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Perry & Associates
Certified Public Accountants, A.C.

PARMA PUBLIC HOUSING AGENCY
CUYAHOGA COUNTY
Single Audit
For the Year Ended December 31, 2015

Dave Yost • Auditor of State

Board of Commissioners
Parma Public Housing Agency
1440 Rockside Road, Suite 306
Parma, OH 44134

We have reviewed the *Independent Auditor's Report* of the Parma Public Housing Agency, Cuyahoga County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2015 through December 31, 2015. 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 Parma Public Housing Agency is responsible for compliance with these laws and regulations.

Dave Yost

Dave Yost
Auditor of State

September 9, 2016

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PARMA PUBLIC HOUSING AGENCY
CUYAHOGA COUNTY
FOR THE YEAR ENDED DECEMBER 31, 2015

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INDEPENDENT AUDITOR'S REPORT

May 31, 2016

Parma Public Housing Agency
Cuyahoga County
1440 Rockside Road, Suite 306
Parma, OH 44134

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the **Parma Public Housing Agency**, Cuyahoga County, Ohio (the Agency), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Agency's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Parma Public Housing Agency, Cuyahoga County as of December 31, 2015, and the changes in its financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended December 31, 2015, the Agency adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Agency's basic financial statements taken as a whole.

The actual modernization cost certificates presented on page 42 and the supplemental financial data schedule presented on pages 37 through 41 are presented for additional analysis as required by the U.S. Department of Housing and Urban Development and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards also presents additional analysis as required by the Uniform Guidance and is also not a required part of the financial statements.

The schedules are management's responsibility and derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2016, on our consideration of the Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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 Agency's internal control over financial reporting and compliance.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

Unaudited

The Parma Public Housing Agency's ("the Agency") Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Agency's financial activity, (c) identify changes in the Agency's position, and (d) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the 2015 year's activities, resulting changes and currently known facts, please read it in conjunction with the Agency's financial statement.

FINANCIAL HIGHLIGHTS

- The Agency's Net Position increased by $83,186 or 4% during 2015, resulting from changes in operations. Since the Agency engages only in business-type activities, the increase is all in the category of business-type Net Position.
- Revenues increased by $267,857 or 5% during 2015.
- The total expenses of the Agency programs decreased by $38,564 or 0.7%.

Agency Financial statements

The Agency's financial statements are designed to be corporate-like in that all business type activities are consolidated into columns, which add to a total for the entire Agency.

These Statements include a Statement of Net Position, which is similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources for the Agency. The Statement is presented in the format where assets, minus liabilities, equal "Net Position", formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-current".

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Agency. Net Position (formerly equity) are reported in three broad categories:

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

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

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

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

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

Fund Financial statements

The Agency consists of exclusively Enterprise Funds. Enterprise Funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector accounting.

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

The Agency's Programs

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

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, the Agency administers contracts with independent landlords that own the property. The Agency subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contribution Contract with HUD. HUD provides Annual Contributions Funding to enable the Agency to structure a lease that sets the participants' rent at 30% of household income. The Agency earns administrative fees to cover the cost of administering the program.

New GASB 68 Reporting

During 2015, the Agency adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Agency's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the Agency's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2 Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Agency is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute.

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A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the Agency's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the Agency is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, from $2,158,640 to $2,002,302.

AGENCY STATEMENTS

The following table reflects the condensed Statement of Net Position compared to prior year. The Agency is engaged only in Business-Type Activities.

Unaudited

STATEMENT OF NET POSITION

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

	2015	Restated 2014
Current and Other Assets	$ 637,026	$ 504,878
Capital Assets	1,628,906	1,783,464
Deferred Outflows of Resources	47,308	-
Total Assets	$ 2,313,240	$ 2,288,342
Current Liabilities	$ 51,480	$ 78,701
Long-Term Liabilities	190,707	224,683
Total Liabilities	242,187	303,384
Deferred Inflows of Resources	2,909	-
Net Position:		
Net Investment in Capital Assets	1,628,906	1,783,464
Restricted Net Position	20,685	-
Unrestricted Net Position	418,553	201,494
Total Net Position	2,068,144	1,984,958
Total Liabilities, Deferred Inflows and Net Position	$ 2,313,240	$ 2,288,342

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

Major Factors Affecting the Statement of Net Position

During 2015, current and other assets increased by $132,148, and current liabilities decreased by $27,221. The change in current assets was mainly due to the change in cash and account receivable. The current liabilities decrease of $27,221 was due to decrease in a payable to the City of Parma related to payroll expenses plus a prior period adjustment to record amount due to the city that was not previously recorded.

Capital assets decreased from $1,783,464 in 2014 to $1,628,906 in 2015. The $154,558 decrease is contributed primarily to the current year additions of $21,291, less current year depreciation expense of $175,849. For more detail see "Capital Assets" presented later in this report.

Unaudited

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

CHANGE OF NET POSITION

	Unrestricted	Restricted	Net Invest in C/A
Beginning Balance - December 31, 2014	$ 201,494	$ 0	$ 1,783,464
Results of Operation	62,501	20,685	0
Adjustments:			
Current year Depreciation Expense (1)	175,849	0	(175,849)
Capital Expenditure (2)	(21,291)	0	21,291
Ending Balance - December 31, 2015	$ 418,553	$ 20,685	$ 1,628,906

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

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

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

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

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Unaudited

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Table 3 - Statement of Revenue, Expenses & Changes in Net Assets

	2015	2014
Revenues		
Total Tenant Revenues	$ 105,581	$ 89,203
Operating Subsidies	5,027,858	4,835,878
Capital Grants	-	78,182
Investment Income	1,475	149
Other Revenues	177,598	41,243
Total Revenues	**5,312,512**	**5,044,655**
Expenses		
Administrative	450,498	555,183
Tenant Services	40,328	37,142
Utilities	82,913	79,029
Maintenance	103,445	127,908
Protective Services	198	330
General Expenses	71,550	64,857
Housing Assistance Payments	4,304,545	4,215,612
HAP Portability-In	-	15,694
Depreciation	175,849	172,135
Total Expenses	**5,229,326**	**5,267,890**
Net Increases (Decreases)	**$ 83,186**	**$ (223,235)**

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

Total revenue increased by $267,857 for the year. The revenue was $5,044,655 in 2014 and $5,312,512 in 2015. The increase in revenue is mainly due to increase in Grant revenue earned from HUD for the housing assistance payments program and capital fund program, and also increase in fraud funds recovered.

Unaudited

Total expenses decreased by $38,564 for the year. The decrease was mainly due to the decrease in personnel expenses. During the year, a maintenance staff was reduced by one and no overtime was allowed unless approved by the Executive Director.

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense adjustment of $41,016. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

Total 2015 program expenses under GASB 68	$	5,229,326
Pension expense under GASB 68		(2,362)
2015 contractually required contribution		38,749
Adjusted 2015 program expenses		5,265,713
Tota 2014 program expenses under GASB 27		5,267,890
Decrease in program expenses not related to pension	$	(2,177)

Total expenditure decrease during the year by $2,177. The decrease was due mainly to cost saving measure taking during the year by eliminating a maintenance staff position.

CAPITAL ASSETS

Capital Assets

As of year-end, the Agency had $1,628,906 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of $154,558 or 8.7% from the end of last year.

Unaudited

	2015	2014
Land and Land Rights	$ 13,000	$ 13,000
Buildings	3,205,233	3,205,233
Furniture, Equipment & Machinery - Dwelling	106,044	105,044
Furniture, Equipment & Machinery - Admin	272,139	278,681
Leasehold Improvements	1,038,662	1,033,037
Construction in Progress	7,725	-
Accumulated Depreciation	(3,013,897)	(2,851,531)
Total	$ 1,628,906	$ 1,783,464

The following reconciliation identifies the change in Capital Assets.

Beginning Balance - December 31, 2014	$ 1,783,464
Current year Additions	21,291
Current year Depreciation Expense	(175,849)
Ending Balance - December 31, 2015	$ 1,628,906

Current year Additions are summarized as follows:	
Remodeling in some of units	$ 5,626
Hot water tanks	1,000
Software upgrade	3,881
Computers	3,059
Construction in progress	7,725
Total 2015 Additions	$ 21,291

Debt Outstanding

As of year-end, the Agency had no debt (bonds, Notes, etc.) outstanding.

ECONOMIC FACTORS

Significant economic factors affecting the Agency are as follows:

- Federal funding provided by Congress to the Department of Housing and Urban Development is projected to be 80-85% of expenditure level of that anticipated in 2015.
- 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.

Unaudited

FINANCIAL CONTACT

The individual to be contacted regarding this report is Priscilla Pointer-Hicks, Interim Executive Director of the Parma Public Housing Agency, at (216) 661-2015 ext 15. Specific requests may be submitted to the Parma Public Housing Agency, 1440 Rockside Road, Suite 306, Parma, OH 44134.

Parma Public Housing Agency
Statement of Net Position
December 31, 2015

ASSETS	
Current assets	
Cash and cash equivalents	$542,200
Restricted cash and cash equivalents	55,441
Receivables, net	3,714
Prepaid expenses and other assets	35,671
Total current assets	**637,026**
Noncurrent assets	
Capital assets:	
Land	$13,000
Building and equipment	3,583,416
Leasehold Improvements	1,038,662
Less accumulated depreciation	(3,013,897)
Construction in Progress	7,725
Total noncurrent assets	**1,628,906**
Deferred Outflows of Resources	**47,308**
Total Assets and Deferred Outflows of Resources	**$2,313,240**
LIABILITIES	
Current liabilities	
Accounts payable	$19,094
Accrued liabilities	18,524
Tenant security deposits	13,322
Unearned revenue	540
Total current liabilities	**51,480**
Noncurrent liabilities	
Accrued compensated absences non-current	9,374
Accrued pension liability	159,721
Other noncurrent liabilities	21,612
Total noncurrent liabilities	**190,707**
Total liabilities	**$242,187**
Deferred Inflows of Resources	**$2,909**

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

Parma Public Housing Agency
Statement of Net Position - Cont'd.
December 31, 2015

Net Position	
Net investment in capital assets	$1,628,906
Restricted Net Position	20,685
Unrestricted Net Position	418,553
Total Net Position	**2,068,144**
Total Liabilities, Deferred Inflows of Resources and Net Position	**$2,313,240**

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

Parma Public Housing Agency
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2015

OPERATING REVENUES	
Tenant Revenue	$105,581
Government operating grants	5,027,858
Other revenue	177,598
Total operating revenues	**5,311,037**
OPERATING EXPENSES	
Administrative	450,498
Tenant services	40,328
Utilities	82,913
Maintenance	103,445
Protective Service	198
General	71,550
Housing assistance payment	4,304,545
Depreciation	175,849
Total operating expenses	**5,229,326**
Operating income	**81,711**
NONOPERATING REVENUES (EXPENSES)	
Interest and investment revenue	1,475
Total nonoperating revenues (expenses)	**1,475**
Change in Net Position	83,186
Total Net Position - beginning, restated (see Note 2)	1,984,958
Total Net Position - ending	**$2,068,144**

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

Parma Public Housing Agency
Statement of Cash Flows
For the Year Ended December 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Operating grants received	$5,047,899
Tenant revenue received	111,546
Other revenue received	51,218
General and administrative expenses paid	(726,658)
Housing assistance payments	(4,304,545)
Net cash provided (used) by operating activities	**179,460**
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned	1,475
Net cash provided (used) by investing activities	**1,475**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Property and equipment purchased	(21,291)
Net cash provided (used) by capital and related activities	**(21,291)**
Net increase (decrease) in cash	159,644
Cash and cash equivalents - Beginning of year	437,997
Cash and cash equivalents - End of year	**$597,641**

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

Parma Public Housing Agency
Statement of Cash Flows (Continued)
For the Year Ended December 31, 2015

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Net Operating Income (Loss)	$81,711
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities	
- Depreciation	175,849
- (Increases) Decreases in Accounts Receivable	32,566
- (Increases) Decreases in Prepaids and Other Assets	(5,070)
- (Increases) Decreases in Deferred Outflows	(47,308)
- Increases (Decreases) in Accounts Payable	1,651
- Increases (Decreases) in Unearned Revenue	540
- Increases (Decreases) in Accrued Liabilities	(29,322)
- Increases (Decreases) in Tenant Security Deposits	(90)
- Increases (Decreases) in Compensated Absence Payable	(17,558)
- Increases (Decreases) in Noncurrent Liabilities	(19,801)
- Increases (Decreases) in Pension Liability	3,383
- Increases (Decreases) in Deferred Inflows	2,909
Net cash provided by operating activities	**$179,460**

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

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

Organization and Reporting Entity

The Department of Parma Public Housing, City of Parma, Ohio, (the Agency) was created by the Codified Ordinances of the City of Parma, Chapter 2101, Ordinance 66-85 that was passed on March 20, 1985. The Department of Parma Public Housing, City of Parma, Ohio, contracts with the United States Department of Housing and Urban Development (HUD) to provide low and moderate income persons with safe and sanitary housing through subsidies provided by HUD. The Department of Parma Public Housing, City of Parma, Ohio, depends on subsidies from HUD to operate.

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

Basis of Presentation

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

The Agency’s basic financial statements consist of a statement of Net Position, a statement of revenues, expenses, and changes in Net Position, and a statement of cash flows.

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

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

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

Measurement Focus and Basis of Accounting

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

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

Use of Estimates

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

Cash and Cash Equivalents

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

Capital Assets

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

Buildings	40 years
Building Improvements	15 years
Land Improvements	15 years
Equipment	7 years
Autos	5 years
Computers	3 years

Capitalization of Interest

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

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

Investments

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

Compensated Absences

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

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

In the proprietary fund, the compensated absences are expensed when earned with the amount reported as a liability. Information regarding compensated absences is detailed in Note 9.

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Agency, deferred inflows of resources include pension. Deferred inflows of resources related to pension are reported on the government-wide statement of net position.

NOTE 2: CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

For fiscal year 2015, the Agency implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported December, 2014:

Net Position - December 31, 2014	$2,158,640
Adjustments:	
Net Pension Liability	(156,338)
Payroll Liability not previously recorded	(17,344)
Restated Net Position - December 31, 2014	$1,984,958

NOTE 3: DEPOSITS AND INVESTMENTS

Cash on Hand

At December 31, 2015, the Agency had undeposited cash on hand, including petty cash, of $370.

At December 31, 2015, the carrying amount of the Agency's cash deposits was $597,641 and the bank balance was $604,261. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of December 31, 2015, deposits totaling $353,340 were covered by Federal Depository Insurance and deposits totaling $250,921 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Agency's name.

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

NOTE 3: **DEPOSITS AND INVESTMENTS** (Continued)

Investments

The Agency does not have a formal investment policy. The Agency follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At December 31, 2015, the Agency had no investments.

Interest Rate Risk

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

Credit Risk

The credit risk of the Agency's investments is in the table below. The Agency has no investment policy that would further limit its investment choices.

Custodial Credit Risk

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

Concentration of Credit Risk

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

Cash and investments at year-end were as follows:

Cash and Investment Type	Fair Value	Investment Maturities (in Years) <1
Carrying Amount of Deposits	$ 597,271	$ 597,271
Petty Cash	370	370
Totals	$ 597,641	$ 597,641

NOTE 4: **RESTRICTED CASH AND CASH EQUIVALENTS**

The restricted cash balance of $55,441 on the financial statements represents:

Tenant security deposit funds held	$13,144
FSS Escrow funds held for Tenants	$21,612
Housing assistance funds on hand	$20,685

NOTE 5: **CAPITAL ASSETS**

A summary of capital assets at December 31, 2015 by class is as follows:

	01/01/15	Adjustment	Additions	Deletions	12/31/15
Capital Assets Not Depreciated					
Land	$13,000	$0	$0	$0	$13,000
Construction in Progress	0	0	7,725	0	7,725
Total Capital Assets Not Depreciated	13,000	0	7,725	0	20,725
Capital Assets Depreciated					
Building	3,205,233	0	0	0	3,205,233
Funiture, Equipment - Dwelling	105,044	0	1,000	0	106,044
Funiture, Equipment - Admin	278,681	1	6,941	(13,484)	272,139
Leasehold Improvements	1,033,037	0	5,625	0	1,038,662
Total Capital Assets Depreciated	4,621,995	1	13,566	(13,484)	4,622,078
Accumulated Depreciation					
Building	(2,123,454)	0	(80,131)	0	(2,203,585)
Funiture, Equipment - Dwelling	(68,741)	0	(15,194)	0	(83,935)
Funiture, Equipment - Admin	(146,617)	(1)	(20,088)	13,484	(153,222)
Leasehold Improvements	(512,718)	0	(60,436)	0	(573,154)
Total Accumulated Depreciation	(2,851,530)	(1)	(175,849)	13,484	(3,013,897)
Total Capital Assets Depreciated, Net	1,770,465	(0)	(162,283)	0	1,608,181
Total Capital Assets	$1,783,465	($0)	($154,558)	$0	$1,628,906

NOTE 6: **SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS**

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of the Agency's federal awards programs. The schedule has been prepared on the accrual basis of accounting prescribed by the U.S. Department of Housing and Urban Development.

NOTE 7: **DEFINED BENEFIT PENSION PLANS**

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

The net pension liability represents the Agency'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 Agency's obligation for this liability to annually required payments. The Agency cannot control benefit terms or the manner in which pensions are financed; however, the Agency 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 both the accrual and modified accrual bases of accounting.

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description - Public Employees Retirement System (PERS)

All full-time employees of Agency participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. OPERS provide retirement, disability and survivor benefits, and annual costs-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issue a publicly available financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by making a written request to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-PERS.

Ohio Public Employees Retirement System administers three separate pension plans as described below:

1 The Traditional Pension Plan – A cost sharing, multiple-employer defined benefit pension plan.

2 The Member-Directed Plan – A defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions, plus any investment earnings.

3 The Combined Plan – A cost sharing, multiple-employer defined pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefits similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations and the employer contribution rate was 14.0 percent during fiscal year 2015. The contribution rates are determined actuarially. The Agency’s contractual required contribution for the year ended December 31, 2015 was $45,207.

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

The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency's proportion of the net pension liability was based on the Agency's share of contributions to the pension plan

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	Traditional	Combined
Proportion Share of Net Pension Liability	$160,040	($319)
Proportion of Net Pension Liability	.00144057%	.00089985%
Pension Expense	$2,362	

At December 31, 2015, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional	Combined
Deferred Outflows of Resources		
Difference between expected and actual experience	$8,539	$19
Agency contributions subsequent to the measurement date	38,749	0
Total Deferred Outflows of Resources	$47,288	$19
Deferred Inflows of Resources		
Net difference between projected and actual earnings on pension plan investments	$2,812	$97

$38,749 reported as deferred outflows of resources related to pension resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending December 31:	Traditional	Combined
2016	$838	($7)
2017	838	(7)
2018	1,918	(7)
2019	2,133	(7)
2020	-	(12)
Thereafter	-	(38)
Total	$5,727	($78)

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – PERS

PERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, 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 and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2014, are presented below:

Wage Inflation	3.75%
Future Salary Increases, including inflation	4.25% – 10.05%
Cost-of-Living Adjustment	3% Simple
Investment Rate of Return	8%
Actuarial Cost Method	Individual entry age

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed December 31, 2010.

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

The long-term return expectation for the Pension Plan Investments has been determined using a building block approach and assumes a time horizon, as defined in PERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

Asset Class	Target Allocation for 2014	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	23.00%	2.31%
Domestic Equities	19.90%	5.84%
Real Estate	10.00%	4.25%
Private Equity	10.00%	9.25%
International Equities	19.10%	7.40%
Other Investments	18.00%	4.59%
TOTAL	100.00%	5.28%

Discount Rate The total pension liability was calculated using the discount rate of 8.0 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute.

Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (8.0 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the Agency's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.0 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.0 percent), or one percentage point higher (9.0 percent) than the current rate.

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

	1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
Authority's proportionate share of the net pension liability			
- Traditional Pension Plan	$294,428	$160,040	$46,853
- Combine Plan	$41	($319)	($605)

NOTE 8 – POSTEMPLOYMENT BENEFITS

A. Plan Description

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan - a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan - a defined contribution plan; and the Combined Plan - a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care plan, which includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan does not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have 10 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 No. 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Agency to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issue a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 1-800-222-7377.

NOTE 8 – POSTEMPLOYMENT BENEFITS (Continued)

B. Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014-2015, the Agency contributed at a rate of 14.00 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.00 percent of covered payroll for state and local employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post-Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contribution allocated to the health care plan was 2.0 percent during calendar 2014. Effective January 1, 2015, the portion of employer contributions allocated to health care remains at 2.0% for both plans, as recommended by OPERS' actuary. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Actual Agency contributions for the years ended December 31, 2015, 2014 and 2013, which were used to fund post-employment benefits, were $3,912, $3,912 and $3,389 respectively.

Changes to the health care plan were adopted by OPERS Board of Trustees on September 19, 2012, with transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4% of the employer contribution toward the health care fund after the end of the transition period.

NOTE 9: **COMPENSATED ABSENCES**

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

All permanent employees will earn 10 hours sick leave per month of service. Unused sick leave may be accumulated without limit. At the time of separation, union employees receive payment for thirty (30) days of unused sick leave. All permanent

NOTE 9: **COMPENSATED ABSENCES** (Continued)

employees will earn vacation hours accumulated based on length of service. All vacation time earned must be used in the year earned without accumulation.

At December 31, 2015, the current portion is $12,667 and the long term portion is $9,374.

The following is a summary of changes in compensated absences for the year ended December 31, 2015:

	Balance 12/31/14	Amount Earned	Amount Used	Balance 12/31/15	Due Within One Year
Compensated leave liability	$ 46,801	$ 35,119	$ 59,879	$ 22,041	$ 12,667

NOTE 10: **INSURANCE**

The Agency is covered for property damage, general liability, automobile liability, law enforcement liability, public official's liability, and other crime liabilities through membership in the Housing Authority Risk Retention Group, Inc. (HARRG). HARRG is an insurance risk pool comprised of Public Housing Authorities, of which Parma Public Housing Agency is one. Deductibles and coverage limits are summarized below:

Type of Coverage	Deductible	Coverage Limits
Property	$1,000	$5,631,788
Boiler and Machinery	250	565,228/ Per accident
General Liability	500	1,000,000/2,000,000
Automobile Liability	500	1,000,000/2,000,000
Public Officials	500	1,000,000/2,000,000
Business Computers	500	5,000 Software/ 7,500 Hardware

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

NOTE 11: CONTINGENCIES

Grants

Amounts grantor agencies pay to the Agency are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs or excess reserve balances. Management cannot presently determine amounts grantors may disallow or recapture. However, based on prior experience, management believes any such disallowed claims or recaptured amounts would not have a material adverse effect on the overall financial position of the Agency at December 31, 2015.

Litigations and Claims

In the normal course of operations the Agency may be subject to litigation and claims. At December 31, 2015 the Agency was not involved in such matters.

NOTE 12: LONG-TERM LIABILITIES

The change in the Agency's long-term obligations during 2015 were as follows:

Description	Balance 01/01/15	Additions	Deletions	Balance 12/31/15	Due Within One Year
Net Pension Liability	$156,338	$3,383	$0	$159,721	$0
Total	$156,338	$3,383	$0	$159,721	$0

See note 2 and 7 for information on the Agency net pension liability.

Parma Public Housing Agency

Schedule of Expenditure of Federal Awards

For the Year Ended December 31, 2015

FEDERAL GRANTOR / PROGRAM TITLES	**CFDA NUMBER**	**EXPENDITURES**
U.S. Department of Housing and Urban Development		
Direct Program		
Low Rent Public Housing	14.850	$232,153
Housing Choice Voucher Program	14.871	4,735,056
Public Housing Capital Fund Program	14.872	20,321
PIH Family Self-Sufficiency Program	14.896	40,328
Total Expenditure of Federal Award		**$5,027,858**

Parma Public Housing Agency
Required Supplementary Information
Schedule of Parma Public Housing Agency's
Proportionate Share of the Net Pension Liability
For the Fiscal Years Ended December 31, 2015 and 2014

Traditional Plan	2015	2014
Agency's Proportion of the Net Pension Liability / Asset	0.00144057%	0.00144057%
Agency's Proportionate Share of the Net Pension Liability	$ 159,721	$ 156,338
Agency's Covered-Employee Payroll	$ 322,908	$ 358,926
Agency's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	49.46%	43.56%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) Information prior to 2014 is not available

Parma Public Housing Agency
Required Supplementary Information
Schedule of Parma Public Housing Agency's
PERS Schedule of Ten Year Contributions
For the Years ended December 31, 2015 through 2006

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	$ 38,749	$ 43,789	$ 44,827	$ 34,981	$ 29,874	$ 30,284	$ 26,779	$ 26,187	$ 13,226	$ 20,106
Contribution in Relation to the Contractually Required Contribution	$ 38,749	$ 43,789	$ 44,827	$ 34,981	$ 29,874	$ 30,284	$ 26,779	$ 26,187	$ 13,226	$ 20,106
Agency's Covered-Employee Payroll	$ 322,908	$ 358,926	$ 342,191	$ 342,951	$ 292,882	$ 336,489	$ 322,639	$ 368,831	$ 155,600	$ 220,945
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.20%	13.10%	10.20%	10.20%	9.00%	8.30%	7.10%	8.50%	9.10%

PARMA PUBLIC HOUSING AGENCY
FINANCIAL DATA SCHEDULE
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2015

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
111 Cash - Unrestricted	$88,278	$540	$452,457	$925	$542,200	$0	$542,200
113 Cash - Other Restricted	$0	$0	$42,297	$0	$42,297	$0	$42,297
114 Cash - Tenant Security Deposits	$13,144	$0	$0	$0	$13,144	$0	$13,144
100 Total Cash	$101,422	$540	$494,754	$925	$597,641	$0	$597,641
126 Accounts Receivable - Tenants	$3,714	$0	$0	$0	$3,714	$0	$3,714
120 Total Receivables, Net of Allowances for Doubtful Accounts	$3,714	$0	$0	$0	$3,714	$0	$3,714
142 Prepaid Expenses and Other Assets	$24,523	$0	$11,148	$0	$35,671	$0	$35,671
150 Total Current Assets	$129,659	$540	$505,902	$925	$637,026	$0	$637,026
161 Land	$13,000	$0	$0	$0	$13,000	$0	$13,000
162 Buildings	$3,205,233	$0	$0	$0	$3,205,233	$0	$3,205,233
163 Furniture, Equipment & Machinery - Dwellings	$106,044	$0	$0	$0	$106,044	$0	$106,044
164 Furniture, Equipment & Machinery - Administration	$200,342	$0	$71,797	$0	$272,139	$0	$272,139
165 Leasehold Improvements	$1,036,846	$0	$1,816	$0	$1,038,662	$0	$1,038,662
166 Accumulated Depreciation	($2,960,609)	$0	($53,288)	$0	($3,013,897)	$0	($3,013,897)
167 Construction in Progress	$7,725	$0	$0	$0	$7,725	$0	$7,725
160 Total Capital Assets, Net of Accumulated Depreciation	$1,608,581	$0	$20,325	$0	$1,628,906	$0	$1,628,906
180 Total Non-Current Assets	$1,608,581	$0	$20,325	$0	$1,628,906	$0	$1,628,906
200 Deferred Outflow of Resources	$17,834	$0	$29,474	$0	$47,308	$0	$47,308

PARMA PUBLIC HOUSING AGENCY
FINANCIAL DATA SCHEDULE
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2015

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
290 Total Assets and Deferred Outflow of Resources	$1,756,074	$540	$555,701	$925	$2,313,240	$0	$2,313,240
312 Accounts Payable <= 90 Days	$17,041	$0	$2,053	$0	$19,094	$0	$19,094
321 Accrued Wage/Payroll Taxes Payable	$1,980	$0	$3,877	$0	$5,857	$0	$5,857
322 Accrued Compensated Absences - Current Portion	$2,398	$0	$10,269	$0	$12,667	$0	$12,667
341 Tenant Security Deposits	$13,322	$0	$0	$0	$13,322	$0	$13,322
342 Unearned Revenue	$0	$540	$0	$0	$540	$0	$540
310 Total Current Liabilities	$34,741	$540	$16,199	$0	$51,480	$0	$51,480
353 Non-current Liabilities - Other	$0	$0	$21,612	$0	$21,612	$0	$21,612
354 Accrued Compensated Absences - Non Current	$9,374	$0	$0	$0	$9,374	$0	$9,374
357 Accrued Pension and OPEB Liabilities	$60,212	$0	$99,509	$0	$159,721	$0	$159,721
350 Total Non-Current Liabilities	$69,586	$0	$121,121	$0	$190,707	$0	$190,707
300 Total Liabilities	$104,327	$540	$137,320	$0	$242,187	$0	$242,187
400 Deferred Inflow of Resources	$1,097	$0	$1,812	$0	$2,909	$0	$2,909
508.4 Net Investment in Capital Assets	$1,608,581	$0	$20,325	$0	$1,628,906	$0	$1,628,906
511.4 Restricted Net Position	$0	$0	$20,685	$0	$20,685	$0	$20,685
512.4 Unrestricted Net Position	$42,069	$0	$375,559	$925	$418,553	$0	$418,553
513 Total Equity - Net Assets / Position	$1,650,650	$0	$416,569	$925	$2,068,144	$0	$2,068,144
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$1,756,074	$540	$555,701	$925	$2,313,240	$0	$2,313,240

PARMA PUBLIC HOUSING AGENCY
FINANCIAL DATA SCHEDULE
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2015

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$105,581	$0	$0	$0	$105,581	$0	$105,581
70500 Total Tenant Revenue	$105,581	$0	$0	$0	$105,581	$0	$105,581
70600 HUD PHA Operating Grants	$252,474	$40,328	$4,735,056	$0	$5,027,858	$0	$5,027,858
71100 Investment Income - Unrestricted	$1	$0	$1,474	$0	$1,475	$0	$1,475
71400 Fraud Recovery	$130,248	$0	$1,772	$0	$132,020	$0	$132,020
71500 Other Revenue	$21,026	$0	$21,502	$925	$43,453	$0	$43,453
71600 Gain or Loss on Sale of Capital Assets	$0	$0	$2,125	$0	$2,125	$0	$2,125
70000 Total Revenue	$509,330	$40,328	$4,761,929	$925	$5,312,512	$0	$5,312,512
91100 Administrative Salaries	$58,734	$0	$154,453	$0	$213,187	$0	$213,187
91200 Auditing Fees	$4,860	$0	$4,860	$0	$9,720	$0	$9,720
91500 Employee Benefit contributions - Administrative	$17,221	$0	$56,164	$0	$73,385	$0	$73,385
91600 Office Expenses	$17,714	$0	$47,206	$0	$64,920	$0	$64,920
91800 Travel	$498	$0	$975	$0	$1,473	$0	$1,473
91900 Other	$22,493	$0	$65,320	$0	$87,813	$0	$87,813
91000 Total Operating - Administrative	$121,520	$0	$328,978	$0	$450,498	$0	$450,498
92100 Tenant Services - Salaries	$0	$28,215	$0	$0	$28,215	$0	$28,215
92300 Employee Benefit Contributions - Tenant Services	$0	$12,113	$0	$0	$12,113	$0	$12,113
92500 Total Tenant Services	$0	$40,328	$0	$0	$40,328	$0	$40,328
93100 Water	$19,820	$0	$0	$0	$19,820	$0	$19,820
93200 Electricity	$15,218	$0	$1,560	$0	$16,778	$0	$16,778

PARMA PUBLIC HOUSING AGENCY
FINANCIAL DATA SCHEDULE
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2015

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
93300 Gas	$18,185	$0	$0	$0	$18,185	$0	$18,185
93600 Sewer	$28,130	$0	$0	$0	$28,130	$0	$28,130
93000 Total Utilities	$81,353	$0	$1,560	$0	$82,913	$0	$82,913
94100 Ordinary Maintenance and Operations - Labor	$30,949	$0	$0	$0	$30,949	$0	$30,949
94200 Ordinary Maintenance and Operations - Materials and Other	$15,206	$0	$0	$0	$15,206	$0	$15,206
94300 Ordinary Maintenance and Operations Contracts	$29,590	$0	$0	$0	$29,590	$0	$29,590
94500 Employee Benefit Contributions - Ordinary Maintenance	$27,700	$0	$0	$0	$27,700	$0	$27,700
94000 Total Maintenance	$103,445	$0	$0	$0	$103,445	$0	$103,445
95300 Protective Services - Other	$198	$0	$0	$0	$198	$0	$198
95000 Total Protective Services	$198	$0	$0	$0	$198	$0	$198
96110 Property Insurance	$17,218	$0	$0	$0	$17,218	$0	$17,218
96120 Liability Insurance	$0	$0	$6,950	$0	$6,950	$0	$6,950
96130 Workmen's Compensation	$2,078	$0	$2,536	$0	$4,614	$0	$4,614
96100 Total insurance Premiums	$19,296	$0	$9,486	$0	$28,782	$0	$28,782
96200 Other General Expenses	$1,192	$0	$0	$0	$1,192	$0	$1,192
96210 Compensated Absences	$17,093	$0	$18,026	$0	$35,119	$0	$35,119
96400 Bad debt - Tenant Rents	$5,957	$0	$0	$0	$5,957	$0	$5,957
96000 Total Other General Expenses	$24,242	$0	$18,026	$0	$42,268	$0	$42,268
96900 Total Operating Expenses	$350,054	$40,328	$358,050	$0	$748,432	$0	$748,432

PARMA PUBLIC HOUSING AGENCY
FINANCIAL DATA SCHEDULE
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2015

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	ELIM	Total
97000 Excess of Operating Revenue over Operating Expenses	$159,276	$0	$4,403,879	$925	$4,564,080	$0	$4,564,080
97300 Housing Assistance Payments	$0	$0	$4,304,545	$0	$4,304,545	$0	$4,304,545
97400 Depreciation Expense	$166,304	$0	$9,545	$0	$175,849	$0	$175,849
97500 Fraud Losses	$0	$0	$500	$0	$500	$0	$500
90000 Total Expenses	$516,358	$40,328	$4,672,640	$0	$5,229,326	$0	$5,229,326
10010 Operating Transfer In	$13,547	$0	$0	$0	$13,547	($13,547)	$0
10020 Operating transfer Out	($13,547)	$0	$0	$0	($13,547)	$13,547	$0
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0	$0	$0	$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	($7,028)	$0	$89,289	$925	$83,186	$0	$83,186
11030 Beginning Equity	$1,720,276	$0	$438,364	$0	$2,158,640	$0	$2,158,640
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	($62,598)	$0	($111,084)	$0	($173,682)	$0	($173,682)
Ending Equity	$1,650,650	$0	$416,569	$925	$2,068,144	$0	$2,068,144
11170 Administrative Fee Equity	$0	$0	$395,884	$0	$395,884	$0	$395,884
11180 Housing Assistance Payments Equity	$0	$0	$20,685	$0	$20,685	$0	$20,685
11190 Unit Months Available	720	0	8,680	0	9,400	0	9,400
11210 Number of Unit Months Leased	716	0	8,480	0	9,196	0	9,196

PARMA PUBLIC HOUSING AGENCY
CUYAHOGA COUNTY
ACTUAL MODERNIZATION COST CERTIFICATES
FOR THE YEAR ENDED DECEMBER 31, 2015

Modernization Project Number : OH12P073501-01

Original Funds Approved:	$ 113,573
Funds Disbursed:	$ 113,573
Funds Expended (Actual Modernization Cost):	$ 113,573
Amount to be Recaptured:	Not Applicable
Excess of Funds Disbursed:	Not Applicable

Modernization Project Number : OH12P073501-02

Original Funds Approved:	$ 108,097
Funds Disbursed:	$ 108,097
Funds Expended (Actual Modernization Cost):	$ 108,097
Amount to be Recaptured:	Not Applicable
Excess of Funds Disbursed:	Not Applicable

Modernization Project Number : OH12P073501-00

Original Funds Approved:	$ 111,755
Funds Disbursed:	$ 111,755
Funds Expended (Actual Modernization Cost):	$ 111,755
Amount to be Recaptured:	Not Applicable
Excess of Funds Disbursed:	Not Applicable

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

May 31, 2016

Parma Public Housing Agency
Cuyahoga County
1440 Rockside Road, Suite 306
Parma, OH 44134

To the Board of Commissioners:

We have audited in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the **Parma Public Housing Agency,** Cuyahoga County, (the Agency) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements and have issued our report thereon dated May 31, 2016, wherein we noted the Agency adopted Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Agency's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Agency's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Agency's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Perry & Associates CPA's A.C.

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Certified Public Accountants, A.C.
Marietta, Ohio

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

May 31, 2016

Parma Public Housing Agency
Cuyahoga County
1440 Rockside Road, Suite 306
Parma, OH 44134

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

We have audited **Parma Public Housing Agency's**, (the Agency) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Agency's major federal program for the year ended December 31, 2015. The *Summary of Auditor's Results* in the accompanying schedule of audit findings identifies the Agency's major federal program.

Management's Responsibility

The Agency's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Agency's compliance for the Agency's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

In our opinion, the Agency complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2015.

Report on Internal Control Over Compliance

The Agency's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Agency's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Agency'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, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement 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 would not necessarily 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.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

SCHEDULE OF AUDIT FINDINGS
UNIFORM GUIDANCE

1. SUMMARY OF AUDIT RESULTS

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

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

PARMA PUBLIC HOUSING AGENCY
CUYAHOGA COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

Finding Number	**Finding Summary**	**Fully Corrected?**	**Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; *Explain***
2014-001	Controls over Expenditures	Yes	
2014-002	Board Oversight	Yes	
2014-003	34 C.F.R. Sections 982.151 and 982.152 – Allowable Costs / Cost Principles and Activities Allowed	Yes	
2014-004	34 C.F.R. Section 990.280(b)(4) – Allowable Costs / Cost Principles and Activities Allowed	Yes	

Dave Yost · Auditor of State

PARMA PUBLIC HOUSING AGENCY

CUYAHOGA 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
SEPTEMBER 22, 2016

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