DARKE COUNTY METROPOLITAN HOUSING AUTHORITY
DARKE COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Darke County Metropolitan Housing Authority
Darke County
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For the Year Ended September 30, 2025

INDEPENDENT AUDITOR'S REPORT

Darke County Metropolitan Housing Authority
Darke County
1469 Sweitzer Street
Greenville, Ohio 45331

To the Board of Commissioners

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Darke County Metropolitan Housing Authority, Darke County, Ohio (Authority), as of and for the year ended September 30, 2025, 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 Darke County Metropolitan Housing Authority, Darke County, Ohio as of September 30, 2025, 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.

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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 Financial Data Schedules and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data 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 June 24, 2026, 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

BHM CPA Group, Inc.
Portsmouth, Ohio
June 24, 2026

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This Management's Discussion and Analysis (MD&A) of the Darke County Metropolitan Housing Authority (Authority) provides an introduction and overview to the financial statements of the Authority for the fiscal year ended September 30, 2025. The Authority presents this discussion and analysis of its financial performance during the fiscal year ended September 30, 2025, to assist the reader in focusing on significant financial issues.

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

FINANCIAL HIGHLIGHTS

During the fiscal year ended September 30, 2025:

- The Authority's net position decreased from $460,530 to $411,952, a decrease of $48,578 or 10.55%. Total assets increased by $125,197 or 8.24%, primarily due to an increase in cash.

- The Authority's liabilities increased by $173,775 due to an increase in accounts payables, and the net forgiveness of notes payable acquired for the purchase and remodel of rental units associated with the Business Activity Program. Total liabilities increased by 16.42% for the current fiscal year, from $1,058,447 to $1,232,222.

- Total operating revenue increased from $1,429,939 to $1,554,608, an increase of $124,669 or 8.72%. This was primarily an increase in government operating grants.

- Total expenses increased by $164,654, from $1,439,262 to $1,603,916 for the current fiscal year.

USING THIS ANNUAL REPORT

The following is a list of the basic financial statements included in this report:

Management's Discussion and Analysis
Basic Financial Statements:
Statement of Net Position
Statement of Revenues, Expenses and Changes in Net Position
Statement of Cash Flows
Notes to the Basic Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a private sector business.

The *statement of net position* presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

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 is reported in three broad categories.

Net Investment in Capital Assets: This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that have been used for the acquisition, construction, or improvement of those assets.

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

Unrestricted Net Position: This component of net position consists of net position that does not meet the definition of Net Investment in Capital Assets or Restricted Net Position.

The *statement of revenues, expenses, and changes in net position* is similar to an income statement. This statement includes operating revenues, such as tenant revenue; operating expenses, such as administrative, utilities, maintenance, and depreciation; and non-operating revenue, such as investment income.

The focus of the statement of revenues, expenses, and changes in net position is the Increase (Decrease) in Net Position, which is similar to Net Income or Loss.

The *statement of cash flows* provides information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating activities, capital and related financing activities, and investing activities.

The notes to the basic financial statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

The Authority's Programs

The Authority has two programs. They include the Housing Choice Voucher Program (HCV) and a Business Activities Program.

- The Housing Choice Voucher Program provides rental assistance to help low-income families afford decent, safe, and sanitary rental housing. The Authority provides rental assistance in the form of a Housing Assistance Payment (HAP) to a landlord on behalf of the tenant. There are currently 303 vouchers funded. Funds are provided by HUD to provide rental assistance payments. The Authority is provided an administrative fee for the purpose of covering the administrative costs of the program. The fee is based on a HUD-established rate earned per voucher leased.

- The Business Activity Program consists of twelve rental properties received from the Darke County Board of Developmental Disabilities and other donations. These rental properties enable persons with developmental disabilities to be integrated into the community.

FINANCIAL ANALYSIS OF THE AUTHORITY

Statement of Net Position

The following table reflects the condensed Statement of Net Position as of September 30 compared to prior fiscal year.

Summary Statement of Net Position

	2025	2024
Current Assets	$ 520,943	$ 341,009
Noncurrent Assets	1,123,231	1,177,968
Total Assets	$ 1,644,174	$ 1,518,977
Current Liabilities	$ 731,489	$ 188,754
Noncurrent Liabilities	500,733	869,693
Total Liabilities	$ 1,232,222	$ 1,058,447
Net Investment in Capital Assets	$ 247,489	$ 252,351
Restricted	17,436	-
Unrestricted	147,027	208,179
Total Net Position	411,952	460,530
Total Liabilities and Net Position	$ 1,644,174	$ 1,518,977

Major Factors Affecting the Statement of Net Position

The Authority's current asset balances increased by $179,934. This is primarily due to an increase of $197,744 in the unrestricted cash balance from $292,954 in the prior year to $490,698 in the current year. This increase resulted primarily from the increase in government operating grants received. Restricted cash increased by $17,436 due to an increase in net government operating grants received.

The Authority's noncurrent asset balance decreased by $54,737, which is the net of current year depreciation and the addition of $6,140 in building improvements for the Business Activities Program. Most building improvements are acquired through the use of loans from the Darke County Board of Developmental Disabilities or the Ohio Department of Developmental Disabilities. The loans will not be repaid as long as the Authority continues to comply with the Master Agreement in place. Please note the capital asset summary presented in a later section.

Current liabilities increased by $542,735, due primarily to an increase in the current portion of long-term debt. Two notes will reach the end of their terms in 2026, adding a lump-sum forgiveness total of $319,851 to the current portion of long-term debt. There were also increases of $192,378 and $31,272 in accounts payable and unearned revenue, respectively.

Non-current liabilities decreased by $368,960 due to the forgiveness of debt obligations recorded in the current year, and those reclassified as the current portion of long-term debt associated with the Business Activities Program.

The net position of the Authority decreased by $48,578 compared to the previous fiscal year.

The Authority's unrestricted component of net position changed from $208,179 to $147,027, a decrease of $61,152 or 29.37% for the current year. The unrestricted component of net position is the amount available for future appropriations. This balance is subject to program-specific guidelines.

Individual program balances that comprise the unrestricted component of net position are as follows:

Housing Choice Voucher Program	$ -0-
Business Activities	147,027
Total Unrestricted Net Assets	$ 147,027

The Authority's restricted component of net position increased from $-0- to $17,436. This was due to HAP revenues of $1,196,579 exceeding HAP expenses of $1,179,143 in the current year. The restricted component of the net position is restricted for the purpose of HAP expenses. Net Investment in Capital Assets decreased by $4,862 as net capital assets decreased by $54,737 while net debt used to fund the purchase of those assets also decreased by $49,875.

Statement of Revenues & Expenses and Changes in Net Position

The following table reflects the condensed Statement of Revenues, Expenses and Changes in Net Position for the fiscal year ended September 30 compared to the prior fiscal year.

Summary Statement of Revenues, Expenses and Changes in Net Position

	2025	2024
Tenant Revenue	$ 113,421	$ 110,705
Government Operating Grants	1,376,427	1,244,227
Other Revenue	64,760	75,007
Interest Income	730	942
Total Revenue	1,555,338	1,430,881
Administration	233,799	186,366
Utilities	41,190	42,023
General Expense	1,095	1,408
Insurance	14,039	6,205
Ordinary Maintenance	72,185	68,022
Housing Assistance Payments	1,180,731	1,073,879
Depreciation	60,877	61,359
Total Expenses	1,603,916	1,439,262
Increase (Decrease) in Net Position	(48,578)	(8,381)
Net Position, Beginning of Year	460,530	468,911
Net Position, End of Year	$ 411,952	$ 460,530

Major Factors Affecting the Statement of Net Position

Revenues of the Authority are principally generated from Federal funding. Total revenues increased by $124,457 compared to the previous fiscal year. Tenant revenue increased by $2,716. Government operating grants increased by $132,200 due to an increase in funding received for HAP expenditures. Other revenue decreased by $10,247 due to lower reimbursed property renovation costs associated with the Business Activities Program.

Total expenses increased by $164,654. Administration expenses increased by $47,433 primarily due to a increase in managing fees associated with the Housing Choice Voucher Program and the Business Activities Program. Ordinary maintenance increased by $4,163 primarily due to an increase in repairs and maintenance associated with the Business Activities Program. Housing assistance payments increased by $106,852 due to an increase in average unit leasing costs during the current fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of September 30, 2025, the Authority's capital assets totaled $1,123,231 (capital assets net of accumulated depreciation) as reflected in the following schedule.

Summary Statement of Capital Assets

	2025	2024
Land	$ 236,796	$ 236,796
Buildings	1,636,493	1,630,353
Furniture, Equipment	47,836	47,836
Accumulated Depreciation	(797,894)	(737,017)
Total Net Capital Assets	$ 1,123,231	$ 1,177,968

Buildings increased due to the improvements to real estate properties associated with the Business Activities Program.

Debt

At September 30, 2025, the Authority maintained a balance of $875,742 in outstanding notes payable as compared to $925,617 in 2024.

ECONOMIC CONDITIONS

Significant economic factors affecting the Authority are as follows:

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

Due to the 2025 Congressional Appropriations, the 2025 calendar year for the Housing Choice Voucher Program includes a proration of administrative fees at an estimated 88.513% and HAP funding at 100.708%. These percentages are up slightly from 2023 rates of 91% and 100.00%.

The Authority has maneuvered though past difficult times by making sound financial decisions including reducing expenses where possible. The Authority will continue to monitor the resources made available to provide the housing services to those we serve.

CONTACTING THE AUTHORITY

This financial report is designed to provide a general overview of the Authority's accountability for all those interested. If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Darke County Metropolitan Housing Authority
Deborah Donnelly, Chief Finance Officer
1469 Sweitzer Street
Greenville, OH 45331

DARKE COUNTY METROPOLITAN HOUSING AUTHORITY
Statement of Net Position
Proprietary Fund
For the Fiscal Year Ended September 30, 2025

ASSETS	
Current assets	
Cash and cash equivalents	$ 490,698
Restricted cash	17,436
Receivables, net	2,632
Prepaid expenses	10,177
Total current assets	520,943
Noncurrent assets	
Capital assets:	
Land	236,796
Building and equipment	1,684,329
Less accumulated depreciation	(797,894)
Total noncurrent assets	1,123,231
Total assets	$ 1,644,174
LIABILITIES	
Current liabilities	
Accounts payable	$ 285,532
Unearned revenue	70,948
Current portion of long-term debt	375,009
Total current liabilities	731,489
Noncurrent liabilities	
Long-term debt, net of current	500,733
Total noncurrent liabilities	500,733
Total liabilities	1,232,222
NET POSITION	
Net investment in capital assets	247,489
Restricted net position	17,436
Unrestricted net position	147,027
Total net position	411,952
Total liabilities and net position	$ 1,644,174

The notes to the financial statements are an integral part of these statements.

DARKE COUNTY METROPOLITAN HOUSING AUTHORITY
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
For the Fiscal Year Ended September 30, 2025

OPERATING REVENUES	
Tenant revenue	$ 113,421
Government operating grants	1,376,427
Other revenue	64,760
Total operating revenues	1,554,608
OPERATING EXPENSES	
Administrative	233,799
Utilities	41,190
General	1,095
Insurance	14,039
Ordinary maintenance	72,185
Housing assistance payments	1,179,143
Housing assistance payments - portability payments	1,588
Depreciation	60,877
Total operating expenses	1,603,916
Operating income	(49,308)
NONOPERATING REVENUES	
Interest and investment revenue	730
Total nonoperating revenues	730
Change in net position	(48,578)
Total net position - beginning	460,530
Total net position - ending	$ 411,952

The notes to the financial statements are an integral part of these statements.

DARKE COUNTY METROPOLITAN HOUSING AUTHORITY
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended September 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from tenant payments	$ 115,987
Cash received from grantors	1,406,465
Other income received	44,010
Cash paid for operating activities	(1,352,059)
Net cash provided (used) by operating activities	214,403
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned	730
Net cash provided (used) by investing activities	730
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from debt	6,187
Property and equipment purchased	(6,140)
Net cash provided (used) by capital and related financing activities	47
Net increase in Cash	215,180
Cash and cash equivalents - Beginning of Year	292,954
Cash and cash equivalents - End of Year	$ 508,134
OPERATING ACTIVITIES	
Net operating income	$ (49,308)
Adjustments to reconcile net operating income to net cash provided by operating activities:	
Depreciation	60,877
Debt forgiveness	(56,062)
(Increase) decrease in accounts receivable	36,644
(Increase) decrease in prepaid expense	(1,398)
Increase (decrease) in accounts payable	192,378
Increase (decrease) in unearned revenues	31,272
Net cash provided (used) by operating activities	$ 214,403

The notes to the financial statements are an integral part of these statements.

NOTE 1 – DESCRIPTION OF THE ENTITY

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

The accompanying financial statements comply with the provision of Governmental Accounting Standards Board (GASB) Statement 14 (as amended by GASB Statement No. 61), the Financial Reporting Entity, in that the financial statements include all organizations, activities and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

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

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

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

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

Management believes the financial statements included in this report represent all of the funds of the Authority over which the Authority is financially accountable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental

Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

Basis of Presentation

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

Fund Accounting

The Authority maintains its accounting records in accordance with the principles of "fund" accounting. Fund accounting is a concept developed to meet the needs of government entities in which legal or other restraints require the recording of specific revenues and expenses.

The Authority uses a single enterprise fund to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the Authority is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for public policy, management control, accountability or other purposes.

Basis of Accounting

Enterprise fund transactions are recorded on the accrual basis of accounting; revenues are recognized when earned and measurable and expenses are recognized as incurred.

Measurement Focus

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

Cash and Cash Equivalents

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

Restricted Cash

Restricted cash represents amounts held due to accumulated HAP revenues in excess of HAP expenditures.

Accounts Receivable

Accounts receivable consist mainly of amounts due from various funding agencies for program costs incurred that have not been reimbursed at year-end. Accounts receivable also include $22,436 for fraud recovery, $19,804 of which is considered uncollectable at September 30, 2025.

Capital Assets

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

Buildings	39 years
Furniture, equipment, and machinery	3-5 years
Leasehold improvement	15 years

Revenue Recognition

Subsidies and grants received from HUD and other grantors are generally recognized during the periods to which they relate and all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Authority must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Authority on a reimbursement basis. Tenant revenues are recognized during the period of occupancy. Other receipts are recognized when the related expenses are incurred. Expenses are recognized as incurred.

Unearned Revenue

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

Net Position

Net position represents the difference between assets and liabilities.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by any outstanding balances of any borrowings that have been used for the acquisition, construction or improvement of those assets.

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Authority applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Revenues and Expenses

The Authority distinguishes 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 an enterprise 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.

Income Taxes

No provision for income taxes is recorded as the Authority is a non-profit, tax-exempt entity under the Internal Revenue Code.

Estimates

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

Changes in Accounting Principles

GASB Statement No. 102, Certain Risk Disclosures. The objective of this statement is to provide users of government financial statements with essential information about the risks related to a government's vulnerabilities due to certain concentrations or constraints. The Authority's Section 8 Housing Program is economically dependent on annual contributions and grants from HUD. This program operates at a loss prior to receiving the contributions and grants. The GASB pronouncement relates to note disclosure only and had no effect on beginning net position.

NOTE 3 – DEPOSITS AND INVESTMENTS

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

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

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

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

Protection of the Authority's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) or the Ohio Pooled Collateral System (OPCS).

At September 30, 2025, the carrying amount of the Authority's deposits totaled $508,134 and its bank balances were $511,757. Based on the criteria described in GASB Statement No. 40, "Deposit and Investment Risk Disclosure," as of September 30, 2025, $448,172 of the Authority's bank balances were covered by the FDIC. Should the Authority's bank balances exceed FDIC coverage, that excess would be exposed to custodial credit risk as discussed below.

Custodial credit risk is the risk that, in the event of 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 Authority's Board. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of 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 the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Authority.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury bills, notes, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality including but not limited to, the Federal National

Mortgage Corporation, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of the settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items 1 and 2 above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 and 270 days, respectively, from the purchase date in an amount not to exceed 40 percent of the interim monies available for investment at any one time, if training requirements are met.

NOTE 4 – RELATED PARTY TRANSACTIONS

The Authority contracts with Miami Valley Community Action Partnership (MVCAP) to provide financial services for the housing authority. The Authority does not have any employees; instead, services are contracted from MVCAP. MVCAP designates certain employees to maintain the Authority's records. MVCAP is a nonprofit entity providing resources for the purpose of assisting low-income individuals through a variety of programs supported by federal and state government grants.

The Authority and MVCAP have entered into a Master Housing Contract with the Darke County Board of Developmental Disabilities (Board) in order to improve the availability of housing for individuals with disabilities in Darke County. MVCAP responsibilities are to provide fiscal services for the properties that the Authority received from the Darke County Board of Developmental Disabilities.

The Authority has several notes outstanding with MVCAP due to some of the properties received from the Board. The details of these notes are listed in footnote 6, below. During the fiscal year, the Authority paid the MVCAP Agency $184,135 for management and fiscal services.

NOTE 5 – CAPITAL ASSETS

The following is a summary of the changes in capital assets during the fiscal year:

	Balance 10/1/2024	Additions	Deletions	Balance 9/30/2025
Capital Assets Not Being Depreciated:				
Land	$ 236,796	$ -	$ -	$ 236,796
Total Capital Assets Not Being Depreciated	236,796	-	-	236,796
Capital Assets Being Depreciated:				
Building	1,630,353	6,140	-	1,636,493
Furniture, Equipment - Admin	47,836	-	-	47,836
Total Capital Assets Being Depreciated	1,678,189	6,140	-	1,684,329
Accumulated Depreciation:				
Building	(689,181)	(60,877)	-	(750,058)
Furniture, Equipment - Admin	(47,836)	-	-	(47,836)
Total Accumulated Depreciation	(737,017)	(60,877)	-	(797,894)
Total Capital Assets Being Depreciated, Net	941,172	(54,737)	-	886,435
Total Capital Assets, Net	$ 1,177,968	$ (54,737)	$ -	$ 1,123,231

NOTE 6 – LONG-TERM DEBT

The following is a summary of long-term debt of the Authority for the fiscal year ended September 30, 2025:

Description	10/1/2024	Issued	Retired	Balance 9/30/2025	Due Within One Year
314 Delaware	$ 1,540	$ -	$ 1,358	$ 182	$ 179
109 Dwyer Ave	3,310	-	1,203	2,107	1,203
1124 Donald Drive	1	-	1	-	-
205 Glenwood Dr	133,308	-	-	133,308	-
627 Birt Street	164,067	-	-	164,067	164,067
1039 Central Ave	155,784	-	-	155,784	155,784
1237 Sugar Maple	33,713	-	5,121	28,592	5,121
1312 Hillside Roof	2,920	-	473	2,447	473
1312 Hillside HV	2,672	-	417	2,255	417
5802 Lake	69,076	-	9,314	59,762	9,314
609 Chestnut	73,545	-	9,290	64,255	9,290
314 Delaware Imp	23,767	-	3,100	20,667	3,100
109 Dwyer Improv	10,698	-	1,259	9,439	1,259
1122 N Ohio	64,256	-	7,426	56,830	7,426
5802 Lake Roof	4,891	-	498	4,393	498
123 Hilltop	66,147	-	6,507	59,640	6,507
1124 Donald Imp	45,756	-	4,428	41,328	4,428
1312 Hillside Plumb	3,377	-	317	3,060	317
123 Hilltop Repair	5,707	-	527	5,180	527
609 Chestnut Bath	17,815	-	1,484	16,331	1,484
109 Dwyer Bath	20,478	-	1,575	18,903	1,575
123 Hilltop Bath	22,789	-	1,628	21,161	1,628
609 Chestnut Window	-	6,187	136	6,051	412
Totals	$ 925,617	$ 6,187	$ 56,062	$ 875,742	$ 375,009

During 2025, the Authority entered into an agreement with the Ohio Department of Developmental Disabilities to replace windows in the property located at 609 Chestnut Street, Greenville, Ohio in the amount of $6,187. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2023, the Authority entered into an agreement with Darke County Board of Developmental Disabilities to renovate the property located at 123 Hilltop Drive, Greenville, Ohio in the amount of $24,417. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2022, the Authority entered into an agreement with Darke County Board of Developmental Disabilities to renovate the property located at 109 Dwyer Avenue, Greenville, Ohio in the amount of $23,628. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2021, the Authority entered into an agreement with Darke County Board of Developmental Disabilities to renovate the property located at 609 Chestnut Street, Greenville, Ohio in the amount of $22,267. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2020, the Authority entered into an agreement with Darke County Board of Developmental Disabilities to purchase and renovate the property located at 123 Hilltop Avenue, Greenville, Ohio in the amount of $103,297. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2019, the Authority entered into an agreement with Darke County Board of Developmental Disabilities to purchase and renovate the property located at 5802 Lake Avenue, Greenville, Ohio in the amount of $7,464. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2018, the Authority entered into an agreement with Darke County Board of Developmental Disabilities to purchase and renovate the property located at 1122 North Ohio Street, Greenville, Ohio in the amount of $110,375. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2018, the Authority entered into an agreement with Darke County Board of Developmental Disabilities (DD Board) to renovate the property located at 109 Dwyer Avenue, Greenville, Ohio in the amount of $18,880. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2017, the Authority entered into an agreement with Darke County Board of Developmental Disabilities to purchase and renovate the property located at 609 Chestnut Street, Greenville, Ohio in the amount of $139,348. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2017, the Authority entered into an agreement with Darke County Board of Developmental Disabilities (DD Board) to purchase and renovate the property located at 5802 Lake Avenue, Greenville, Ohio in the amount of $139,706. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2017, the Authority entered into an agreement with Darke County Board of Developmental Disabilities (DD Board) to renovate the property located at 314 Delaware Avenue, Greenville, Ohio in the amount of $46,500. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2016, the Authority entered into an agreement with Darke County Board of Developmental Disabilities (DD Board) to finance the purchase of a property located at 1237 Sugar Maple in the amount of $76,815. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2016, the Authority entered into an agreement with Darke County Board of Developmental Disabilities (DD Board) to finance replacement of a roof at the property located 1312 Hillside Drive in the amount of $7,100. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2016, the Authority entered into an agreement with Darke County Board of Developmental Disabilities (DD Board) to finance replacement of a ventilation system at the property located 1312 Hillside Drive in the amount of $6,250. The note amount will not be repaid as long as the Authority continues to comply with the Master Agreement in place. The loan is being amortized and recognized as forgiven over a period of 15 years.

During 2014, the Authority entered into a promissory note with Darke County Board of Commissioners in the sum of $133,308. The note is zero interest and the funds were used to purchase and renovate the property located at 205 Glenwood Drive, Greenville, Ohio. The terms of the note state that the note will be forgiven in its entirety on March 24, 2040 as long as the property is used for the stated purpose as discussed in the Funding Agreement. The note shall become due on the sale or transfer of the property securing the note and upon other specific events as detailed in the agreement.

During 2014, the Authority entered into a promissory note with Community Action Partnership of Greater Dayton Area in the sum of $164,068. The note is zero interest and the funds were used to purchase and renovate the property located at 627 Birt Street, Greenville, Ohio. The terms of the note state that the note will be forgiven in its entirety on July 6, 2026 as long as the property is used for the stated purpose as discussed in the Funding Agreement. The note shall become due on the sale or transfer of the property securing the note and upon other specific events as detailed in the agreement.

During 2014, the Authority entered into a promissory note with Community Action Partnership of Greater Dayton Area in the sum of $155,785. The note is zero interest and the funds were used to purchase and renovate the property located at 1039 Central Avenue, Greenville, Ohio. The terms of the note state that the note will be forgiven in its entirety on January 15, 2026 as long as the property is used for the stated purpose as discussed in the Funding Agreement. The note shall become due on the sale or transfer of the property securing the note and upon other specific events as detailed in the agreement.

During 2013, the Authority entered into a Master Housing Contract with the Darke County Board of Developmental Disabilities in order to improve the availability of housing for individuals with disabilities in Darke County. This contract was extended by signing a new agreement on November 10, 2014. The Ohio Revised Code 5126.05 permits county boards to enter into agreements with nonprofit corporations to provide residential services. On January 1, 2014, the Deed to the properties listed below was transfer to the Authority. In return, the Authority agreed to be bound by the terms and conditions of the Project Agreement between the Darke County Board of Developmental Disabilities and the Ohio Department of Developmental Disabilities for the distribution of Capital Assistance Funds.

Property
314 Delaware, Greenville, Ohio
109 Dwyer Avenue, Greenville, Ohio
1312 Hillside Drive, Greenville, Ohio
1124 Donald Drive, Greenville, Ohio

The principal and interest payments for the notes payable at September 30, 2025 are as follows:

Year	Principal	Interest
2026	$ 375,009	-
2027	54,678	-
2028	53,775	-
2029	53,775	-
2030	53,775	-
2031-2035	139,980	-
2036-2040	144,750	-
Total	$ 875,742	$ -

NOTE 7 – RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the fiscal year 2025, the Authority contracted with Cincinnati Insurance Company for vehicle insurance, commercial property and general liability, employee dishonesty and directors' and officers' liability.

Vehicle insurance carries a $1,000 per vehicle comprehensive deductible. Property and general insurance carries a $2,500 deductible. Settled claims have not exceeded this coverage in any of the last three years. There has been no significant reduction in coverage from last year.

NOTE 8 – CONTINGENCIES

Amounts grantor agencies pay to the Authority are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Darke County Metropolitan Housing Authority (OH045)
Greenville, OH
Entity Wide Balance Sheet Summary
Fiscal Year End: 09/30/2025

	1 Business Activities	14.871 Housing Choice Vouchers	Subtotal	Total
111 Cash - Unrestricted	$163,471	$327,227	$490,698	$490,698
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted		$17,436	$17,436	$17,436
114 Cash - Tenant Security Deposits				
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	$163,471	$344,663	$508,134	$508,134
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects				
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous				
126 Accounts Receivable - Tenants				
126.1 Allowance for Doubtful Accounts -Tenants				
126.2 Allowance for Doubtful Accounts - Other				
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery		$22,436	$22,436	$22,436
128.1 Allowance for Doubtful Accounts - Fraud		-$19,804	-$19,804	-$19,804
129 Accrued Interest Receivable				
120 Total Receivables, Net of Allowances for Doubtful Accounts	$0	$2,632	$2,632	$2,632
131 Investments - Unrestricted				
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets		$10,177	$10,177	$10,177
143 Inventories				
143.1 Allowance for Obsolete Inventories				
144 Inter Program Due From				
145 Assets Held for Sale				
150 Total Current Assets	$163,471	$357,472	$520,943	$520,943
161 Land	$232,071	$4,725	$236,796	$236,796
162 Buildings	$1,583,747	$100,582	$1,684,329	$1,684,329
163 Furniture, Equipment & Machinery - Dwellings				
164 Furniture, Equipment & Machinery - Administration				
165 Leasehold Improvements				
166 Accumulated Depreciation	-$706,779	-$91,115	-$797,894	-$797,894
167 Construction in Progress				
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	$1,109,039	$14,192	$1,123,231	$1,123,231
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due				
173 Grants Receivable - Non Current				
174 Other Assets				
176 Investments in Joint Ventures				
180 Total Non-Current Assets	$1,109,039	$14,192	$1,123,231	$1,123,231
200 Deferred Outflow of Resources				
290 Total Assets and Deferred Outflow of Resources	$1,272,510	$371,664	$1,644,174	$1,644,174
311 Bank Overdraft				
312 Accounts Payable <= 90 Days	$15,210	$270,322	$285,532	$285,532
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable				
322 Accrued Compensated Absences - Current Portion				
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				

Darke County Metropolitan Housing Authority (OH045)
Greenville, OH
Entity Wide Balance Sheet Summary
Fiscal Year End: 09/30/2025

333 Accounts Payable - Other Government				
341 Tenant Security Deposits				
342 Unearned Revenue	$1,234	$69,714	$70,948	$70,948
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$375,009		$375,009	$375,009
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other				
347 Inter Program - Due To				
348 Loan Liability - Current				
310 Total Current Liabilities	$391,453	$340,036	$731,489	$731,489
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$500,733		$500,733	$500,733
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current				
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities				
350 Total Non-Current Liabilities	$500,733	$0	$500,733	$500,733
300 Total Liabilities	$892,186	$340,036	$1,232,222	$1,232,222
400 Deferred Inflow of Resources				
508.4 Net Investment in Capital Assets	$233,297	$14,192	$247,489	$247,489
511.4 Restricted Net Position		$17,436	$17,436	$17,436
512.4 Unrestricted Net Position	$147,027	$0	$147,027	$147,027
513 Total Equity - Net Assets / Position	$380,324	$31,628	$411,952	$411,952
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$1,272,510	$371,664	$1,644,174	$1,644,174

Darke County Metropolitan Housing Authority (OH045)
Greenville, OH
Entity Wide Revenue and Expense Summary
Fiscal Year End: 09/30/2025

	1 Business Activities	14.871 Housing Choice Vouchers	Subtotal	Total
70300 Net Tenant Rental Revenue	$113,421		$113,421	$113,421
70400 Tenant Revenue - Other				
70500 Total Tenant Revenue	$113,421	$0	$113,421	$113,421
70600 HUD PHA Operating Grants		$1,376,427	$1,376,427	$1,376,427
70610 Capital Grants				
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue				
70800 Other Government Grants				
71100 Investment Income - Unrestricted	$486	$244	$730	$730
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery		$544	$544	$544
71500 Other Revenue	$56,062	$8,154	$64,216	$64,216
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted				
70000 Total Revenue	$169,969	$1,385,369	$1,555,338	$1,555,338
91100 Administrative Salaries				
91200 Auditing Fees		$8,436	$8,436	$8,436
91300 Management Fee	$23,702	$160,433	$184,135	$184,135
91310 Book-keeping Fee				
91400 Advertising and Marketing				
91500 Employee Benefit contributions - Administrative				
91600 Office Expenses	$1,652	$29,213	$30,865	$30,865
91700 Legal Expense				
91800 Travel				
91810 Allocated Overhead				
91900 Other		$10,363	$10,363	$10,363
91000 Total Operating - Administrative	$25,354	$208,445	$233,799	$233,799
92000 Asset Management Fee				
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
93100 Water	$4,518		$4,518	$4,518
93200 Electricity	$20,576		$20,576	$20,576
93300 Gas	$11,116		$11,116	$11,116
93400 Fuel				
93500 Labor				
93600 Sewer	$4,980		$4,980	$4,980
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense				
93000 Total Utilities	$41,190	$0	$41,190	$41,190
94100 Ordinary Maintenance and Operations - Labor				
94200 Ordinary Maintenance and Operations - Materials and Other	$13,254	$851	$14,105	$14,105
94300 Ordinary Maintenance and Operations Contracts	$58,080		$58,080	$58,080
94500 Employee Benefit Contributions - Ordinary Maintenance				
94000 Total Maintenance	$71,334	$851	$72,185	$72,185

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
96110 Property Insurance	$12,199		$12,199	$12,199
96120 Liability Insurance				
96130 Workmen's Compensation				
96140 All Other Insurance		$1,840	$1,840	$1,840
96100 Total insurance Premiums	$12,199	$1,840	$14,039	$14,039
96200 Other General Expenses	$6	$1,089	$1,095	$1,095
96210 Compensated Absences				
96300 Payments in Lieu of Taxes				
96400 Bad debt - Tenant Rents				
96500 Bad debt - Mortgages				
96600 Bad debt - Other				
96800 Severance Expense				
96000 Total Other General Expenses	$6	$1,089	$1,095	$1,095
96710 Interest of Mortgage (or Bonds) Payable				
96720 Interest on Notes Payable (Short and Long Term)				
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	$0	$0	$0	$0
96900 Total Operating Expenses	$150,083	$212,225	$362,308	$362,308
97000 Excess of Operating Revenue over Operating Expenses	$19,886	$1,173,144	$1,193,030	$1,193,030
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments		$1,179,143	$1,179,143	$1,179,143
97350 HAP Portability-In		$1,588	$1,588	$1,588
97400 Depreciation Expense	$59,525	$1,352	$60,877	$60,877
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	$209,608	$1,394,308	$1,603,916	$1,603,916
10010 Operating Transfer In				
10020 Operating transfer Out				
10030 Operating Transfers from/to Primary Government				
10040 Operating Transfers from/to Component Unit				
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)				
10091 Inter Project Excess Cash Transfer In				
10092 Inter Project Excess Cash Transfer Out				
10093 Transfers between Program and Project - In				
10094 Transfers between Project and Program - Out				
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-$39,639	-$8,939	-$48,578	-$48,578
11020 Required Annual Debt Principal Payments	$375,009	$0	$375,009	$375,009
11030 Beginning Equity	$419,963	$40,567	$460,530	$460,530
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors				
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		$14,192	$14,192	$14,192
11180 Housing Assistance Payments Equity		$17,436	$17,436	$17,436

Darke County Metropolitan Housing Authority (OH045)
Greenville, OH
Entity Wide Revenue and Expense Summary
Fiscal Year End: 09/30/2025

11190 Unit Months Available	144	3636	3780	3780
11210 Number of Unit Months Leased	144	2784	2928	2928
11270 Excess Cash				
11610 Land Purchases				
11620 Building Purchases				
11630 Furniture & Equipment - Dwelling Purchases				
11640 Furniture & Equipment - Administrative Purchases				
11650 Leasehold Improvements Purchases				
11660 Infrastructure Purchases				
13510 CFFP Debt Service Payments				
13901 Replacement Housing Factor Funds				

DARKE COUNTY METROPOLITAN HOUSING AUTHORITY
DARKE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

FEDERAL GRANTOR Program / Cluster Title	Assistance Listing Number	Total Federal Expenditures
U.S.DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Direct Program		
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	$1,376,427
Total Housing Voucher Cluster		1,376,427
Total U.S. Department of Housing and Urban Development		1,376,427
Total Expenditures of Federal Awards		$1,376,427

The accompanying notes are an integral part of this schedule.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Darke County Metropolitan Housing Authority (the Authority) under programs of the federal government for the fiscal year ended September 30, 2025. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C - INDIRECT COST RATE

The Authority has elected not to use the 15-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - SUBRECIPIENTS

The Authority provided no federal awards to subrecipients during the fiscal year ended September 30, 2025.

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

Darke County Metropolitan Housing Authority
Darke County
1469 Sweitzer Street
Greenville Ohio 45331

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 Darke County Metropolitan Housing Authority, Darke County, Ohio (the Authority) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 24, 2026.

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.

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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.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
June 24, 2026

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

Darke County Metropolitan Housing Authority
Darke County
1469 Sweitzer Street
Greenville, Ohio 45331

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Darke County Metropolitan Housing Authority's, Darke County, Ohio (the Authority) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Darke County Metropolitan Housing Authority's major federal program for the year ended September 30, 2025. Darke County 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, Darke County 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 September 30, 2025.

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.

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Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
June 24, 2026

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS FOR FEDERAL AWARDS

None