

Trumbull Metropolitan Housing Authority

Financial Statements

For the Year Ended June 30, 2017



Dave Yost • Auditor of State

Board of Commissioners
Trumbull Metropolitan Housing Authority
4076 Youngstown Rd SE Ste 101
Warren, OH 44484

We have reviewed the *Independent Auditor's Report* of the Trumbull Metropolitan Housing Authority, Trumbull County, prepared by Salvatore Consiglio, CPA, Inc., for the audit period July 1, 2016 through June 30, 2017. 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.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

January 18, 2018

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TRUMBULL METROPOLITAN HOUSING AUTHORITY
AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2017

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-12
Financial statements:	
Statement of Net Position	13-14
Statement of Revenue, Expenses and Change in Net Position	15
Statement of Cash Flows	16-17
Notes to the Financial statements	18-41
Supplemental Data:	
Financial Data Schedule	42-71
Schedule of Expenditures of Federal Awards	72
Notes to the Schedule of Expenditure of Federal Awards	73
Proportion Share of Net Pension Liability	74
PERS Schedule of Ten Year Contributions	75
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	76-77
Report on Compliance For Each Major Program and on Internal Control over Compliance in Accordance Required by the Uniform Guidance	78-79
Schedule of Findings	80
Schedule of Prior Audit Findings	81

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners Trumbull
Metropolitan Housing Authority

I have audited the accompanying financial statements of the business-type activities of Trumbull Metropolitan Housing Authority, Ohio, as of and for the year ended June 30, 2017, 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

My responsibility is to express opinions on these financial statements based on my audit. I did not audit the financial statements of the component units of Trumbull Metropolitan Housing Authority (see Note 1 for a description), which represent 50% and 24%, respectively, of the total assets and revenues of Trumbull Metropolitan Housing Authority. Those statements were audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for the component units, is based solely on the report of such other auditors. I conducted my 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 I 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 entity'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 entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinion

In my 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, 2017, and the respective changes in financial position and, where applicable, 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 the Schedules of Net Pension Liabilities and Pension 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

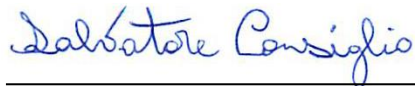
My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Trumbull Metropolitan Housing Authority, Ohio's basic financial statements. The accompanying financial data schedule (FDS), and Schedule of Expenditure of Federal Awards are not a required part of the basic financial statements. The Schedule of Expenditure 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 financial statements.

The financial data schedule (FDS) is presented for purposes of additional analysis as required by the Department of Housing and Urban Development and is the responsibility of management and was 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 my opinion, the Schedule of Expenditure of Federal Awards, the financial data

schedule ("FDS") 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*, I have also issued my report dated December 22, 2017, on my consideration of the Authority's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of my 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 Entity's internal control over financial reporting and compliance.



Salvatore Consiglio, CPA, Inc.
North Royalton, Ohio
December 22, 2017

TRUMBULL METROPOLITAN HOUSING AUTHORITY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)

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, 2017 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 \$3.23 million (or 17.2 percent) during 2017. The net positions were \$15.58 million and \$18.81 million for 2017 and 2016, respectively. Non-operating capital grants were \$1.22 million (or 98.4 percent) of the non-operating revenue. There was a \$.4 million net gain from operations without consideration of depreciation. Depreciation amounted to \$2.1 million of operating expenses. Since the Authority engages only in business-type activities, the changes are all in the category of business-type net position.

Total expenses for the primary government increased by \$.25 million (or 1.7 percent). Of this amount, general and protective services, other operating expenses, and depreciation increased by \$.68 million. Administrative, utilities, maintenance, tenant services, and Housing Assistance Payments for the Housing Choice Voucher Program decreased by \$.43 million. Total expenses were \$15.04 million and \$14.79 million for 2017 and 2016, respectively.

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.

Net position for the component units was \$17.61 million for 2017, increasing from \$16.2 million for 2016. Their net position amounts to approximately 53.1 percent of the combined net position for the primary government and component units.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)

Total revenue for the component units increased by \$1.13 million (or 36.7 percent) during 2017, and was \$4.21 million and \$3.08 million for 2017 and 2016, respectively. Operating revenue from rental income increased by \$.03 million and other income increased by \$1.1 million.

Total expenses for the component units increased by \$.21 million (or .01 percent) and were \$2.79 million and \$2.58 million for 2017 and 2016, 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

Financial Data Schedule

Proportion Share of Net Pension Liability

PERS Schedule of Ten Year Contributions

Required Supplementary Information – Schedule of
Expenditures of Federal Awards

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented on (pages 13-17) 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".

TRUMBULL METROPOLITAN HOUSING AUTHORITY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)

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 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

TRUMBULL METROPOLITAN HOUSING AUTHORITY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)

(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 the Department of Housing and Urban Development 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 the Department of Housing and Urban Development to provide elderly residents with a support system, and connect them with available community resources.

Youth Build Program Grants - grants funded by the Department of Labor 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 Activities - represents resources developed from a variety of activities including, but not limited, to the following programs:

Elderly Service Coordinator Grant - a grant funded by the Department of Housing and Urban Development to provide elderly residents with a support system and connect them with available community resources.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)

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 - Primary Government

	2017 (in Millions)	2016 (in Millions)
Current and Other Assets	3.88	4.05
Capital Assets	16.07	18.44
Deferred Outflows	1.48	1.07
Total Assets	21.43	23.56
Current Liabilities	1.08	1.17
Long-Term Liabilities	4.74	3.55
Deferred Inflows	0.03	0.03
Total Liabilities	5.85	4.75
Net Position:		
Net Investment in Capital Assets	15.96	18.31
Restricted	0.10	0.00
Unrestricted	(0.48)	0.50
Total Net Position	15.58	18.81
Total Liabilities and Net Position	21.43	23.56

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

Major Factors Affecting the Statement of Net Position

During 2017, total assets and deferred outflows decreased by \$2.13 million. The majority of the decrease resulted from a \$1.58 million decrease in capital assets related to the assignment of property to a wholly owned subsidiary. A decrease of \$.17 million in current assets resulted from a decrease in cash due to a net operating loss. The current assets decrease was offset by an increase in deferred outflows by .41 million resulting from GASB 68 pension reporting. Total liabilities increased by \$1.1 million, principally resulting from an increase in the agencies reported proportionate share of the retirement systems' net pension liabilities. For more detail see Note 7 starting on page 34.

During 2017, total assets and deferred outflows for the component units increased by \$1.71 million. Unrestricted net position increased by \$1.59 million. These changes are mostly due to an increase of receivables from development activity.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)

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 – Change in Unrestricted Net Position – Primary Government

	2017 (in Millions)
Beginning Balance - June 30, 2016	0.50
Results of Operation	(1.67)
Adjustments:	
Current year Depreciation Expense	2.10
Capital Expenditure	(1.42)
Retirement of Debt	0.01
Ending Balance -June 30, 2017	<u>(0.48)</u>

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TRUMBULL METROPOLITAN HOUSING AUTHORITY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)

Statement of Revenues, Expenses, and Changes in Net Positions

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 Revenue, Expenses & Changes in Net Position - Primary Government

	2017 (in Millions)	2016 (in Millions)
Revenues		
Operating Subsidies	9.90	9.72
Total Tenant Revenues	1.94	1.91
Capital Grants	1.22	2.39
Investment Income	0.02	0.02
Other Revenues	0.29	0.28
Total Revenues	13.37	14.32
Expenses		
Administrative	2.89	2.97
Utilities	0.92	0.93
Maintenance	2.15	2.27
Tenant Services	0.23	0.24
General and Protective Services	1.11	0.82
Housing Assistance Payments	4.96	5.17
Other Operating	0.68	0.30
Depreciation	2.10	2.09
Total Expenses	15.04	14.79
Net Increases (Decreases)	(1.67)	(0.47)

MAJOR FACTORS AFFECTING THE STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITIONS

Operating Subsidies increased primarily from funding for the Public Housing Program; which increased from 2016 to 2017 by approximately \$.16 million. Total Tenant Revenue increased slightly during 2017 in comparison to 2016 by \$.03 million; resulting from an increase in Occupancy by 1.9% in 2017 compared to 2016. Total expenses increased in 2017 by \$.25 million. The largest impacts on expenses were from an increase in General and Protective Services, primarily from general expenses related to the Youth Build Program; which increased from 2016 to 2017 by \$.29 million, and the increase in Other Operating resulting from the GASB 68 pension reporting; which increased from 2016 to 2017 by \$.38 million

TRUMBULL METROPOLITAN HOUSING AUTHORITY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of year-end, the authority had \$16.07 million invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease (addition, deductions and depreciation) of \$2.37 million or almost 13 percent from the end of last year.

As of year-end, the component units had \$7.64 million invested in a variety of capital assets. Compared to last year; the net book value of capital assets decreased by \$.3 million.

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

	2017 (in Millions)	2016 (in Millions)
Land	1.15	1.16
Buildings	72.04	70.92
Equipment	1.71	1.74
Construction in Progress	1.79	3.25
Accumulated Depreciation	(60.62)	(58.63)
Total	16.07	18.44

The following reconciliation summarizes the change in capital assets, which is presented in detail on page 26 of the notes.

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

	2017 (in Millions)
Beginning Balances - June 30, 2016	18.44
Current Year Additions	(0.27)
Current Year Depreciation Expense	(2.10)
Ending Balances - June 30, 2017	16.07

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

TRUMBULL METROPOLITAN HOUSING AUTHORITY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)

remaining as of June 30, 2017 is \$.11 million. The properties were added to the Authority's public housing portfolio on December 31, 2014.

The component units had debt equal to \$2.07 million at the end of 2017, compared to \$2.20 million at the end of 2016. The debt outstanding includes debt related to notes and mortgages.

A summary of outstanding debt is presented in detail on pages 37 of the notes. The detail includes debt related to the net pension liability not included with Table 6.

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

	2017 (in Millions)
Beginning Balances - June 30, 2016	0.12
Current Year Principal Payments	-0.01
Rounding Adjustment	0
Ending Balances - June 30, 2017	0.11

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
STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
June 30, 2017

	<u>Primary Government</u>	<u>Component Units</u>
<u>ASSETS</u>		
Current Assets:		
Cash Unrestricted	\$2,484,838	\$7,516,661
Cash Restricted	330,120	87,798
Accrued Interest Receivable	0	9,948
Accounts Receivable - Net of Allowance	796,328	337,489
Inventories - Net of Allowance	134,340	30,159
Prepaid Expenses	125,763	81,801
Note Receivable Current Portion	0	2,030,000
Total Current Assets	<u>3,871,389</u>	<u>10,093,856</u>
Non-Current Assets:		
Capital Assets, Not Depreciated	2,943,979	1,261,802
Capital Assets - Net of Accumulated Depreciation	13,127,044	6,382,979
Note Receivable	0	1,165,691
Net Pension Assets	5,663	1,009
Other Assets	0	1,974,924
Total Non-Current Assets	<u>16,076,686</u>	<u>10,786,405</u>
Deferred Outflows of Resources:		
Deferred Outflows	1,481,558	264,037
Total Deferred Outflows of Resources	<u>1,481,558</u>	<u>264,037</u>
TOTAL ASSETS	<u>\$21,429,633</u>	<u>\$21,144,298</u>
<u>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</u>		
Current Liabilities:		
Accounts Payable	\$485,099	\$444,732
Intergovernmental Payable	106,132	579
Current Portion of Long-Term Debt	13,567	123,637
Accrued Wages and Payroll Taxes	236,296	29,097
Tenant Security Deposits	166,686	87,798
Unearned Revenue	61,292	86,429
Total Current Liabilities	<u>\$1,069,072</u>	<u>\$772,272</u>

See accompanying notes to the basic financial statements.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
STATEMENT OF NET POSITION - CONTINUED
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
June 30, 2017

	<u>Primary Government</u>	<u>Component Units</u>
Non-Current Liabilities:		
Long-Term Debt Net of Current Portion	\$93,893	\$1,953,795
Non-Current Liabilities - Other	43,696	0
Net Pension Liability	4,235,726	754,877
Compensated Absences, Non-current	373,549	44,509
Total Non-Current Liabilities	<u>4,746,864</u>	<u>2,753,181</u>
Deferred Inflows of Resources:		
Deferred Inflows	34,592	6,163
Total Deferred Inflows of Resources	<u>34,592</u>	<u>6,163</u>
Total Liabilities and Deferred Inflows	<u>\$5,850,528</u>	<u>\$3,531,616</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$15,963,563	\$5,567,349
Restricted	99,905	0
Unrestricted	(484,363)	12,045,333
Total Net Position	<u>15,579,105</u>	<u>17,612,682</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$21,429,633</u>	<u>\$21,144,298</u>

See accompanying notes to the basic financial statements.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE AND DESCRETELY PRESENTED COMPONENT UNITS
June 30, 2017

	Primary Government	Component Units
<u>OPERATING REVENUES</u>		
Operating Grant Revenue	\$9,897,835	\$1,673,263
Tenant Revenues	1,942,288	1,015,337
Other Income	288,197	1,349,050
Total Operating Revenues	12,128,320	4,037,650
 <u>OPERATING EXPENSES</u>		
Administration	2,889,165	584,878
Utilities	915,689	400,840
Ordinary Maintenance and Operations	2,153,128	765,391
Tenant Services	227,989	36,099
General and Protective Services	1,105,028	348,943
Housing Assistance Payments	4,964,701	0
Other Operating	33,426	4,562
Depreciation	2,096,268	481,658
Total Operating Expenses	14,385,394	2,622,371
Operating Income (Loss)	(2,257,074)	1,415,279
 <u>NON OPERATING REVENUE (EXPENSES)</u>		
Capital Grants	1,216,270	0
Interest Income	15,776	166,833
Interest Expense	0	(100,157)
Total Non-Operating Revenues (Expenses)	1,232,046	66,676
Excess (Deficiency) of Revenue Over (Under) Expenses	(1,025,028)	1,481,955
Pension Expense	(648,082)	(71,380)
Beginning Net Position, Restated	17,252,215	16,202,107
ENDING NET POSITION	\$15,579,105	\$17,612,682

See accompanying notes to the basic financial statements.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
June 30, 2017

	Primary Government	Component Units
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating grants received	\$9,900,836	\$1,673,842
Tenant revenue received	1,848,315	760,730
Other revenue received	288,197	23,535
General and administrative expenses paid	(7,275,970)	(2,062,451)
Housing assistance payments	(4,964,701)	0
Net cash provided (used) by operating activities	(203,323)	395,656
CASH FLOWS FROM INVESTING ACTIVITIES		
Bonds and Notes	0	(3,195,691)
Interest and investment revenue	15,776	166,833
Net cash provided (used) by investing activities	15,776	(3,028,858)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital grant funds received	1,216,270	0
Principal Debt Retired	(13,567)	(118,115)
Payment of interest expense	0	(100,157)
Capital and Other assets purchased	(1,289,185)	(182,808)
Net cash provided (used) by capital and related activities	(86,482)	(401,080)
Net increase (decrease) in cash	(274,029)	(3,034,282)
Cash and cash equivalents - Beginning of year	3,088,987	10,638,741
Cash and cash equivalents - End of year	\$2,814,958	\$7,604,459

See accompanying notes to the basic financial statements.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
June 30, 2017

	<u>Primary Government</u>	<u>Component Units</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Net Operating Income (Loss)	(\$2,257,074)	\$1,415,279
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities		
- Depreciation	2,096,268	481,658
(Increases) Decreases in:		
- Accounts Receivables	(95,376)	(273,368)
- Inventory	(7,372)	(704)
- Prepaid Assets	11,892	(4,109)
- Other Assets	(1,013)	(1,325,515)
- Deferred Outflows	(413,638)	(72,202)
Increases (Decreases) in:		
- Accounts Payable	(32,757)	96,877
- Intergovernmental liability	3,003	579
- Noncurrent Liabilities Other	43,696	0
- Accrued Wages/Payroll Taxes	(71,166)	3,420
- Unearned Revenue	1,921	11,526
- Tenant Security Deposits	(518)	(2,713)
- Compensated Absences	17,966	(7,448)
- Deferred Inflows	2,881	(44,616)
- Pension Liability	497,964	116,992
Net cash provided by operating activities	<u>(\$203,323)</u>	<u>\$395,656</u>

See accompanying notes to the basic financial statements.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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 insure 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.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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

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.

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:

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

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 2017 totaled \$15,776 for the primary government and \$166,883 for the component units.

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;

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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.

Pensions

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

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 Authority, deferred outflows of resources are reported on the statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 6.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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 Authority, deferred inflows of resources are reported on the statement of net position for pension. The deferred inflows of resources related to pension are explained in Note 7.

Pensions

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

NOTE 2: DEPOSITS AND INVESTMENTS

Primary Government

Deposits

At fiscal year-end, the carrying amount of the primary government's deposits was \$2,814,958 and the bank balance was \$2,900,576. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2017, \$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.

**TRUMBULL METROPOLITAN HOUSING AUTHORITY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2017**

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

Investments

The Authority has a formal investment policy; although, the Authority did not have investments at June 30, 2017. Cash and cash equivalents included in the primary government's cash position at June 30, 2017, are as follows:

	Cash and Cash Equivalents
Cash - Unrestricted	\$ 2,484,838
Cash - Restricted	330,120
Total GASB Statements No. 3 and No. 40	\$ 2,814,958

Component Units

Deposits

At fiscal year-end, the carrying amount of the component units' deposits was \$7,604,459 and the bank balance was \$7,604,259. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2017, \$378,286 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. Included in the carrying value of the component units' deposits is \$200 in petty cash.

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.

Investments

The Authority has a formal investment policy it relies on to manage the investments of the component units; however, the component units had no investments at June 30, 2017. Cash and cash equivalents included in the component unit's cash position at June 30, 2017, are as follows:

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TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

	Cash and Cash Equivalents
Cash - Unrestricted	\$ 7,516,661
Cash - Restricted	<u>87,798</u>
 Total GASB Statements No. 3 and No. 40	 <u>\$ 7,604,459</u>

NOTE 3: RESTRICTED CASH

Primary Government

The restricted cash balance of \$330,120 on the financial statements for the primary government represents the following:

Tenant Association Escrow Funds	\$ 99,905
Public Housing Tenant Security Deposits	167,484
Family Self-Sufficiency Escrow Funds	<u>62,731</u>
 Total Restricted Cash	 <u>\$ 330,120</u>

Component Unit

The restricted cash balance of \$87,798 on the financial statements for the component units represent the tenant security deposit funds.

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.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 5: CAPITAL ASSETS

The following is a summary of the Authority's capital assets:

	<u>Primary Government</u>	<u>Component Units</u>
Capital Assets Not Depreciated		
Land	\$ 1,156,911	\$ 1,183,294
Construction in Progress	1,787,068	78,508
Total Capital Assets Not Depreciated	<u>2,943,979</u>	<u>1,261,802</u>
 Capital Assets Being Depreciated		
Buildings and Building Improvements	72,035,962	18,327,202
Furniture and Equipment	1,708,288	950,652
Total Capital Assets being Depreciated	<u>73,744,250</u>	<u>19,277,854</u>
Less Accumulated Depreciation	<u>(60,617,207)</u>	<u>(12,894,875)</u>
Subtotal Capital Assets Being Depreciated	<u>13,127,043</u>	<u>6,382,979</u>
Total Capital Assets	<u>\$ 16,071,022</u>	<u>\$ 7,644,781</u>

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TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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

Primary Government				
	Balance 7/1/2016	Additions	Deletions	Balance 6/30/2017
Capital Assets Not Depreciated				
Land	\$ 1,156,911	\$ 0	\$ 0	1,156,911
Construction in Progress	3,243,822	1,216,269	(2,673,023)	1,787,068
Total Capital Assets Not Depreciated	<u>4,400,733</u>	<u>1,216,269</u>	<u>(2,673,023)</u>	<u>2,943,979</u>
Capital Assets, Depreciated				
Buildings and Building Improvements	70,920,275	2,673,023	(1,557,336)	72,035,962
Furniture and Equipment	1,742,805	72,914	(107,431)	1,708,288
Total Capital Assets, Depreciated	<u>72,663,080</u>	<u>2,745,937</u>	<u>(1,664,767)</u>	<u>73,744,250</u>
Subtotal Accumulated Depreciation	(58,628,370)	(2,096,268)	107,431	(60,617,207)
Depreciable Assets, Net	<u>14,034,710</u>	<u>649,669</u>	<u>(1,557,336)</u>	<u>13,127,043</u>
Total Capital Assets, Net, Primary Government	<u>\$18,435,443</u>	<u>\$ 1,865,938</u>	<u>(4,230,359)</u>	<u>16,071,022</u>

Component Units				
	Balance 7/1/2016	Additions	Deletions	Balance 6/30/2017
Capital Assets Not Depreciated				
Land	\$ 1,183,294	\$ 0	\$ 0	\$1,183,294
Construction in Progress	167,192	14,759	(103,443)	78,508
Total Capital Assets Not Depreciated	<u>1,350,486</u>	<u>14,759</u>	<u>(103,443)</u>	<u>1,261,802</u>
Capital Assets, Depreciated				
Buildings and Building Improvements	18,075,206	251,996	0	18,327,202
Furniture and Equipment	938,363	19,496	0	957,859
Total Capital Assets, Depreciated	<u>19,013,569</u>	<u>271,492</u>	<u>0</u>	<u>19,285,061</u>
Less Accumulated Depreciation	(12,420,424)	(481,658)	0	(12,902,082)
Depreciable Assets, Net	<u>6,593,145</u>	<u>(210,166)</u>	<u>0</u>	<u>6,382,979</u>
Total Capital Assets, Net, Component Units	<u>\$ 7,943,631</u>	<u>\$ (195,407)</u>	<u>\$ (103,443)</u>	<u>\$ 7,644,781</u>

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 6: **DEFINED BENEFIT PENSION PLAN**

Ohio Public Employees Retirement System

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 both the accrual and modified accrual bases of accounting.

**TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - 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.

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	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	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 57 with 25 years of service credit or Age 62 with 5 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.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

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:

	State and Local
2016 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2016 Actual Contribution Rates	
Employer:	
Pension	12.0 %
Post-Employment Health Care Benefits	2.0
Total Employer	14.0 %
 Employee	 10.0 %

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

The Authority's contractually required contributions were \$352,458 for fiscal year ending June 30, 2017.

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

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

	OPERS Traditional Pension Plan	OPERS Combined Pension Plan	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.021621%	0.011350%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	<u>0.021977%</u>	<u>0.011987%</u>	
Change in Proportionate Share	<u>0.000356%</u>	<u>0.000637%</u>	
Proportionate Share of the Net Pension Liability/(Asset)	\$ 4,990,603	\$ (6,672)	\$ 4,983,931
Pension Expense	\$ 1,059,516	\$ 4,820	\$ 1,064,336

At June 30, 2017, 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 Pension Plan	Total
Deferred Outflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$743,216	\$1,629	\$744,845
Changes of assumptions	791,570	1,626	793,196
Differences between expected and actual experience	6,765	0	6,765
Changes in proportion and differences between Authority contributions and proportionate share of contributions	30,234	238	30,472
Authority contributions subsequent to the measurement date	<u>167,565</u>	<u>2,752</u>	<u>170,317</u>
Total Deferred Outflows of Resources	<u>\$1,739,350</u>	<u>\$6,245</u>	<u>\$1,745,595</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$29,702	\$3,411	\$33,113
Changes in proportion and differences between Authority contributions and proportionate share of contributions	<u>7,373</u>	<u>269</u>	<u>7,642</u>
Total Deferred Inflows of Resources	<u>\$37,075</u>	<u>\$3,680</u>	<u>\$40,755</u>

\$170,317 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

	OPERS Traditional Pension Plan	OPERS Combined Pension Plan	Total
Year Ending June 30:			
2018	\$631,791	\$314	\$632,105
2019	659,266	316	659,582
2020	265,437	243	\$265,680
2021	(21,784)	(332)	(\$22,116)
2022	0	(272)	(272)
Thereafter	0	(456)	(456)
Total	<u>\$1,534,710</u>	<u>(\$187)</u>	<u>\$1,534,523</u>

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, 2016, 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. In 2016, the Board of Trustees' actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical view and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0 percent down to 7.5 percent, for the defined benefit investments. 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 COLA or Ad Hoc COLA	3.25 to 10.75 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 3 percent, simple through 2018, then 2.15% simple
Investment Rate of Return	7.5 percent
Actuarial Cost Method	Individual Entry Age

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

The total pension asset in the December 31, 2016, 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 COLA or Ad Hoc COLA	3.25 to 8.25 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 3 percent, simple through 2018, then 2.15% simple
Investment Rate of Return	7.5 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.

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 four investment portfolios: the Defined Benefits portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2017 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. 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. The Defined Benefit portfolio historically included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2017. 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 is 8.3 percent for 2016.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 6: DEFINED BENEFIT PENSION PLAN (Continued)

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 2016 and the long-term expected real rates of return:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other investments	18.00	4.92
Total	<u>100.00 %</u>	<u>5.66 %</u>

Discount Rate The discount rate used to measure the total pension liability was 7.5 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 7.5 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 (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Traditional Pension Plan	\$7,624,261	\$4,990,603	\$2,795,914
Combined Plan	\$479	(\$6,672)	(\$12,227)

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 7: POST-EMPLOYMENT BENEFITS

Plan Description

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.

In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which fund 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. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants in the Member-Directed Plan. At retirement or refund, participants can be reimbursed for qualified medical expenses from their vested RMA balance.

In order to qualify for health care coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 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 45. Please see the Plan Statement in the OPERS 2015 CAFR for details.

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 OPERS Board of Trustees (OPERS Board) in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, State and Local employers contributed at a rate of 14.0% of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

**TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 7: **POST-EMPLOYMENT BENEFITS** (continued)

Funding Policy

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 2.0% during calendar year 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0% 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 to the RMA for participants in the Member-Directed Plan for 2016 was 4.0%. The portion of actual Authority contributions for the year ended June 30, 2017, 2016, and 2015, which were used by OPERS to fund post-employment benefits were \$43,895, \$55,306, and \$27,362, respectively.

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**TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 8: COMPENSATED ABSENCES

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

Primary Government:

At June 30, 2017, based on the vesting method, \$442,652 was accrued by the primary government for unused vacation and sick time. The current portion is \$69,103 and the non-current portion is \$373,549. 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			Balance
<u>July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2017</u>
\$ 422,347	\$ 211,751	\$(191,446)	\$ 442,652

Component Unit:

At June 30, 2017, based on the vesting method, \$61,390 was accrued by the component units for unused vacation and sick time. The current portion is \$11,504 and the non-current portion is \$44,509.

Balance			Balance
<u>July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2017</u>
\$ 61,390	\$ 26,795	\$(32,172)	\$ 56,013

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 9: **LONG-TERM DEBT**

Primary Government

The Authority has debt in 2017 equal to \$107,460 related to five properties purchased with Neighborhood Stabilization Program grant funds.

The Authority's primary government has long-term debt as follows:

The PHA entered into a contractual agreement with Trumbull County, Ohio on March 2011, where 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. \$18,729

The PHA entered into a contractual agreement with Trumbull County, Ohio on May 2011, where 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. 6,613

The PHA entered into a contractual agreement with Trumbull County, Ohio on June 2011, where 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. 28,868

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 9: LONG-TERM DEBT (Continued)

The PHA entered into a contractual agreement with Trumbull County, Ohio on June 2011, where 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.

26,100

The PHA entered into a contractual agreement with Trumbull County, Ohio on July 2, 2011, where 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.

27,150

Total Outstanding Debt	107,460
Less Current Portion	13,567
Total Long Term Debt	\$ 93,893

A summary of the Primary Government's debt activity in the period is as follows:

Description	Balance 6/30/2016	Additions	Deletions	Balance 6/30/2017	Current Portion
Loan Payable	\$121,027	\$0	\$13,567	\$107,460	\$13,567

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

Ended June 30	Principal	Interest	Total Payments
2018	\$13,567	\$0	\$13,567
2019	13,567	0	13,567
2020	13,567	0	13,567
2021	13,567	0	13,567
2022	13,567	0	13,567
2022-2026	39,625	0	39,625
Totals	\$107,460	\$0	\$107,460

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 9: LONG-TERM DEBT (Continued)

The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. See Note #7, Defined Benefit Pension Plans. The change in the net pension liability is as follows:

Description	Balance 7/01/2016	Additions	Deletions	Balance 6/30/2017
Net Pension Liability:				
Primary Government	\$3,089,680	\$1,146,046	\$0	\$4,235,726
Component Units	566,505	188,372	0	754,877
Other Non-Related	83,321	0	83,321	0
Total Pension Liability	<u>\$3,739,506</u>	<u>\$1,334,418</u>	<u>83,321</u>	<u>\$4,990,603</u>

Component Units

The Authority's component units were obligated on the following notes as of June 30, 2017:

Promissory Note - Western Reserve HDC

On March 31, 2013, a promissory note in the amount of \$2,144,358.81 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, 2017 is \$1,879,292.

Required payments, including interest, are as follows:

Year End	Principal	Interest	Total Payments
2018	\$ 90,132	\$ 87,320	\$ 177,452
2019	94,537	82,915	177,452
2020	99,096	78,356	177,452
2021	103,907	73,545	177,452
2022	108,952	68,500	177,452
2021-2032	1,382,668	347,486	1,730,154
Totals	<u><u>\$ 1,879,292</u></u>	<u><u>\$ 738,122</u></u>	<u><u>\$ 2,617,414</u></u>

**TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 9: LONG-TERM DEBT (Continued)

Promissory Note – Warren HDC

On March 1, 2002, a promissory note in the amount of \$712,517 was written between the Warren HDC 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, 2017 is \$198,140.

Required payments, including interest, are as follows:

Year End	Principal	Interest	Total Payments
2018	\$ 33,505	\$ 7,315	\$ 40,820
2019	34,879	5,941	40,820
2020	36,290	4,530	40,820
2021	37,769	3,051	40,820
2022	39,308	1,512	40,820
2023	16,389	153	16,542
Totals	<u>\$ 198,140</u>	<u>\$ 22,502</u>	<u>\$ 220,642</u>

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

	Principal Balance June 30, 2016	Additions	Deletions	Principal Balance June 30, 2017	Current Portion
WRHDC					
Promissory Note	\$1,965,222	\$0	\$85,930	\$1,879,292	\$90,132
WHDC Promissory Note	230,324	0	32,184	198,140	33,505
Total	<u>\$2,195,546</u>	<u>\$0</u>	<u>\$118,114</u>	<u>\$2,077,432</u>	<u>\$123,637</u>

NOTE 10: CONTINGENCIES

The Authority is party to various routine legal proceedings that arise in the ordinary course of business. The Authority is also party to litigation where the outcome is uncertain and where estimated losses cannot be reasonably determined. In the opinion of the Authority, the ultimate disposition of these proceedings will not have a material effect on the Authority's financial position. No provision has been made to the financial statements for the effect, if any, of such contingencies.

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 11: CONDENSED FINANCIAL STATEMENT INFORMATION - COMPONENT UNITS

	Warren Housing Development Corporations	Western Reserve Housing Development Corporation	Totals
<u>Balance Sheet</u>			
Current Assets	\$ 9,652,524	\$ 441,332	\$ 10,093,856
Capital and Other Assets	6,919,493	4,130,949	11,050,442
Current Liabilities	(373,476)	(398,796)	(772,272)
Non-Current Liabilities	(872,901)	(1,886,443)	(2,759,344)
Net Position	<u>\$ 15,325,640</u>	<u>\$ 2,287,042</u>	<u>\$ 17,612,682</u>

	Warren Housing Development Corporations	Western Reserve Housing Development Corporation	Totals
<u>Revenues, Expenses, and Change in Equity</u>			
Operating Revenue	\$ 3,694,397	\$ 343,253	\$ 4,037,650
Operating Expenses	(2,270,863)	(351,508)	(2,622,371)
Net Operating Revenue	1,423,534	(8,255)	1,415,279
Total Non-Operating Revenue(Expense)	107,885	(112,589)	(4,704)
Excess Revenue Over Expenses	<u>\$ 1,531,419</u>	<u>\$ (120,844)</u>	<u>\$ 1,410,575</u>

NOTE 12: 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 22, 2017 the date on which the financial statements were available to be issued.

NOTE 13: RESTATEMENT OF NET POSITION

Capital funds in the amount of \$1,557,338 was provided by TMHA to Parkman Landing, Inc. for use in a mixed-finance newly construction elderly community.

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	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
111 Cash - Unrestricted	\$1,716,576		\$0	\$7,516,661	\$0
112 Cash - Restricted - Modernization and Development	\$0				
113 Cash - Other Restricted	\$0				
114 Cash - Tenant Security Deposits	\$166,685			\$87,798	
115 Cash - Restricted for Payment of Current Liabilities	\$0				
100 Total Cash	\$1,883,261	\$0	\$0	\$7,604,459	\$0
121 Accounts Receivable - PHA Projects	\$0				
122 Accounts Receivable - HUD Other Projects	\$21,779	\$30,940	\$8,132	\$0	\$0
124 Accounts Receivable - Other Government	\$6,911		\$0	\$157	\$236,773
125 Accounts Receivable - Miscellaneous	\$7,206	\$0		\$324,119	\$0
126 Accounts Receivable - Tenants	\$15,416	\$0	\$0	\$6,412	\$0
126.1 Allowance for Doubtful Accounts -Tenants	-\$3,889			-\$2,657	
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$12,949			\$594	
128 Fraud Recovery	\$30,559			\$5,210	
128.1 Allowance for Doubtful Accounts - Fraud	-\$4,699			\$0	
129 Accrued Interest Receivable	\$0			\$9,948	
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$86,232	\$30,940	\$8,132	\$343,783	\$236,773
131 Investments - Unrestricted	\$0				
132 Investments - Restricted	\$0				
135 Investments - Restricted for Payment of Current Liability	\$0				
142 Prepaid Expenses and Other Assets	\$102,590			\$81,801	
143 Inventories	\$128,872			\$30,450	

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	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
143.1 Allowance for Obsolete Inventories	-\$1,125			-\$291	
144 Inter Program Due From	\$8,132	\$0		\$17,924	
145 Assets Held for Sale	\$0				
150 Total Current Assets	\$2,207,962	\$30,940	\$8,132	\$8,078,126	\$236,773
161 Land	\$916,759			\$1,183,294	
162 Buildings	\$72,035,961			\$18,327,202	
163 Furniture, Equipment & Machinery - Dwellings	\$889,884			\$369,432	
164 Furniture, Equipment & Machinery - Administration	\$543,824			\$581,220	
165 Leasehold Improvements	\$0			\$0	
166 Accumulated Depreciation	-\$60,347,548			-\$12,888,176	
167 Construction in Progress	\$1,787,068			\$78,508	
168 Infrastructure	\$0				
160 Total Capital Assets, Net of Accumulated Depreciation	\$15,825,948	\$0	\$0	\$7,651,480	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0		\$5,172,063	
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0				
173 Grants Receivable - Non Current					
174 Other Assets	\$2,854			\$1,009	
176 Investments in Joint Ventures	\$0				
180 Total Non-Current Assets	\$15,828,802	\$0	\$0	\$12,824,552	\$0
200 Deferred Outflow of Resources	\$746,389	\$0	\$0	\$264,037	\$0
290 Total Assets and Deferred Outflow of Resources	\$18,783,153	\$30,940	\$8,132	\$21,166,715	\$236,773

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	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
311 Bank Overdraft	\$0				
312 Accounts Payable <= 90 Days	\$121,337	\$26,733	\$0	\$273,712	\$235,927
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$56,531	\$4,207	\$0	\$17,594	\$846
322 Accrued Compensated Absences - Current Portion	\$28,645	\$0	\$0	\$11,503	\$0
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs	\$0				
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$106,132			\$579	
341 Tenant Security Deposits	\$166,686			\$87,798	
342 Unearned Revenue	\$61,292			\$86,429	
343 Current Portion of Long-term Debt - Capital	\$0			\$123,637	
344 Current Portion of Long-term Debt - Operating Borrowings	\$0				
345 Other Current Liabilities	\$0				
346 Accrued Liabilities - Other	\$4,557			\$185,290	
347 Inter Program - Due To	\$0		\$8,132		
348 Loan Liability - Current	\$0				
310 Total Current Liabilities	\$545,180	\$30,940	\$8,132	\$786,542	\$236,773
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$0			\$1,953,795	
352 Long-term Debt, Net of Current - Operating Borrowings				\$0	
353 Non-current Liabilities - Other				\$0	
354 Accrued Compensated Absences - Non Current	\$138,318			\$44,509	
355 Loan Liability - Non Current	\$0				
356 FASB 5 Liabilities					

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	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
357 Accrued Pension and OPEB Liabilities	\$2,133,897	\$0	\$0	\$754,877	\$0
350 Total Non-Current Liabilities	\$2,272,215	\$0	\$0	\$2,753,181	\$0
300 Total Liabilities	\$2,817,395	\$30,940	\$8,132	\$3,539,723	\$236,773
400 Deferred Inflow of Resources	\$17,428			\$6,163	
508.4 Net Investment in Capital Assets	\$15,825,948	\$0		\$5,574,048	
511.4 Restricted Net Position	\$0	\$0		\$0	
512.4 Unrestricted Net Position	\$122,382	\$0	\$0	\$12,046,781	\$0
513 Total Equity - Net Assets / Position	\$15,948,330	\$0	\$0	\$17,620,829	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$18,783,153	\$30,940	\$8,132	\$21,166,715	\$236,773

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	14.191 Multifamily Housing Service Coordinators	14.218 Community Development Block Grants/Entitlement Grants	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC
111 Cash - Unrestricted	\$0	\$0	\$0	\$143,249	\$625,812
112 Cash - Restricted - Modernization and Development					\$0
113 Cash - Other Restricted				\$138,363	\$5,238
114 Cash - Tenant Security Deposits					\$0
115 Cash - Restricted for Payment of Current Liabilities				\$3,659	\$15,376
100 Total Cash	\$0	\$0	\$0	\$285,271	\$646,426
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$17,924	\$0	\$0	\$0	\$0
124 Accounts Receivable - Other Government	\$0	\$0	\$53,984		\$99
125 Accounts Receivable - Miscellaneous					\$315,878
126 Accounts Receivable - Tenants	\$0	\$0	\$0		
126.1 Allowance for Doubtful Accounts -Tenants	\$0	\$0	\$0		
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current				\$343	
128 Fraud Recovery				\$23,386	
128.1 Allowance for Doubtful Accounts - Fraud				-\$6,713	\$0
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$17,924	\$0	\$53,984	\$17,016	\$315,977
131 Investments - Unrestricted					
132 Investments - Restricted				\$0	
135 Investments - Restricted for Payment of Current Liability				\$0	
142 Prepaid Expenses and Other Assets				\$1,067	\$22,106
143 Inventories					\$6,594
143.1 Allowance for Obsolete Inventories					-\$1

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	14.191 Multifamily Housing Service Coordinators	14.218 Community Development Block Grants/Entitlement Grants	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC
144 Inter Program Due From					\$0
145 Assets Held for Sale					
150 Total Current Assets	\$17,924	\$0	\$53,984	\$303,354	\$991,102
161 Land					\$240,152
162 Buildings					\$0
163 Furniture, Equipment & Machinery - Dwellings					\$0
164 Furniture, Equipment & Machinery - Administration				\$51,190	\$230,335
165 Leasehold Improvements				\$0	\$0
166 Accumulated Depreciation				-\$51,004	-\$218,771
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$186	\$251,716
171 Notes, Loans and Mortgages Receivable - Non-Current				\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					\$0
173 Grants Receivable - Non Current					
174 Other Assets				\$407	\$2,402
176 Investments in Joint Ventures					\$0
180 Total Non-Current Assets	\$0	\$0	\$0	\$593	\$254,118
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$106,753	\$628,416
290 Total Assets and Deferred Outflow of Resources	\$17,924	\$0	\$53,984	\$410,700	\$1,873,636
311 Bank Overdraft					

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	14.191 Multifamily Housing Service Coordinators	14.218 Community Development Block Grants/Entitlement Grants	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC
312 Accounts Payable <= 90 Days	\$0	\$0	\$52,106	\$4,155	\$21,249
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$0	\$0	\$1,878	\$6,938	\$96,791
322 Accrued Compensated Absences - Current Portion	\$0	\$0	\$0	\$5,392	\$35,068
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					\$0
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue					\$0
343 Current Portion of Long-term Debt - Capital					\$13,567
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities				\$3,659	\$15,376
346 Accrued Liabilities - Other					
347 Inter Program - Due To	\$17,924				
348 Loan Liability - Current					\$0
310 Total Current Liabilities	\$17,924	\$0	\$53,984	\$20,144	\$182,051
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					\$93,893
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other				\$38,458	\$5,238
354 Accrued Compensated Absences - Non Current				\$25,909	\$209,322
355 Loan Liability - Non Current					\$0
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$305,204	\$1,796,625

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	14.191 Multifamily Housing Service Coordinators	14.218 Community Development Block Grants/Entitlement Grants	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$369,571	\$2,105,078
300 Total Liabilities	\$17,924	\$0	\$53,984	\$389,715	\$2,287,129
400 Deferred Inflow of Resources				\$2,492	\$14,672
508.4 Net Investment in Capital Assets				\$186	\$144,256
511.4 Restricted Net Position				\$99,905	\$0
512.4 Unrestricted Net Position	\$0	\$0	\$0	-\$81,598	-\$572,421
513 Total Equity - Net Assets / Position	\$0	\$0	\$0	\$18,493	-\$428,165
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$17,924	\$0	\$53,984	\$410,700	\$1,873,636

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$10,002,298		\$10,002,298
112 Cash - Restricted - Modernization and Development	\$0		\$0
113 Cash - Other Restricted	\$143,601		\$143,601
114 Cash - Tenant Security Deposits	\$254,483		\$254,483
115 Cash - Restricted for Payment of Current Liabilities	\$19,035		\$19,035
100 Total Cash	\$10,419,417	\$0	\$10,419,417
121 Accounts Receivable - PHA Projects	\$0		\$0
122 Accounts Receivable - HUD Other Projects	\$78,775		\$78,775
124 Accounts Receivable - Other Government	\$297,924		\$297,924
125 Accounts Receivable - Miscellaneous	\$647,203		\$647,203
126 Accounts Receivable - Tenants	\$21,828		\$21,828
126.1 Allowance for Doubtful Accounts -Tenants	-\$6,546		-\$6,546
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$13,886		\$13,886
128 Fraud Recovery	\$59,155		\$59,155
128.1 Allowance for Doubtful Accounts - Fraud	-\$11,412		-\$11,412
129 Accrued Interest Receivable	\$9,948		\$9,948
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$1,110,761	\$0	\$1,110,761
131 Investments - Unrestricted	\$0		\$0
132 Investments - Restricted	\$0		\$0
135 Investments - Restricted for Payment of Current Liability	\$0		\$0
142 Prepaid Expenses and Other Assets	\$207,564		\$207,564
143 Inventories	\$165,916		\$165,916
143.1 Allowance for Obsolete Inventories	-\$1,417		-\$1,417

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	Subtotal	ELIM	Total
144 Inter Program Due From	\$26,056	-\$26,056	\$0
145 Assets Held for Sale	\$0		\$0
150 Total Current Assets	\$11,928,297	-\$26,056	\$11,902,241
161 Land	\$2,340,205		\$2,340,205
162 Buildings	\$90,363,163		\$90,363,163
163 Furniture, Equipment & Machinery - Dwellings	\$1,259,316		\$1,259,316
164 Furniture, Equipment & Machinery - Administration	\$1,406,569		\$1,406,569
165 Leasehold Improvements	\$0		\$0
166 Accumulated Depreciation	-\$73,505,499		-\$73,505,499
167 Construction in Progress	\$1,865,576		\$1,865,576
168 Infrastructure	\$0		\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$23,729,330	\$0	\$23,729,330
171 Notes, Loans and Mortgages Receivable - Non-Current	\$5,172,063		\$5,172,063
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0		\$0
173 Grants Receivable - Non Current			
174 Other Assets	\$6,672		\$6,672
176 Investments in Joint Ventures	\$0		\$0
180 Total Non-Current Assets	\$28,908,065	\$0	\$28,908,065
200 Deferred Outflow of Resources	\$1,745,595	\$0	\$1,745,595
290 Total Assets and Deferred Outflow of Resources	\$42,581,957	-\$26,056	\$42,555,901
311 Bank Overdraft	\$0		\$0

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	Subtotal	ELIM	Total
312 Accounts Payable <= 90 Days	\$735,219		\$735,219
313 Accounts Payable >90 Days Past Due	\$0		\$0
321 Accrued Wage/Payroll Taxes Payable	\$184,785		\$184,785
322 Accrued Compensated Absences - Current Portion	\$80,608		\$80,608
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs	\$0		\$0
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government	\$106,711		\$106,711
341 Tenant Security Deposits	\$254,484		\$254,484
342 Unearned Revenue	\$147,721		\$147,721
343 Current Portion of Long-term Debt - Capital	\$137,204		\$137,204
344 Current Portion of Long-term Debt - Operating Borrowings	\$0		\$0
345 Other Current Liabilities	\$19,035		\$19,035
346 Accrued Liabilities - Other	\$189,847		\$189,847
347 Inter Program - Due To	\$26,056	-\$26,056	\$0
348 Loan Liability - Current	\$0		\$0
310 Total Current Liabilities	\$1,881,670	-\$26,056	\$1,855,614
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$2,047,688		\$2,047,688
352 Long-term Debt, Net of Current - Operating Borrowings	\$0		\$0
353 Non-current Liabilities - Other	\$43,696		\$43,696
354 Accrued Compensated Absences - Non Current	\$418,058		\$418,058
355 Loan Liability - Non Current	\$0		\$0
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities	\$4,990,603		\$4,990,603

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	Subtotal	ELIM	Total
350 Total Non-Current Liabilities	\$7,500,045	\$0	\$7,500,045
300 Total Liabilities	\$9,381,715	-\$26,056	\$9,355,659
400 Deferred Inflow of Resources	\$40,755	\$0	\$40,755
508.4 Net Investment in Capital Assets	\$21,544,438		\$21,544,438
511.4 Restricted Net Position	\$99,905		\$99,905
512.4 Unrestricted Net Position	\$11,515,144		\$11,515,144
513 Total Equity - Net Assets / Position	\$33,159,487	\$0	\$33,159,487
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$42,581,957	-\$26,056	\$42,555,901

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	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
70300 Net Tenant Rental Revenue	\$1,873,727			\$983,142	
70400 Tenant Revenue - Other	\$68,561			\$32,195	
70500 Total Tenant Revenue	\$1,942,288	\$0	\$0	\$1,015,337	\$0
70600 HUD PHA Operating Grants	\$3,542,578	\$123,948	\$67,865	\$0	
70610 Capital Grants	\$1,216,270				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants			\$0	\$1,638,414	\$264,003
71100 Investment Income - Unrestricted	\$13,170			\$59,799	
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue	\$55,677			\$1,457,532	
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$6,769,983	\$123,948	\$67,865	\$4,171,082	\$264,003
91100 Administrative Salaries	\$593,500		\$0	\$317,130	\$19,346

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	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
91200 Auditing Fees	\$10,639		\$0	\$14,743	\$0
91300 Management Fee	\$903,157	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$107,580				
91400 Advertising and Marketing	\$5,550		\$0	\$4,275	\$0
91500 Employee Benefit contributions - Administrative	\$301,631		\$0	\$132,499	\$3,219
91600 Office Expenses	\$107,575		\$0	\$77,101	\$9,684
91700 Legal Expense	\$28,339		\$0	\$14,682	\$0
91800 Travel	\$12,932		\$0	\$4,262	\$0
91810 Allocated Overhead	\$0		\$0	\$0	\$0
91900 Other	\$3,659		\$0	\$20,186	\$21,306
91000 Total Operating - Administrative	\$2,074,562	\$0	\$0	\$584,878	\$53,555
92000 Asset Management Fee	\$147,480				
92100 Tenant Services - Salaries		\$86,686	\$0	\$0	
92200 Relocation Costs		\$0	\$0	\$0	
92300 Employee Benefit Contributions - Tenant Services		\$36,283	\$0	\$0	
92400 Tenant Services - Other	\$37,155	\$0	\$67,865	\$1,250	
92500 Total Tenant Services	\$37,155	\$122,969	\$67,865	\$1,250	\$0
93100 Water	\$143,368		\$0	\$60,749	\$19
93200 Electricity	\$401,647		\$0	\$246,365	\$0
93300 Gas	\$145,963		\$0	\$34,919	\$102
93400 Fuel	\$0		\$0	\$0	\$0
93500 Labor	\$0		\$0	\$0	\$0
93600 Sewer	\$149,045		\$0	\$58,807	\$101
93700 Employee Benefit Contributions - Utilities			\$0	\$0	\$0

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	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
93800 Other Utilities Expense			\$0	\$0	\$0
93000 Total Utilities	\$840,023	\$0	\$0	\$400,840	\$222
94100 Ordinary Maintenance and Operations - Labor	\$706,694		\$0	\$274,769	\$0
94200 Ordinary Maintenance and Operations - Materials and	\$179,713		\$0	\$30,880	\$7,390
94300 Ordinary Maintenance and Operations Contracts	\$718,259		\$0	\$275,663	\$505
94500 Employee Benefit Contributions - Ordinary Maintenance	\$386,122		\$0	\$145,649	\$0
94000 Total Maintenance	\$1,990,788	\$0	\$0	\$726,961	\$7,895
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs	\$100,047			\$33,379	
95300 Protective Services - Other	\$12,103			\$5,784	
95500 Employee Benefit Contributions - Protective Services	\$0				
95000 Total Protective Services	\$112,150	\$0	\$0	\$39,163	\$0
96110 Property Insurance	\$162,973	\$0	\$0	\$61,954	\$0
96120 Liability Insurance	\$102,765	\$0	\$0	\$34,793	\$50
96130 Workmen's Compensation	\$17,255	\$979	\$0	\$7,167	\$292
96140 All Other Insurance					
96100 Total insurance Premiums	\$282,993	\$979	\$0	\$103,914	\$342
96200 Other General Expenses	\$33,789		\$0	\$180,928	\$201,989
96210 Compensated Absences	\$10,569		\$0	\$4,302	\$0
96300 Payments in Lieu of Taxes	\$106,171		\$0	\$16,091	\$0
96400 Bad debt - Tenant Rents	\$41,314		\$0	\$4,494	\$0
96500 Bad debt - Mortgages	\$0		\$0	\$0	\$0

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	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
96600 Bad debt - Other	\$0		\$0	\$0	\$0
96800 Severance Expense	\$2,243		\$0	\$51	\$0
96000 Total Other General Expenses	\$194,086	\$0	\$0	\$205,866	\$201,989
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)	\$0			\$100,157	
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$100,157	\$0
96900 Total Operating Expenses	\$5,679,237	\$123,948	\$67,865	\$2,163,029	\$264,003
97000 Excess of Operating Revenue over Operating Expenses	\$1,090,746	\$0	\$0	\$2,008,053	\$0
97100 Extraordinary Maintenance	\$70,848			\$38,430	
97200 Casualty Losses - Non-capitalized	\$33,425			\$4,561	
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense	\$2,078,517			\$474,960	
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$7,862,027	\$123,948	\$67,865	\$2,680,980	\$264,003
10010 Operating Transfer In	\$110,517				
10020 Operating transfer Out	-\$110,517				

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	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
10030 Operating Transfers from/to Primary Government	\$0				
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)	-\$277,492			-\$71,380	
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	-\$277,492	\$0	\$0	-\$71,380	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$1,369,536	\$0	\$0	\$1,418,722	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$123,637	\$0
11030 Beginning Equity	\$18,875,204	\$0	\$0	\$16,202,107	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction	-\$1,557,338	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	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
11190 Unit Months Available	14394			4488	0
11210 Number of Unit Months Leased	13954			4438	0
11270 Excess Cash	\$974,170				
11610 Land Purchases	\$0				
11620 Building Purchases	\$1,216,270				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$0				

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	14.191 Multifamily Housing Service Coordinators	14.218 Community Development Block Grants/Entitlement Grants	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC
70300 Net Tenant Rental Revenue					
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants				\$5,654,424	
70610 Capital Grants					\$0
70710 Management Fee					
70720 Asset Management Fee					\$1,008,826
70730 Book Keeping Fee					\$147,480
70740 Front Line Service Fee					\$239,948
70750 Other Fees					\$100,803
70700 Total Fee Revenue					\$1,497,057
70800 Other Government Grants	\$34,849	\$1,590	\$243,427		
71100 Investment Income - Unrestricted				\$0	\$2,606
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery				\$15,622	
71500 Other Revenue				\$8,613	\$107,482
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted				\$0	
70000 Total Revenue	\$34,849	\$1,590	\$243,427	\$5,678,659	\$1,607,145
91100 Administrative Salaries	\$0	\$0	\$26,619	\$174,113	\$765,584
91200 Auditing Fees	\$0	\$0	\$0	\$1,410	\$8,387

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	14.191 Multifamily Housing Service Coordinators	14.218 Community Development Block	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC
91300 Management Fee	\$0	\$0	\$0	\$146,484	
91310 Book-keeping Fee				\$91,552	
91400 Advertising and Marketing	\$0	\$0	\$800	\$1,445	\$2,005
91500 Employee Benefit contributions - Administrative	\$0	\$0	\$6,278	\$81,932	\$268,140
91600 Office Expenses	\$0	\$0	\$8,976	\$11,030	\$280,890
91700 Legal Expense	\$0	\$0	\$0	\$0	\$47,829
91800 Travel	\$0	\$0	\$1,938	\$429	\$3,131
91810 Allocated Overhead	\$0	\$0	\$0	\$0	
91900 Other	\$0	\$0	\$19,524	\$1,956	\$59,370
91000 Total Operating - Administrative	\$0	\$0	\$64,135	\$510,351	\$1,435,336
92000 Asset Management Fee					
92100 Tenant Services - Salaries	\$0				
92200 Relocation Costs	\$0				
92300 Employee Benefit Contributions - Tenant Services	\$0				
92400 Tenant Services - Other	\$34,849				
92500 Total Tenant Services	\$34,849	\$0	\$0	\$0	\$0
93100 Water	\$0	\$0	\$10		\$1,586
93200 Electricity	\$0	\$0	\$0		\$59,703
93300 Gas	\$0	\$0	\$53		\$12,548
93400 Fuel	\$0	\$0	\$0		
93500 Labor	\$0	\$0	\$0		
93600 Sewer	\$0	\$0	\$63		\$1,481
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0		
93800 Other Utilities Expense	\$0	\$0	\$0		

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	14.191 Multifamily Housing Service Coordinators	14.218 Community Development Block	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC
93000 Total Utilities	\$0	\$0	\$126	\$0	\$75,318
94100 Ordinary Maintenance and Operations - Labor	\$0	\$0	\$0	\$800	\$58,317
94200 Ordinary Maintenance and Operations - Materials and	\$0	\$1,000	\$8,502		\$6,960
94300 Ordinary Maintenance and Operations Contracts	\$0	\$0	\$457	\$66	\$14,226
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$0	\$610	\$31,535
94000 Total Maintenance	\$0	\$1,000	\$8,959	\$1,476	\$111,038
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					\$1,031
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$1,031
96110 Property Insurance	\$0	\$0	\$0		\$10,097
96120 Liability Insurance	\$0	\$0	\$997	\$1,893	\$12,618
96130 Workmen's Compensation	\$0	\$0	\$359	\$2,229	\$7,623
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$1,356	\$4,122	\$30,338
96200 Other General Expenses	\$0	\$590	\$168,851	\$4,922	\$57,516
96210 Compensated Absences	\$0	\$0	\$0	\$10,844	\$23,371
96300 Payments in Lieu of Taxes	\$0	\$0	\$0	\$0	
96400 Bad debt - Tenant Rents	\$0	\$0	\$0	\$0	
96500 Bad debt - Mortgages	\$0	\$0	\$0		
96600 Bad debt - Other	\$0	\$0	\$0		\$288

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	14.191 Multifamily Housing Service Coordinators	14.218 Community Development Block	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC
96800 Severance Expense	\$0	\$0	\$0		
96000 Total Other General Expenses	\$0	\$590	\$168,851	\$15,766	\$81,175
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$34,849	\$1,590	\$243,427	\$531,715	\$1,734,236
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$0	\$0	\$5,146,944	-\$127,091
97100 Extraordinary Maintenance					\$1,455
97200 Casualty Losses - Non-capitalized					\$1
97300 Housing Assistance Payments				\$4,958,551	
97350 HAP Portability-In				\$6,150	
97400 Depreciation Expense				\$2,751	\$15,116
97500 Fraud Losses				\$9,260	
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$34,849	\$1,590	\$243,427	\$5,508,427	\$1,750,808
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					\$0

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	14.191 Multifamily Housing Service Coordinators	14.218 Community Development Block Grants/Entitlement Grants	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)				-\$59,879	-\$310,711
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	-\$59,879	-\$310,711
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$0	\$0	\$110,353	-\$454,374
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$0	\$0	\$0	-\$91,860	\$26,209
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity				-\$81,411	
11180 Housing Assistance Payments Equity				\$99,904	
11190 Unit Months Available				12612	0

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	14.191 Multifamily Housing Service Coordinators	14.218 Community Development Block Grants/Entitlement Grants	17.274 YouthBuild Program	14.871 Housing Choice Vouchers	COCC
11210 Number of Unit Months Leased				12198	0
11270 Excess Cash					
11610 Land Purchases					\$0
11620 Building Purchases					\$0
11630 Furniture & Equipment - Dwelling Purchases					\$0
11640 Furniture & Equipment - Administrative Purchases					\$0
11650 Leasehold Improvements Purchases					\$0
11660 Infrastructure Purchases					\$0
13510 CFFP Debt Service Payments					\$0
13901 Replacement Housing Factor Funds					\$0

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$2,856,869		\$2,856,869
70400 Tenant Revenue - Other	\$100,756		\$100,756
70500 Total Tenant Revenue	\$2,957,625	\$0	\$2,957,625
70600 HUD PHA Operating Grants	\$9,388,815		\$9,388,815
70610 Capital Grants	\$1,216,270		\$1,216,270
70710 Management Fee			
70720 Asset Management Fee	\$1,008,826	-\$1,008,826	\$0
70730 Book Keeping Fee	\$147,480	-\$147,480	\$0
70740 Front Line Service Fee	\$239,948	-\$239,948	\$0
70750 Other Fees	\$100,803		\$100,803
70700 Total Fee Revenue	\$1,497,057	-\$1,396,254	\$100,803
70800 Other Government Grants	\$2,182,283		\$2,182,283
71100 Investment Income - Unrestricted	\$75,575		\$75,575
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery	\$15,622		\$15,622
71500 Other Revenue	\$1,629,304		\$1,629,304
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted	\$0		\$0
70000 Total Revenue	\$18,962,551	-\$1,396,254	\$17,566,297
91100 Administrative Salaries	\$1,896,292		\$1,896,292
91200 Auditing Fees	\$35,179		\$35,179

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	Subtotal	ELIM	Total
91300 Management Fee	\$1,049,641	-\$1,049,641	\$0
91310 Book-keeping Fee	\$199,132	-\$199,133	-\$1
91400 Advertising and Marketing	\$14,075		\$14,075
91500 Employee Benefit contributions - Administrative	\$793,699		\$793,699
91600 Office Expenses	\$495,256		\$495,256
91700 Legal Expense	\$90,850		\$90,850
91800 Travel	\$22,692		\$22,692
91810 Allocated Overhead	\$0		\$0
91900 Other	\$126,001		\$126,001
91000 Total Operating - Administrative	\$4,722,817	-\$1,248,774	\$3,474,043
92000 Asset Management Fee	\$147,480	-\$147,480	\$0
92100 Tenant Services - Salaries	\$86,686		\$86,686
92200 Relocation Costs	\$0		\$0
92300 Employee Benefit Contributions - Tenant Services	\$36,283		\$36,283
92400 Tenant Services - Other	\$141,119		\$141,119
92500 Total Tenant Services	\$264,088	\$0	\$264,088
93100 Water	\$205,732		\$205,732
93200 Electricity	\$707,715		\$707,715
93300 Gas	\$193,585		\$193,585
93400 Fuel	\$0		\$0
93500 Labor	\$0		\$0
93600 Sewer	\$209,497		\$209,497
93700 Employee Benefit Contributions - Utilities	\$0		\$0
93800 Other Utilities Expense	\$0		\$0

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	Subtotal	ELIM	Total
93000 Total Utilities	\$1,316,529	\$0	\$1,316,529
94100 Ordinary Maintenance and Operations - Labor	\$1,040,580		\$1,040,580
94200 Ordinary Maintenance and Operations - Materials and	\$234,445		\$234,445
94300 Ordinary Maintenance and Operations Contracts	\$1,009,176		\$1,009,176
94500 Employee Benefit Contributions - Ordinary Maintenance	\$563,916		\$563,916
94000 Total Maintenance	\$2,848,117	\$0	\$2,848,117
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs	\$133,426		\$133,426
95300 Protective Services - Other	\$18,918		\$18,918
95500 Employee Benefit Contributions - Protective Services	\$0		\$0
95000 Total Protective Services	\$152,344	\$0	\$152,344
96110 Property Insurance	\$235,024		\$235,024
96120 Liability Insurance	\$153,116		\$153,116
96130 Workmen's Compensation	\$35,904		\$35,904
96140 All Other Insurance			
96100 Total insurance Premiums	\$424,044	\$0	\$424,044
96200 Other General Expenses	\$648,585		\$648,585
96210 Compensated Absences	\$49,086		\$49,086
96300 Payments in Lieu of Taxes	\$122,262		\$122,262
96400 Bad debt - Tenant Rents	\$45,808		\$45,808
96500 Bad debt - Mortgages	\$0		\$0
96600 Bad debt - Other	\$288		\$288

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	Subtotal	ELIM	Total
96800 Severance Expense	\$2,294		\$2,294
96000 Total Other General Expenses	\$868,323	\$0	\$868,323
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)	\$100,157		\$100,157
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$100,157	\$0	\$100,157
96900 Total Operating Expenses	\$10,843,899	-\$1,396,254	\$9,447,645
97000 Excess of Operating Revenue over Operating Expenses	\$8,118,652	\$0	\$8,118,652
97100 Extraordinary Maintenance	\$110,733		\$110,733
97200 Casualty Losses - Non-capitalized	\$37,987		\$37,987
97300 Housing Assistance Payments	\$4,958,551		\$4,958,551
97350 HAP Portability-In	\$6,150		\$6,150
97400 Depreciation Expense	\$2,571,344		\$2,571,344
97500 Fraud Losses	\$9,260		\$9,260
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$18,537,924	-\$1,396,254	\$17,141,670
10010 Operating Transfer In	\$110,517	-\$110,517	\$0
10020 Operating transfer Out	-\$110,517	\$110,517	\$0
10030 Operating Transfers from/to Primary Government	\$0		\$0

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 06/30/2017

	Subtotal	ELIM	Total
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)	-\$719,462		-\$719,462
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	-\$719,462	\$0	-\$719,462
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$294,835	\$0	-\$294,835
11020 Required Annual Debt Principal Payments	\$123,637		\$123,637
11030 Beginning Equity	\$35,011,660		\$35,011,660
11040 Prior Period Adjustments, Equity Transfers and Correction	-\$1,557,338		-\$1,557,338
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity	-\$81,411		-\$81,411
11180 Housing Assistance Payments Equity	\$99,904		\$99,904
11190 Unit Months Available	31494		31494

Trumbull Metropolitan Housing Authority (OH008)

WARREN, OH

Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single

Audit Fiscal Year End: 06/30/2017

	Subtotal	ELIM	Total
11210 Number of Unit Months Leased	30590		30590
11270 Excess Cash	\$974,170		\$974,170
11610 Land Purchases	\$0		\$0
11620 Building Purchases	\$1,216,270		\$1,216,270
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0
11640 Furniture & Equipment - Administrative Purchases	\$0		\$0
11650 Leasehold Improvements Purchases	\$0		\$0
11660 Infrastructure Purchases	\$0		\$0
13510 CFFP Debt Service Payments	\$0		\$0
13901 Replacement Housing Factor Funds	\$0		\$0

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TRUMBULL METROPOLITAN HOUSING AUTHORITY
SCHEDULE OF FEDERAL AWARDS
JUNE 30, 2017

FEDERAL GRANTOR / PASS THROUGH GRANTOR PROGRAM TITLES	CFDA NUMBER	EXPENDITURES
U.S. Department of Housing and Urban Development		
Direct Program		
Low Rent Public Housing	14.850	\$3,374,516
Resident Opportunity and Supportive Services	14.870	67,865
Housing Choice Vouchers	14.871	5,654,424
Public Housing Capital Fund Program	14.872	1,384,332
PIH Family Self-Sufficiency Program	14.896	123,948
Pass Through City of Warren Community Development Department		
Community Development Block Grant	14.218	<u>1,590</u>
Total U.S. Department of HUD		<u>10,606,675</u>
U.S. Department of Labor		
Direct Program		
Youthbuild Program	17.274	243,427
Pass Through Trumbull County Department of Job And Family Services		
WIOA Youth Program	17.259	<u>264,003</u>
Total U.S. Department of Labor		<u>507,430</u>
Total Expenditure of Federal Award		<u>\$11,114,105</u>

TRUMBULL METROPOLITAN HOUSING AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Authority and is presented on the full accrual basis of accounting. The information in this schedule is presented 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.

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

NOTE B – SUBRECIPIENTS

The Authority provided no federal awards to subrecipients during the year ended March 31, 2017.

NOTE C – 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, 2017.

The Authority had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the year ended June 30, 2017.

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

Traditional Plan	2016	2015	2014	2013
Authority's Proportion of the Net Pension Liability	0.021977%	0.021621%	0.021793%	0.021793%
Authority's Proportionate Share of the Net Pension Liability	\$4,990,603	\$3,745,029	\$2,628,480	\$2,569,111
Authority's Covered-Employee Payroll	\$2,723,583	\$2,667,975	\$2,647,533	\$2,714,800
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	183.24%	140.37%	99.28%	94.63%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.25%	81.08%	86.45%	86.36%
Combined Plan	2016	2015	2014	2013
Authority's Proportion of the Net Pension (Asset)	0.011350%	0.011350%	0.012387%	0.012387%
Authority's Proportionate Share of the Net Pension (Asset)	(\$6,672)	(\$5,523)	(\$4,770)	(\$1,300)
Authority's Covered-Employee Payroll	\$41,808	\$41,625	\$47,550	\$37,508
Authority's Proportionate Share of the Net Pension (Asset) as a Percentage of its Covered Employee Payroll	15.96%	13.27%	10.03%	3.47%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	116.55%	116.90%	114.83%	104.33%

(1) - Information prior to 2013 is not available.

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

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Contractually Required Contributions</u>					
Traditional Plan	346,763	326,830	320,157	317,704	352,924
Combined Plan	<u>5,695</u>	<u>5,017</u>	<u>4,995</u>	<u>5,706</u>	<u>4,876</u>
Total Required Contributions	\$352,458	\$331,847	\$325,152	\$323,410	\$357,800
Contributions in Relation to the Contractually Required Contribution	<u>(\$352,458)</u>	<u>(\$331,847)</u>	<u>(\$325,152)</u>	<u>(\$323,410)</u>	<u>(\$357,800)</u>
Contribution Deficiency / (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Authority's Covered-Employee Payroll</u>					
Traditional Plan	2,782,278	\$2,723,583	\$2,667,975	\$2,647,533	\$2,714,800
Combined Plan	45,694	\$41,808	\$41,625	\$47,550	\$37,508
<u>Pension Contributions as a Percentage of Covered-Employee Payroll</u>					
Traditional Plan	12.00% / 13.00% *	12.00%	12.00%	12.00%	13.00%
Combined Plan	12.00% / 13.00% *	12.00%	12.00%	12.00%	13.00%

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Contractually Required Contributions</u>					
Traditional Plan	268,909	279,180	231,050	[1]	[1]
Combined Plan	<u>2,551</u>	<u>2,663</u>	<u>2,580</u>	[1]	[1]
Total Required Contributions	\$271,460	\$281,843	\$233,630	\$358,026	\$209,413
Contributions in Relation to the Contractually Required Contribution	<u>(\$271,460)</u>	<u>(\$281,843)</u>	<u>(\$233,630)</u>	(\$358,026)	(\$209,413)
Contribution Deficiency / (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Authority's Covered-Employee Payroll</u>					
Traditional Plan	\$2,689,090	\$2,791,800	\$2,567,222	[1]	[1]
Combined Plan	\$32,088	\$33,497	\$26,407	[1]	[1]
<u>Pension Contributions as a Percentage of Covered-Employee Payroll</u>					
Traditional Plan	10.00%	10.00%	9.00%	8.50%	7.00%
Combined Plan	7.95%	7.95%	9.77%	9.27%	8.10%

(1) – Information prior to 2010 is not available for classification of OPERS contributions by plan. Total contributions reported include any amounts contributed to the Member-Directed plan.

* Contribution rate increased to 13.00% as of January 1, 2017.

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

Board of Commissioners
Trumbull Metropolitan Housing Authority

I 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, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Trumbull Metropolitan Housing Authority, Ohio's basic financial statements, and have issued my report thereon dated December 22, 2017. My report includes a reference to other auditors who audited the financial statements of The Warren Housing Development Corporation and Western Reserve Housing Development Corporation, as described in my report on the Trumbull Metropolitan Housing Authority financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Trumbull Metropolitan Housing Authority, Ohio's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Trumbull Metropolitan Housing Authority, Ohio's, internal control. Accordingly, I do not express an opinion on the effectiveness of Trumbull Metropolitan Housing Authority, Ohio'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 entity'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.

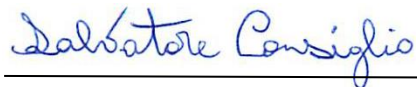
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify 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 Trumbull Metropolitan Housing Authority, Ohio's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Salvatore Consiglio, CPA, Inc.
North Royalton, Ohio
December 22, 2017



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REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Commissioners
Trumbull Metropolitan Housing Authority

Report on Compliance for Each Major Federal Program

I have audited Trumbull Metropolitan Housing Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Trumbull Metropolitan Housing Authority's major federal programs for the year ended June 30, 2017. 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of Trumbull Metropolitan Housing Authority's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 I considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In my opinion, 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, 2017.

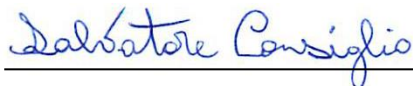
Report on Internal Control over Compliance

Management of the Trumbull Metropolitan Housing 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 my audit of compliance, I 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, I 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.

My 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. I did not identify any deficiencies in internal control over compliance that I 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 my testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Salvatore Consiglio, CPA, Inc.
North Royalton, Ohio
December 22, 2017

Trumbull Metropolitan Housing Authority
Schedule of Findings
2 CFR § 200.515
June 30, 2017

1. SUMMARY OF AUDITOR'S RESULTS

Type of Financial Statement Opinion	Unmodified
Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
Were there any reported material noncompliance at the financial statement level (GAGAS)?	No
Were there any material weaknesses in internal control reported for major federal programs?	No
Were there any significant deficiencies in internal control reported for major federal programs?	No
Type of Major Programs' Compliance Opinion	Unmodified
Are there any reportable findings under 2 CFR § 200.516(a)?	No
Major Programs (list):	CFDA # 14.850 Low Rent Public Housing Program
Dollar Threshold: Type A/B Programs	Type A: > \$750,000 Type B: All Others
Low Risk Auditee under 2 CFR § 200.520?	Yes

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

There are no Findings or questioned costs for the year ended June 30, 2017.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There are no Findings or questioned costs for the year ended June 30, 2017.

Trumbull Metropolitan Housing Authority
Schedule of Prior Audit Findings
June 30, 2017

The audit report for the fiscal year ending June 30, 2016 contained no audit finding.



Dave Yost • Auditor of State

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 30, 2018