TRUMBULL METROPOLITAN HOUSING AUTHORITY
TRUMBULL COUNTY, OHIO

SINGLE AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Zupka & Associates
Certified Public Accounts

OHIO AUDITOR OF STATE
KEITH FABER

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Board Members
Trumbull Metropolitan Housing Authority
4076 Youngstown Road, SE
Warren, Ohio 44484

We have reviewed the *Independent Auditor's Report* of the Trumbull Metropolitan Housing Authority, Trumbull County, prepared by Zupka & Associates, for the audit period July 1, 2022 through June 30, 2023. 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. The Trumbull Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

March 07, 2024

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TRUMBULL METROPOLITAN HOUSING AUTHORITY
BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Trumbull Metropolitan Housing Authority
Trumbull County
4076 Youngstown Road SE
Warren, Ohio 44484

To the Members of the Board:

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Trumbull Metropolitan Housing Authority, Ohio, (the Authority) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Trumbull Metropolitan Housing Authority as of June 30, 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 (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 opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension and Postemployment Benefit Liabilities and Pension and Postemployment Benefit Contributions, as listed in the table of contents, 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 opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Schedule of Modernization Costs - Completed and the Financial Data Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis 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, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Modernization Costs - Completed, the Financial Data Schedules and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2023, on our consideration of the Authority's internal control over financial reporting and on 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.

Zupka & Associates

Zupka & Associates
Certified Public Accountants

December 15, 2023

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

The Management's Discussion and Analysis (MD&A) is designed to focus on the fiscal year ended June 30, 2022 activities, resulting changes, and currently known facts. Please read it in conjunction with the Authority's financial statements. In accordance with GASB Statement No. 34, paragraph 10, the financial information and discussion presented below focuses on the primary government. Due to the significance of the component units when compared to the primary government, the financial information is provided for the component units in some instances to provide for a more complete and meaningful discussion of financial results. Regardless, discussion in the MD&A attempts to distinguish between information pertaining to the primary government and that of the component units.

FINANCIAL HIGHLIGHTS

The primary government's net position increased by $1.15 million (or 6.3 percent) in 2023. The net positions were $19.48 million and $18.33 million for 2023 and 2022, respectively. The increase in net position resulted primarily from an increase in investment in capital assets.

Total revenues increased by $0.19 million (or 1.1 percent), and were $17.64 million and $17.45 million for 2023 and 2022, respectively. Tenant revenues, capitol grants, and investment income increased while operating subsidies decreased.

Total expenses for the primary government increased by $0.04 million (or .2 percent), and were $16.32 million and $16.36 million for 2023 and 2022, respectively. This does not consider the change in Pension/OPEB. Administrative, maintenance, general services, other operating, and depreciation increased by $0.60 million (or 6.3 percent) while utilities, tenant services, and housing assistance payments expenses decreased by $0.44 million (or 6.6 percent). Amortization and interest expense decreased by $0.19 million from a lease asset and the lease amortization removal from 2023, related to updated interpretation of GASB 87.

Since the Authority engages only in business-type activities, the changes are all in the category of business-type net position.

The Authority's component units consist of two non-profit organizations: the Warren Housing Development Corporation and the Western Reserve Housing Development Corporation. The notes to the financial statements provide further explanation of the component units.

The component units' net position increased by $0.27 million (or 0.9 percent) in 2023. The net positions were $30.64 million and $30.91 million for 2023 and 2022, respectively. Net position for both component units amount to approximately 61.2 percent of the combined net position for the primary government and component units.

USING THIS ANNUAL REPORT

The report includes three major sections, the Management's Discussion and Analysis (MD&A), Basic Financial Statements, and Other Required Supplementary Information.

MD & A
Management Discussion and Analysis

Basic Financial Statements
Authority-Wide Financial Statements
Notes to Financial Statements

Other Required Supplementary Information
Schedule of The Authority's Proportionate Share of the Net Pension Liability Last Eight Years
Schedule of The Authority's Contributions - Pension Last Ten Years
Schedule of The Authority's Proportionate Share of the Net OPEB Liability Last Five Years
Schedule of The Authority's Contributions - OPEB Last Seven Years
Notes to Pension and OPEB Liability

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented are those of the Authority as a whole (Authority-wide) and the component units, discretely reported. The financial statements are further detailed by major account. This perspective (Authority-wide, major account, and component units) allows the user to address relevant questions, broadens a basis for comparison year to year (or Authority to Authority) and enhances the Authority's accountability.

These statements include a **Statement of Net Position.** The Statement of Net Position reports all financial and capital resources for the Authority. The Statement is presented in the format where assets and deferred outflows equal liabilities and deferred inflows plus "Net Position." Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "Non-Current".

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

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

The financial statements also include a **Statement of Revenues, Expenses, and Change in Net Position.** This Statement includes operating revenues, such as rental income; operating expenses, such as administrative, utilities, 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 Change in Net Position is the "Change in Net Position," which is similar to net income or loss.

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

Financial Statements by Major Programs

In general, the Authority's financial statements consist exclusively of enterprise funds. An enterprise fund utilizes the full accrual basis of accounting. The enterprise method of accounting is similar to accounting utilized by private sector accounting. Many of the funds maintained by the Authority are required by the U.S. Department of Housing and Urban Development (HUD). Others are segregated to enhance accountability and control.

THE AUTHORITY'S PROGRAMS

Business Type Programs

Conventional Public Housing **-** Under the Conventional Public Housing Program, the Authority rents units 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 Public Housing Authority (PHA) to provide the housing at a rent that is based upon 30 percent 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 (HAP) made to the landlord. The Program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contribution funding to enable the Authority to structure a lease that sets the participants' rent at 30 percent of household income. The Authority receives administrative fees from HUD to administer the Program.

Other Authority Programs **-** In addition to the programs above, the Authority also maintains the following programs:

Family Self Sufficiency Program - a grant program funded by HUD that enables participating Public Housing and Housing Choice Voucher families to increase earned income and financial literacy, reduce or eliminate the need for welfare assistance, and make progress toward economic independence and self-sufficiency.

ROSS Service Coordinator Grant - a grant funded by HUD to provide elderly residents with a support system and connect them with available community resources.

Youth Build Program Grants - grants funded by the U.S. Department of Labor (DOL) and other state and local grants to provide unemployed at-risk youth with construction skills, a high school education, and basic leadership training, while rehabilitating or constructing new housing for people in their communities.

COMPONENT UNIT

Business Type Programs

***Housing Assisting Payments Contracts* -** The contracts provide rental subsidies from HUD for eligible tenant families residing in existing rental projects.

***Affordable Housing Development Agreement* –** Fees are earned under an agreement to develop affordable housing on behalf of a project owner.

FINANCIAL STATEMENTS

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

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

	2023 (in millions)	2022 (in millions)
Assets and Deferred Outflows of Resources		
Assets		
Current Assets	$ 7.08	$ 6.49
Capital Assets	17.40	18.81
Other Assets	6.50	7.11
Total Assets	30.98	32.41
Deferred Outflows of Resources	2.32	0.52
Total Assets and Deferred Outflows of Resources	$ 33.30	$ 32.93
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities		
Current Liabilities	$ 1.06	$ 1.24
Long-Term Liabilities	12.64	10.69
Total Liabilities	13.70	11.93
Deferred Inflows of Resources	0.12	2.67
Net Position		
Net Investment in Capital Assets	17.38	16.74
Restricted	0.19	0.07
Unrestricted	1.91	1.52
Total Net Position	19.48	18.33
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 33.30	$ 32.93

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

Major Factors Affecting the Statement of Net Position

During 2023, total assets and deferred outflows increased by $0.37 million (or 1.1 percent). This increase resulted primarily from an increase in deferred outflows of $1.8 million. Total liabilities and deferred inflows decreased by $0.8 million (or 5.3 percent).

The net position of component units decreased by $0.27 million (or 0.9 percent). The decrease resulted primarily from developer expenses in the current period for the Elms rehabilitation project.

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in unrestricted net position provide a clearer picture of the Authority's financial well-being.

Table 2 - Statement of Unrestricted Net Position - Primary Government

	2023 (in millions)
Beginning Balance - June 30, 2022	$ 1.52
Results of Operations	1.15
Adjustments:	
Current Year Depreciation & Amortization Expense (1)	2.01
Capital Expenditures	(2.64)
Debt Forgiven	(0.01)
Change in Restricted Net Position	(0.12)
Ending Balance - June 30, 2023	$ 1.91

(1) Depreciation & Amortization is treated as an expense and reduces the results of operations but does not have an impact on Unrestricted Net Position.
(2) Operating and Non-Operating Results are reported in Results of Operations.

Statement of Revenues, Expenses, and Change in Net Position

The following table 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 - Primary Government

	2023 (in millions)	2022 (in millions)
Revenues		
Operating Subsidies	$ 11.50	$ 11.68
Total Tenant Revenues	2.68	2.51
Capital Grants	2.49	2.43
Investment Income	0.15	0.01
Other Revenues	0.82	0.82
Total Revenues	17.64	17.45
Expenses		
Administrative	3.51	3.31
Utilities	0.93	0.96
Maintenance	3.21	2.96
Tenant Services	0.16	0.49
General and Protective Services	1.29	1.27
Housing Assistance Payments	5.16	5.24
Other Operating	0.05	0.01
Depreciation	2.01	2.02
Interest Expenses	0	0.10
Pension/OPEB Expense	0.18	(1.29)
Total Expenses	16.50	15.07
Net Increase (Decrease)	$ 1.14	$ 2.38

Major Factors Affecting the Statement of Revenue, Expenses, and Change in Net Position

Total revenue increased from 2022 to 2023 by $.19 million. Tenant revenues, capital grants, and investment income increased by $.37 million (or 7.5 percent) while operating subsidies decreased by .18 million (or 1.5 percent). Total operating expenses for the primary government increased by $0.06 million (or 0.4 percent), and were $16.32 million and $16.26 million for 2023 and 2022, respectively. This does not consider interest expense or the change in Pension/OPEB. Administrative, maintenance, general services, other operating, and depreciation increased by $0.60 million (or 6.3 percent) while utilities, tenant services, and housing assistance payment expenses decreased by $0.44 million (or 6.6 percent). The increase resulted primarily from an increase in maintenance contract costs. Amortization and interest expense decreased by $0.19 million from a lease asset and the lease amortization removal from 2023, related to updated interpretation of GASB 87. The change in Pension/OPEB was recognized as an expense of $0.18 million and a revenue of $1.29 million for 2023 and 2022, respectively.

The component units had a net operating loss of $0.93 million, a decrease of $5.72 million (or 119.4 percent) compared to 2022, due primarily to developer contributions made to the Elms rehabilitation project in 2023. Total expenses for the component units increased by $1.15 million (or 76.0 percent) and were $2.66 million and $1.51 million for 2023 and 2022, respectively. The increase resulted primarily from an increase in other operating expenses of $1.07 million from developer contributions to the Elms rehabilitation project.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year-end, the Authority had $17.40 million invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease (additions, deductions, and depreciation) of $1.41 million (or 7.5 percent) from the end of last year. The decrease resulted in part from the removal of a lease asset and lease accumulated amortization pursuant to updated interpretation GASB 87.

Table 4 - Condensed Statement of Changes in Capital Assets - Primary Government

	2023 (in millions)	2022 (in millions)
Land	$ 1.15	$ 1.15
Buildings	82.38	81.51
Equipment	2.18	2.10
Construction-in-Progress	3.37	3.85
Accumulated Depreciation	(71.68)	(69.80)
Total	$ 17.40	$ 18.81

The following reconciliation summarizes the change in capital assets, presented in detail in Note 5.

Table 5 - Changes in Capital Assets - Primary Government

	2023 (in millions)	2022 (in millions)
Beginning Balances - June 30, 2022	$ 18.81	$ 16.14
Current Year Additions and Deletions	0.48	4.69
Current Year Depreciation	(1.89)	(2.02)
Ending Balances - June 30, 2023	$ 17.40	$ 18.81

As of year-end, the component units had a net book value of $6.17 million invested in capital assets. The net book value of capital assets remained relatively the same from 2022 to 2023.

Debt Outstanding

The Authority acquired debt (i.e., deferred loan) in 2010 equal to $.16 million related to five properties purchased with Neighborhood Stabilization Program grant funds. The deferred debt for these properties remaining as of June 30, 2023 is $0.03 million. The properties were added to the Authority's public housing portfolio on December 31, 2014.

On June 24, 2020, the Authority acquired debt of $6.5 million related to the sale and financing of The Elms multifamily development. This debt is offset by a note receivable of $6.5 million due from the project owner.

Table 6 - Condensed Statement of Changes in Debt Outstanding - Primary Government

	2023 (in millions)	2022 (in millions)
Beginning Balances - June 30, 2022	$ 6.54	$ 6.55
Current Year Additions	0.00	0.00
Current Year Principal Payments	(0.01)	(0.01)
Rounding Adjustment	0.00	0.00
Ending Balances - June 30, 2023	$ 6.53	$ 6.54

A summary of outstanding debt is presented in detail on Note 11. The detail includes debt related to the net pension liability not included with Table 6.

The component units had debt equal to $3.75 million at the end of 2023, compared to $3.28 million at the end of 2022. This increase reflects acquired debt for new capital building improvements.

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

Questions concerning any information provided in this report or requests for additional information should be addressed to Donald W. Emerson, Jr., Executive Director, Trumbull Metropolitan Housing Authority, 4076 Youngstown Road SE, Warren, Ohio 44484, or by calling 330-369-1533.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2023

	Primary Government	Component Units
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Assets		
Current Assets		
Cash - Unrestricted	$ 5,692,725	$ 12,545,586
Cash - Restricted	436,523	45,578
Accounts Receivable - Net of Allowance	520,165	189,316
Prepaid Expenses	129,374	74,245
Inventories - Net of Allowance	181,522	23,444
Notes Receivable - Current Portion	0	45,427
Tenant Notes Receivable - Current Portion	111,249	22,252
Total Current Assets	7,071,558	12,945,848
Non-Current Assets		
Capital Assets, Not Depreciated	4,523,269	1,865,410
Capital Assets - Net of Accumulated Depreciation	12,883,238	4,300,580
Notes Receivable - Net of Current Portion	6,500,000	15,867,409
Interest Receivable - Net of Current Portion	0	355,513
Total Non-Current Assets	23,906,507	22,388,912
Total Assets	30,978,065	35,334,760
Deferred Outflow of Resources		
Deferred Outflow of Resources - Pension	1,984,721	156,524
Deferfed Inflow of Resources - OPEB	333,138	26,274
Total Deferred Outflows of Resources	2,317,859	182,798
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 33,295,924	$ 35,517,558

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

TRUMBULL METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2023
(CONTINUED)

	Primary Government	Component Units
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND NET POSITION		
Liabilities		
Current Liabilities		
Accounts Payable	$ 355,663	$ 495,508
Accrued Wages and Payroll Taxes	124,563	3,855
Compensated Absences - Current Portion	118,790	10,211
Intergovernmental Payables	161,935	13,762
Current Portion of Long-Term Debt	13,567	136,644
Current Other Liabilities	48,033	0
Tenant Security Deposits	186,862	45,578
Unearned Revenue	48,295	38,970
Total Current Liabilities	1,057,708	744,528
Non-Current Liabilities		
Interest Payable, Net of Current Portion	0	37,809
Long-Term Debt, Net of Current Portion - Mortgage	12,492	1,148,642
Long-Term Debt, Net of Current Portion - Other	6,500,000	2,468,553
Non-Current Liabilities - Other	194,881	5,423
Compensated Absences, Non-Current	399,402	23,162
Net Pension Liability	5,421,098	427,535
Net OPEB Liability	111,773	8,814
Total Non-Current Liabilities	12,639,646	4,119,938
Total Liabilities	13,697,354	4,864,466
Deferred Inflow of Resources		
Deferred Inflow of Resources - Pension	83,039	6,549
Deferred Inflow of Resources - OPEB	42,159	3,324
Total Deferred Inflows of Resources	125,198	9,873
Total Liabilities and Deferred Inflows of Resources	13,822,552	4,874,339
Net Position		
Net Investment in Capital Assets	17,380,448	4,297,561
Restricted	187,750	0
Unrestricted	1,905,174	26,345,658
Total Net Position	19,473,372	30,643,219
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	$ 33,295,924	$ 35,517,558

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

TRUMBULL METROPOLITAN HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Primary Government	Component Units
Operating Revenues		
Operating Grant Revenue	$ 11,500,408	$ 0
Tenant Revenues	2,680,745	596,106
Other Income	813,309	1,080,638
Total Operating Revenues	14,994,462	1,676,744
Operating Expenses		
Administration	3,514,074	354,695
Utilities	926,205	258,273
Ordinary Maintenance and Operations	3,212,279	450,425
Tenant Services	163,589	9,976
General and Protective Services	1,285,142	232,660
Housing Assistance Payments	5,163,323	0
Other Operating	47,920	1,079,650
Depreciation	2,007,064	222,114
Total Operating Expenses	16,319,596	2,607,793
Operating Income (Loss)	(1,325,134)	(931,049)
Non-Operating Revenue (Expenses)		
Capital Grants	2,488,434	0
Interest Income	151,888	718,051
Interest Expenses	0	(82,775)
Gain (Loss) on Sale of Assets	1,731	(139)
Change in Pension/OPEB	(178,989)	32,506
Total Non-Operating Revenues (Expenses)	2,463,064	667,643
Excess (Deficiency) of Revenues over (Under) Expenses	1,137,930	(263,406)
Beginning Net Position	18,335,442	30,906,625
Ending Net Position	$ 19,473,372	$ 30,643,219

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

TRUMBULL METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Primary Government
Cash Flows from Operating Activities	
Operating Grants Received	$ 11,490,771
Tenant Revenue Received	2,789,836
Other Revenue Received	813,309
General and Administrative Expenses Paid	(9,291,953)
Housing Assistance Payments	(5,163,323)
Net Cash Provided (Used) by Operating Activities	638,640
Cash Flows from Investing Activities	
Interest and Investment Revenue	151,888
Capital and Other Assets Purchased	(2,598,475)
Net Cash Provided (Used) by Investing Activities	(2,446,587)
Cash Flows from Capital and Related Financing Activities	
Capital Grant Funds Received	2,488,434
Issuance of Notes Receivable	(5,940)
Principal Debt Retired	(13,566)
Proceeds from Asset Sale	2,273
Net Cash Provided (Used) by Capital and Related Financing Activities	2,471,201
Net Increase in Cash	663,254
Cash and Cash Equivalents - Beginning of Year	5,465,994
Cash and Cash Equivalents - End of Year	$ 6,129,248
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Net Operating Income (Loss)	$ (1,325,134)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation anf Amortization	2,007,064
Increase (Decrease) in:	
Accounts Receivable	115,661
Inventory	(26,988)
Prepaid Assets	(5,092)
Increases (Decreases) in:	
Accounts Payable	(172,723)
Intergovernmental Liability	3,650
Current Other Liabilities	48,033
Noncurrent Liabilities Other	(2,642)
Accrued Wages/Payroll Taxes	(1,054)
Unearned Revenue	(9,637)
Tenant Security Deposits	(6,570)
Compensated Absences	14,072
Net Cash Provided by Operating Activities	$ 638,640

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Entity and Programs

The Trumbull Metropolitan Housing Authority (the Authority) is a political subdivision created under Ohio Revised Code Section 3735.27 to engage in the acquisition, development, leasing, and administration of a low-rent housing program. The Authority contracts with the United States Department of Housing and Urban Development (HUD) to provide low-and-moderate income persons with safe and decent housing by administering the Housing Choice Voucher Program and the Public Housing Program. The Housing Choice Voucher Program provides rental subsides directly to participant' landlords and pays fees to the Authority for costs of administering the program. The Public Housing Program subsidies the Authority owned rental activity operations and capital improvements. Funding for both programs is based on client use and assistance to the clients is generally the lessor of the payment standard or the gross rent for the unit less 30% of the family's monthly adjusted income.

Summary of Significant Accounting Policies

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

Reporting Entity

For financial reporting purposes, the reporting entity is defined to include the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading and are consistent with Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity* (as amended by GASB Statement No. 61). Based on application of the criteria set forth in GASB Statements No. 14 and No. 39, the Authority annually evaluates potential component units (PCU) for inclusion based on financial accountability, the nature and significance of their relationship to the Authority, and whether exclusion would cause the basic financial statements to be misleading or incomplete.

The primary government consists of all funds, agencies, departments, and offices that are not legally separate from the Authority. The preceding financial statements include all funds and account groups of the Authority (the primary government) and the Authority's component units. The following organizations are described due to their relationship to the Authority.

Discretely Presented Component Units

The component units' column in the combined financial statements identifies the financial data of the Authority's two component units: the Warren Housing Development Corporation, and the Western Reserve Housing Development Corporation. They are reported separately to emphasize that they are legally separate entities and provide services to clients of the Authority and others. The Authority serves as the management agent for each of the Housing Development Corporations.

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

Discretely Presented Component Units (Continued)
The Warren Housing Development Corporation (Warren HDC) is a legally separate, non-profit organization, served by a Board comprised of local officials and community representatives. Warren HDC was formed in 1977 to carry out charitable purposes including promoting and advancing decent, safe, and sanitary housing for persons of low income, particularly the elderly and infirm, and to promote the common good and general welfare of the City of Warren, Ohio, the State of Ohio, its inhabitants and surrounding territories and their inhabitant by providing housings. Separately issued audited financial statements for Warren HDC can be obtained from the Authority.

The Western Reserve Housing Development Corporation (Western Reserve HDC) is a legally separate, non-profit organization served by a Board comprised of local officials and community representatives. Western Reserve HDC was formed in 2001 for the promotion and construction of facilities for public housing or other charitable purposes. Separately issued audited financial statements for Western Reserve HDC can be obtained from the Authority.

Fund Accounting
The Authority uses enterprise funds to report on its financial position and the results of its operations for the Section 8 and Public Housing programs. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

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

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

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

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

Investments
Investments of the primary government are restricted by the provisions of HUD Regulations (See Note 2). Investments are valued at market value. Interest income earned in fiscal year 2023 totaled $151,888 for the primary government and $718,051 for the component units.

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

Capital Assets
Capital assets are stated at cost and depreciation is computed using the straight-line method over an estimated useful life of the assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset life are not capitalized.

Cash and Cash Equivalents
For the purpose of the Statement of Cash Flows, cash and cash equivalents include all highly liquid debt instruments, including certificates of deposits with a maturity date of twelve months or less.

Compensated Absences
The Authority accounts for compensated absences in accordance with GASB Statement No. 16. Compensated absences 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.

Accordingly, vacation leave and other compensated absences with similar characteristics are accrued as a liability based on the leave accumulated at the balance sheet date. Sick leave and other compensated absences with similar characteristics are accrued as a liability based on the leave accumulated at the balance sheet date but adjusted based on trended histories of forfeited hours versus hours for which previously departed employees received payments. In the proprietary fund, the compensated absences are expensed when earned with the amount reported as a fund liability.

Budgetary Accounting
The Authority annually prepares its budget as prescribed by HUD. This budget is then adopted by the Board of the Authority.

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles 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 statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources
In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For the Authority, deferred outflows of resources are reported on the Statement of Net Position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in (See Notes 7 and 8).

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

Deferred Outflows/Inflows of Resources (Continued)
In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Authority, deferred inflows of resources are reported on the Statement of Net Position for pension and OPEB. The deferred inflows of resources related to pension and OPEB plans are explained in Notes 7 and 8.

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

Change in Accounting Principles
During the fiscal year, the Authority implemented the following Governmental Accounting Standards Board (GASB) Statements and Implementation Guides:

GASB Statement No. 96, Subscription-Based Information Technology Arrangements Implementation Guide 2023-1. This statement defines and establishes that a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs, and requires note disclosures. Pursuant to Section 9 and 37, periods for which both the government and the vendor have an option to terminate without permission from the other party are cancellable periods and are excluded from the subscription term and outlays in this stage that are associated with operational activities should be expensed as incurred, the Authority right-to-use subscription assets were expenses when incurred.

NOTE 2: **DEPOSITS AND INVESTMENTS**

Primary Government

Deposits
At June 30, 2023, the carrying amount of the primary government's deposits was $6,129,248 and the bank balance was $6,246,248. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2023, $500,000 of the primary government's bank balance was covered by Federal Depository Insurance. The remainder was collateralized by securities pledged in the name of the Authority or secured by UCC filings. Included in the carrying value of the Authority's deposits is $575 in petty cash.

Custodial credit risk is the risk that, in the event of bank failure, the primary government'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.

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

Primary Government

Such collateral, as permitted by Chapter 2 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.

Deposits consist of cash and cash equivalents. Cash and cash equivalents include all highly liquid debt instruments, including certificates of deposit with a maturity date of twelve months or less.

	Cash and Cash Equivalents
Cash - Unrestricted	$ 5,692,725
Cash - Restricted	436,523
Total GASB Statements No. 3 and No. 40	$ 6,129,248

Investments
The Authority has a formal investment policy; however, the Authority did not have investments at June 30, 2023.

Component Units

Deposits
At June 30, 2023, the carrying amount of the component units' deposits was $12,591,164 and the bank balance was $12,591,164. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2023, $750,000 of the component units' bank balance was covered by Federal Depository Insurance. The remainder was covered through the FDIC by Insured Cash Sweeps.

Deposits consist of cash and cash equivalents. Cash and cash equivalents include all highly liquid debt instruments, including certificates of deposit with a maturity date of twelve months or less.

	Cash and Cash Equivalents
Cash - Unrestricted	$ 12,545,586
Cash - Restricted	45,578
Total GASB Statements No. 3 and No. 40	$ 12,591,164

Investments
The component units did not have investments at June 30, 2023.

NOTE 3: **RESTRICTED CASH**

Primary Government

The restricted cash balance of $436,523 on the financial statements for the primary government represents the following:

Public Housing Tenant Security Deposits	$	186,862
HCVP HAP Restricted Funds		162,038
Family Self-Sufficiency Escrow Deposits		61,911
Family Self-Sufficiency Forfeiture Funds		25,712
Total Restricted Cash	$	436,523

Component Units

The restricted cash balance of $45,578 on the financial statements for the primary government represents the following:

Tenant Security Deposits	$	45,578
Total Restricted Cash	$	45,578

NOTE 4: **INSURANCE COVERAGE**

The Authority is covered for property damage, general liability, auto damage and liability, and public officials' liability through various insurers.

Additionally, workers' compensation is maintained through the State of Ohio, in which rates are calculated retrospectively. The Authority is also fully insured through a premium payment plan for employee health care benefits.

There was no significant reduction in coverages and no claims exceeded insurance coverage during the past three years.

NOTE 5: **CAPITAL ASSETS**

PRIMARY GOVERNMENT

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital Assets Not being Depreciated				
Land	$ 1,156,914	$ 0	$ (3)	$ 1,156,911
Construction in Progress	3,845,036	2,488,432	(2,967,110)	3,366,358
Total Capital Assets Not being Depreciated	5,001,950	2,488,432	(2,967,113)	4,523,269
Capital Assets Being Depreciated				
Buildings and Building Improvements	79,416,195	2,967,110	0	82,383,305
Furniture and Equipment	2,098,435	110,043	(27,813)	2,180,665
Intangible Right-to-use Lease - Building	2,092,293	0	(2,092,293)	0
Total Capital Assets Being Depreciated	83,606,923	3,077,153	(2,120,106)	84,563,970
Less Accumulated Depreciation	(69,700,939)	(2,007,066)	27,273	(71,680,732)
Less Accumulated Amortization	(95,104)	0	95,104	0
Depreciable Assets, Net	13,810,880	1,070,087	(1,997,729)	12,883,238
Total Capital Assets, Net, Primary Government	$ 18,812,830	$ 3,558,519	$ (4,964,842)	$ 17,406,507

COMPONENT UNITS

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Capital Assets Not being Depreciated				
Land	$ 968,554	$ 0	$ 0	$ 968,554
Construction in Progress	766,732	264,412	(134,288)	896,856
Total Capital Assets Not being Depreciated	1,735,286	264,412	(134,288)	1,865,410
Capital Assets Being Depreciated				
Buildings and Building Improvements	11,864,135	70,392	0	11,934,527
Furniture and Equipment	568,744	18,848	(11,074)	576,518
Total Capital Assets Being Depreciated	12,432,879	89,240	(11,074)	12,511,045
Less Accumulated Depreciation	(7,999,287)	(222,113)	10,935	(8,210,465)
Depreciable Assets, Net	4,433,592	(132,873)	(139)	4,300,580
Total Capital Assets, Net, Component Units	$ 6,168,878	$ 131,539	$ (134,427)	$ 6,165,990

NOTE 6: **NOTES RECEIVABLE**

Primary Government

Agreement with The Elms of Warren Associates, Ltd.
The Authority entered into a lease agreement with The Elms of Warren Associates, Ltd. (the Elms Partnership) on June 24, 2019, for a base rent amount of $6,500,000 attributable to the fair market value of The Elms, a 200-unit multifamily development in the City of Warren. This agreement is further memorialized by a promissory note that bears interest at a rate of 3 percent per annum. Payment of principal and interest are subject to The Elms Partnership's surplus cash and the distributions of cash flow. The entire unpaid principal balance and all accrued interest are due and payable to the Authority on June 24, 2069.

Component Units

Warren Housing Development Corporation (the Corporation) Agreements with Parkman Landing Associates, Ltd. (Parkman Partnership)

The Corporation entered into a note receivable with Parkman Partnership on October 29, 2015, in the amount of $600,000. The note bears interest at the rate of 4 percent per annum. Payment of principal and interest are subject to Parkman Partnership's surplus cash and the distribution of cash flow. The entire unpaid principal balance and all accrued interest are due and payable to the Corporation on December 20, 2050.

The Corporation entered into a note receivable with Parkman Partnership on July 27, 2017, in the amount of $458,657 for funds for the new development of the Parkman Landing community. The note bears interest at the rate of 0 percent per annum. Payment of principal is subject to Parkman Partnership's surplus cash and the distributions of cash flow. The outstanding balance was paid in full on May 31, 2023.

The Corporation entered into a note receivable with Parkman Partnership on January 22, 2018, in the amount of $135,000. The note bears interest at the rate of 0 percent per annum. Payment of principal is subject to Parkman Partnership's surplus cash and the distributions of cash flow until paid.

Warren Housing Development Corporation (the Corporation) Agreements with The Elms of Warren Associates, Ltd. (The Elms Partnership)

The Corporation entered into a note receivable with The Elms Partnership on June 24, 2019, in the amount of $3,400.000. The note bears interest at the rate of 6.5 percent per annum. Payment of principal and interest will be due monthly in installments of $23,500 beginning on the first day of the month following construction completion. The entire unpaid principal balance and all accrued interest are due and payable to the Corporation January 31, 2039. The outstanding principal balance on June 30, 2023 is $3,360,688.

NOTE 6: **NOTES RECEIVABLE** (Continued)

Component Units (Continued)

The Corporation entered into a note receivable with The Elms Partnership on June 24, 2019, in the amount of $1,368,542 for funds for the redevelopment of The Elms community. The note bears interest at the rate of 3 percent per annum. Payment of principal and interest are subject to The Elms Partnership's surplus cash and the distributions of cash flow. The entire unpaid principal balance and all accrued interest are due and payable to the Corporation on June 24, 2069.

The Corporation entered into a note receivable with The Elms Partnership on June 24, 2019, in the amount of $6,500,000 in consideration for the Corporation's sale of The Elms property. The note bears interest at the rate of 3 percent per annum. Payment of principal and interest are subject to The Elms Partnership's surplus cash and the distributions of cash flow. The entire unpaid principal balance and all accrued interest are due and payable to the Corporation on June 24, 2069.

The Corporation entered into a note receivable with the Partnership on June 24, 2020, in the amount of $1,000,000 for funds received by the Corporation from The Ohio Housing Finance Agency's (OHFA) Housing Development Assistance Program (HDAP), funded by the National Housing Trust Fund (NHTF) and simultaneously assigned to the Partnership for the development of The Elms. The note bears interest at the rate of 0 percent per annum, compounded annually. Payment of principal is subject to the Partnership's surplus cash and the distribution of cash flow. The entire unpaid principal balance is due and payable to the Corporation on June 24, 2049.

The Corporation entered into a note receivable with the Partnership on June 24, 2020, in the amount of $1,000,000 for funds received by the Corporation from OHFA's HDAP, funded by the Ohio Housing Trust Fund (OHTF) for the development of The Elms. The note bears interest at the rate of 2 percent per annum, compounded annually. A payment of $114,590 was made from cost savings during construction. Payment of the remaining principal and interest are subject to the Partnership's surplus cash and the distributions of cash flow. The entire unpaid principal balance and all accrued interest are due and payable to the Corporation on June 24, 2049. The outstanding principal balance on June 30, 2023 is $885,410.

The Corporation entered into a note receivable with the Partnership on May 20, 2022, in the amount of $2,446,399 for the development of The Elms. The note bears interest at the rate of 0 percent per annum. Payment of principal is subject to the Partnership's surplus cash and the distributions of cash flow. The entire unpaid principal balance is due and payable when paid. Payments of $65,218 and $317,985 were received from Parkman Partnership in 2022 and 2023, respectively. The outstanding principal balance on June 30, 2023 id $2,063,196.

A summary of the component units' notes receivable activity in the period is as follows:

Corporation with Parkman Landing Associates, Ltd.	$ 735,000
Corporation with The Elms of Warren Associates, Ltd.	15,177,836
Less Note Receivable - Current Portion	(45,427)
Total Notes Receivable - Net of Current Portion	$ 15,867,409

NOTE 7: **DEFINED BENEFIT PENSION PLAN**

Net Pension Liability

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Authority employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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 includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting https://www.opers.org/financial/reports.shtml, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS' Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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

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

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

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

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

	State and Local
2022-2023 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2022-2023 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0 %
Total Employer	14.0 %
Employee	10.0 %

* Member contributions within combined plan are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional plan. Beginning July 1, 2022, the employer contribution rate for the combined plan is allocated 2 percent health care with the remainder going to pension. The employer contributions rate for the member-directed plan allocated 4 percent for health care with remainder going to pension.

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

For fiscal year ending June 30, 2023, the Authority's contractually required contributions used to fund pension benefits was $436,587 for the traditional plan and $14,491 for the member-directed plan.

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

The net pension liability for OPERS was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset:			
Prior Measurement Date	0.020390%	0.011277%	
Current Measurement Date	0.019799%	0.000000%	
Change in Proportionate Share	-0.000591%	-0.011277%	
Proportionate Share of the:			
Net Pension Liability	$ 5,848,633	$ 0	$ 5,848,633
Net Pension Asset	$ 0	$ 0	$ 0
Pension Expense	$ 754,511	$ 0	$ 754,511

At June 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Pension Plan
Deferred Outflows of Resources	
Net difference between projected and actual earnings on pension plan investments	$ 1,667,044
Differences between expected and actual experience	194,267
Changes of assumptions	61,786
Authority contributions subsequent to the measurement date	218,148
Total Deferred Outflows of Resources	$ 2,141,245
Deferred Inflows of Resources	
Changes in proportion and differences between Authority contributions and proportionate share of contributions	$ 89,588
Total Deferred Inflows of Resources	$ 89,588

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

$218,148 reported as deferred outflows of resources related to pension resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Pension Plan
Year Ending June 30:	
2024	$ 157,044
2025	369,140
2026	490,692
2027	816,633
Total	$ 1,833,509

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key actuarial assumptions and methods used in the latest actuarial valuation, reflecting experience study results, are presented below:

	Traditional Pension Plan	Combined Plan
Wage Inflation		
Current Measurement Date:	2.75 percent	2.75 percent
Prior Measurement Date:	2.75 percent	2.75 percent
Future Salary Increases, including inflation		
Current Measurement Date:	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
Prior Measurement Date:	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA		
Pre 1/7/2013 retirees:	3 percent, simple	3 percent, simple
Post 1/7/2013 retirees:		
Current Measurement Date:	3 percent, simple through 2023, then 2.05 percent simple	3 percent, simple through 2023, then 2.05 percent simple
Prior Measurement Date:	3 percent, simple through 2022, then 2.05 percent simple	3 percent, simple through 2022, then 2.05 percent simple
Investment Rate of Return		
Current Measurement Date:	6.9 percent	6.9 percent
Prior Measurement Date:	6.9 percent	6.9 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

NOTE 7: **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.

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

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1 percent for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of the geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	22.00 %	2.62 %
Domestic Equities	22.00	4.60
Real Estate	13.00	3.27
Private Equity	15.00	7.53
International Equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00 %	

NOTE 7: **DEFINED BENEFIT PENSION PLAN** (Continued)

Discount Rate

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

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

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Authority's proportionate share of the net pension liability	$ 8,761,058	$ 5,848,633	$ 3,426,019

NOTE 8: **DEFINED BENEFIT OPEB PLANS**

Net OPEB Liability

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

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

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

NOTE 8: **DEFINED BENEFIT OPEB PLAN** (Continued)

Net OPEB Liability (Continued)

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, 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 can select medical and prescription drug plans 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.

The base HRA allowance is determined by OPERS. Retirees receive a percentage of the base allowance, calculated 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.

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 refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

NOTE 8: **DEFINED BENEFIT OPEB PLAN** (Continued)

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

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

1. **Medicare Retirees** – Medicare-eligible with a minimum of 20 years of qualifying service credit.
2. **Non-Medicare Retirees** – Non-Medicare retirees qualify based on the following age-and-service criteria:
   a. Group A – 30 years of qualifying service credit at any age;
   b. Group B – 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;
   c. Group C – 32 years of qualifying service credit and minimum age 55; or,
   d. A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

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

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

The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' 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.

NOTE 8: **DEFINED BENEFIT OPEB PLAN** (Continued)

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

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

Employer contribution rates are expressed as a percentage of covered payroll. In 2022 and 2023, 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 and 2023, OPERS did not allocate any employer contributions to health care for members in the Traditional Pension Plan. Effective July 1, 2022, OPERS began allocating 2.0 percent of the employer contribution rate to health care funding for 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 and 2023 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.
The Authority's contractually required contribution allocated to health care was $4,140 for the fiscal year ending June 30, 2023.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, 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 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:

	OPERS
Proportion of the Net OPEB (Asset):	
Prior Measurement Date	0.019947%
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.019125%
Change in Proportionate Share	-0.000822%
Proportionate Share of the Net OPEB Liability	$ 120,587
OPEB Expense	$ (202,047)

NOTE 8: **DEFINED BENEFIT OPEB PLAN** (Continued)

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

At June 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		OPERS
Deferred Outflows of Resources		
Net difference between projected and actual earnings on OPEB plan investments	$	239,491
Changes of assumptions		117,780
Authority contributions subsequent to the measurement date		2,139
Total Deferred Outflows of Resources	$	359,410
Deferred Inflows of Resources		
Differences between expected and actual experience	$	30,078
Changes of assumptions		9,691
Changes in proportion and differences between Authority contributions and proportionate share of contributions		5,714
Total Deferred Inflows of Resources	$	45,483

$2,139 reported as deferred outflows of resources related to OPEB resulting from Authority contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

		OPERS
Year Ending June 30:		
2024	$	34,373
2025		87,039
2026		74,682
2027		115,694
Total	$	311,788

Actuarial Assumptions - OPERS

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

NOTE 8: **DEFINED BENEFIT OPEB PLAN** (Continued)

Actuarial Assumptions – OPERS (Continued)

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

	December 31, 2022	December 31, 2021
Wage Inflation	2.75 percent	2.75 percent
Projected Salary Increases	2.75 to 10.75 percent, including wage inflation	2.75 to 10.75 percent, including wage inflation
Single Discount Rate	5.22 percent	6.00 percent
Investment Rate of Return	6.00 percent	6.00 percent
Municipal Bond Rate	4.05 percent	1.84 percent
Health Care Cost Trend Rate	5.50 percent initial, 3.50 percent ultimate in 2036	5.50 percent initial, 3.50 percent ultimate in 2034
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 15.6 percent for 2022.

NOTE 8: **DEFINED BENEFIT OPEB PLAN** (Continued)

Actuarial Assumptions – OPERS (Continued)

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. The table below displays the Board-approved asset allocation policy for 2022 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	2.56 %
Domestic Equities	26.00	4.60
Real Estate Investment Trust	7.00	4.70
International Equities	25.00	5.51
Risk Parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00 %	

Discount Rate

A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

NOTE 8: **DEFINED BENEFIT OPEB PLAN** (Continued)

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

The following table presents the Authority's proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1.0 percent lower or 1.0 percent higher than the current rate:

	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
Authority's proportionate share of the net OPEB liability	$ 410,423	$ 120,587	$ (118,575)

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB asset	$ 113,029	$ 120,587	$ 129,094

NOTE 9: NON-CURRENT LIABILITIES – OTHER

Primary Government

The Non-Current Liabilities – Other balance of $194,881 on the financial statements for the primary government represents the following:

Administration Vehicle Rent Payable	$ 151,418
Tenant Association Escrow Accounts	4,950
Tenant Unclaimed Funds	24,635
Family Self-Sufficiency Escrow Accounts	57,142
Less Current Portion Vehicle Rent Payable	(43,264)
Total Non-Current Liabilities - Other	$ 194,881

NOTE 10: COMPENSATED ABSENCES

Vacation and sick leave policies are established by the Board of Commissioners subject to collective bargaining, when applicable.

Permanent employees who work full time earn annual leave (i.e., vacation hours) based on the employee's years of service. Annual leave may be accumulated up to 3 times the employee's annual accumulation amount as of July 1 of each year. Eligible employees earn 10 hours sick leave per month of service.

Unused sick leave may be accumulated without limit. Employees who leave the Authority or are terminated are not paid for unused sick leave. However, any employee who retires, dies, or becomes disabled will be paid for unused sick leave based on the employee's years of service and unused sick leave subject to maximum limits based on the employee's years of service.

Primary Government

At June 30, 2023, based on the vesting method, $518,192 was accrued by the primary government for unused vacation and sick time. The current portion is $118,790 and the non-current portion is $399,402. The additions reflect the dollar value of leave earned and the deletions reflect the dollar value of leave used, forfeited, or otherwise removed as a liability.

July 1, 2022	Additions	Deletions	June 30, 2023
$ 504,120	$ 275,756	$ (261,684)	$ 518,192

Component Units

At June 30, 2023, based on the vesting method, $33,373 was accrued by the component units for unused vacation and sick time. The current portion is $10,211 and the non- current portion is $23,162.

Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
$ 45,341	$ 2,051	$ (14,019)	$ 33,373

NOTE 11: **LONG-TERM DEBT**

Primary Government

Promissory Note with Warren Housing Development Corporation (Warren HDC)
The Authority entered into a promissory note with Warren HDC on June 24, 2019, in the amount of $6,500,000 for the purchase of The Elms. The note bears interest at the rate of 3 percent per annum. The entire unpaid principal balance and all accrued interest are due and payable to the Corporation on June 24, 2069.

Promissory Notes with Trumbull County, Ohio
The Authority had debt in 2023 equal to $26,059 related to five properties purchased with Neighborhood Stabilization Program grant funds.

Maturities of debt over the life of the debt are as follows:

Maturities of Debt ended June 30	Principal Payments
2024	13,567
2025	12,492
Total	$ 26,059

The Authority entered into a contractual agreement with Trumbull County, Ohio in March 2010, wherein the Authority initially received a grant for $36,313 to be used for the purchase of property located at 506 Washington Avenue, Girard, Ohio. The grant has a restriction that the property shall be rehabilitated and rented to low-income tenants 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 time measured from March 2010. As of June 30, 2023, outstanding principle was $4,205.

The Authority entered into a contractual agreement with Trumbull County, Ohio, in May 2010, wherein the Authority initially received a grant for $12,574 to be used for the purchase of property located at 674 Grover Avenue, Masury, Ohio. The grant has a restriction that the property shall be rehabilitated and rented to low-income tenants 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 time measured from May 2010. As of June 30, 2023, outstanding principle was $1,583.

The Authority entered into a contractual agreement with Trumbull County, Ohio, in June 2010, wherein the Authority initially received a grant for $54,481 to be used for the purchase of property located at 409 Ventura Drive, Youngstown, Ohio. The grant has a restriction that the property shall be rehabilitated and rented to low-income tenants 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 time measured from June 2010. As of June 30, 2023, outstanding principle was $7,076.

The Authority entered into a contractual agreement with Trumbull County, Ohio, in June 2010, wherein the Authority initially received a grant for $49,258 to be used for the purchase of property located at 501 Murray Hill Drive, Youngstown, Ohio. The grant has a restriction that the property shall be rehabilitated and rented to low-income tenants 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 time measured from June 2010. As of June 30, 2023, outstanding principle was $6,397.

NOTE 11: **LONG-TERM DEBT** (Continued)

Primary Government (Continued)

The Authority entered into a contractual agreement with Trumbull County, Ohio, on July 2, 2010, wherein the Authority initially received a grant for $50,875 to be used for the purchase of property at 3702-3704 Crestview Street, Warren, Ohio. The grant has a restriction that the property shall be rehabilitated and rented to low-income tenants for a period of 15 years. In the event of a violation of this restriction, the Authority shall back amount equal to the grant amount less prorated amount of time measured from July 2010. As of June 30, 2023, outstanding principal was $6,798.

A summary of the primary government's debt activity in the period is as follows:

Promissory Note With	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Current Portion
Warren HDC	$ 6,500,000	$ 0	$ 0	$ 6,500,000	$ 0
Trumbull County, Ohio	39,625	0	(13,566)	26,059	13,567
Total	$ 6,539,625	$ 0	$ (13,566)	$ 6,526,059	$ 13,567

Component Units

The Authority's component units were obligated on the following notes as of June 30, 2023:

Western Reserve Housing Development Corporation (Western Reserve HDC) Promissory Note with Trumbull Housing Development Corporation (Trumbull HDC)

On March 31, 2013, a promissory note in the amount of $2,144,359 was written with Trumbull HDC for Western Reserve HDC's balance due on its Cortland Savings & Bank Company loan. The promissory note bears interest at the rate of 4.75 percent per annum and the note expires when paid in full on March 15, 2032. The outstanding principal balance as of June 30, 2023 is $1,268,429.

Required payments, including interest, are as follows:

Year Ended June 30	Principal	Interest	Total Payments
2024	$ 119,787	$ 57,665	$ 177,452
2025	125,602	51,850	177,452
2026	131,700	45,752	177,452
2027	138,094	39,358	177,452
2028	144,798	32,654	177,452
2029-2032	608,448	56,998	665,446
Total	$ 1,268,429	$ 284,277	$ 1,552,706

NOTE 11: **LONG-TERM DEBT** (Continued)

Component Units (Continued)

Western Reserve Housing Development Corporation (Western Reserve HDC) Promissory Note with Trumbull Housing Development Corporation (Trumbull HDC)

On June 30, 2023, a promissory note in the amount of $600,000 was written between Trumbull HDC and Western Reserve HDC. The promissory note bears interest at the rate of 4.00 percent per annum and the note expires when paid in full on August 1, 2043. The outstanding principal balance as of June 30, 2023 is $600,000.

Required payments, including interest, are as follows:

Year Ended June 30	Principal	Interest	Total Payments
2024	$ 18,298	$ 21,697	$ 39,995
2025	20,740	22,891	43,631
2026	21,585	22,046	43,631
2027	22,464	21,167	43,631
2028	23,380	20,251	43,631
2029-2043	493,533	164,549	658,082
Total	$ 600,000	$ 272,601	$ 872,601

Warren Housing Development Corporation (Warren HDC) Notes with Ohio Housing Finance Agency (OHFA)

On June 24, 2019, a note was written between the Warren HDC and OHFA's HDAP funded by the National Housing Trust Fund in the amount of $1,000,000 for redevelopment of The Elms community. The note bears interest at the rate of 0 percent per annum. The entire unpaid balance is due and payable to OHFA on June 24, 2049.

On June 24, 2019, a note was written between Warren HDC and OHFA's HDAP funded by the Ohio Housing Trust Fund in the amount of $1,000,000 for redevelopment of The Elms community. The note bears interest at the rate of 2 percent per annum. A payment of $114,590 was made from cost savings during construction. Payment of the remaining principal and interest are subject to the Partnership's surplus cash and the distributions of cash flow. The entire unpaid principal balance and all accrued interest are due and payable to the Corporation on June 24, 2049. The outstanding principal balance as of June 30, 2023 is $885,410.

A summary of the component units' debt activity in the period is as follows:

Promissory Note With	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Current Portion
Western Reserve HDC	$ 1,382,670	$ 600,000	$ (114,241)	$ 1,868,429	$ 136,644
Notes with OHFA	1,885,410	0	0	1,885,410	0
Total	$ 3,268,080	$ 600,000	$ (114,241)	$ 3,753,839	$ 136,644

NOTE 12: NET PENSION AND OPEB LIABILITIES

The Authority's proportion of the net pension liability and net OPEB liability was based on the Authority's share of the plans relative to all of the participating entities. See Notes 7 and 8 regarding pension plans and OPEB benefits reported in net pension/OPEB liability. The change in the net pension/OPEB liability is as follows:

	Balance 06/30/2022	Additions	Deletions	Balance 06/30/2023
Net Pension Liability				
Primary Government	$ 1,622,159	$ 3,798,939	$ 0	$ 5,421,098
Component Units	151,854	275,681	0	427,535
Total Pension Liability	$ 1,774,013	$ 4,074,620	$ 0	$ 5,848,633
Net OPEB Liability				
Primary Government	$ 0	$ 111,773	$ 0	$ 111,773
Component Units	0	8,814	0	8,814
Total OPEB Liability	$ 0	$ 120,587	$ 0	$ 120,587

NOTE 13: CONTINGENCIES

The Authority is party to various routine legal proceedings that arise in the ordinary course of business. No provision has been made to the financial statements for the effect, if any, of such contingencies.

NOTE 14: CONDENSED FINANCIAL STATEMENT INFORMATION – COMPONENT UNITS

	Warren Housing Development Corporation	Western Reserve Housing Development Corporation	Totals
Balance Sheet			
Current Assets	$ 12,394,751	$ 551,097	$ 12,945,848
Capital and Other Assets	18,419,206	4,152,504	22,571,710
Current Liabilities	(251,287)	(493,241)	(744,528)
Non-Current Liabilities	(2,299,223)	(1,830,588)	(4,129,811)
Net Position	$ 28,263,447	$ 2,379,772	$ 30,643,219
Revenues, Expenses, and Change in Equity			
Operating Revenue	$ 1,369,933	$ 306,811	$ 1,676,744
Operating Expense	(2,278,975)	(328,818)	(2,607,793)
Net Operating Revenue	(909,042)	(22,007)	(931,049)
Total Non-Operating Revenue	777,329	(109,686)	667,643
Excess Revenue over Expenses	$ (131,713)	$ (131,693)	$ (263,406)

NOTE 15: **SUBSEQUENT EVENTS**

The investments of the pension and other postemployment benefit plans fluctuate with market conditions and due to market volatility, the gains or losses that will be recognized in subsequent periods, if any, cannot be determined.

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

Traditional Plan	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Authority's Proportion of the Net Pension Liability	0.019799%	0.020390%	0.021139%	0.020841%	0.021455%	0.021435%	0.021977%	0.021621%	0.021793%	0.021793%
Authority's Proportionate Share of the Net Pension Liability	$ 5,848,633	$ 1,774,013	$ 3,130,226	$ 4,119,365	$ 5,876,090	$3,362,736	$4,990,603	$3,745,029	$2,628,480	$2,569,111
Authority's Covered Payroll	$ 3,069,130	$ 2,959,225	$ 2,977,328	$ 2,932,316	$ 2,897,848	$2,832,601	$2,841,027	$2,690,989	$2,672,507	$2,690,578
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.56%	59.95%	105.14%	140.48%	202.77%	118.72%	175.66%	139.17%	98.35%	95.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Combined Plan	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Authority's Proportion of the Net Pension Asset	0.000000%	0.011277%	0.011395%	0.011395%	0.009219%	0.011384%	0.011987%	0.011350%	0.012387%	0.012387%
Authority's Proportionate Share of the Net Pension (Asset)	$ -	$ (44,432)	$ (35,373)	$ (23,761)	$ (10,309)	$ (15,497)	$ (6,672)	$ (5,523)	$ (4,770)	$ (1,300)
Authority's Covered Payroll	$ -	$ 51,409	$ 54,004	$ 50,726	$ 39,430	$ 46,621	$ 46,659	$ 41,311	$ 45,278	$ 37,171
Authority's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	0.00%	86.43%	65.50%	46.84%	26.15%	33.24%	14.30%	13.37%	10.53%	3.50%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	137.14%	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

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

See accompanying notes to the required supplementary information

TRUMBULL METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTION - PENSION
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contributions										
Traditional Plan	$ 436,587	$ 425,204	$ 411,788	$ 415,144	$ 408,761	$ 399,973	$ 346,763	$ 326,830	$ 320,157	$ 317,704
Combined Plan	-	5,458	7,534	7,608	6,390	6,583	5,695	5,017	4,995	5,706
Total Required Contributions	436,587	430,662	419,322	422,752	415,151	406,556	352,458	331,847	325,152	323,410
Contributions in Relation to the Contractually Required Contribution	(436,587)	(430,662)	(419,322)	(422,752)	(415,151)	(406,556)	(352,458)	(331,847)	(325,152)	(323,410)
Contribution Deficiency / (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority's Covered Payroll										
Traditional Plan	$ 3,118,479	$ 3,037,171	$ 2,941,343	$ 2,965,314	$ 2,919,721	$ 2,967,443	$ 2,782,278	$ 2,723,583	$ 2,667,975	$ 2,647,533
Combined Plan	$ -	$ 38,986	$ 53,814	$ 54,343	$ 45,643	$ 48,841	$ 45,694	$ 41,808	$ 41,625	$ 47,550
Pension Contributions as a Percentage of Covered Payroll										
Traditional Plan	14.00%	14.00%	14.00%	14.00%	14.00%	13.48%	12.46%	12.00%	12.00%	12.00%
Combined Plan	0.00%	14.00%	14.00%	14.00%	14.00%	13.48%	12.46%	12.00%	12.00%	12.00%

See accompanying notes to the required supplementary information

TRUMBULL METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS (1)

	2023	2022	2021	2020	2019	2018	2017
Authority's Proportion of the Net OPEB Liability/Asset	0.019125%	0.019947%	0.020621%	0.020061%	0.020524%	0.020580%	0.021150%
Authority's Proportionate Share of the Net OPEB Liability/(Asset)	$ 120,587	$ (624,771)	$ (367,380)	$ 2,770,945	$ 2,675,845	$ 2,234,836	$ 2,136,222
Authority's Covered Payroll	$ 3,183,075	$ 3,110,575	$ 3,118,654	$ 3,030,783	$ 2,976,877	$ 2,915,577	$ 2,922,556
Authority's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-3.79%	20.09%	11.78%	91.43%	89.89%	76.65%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%	115.57%	47.80%	46.33%	54.14%	54.05%

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

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

See accompanying notes to the required supplementary information

TRUMBULL METROPOLITAN HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY’S CONTRIBUTIONS - OPEB
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST NINE FISCAL YEARS (1)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 4,140	$ 3,907	$ 3,338	$ 2,771	$ 1,632	$ 17,257	$ 44,746	$ 55,978	$ 54,592
Contributions in Relation to the Contractually Required Contribution	(4,140)	(3,907)	(3,338)	(2,771)	(1,632)	(17,257)	(44,746)	(55,978)	(54,592)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority Covered Payroll	$ 3,221,979	$ 3,173,837	$ 3,078,603	$ 3,088,932	$ 3,006,175	$ 3,054,371	$ 2,856,434	$ 2,795,304 0	$ 2,741,941
Contributions as a Percentage of Covered Payroll	0.13%	0.12%	0.11%	0.09%	0.05%	0.56%	1.57%	2.00%	1.99%

(1) Information prior to 2015 is not available. Schedule is intended to show ten years of information, and additional years will be displayed as the information becomes available.

See accompanying notes to the required supplementary information

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2023.

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

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (Continued)

Net OPEB Liability

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

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

TRUMBULL METROPOLITAN HOUSING AUTHORITY
TRUMBULL COUNTY, OHIO
SCHEDULE OF MODERNIZATION COSTS - COMPLETED
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Annual Contributions Contract C-5031

1. The total amount of modernization costs of the Capital Fund Program grants are shown below:

OH12E00850119		
Funds Approved	$	224,816
Funds Expended		224,816
Excess (Deficiency) of Funds Approved	$	0
Funds Advanced	$	224,816
Funds Expended		224,816
Excess (Deficiency) of Funds Approved	$	0
OH12P00850119		
Funds Approved	$	3,224,124
Funds Expended		3,224,124
Excess (Deficiency) of Funds Approved	$	0
Funds Advanced	$	3,224,124
Funds Expended		3,224,124
Excess (Deficiency) of Funds Approved	$	0

2. All modernization work in connection with the Capital Fund Program has been completed.

3. The entire actual modernization cost or liabilities incurred by the Authority have been fully paid.

4. There are no discharged mechanics, laborers, contractors, or material 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.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE BALANCE SHEET SUMMARY
JUNE 30, 2023

	Project Total	17.259 WIA Youth Activities	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	4,351,202	-	-	12,545,586	554,658	-	786,865	18,238,311	-	18,238,311
113 Cash - Other Restricted	6,380	-	-	-	212,800	25,712	-	244,892	-	244,892
114 Cash - Tenant Security Deposits	186,862	-	-	45,578	-	-	-	232,440	-	232,440
115 Cash - Restricted for Payment of Current Liabilities	4,050	-	-	-	719	-	-	4,769	-	4,769
100 Total Cash	4,548,494	-	-	12,591,164	768,177	25,712	786,865	18,720,412	-	18,720,412
122 Accounts Receivable - HUD Other Projects	14,296	-	61,047	-	-	-	-	75,343	-	75,343
124 Accounts Receivable - Other Government	94	96,964	-	-	-	-	-	97,058	-	97,058
125 Accounts Receivable - Miscellaneous	4,794	-	-	171,297	-	-	312,273	488,364	-	488,364
126 Accounts Receivable - Tenants	37,711	-	-	20,407	-	-	-	58,118	-	58,118
126.1 Allowance for Doubtful Accounts -Tenants	-7,014	-	-	-2,388	-	-	-	-9,402	-	-9,402
127 Notes, Loans, & Mortgages Receivable - Current	20,685	-	-	46,883	-	-	-	67,568	-	67,568
128 Fraud Recovery	85,612	-	-	20,796	18,438	-	-	124,846	-	124,846
128.1 Allowance for Doubtful Accounts - Fraud	-5,492	-	-	-	-7,994	-	-	-13,486	-	-13,486
120 Total Receivables, Net of Allowances for Doubtful Accounts	150,686	96,964	61,047	256,995	10,444	-	312,273	888,409	-	888,409
142 Prepaid Expenses and Other Assets	106,750	-	-	74,245	2,431	-	20,193	203,619	-	203,619
143 Inventories	183,653	-	-	24,677	-	-	7,423	215,753	-	215,753
143.1 Allowance for Obsolete Inventories	-9,183	-	-	-1,233	-	-	-371	-10,787	-	-10,787
144 Inter Program Due From	-	32,679	-	-	-	-	58,891	91,570	-91,570	-
150 Total Current Assets	4,980,400	129,643	61,047	12,945,848	781,052	25,712	1,185,274	20,108,976	-91,570	20,017,406
161 Land	916,759	-	-	968,554	-	-	240,152	2,125,465	-	2,125,465
162 Buildings	82,383,305	-	-	11,934,527	-	-	-	94,317,832	-	94,317,832
163 Furniture, Equipment & Machinery - Dwellings	1,053,639	-	-	179,085	-	-	2,809	1,235,533	-	1,235,533
164 Furniture, Equipment & Machinery - Administration	494,516	-	-	397,433	47,012	-	582,689	1,521,650	-	1,521,650
166 Accumulated Depreciation	-71,266,597	-	-	-8,210,465	-27,774	-	-386,361	-79,891,197	-	-79,891,197
167 Construction in Progress	3,366,358	-	-	896,856	-	-	-	4,263,214	-	4,263,214
160 Total Capital Assets, Net of Accumulated Depreciation	16,947,980	-	-	6,165,990	19,238	-	439,289	23,572,497	-	23,572,497
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	16,222,922	-	-	6,500,000	22,722,922	-	22,722,922
180 Total Non-Current Assets	16,947,980	-	-	22,388,912	19,238	-	6,939,289	46,295,419	-	46,295,419
200 Deferred Outflow of Resources	1,024,268	-	-	182,798	225,309	-	1,068,282	2,500,657	-	2,500,657
290 Total Assets and Deferred Outflow of Resources	22,952,648	129,643	61,047	35,517,558	1,025,599	25,712	9,192,845	68,905,052	-91,570	68,813,482

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE BALANCE SHEET SUMMARY
JUNE 30, 2023

	Project Total	17.259 WIA Youth Activities	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	COCC	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	72,993	128,691	-	495,508	546	-	151,579	849,317	-	849,317
321 Accrued Wage/Payroll Taxes Payable	27,816	952	2,243	3,855	6,546	-	87,006	128,418	-	128,418
322 Accrued Compensated Absences - Current Portion	56,350	-	-	10,211	11,760	-	50,680	129,001	-	129,001
333 Accounts Payable - Other Government	160,423	-	-	13,762	-	-	1,512	175,697	-	175,697
341 Tenant Security Deposits	186,862	-	-	45,578	-	-	-	232,440	-	232,440
342 Unearned Revenue	48,295	-	-	38,970	-	-	-	87,265	-	87,265
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	13,567	-	-	136,644	-	-	-	150,211	-	150,211
345 Other Current Liabilities	4,050	-	-	-	719	-	43,264	48,033	-	48,033
346 Accrued Liabilities - Other	1	-	-	-	-	-	1,853	1,854	-	1,854
347 Inter Program - Due To	-	-	58,804	-	87	-	32,679	91,570	-91,570	-
310 Total Current Liabilities	570,357	129,643	61,047	744,528	19,658	-	368,573	1,893,806	-91,570	1,802,236
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	12,492	-	-	3,617,195	-	-	-	3,629,687	-	3,629,687
352 Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	-	6,500,000	6,500,000	-	6,500,000
353 Non-current Liabilities - Other	35,786	-	-	43,232	50,767	-	108,328	238,113	-	238,113
354 Accrued Compensated Absences - Non Current	127,228	-	-	23,162	18,262	-	253,912	422,564	-	422,564
357 Accrued Pension and OPEB Liabilities	2,444,993	-	-	436,349	537,827	-	2,550,051	5,969,220	-	5,969,220
350 Total Non-Current Liabilities	2,620,499	-	-	4,119,938	606,856	-	9,412,291	16,759,584	-	16,759,584
300 Total Liabilities	3,190,856	129,643	61,047	4,864,466	626,514	-	9,780,864	18,653,390	-91,570	18,561,820
400 Deferred Inflow of Resources	55,325	-	-	9,873	12,170	-	57,703	135,071	-	135,071
508.4 Net Investment in Capital Assets	16,921,921	-	-	4,297,561	19,238	-	439,289	21,678,009	-	21,678,009
511.4 Restricted Net Position	-	-	-	-	162,038	25,712	-	187,750	-	187,750
512.4 Unrestricted Net Position	2,784,546	-	-	26,345,658	205,639	-	-1,085,011	28,250,832	-	28,250,832
513 Total Equity - Net Assets / Position	19,706,467	-	-	30,643,219	386,915	25,712	-645,722	50,116,591	-	50,116,591
600 Total Liabilities, Deferred Inflow of Resources, and Equity - Net	22,952,648	129,643	61,047	35,517,558	1,025,599	25,712	9,192,845	68,905,052	-91,570	68,813,482

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Project Total	17.259 WIA Youth Activities	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	2,475,658	-	-	549,669	-	-	-	3,025,327	-	3,025,327
70400 Tenant Revenue - Other	205,087	-	-	46,437	-	-	-	251,524	-	251,524
70500 Total Tenant Revenue	2,680,745	-	-	596,106	-	-	-	3,276,851	-	3,276,851
70600 HUD PHA Operating Grants	5,403,587	-	130,661	-	5,966,160	-	-	11,500,408	-	11,500,408
70610 Capital Grants	2,488,434	-	-	-	-	-	-	2,488,434	-	2,488,434
70710 Management Fee	-	-	-	-	-	-	1,349,474	1,349,474	-1,349,474	-
70720 Asset Management Fee	-	-	-	-	-	-	147,480	147,480	-147,480	-
70730 Book Keeping Fee	-	-	-	-	-	-	190,088	190,088	-190,088	-
70750 Other Fees	-	-	-	-	-	-	400,836	400,836	-	400,836
70700 Total Fee Revenue	-	-	-	-	-	-	2,087,878	2,087,878	-1,687,042	400,836
70800 Other Government Grants	-	232,304	-	-	-	-	-	232,304	-	232,304
71100 Investment Income - Unrestricted	-	-	-	718,051	-	-	151,888	869,939	-	869,939
71400 Fraud Recovery	-	-	-	-	36,972	-	-	36,972	-	36,972
71500 Other Revenue	48,173	323	-	1,080,638	-	27,562	67,139	1,223,835	-	1,223,835
71600 Gain or Loss on Sale of Capital Assets	-539	-	-	-139	-	-	2,270	1,592	-	1,592
70000 Total Revenue	10,620,400	232,627	130,661	2,394,656	6,003,132	27,562	2,309,175	21,718,213	-1,687,042	20,031,171
91100 Administrative Salaries	596,637	43,642	-	150,732	288,306	-	1,042,702	2,122,019	-	2,122,019
91200 Auditing Fees	12,666	-	-	15,898	2,293	-	6,273	37,130	-	37,130
91300 Management Fee	1,207,922	-	-	-	141,552	-	-	1,349,474	-1,349,474	-
91310 Book-keeping Fee	101,618	-	-	-	88,470	-	-	190,088	-190,088	-
91400 Advertising and Marketing	2,718	-	-	1,006	727	-	1,662	6,113	-	6,113
91500 Employee Benefit contributions - Administrative	314,668	18,815	-	75,485	126,653	-	390,805	926,426	-	926,426
91600 Office Expenses	138,025	29,934	-	50,676	30,679	-	207,430	456,744	-	456,744
91700 Legal Expense	91,756	-	-	4,914	19,571	-	9,712	125,953	-	125,953
91900 Other	24,668	690	-	55,984	-	-	113,042	194,384	-	194,384
91000 Total Operating - Administrative	2,490,678	93,081	-	354,695	698,251	-	1,771,626	5,408,331	-1,539,562	3,868,769
92000 Asset Management Fee	147,480	-	-	-	-	-	-	147,480	-147,480	-
92100 Tenant Services - Salaries	-	-	91,293	-	-	-	-	91,293	-	91,293
92300 Employee Benefit Contributions - Tenant Services	-	-	38,747	-	-	-	-	38,747	-	38,747
92400 Tenant Services - Other	31,699	-	-	9,976	-	1,850	-	43,525	-	43,525
92500 Total Tenant Services	31,699	-	130,040	9,976	-	1,850	-	173,565	-	173,565
93100 Water	141,083	-10	-	66,521	-	-	1,872	209,466	-	209,466
93200 Electricity	333,166	35	-	118,852	-	-	35,675	487,728	-	487,728
93300 Gas	219,626	329	-	6,804	-	-	10,746	237,505	-	237,505
93600 Sewer	181,748	-9	-	66,096	-	-	1,944	249,779	-	249,779
93000 Total Utilities	875,623	345	-	258,273	-	-	50,237	1,184,478	-	1,184,478
94100 Ordinary Maintenance and Operations - Labor	796,127	-	-	126,096	-	-	44,401	966,624	-	966,624
94200 Ordinary Maintenance and Operations - Materials and Other	297,509	6,984	-	38,791	1,692	-	17,663	362,639	-	362,639
94300 Ordinary Maintenance and Operations Contracts	1,470,764	57,597	-	209,865	5,351	-	46,046	1,789,623	-	1,789,623
94500 Employee Benefit Contributions - Ordinary Maintenance	449,403	-	-	75,673	-	-	18,742	543,818	-	543,818
94000 Total Maintenance	3,013,803	64,581	-	450,425	7,043	-	126,852	3,662,704	-	3,662,704

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Project Total	17.259 WIA Youth Activities	14.896 PIH Family Self-Sufficiency Program	6.1 Component Unit - Discretely Presented	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	COCC	Subtotal	ELIM	Total
95200 Protective Services - Other Contract Costs	41,443	-	-	10,026	1,000	-	-	52,469	-	52,469
95000 Total Protective Services	41,443	-	-	10,026	1,000	-	-	52,469	-	52,469
96110 Property Insurance	235,610	-	-	64,213	-	-	2,825	302,648	-	302,648
96120 Liability Insurance	144,003	-	-	22,168	5,575	-	24,487	196,233	-	196,233
96130 Workmen's Compensation	21,096	190	621	4,056	4,112	-	10,348	40,423	-	40,423
96100 Total insurance Premiums	400,709	190	621	90,437	9,687	-	37,660	539,304	-	539,304
96200 Other General Expenses	91,355	74,430	-	1,157,730	1,279	-	98,280	1,423,074	-	1,423,074
96210 Compensated Absences	24,224	-	-	15	2,149	-	-404	25,984	-	25,984
96300 Payments in Lieu of Taxes	161,109	-	-	16,641	-	-	1,392	179,142	-	179,142
96400 Bad debt - Tenant Rents	290,679	-	-	35,407	16,784	-	2,185	345,055	-	345,055
96800 Severance Expense	-	-	-	1,986	-	-	30,370	32,356	-	32,356
96000 Total Other General Expenses	567,367	74,430	-	1,211,779	20,212	-	131,823	2,005,611	-	2,005,611
96720 Interest on Notes Payable (Short and Long Term)	-	-	-	82,775	-	-	-	82,775	-	82,775
96700 Total Interest Expense and Amortization Cost	-	-	-	82,775	-	-	-	82,775	-	82,775
96900 Total Operating Expenses	7,568,802	232,627	130,661	2,468,386	736,193	1,850	2,118,198	13,256,717	-1,687,042	11,569,675
97000 Excess of Operating Revenue over Operating Expenses	3,051,598	-	-	-73,730	5,266,939	25,712	190,977	8,461,496	-	8,461,496
97200 Casualty Losses - Non-capitalized	46,990	-	-	68	-	-	930	47,988	-	47,988
97300 Housing Assistance Payments	-	-	-	-	5,163,323	-	-	5,163,323	-	5,163,323
97400 Depreciation Expense	1,943,934	-	-	222,114	7,253	-	55,877	2,229,178	-	2,229,178
90000 Total Expenses	9,559,726	232,627	130,661	2,690,568	5,906,769	1,850	2,175,005	20,697,206	-1,687,042	19,010,164
10010 Operating Transfer In	2,488,434	-	-	-	-	-	-	2,488,434	-2,488,434	-
10020 Operating transfer Out	-2,488,434	-	-	-	-	-	-	-2,488,434	2,488,434	-
10100 Total Other financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	1,060,674	-	-	-295,912	96,363	25,712	134,170	1,021,007	-	1,021,007
11020 Required Annual Debt Principal Payments	-	-	-	-148,260	-	-	-	-148,260	-	-148,260
11030 Beginning Equity	18,397,411	-	-	30,906,625	296,836	-	-358,805	49,242,067	-	49,242,067
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	248,382	-	-	32,506	-6,284	-	-421,087	-146,483	-	-146,483
11170 Administrative Fee Equity	-	-	-	-	224,877	-	-	224,877	-	224,877
11180 Housing Assistance Payments Equity	-	-	-	-	162,038	-	-	162,038	-	162,038
11190 Unit Months Available	14,442	-	-	2,130	13,582	-	-	30,154	-	30,154
11210 Number of Unit Months Leased	13,778	-	-	2,092	11,796	-	-	27,666	-	27,666

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/ Program Title	Assistance Listing Number	Total Federal Expenditures
U.S. Department of Housing and Urban Development		
Direct Programs		
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	$ 5,966,160
Total Housing Voucher Cluster		5,966,160
Public and Indian Housing	14.850	4,965,248
Public Housing Capital Fund	14.872	2,926,773
Family Self-Sufficiency Program	14.896	130,661
Total U.S. Department of Housing and Urban Development		13,988,842
U.S. Department of Labor		
Pass-Through Programs		
Passed Through Trumbull County Department of Jobs		
WIOA Youth Activities	17.259	232,304
Total Pass-Through Programs		232,304
Total U.S. Department of Labor		232,304
TOTAL EXPENDITURES OF FEDERAL AWARDS		$ 14,221,146

See accompanying notes to the Schedule of Expenditures of Federal Awards.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: **BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Trumbull Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended June 30, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements*, *Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, change in net position, or cash flows of the Authority.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

NOTE 3. **INDIRECT COST RATE**

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

NOTE 4: **SUBRECIPIENT**

The Authority provided no federal awards to subrecipients during the year ended June 30, 2023.

NOTE 5: **DISCLOSURE OF OTHER FORMS OF ASSISTANCE**

The Authority received no federal awards of non-monetary assistance that are required to be disclosed for the year ended June 30, 2023.

The Authority had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the year ended June 30, 2023.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Trumbull Metropolitan Housing Authority
Trumbull County
4076 Youngstown Road SE
Warren, Ohio 44484

To the Members of the Board:

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, the financial statements of the business-type activities and the aggregate discretely presented component units of the Trumbull Metropolitan Housing Authority, Ohio, (the Authority) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 15, 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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 have not been 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 determination of financial statement amounts. 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.

Zupka & Associates

Zupka & Associates
Certified Public Accountants

December 15, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Trumbull Metropolitan Housing Authority
Trumbull County
4076 Youngstown Road SE
Warren, Ohio 44484

To the Members of the Board:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Trumbull Metropolitan Housing Authority, Ohio's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended June 30, 2023. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Trumbull Metropolitan Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted an 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 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 Trumbull Metropolitan Housing 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 each major federal program. Our audit does not provide a legal determination of the Trumbull Metropolitan Housing Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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 to the Trumbull Metropolitan Housing 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 Trumbull Metropolitan Housing 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 Trumbull Metropolitan Housing Authority's compliance with the requirements of each 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 Trumbull Metropolitan Housing 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 Trumbull Metropolitan Housing Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Trumbull Metropolitan Housing 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 that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Zupka & Associates

Zupka & Associates
Certified Public Accountants

December 15, 2023

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
UNIFORM GUIDANCE
JUNE 30, 2023

SUMMARY OF AUDITOR'S RESULTS

2023(i)	Type of Financial Statement Opinion	Unmodified
2023(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2023(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2023(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2023(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2023(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2023(v)	Type of Major Programs' Compliance Opinions	Unmodified
2023(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2023(vii)	Major Programs (list): Public and Indian Housing - ALN #14.850	
2023(viii)	Dollar Threshold: A/B Program	Type A: $750,000 Type B: All Others
2023(ix)	Low Risk Auditee?	Yes

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

None.

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The prior audit report, as of June 30, 2022, included no citations or instances of noncompliance.

OHIO AUDITOR OF STATE
KEITH FABER

TRUMBULL METROPOLITAN HOUSING AUTHORITY

TRUMBULL 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 3/21/2024

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