percent.

The Authority's contractually required contribution to OPERS was \$169,075 for fiscal year 2022. The entire contribution has been made.

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

The net pension liability reported as of December 31, 2022 was measured as of December 31, 2021 for OPERS, 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 contribution of all participating entities. Following is information related to the proportionate share and pension expense:



**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

	<b>OPERS</b>	<b>OPERS</b>
	<b><u>Traditional</u></b>	<b><u>Combined</u></b>
Proportionate Share of the Net Pension Liability (Asset)	\$ 721,264	\$ (12,675)
Proportion of the Net Pension Liability (Asset) - Prior Year	0.006788%	0.006626%
Proportion of the Net Pension Liability (Asset) - Current Year	0.008290%	0.003217%
Change in Proportion	0.001502%	-0.003409%
 Pension Expense (Gain)	 \$ <u>(135,083)</u>	 \$ <u>(1,660)</u>

At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>OPERS</b>	<b>OPERS</b>
	<b><u>Traditional</u></b>	<b><u>Combined</u></b>
<b>Deferred Outflows of Resources:</b>		
Differences between expected and actual economic experience	\$ 36,769	\$ 79
Changes of assumptions	\$ 90,193	\$ 637
Changes in proportion	\$ 185,860	\$ 6,273
Contributions subsequent to the measurement date	\$ 166,975	\$ 1,950
Total	<u>\$ 479,797</u>	<u>\$ 8,939</u>
	<b>PERS</b>	<b>PERS</b>
	<b><u>Traditional</u></b>	<b><u>Combined</u></b>
<b>Deferred Inflows of Resources:</b>		
Differences between expected and actual economic experience	\$ 15,819	\$ 1,418
Differences between projected and actual investment earnings	<u>\$ 857,917</u>	<u>\$ 2,718</u>
Total	<u>\$ 873,736</u>	<u>\$ 4,136</u>

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

\$169,075 reported as deferred outflows of resources related to pension resulting from the Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<b><u>OPERS</u></b> <b><u>Traditional</u></b>	<b><u>OPERS</u></b> <b><u>Combined</u></b>
Fiscal Year Ending September 30:		
2023	\$ 19,079	\$ 30
2024	(241,787)	(288)
2025	(201,732)	107
2026	(136,474)	305
2027	-	789
Thereafter	-	1,910
	\$ (560,914)	\$ 2,853

**Actuarial Assumptions – OPERS**

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, 2021, 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. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2% down to 6.9%, for the defined benefit investments. Key actuarial assumptions and methods used in the latest actuarial valuation, reflecting experience study results, are presented below:

Measurement and Valuation Date	December 31, 2021
Experience Study	5-Year Period Ended December 31, 2020
Actuarial Cost Method	Individual Entry Age
Wage Inflation	2.75 percent
Projected Salary increase	2.75-10.75% (Traditional); 2.75%-8.25% (Combined)
Investment Rate of Return	6.90 percent
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3 percent simple

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	Post-1/7/2013 Retirees: 3 percent simple through 2022, then 2.05% simple
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NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

**Actuarial Assumptions – OPERS (Continued)**

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

**Discount Rate**

The discount rate used to measure the total pension liability was 6.9% 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, 2021, these best estimates are summarized in the following table:

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NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

**Discount Rate** (Continued)

<u>Asset Class</u>	<u>Target Allocation For 2021</u>	Weighted Average Long-Term Expected Real Rate of Return <u>(Arithmetic)</u>
Fixed Income	24.00%	1.03%
Domestic Equities	21.00%	3.78%
Real Estate	11.00%	3.66%
Private Equity	12.00%	7.43%
International Equities	23.00%	4.88%
Risk Parity	5.00%	2.92%
Other Investments	<u>4.00%</u>	<u>2.85%</u>
Total	<u>100.00%</u>	<u>4.21%</u>

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 15.3% for 2021.

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

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

	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
Authority's proportionate share of the net pension liability (asset) - Traditional	\$1,901,643	\$721,264	(\$260,969)
Authority's proportionate share of the net pension liability (asset) - Combined	(\$9,458)	(\$12,675)	(\$15,184)

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**NOTE 7: DEFINED BENEFIT OPEB PLANS**

**Net Other Postemployment Benefits (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 manner in which OPEB are financed; however, the Authority does receive the benefit of employees’ services in exchange for compensation including OPEB. GASB 75 assumes the liability/asset 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 (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. The proportionate share of each plan’s unfunded benefits is presented as a long-term net OPEB liability (asset) on the accrual basis of accounting.

**Ohio Public Employees Retirement System**

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans

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NOTE 7: **DEFINED BENEFIT OPEB PLANS** (Continued)

**Ohio Public Employees Retirement System** (Continued)

from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

The health care 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 separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance. Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement

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NOTE 7: **DEFINED BENEFIT OPEB PLANS** (Continued)

**Ohio Public Employees Retirement System** (Continued)

75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. For the time period January 1, 2022 through June 30, 2022, OPERS did not allocate any employer contributions to health care for members in the Combined Plan. For the time period July 1, 2022 through December 31, 2022, OPERS allocated 2.0 percent of employer contributions to health care for members in the Combined Plan. 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 2022 was 4.0 percent.

The Authority's contractually required contribution for health care for the fiscal year ended December 31, 2022 was \$150.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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NOTE 7: **DEFINED BENEFIT OPEB PLANS** (Continued)

**Net Other Post Employment Benefit (OPEB) Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Liability (Asset)**

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB liability (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:

	<b><u>OPERS</u></b>
Proportionate Share of the Net OPEB Liability (Asset)	\$ (257,463)
Proportion of the Net OPEB Liability (Asset) - Prior Year	0.006895%
Proportion of the Net OPEB Liability (Asset) - Current Year	<u>0.008220%</u>
Change in Proportionate Share	<u>0.001325%</u>
OPEB Expense (Gain)	\$ (205,858)

At December 31, 2022, The Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b><u>OPERS</u></b>
<b>Deferred Outflows of Resources:</b>	
Changes in proportion	\$ 22,293
Contributions subsequent to the measurement date	<u>150</u>
Total	<u>\$ 22,443</u>
<b>Deferred Inflows of Resources:</b>	
Differences between expected and actual economic experience	\$ 39,053
Differences between projected and actual investment earnings	122,740
Changes of assumptions	<u>104,218</u>
Total	<u>\$ 266,011</u>

\$150 reported as deferred outflows of resources related to OPEB resulting from the Authority contributions subsequent to the measurement date will be recognized as a reduction (increase) of the net OPEB liability (asset) in the year ending December 31, 2023.



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NOTE 7: **DEFINED BENEFIT OPEB PLANS** (Continued)

**Net Other Post Employment Benefit (OPEB) Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Liability (Asset)** (Continued)

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

Fiscal Year Ending December 31:	<b>OPERS</b>
2023	\$ (149,891)
2024	(49,381)
2025	(26,817)
2026	<u>(17,629)</u>
	<u>\$ (243,718)</u>

**Actuarial Assumptions – OPERS**

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

Projections of health care costs for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between the System and plan members. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions.

The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021.

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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NOTE 7: **DEFINED BENEFIT OPEB PLANS** (Continued)

**Actuarial Assumptions – OPERS** (Continued)

	December 31, 2021	December 31, 2020
Wage Inflation	3.25 percent	3.25 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:		
Current measurement date	6.00 percent	6.00 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	1.84 percent	2.00 percent
Health Care Cost Trend Rate	5.5 percent, initial 3.50 percent ultimate in 2034	8.5 percent, initial 3.50 percent ultimate in 2035
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Experience Study	5-Year Period Ended December 31, 2020	5-Year Period Ended December 31, 2015

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.

For 2020, pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above-described tables.

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

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NOTE 7: **DEFINED BENEFIT OPEB PLANS** (Continued)

**Actuarial Assumptions – OPERS** (Continued)

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health-care related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested for the Health Care portfolio was a gain of 14.3% for 2021.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System’s primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The 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 arithmetic 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, 2021, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation As of December 31, 2021</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
Fixed Income	34.00%	0.91%
Domestic Equities	25.00%	3.78%
REITs	7.00%	3.71%
International Equities	25.00%	4.88%
Risk Parity	2.00%	2.92%
Other Investments	<u>7.00%</u>	<u>1.93%</u>
Total	<u>100.00%</u>	<u>3.45%</u>

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**NOTE 7: DEFINED BENEFIT OPEB PLANS** (Continued)

**Actuarial Assumptions – OPERS** (Continued)

Discount Rate – A single discount rate of 6.0 percent was used to measure the OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). 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 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the Authority’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates – The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the OPEB liability calculated using the single discount rate of 6.00%, and the expected net OPEB liability (asset) if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate.

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Authority's proportionate share of the net OPEB liability (asset)	(\$151,412)	(\$257,463)	(\$345,487)

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability (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% lower or 1.0% higher than the current rate.

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NOTE 7: **DEFINED BENEFIT OPEB PLANS** (Continued)

**Actuarial Assumptions – OPERS** (Continued)

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability (asset)	(\$260,245)	(\$257,463)	(\$254,162)

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 2022 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.

NOTE 8: **COMPENSATED ABSENCES**

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

All permanent employees will earn 15 days sick leave per year of service. Unused sick leave may be accumulated without limit. At the time of separation, employees receive payment for up to thirty (30) days of unused sick leave. All permanent employees will earn vacation hours accumulated based on length of service. Vacation shall not be accrued for a period longer than two (2) years. Any vacation accrued in excess of two (2) years shall be forfeited.

At December 31, 2022, based on the vesting method, \$56,195 was accrued by the Authority for unused vacation and sick time. The current portion is \$11,980 and the long-term portion is \$44,215.

NOTE 9: **INSURANCE**

The Authority is covered for property damage, general liability, automobile liability, law enforcement liability, public officials' liability, and other crime liabilities through membership in the State Housing Authority Risk Pool Association, Inc. (SHARP). SHARP is an insurance risk pool comprised of thirty-six (36) Ohio housing authorities, of which the Authority is one. Deductibles and coverage limits are summarized below:

**WAYNE METROPOLITAN HOUSING AUTHORITY  
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NOTE 9: **INSURANCE** (Continued)

<u>Type of Coverage</u>	<u>Coverage Deductible</u>	<u>Coverage Limits</u>
Property	\$1,500	\$250,000,000 (Per Occurrence)
Boiler and Machinery	1,000	50,000,000
General Liability	0	6,000,000
Automobile Liability	500/0	ACV/6,000,000
Law Enforcement	0	6,000,000
Public Officials	0	6,000,000
Crime	500	1,000,000

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

NOTE 10: **LONG-TERM DEBT**

As of December 31, 2022 the Authority's long-term debt is as follows:

	<u>Balance at 12/31/2022</u>
Loan payable to JPMorgan Chase Bank to finance the purchase and rehabilitation of the administration building at 345 North Market Street. The total amount borrowed for this financing was \$1,125,000 at a fixed rate of 5.75% for 15 years.	\$ 154,015
Loan payable to Commercial & Savings Bank to consolidate existing loans for the acquisition of 2 properties from the former Home Place Housing Corporation, and for the purchase and renovation of the property located at 224 East South Street, Shreve. The interest rate on this debt is at a fixed rate of 4.75% for 15 years. Total amount borrowed for the financing was \$209,409.	130,644
Mortgage Revenue Bond dated July 26, 2002 in the amount of \$50,000, due in July 2032; interest rate 4.75% with an annual payment of principal and interest due July 1. Proceeds of the bond were used to purchase the property located at 1401 Moreland Road.	24,700

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**NOTE 10: LONG-TERM DEBT** (Continued)

Mortgage Revenue Bond dated February 24, 2003 in the amount of \$55,000, due in February 2033; interest rate of 4.625% with an annual payment of principal and interest due February 1. Proceeds of the bond were used to purchase a property located at 1701 Westwood Circle. 29,000

The PHA entered into a contractual agreement with Ohio Department of Developmental Disabilities in April 2010, where the Authority received a grant for \$9,038 to be used for the purchase of property located at 1701 Westwood Circle. The grant has a restriction that the property shall be used as a residential facility for DD clients for a period of 15 years. In the event of violation of this restriction, the Authority shall pay back the amount equal to the grant amount less the prorated amount of number of months used by DD clients. 1,356

Mortgage Revenue Bond dated July 26, 2002 in the amount of \$50,000 due in July 2032; interest rate 4.75% with an annual payment of principal and interest due July 1 of each year. Bond proceeds were used to purchase a property located at 617-619 Jefferson Avenue, Orrville. 24,700

The PHA entered into a contractual agreement with Ohio Department of Developmental Disabilities in February 2009 where the Authority received a grant for \$10,000 to be used for renovations to the property located at 617-619 Jefferson Avenue, Orrville. The grant has a restriction that the property shall be used as a residential facility for DD clients for a period of 15 years. In the event of violation of this restriction, the Authority shall pay back the amount equal to the grant amount less the prorated amount of number of months used by DD clients. 722

The PHA entered into a contractual agreement with Ohio Department of Developmental Disabilities in March 2010 where the Authority received a grant for \$5,725 to be used for renovations to the property located at 138 North Millborne Road. The grant has a restriction that the property shall be used as a residential facility for DD clients for a period of 15 years. In the event of violation of this restriction, the Authority shall pay back the amount equal to the grant amount less the prorated amount of number of months used by DD clients. 827

The PHA entered into a contractual agreement with Ohio Department of Developmental Disabilities in July 2010 where the Authority received a grant for \$8,950 to be used for renovations to the property located at 138 North Millborne Road. The grant has a restriction that the property shall be used as a residential facility for DD clients for a period of 15 years. In the event of violation of this restriction, the Authority shall pay back the amount equal to the grant amount less the prorated amount of number of months used by DD clients. 1,491

**WAYNE METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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**NOTE 10: LONG-TERM DEBT** (Continued)

The PHA entered into a contractual agreement with Ohio Department of Developmental Disabilities in June 2011 where the Authority received a grant for \$9,250 to be used for renovations to the property located at 138 North Millborne Road. The grant has a restriction that the property shall be used as a residential facility for DD clients for a period of 15 years. In the event of violation of this restriction, the Authority shall pay back the amount equal to the grant amount less the prorated amount of number of months used by DD clients. 2,107

The PHA entered into a contractual agreement with Ohio Department of Developmental Disabilities on March 2010 where the Authority received a grant for \$6,043 to be used for renovation of property at 2610 Impala Street. The grant has a restriction that the property shall be used as a residential facility for DD clients for a period of 15 years. In the event of violation of this restriction, the Authority shall pay back the amount equal to the grant less the prorated amount of number of months used by DD clients. 873

The PHA entered into a contractual agreement with Ohio Department of Developmental Disabilities in March 2010 where the Authority received a grant for \$8,176 to be used for renovations to the property located at 571 North Grant Street. The grant has a restriction that the property shall be used as a residential facility for DD clients for a period of 15 years. In the event of violation of this restriction, the Authority shall pay back the amount equal to the grant amount less the prorated amount of number of months used by DD clients. 1,181

The PHA entered into a contractual agreement with Ohio Department of Developmental Disabilities in January 2011, where the Authority received a grant for \$104,262 to be used for the purchase of property located at 1688 Barnes Drive. The grant has a restriction that the property shall be used as a residential facility for DD clients for a period of 15 years. In the event of violation of this restriction, the Authority shall pay back the amount equal to the grant amount less the prorated amount of number of months used by DD clients. 20,852

The PHA entered into a contractual agreement with Ohio Department of Mental Health in June 2012, where the Authority assumed the remaining forgivable loan balance from the former Home Place Housing Corporation. The original loan was dated April 1989 in the amount of \$634,000 at 0% interest. The loan has a restriction that the properties shall be used for approved mental health purposes for a period of 40 years. In the event of violation of this restriction, the Authority shall pay back the amount equal to the grant amount less the prorated amount of number of months used. 98,661



**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE 10: LONG-TERM DEBT** (Continued)

Loan payable to USDA Rural Development to finance the purchase of property located at 208 East South Street, Shreve. The total amount borrowed for this financing was \$740,000 at a fixed rate of 3.25% over 50 years. USDA Rural Development subsidizes a portion of the interest for the first 30 years, and the Authority pays an effective interest rate of 1%. 664,481

Loan payable to Commercial & Savings Bank for the purchase of property located at 111 South Main Street, Rittman. The interest rate on this debt is at a fixed rate of 4.5% for 15 years. Total amount borrowed for the financing was \$64,811. 44,207

Loan payable to Commercial & Savings Bank for the consolidation of construction debt for property located at 346 East Bowman Street, Wooster. The interest rate on this debt is at a fixed rate of 4.0% for 20 years. Total amount borrowed for the financing was \$332,100. 318,264

Total Outstanding Debt     \$ 1,518,081  
Less Current Portion             (157,361)  
Total Long-Term Debt             \$ 1,360,720

The following is a summary of changes in long-term debt for the year ended December 31, 2022:

Description	Balance 12/31/2021	Issued	Retired	Balance 12/31/2022	Current Portion
Loans Payable	\$ 1,668,486	\$ -	\$ (150,405)	\$ 1,518,081	\$ 157,361
Compensated Absences	73,249	181,033	(198,087)	56,195	11,980
Net Pension Liability	986,028	-	(264,764)	721,264	-
<b>Total</b>	<b>\$ 2,727,763</b>	<b>\$ 181,033</b>	<b>\$ (613,256)</b>	<b>\$ 2,295,540</b>	<b>\$ 169,341</b>

Maturities of the debt over the next five years are as follows:

For the Year Ended December 31,	Principal	Interest	Total Payments
2023	157,361	40,575	197,936
2024	138,927	33,597	172,524
2025	71,744	28,774	100,518
2026	66,009	26,778	92,787
2027	67,874	24,719	92,593
2028-2032	268,399	92,503	360,902
2033-2037	160,753	58,095	218,848
2038-2042	158,375	34,257	192,632
2043-2047	87,023	62,892	149,915
2048-2052	102,356	47,559	149,915
2053-2057	120,390	29,525	149,915
2058-2062	118,870	8,559	127,429
<b>TOTAL</b>	<b>\$ 1,518,081</b>	<b>\$ 487,833</b>	<b>\$ 2,005,914</b>

**WAYNE METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE 11: CONSTRUCTION AND OTHER COMMITMENTS**

The Authority had no material construction commitments at December 31, 2022.

**NOTE 12: INTERPROGRAM RECEIVABLES/PAYABLES**

The Authority had the following inter-program receivable or payable balances at December 31, 2022:

Program/Project	Due From	Due To
State/Local	\$ 19,346	\$ -
Business Activities	312,860	-
10.427 Rural Rental Assistance Program	-	(57,303)
14.195 S8 Special Allocations	4,363	
Central Office Cost Center	-	(279,266)
<b>TOTAL</b>	<b>\$ 336,569</b>	<b>\$ (336,569)</b>

These amounts represent funds that are owed from various programs to each other as a result of the movement of money between bank accounts, the timing of the payment of invoices, and other such purposes to support operations as permitted.

**NOTE 13: OPERATING TRANSFER**

The Authority had the following operating transfers in 2022:

Program/Project	Transfer From	Transfer To
Capital Fund	\$ 116,149	\$ -
Public Housing	-	116,149
<b>TOTAL</b>	<b>\$ 116,149</b>	<b>\$ 116,149</b>

This transfer represents the Capital Fund Grant allocation to support operations as permitted.

**NOTE 14: CONTINGENCIES**

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

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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NOTE 14: **CONTINGENCIES** (Continued)

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

NOTE 15: **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) presents the activity of all federal financial assistance programs of the Wayne Metropolitan Housing Authority (the Authority) For the Year Ended December 31, 2022. The Authority’s reporting entity is defined in Note 1 to the Authority’s financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

**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 principals contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Indirect Cost Rate**

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

**Loan Programs With Continuing Compliance Requirements**

The federal loan programs listed below are administered directly by the Authority, and balances and transactions relating to these programs are included in the Authority’s basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balances of loans outstanding at December 31, 2022 consist of:

<u>AL Number</u>	<u>Program Name</u>	<u>Outstanding Balance at December 31, 2022</u>
10.415	Rural Rental Housing Loans	\$664,481

**WAYNE METROPOLITAN HOUSING AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST NINE CALENDAR YEARS (1)**

Traditional Plan	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Authority's proportion of the net pension liability	0.008290%	0.006788%	0.006945%	0.006928%	0.006647%	0.006481%	0.006637%	0.006512%	0.006512%
Authority's proportionate share of the net pension liability	\$ 721,264	\$ 1,005,155	\$ 1,372,726	\$ 1,897,439	\$ 1,042,785	\$ 1,471,725	\$ 1,149,614	\$ 785,421	\$ 767,680
Authority's covered payroll	\$ 1,192,679	\$ 1,218,812	\$ 982,915	\$ 989,324	\$ 935,703	\$ 895,935	\$ 887,850	\$ 825,992	\$ 798,433
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	60.47%	82.47%	139.66%	191.79%	111.33%	164.27%	139.18%	98.37%	88.93%
Plan fiduciary net position as a percentage of the total pension liability	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
<b>Combined Plan</b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Authority's proportion of the net pension liability (asset)	0.003217%	0.006626%	0.001358%	0.001417%	0.001367%	0.001105%	0.001427%	0.001488%	0.001488%
Authority's proportionate share of the net pension liability (asset)	\$ (12,675)	\$ (19,127)	\$ (5,670)	\$ -	\$ (5,817)	\$ (3,451)	\$ (3,265)	\$ (1,347)	\$ (367)
Authority's covered payroll	\$ 15,000	\$ 63,941	\$ 59,871	\$ 55,518	\$ 53,528	\$ 52,306	\$ 26,233	\$ 24,417	\$ 12,800
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	19.82%	29.91%	9.47%	0.00%	10.87%	6.60%	13.37%	10.52%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

(1) Information prior to 2013 is not available.  
Amounts presented as of the Authority's measurement date which is the prior fiscal year.

**WAYNE METROPOLITAN HOUSING AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**SCHEDULE OF THE AUTHORITY'S PENSION CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN CALENDAR YEARS (1)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution										
Traditional Plan	\$ 166,975	\$ 146,257	\$ 117,950	\$ 118,719	\$ 112,284	\$ 107,512	\$ 106,542	\$ 99,119	\$ 95,812	\$ 112,220
Combined Plan	\$ 1,950	\$ 7,673	\$ 7,184	\$ 6,662	\$ 6,423	\$ 6,277	\$ 3,148	\$ 2,930	\$ 1,536	\$ -
Total Required Contributions	\$ 168,925	\$ 153,930	\$ 125,134	\$ 125,381	\$ 118,707	\$ 113,789	\$ 109,690	\$ 102,049	\$ 97,348	\$ 112,220
Contributions in relation to the contractually required contribution	<u>(168,925)</u>	<u>(153,930)</u>	<u>(125,134)</u>	<u>(125,381)</u>	<u>(118,707)</u>	<u>(113,789)</u>	<u>(109,690)</u>	<u>(102,049)</u>	<u>(97,348)</u>	<u>(112,220)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority covered-employee payroll										
Traditional Plan	\$ 1,192,679	\$ 1,218,812	\$ 982,915	\$ 989,324	\$ 935,703	\$ 895,935	\$ 887,850	\$ 825,992	\$ 798,433	\$ 863,231
Combined Plan	\$ 15,000	\$ 63,941	\$ 59,871	\$ 55,518	\$ 53,528	\$ 52,306	\$ 26,233	\$ 24,417	\$ 12,800	\$ -
Contributions as a percentage of covered payroll:										
Traditional Plan	14.00%	14.00%	14.00%	14.00%	13.75%	12.00%	12.00%	12.00%	12.00%	13.00%
Combined Plan										
Pension	13.00%	12.52%	12.52%	12.52%	12.52%	12.52%	12.00%	12.00%	13.00%	10.00%
OPEB	0.99%	1.49%	1.49%	1.49%	1.49%	1.49%	2.00%	2.00%	1.00%	4.00%

See notes to accompanying required supplementary information.

**WAYNE METROPOLITAN HOUSING AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST SIX CALENDAR YEARS (1)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Authority's proportion of the net OPEB liability (asset)	0.008220%	0.006895%	0.005600%	0.006150%	0.006690%	0.006100%
Authority's proportionate share of the net OPEB liability	\$ (257,463)	\$ (122,850)	\$ 773,505	\$ 801,815	\$ 726,485	\$ 61,612
Authority's covered-employee payroll	\$ 1,207,679	\$ 1,282,753	\$ 1,042,786	\$ 1,044,842	\$ 989,231	\$ 948,241
Authority's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	-21.32%	-9.58%	74.18%	76.74%	73.44%	6.50%
Plan fiduciary net position as a percentage of the total OPEB liability	128.23%	115.57%	47.80%	46.33%	54.14%	68.52%

(1) Information prior to 2016 is not available.

Amounts presented as of the Authority's measurement date which is the prior fiscal year.

See notes to accompanying required supplementary information.

**WAYNE METROPOLITAN HOUSING AUTHORITY  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**SCHEDULE OF THE AUTHORITY'S OPEB CONTRIBUTIONS  
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST SEVEN CALENDAR YEARS (1)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 150	\$ 2,053	\$ 15,538	\$ 15,568	\$ 14,740	\$ 14,129	\$ 18,282
Contributions in relation to the contractually required contribution	<u>(150)</u>	<u>(2,053)</u>	<u>(15,538)</u>	<u>(15,568)</u>	<u>(14,740)</u>	<u>(14,129)</u>	<u>(18,282)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority covered-employee payroll	\$ 1,207,679	\$ 1,282,753	\$ 1,042,786	\$ 1,044,842	\$ 989,231	\$ 948,241	\$ 914,083
Contributions as a percentage of covered-employee payroll	0.01%	0.16%	1.49%	1.49%	1.49%	1.49%	2.00%

(1) Information prior to 2015 is not available.

See notes to accompanying required supplementary information.

**WAYNE METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

**Changes in Assumptions – OPERS Pension– Traditional Plan**

There was a change in assumptions for 2022. There were no changes in assumptions for 2021 and 2020. Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These assumptions compared with those used beginning in 2017 and in 2016 are presented below:

	<u>2022</u>	<u>2021, 2020 and 2019</u>	<u>2018 and 2017</u>
Wage Inflation	2.75 percent	3.25 percent	3.25 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	See below	See below	See below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age
	<u>2016 and prior</u>		
Wage Inflation	3.75 percent		
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation		
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple		
Post-January 7, 2013 Retirees	See below		
Investment Rate of Return	8 percent		
Actuarial Cost Method	Individual Entry Age		

The assumptions related COLA or Ad Hoc COLA for Post-January 7, 2013 Retirees are as follows:

2022	3.0 percent, simple through 2022 then 2.05 percent, simple
2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3 percent, simple through 2018 then 2.80 percent, simple

Amounts reported beginning in 2022 use mortality rates 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-



**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)** (Continued)

**Changes in Assumptions – OPERS Pension– Traditional Plan (Continued)**

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.

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above-described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males, 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

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**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)** (Continued)

**Changes in Assumptions – OPERS OPEB**

*Investment Return Assumption:*

2022-2019	6 percent
2018	6.5 percent

*Municipal Bond Rate:*

2022	1.84 percent
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent

*Single Discount Rate:*

2022-2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent

*Health Care Cost Trend Rate:*

2022	5.5 percent, initial 3.5 percent, ultimate in 2034
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10 percent, initial 3.5 percent, ultimate in 2030
2019	10 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**WAYNE COUNTY**  
 Certification of Actual Modernization Costs  
 Fiscal Year Ending December 31, 2022

	<b>CFP 501-18</b>
Funds approved	\$418,151
Funds expended	418,151
<b>Excess of (deficiency) of funds approved</b>	
	<b>\$ -</b>
Funds advanced	\$418,151
Funds expended	418,151
<b>Excess of (deficiency) of funds advanced</b>	
	<b>\$ -</b>

1. All modernization work in connection with the Capital Fund Program has been completed.
2. The entire Actual Modernization cost or liabilities incurred by the Authority have been fully paid.
3. There are no discharged mechanics, laborers, contractors, or material-mens liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work.

**See Independent Auditor's Report**

Wayne Metropolitan Housing Authority (OH036)

WOOSTER, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$465,869				\$8,611	\$123,887			\$100	\$598,467		\$598,467
112 Cash - Restricted - Modernization and Development												
113 Cash - Other Restricted			\$21,085			\$294,064		\$49,452		\$354,601		\$354,601
114 Cash - Tenant Security Deposits	\$40,997		\$3,505	\$6,229	\$3,984		\$21,320			\$76,035		\$76,035
115 Cash - Restricted for Payment of Current Liabilities												
100 Total Cash	\$506,866	\$0	\$24,590	\$6,229	\$12,595	\$407,951	\$21,320	\$49,452	\$100	\$1,029,103	\$0	\$1,029,103
121 Accounts Receivable - PHA Projects												
122 Accounts Receivable - HUD Other Projects												
124 Accounts Receivable - Other Government			\$8,427							\$8,427		\$8,427
125 Accounts Receivable - Miscellaneous			\$31,006	\$10,000		\$3,744			\$24,219	\$68,969		\$68,969
126 Accounts Receivable - Tenants	\$22,560		\$7,112	\$7,374	\$7,388	\$0	\$2,628			\$47,062		\$47,062
126.1 Allowance for Doubtful Accounts - Tenants	-\$16,698		-\$6,021	-\$5,418	-\$5,881	\$0	-\$1,911		\$0	-\$35,929		-\$35,929
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0	\$0	\$0	\$0	\$0		\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current			\$2,400							\$2,400		\$2,400
128 Fraud Recovery	\$76,738			\$12,806	\$4,704	\$299,219	\$1,069			\$394,536		\$394,536
128.1 Allowance for Doubtful Accounts - Fraud	-\$70,506			-\$11,649	-\$2,352	-\$290,784	-\$1,016			-\$376,307		-\$376,307
129 Accrued Interest Receivable												
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$12,084	\$0	\$42,924	\$13,113	\$3,859	\$12,179	\$770	\$0	\$24,219	\$109,158	\$0	\$109,158
131 Investments - Unrestricted												
132 Investments - Restricted												
135 Investments - Restricted for Payment of Current Liability												
142 Prepaid Expenses and Other Assets	\$65,647		\$8,136	\$7,338	\$5,846	\$7,927	\$9,814		\$12,153	\$116,861		\$116,861
143 Inventories			\$1,229						\$42,114	\$43,343		\$43,343
143.1 Allowance for Obsolete Inventories			\$0						\$0	\$0		\$0
144 Inter Program Due From			\$312,860	\$19,346	\$4,363					\$336,569	-\$336,569	\$0
145 Assets Held for Sale												
150 Total Current Assets	\$584,607	\$0	\$389,739	\$46,026	\$26,663	\$428,057	\$31,904	\$49,452	\$78,586	\$1,635,034	-\$336,569	\$1,298,465
161 Land	\$1,394,687		\$328,384	\$255,170	\$160,422			\$65,680	\$137,470	\$2,341,833		\$2,341,833
162 Buildings	\$14,715,257		\$2,132,689	\$1,294,463	\$1,033,765			\$928,792	\$1,665,669	\$21,770,635		\$21,770,635
163 Furniture, Equipment & Machinery - Dwellings	\$160,855			\$14,160				\$22,300		\$197,315		\$197,315
164 Furniture, Equipment & Machinery - Administration	\$398,026		\$34,967			\$46,670		\$7,106	\$191,702	\$678,471		\$678,471
165 Leasehold Improvements												
166 Accumulated Depreciation	-\$14,103,699		-\$840,096	-\$405,399	-\$440,618	-\$31,089		-\$376,055	-\$1,333,975	-\$17,530,931		-\$17,530,931
167 Construction in Progress	\$44,985		\$164,798	\$66,943						\$276,726		\$276,726
168 Infrastructure												
160 Total Capital Assets, Net of Accumulated Depreciation	\$2,610,111	\$0	\$1,820,752	\$1,225,337	\$753,569	\$15,581	\$0	\$647,833	\$660,866	\$7,734,049	\$0	\$7,734,049
171 Notes, Loans and Mortgages Receivable - Non-Current			\$300,200							\$300,200		\$300,200
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due												
173 Grants Receivable - Non Current												
174 Other Assets	\$40,700		\$33,948	\$1,260	\$721	\$61,681	\$10,985		\$120,843	\$270,138		\$270,138
176 Investments in Joint Ventures												
180 Total Non-Current Assets	\$2,650,811	\$0	\$2,154,900	\$1,226,597	\$754,290	\$77,262	\$10,985	\$647,833	\$781,709	\$8,304,387	\$0	\$8,304,387
200 Deferred Outflow of Resources	\$77,018		\$64,238	\$2,386	\$1,363	\$116,719	\$20,788		\$228,667	\$511,179		\$511,179

Wayne Metropolitan Housing Authority (OH036)

WOOSTER, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
290 Total Assets and Deferred Outflow of Resources	\$3,312,436	\$0	\$2,608,877	\$1,275,009	\$782,316	\$622,038	\$63,677	\$697,285	\$1,088,962	\$10,450,600	-\$336,569	\$10,114,031
311 Bank Overdraft												
312 Accounts Payable <= 90 Days	\$87									\$87		\$87
313 Accounts Payable >90 Days Past Due												
321 Accrued Wage/Payroll Taxes Payable									\$96,117	\$96,117		\$96,117
322 Accrued Compensated Absences - Current Portion									\$11,980	\$11,980		\$11,980
324 Accrued Contingency Liability												
325 Accrued Interest Payable												
331 Accounts Payable - HUD PHA Programs												
332 Account Payable - PHA Projects												
333 Accounts Payable - Other Government	\$39,134		\$38,453	\$23,924	\$5,109		\$5,659			\$112,279		\$112,279
341 Tenant Security Deposits	\$40,997		\$3,505	\$6,229	\$3,984		\$21,320			\$76,035		\$76,035
342 Unearned Revenue	\$9,914		\$8,821	\$2,354	\$659		\$2,497			\$24,245		\$24,245
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$46,227	\$15,850				\$8,513	\$86,771	\$157,361		\$157,361
344 Current Portion of Long-term Debt - Operating Borrowings												
345 Other Current Liabilities	\$2,600									\$2,600		\$2,600
346 Accrued Liabilities - Other	\$40,233		\$8,380	\$5,823	\$7,876		\$15,376		\$10,267	\$87,955		\$87,955
347 Inter Program - Due To							\$57,303		\$279,266	\$336,569	-\$336,569	\$0
348 Loan Liability - Current												
310 Total Current Liabilities	\$132,965	\$0	\$105,386	\$54,180	\$17,628	\$0	\$102,155	\$8,513	\$484,401	\$905,228	-\$336,569	\$568,659
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$554,697	\$82,811			\$0	\$655,968	\$67,244	\$1,360,720		\$1,360,720
352 Long-term Debt, Net of Current - Operating Borrowings												
353 Non-current Liabilities - Other			\$128,587			\$184,168				\$312,755		\$312,755
354 Accrued Compensated Absences - Non Current									\$44,215	\$44,215		\$44,215
355 Loan Liability - Non Current												
356 FASB 5 Liabilities												
357 Accrued Pension and OPEB Liabilities	\$108,670		\$90,639	\$3,366	\$1,923	\$164,689	\$29,331		\$322,646	\$721,264		\$721,264
350 Total Non-Current Liabilities	\$108,670	\$0	\$773,923	\$86,177	\$1,923	\$348,857	\$29,331	\$655,968	\$434,105	\$2,438,954	\$0	\$2,438,954
300 Total Liabilities	\$241,635	\$0	\$879,309	\$140,357	\$19,551	\$348,857	\$131,486	\$664,481	\$918,506	\$3,344,182	-\$336,569	\$3,007,613
400 Deferred Inflow of Resources	\$172,345		\$143,748	\$5,338	\$3,050	\$261,187	\$46,518		\$511,687	\$1,143,883		\$1,143,883
508.4 Net Investment in Capital Assets	\$2,610,111		\$1,219,828	\$1,126,676	\$753,569	\$15,581	\$0	-\$16,648	\$506,851	\$6,215,968		\$6,215,968
511.4 Restricted Net Position	\$0		\$21,085	\$0	\$0	\$99,896	\$0	\$49,452	\$0	\$170,433		\$170,433
512.4 Unrestricted Net Position	\$288,345	\$0	\$344,907	\$2,638	\$6,146	-\$103,483	-\$114,327	\$0	-\$848,092	-\$423,866		-\$423,866
513 Total Equity - Net Assets / Position	\$2,898,456	\$0	\$1,585,820	\$1,129,314	\$759,715	\$11,994	-\$114,327	\$32,804	-\$341,241	\$5,962,535	\$0	\$5,962,535
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$3,312,436	\$0	\$2,608,877	\$1,275,009	\$782,316	\$622,038	\$63,677	\$697,285	\$1,088,962	\$10,450,600	-\$336,569	\$10,114,031

Wayne Metropolitan Housing Authority (OH036)  
WOOSTER, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$637,861		\$165,655	\$87,184	\$49,434		\$89,386			\$1,029,520		\$1,029,520
70400 Tenant Revenue - Other	\$1,140		\$26,529	\$64,792	\$100		\$30,583			\$123,144		\$123,144
70500 Total Tenant Revenue	\$639,001	\$0	\$192,184	\$151,976	\$49,534	\$0	\$119,969	\$0	\$0	\$1,152,664	\$0	\$1,152,664
70600 HUD PHA Operating Grants	\$826,883	\$59,280			\$90,298	\$4,851,066				\$5,827,527		\$5,827,527
70610 Capital Grants	\$175,680									\$175,680		\$175,680
70710 Management Fee									\$319,094	\$319,094	-\$319,094	\$0
70720 Asset Management Fee									\$28,680	\$28,680	-\$28,680	\$0
70730 Book Keeping Fee									\$104,452	\$104,452	-\$104,452	\$0
70740 Front Line Service Fee									\$431,828	\$431,828	-\$431,828	\$0
70750 Other Fees			\$83,872						\$0	\$83,872		\$83,872
70700 Total Fee Revenue			\$83,872						\$884,054	\$967,926	-\$884,054	\$83,872
70800 Other Government Grants			\$102,331	\$25,850			\$113,914			\$242,095		\$242,095
71100 Investment Income - Unrestricted	\$971		\$17		\$30		\$56			\$1,074		\$1,074
71200 Mortgage Interest Income												
71300 Proceeds from Disposition of Assets Held for Sale												
71310 Cost of Sale of Assets												
71400 Fraud Recovery	\$330					\$5,691				\$6,021		\$6,021
71500 Other Revenue	\$10,745		\$124,551		\$400	\$4,817	\$4,483		\$1,044	\$146,040		\$146,040
71600 Gain or Loss on Sale of Capital Assets	\$3,060									\$3,060		\$3,060
72000 Investment Income - Restricted			\$45				\$144			\$189		\$189
70000 Total Revenue	\$1,656,670	\$59,280	\$503,000	\$177,826	\$140,262	\$4,861,574	\$238,566	\$0	\$885,098	\$8,522,276	-\$884,054	\$7,638,222
91100 Administrative Salaries	\$169,590	\$42,288	\$132,803	\$6,460	\$2,964	\$229,370	\$14,210		\$308,295	\$905,980		\$905,980
91200 Auditing Fees	\$3,500		\$700	\$700	\$700	\$3,500	\$700		\$1,060	\$10,860		\$10,860
91300 Management Fee	\$145,181		\$10,224	\$8,700	\$10,253	\$117,012	\$27,724			\$319,094	-\$319,094	\$0
91310 Book-keeping Fee	\$19,170		\$1,350	\$3,600	\$3,600	\$73,132	\$3,600			\$104,452	-\$104,452	\$0
91400 Advertising and Marketing				\$647					\$354	\$1,001		\$1,001
91500 Employee Benefit Contributions - Administrative	\$35,497	\$16,242	\$74,218	\$987	\$1,121	\$38,614	-\$2,931		-\$76,510	\$87,238		\$87,238
91600 Office Expenses	\$32,123		\$8,674	\$1,436	\$509	\$25,065	\$6,525		\$27,043	\$101,375		\$101,375
91700 Legal Expense	\$2,477		\$4,122	\$2,580					\$125	\$9,304		\$9,304
91800 Travel	\$10,795		\$2,166	\$211	\$44	\$2,825	\$247			\$16,288		\$16,288
91900 Other	\$1,836	\$750	\$11,668	\$39	\$199	\$8,443	\$244		-\$2,870	\$20,309		\$20,309
91810 Allocated Overhead												
91000 Total Operating - Administrative	\$420,169	\$59,280	\$245,925	\$25,360	\$19,390	\$497,961	\$50,319	\$0	\$257,497	\$1,575,901	-\$423,546	\$1,152,355
92000 Asset Management Fee	\$26,880		\$1,800							\$28,680	-\$28,680	\$0
92100 Tenant Services - Salaries												
92200 Relocation Costs												
92300 Employee Benefit Contributions - Tenant Services												
92400 Tenant Services - Other												
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93100 Water	\$116,138		\$17,435	\$12,270	\$119		\$56,834		\$3,678	\$206,474		\$206,474
93200 Electricity	\$73,179		\$29,306	\$13,965	\$80		\$11,951		\$15,139	\$143,620		\$143,620
93300 Gas	\$17,856		\$14,234	\$7,362	\$281		\$1,859		\$5,770	\$47,362		\$47,362
93400 Fuel												
93500 Labor												

Wayne Metropolitan Housing Authority (OH036)  
WOOSTER, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14.195 Section 8 Housing Assistance Payments Program, Special Allocations	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
93600 Sewer	\$1,645		\$809							\$2,454		\$2,454
93700 Employee Benefit Contributions - Utilities												
93800 Other Utilities Expense												
93000 Total Utilities	\$208,818	\$0	\$61,784	\$33,597	\$480	\$0	\$70,644	\$0	\$24,587	\$399,910	\$0	\$399,910
94100 Ordinary Maintenance and Operations - Labor	\$58,900		\$51,008	\$2,481	\$1,139		\$5,458		\$219,791	\$338,777		\$338,777
94200 Ordinary Maintenance and Operations - Materials and Other	\$114,009		\$11,489	\$6,468	\$9,036	\$1,495	\$19,276		\$39,791	\$201,564		\$201,564
94300 Ordinary Maintenance and Operations Contracts	\$387,836		\$40,305	\$19,238	\$26,699	\$2,273	\$58,601		\$45,859	\$580,811	-\$431,828	\$148,983
94500 Employee Benefit Contributions - Ordinary Maintenance	\$10,422		\$28,506	\$379	\$431		-\$1,126		-\$26,764	\$11,846		\$11,848
94000 Total Maintenance	\$571,167	\$0	\$131,308	\$28,566	\$37,305	\$3,768	\$82,209	\$0	\$278,677	\$1,133,000	-\$431,828	\$701,172
95100 Protective Services - Labor												
95200 Protective Services - Other Contract Costs												
95300 Protective Services - Other												
95500 Employee Benefit Contributions - Protective Services												
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$49,722		\$6,700	\$6,967	\$4,905		\$8,628		\$7,330	\$84,252		\$84,252
96120 Liability Insurance						\$649				\$649		\$649
96130 Workmen's Compensation	\$1,865		\$1,436	\$54	\$30	\$2,705	\$466		\$5,135	\$11,691		\$11,691
96140 All Other Insurance	\$2,222		\$100				\$352		\$487	\$3,161		\$3,161
96100 Total insurance Premiums	\$53,809	\$0	\$8,236	\$7,021	\$4,935	\$3,354	\$9,446	\$0	\$12,952	\$99,753	\$0	\$99,753
96200 Other General Expenses												
96210 Compensated Absences												
96300 Payments in Lieu of Taxes	\$40,116		\$13,275	\$10,118	\$5,199		\$5,683		\$60	\$74,451		\$74,451
96400 Bad debt - Tenant Rents	\$12,000		\$4,092	\$19,565	\$1,053		\$1,518			\$38,228		\$38,228
96500 Bad debt - Mortgages												
96600 Bad debt - Other												
96800 Severance Expense												
96000 Total Other General Expenses	\$52,116	\$0	\$17,367	\$29,683	\$6,252	\$0	\$7,201	\$0	\$60	\$112,679	\$0	\$112,679
96710 Interest of Mortgage (or Bonds) Payable	\$4,279		\$25,854					\$10,596	\$7,277	\$48,006		\$48,006
96720 Interest on Notes Payable (Short and Long Term)												
96730 Amortization of Bond Issue Costs												
96700 Total Interest Expense and Amortization Cost	\$4,279	\$0	\$25,854	\$0	\$0	\$0	\$0	\$10,596	\$7,277	\$48,006	\$0	\$48,006
96900 Total Operating Expenses	\$1,337,238	\$59,280	\$492,274	\$124,227	\$68,362	\$505,083	\$219,819	\$10,596	\$581,050	\$3,397,929	-\$884,054	\$2,513,875
97000 Excess of Operating Revenue over Operating Expenses	\$319,432	\$0	\$10,726	\$53,589	\$71,900	\$4,356,491	\$18,747	-\$10,596	\$304,048	\$5,124,347	\$0	\$5,124,347
97100 Extraordinary Maintenance												
97200 Casualty Losses - Non-capitalized												
97300 Housing Assistance Payments						\$4,212,785				\$4,212,785		\$4,212,785
97350 HAP Portability-In												
97400 Depreciation Expense	\$222,867		\$76,036	\$47,036	\$46,281	\$7,477		\$41,244	\$60,227	\$501,168		\$501,168
97500 Fraud Losses												
97600 Capital Outlays - Governmental Funds												
97700 Debt Principal Payment - Governmental Funds												

Wayne Metropolitan Housing Authority (OH036)  
WOOSTER, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2022

	Project Total	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	2 State/Local	14.195 Section 8 Housing Assistance Payments Program_Special Allocations	14.871 Housing Choice Vouchers	10.427 Rural Rental Assistance Payments	10.415 Rural Rental Housing Loans	COCC	Subtotal	ELIM	Total
97800 Dwelling Units Rent Expense												
90000 Total Expenses	\$1,560,105	\$59,280	\$568,310	\$171,263	\$114,643	\$4,725,345	\$219,819	\$51,840	\$641,277	\$8,111,882	-\$884,054	\$7,227,828
10010 Operating Transfer In	\$30,428									\$30,428	-\$30,428	\$0
10020 Operating transfer Out	-\$30,428									-\$30,428	\$30,428	\$0
10030 Operating Transfers from/to Primary Government												
10040 Operating Transfers from/to Component Unit												
10050 Proceeds from Notes, Loans and Bonds												
10060 Proceeds from Property Sales												
10070 Extraordinary Items, Net Gain/Loss												
10080 Special Items (Net Gain/Loss)												
10091 Inter Project Excess Cash Transfer In	\$77,229									\$77,229	-\$77,229	\$0
10092 Inter Project Excess Cash Transfer Out	-\$77,229									-\$77,229	\$77,229	\$0
10093 Transfers between Program and Project - In									\$85,721	\$85,721	-\$85,721	\$0
10094 Transfers between Project and Program - Out	-\$85,721									-\$85,721	\$85,721	\$0
10100 Total Other financing Sources (Uses)	-\$85,721	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85,721	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$10,844	\$0	-\$65,310	\$6,563	\$25,619	\$136,229	\$18,747	-\$51,840	\$329,542	\$410,394	\$0	\$410,394
11020 Required Annual Debt Principal Payments	\$0	\$0	\$44,336	\$15,850	\$0	\$0	\$0	\$8,241	\$85,721	\$154,148		\$154,148
11030 Beginning Equity	\$2,887,612	\$0	\$915,744	\$1,445,851	\$1,146,382	-\$124,235	-\$48,430	\$0	-\$670,783	\$5,552,141		\$5,552,141
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0		\$735,386	-\$323,100	-\$412,286		-\$84,644	\$84,644		\$0		\$0
11050 Changes in Compensated Absence Balance												
11060 Changes in Contingent Liability Balance												
11070 Changes in Unrecognized Pension Transition Liability												
11080 Changes in Special Term/Severance Benefits Liability												
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents												
11100 Changes in Allowance for Doubtful Accounts - Other												
11170 Administrative Fee Equity						-\$87,902				-\$87,902		-\$87,902
11180 Housing Assistance Payments Equity						\$99,896				\$99,896		\$99,896
11190 Unit Months Available	2688		180	348	192	11469	540	0	0	15417		15417
11210 Number of Unit Months Leased	2556		180	267	191	9751	472	0	0	13417		13417
11270 Excess Cash	\$277,398									\$277,398		\$277,398
11610 Land Purchases	\$0								\$0	\$0		\$0
11620 Building Purchases	\$85,680								\$0	\$85,680		\$85,680
11630 Furniture & Equipment - Dwelling Purchases	\$0								\$0	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0								\$0	\$0		\$0
11650 Leasehold Improvements Purchases	\$0								\$0	\$0		\$0
11660 Infrastructure Purchases	\$0								\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$90,000								\$0	\$90,000		\$90,000
13901 Replacement Housing Factor Funds	\$0								\$0	\$0		\$0



**WAYNE METROPOLITAN HOUSING AUTHORITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

<b>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</b>	<b>Federal AL Number</b>	<b>Expenditures</b>	<b>Loan Balance</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Direct Programs:			
Public and Indian Housing	14.850	\$ 766,682	\$ -
Public Housing Capital Fund	14.872	235,881	-
<i>Section 8 Project-Based Cluster:</i>			
Section 8 Housing Assistance Payments Program	14.195	90,298	-
<i>Total Section 8 Project-Based Cluster</i>		<u>90,298</u>	<u>-</u>
<i>Housing Voucher Cluster:</i>			
Section 8 Housing Choice Vouchers	14.871	4,851,066	-
<i>Total Housing Voucher Cluster</i>		<u>4,851,066</u>	<u>-</u>
Family Self-Sufficiency Program	14.896	59,280	-
Total U.S. Department of Housing and Urban Development		<u>6,003,207</u>	<u>-</u>
<b><u>U.S. Department of Agriculture</u></b>			
Direct Programs:			
Rural Rental Assistance Payments	10.427	113,914	-
Rural Rental Housing Loan	10.415	-	664,481
Total U.S. Department of Agriculture		<u>113,914</u>	<u>664,481</u>
Total Federal Expenditures		<u>\$ 6,117,121</u>	<u>\$ 664,481</u>

*The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.*

**WAYNE METROPOLITAN HOUSING AUTHORITY  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) presents the activity of all federal financial assistance programs of the Wayne Metropolitan Housing Authority (the Authority) For the Year Ended December 31, 2022. The Authority’s reporting entity is defined in Note 1 to the Authority’s financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

**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 principals contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Indirect Cost Rate**

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

**Loan Programs With Continuing Compliance Requirements**

The federal loan programs listed below are administered directly by the Authority, and balances and transactions relating to these programs are included in the Authority’s basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balances of loans outstanding at December 31, 2022 consist of:

AL Number	Program Name	Outstanding Balance at December 31, 2022
10.415	Rural Rental Housing Loans	\$664,481



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

Wayne Metropolitan Housing Authority  
Wayne County  
345 North Market Street  
Wooster, Ohio 44691

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 Wayne Metropolitan Housing Authority, Wayne County, (the Authority) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated August 30, 2023.

***Report on Internal Control Over Financial Reporting***

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

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

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

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

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

***Purpose of This Report***

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

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.  
Piketon, Ohio  
August 30, 2023



**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**

Wayne Metropolitan Housing Authority  
Wayne County  
345 North Market Street  
Wooster, Ohio 44691

To the Board of Commissioners

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

***Opinion on the Major Federal Program***

We have audited Wayne Metropolitan Housing Authority's, Wayne County, (Authority) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Wayne Metropolitan Housing Authority's major federal program for the year ended December 31, 2022. Wayne Metropolitan Housing Authority's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Wayne Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

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

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

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

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

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

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

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

Wayne Metropolitan Housing Authority

Wayne County

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

Page 3

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

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

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

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.

Piketon, Ohio

August 30, 2023

**Wayne Metropolitan Housing Authority**  
**Wayne County**  
*Schedule of Findings*  
2 CFR § 200.515  
December 31, 2022

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**1. SUMMARY OF AUDITOR'S RESULTS**

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weakness in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Section 8 HCV Cluster, ALN #14.781
(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?	Yes



**Wayne Metropolitan Housing Authority**  
**Wayne County**  
*Schedule of Findings*  
2 CFR § 200.515  
*December 31, 2022*

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

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# OHIO AUDITOR OF STATE KEITH FABER



**WAYNE METROPOLITAN HOUSING AUTHORITY**

**WAYNE 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 12/5/2023**

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

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