TRUMBULL METROPOLITAN
HOUSING AUTHORITY
TRUMBULL COUNTY, OHIO

AUDIT REPORT

FOR THE FISCAL YEAR
ENDED JUNE 30, 2019

James G. Zupka, CPA, Inc.
Certified Public Accountants

OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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(800) 282-0370

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

We have reviewed the *Independent Auditor's Report* of the Trumbull Metropolitan Housing Authority, Trumbull County, prepared by James G. Zupka, CPA, Inc., for the audit period July 1, 2018 through June 30, 2019. 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

January 7, 2020

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TRUMBULL COUNTY, OHIO
AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board
Trumbull Metropolitan Housing Authority
Warren, Ohio

Regional Inspector General of Audit
Department of Housing and Urban Development

Report on the Financial Statements

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, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2019, 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.

Other Matters

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, 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.

Other 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 Statement of Modernization Cost - 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 not a required part of the basic financial statements.

The Statement of Modernization Cost - Completed, the Financial Data Schedules and the Schedule of Expenditures of Federal Awards, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 Statement of Modernization Cost - 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 17, 2019, 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 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 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.

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

December 17, 2019

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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, 2019 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 decreased by $1.46 million (or 11.7 percent) in 2019. The net positions were $11.04 million and $12.50 million for 2019 and 2018, respectively. Pension/OPEB expense related to GASB 68 and GASB 75 reporting and depreciation expense were $1.43 million and $1.99 million (or 9 percent and 12 percent) of the total expenses of $16.29 million.

Total revenues increased by $.62 million (or 4.4 percent), and was $14.83 million and $14.21 million for 2019 and 2018, respectively. Operating subsidies, tenant revenues, capital grants, and investment income increased by $.79 million, while other revenues decreased by $.17 million.

Total expenses for the primary government increased by $.86 million (or 5.6 percent). Total expenses including pension/OPEB expense were $16.29 million and $15.43 million for 2019 and 2018, respectively. Of this amount, expenses for administration, utilities, maintenance, general and protective services, other operating, and depreciation decreased by $.70 while Housing Assistance Payments for the Housing Choice Voucher Program and expenses for tenant services increased by $.13 million. Pension/OPEB expense was reported conspicuously for 2019 at $1.43 million.

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 $6.94 million (or 38.8 percent) in 2019. The net positions were $24.86 million and $17.92 million for 2019 and 2018, respectively. The majority of the increase was a result of the gain of $5.00 million on the sale of the Elms multifamily development. Their net position amounts to approximately 69.2 percent of the combined net position for the primary government and component units.

Total revenue for the component units increased by $6.18 million (or 196.2 percent) during 2019, and was $9.33 million and $3.15 million for 2019 and 2018, respectively. Other revenues include the $5.00 million gain recognized on the sale of the Elms multifamily development and $0.33 million credit on pension/OPEB expense recognized in relation to the sale of the Elms multifamily development and the related redistribution of personnel.

Total expenses for the component units decreased by $.34 million (or 12.4 percent) and were $2.39 million and $2.73 million for 2019 and 2018, respectively.

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 Six Years
Schedule of The Authority's Contributions - Pension Last Ten Years
Schedule of The Authority's Proportionate Share of the Net OPEB Liability Last Three Years
Schedule of The Authority's Contributions - OPEB Last Five Years
Notes to Pension and OPEB Liability

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented on (see pages 13-16) 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 Changes in Net Positions.** 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 Changes in Net Positions is the "Change in Net Positions", 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.

Other Programs **-** In addition to Housing Assistance Payments Contracts above, the component units also maintain the following programs:

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

FINANCIAL STATEMENTS

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

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

	2019 (in millions)	2018 (in millions)
Assets and Deferred Outflows of Resources		
Assets		
Current Assets	$ 3.96	$ 3.78
Capital Assets	15.14	15.26
Other Assets	6.51	0.02
Total Assets	25.61	19.06
Deferred Outflows of Resources	2.00	0.92
Total Assets and Deferred Outflows of Resources	$ 27.61	$ 19.98
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities		
Current Liabilities	$ 0.96	$ 0.85
Long-Term Liabilities	15.15	5.55
Total Liabilities	16.11	6.40
Deferred Inflows of Resources	0.46	1.08
Net Position		
Net Investment in Capital Assets	15.06	15.17
Restricted	0.05	0.11
Unrestricted	(4.07)	(2.78)
Total Net Position	11.04	12.50
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 27.61	$ 19.98

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

Major Factors Affecting the Statement of Net Position

During 2019, total assets and deferred outflows increase by $7.63 million. The majority of the Increase resulted from a $6.50 million Promissory Note receivable effective June 24, 2019 reported on the Condensed Statement in Other Assets. The note is related to the sale and financing of the Elms multifamily development, described in more detail in the Notes to the Basic Financials. The increase in deferred outflows of $1.08 million represents a proportionate share of the retirement systems' net pension liabilities, further detailed in related pension notes. Total liabilities increased by $9.09 million, primarily resulting from a $6.50 million Promissory Note payable reported on the Condensed Statement in Long-Term liabilities, related to the sale and financing of the Elms multifamily development, described in more detail in the Notes to the Basic Financials.

The component units reported an increase in net position of $6.94 million (or 38.8%) compared to 2018 resulting from the sale of the Elms multifamily development.

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

		2019 (in millions)
Beginning Balance - June 30, 2018	$	(2.78)
Results of Operations		(1.46)
Adjustments:		
Current Year Depreciation Expense (1)		1.99
Capital Expenditures		(1.87)
Debt Forgiven		(0.01)
Change in Restricted Net Position		0.06
Ending Balance - June 30, 2019	$	(4.07)

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

Statement of Revenues, Expenses, and Changes 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

		2019 (in millions)		2018 (in millions)
Revenues				
Operating Subsidies	$	10.72	$	10.53
Total Tenant Revenues		2.15		1.96
Capital Grants		1.61		1.20
Investment Income		0.02		0.01
Other Revenues		0.33		0.51
Total Revenues		14.83		14.21
Expenses				
Administrative		2.90		3.23
Utilities		0.94		0.97
Maintenance		2.50		2.57
Tenant Services		0.23		0.21
General and Protective Services		1.07		1.23
Housing Assistance Payments		5.22		5.11
Other Operating		0.01		0.02
Depreciation		1.99		2.09
Pension/OPEB Expense		1.43		0.00
Total Expenses		16.29		15.43
Net Increase (Decrease)	$	(1.46)	$	(1.22)

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

Capital grant revenue increased from 2018 to 2019 by $.41 million due in part to increased funding from UD. Operating subsidies and tenant rent increased by $.38 million due in part to an increase in operation's income from HUD funding and changing tenant incomes. Total expenses increased from 2018 to 2019 by $.86 million due primarily to an increase in net pension liability, further detailed in related pension notes.

The component units had a net income of $6.94 million, an increase of $6.52 million (or 1,552.4%) compared to 2018 due primarily to the sale of the Elms multifamily development.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year-end, the authority had $15.14 million invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease (addition, deductions and depreciation) of $.12 million (or .79 percent) from the end of last year.

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

	2019 (in millions)	2018 (in millions)
Land	$ 1.15	$ 1.15
Buildings	73.88	73.87
Equipment	1.82	1.72
Construction-in-Progress	2.76	1.15
Accumulated Depreciation	(64.47)	(62.63)
Total	$ 15.14	$ 15.26

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

Table 5 - Changes in Capital Assets (in Million) - Primary Government

	2019 (in millions)	2018 (in millions)
Beginning Balances - June 30, 2018	$ 15.26	$ 16.07
Current Year Additions	1.87	1.28
Current Year Depreciation Expenses	(1.99)	(2.09)
Ending Balances - June 30, 2019	$ 15.14	$ 15.26

As of year-end, the component units had a net book value of $6.07 million invested in capital assets. The net book value of capital assets decreased from 2018 to 2019 by $1.61 million primarily due to the sale of the Elms multifamily development.

DEBT OUTSTANDING

The Authority acquired debt (i.e. deferred loan) in 2013 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, 2019 is $.08 million. The properties were added to the Authority's public housing portfolio on December 31, 2014.

On June 24, 2019, 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 new owner.

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

	2019 (in millions	2018 (in millions)
Beginning Balances - June 30, 2018	$ 0.09	$ 0.11
Current Year Additions	6.50	0.00
Current Year Principal Payments	(0.01)	(0.01)
Rounding Adjustment	0.00	(0.01)
Ending Balances - June 30, 2019	$ 6.58	$ 0.09

A summary of outstanding debt is presented in detail on Note 10. The detail includes debt related to the net pension liability not included with Table 6.

The component units had debt equal to $1.82 million at the end of 2019, compared to $1.95 million at the end of 2018. The debt outstanding includes debt related to notes and mortgages.

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 call 330-369-1533.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
TRUMBULL COUNTY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2019

	Primary Government	Component Units
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Assets		
Current Assets		
Cash - Unrestricted	$ 2,647,982	$ 11,666,934
Cash - Restricted	263,541	42,034
Accrued Interest Receivable	0	97,573
Accounts Receivable - Net of Allowance	664,826	953,226
Inventories - Net of Allowance	169,865	14,238
Prepaid Expenses	169,255	64,240
Notes Receivable - Current Portion	42,212	298
Total Current Assets	3,957,681	12,838,543
Non-Current Assets		
Capital Assets, Not Depreciated	3,915,580	987,617
Capital Assets - Net of Accumulated Depreciation	11,226,870	5,086,272
Notes Receivable	6,500,000	8,806,842
Net Pension Assets	9,742	567
Total Non-Current Assets	21,652,192	14,881,298
Total Assets	25,609,873	27,719,841
Deferred Outflows of Resources		
Pension	1,699,924	123,875
OPEB	304,805	32,668
Total Deferred Outflows of Resources	2,004,729	156,543
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 27,614,602	$ 27,876,384

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

TRUMBULL METROPOLITAN HOUSING AUTHORITY
TRUMBULL COUNTY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2019
(CONTINUED)

	Primary Government	Component Units
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND NET POSITION		
Liabilities		
Current Liabilities		
Accounts Payable	$ 344,075	$ 240,913
Intergovernmental Payable	112,239	15,442
Current Portion of Long-Term Debt	13,567	135,386
Accrued Wages and Payroll Taxes	253,358	17,896
Tenant Security Deposits	176,773	42,034
Unearned Revenue	63,374	75,578
Total Current Liabilities	963,386	527,249
Non-Current Liabilities		
Long-Term Debt, Net of Current Portion - Mortgage	66,759	1,688,994
Long-Term Debt, Net of Current Portion - Other	6,500,000	0
Non-Current Liabilities - Other	125,192	200,000
Net Pension Liabilities	5,552,905	323,185
Net OPEB Liabilities	2,528,676	147,173
Compensated Absences, Non-Current	373,204	23,474
Total Non-Current Liabilities	15,146,736	2,382,826
Total Liabilities	16,110,122	2,910,075
Deferred Inflows of Resources		
Deferred Inflows of Resources - Pension	333,650	74,716
Deferred Inflows of Resources - OPEB	130,093	30,516
Total Deferred Inflows of Resources	463,743	105,232
Net Position		
Net Investment in Capital Assets	15,062,123	4,249,509
Restricted	49,145	0
Unrestricted	(4,070,531)	20,611,568
Total Net Position	11,040,737	24,861,077
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	$ 27,614,602	$ 27,876,384

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

TRUMBULL METROPOLITAN HOUSING AUTHORITY
TRUMBULL COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Primary Government	Component Units
Operating Revenues		
Operating Grant Revenue	$ 10,717,692	$ 0
Tenant Revenues	2,145,051	1,006,519
Other Income	330,718	2,825,540
Total Operating Revenues	13,193,461	3,832,059
Operating Expenses		
Administration	2,898,353	572,696
Utilities	934,401	406,711
Ordinary Maintenance and Operations	2,503,400	697,760
Tenant Services	228,765	48,766
General and Protective Services	1,073,947	262,994
Housing Assistance Payments	5,213,907	0
Other Operating	5,205	4,891
Depreciation	1,993,390	310,816
Pension/OPEB Expense	1,432,256	(334,231)
Total Operating Expenses	16,283,624	1,970,403
Operating Income (Loss)	(3,090,163)	1,861,656
Non-Operating Revenue (Expenses)		
Capital Grants	1,612,903	0
Interest Income	19,281	166,856
Interest Expenses	0	(88,894)
Gain on Sale of Assets	1,230	5,004,463
Total Non-Operating Revenues (Expenses)	1,633,414	5,082,425
Excess (Deficiency) of Revenues over (Under) Expenses	(1,456,749)	6,944,081
Beginning Net Position	12,497,486	17,916,996
Ending Net Position	$ 11,040,737	$ 24,861,077

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

TRUMBULL METROPOLITAN HOUSING AUTHORITY
TRUMBULL COUNTY, OHIO
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Primary Government	Component Units
Cash Flows from Operating Activities		
Operating Grants Received	$ 10,717,692	$ 0
Tenant Revenue Received	2,102,163	276,470
Other Revenue Received	329,488	2,825,540
General and Administrative Expenses Paid	(1,042,352)	(2,032,159)
Housing Assistance Payments	(5,213,907)	0
Net Cash Provided (Used) by Operating Activities	6,893,084	1,069,851
Cash Flows from Investing Activities		
Bonds and Notes	(13,631)	(525,042)
Interest and Investment Revenue	19,281	176,779
Net Cash Provided (Used) by Investing Activities	5,650	(348,263)
Cash Flows from Capital and Related Financing Activities		
Capital Grant Funds Received	1,612,903	0
Issuance of Notes Receivable	(6,500,000)	0
Principal Debt Retired	(13,566)	(129,378)
Payment of Interest Expense	0	(88,894)
Proceeds from Asset Sale	4,090	0
Capital and Other Assets Purchased	(1,878,067)	(177,812)
Net Cash Provided (Used) by Capital and Related Financing Activities	(6,774,640)	(396,084)
Net Increase in Cash	124,094	325,504
Cash and Cash Equivalents - Beginning of Year	2,787,429	11,383,463
Cash and Cash Equivalents - End of Year	$ 2,911,523	$ 11,708,967
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Net Operating Income (Loss)	$ (3,090,163)	$ 1,861,656
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation	1,993,390	310,816
Increase (Decrease) in:		
Accounts Receivable	(38,588)	(718,472)
Inventory	(34,585)	16,238
Prepaid Assets	36,587	32,647
Other Assets	3,985	1,203
Deferred Outflows of Resources	(1,082,856)	(55,610)
Increases (Decreases) in:		
Accounts Payable	86,196	(215,441)
Intergovernmental Liability	6,263	(1,365)
Non-Current Liabilities - Other	6,495,802	200,000
Accrued Wages/Payroll Taxes	14,824	(8,972)
Unearned Revenue	(4,300)	(11,577)
Tenant Security Deposits	7,114	(45,511)
Compensated Absences	(11,712)	(15,938)
Deferred Inflows of Resources	(612,069)	(110,992)
Pension/OPEB Liability	3,123,196	(168,831)
Net Cash Provided by Operating Activities	$ 6,893,084	$ 1,069,851

Note: The Component Units had a non-cash gain on sale of assets of $5,004,463.

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 sanitary housing through rent subsidies provided by HUD. The Authority depends on the subsidies from HUD to operate. The Authority participates in the Section 8 Housing Choice Voucher program provided by HUD. This program helps assist families in the payment of rent. Under this program, the Authority determines the amount of subsidy a family will receive using HUD guidelines; however, there is a limit to the amount charged to the family. The Authority also participates in the Public Housing program. Under this program, the Authority manages constructed or financed public housing units using grant funds from HUD. Tenants of these facilities pay a percentage of his/her adjusted gross income towards rent and utilities.

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 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 (the Corporation) is a legally separate, non-profit organization, served by a Board comprised of local officials and community representatives. The Corporation 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 the Corporation can be obtained from the Authority.

The Western Reserve Housing Development Corporation (the Corporation) is a legally separate, non-profit organization served by a Board comprised of local officials and community representatives. The Corporation was formed in 2001 for the promotion and construction of facilities for public housing or other charitable purposes. Separately issued audited financial statements for the Corporation 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 2019 totaled $19,281 for the primary government and $166,856 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.

NOTE 2: **DEPOSITS AND INVESTMENTS**

Primary Government

Deposits
At June 30, 2019, the carrying amount of the primary government's deposits was $2,911,523 and the bank balance was $3,269,749. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2019, $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 $1,200 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 105 percent of the carrying value of deposits.

Such collateral, as permitted by Chapter 135 of the Ohio Revised Code, is held in financial institution pools at Federal Reserve banks, or at member banks of the Federal Reserve System, in the name of the respective depository bank, and pledged as a pool of collateral against the public deposits it holds, or as specific collateral held at the Federal Reserve bank in the name of the Authority.

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

Primary Government (Continued)

Deposits (Continued)
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	$ 2,647,982
Cash - Restricted	263,541
Total GASB Statements No. 3 and No. 40	$ 2,911,523

Investments
The Authority has a formal investment policy; however, the Authority did not have investments at June 30, 2019.

Component Units

Deposits
At June 30, 2019, the carrying amount of the component units' deposits was $11,708,968 and the bank balance was $11,721,647. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2019, $500,000 of the component units' bank balance was covered by Federal Depository Insurance. The remainder was collateralized by securities pledged in the name of the Housing Development Corporation ("Corporation") or the Authority.

Custodial credit risk is the risk that, in the event of bank failure, deposits may not be returned. Deposits are placed with major local banks as approved by the Corporation's Board. All deposits are collateralized with eligible securities in amounts equal to 105 percent of the carrying value of deposits. Such collateral, as permitted by Chapter 135 of the Ohio Revised Code, is held in financial institution pools at Federal Reserve banks, or at member banks of the Federal Reserve System, in the name of the respective depository bank, and pledged as a pool of collateral against the deposits it holds, or as specific collateral held at the Federal Reserve bank in the name of the Corporation or the Authority.

Deposits consist of cash & cash equivalents. Cash & cash equivalents include all highly liquid debt instruments, including certificates of deposit with a maturity date of twelve months or less. The component units had certificates of deposit on account totaling $5,000,000.

	Cash and Cash Equivalents
Cash - Unrestricted	$ 11,666,934
Cash - Restricted	42,034
Total GASB Statements No. 3 and No. 40	$ 11,708,968

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

Component Units (Continued)

Investments
The Authority has a formal investment policy; however, the Authority did not have investments at June 30, 2019.

NOTE 3: **RESTRICTED CASH**

Primary Government
The restricted cash balance of $263,541 on the financial statements for the Primary government represents the following:

Public Housing Tenant Security Deposits	$	176,773
HCVP HAP Restricted Funds		49,145
Family Self-Sufficiency Escrow Funds		37,623
Total Restricted Cash	$	263,541

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	Component Units
Capital Assets Not Depreciated		
Land	$ 1,156,911	$ 968,554
Construction-in-Progress	2,758,669	19,063
Total Capital Assets Not Depreciated	3,915,580	987,617
Capital Assets Being Depreciated		
Buildings and Building Improvements	73,875,381	11,898,128
Furniture and Equipment	1,825,770	648,607
Total Capital Assets Being Depreciated	75,701,151	12,546,735
Less Accumulated Depreciation	(64,474,281)	(7,460,463)
Subtotal Capital Assets Being Depreciated	11,226,870	5,086,272
Total Capital Assets	$ 15,142,450	$ 6,073,889

NOTE 5: **CAPITAL ASSETS** (Continued)

Primary Government

	Balance 7/1/2018	Additions	Deletions	Balance 6/30/2019
Capital Assets Not being Depreciated				
Land	$ 1,156,911	$ 0	$ 0	$ 1,156,911
Construction in Progress	1,145,765	1,612,904	0	2,758,669
Total Capital Assets Not being Depreciated	2,302,676	1,612,904	0	3,915,580
Capital Assets Being Depreciated				
Buildings and Building Improvements	73,875,381	0	0	73,875,381
Furniture and Equipment	1,715,799	265,163	(155,192)	1,825,770
Total Capital Assets Being Depreciated	75,591,180	265,163	(155,192)	75,701,151
Less Accumulated Depreciation	(62,633,223)	(1,993,390)	152,332	(64,474,281)
Depreciable Assets, Net	12,957,957	(1,728,227)	(2,860)	11,226,870
Total Capital Assets, Net, Primary Government	$ 15,260,633	$ (115,323)	$ (2,860)	$ 15,142,450

Component Units

	Balance 7/1/2018	Additions	Deletions	Balance 6/30/2019
Capital Assets Not being Depreciated				
Land	$ 1,148,553	$ 0	$ (180,000)	$ 968,553
Construction in Progress	57,889	19,064	(57,889)	19,064
Total Capital Assets Not being Depreciated	1,206,442	19,064	(237,889)	987,617
Capital Assets Being Depreciated				
Buildings and Building Improvements	18,759,944	172,621	(7,034,437)	11,898,128
Furniture and Equipment	1,013,189	44,016	(408,597)	648,608
Total Capital Assets Being Depreciated	19,773,133	216,637	(7,443,034)	12,546,736
Less Accumulated Depreciation	(13,298,693)	(310,816)	6,149,045	(7,460,464)
Depreciable Assets, Net	6,474,440	(94,179)	(1,293,989)	5,086,272
Total Capital Assets, Net, Primary Government	$ 7,680,882	$ (75,115)	$ (1,531,878)	$ 6,073,889

NOTE 6: **NOTES RECEIVABLE**

The Authority entered into a lease agreement with the Elms of Warren Associates, Ltd. (the “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 (the “Elms”). 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 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.

NOTE 7: **DEFINED BENEFIT PENSION PLAN**

Net Pension Liability

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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 5 years of service credit or Age 57 with 25 years of service credit
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	**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	**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

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

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

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

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

	State and Local
2019 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2019 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 and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with remainder going to pension.

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

The Authority's contractually required contributions was $415,151 for fiscal year ending June 30, 2019.

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

The net pension liability/(asset) was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability/(asset) 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	0.021435%	0.011384%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	0.021455%	0.009219%	
Change in Proportionate Share	0.000020%	-0.002165%	
Proportionate Share of the Net Pension Liability/(Asset)	$ 5,876,090	$ (10,309)	$ 5,865,781
Pension Expense	$ 1,079,896	$ 852	$ 1,080,748

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

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

At June 30, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	$ 797,548	$ 2,220	$ 799,768
Differences between expected and actual experience	272	0	272
Changes of assumptions	511,524	2,302	513,826
Changes in proportion and differences between Authority contributions and proportionate share of contributions	301,463	2,566	304,029
Authority contributions subsequent to the measurement date	202,535	3,369	205,904
Total Deferred Outflows of Resources	$ 1,813,342	$ 10,457	$ 1,823,799
Deferred Inflows of Resources			
Differences between expected and actual experience	$ 77,155	$ 4,210	$ 81,365
Changes in proportion and differences between Authority contributions and proportionate share of contributions	326,282	719	327,001
Total Deferred Inflows of Resources	$ 403,437	$ 4,929	$ 408,366

$205,904 reported as deferred outflows of resources related to pension resulting from 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, 2020. 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	OPERS Combined Plan	Total
Year Ending June 30:			
2020	$ 504,427	$ 585	$ 505,012
2021	258,035	144	258,179
2022	73,987	189	74,176
2023	370,921	886	371,807
2024	0	(26)	(26)
Thereafter	0	381	381
Total	$ 1,207,370	$ 2,159	$ 1,209,529

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

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, 2018, 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 methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 3 percent, simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

The total pension asset in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA	Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 3 percent, simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

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

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

Actuarial Assumptions – OPERS (Continued)

The most recent experience study was completed for the five-year period ended December 31, 2015.

The long-term 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.

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, 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 2.94 percent for 2018.

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 table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.79 %
Domestic Equities	19.00	6.21
Real Estate	10.00	4.90
Private Equity	10.00	10.81
International Equities	20.00	7.83
Other investments	18.00	5.50
Total	100.00 %	5.95 %

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

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent, post-experience study results. 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 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 7.2 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Traditional Pension Plan	$ 8,680,693	$ 5,876,090	$ 3,545,439
Combined Plan	$ (3,411)	$ (10,309)	$ (15,304)

NOTE 8: **DEFINED BENEFIT OPEB PLAN**

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 each 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.

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

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

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 to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR 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 the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2018. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2019 remained at 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2018 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 was $1,632 for fiscal year ending June 30, 2019.

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

The net OPEB liability and total OPEB liability were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, 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:

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

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

	OPERS
Proportion of the Net OPEB Liability:	
Prior Measurement Date	0.020580%
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.020524%
Change in Proportionate Share	-0.000056%
Proportionate Share of the Net OPEB Liability	$ 2,675,845
OPEB Expense	$ 224,018

At June 30, 2019, 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	$ 122,672
Differences between expected and actual experience	906
Changes of assumptions	86,273
Changes in proportion and differences between Authority contributions and proportionate share of contributions	126,782
Authority contributions subsequent to the measurement date	838
Total Deferred Outflows of Resources	$ 337,471
Deferred Inflows of Resources	
Differences between expected and actual experience	$ 7,260
Changes in proportion and differences between Authority contributions and proportionate share of contributions	153,350
Total Deferred Inflows of Resources	$ 160,610

$838 reported as deferred outflows of resources related to OPEB resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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

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

	OPERS
Year Ending June 30:	
2020	$ 74,213
2021	19,897
2022	20,115
2023	61,798
Total	$ 176,023

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 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, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.96 percent
Prior Measurement date	3.85 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.71 percent
Health Care Cost Trend Rate	10.0 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age

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

Actuarial Assumptions – OPERS (Continued)

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

The most recent experience study was completed for the five-year period ended December 31, 2015.

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.

During 2018, 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 5.60 percent for 2018.

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 table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

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

Actuarial Assumptions – OPERS (Continued)

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate	0.00	0.00
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other investments	17.00	5.57
Total	100.00 %	5.16 %

Discount Rate A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. 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 3.71 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 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability 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 3.96 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 one-percentage-point lower (2.96 percent) or one-percentage-point higher (4.96 percent) than the current rate:

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
Authority's proportionate share of the net OPEB liability	$ 3,423,403	$ 2,675,845	$ 2,081,339

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.

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

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend 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 2019 is 10.0 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 that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 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 liability	$ 2,572,068	$ 2,675,845	$ 2,795,369

NOTE 9: **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, 2019, based on the vesting method, $451,436 was accrued by the primary government for unused vacation and sick time. The current portion is $78,232 and the non-current portion is $373,204. 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.

Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
$ 461,056	$ 230,419	$ 240,039	$ 451,436

Component Units

At June 30, 2019, based on the vesting method, $28,652 was accrued by the component units for unused vacation and sick time. The current portion is $5,178 and the non- current portion is $23,474.

Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
$ 48,512	$ 12,506	$ 32,366	$ 28,652

NOTE 10: **LONG-TERM DEBT**

Primary Government

The Authority has debt in 2019 equal to $80,326 related to five properties purchased with Neighborhood Stabilization Program grant funds.

Description	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Current Portion
Neighborhood Stabilization Program	$ 93,893	$ 0	$ 13,567	$ 80,326	$ 13,567

The Authority entered into a contractual agreement with Trumbull County, Ohio in March 2011, 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 2011.	$ 13,888
The Authority entered into a contractual agreement with Trumbull County, Ohio, in May 2011, 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 2011.	4,936
The Authority entered into a contractual agreement with Trumbull County, Ohio, in June 2011, 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 2011.	21,603
The Authority entered into a contractual agreement with Trumbull County, Ohio, in June 2011, 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 2011.	19,532
The Authority entered into a contractual agreement with Trumbull County, Ohio, on July 2, 2011, 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 2011.	20,367

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

Primary Government (Continued)
Maturities of debt over the life of the debt are as follow:

Year Ended June 30	Principal	Interest	Total
2020	$ 13,567	$ 0	$ 13,567
2021	13,567	0	13,567
2022	13,567	0	13,567
2023	13,567	0	13,567
2024	13,567	0	13,567
2025	12,491	0	12,491
Total	$ 80,326	$ 0	$ 80,326

Component Units
The Authority's component units were obligated on the following notes as of June 30, 2019:

Promissory Note – Western Reserve Housing Development Corporation
On March 31, 2013, a promissory note in the amount of $2,144,359 was written with Trumbull Housing Development Corporation for Western Reserve HDC's balance due on their Cortland Savings & Bank Company loan. The promissory note bears interest at the rate of 4.75% per annum and the note expires when paid in full on March 15, 2032. The outstanding principal balance as of June 30, 2019 is $1,694,623.

Required payments, including interest, are as follows:

Year Ended June 30	Principal	Interest	Total
2020	$ 99,096	$ 78,356	$ 177,452
2021	103,907	73,545	177,452
2022	108,952	68,500	177,452
2023	114,241	63,211	177,452
2024	119,787	57,665	177,452
2025-2032	1,148,640	226,610	1,375,250
Total	$ 1,694,623	$ 567,887	$ 2,262,510

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

Component Units (Continued)

Promissory Note – Warren Housing Development Corporation
On March 1, 2002, a promissory note in the amount of $712,517 was written between the Warren Housing Development Corporation and Trumbull Housing Development Corporation for the balance due on a retired first mortgage associated with the Ridge property. The note bears a 4.00% interest rate and the scheduled monthly payments of $3,401.67 are to be paid through November 1, 2022. The outstanding principal balance as of June 30, 2019 is $129,757.

Required payments, including interest, are as follows:

Year Ended June 30	Principal	Interest	Total
2020	$ 36,290	$ 4,530	$ 40,820
2021	37,769	3,051	40,820
2022	39,308	1,512	40,820
2023	16,390	151	16,541
Total	$ 129,757	$ 9,244	$ 139,001

A summary of the Component Units' debt activity in the period is as follows:

	Principal Balance June 30, 2018	Additions	Deletions	Principal Balance June 30, 2019	Current Portion
WRHDC Promissory Note	$ 1,789,131	$ 0	$ 94,508	$ 1,694,623	$ 99,096
WHDC Promissory Note	164,267	0	34,510	129,757	36,290
Total	$ 1,953,398	$ 0	$ 129,018	$ 1,824,380	$ 135,386

NOTE 11: **CONDUIT DEBT**

Conduit (no commitment) debt obligations are certain limited obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer's financial reporting entity. Although conduit debt obligations bear the name of the governmental issuer, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued and is, therefore, not reported on the balance sheet.

On May 21, 2019, a resolution by the Board of Commissioners authorized the issuance and sale of the Authority's housing revenue bonds in an amount not to exceed $15,000,000, the proceeds of which will be used to finance the acquisition and rehabilitation of an affordable multi-family housing complex that, when completed, will contain 200 units in Warren, Ohio (The Elms Apartments). Also authorized was the execution and delivery of a trust indenture, a loan agreement, a loan and financing agreement, a regulatory agreement, a purchase agreement, and certain other documents in connection with the issuance of the bonds.

NOTE 11: **CONDUIT DEBT** (Continued)

On June 1, 2019, the Authority issued $9,250,000 in Multi-Family Housing Revenue Bonds (Series 2019A) for The Elms Apartments, pursuant to a Trust Indenture with Huntington National Bank (the Trustee). The Authority then entered into a Loan Agreement with The Elms of Warren Associates, Ltd. for $9,250,000, with a maturity date of December 31, 2021. Repayment of the loan will be made to Huntington National Bank by The Elms of Warren Associates, Ltd. The Authority has no repayment or guarantee obligations related to the loan.

On June 24, 2019, the Authority issued a Multi-Family Housing Revenue Note for $2,500,000 (Series 2019B) to provide funds for Chemical Bank to loan to The Elms of Warren Associates, Ltd., with a maturity date of December 31, 2021. Repayment of the loan will be made to Chemical Bank by The Elms of Warren Associates, Ltd. The Authority has no repayment or guarantee obligations related to the loan.

The Authority acts as a conduit with regards to the bond proceeds and is, in substance, lending the bond proceeds to The Elms of Warren Associates, Ltd., and the Authority's obligation is payable solely from payments on the borrower note, making it a limited obligations and, therefore, not reported on the Authority's balance sheet.

NOTE 12: **NON-CURRENT LIABILITIES – OTHER**

The Authority entered into a promissory note with the Warren Housing Development Corporation on June 24, 2019 in the amount of $6.5 million 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 WHDC on June 24, 2069.

NOTE 13: **NET PENSION LIABILITIES**

The Authority's proportion of the net pension liability and OPEB 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 Liability. The change in the net pension liability is as follows:

	Balance 07/01/2018	Additions	Deletions	Balance 06/30/2019
Net Pension Liability				
Primary Government	$ 2,978,744	$ 2,574,161	$ 0	$ 5,552,905
Component Units	383,990	0	60,805	323,185
Total Pension Liability	$ 3,362,734	$ 2,574,161	$ 60,805	$ 5,876,090
Net OPEB Liability				
Primary Government	$ 1,979,641	$ 549,035	$ 0	$ 2,528,676
Component Units	255,199	0	108,026	147,173
Total OPEB Liability	$ 2,234,840	$ 549,035	$ 108,026	$ 2,675,849

NOTE 14: **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 15: **CONDENSED FINANCIAL STATEMENT INFORMATION – COMPONENT UNITS**

	Warren Housing Development Corporation	Western Reserve Housing Development Corporation	Totals
Balance Sheet			
Current Assets	$ 12,315,858	$ 522,685	$ 12,838,543
Capital and Other Assets	11,270,504	3,767,337	15,037,841
Current Liabilities	(354,552)	(172,697)	(527,249)
Non-Current Liabilities	(622,934)	(1,865,124)	(2,488,058)
Net Position	$ 22,608,876	$ 2,252,201	$ 24,861,077
Revenues, Expenses, and Change in Equity			
Operating Revenue	$ 3,482,385	$ 349,674	$ 3,832,059
Operating Expense	(1,798,326)	(172,077)	(1,970,403)
Net Operating Revenue	1,684,059	177,597	1,861,656
Total Non-Operating Revenue	5,163,932	(81,507)	5,082,425
Excess Revenue over Expenses	$ 6,847,991	$ 96,090	$ 6,944,081

NOTE 16: **SUBSEQUENT EVENTS**

Generally accepted accounting principles define subsequent events as events or transactions that occur after the statement of financial position date, but before the financial statements as issued or are available to be issued. Management has evaluated subsequent events through December 17, 2019, the date on which the financial statements were available to be issued.

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

Traditional Plan	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.021455%	0.021435%	0.021977%	0.021621%	0.021793%	0.021793%
Authority's Proportionate Share of the Net Pension Liability	$ 5,876,090	$ 3,362,736	$ 4,990,603	$ 3,745,029	$ 2,628,480	$ 2,569,111
Authority's Covered Payroll	$ 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	202.77%	118.72%	175.66%	139.17%	98.35%	95.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Combined Plan	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Asset	0.009219%	0.011384%	0.011987%	0.011350%	0.012387%	0.012387%
Authority's Proportionate Share of the Net Pension (Asset)	$ (10,309)	$ (15,497)	$ (6,672)	$ (5,523)	$ (4,770)	$ (1,300)
Authority's Covered Payroll	$ 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	26.15%	33.24%	14.30%	13.37%	10.53%	3.50%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

(1) - Information prior to 2014 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
TRUMBULL COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTION - PENSION
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS (1)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually Required Contributions										
Traditional Plan	$ 408,761	$ 399,973	$ 346,763	$ 326,830	$ 320,157	$ 317,704	$ 352,924	$ 268,909	$ 279,180	$ 231,050
Combined Plan	6,390	6,583	5,695	5,017	4,995	5,706	4,876	2,551	2,663	2,580
Total Required Contributions	415,151	406,556	352,458	331,847	325,152	323,410	357,800	271,460	281,843	233,630
Contributions in Relation to the Contractually Required Contribution	(415,151)	(406,556)	(352,458)	(331,847)	(325,152)	(323,410)	(357,800)	(271,460)	(281,843)	(233,630)
Contribution Deficiency / (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority's Covered Payroll										
Traditional Plan	$ 2,919,721	$ 2,967,443	$ 2,782,278	$ 2,723,583	$ 2,667,975	$ 2,647,533	$ 2,714,800	$ 2,689,090	$ 2,791,800	$ 2,567,222
Combined Plan	$ 45,643	$ 48,841	$ 45,694	$ 41,808	$ 41,625	$ 47,550	$ 37,508	$ 32,088	$ 33,497	$ 26,407
Pension Contributions as a Percentage of Covered Payroll										
Traditional Plan	14.00%	13.48%	12.46%	12.00%	12.00%	12.00%	13.00%	10.00%	10.00%	9.00%
Combined Plan	14.00%	13.48%	12.46%	12.00%	12.00%	12.00%	13.00%	7.95%	7.95%	9.77%

See accompanying notes to the required supplementary information

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

	2019	2018	2017
Authority's Proportion of the Net OPEB Liability	0.020524%	0.020580%	0.021150%
Authority's Proportionate Share of the Net OPEB Liability	$ 2,675,845	$ 2,234,836	$ 2,136,222
Authority's Covered Payroll	$ 2,976,877	$ 2,915,577	$ 2,922,556
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	89.89%	76.65%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.05%

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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
TRUMBULL COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS - OPEB
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS (1)

	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 1,632	$ 17,257	$ 44,746	$ 55,978	$ 54,592
Contributions in Relation to the Contractually Required Contribution	(1,632)	(17,257)	(44,746)	(55,978)	(54,592)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0
Authority Covered Payroll	$ 3,006,175	$ 3,054,371	$ 2,856,434	$ 2,795,304 0	$ 2,741,941
Contributions as a Percentage of Covered Payroll	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 2014-2019.

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%.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2019.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2018. 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%.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE BALANCE SHEET SUMMARY
JUNE 30, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	6.1 Component Unit - Discretely Presented	17.259 WIA Youth Activities	14.191 Multifamily Housing Service Coordinators	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	1,952,253	-	-	11,666,934	-	-	-	166,873	528,856	14,314,916	-	14,314,916
113 Cash - Other Restricted	-	-	-	-	-	-	-	76,475	-	76,475	-	76,475
114 Cash - Tenant Security Deposits	176,773	-	-	42,034	-	-	-	-	-	218,807	-	218,807
115 Cash - Restricted for Payment of Current Liabilities	15	-	-	-	-	-	-	10,278	-	10,293	-	10,293
100 Total Cash	2,129,041	-	-	11,708,968	-	-	-	253,626	528,856	14,620,491	-	14,620,491
122 Accounts Receivable - HUD Other Projects	25,131	35,971	29,823	-	-	10,869	-	-	-	101,794	-	101,794
124 Accounts Receivable - Other Government	2,344	-	-	157	116,232	-	45,294	-	99	164,126	-	164,126
125 Accounts Receivable - Miscellaneous	3,405	-	-	947,891	-	-	-	354	344,401	1,296,051	-10,869	1,285,182
126 Accounts Receivable - Tenants	9,319	-	-	9,757	-	-	-	-	-	19,076	-	19,076
126.1 Allowance for Doubtful Accounts -Tenants	-3,743	-	-	-4,793	-	-	-	-	-	-8,536	-	-8,536
127 Notes, Loans, & Mortgages Receivable - Current	37,055	-	-	298	-	-	-	5,157	-	42,510	-	42,510
128 Fraud Recovery	44,758	-	-	214	-	-	-	18,114	-	63,086	-	63,086
128.1 Allowance for Doubtful Accounts - Fraud	-	-	-	-	-	-	-	-6,676	-	-6,676	-	-6,676
129 Accrued Interest Receivable	-	-	-	97,573	-	-	-	-	-	97,573	-	97,573
120 Total Receivables, Net of Allowances for Doubtful Accounts	118,269	35,971	29,823	1,051,097	116,232	10,869	45,294	16,949	344,500	1,769,004	-10,869	1,758,135
142 Prepaid Expenses and Other Assets	136,841	-	-	64,240	-	-	-	2,293	30,121	233,495	-	233,495
143 Inventories	168,328	-	-	14,529	-	-	-	-	5,004	187,861	-	187,861
143.1 Allowance for Obsolete Inventories	-3,367	-	-	-291	-	-	-	-	-100	-3,758	-	-3,758
144 Inter Program Due From	-	-	-	-	-	-	-	-	65,794	65,794	-65,794	-
150 Total Current Assets	2,549,112	35,971	29,823	12,838,543	116,232	10,869	45,294	272,868	974,175	16,872,887	-76,663	16,796,224
161 Land	916,759	-	-	968,554	-	-	-	-	240,152	2,125,465	-	2,125,465
162 Buildings	73,875,382	-	-	11,898,128	-	-	-	-	-	85,773,510	-	85,773,510
163 Furniture, Equipment & Machinery - Dwellings	934,058	-	-	172,046	-	-	-	-	2,064	1,108,168	-	1,108,168
164 Furniture, Equipment & Machinery - Administration	517,286	-	-	476,561	-	-	-	24,539	347,825	1,366,211	-	1,366,211
166 Accumulated Depreciation	-64,238,471	-	-	-7,460,463	-	-	-	-20,471	-215,342	-71,934,747	-	-71,934,747
167 Construction in Progress	2,758,669	-	-	19,063	-	-	-	-	-	2,777,732	-	2,777,732
160 Total Capital Assets, Net of Accumulated Depreciation	14,763,683	-	-	6,073,889	-	-	-	4,068	374,699	21,216,339	-	21,216,339
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	8,806,842	-	-	-	-	6,500,000	15,306,842	-	15,306,842
174 Other Assets	4,709	-	-	567	-	-	-	571	4,462	10,309	-	10,309
176 Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-
180 Total Non-Current Assets	14,768,392	-	-	14,881,298	-	-	-	4,639	6,879,161	36,533,490	-	36,533,490
200 Deferred Outflow of Resources	1,097,573	-	-	156,543	-	-	-	107,004	800,152	2,161,272	-	2,161,272
290 Total Assets and Deferred Outflow of Resources	18,415,077	35,971	29,823	27,876,384	116,232	10,869	45,294	384,511	8,653,488	55,567,649	-76,663	55,490,986
312 Accounts Payable <= 90 Days	89,173	-	-	240,913	116,232	10,869	45,294	5,211	77,872	585,564	-10,869	574,695
321 Accrued Wage/Payroll Taxes Payable	55,511	-	-	12,718	-	-	-	7,779	111,836	187,844	-	187,844
322 Accrued Compensated Absences - Current Portion	38,866	-	-	5,178	-	-	-	5,066	34,300	83,410	-	83,410
333 Accounts Payable - Other Government	112,239	-	-	15,442	-	-	-	-	-	127,681	-	127,681
341 Tenant Security Deposits	176,773	-	-	42,034	-	-	-	-	-	218,807	-	218,807
342 Unearned Revenue	63,374	-	-	75,578	-	-	-	-	-	138,952	-	138,952
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	13,567	-	-	135,386	-	-	-	-	-	148,953	-	148,953
345 Other Current Liabilities	15	-	-	-	-	-	-	10,278	-	10,293	-	10,293
347 Inter Program - Due To	-	35,971	29,823	-	-	-	-	-	-	65,794	-65,794	-
310 Total Current Liabilities	549,518	35,971	29,823	527,249	116,232	10,869	45,294	28,334	224,008	1,567,298	-76,663	1,490,635

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE BALANCE SHEET SUMMARY
JUNE 30, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	6.1 Component Unit - Discretely Presented	17.259 WIA Youth Activities	14.191 Multifamily Housing Service Coordinators	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	66,759	-	-	1,688,994	-	-	-	-	-	1,755,753	-	1,755,753
353 Non-current Liabilities - Other	9,786	-	-	200,000	-	-	-	27,330	6,588,076	6,825,192	-	6,825,192
354 Accrued Compensated Absences - Non Current	135,010	-	-	23,474	-	-	-	16,789	221,405	396,678	-	396,678
357 Accrued Pension and OPEB Liabilities	3,907,383	-	-	470,358	-	-	-	473,777	3,700,421	8,551,939	-	8,551,939
350 Total Non-Current Liabilities	4,118,938	-	-	2,382,826	-	-	-	517,896	10,509,902	17,529,562	-	17,529,562
300 Total Liabilities	4,668,456	35,971	29,823	2,910,075	116,232	10,869	45,294	546,230	10,733,910	19,096,860	-76,663	19,020,197
400 Deferred Inflow of Resources	158,472	-	-	105,232	-	-	-	17,098	288,173	568,975	-	568,975
508.4 Net Investment in Capital Assets	14,683,356	-	-	4,249,509	-	-	-	4,068	374,699	19,311,632	-	19,311,632
511.4 Restricted Net Position	-	-	-	-	-	-	-	49,145	-	49,145	-	49,145
512.4 Unrestricted Net Position	-1,095,207	-	-	20,611,568	-	-	-	-232,030	-2,743,294	16,541,037	-	16,541,037
513 Total Equity - Net Assets / Position	13,588,149	-	-	24,861,077	-	-	-	-178,817	-2,368,595	35,901,814	-	35,901,814
600 Total Liabilities, Deferred Inflow of Resources, and Equity - Net	18,415,077	35,971	29,823	27,876,384	116,232	10,869	45,294	384,511	8,653,488	55,567,649	-76,663	55,490,986

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	6.1 Component Unit - Discretely Presented	17.259 WIA Youth Activities	14.191 Multifamily Housing Service Coordinators	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	2,026,326	-	-	969,317	-	-	-	-	-	2,995,643	-	2,995,643
70400 Tenant Revenue - Other	118,725	-	-	37,202	-	-	-	-	-	155,927	-	155,927
70500 Total Tenant Revenue	2,145,051	-	-	1,006,519	-	-	-	-	-	3,151,570	-	3,151,570
70600 HUD PHA Operating Grants	4,433,738	118,601	61,685	-	-	-	-	5,731,097	-	10,345,121	-	10,345,121
70610 Capital Grants	1,612,903	-	-	-	-	-	-	-	-	1,612,903	-	1,612,903
70710 Management Fee	-	-	-	-	-	-	-	-	1,219,378	1,219,378	-1,219,378	-
70720 Asset Management Fee	-	-	-	-	-	-	-	-	147,480	147,480	-147,480	-
70730 Book Keeping Fee	-	-	-	-	-	-	-	-	202,358	202,358	-202,358	-
70700 Total Fee Revenue	-	-	-	-	-	-	-	-	1,569,216	1,569,216	-1,569,216	-
70800 Other Government Grants	-	-	-	-	187,297	-	185,274	-	-	372,571	-	372,571
71100 Investment Income - Unrestricted	17,175	-	-	166,856	-	-	-	-	2,106	186,137	-	186,137
71400 Fraud Recovery	-	-	-	-	-	-	-	18,006	-	18,006	-	18,006
71500 Other Revenue	37,650	-	-	2,784,699	-	40,841	-	12,688	269,318	3,145,196	-6,944	3,138,252
71600 Gain or Loss on Sale of Capital Assets	1,230	-	-	5,004,463	-	-	-	-	-	5,005,693	-	5,005,693
70000 Total Revenue	8,247,747	118,601	61,685	8,962,537	187,297	40,841	185,274	5,761,791	1,840,640	25,406,413	-1,576,160	23,830,253
91100 Administrative Salaries	586,870	-	-	314,510	4,964	-	10,831	180,868	816,402	1,914,445	-	1,914,445
91200 Auditing Fees	11,891	-	-	15,230	-	-	-	1,362	6,240	34,723	-	34,723
91300 Management Fee	1,065,970	-	-	-	-	-	-	153,408	-	1,219,378	-1,219,378	-
91310 Book-keeping Fee	106,478	-	-	-	-	-	-	95,880	-	202,358	-202,358	-
91400 Advertising and Marketing	4,399	-	-	3,423	-	-	-	981	2,628	11,431	-	11,431
91500 Employee Benefit contributions - Administrative	280,951	-	-	142,949	2,923	-	6,794	86,550	273,405	793,572	-	793,572
91600 Office Expenses	114,483	-	-	70,232	12,943	-	15,953	17,585	352,891	584,087	-	584,087
91700 Legal Expense	50,495	-	-	12,244	-	-	-	15,833	27,016	105,588	-	105,588
91800 Travel	-	-	-	-	-	-	-	458	-	458	-	458
91900 Other	-	-	-	14,108	12,379	-	70	4,616	2,516	33,689	-6,944	26,745
91000 Total Operating - Administrative	2,221,537	-	-	572,696	33,209	-	33,648	557,541	1,481,098	4,899,729	-1,428,680	3,471,049
92000 Asset Management Fee	147,480	-	-	-	-	-	-	-	-	147,480	-147,480	-
92100 Tenant Services - Salaries	-	83,092	-	-	-	-	-	-	-	83,092	-	83,092
92300 Employee Benefit Contributions - Tenant Services	-	35,425	-	-	-	-	-	-	-	35,425	-	35,425
92400 Tenant Services - Other	48,479	84	61,685	7,925	-	40,841	-	-	-	159,014	-	159,014
92500 Total Tenant Services	48,479	118,601	61,685	7,925	-	40,841	-	-	-	277,531	-	277,531
93100 Water	185,966	-	-	60,368	-	-	29	-	1,515	247,878	-	247,878
93200 Electricity	371,188	-	-	249,692	8	-	-	-	37,382	658,270	-	658,270
93300 Gas	148,686	-	-	34,787	136	-	257	-	11,678	195,544	-	195,544
93600 Sewer	174,339	-	-	61,864	78	-	191	-	2,948	239,420	-	239,420
93000 Total Utilities	880,179	-	-	406,711	222	-	477	-	53,523	1,341,112	-	1,341,112
											-	
94100 Ordinary Maintenance and Operations - Labor	773,215	-	-	281,124	-	-	-	-	55,435	1,109,774	-	1,109,774
94200 Ordinary Maintenance and Operations - Materials and Other	225,515	-	-	45,863	273	-	12,066	-	12,868	296,585	-	296,585
94300 Ordinary Maintenance and Operations Contracts	945,577	-	-	182,940	1,195	-	2,428	-	27,595	1,159,735	-	1,159,735
94500 Employee Benefit Contributions - Ordinary Maintenance	392,660	-	-	138,469	11	-	-	-	24,296	555,436	-	555,436
94000 Total Maintenance	2,336,967	-	-	648,396	1,479	-	14,494	-	120,194	3,121,530	-	3,121,530
95200 Protective Services - Other Contract Costs	67,553	-	-	21,656	-	-	-	720	-	89,929	-	89,929
95300 Protective Services - Other	16,551	-	-	6,706	-	-	-	-	1,229	24,486	-	24,486
95000 Total Protective Services	84,104	-	-	28,362	-	-	-	720	1,229	114,415	-	114,415
96110 Property Insurance	173,570	-	-	67,362	21	-	21	-	8,920	249,894	-	249,894

TRUMBULL METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	6.1 Component Unit - Discretely Presented	17.259 WIA Youth Activities	14.191 Multifamily Housing Service Coordinators	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC	Subtotal	ELIM	Total
96120 Liability Insurance	109,140	-	-	36,997	50	-	819	909	20,215	168,130	-	168,130
96130 Workmen's Compensation	5,640	-	-	2,403	14	-	19	785	2,527	11,388	-	11,388
96100 Total insurance Premiums	288,350	-	-	106,762	85	-	859	1,694	31,662	429,412	-	429,412
96200 Other General Expenses	56,383	-	-	84,254	152,302	-	135,796	8,908	46,781	484,424	-	484,424
96210 Compensated Absences	33,313	-	-	6,891	-	-	-	-	-	40,204	-	40,204
96300 Payments in Lieu of Taxes	117,896	-	-	16,628	-	-	-	-	-	134,524	-	134,524
96400 Bad debt - Tenant Rents	106,542	-	-	16,996	-	-	-	-	-	123,538	-	123,538
96800 Severance Expense	2,493	-	-	1,421	-	-	-	-	4,830	8,744	-	8,744
96000 Total Other General Expenses	316,627	-	-	126,190	152,302	-	135,796	8,908	51,611	791,434	-	791,434
96720 Interest on Notes Payable (Short and Long Term)	-	-	-	88,894	-	-	-	-	-	88,894	-	88,894
96700 Total Interest Expense and Amortization Cost	-	-	-	88,894	-	-	-	-	-	88,894	-	88,894
96900 Total Operating Expenses	6,323,723	118,601	61,685	1,985,936	187,297	40,841	185,274	568,863	1,739,317	11,211,537	-1,576,160	9,635,377
97000 Excess of Operating Revenue over Operating Expenses	1,924,024	-	-	6,976,601	-	-	-	5,192,928	101,323	14,194,876	-	14,194,876
97100 Extraordinary Maintenance	26,128	-	-	49,364	-	-	-	-	4,138	79,630	-	79,630
97200 Casualty Losses - Non-capitalized	4,205	-	-	4,891	-	-	-	-	1,000	10,096	-	10,096
97300 Housing Assistance Payments	-	-	-	-	-	-	-	5,213,907	-	5,213,907	-	5,213,907
97400 Depreciation Expense	1,971,088	-	-	310,816	-	-	-	461	21,841	2,304,206	-	2,304,206
97500 Fraud Losses	-	-	-	1,680	-	-	-	-	-	1,680	-	1,680
90000 Total Expenses	8,325,144	118,601	61,685	2,352,687	187,297	40,841	185,274	5,783,231	1,766,296	18,821,056	-1,576,160	17,244,896
10080 Special Items (Net Gain/Loss)	-579,407	-	-	334,231	-	-	-	-56,116	-796,733	-1,098,025	-	-1,098,025
10091 Inter Project Excess Cash Transfer In	321,000	-	-	-	-	-	-	-	-	321,000	-321,000	-
10092 Inter Project Excess Cash Transfer Out	-321,000	-	-	-	-	-	-	-	-	-321,000	321,000	-
10100 Total Other financing Sources (Uses)	-579,407	-	-	334,231	-	-	-	-56,116	-796,733	-1,098,025	-	-1,098,025
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-656,804	-	-	6,944,081	-	-	-	-77,556	-722,389	5,487,332	-	5,487,332
11020 Required Annual Debt Principal Payments	-	-	-	31,820	-	-	-	-	-	31,820	-	31,820
11030 Beginning Equity	14,244,953	-	-	17,916,996	-	-	-	-101,261	-1,646,206	30,414,482	-	30,414,482
11170 Administrative Fee Equity	-	-	-	-	-	-	-	-227,962	-	-227,962	-	-227,962
11180 Housing Assistance Payments Equity	-	-	-	-	-	-	-	49,145	-	49,145	-	49,145
11190 Unit Months Available	14,429	-	-	4,524	-	-	-	12,897	-	31,850	-	31,850
11210 Number of Unit Months Leased	13,896	-	-	4,392	-	-	-	12,784	-	31,072	-	31,072

TRUMBULL METROPOLITAN HOUSING AUTHORITY
TRUMBULL COUNTY, OHIO
SCHEDULE OF MODERNIZATION COSTS - COMPLETED
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Annual Contributions Contract C-5031

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

OH12P00850115		
Funds Approved	$	1,518,425
Funds Expended		1,518,425
Excess (Deficiency) of Funds Approved	$	0
Funds Advanced	$	1,518,425
Funds Expended		1,518,425
Excess (Deficiency) of Funds Approved	$	0
OH12R00850116		
Funds Approved	$	212,545
Funds Expended		212,545
Excess (Deficiency) of Funds Approved	$	0
Funds Advanced	$	212,545
Funds Expended		212,545
Excess (Deficiency) of Funds Approved	$	0

TRUMBULL METROPOLITAN HOUSING AUTHORITY
TRUMBULL COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Federal Grantor/ Program Title	Federal CFDA Number	Total Federal Expenditures
U.S. Department of Housing and Urban Development		
Direct Programs		
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	$ 5,731,097
Total Housing Voucher Cluster		5,731,097
Public and Indian Housing	14.850	4,147,752
Public Housing Capital Fund	14.872	1,898,889
Family Self-Sufficiency Program	14.896	118,601
Resident Opportunity and Supportive Services - Service Coordinators	14.870	61,685
Total U.S. Department of Housing and Urban Development		11,958,024
U.S. Department of Labor		
Direct Programs		
Youthbuild Program	17.274	185,274
Total Direct Programs		12,143,298
Pass-Through Programs		
Passed Through Trumbull County Department of Jobs	17.259	187,297
WIA Youth Activities		
Total Pass-Through Programs		187,297
Total U.S. Department of Labor		372,571
TOTAL EXPENDITURES OF FEDERAL AWARDS		$ 12,330,595

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

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, 2019. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE 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, 2019

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, 2019.

The Authority had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the year ended June 30, 2019.

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Certified Public Accountants
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

To the Members of the Board
Trumbull Metropolitan Housing Authority
Warren, Ohio

Regional Inspector General of Audit
Department of Housing and Urban Development

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, 2019, 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 17, 2019.

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 may exist that have not been identified.

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.

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

December 17, 2019

JAMES G. ZUPKA, C.P.A., INC.
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REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Members of the Board
Trumbull Metropolitan Housing Authority
Warren, Ohio

Regional Inspector General of Audit
Department of Housing and Urban Development

Report on Compliance for Each Major Federal Program

We have audited the Trumbull Metropolitan Housing Authority, Ohio's (the Authority) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2019. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

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 each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

December 17, 2019

SUMMARY OF AUDITOR'S RESULTS

2019(i)	Type of Financial Statement Opinion	Unmodified
2019(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2019(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2019(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2019(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2019(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2019(v)	Type of Major Programs' Compliance Opinions	Unmodified
2019(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2019(vii)	Major Programs (list): Housing Voucher Cluster: Section 8 Housing Choice Vouchers - CFDA # 14.871 Public Housing Capital Fund Program - CFDA #14.872	
2019(viii)	Dollar Threshold: A/B Program	Type A: $750,000 Type B: All Others
2019(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.

SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

The prior audit report, as of June 30, 2018, included no citations or instances of noncompliance.

OHIO AUDITOR OF STATE
KEITH FABER

TRUMBULL METROPOLITAN HOUSING AUTHORITY

TRUMBULL COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JANUARY 21, 2020