Certified Public Accountants, A.C.

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
TUSCARAWAS COUNTY
SINGLE AUDIT
FOR THE YEAR ENDED MARCH 31, 2022

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1907 Grand Central Ave.
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304 422 2203

150 W. Main St., #A
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OHIO AUDITOR OF STATE
KEITH FABER

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(800) 282-0370

Board of Commissioners
Tuscarawas Metropolitan Housing Authority
134 Second Street, NW
New Philadelphia, Ohio 44663

We have reviewed the *Independent Auditor's Report* of the Tuscarawas Metropolitan Housing Authority, Tuscarawas County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period April 1, 2021 through March 31, 2022. 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 Tuscarawas Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

November 30, 2022

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TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
TUSCARAWAS COUNTY
FOR THE YEAR ENDED MARCH 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Tuscarawas Metropolitan Housing Authority
Tuscarawas County
134 Second Street SW
New Philadelphia, Ohio 44663

To the Board of Commissioners:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the **Tuscarawas Metropolitan Housing Authority**, Tuscarawas County, Ohio (the Authority), as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying 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 Tuscarawas Metropolitan Housing Authority, Tuscarawas County, Ohio as of March 31, 2022, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Tuscarawas Affordable Housing One, LLC, which represent 99%, 98%, and 100% of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units as of March 31, 2022, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and in our opinion, insofar as it relates to the amount included for the Tuscarawas Affordable Housing One, LLC, is based solely on the report of other auditors.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Financial Data Schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2022, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Perry & Associates CPA's A.C.

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

November 11, 2022

The Tuscarawas Metropolitan Housing Authority's (the "Authority") Management's Discussion and Analysis is designed to **a)** assist the reader in focusing on significant financial issues, **b)** provide an overview of the Authority's financial activity, **c)** identify changes in the Authority's financial position (its ability to address the next and subsequent fiscal year challenges), and **d)** identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year activities, resulting changes and current known facts, please read it in conjunction with the Authority's financial statements, which begin on page 15.

Financial Highlights

The current year financial highlights were separated to identify changes in the Tuscarawas Metropolitan Housing Authority and its component units separately.

- During fiscal year 2022, the Authority's net position increased by $82,141 and the component units decreased by $9,772.
- The Authority's revenue decreased by $61,388 and its component unit's revenue decreased by $9,394.
- Total expenses of the Authority increased by $110,019 and the component unit's expenses increased by $17,538.

Using This Annual Report

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

MD&A
~Management's Discussion
and Analysis ~

Basic Financial Statement
~Statement of Net Position ~
~Statement of Revenue, Expenses, and Change in Net Position ~
~Statement of Cash Flows ~
~ Notes to Basic Financial Statements ~

Required Supplementary Information
~ Pension and OPEB Schedules ~

Other Supplementary Information
~Schedule of Expenditure of Federal Awards~
~ Financial Data Schedule ~

The primary focus of the Authority's financial statement is on the Authority as a whole (Authority-wide).

Authority-Wide Financial Statements

The Authority-wide financial statements on pages 15 through 17 are designed to be corporate-like in that all business type activities are consolidated into columns, which add to a total for the entire Authority. The financial statements of the Authority include component units which are more fully discussed in the Notes to the Basic Financial Statements.

The statements include a Statement of Net Position, which is similar to a balance sheet. The Statement of Net Position reports all financial and capital resources for the Authority. The statement is presented in the format where assets and deferred outflows minus liabilities and deferred inflows equal Net Position, formerly known as equity. Assets and liabilities are presented in order of liquidity and are classified as "current" (convertible into cash within one year) and "non-current".

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

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

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

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

The Authority-wide financial statements also include a Statement of Revenues, Expenses, and Changes in Net Position, which is similar to an Income Statement. This statement includes operating revenues, such as rental income, operating expenses, such as administrative, utilities, maintenance, and depreciation, and non-operating revenues and expenses, such as grant revenue, investment income, and interest expense.

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

Finally, a Statement of Cash Flows on page 17 is included, which discloses net cash provided by, or used for operating activities, investing activities, and from capital and related financing activities.

Fund Financial Statements

The Authority is accounted for on a single enterprise fund. Enterprise fund utilizes the full accrual basis of accounting. The enterprise method of accounting is similar to accounting utilized by the private sector accounting.

Some of the programs operated by the Authority are required to be reported separately by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

The Authority's Programs

<u>Business-Type Program</u>
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 made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30 percent of adjusted household income.

<u>*Other Programs*</u>
In addition to the program above, the Authority also operates the following programs:

- Business Activities - represents non-HUD resources primarily from housing management services.

<u>Component Units</u>

- Tuscarawas Affordable Housing Services Corporation is a not-for-profit corporation that provides low- moderate income housing services.
- Tuscarawas Affordable Housing One, LLC - a limited liability corporation that owns and manages Clay Village Apartments.

Authority-Wide Statements

The following is a condensed **Statement of Net Position** compared to prior year-end. Tuscarawas Metropolitan Housing Authority is engaged only in business-type activities.

Primary Government

	2022	2021
Assets		
Current Assets	$ 553,019	$ 580,998
Noncurrent Assets	183,850	183,413
Deferred Outflows of Resources	38,158	38,266
Total Assets and Deferred Outflows of Resources	$ 775,027	$ 802,677
Liabilities		
Current Liabilities	$ 38,624	$ 59,379
Long-Term Liabilities	433,568	545,190
Total Liabilities	472,192	604,569
Deferred Inflows of Resources	184,815	162,229
Net Position		
Investment in Capital Assets	(14,040)	(8,039)
Restricted	91,325	88,926
Unrestricted	40,735	(45,008)
Total Net Position	118,020	35,879
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 775,027	$ 802,677

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

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Component Units

	2022	2021
Assets		
Current Assets	$ 166,120	$ 171,937
Capital Assets	886,037	915,453
Total Assets	$ 1,052,157	$ 1,087,390
Liabilities		
Current Liabilities	$ 189,760	$ 187,186
Long-Term Liabilities	1,276,185	1,304,220
Total Liabilities	1,465,945	1,491,406
Net Position		
Net Investment in Capital Assets	(418,184)	(414,398)
Restricted	126,249	115,727
Unrestricted	(121,853)	(105,345)
Total Net Position	(413,788)	(404,016)
Total Liabilities and Net Position	$ 1,052,157	$ 1,087,390

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

Major Factors Affecting the Statement of Net Position

Total assets and deferred outflows of resources of the Authority decreased by $27,650 and total liabilities and deferred inflows of resources decreased by $109,791. The decrease in assets was mainly due to less housing assistance money received from HUD that was not spent and the change in OPEB calculation. The decrease in total liabilities and deferred inflows of resources is mainly due to change in GASB 68 and GASB 75 and the pay down of debt.

The assets of the Authority's component units decreased by $35,233 and the liabilities decreased by $25,461. The decrease in assets was due to decrease in capital assets due to current year depreciation expense. The decrease in liabilities is due to reduction in debt for current year principal payment.

Table 2 presents details on the change in Net Position.

Primary Government

	Investment in Capital Assets	Restricted Net Position	Unrestricted Net Position
Beginning Balance - March 31, 2021	$ (8,039)	$ 88,926	$ (45,008)
Results of Operation	0	2,399	79,742
Adjustments:			
Current year Depreciation Expense (1)	(16,901)	0	16,901
Current year Debt Activities, Net	10,900	0	(10,900)
Ending Balance - March 31, 2022	$ (14,040)	$ 91,325	$ 40,735

Component Units

	Investment in Capital Assets	Restricted Net Position	Unrestricted Net Position
Beginning Balance - March 31, 2021	$ (414,398)	$ 115,727	$ (105,345)
Results of Operation	0	10,522	(20,294)
Adjustments:			
Current year Depreciation Expense (1)	(43,455)	0	43,455
Capital Expenditure	14,039	0	(14,039)
Current year Debt Activities, Net	25,630	0	(25,630)
Ending Balance - March 31, 2022	$ (418,184)	$ 126,249	$ (121,853)

(1) Depreciation is treated as an expense and reduces the results of operations but does not have an impact on unrestricted net position.

While the result of operations is a significant measure of the Authority's activities, the analysis of the changes is unrestricted net position provides a clearer change in financial well-being.

The following schedule reflects the condensed Statement of Revenues, Expenses, and Changes in Net Position compared to prior year and compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged in only business-type activities.

Primary Government

	2022	2021
Revenues		
Operating Subsidies	$ 2,822,206	$ 2,912,377
Investment Income	3	2
Other Revenues	80,562	51,780
Total Revenues	**2,902,771**	**2,964,159**
Expenses		
Administrative	279,591	175,014
Tenant Services	53,776	51,130
Utilities	4,894	4,541
Maintenance	4,119	2,275
General and Interest Expenses	7,605	11,715
Housing Assistance Payments	2,453,744	2,444,879
HAP Portability -In	-	4,156
Depreciation	16,901	16,901
Total Expenses	**2,820,630**	**2,710,611**
Net Increases (Decreases)	**$ 82,141**	**$ 253,548**

Component Units

	2022	2021
Revenues		
Total Tenant Revenues	$ 189,635	$ 198,962
Investment Income	6	73
Total Revenues	**189,641**	**199,035**
Expenses		
Administrative	39,843	35,232
Utilities	33,897	34,511
Maintenance	54,282	40,129
General and Interest Expenses	27,936	29,053
Depreciation	43,455	42,950
Total Expenses	**199,413**	**181,875**
Net Increases (Decreases)	**$ (9,772)**	**$ 17,160**

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

The revenue of the Primary Government decreased by $61,388. The decrease was due a decrease in operating subsidies from HUD.

The component units' revenue decreased by $9,394 due to tenant revenues.

Total expenses for the Primary Government increased by $110,019 for the fiscal year. The main reason for the increase is change in GASB 68 and 75 liability.

The component unit expenses increase for the year by $17,538. The increase is due to an increase in maintenance expenses.

Capital Assets

As of March 31, 2022, the Authority had $144,260 invested in capital assets and the component units had $886,037 as reflected in the following schedule, which represents a net decrease (additions, disposals, and depreciation) of $16,901 for the Primary Government and $29,416 for the component units in comparison with prior year.

Primary Government

	2022	2021
Land and Land Rights	$ 30,000	$ 30,000
Buildings and Improvements	446,322	446,322
Equipment	70,087	70,087
Accumulated Depreciation	(402,149)	(385,248)
Total	$ 144,260	$ 161,161

Component Units

	2021	2020
Land and Land Rights	$ 100,000	$ 100,000
Buildings	1,500,048	1,500,048
Equipment	68,704	54,665
Accumulated Depreciation	(782,715)	(739,260)
Total	$ 886,037	$ 915,453

The following reconciliation summarizes the change in capital assets, which is presented in detail on page 23 of the notes.

	Primary Government	Component Units
Beginning Balance - March 31, 2021	$ 161,161	$ 915,453
Current year Additions	-	14,039
Current year Depreciation Expense	(16,901)	(43,455)
Ending Balance - March 31, 2022	$ 144,260	$ 886,037
Current year additions are summarized as follows:		
- Equipment	$ -	$ 14,039
Total 2022 Additions	$ -	$ 14,039

Debt

The Authority's debt was reduced by $10,900 and the component unit debt decreased by $25,630 during fiscal year 2022. Following is a comparison of the debt outstanding at year end 2022 and year end 2021.

	Primary Government	Component Units
Beginning Balance - March 31, 2021	$ 169,200	$ 1,329,851
Current Year Debt Issued	-	-
Current Year Principal Payments	(10,900)	(25,630)
Ending Balance - March 31, 2022	$ 158,300	$ 1,304,221

Economic Factors

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wage rates
- Local inflationary, recession, and employment trends, which can affect resident incomes and therefore the amount of housing assistance
- Inflationary pressure on utility rates, supplies, and other costs.
- Unknown financial and operational impacts as well as impacts to federal programs because of the COVID-19 pandemic.

Financial Contact

The individual to be contacted regarding this report is Martin Howell, Executive Director for the Tuscarawas Metropolitan Housing Authority, at (330) 308-8099. Specific requests may be submitted to the Authority at 134 2nd Street SW, New Philadelphia, Ohio 44663.

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
Statement of Net Position
Proprietary Funds
March 31, 2022

	Primary Government	Component Units
ASSETS		
Current assets		
Cash and cash equivalents	$216,358	$16,000
Restricted cash and cash equivalents	205,169	141,455
Receivables, net	124,112	1,218
Prepaid expenses and other assets	7,380	7,447
Total current assets	**553,019**	**166,120**
Noncurrent assets		
Capital assets:		
Land	30,000	100,000
Building and equipment	516,409	1,568,752
Less accumulated depreciation	(402,149)	(782,715)
Capital assets, net	144,260	886,037
Other noncurrent assets	39,590	0
Total noncurrent assets	***183,850***	***886,037***
Deferred Outflows of Resources		
Pension	35,690	0
OPEB	2,468	0
Total deferred outflows of resources	***38,158***	***0***
Total Assets and Deferred Outflows of Resources	**$775,027**	**$1,052,157**
LIABILITIES		
Current liabilities		
Accounts payable	$14,051	$5,725
Accrued liabilities	13,273	2,076
Intergovernmental payables	0	15,351
Tenant security deposits	0	15,206
Bonds, notes, and loans payable	11,300	28,036
Other current liabilities	0	123,366
Total current liabilities	***38,624***	***189,760***
Noncurrent liabilities		
Bonds, notes, and loans payable	147,000	1,276,185
Accrued compensated absences non-current	54,573	0
Net pension liability payable	118,151	0
Net OPEB liability payable	113,844	0
Total noncurrent liabilities	***433,568***	***1,276,185***
Total liabilities	**472,192**	**1,465,945**
Deferred Inflows of Resources		
Pension	143,128	0
OPEB	41,687	0
Total deferred inflows of resources	**184,815**	**0**
NET POSITION		
Net investment in capital assets	(14,040)	(418,184)
Restricted net position	91,325	126,249
Unrestricted net position	40,735	(121,853)
Total net position	**118,020**	**(413,788)**
Total liabilities, Deferred Inflows and net position	**$775,027**	**$1,052,157**

See accompanying notes to the basic financial statements.

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended March 31, 2022

	Primary Government	Component Units
OPERATING REVENUES		
Tenant Revenue	$0	$189,635
Government operating grants	2,822,206	0
Other revenue	80,562	0
Total operating revenues	**2,902,768**	**189,635**
OPERATING EXPENSES		
Administrative	279,591	39,843
Tenant Services	53,776	0
Utilities	4,894	33,897
Maintenance	4,119	54,282
General	(221)	23,112
Housing assistance payment	2,453,744	0
Depreciation	16,901	43,455
Total operating expenses	***2,812,804***	***194,589***
Operating income (loss)	**89,964**	**(4,954)**
NONOPERATING REVENUES (EXPENSES)		
Interest and investment revenue	3	6
Interest expense	(7,826)	(4,824)
Total nonoperating revenues (expenses)	***(7,823)***	***(4,818)***
Change in net position	82,141	(9,772)
Total net position, Beginning of Year	35,879	(404,016)
Net Position, End of Year	**$118,020**	**($413,788)**

See accompanying notes to the basic financial statements.

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
Statement of Cash Flows
Proprietary Funds
For the Year Ended March 31, 2022

	Primary Government	***Component Units***
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating grants received	$2,825,510	$0
Tenant revenue received	0	189,635
Other revenue received	80,562	0
General and administrative expenses paid	(460,323)	(151,328)
Housing assistance payments	(2,453,744)	0
Net cash provided (used) by operating activities	**(7,995)**	**38,307**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Retirement of debt	(10,900)	(25,630)
Interest paid on Debt	(7,826)	(4,824)
Property and equipment purchased, net	0	(14,039)
Net cash provided (used) by capital and related financing activities	**(18,726)**	**(44,493)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned	3	6
Net cash provided (used) by investing activities	3	6
Net increase (decrease) in cash	(26,718)	(6,180)
Cash and cash equivalents - Beginning of year	448,245	163,635
Cash and cash equivalents - End of year	**$421,527**	**$157,455**
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Net Operating Income (Loss)	$89,964	($4,954)
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities		
- Depreciation	16,901	43,455
- (Increases) Decreases in Accounts Receivable	3,304	0
- (Increases) Decreases in Prepaid Assets	(2,043)	(363)
- (Increases) Decreases in Deferred Outflows	108	0
- Increases (Decreases) in Accounts Payable	2,768	2,146
- Increases (Decreases) in Intergovernmental Payable	0	(279)
- Increases (Decreases) in Accrued Payable	(2,736)	54
- Increases (Decreases) in Other Current Liabilities	0	(745)
- Increases (Decreases) in FSS Escrow	0	0
- Increases (Decreases) in Tenant Security Deposits	0	(1,007)
- Increases (Decreases) in Compensated Absence	(4,378)	0
- Increases (Decreases) in Deferred Inflows	22,586	0
- Increases (Decreases) in Pension Liability	(80,422)	0
- Increases (Decreases) in OPEB Liability	(15,522)	0
- Increases (Decreases) in Unearned Revenue	(21,187)	0
Net cash provided by operating activities	**($7,995)**	**$38,307**

See accompanying notes to the basic financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Summary of Significant Accounting Policies

The financial statements of the Tuscarawas Metropolitan Housing Authority (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

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

The accompanying financial statements comply with the provision of Governmental Accounting Standards Board (GASB) Statement 14, the Financial Reporting Entity, in that the financial statements include all organizations, activities and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

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

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

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

The accompanying financial statements present the Authority's primary government and the two component units, Tuscarawas Affordable Housing Service Corp. and Tuscarawas Affordable Housing One, LLC, over which the Authority exercises, significant influence.

Component Units

The component units are reported in the Authority financial statements as shown below:

Discretely Presented Component Unit	*Brief Description and Relationship*
Tuscarawas Affordable Housing Service Corp.	A not-for-profit (IRS section 501(c) (3)) corporation created for the purpose of providing low and moderate-income housing. Tuscarawas Metropolitan Housing Authority staff operates and manages the units. Four of the five Board Members are the same for both Agencies.

Discretely Presented Component Unit	*Brief Description and Relationship*
Tuscarawas Affordable Housing One, LLC	A limited liability corporation created for the purpose of ownership and management of Clay Village Apartments. Tuscarawas Affordable Housing One, LLC's fiscal year is a December 31 year end. The financial statements reflected in this report are for the fiscal year ending December 31, 2021.

Basis of Presentation

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

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.

The Authority's basic financial statements consist of a statement of net position, a statement of revenue, expenses and changes in net position, and a statement of cash flows. The statements are prepared on the accrual basis of accounting.

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

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

Fund Accounting

The Authority uses the proprietary fund to report on its financial position and the results of its operations for the HUD programs. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

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

Proprietary Fund Types

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

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

Description of programs

The following are the various programs which are included in the single enterprise fund:

A. *Housing Choice Voucher Program*

The Housing Choice Voucher Program was authorized by Section 8 of the National Housing Act and provides housing assistance payments to private, not-for-profit or public landlords to subsidize rentals for low-income persons.

B. *Shelter Plus Care Program*

The Shelter Plus Care Program provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. The agency assists the ADAMHS Board administer this program.

C. *Business Activities*

Represents non-HUD resources primarily from housing management services.

D. *Component Units*

- Tuscarawas Affordable Housing Services Corporation is a not-for-profit corporation that provides low and moderate income housing services.
- Tuscarawas Affordable Housing One, LLC - a limited liability corporation that owns and manages Clay Village Apartments.

E. *Community Home Improvement Program*
Under this program, Tuscarawas Metropolitan Housing Authority assists the City of New Philadelphia, the City of Dover, and Tuscarawas County with the administration of their tenant based rental assistance programs.

Investments
Investments are restricted by the provisions of the HUD Regulations. The Primary Government had $3 interest earned in the fiscal year. The interest income earned by Component Units for the period totaled $6.

Capital Assets
Capital assets are stated at cost. The capitalization policy of the Authority is to depreciate all non-expendable personal property having a useful life of more than one year and purchase price of $1,000 or more per unit. Depreciation is computed using the straight-line method over the following estimated useful lives:

Buildings	30 year
Buildings Improvements	10 years
Furniture, equipment and machinery	3-7 years

Net Position
Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. The restricted component of net position is reported when there are limitations imposed on their use by creditors, grantors, or laws or regulations of other governments. The Authority applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted amounts are available.

Operating Revenues and Expenses
Operating revenues and expenses are those revenues that are generated directly from the primary activities of the proprietary fund and expenses incurred for the day to day operation. For the Authority, operating revenues are tenant rent charges, operating subsidy from HUD and other miscellaneous revenue.

Capital Contributions
This represents contributions made available by HUD with respect to all federally aided projects under an annual contribution contract.

Cash and Cash Equivalents
For the purpose of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less.

Restricted Cash

Restricted cash balance as of March 31, 2022 for the primary government and December 31, 2021, for the component unit represents cash on hand for the following:

	Primary Government	Component Units
FSS Escrow Funds held for Tenants	$ 113,844	$ 0
Reserve for Taxes and Insurance	0	5,725
Reserve for Replacements	0	120,524
Tenant Security Deposit	0	15,206
Cash on Hand Advances from HUD to be used for Tenants Housing Assistance Payments	91,325	0
Total Restricted Cash	$ 205,169	$ 141,455

Compensated Absences

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

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

In the proprietary fund, the compensated absences are expensed when earned with the amount reported as a fund liability.

Estimates

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

Deferred Outflow and Inflows of Resources
In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For the Authority, deferred outflows of resources are reported on the statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Note 5 and 6.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Authority, deferred inflows of resources are reported on the statement of net position for pension and OPEB. The deferred inflows of resources related to pension and OPEB plans are explained in Notes 5 and 6.

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

NOTE 2: DEPOSITS AND INVESTMENTS

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

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

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

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

Protection of the Authority deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

At fiscal year end March 31, 2022, the carrying amount of the Authority's deposits totaled $421,527 (includes $100 of petty cash) and its bank balance was $425,789. Based on the criteria described in GASB Statement No. 40, *"Deposit and Investment Risk Disclosure,"* as of March 31, 2022, all deposits were covered by the Federal Depository Insurance Corporation.

Custodial credit risk is the risk that in the event of bank failure, the Authority will not be able to recover the deposits. All deposits, in excess of FDIC Coverage are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits.

Component Unit

The carrying amount of the Component Unit deposits was $157,455 as of December 31, 2021. It includes savings accounts and all certificates of deposit with original maturities of three months or less.

NOTE 3: RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year ending March 31, 2022 the Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage.

Settled claims have not exceeded this coverage in any of the last three years. There has been no significant reduction in coverage from last year.

NOTE 4*:* CAPITAL ASSETS

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

Primary Government

	Balance 03/31/21	Adjust	Additions	Deletion	Balance 03/31/22
Capital Assets Not Being Depreciated:					
Land	$30,000	$0	$0	$0	$30,000
Total Capital Assets Not Being Depreciated	**30,000**	**0**	**0**	**0**	**30,000**
Capital Assets Being Depreciated:					
Buildings	437,765	0	0	0	437,765
Furniture, Machinery and Equip.	70,087	0	0	0	70,087
Leasehold Improvement	8,557	0	0	0	8,557
Total Capital Assets Depreciated	516,409	0	0	0	516,409
Accumulated Depreciation:					
Buildings	(308,319)	0	(16,215)	0	(324,534)
Furniture, Machinery and Equip.	(68,372)	0	(686)	0	(69,058)
Leasehold Improvement	(8,557)	0	0	0	(8,557)
Total Accum Depreciation	**(385,248)**	**0**	**(16,901)**	**0**	**(402,149)**
Total Capital Assets Being Depreciated, Net	**131,161**	**0**	**(16,901)**	**0**	**114,260**
Total Capital Assets, Net	**$161,161**	**$0**	**($16,901)**	**$0**	**$144,260**

Component Units

	Balance 01/01/21	Adjust	Additions	Deletion	Balance 12/31/21
Capital Assets Not Being Depreciated:					
Land	$100,000	$0	$0	$0	$100,000
Total Capital Assets Not Being Depreciated	**100,000**	**0**	**0**	**0**	**100,000**
Capital Assets Being Depreciated:					
Buildings	1,500,048	0	0	0	1,500,048
Furnit, Machinery and Equip	54,665	0	14,039	0	68,704
Total Capital Assets Being Depreciated	1,554,713	0	14,039	0	1,568,752
Accumulated Depreciation	(739,260)	0	(43,455)	0	(782,715)
Total Capital Assets Being Depreciated, Net	**815,453**	**0**	**(29,416)**	**0**	**786,037**
Total Capital Assets, Net	**$915,433**	**$0**	**($29,416)**	**$0**	**$886,037**

NOTE 5: DEFINED BENEFIT PENSION PLAN

Net Pension Liability

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

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

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

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

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' annual report referenced above for additional information):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 62 with 5 years of service credit or Age 57 with 25 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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

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

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.

A death benefit of $500 - $2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Tradition pension plan and the Combined Plan.

The OPERS Board of Trustees approved a proposal at its October 2019 meeting to create a new tier of membership in the OPERS traditional pension plan. OPERS currently splits its non-retired membership into Group A, B or C depending on age and service criteria. Retirement Group D would consist of OPERS contributing members hired in 2022 and beyond. Group D will have its own eligibility standards, benefit structure and unique member features designed to meet the changing needs of Ohio public workers. It also will help OPERS address expected investment market volatility and adjust to the lack of available funding for health care.

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

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

	State and Local
The Statutory Maximum Contribution Rates:	
- Employer	14.00%
- Employee	10.00%

With the assistance of the System's actuary and Board approval, a portion of each employer contribution to OPERS may be set aside for the funding of post-employment health care coverage. The portion of the Traditional Pension Plan employer contributions allocated to health care was 0.0 percent for 2021-2022.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution for pension was $27,956 for fiscal year ending March 31, 2022. Of this amount $2,142 is report with accrued wages and payroll taxes.

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

The net pension liability/(asset) was measured as of December 31, 2021, 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:

	Traditional Plan
Proportionate Share of Net Pension Liability	$118,151
Proportion of the Net Pension Liability	
- Prior Measurement Date	0.001341%
- Current Meassurement Date	0.001358%
Change in Proportion from Prior	0.000017%
Pension Expense (Income)	($44,685)

On March 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional Plan
Deferred Outflows of Resources	
Assumption Changes	$14,775
Difference between expected and actual experience	6,023
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	7,395
Authority contributions subsequent to the measurement date	7,497
Total Deferred Outflows of Resources	$35,690

	Traditional Plan
Deferred Inflows of Resources	
Net Difference between projected and actual earning on pension plan investments	$140,537
Difference between expected and actual experience	2,591
Total Deferred Inflows of Resources	$143,128

$7,497 reported as deferred outflows of resources related to pension resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending March 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Traditional Plan
Fiscal Year Ending March 31:	
2023	$ (11,788)
2024	(47,745)
2025	(33,046)
2026	(22,356)
Total	$ (114,935)

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, 2021, using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67.

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

Actuarial Information	Traditional Plan
Measurement and Valuation Date	December 31, 2021
Experience Study	5-year ended 12/31/2020
Actuarial Cost Method	Individual entry age
Actuarial Assumption:	
Investment Rate of Return	6.9%
Wage Inflation	2.75%
Future Salary Increases, including inflation 2.75%	2.75 - 10.75 %
Cost-of-Living Adjustment	Pre 01/07/13 Retirees: 3% Simple Post 01/07/13 Retirees: 3.0% Simple through 2022, then 2.05% Simple

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

The discount rate used to measure the total pension liability was 6.9% for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. 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 benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation as of December 31, 2021	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	24.00%	1.03%
Domestic Equities	21.00%	3.78%
Real Estate	11.00%	3.66%
Private Equity	12.00%	7.43%
International Equities	23.00%	4.88%
Risk Parity	5.00%	2.92%
Other Investments	4.00%	2.85%
TOTAL	100.00%	4.21%

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 15.3% for 2021.

The following table presents the net pension liability or asset calculated using the discount rate of 6.9%, and the expected net pension liability or asset if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate.

	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
Authority's proportionate share of the net pension liability			
- Traditional Pension Plan	$311,512	$118,151	$42,750

Changes Between Measurement Date and Report Date

Subsequent to December 31, 2021, the global economy was impacted by the COVID-19 pandemic and market volatility increased significantly. It is likely that 2022 investment market conditions and other economic factors will be negatively impacted; however, the overall impact on the OPERS investment portfolio and funding position is unknown at this time.

NOTE 6: POSTEMPLOYMENT BENEFITS

Net OPEB Liability / Asset

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

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

Ohio Revised Code limits the Authority's obligation for this liability to annually required payments. The Authority cannot control benefit terms or the manner in which OPEB are financed; however, the Authority does receive the benefit of employees' services in exchange for compensation including OPEB. GASB 75 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 OPEB plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each OPEB plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net OPEB liability / asset. Resulting adjustments to the net OPEB liability / asset 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 OPEB liability / asset on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' annual report referenced below for additional information. The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code. Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care. Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2021. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2022 remained at 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2021 was 4.0 percent. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution was $0 for the year ending March 31, 2022.

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

The total OPEB liability were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB liability/asset was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	Health Care Plan
Proportionate Share of Net OPEB Asset	$39,590
Proportion of the Net OPEB Liability	
- Prior Measurement Date	0.0012490%
- Current Meassurement Date	0.0012640%
Change in Proportion from Prior	0.000015%
OPEB Expense (Revenue)	($30,381)

On March 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Health Care Plan
Deferred Outflows of Resources	
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	$2,468
Total Deferred Outflows of Resources	$2,468

Deferred Inflows of Resources	
Net Difference between projected and actual earning on pension plan investments	$18,874
Assumption Changes	16,026
Difference between expected and actual experience	6,005
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	782
Total Deferred Inflows of Resources	$41,687

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Health Care Plan
Fiscal Year Ending March 31:	
2023	$ (23,342)
2024	(9,042)
2025	(4,124)
2026	(2,711)
Total	$ (39,219)

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 health care costs 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 coverage provided at the time of each valuation and the historical pattern of sharing of costs between the System and plan members. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review 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.

The actuarial valuation used the following key actuarial assumptions and methods, reflecting experience study results, applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Actuarial Information	
Actuarial Valuation Date	December 31, 2020
Rolled-Forward Measurement Date	December 31, 2021
Experianse Study	5-Year Period Ended December 31, 2020
Actuarial Cost Method	Individual entry age
Actuarial Assumptions	
Single Discount Rate	6.00%
Investment Rate of Return	6.00%
Municipal Bond Rate	1.84%
Wage Inflation	2.75%
Future Salary Increases, including inflation 2.75%	2.75 - 10.75%
Health Care Cost Trend Rate	5.5% initial, 3.5% ultimate in 2034

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

A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 1.84%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2121. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation as of December 31, 2021	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	34.00%	0.91%
Domestic Equities	25.00%	3.78%
REITs	7.00%	3.71%
International Equities	25.00%	4.88%
Risk Parity	2.00%	2.92%
Other Investments	7.00%	1.93%
TOTAL	100.00%	3.45%

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.3% for 2021.

The following table presents the net OPEB liability or asset calculated using the single discount rate of 6.00%, and the expected net OPEB liability or asset if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current rate.

	1% Decrease (5.00%)	Single Discount Rate (6.00%)	1% Increase (7.00%)
Authority's proportionate share of the net OPEB asset	$23,283	$39,590	$53,126

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

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB asset	$40,018	$39,590	$39,083

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2022 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

NOTE 7: LONG-TERM OBLIGATIONS

Tuscarawas Metropolitan Housing Authority (Primary Government)

In the fiscal year ending March 31, 2003, the Authority issued $300,000 mortgage revenue bond, for a 30 year period, series 2002, for the purpose of paying part of the cost of a construction of an office addition to the administration building. In addition the bonds issued were also used to refinance the existing mortgage loan of $89,974 for the purchase of the administration building. The outstanding principal amount shall bear interest at the rate of 4.625 percent, calculated on a basis of actual number of days and a 365 day year.

The project was fully completed in February 2004 and the loan commenced on November 1, 2003.

The following is a summary of changes in long-term obligations for the year ended March 31, 2022:

DESCRIPTION	Balance 03/31/21	Additions	Deletions	Balance 03/31/22	Due Within One Year
Mortgage Payable	$169,200	$0	$10,900	$158,300	$11,300
Compensated Absences	60,658	0	4,665	55,993	1,707
Net Pension Liability	198,573	0	80,422	118,151	0
Non-Current Other - FSS Escrow	129,366	78,774	94,296	113,844	0
Total Primary Government	$557,797	$78,774	$190,283	$446,288	$13,007

Debt maturities are as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL
2023	$ 11,300	$ 7,321	$ 18,621
2024	11,900	6,799	18,699
2025	12,500	6,248	18,748
2026	13,000	5,670	18,670
2027	13,600	5,069	18,669
2028-2032	78,100	15,394	93,494
2033	17,900	828	18,728
Total	$ 158,300	$ 47,329	$ 205,629

Tuscarawas Affordable Housing One, LLC (Component Unit):

On December 9, 2002, Tuscarawas Affordable Housing One, LLC assumed an outstanding loan balance of $1,163,986 from an original loan of $1,197,000 from Clay Village, Ltd. Partnership for the purchase of Clay Village Apartment building.

The mortgage note is collateralized by the land, building and improvements, equipment and furnishings. The note bears interest at the rate of 9% per annum. Principal and interest are payable in monthly installments of $9,132 reduced to $2,554 (effective 1 percent interest rate) by USDA - Rural Development interest subsidy program through 2037. The mortgage liability is limited to the underlying value of the collateral pledged.

Under the loan agreement with USDA - Rural Development, the project is required to make monthly reserve for replacement deposits, and is subject to operating and returns to owner restrictions.

As of December 31, 2021, the outstanding loan balance was $918,876. $918,876

On November 20, 2002, Tuscarawas Affordable Housing Services Inc. entered into a promissory note with Ohio Housing Finance Agency for $400,000 to finance the purchase and capital improvement to the Clay Village Apartment Project. The note was amended to add Tuscarawas Affordable Housing One, LLC (the project owner) and its share of the note amount was $254,625. Repayment on the note is only necessary in the event the property generates surplus cash. For the 2021 year, the Agency made a payment of $0. As of December 31, 2021, the outstanding loan balance was $239,970. 239,970

Tuscarawas Affordable Housing Services Inc. (Component Unit):

On November 20, 2002, Tuscarawas Affordable Housing Services Inc. entered into a promissory note with Ohio Housing Finance Agency for $400,000 to finance the purchase and capital improvement to the Clay Village Apartment Project. The note was amended to add Tuscarawas Affordable Housing One, LLC (the project owner). The note payable was then reported $254,625 by Tuscarawas Affordable Housing One, LLC and $145,375 by Tuscarawas Affordable Housing Service, Inc.

No Repayment is due on the amount reported.	145,375
Total Debt Payable	**$1,304,221**

The following is a summary of changes in long-term obligations for the period:

DESCRIPTION	Balance 01/01/2021	Additions	Deletions	Balance 12/31/2021	Due Within One Year
Tuscarawas Affordable Housing LLC:					
- USDA Rural Development	$944,506	$0	$25,630	$918,876	$28,036
- Ohio Housing Finance Agency	239,970	0	0	239,970	0
Tuscarawas Affordable Housing Services Inc.:					
- Ohio Housing Finance Agency	145,375	0	0	145,375	0
Total	**$1,329,851**	**$0**	**$25,630**	**$1,304,221**	**$28,036**

The following is a summary of debt maturity:

	Tuscarwas Affordable Housing LLC		Affordable Housing Services
Year	Rural Developme	OHFA	OHFA
2022	$ 28,036	$ 0	$ 0
2023	30,666	0	0
2024	33,542	0	0
2025	36,689	0	0
Thereafter	789,943	239,970	145,375
Total	**$918,876**	**$239,970**	**$145,375**

NOTE 8: COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuring emergency measures will impact subsequent periods of the Authority. The investments of the pension and other employee benefit plan in which the Authority participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Required Supplementary Information

Tuscarawas Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability
For the Fiscal Years Available

Traditional Plan	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.001358%	0.001341%	0.001226%	0.001373%	0.001292%	0.001490%	0.001458%	0.001474%
Authority's Proportionate Share of the Net Pension Liability	$ 118,151	$ 198,573	$ 242,327	$ 376,037	$ 202,690	$ 338,354	$ 252,544	$ 175,851
Authority's covered payroll	197,143	188,855	172,563	185,486	174,321	134,032	181,044	181,090
Authority's Proportionate share of the Net Pension Liability as a Percentage of its Covered Payroll	59.93%	105.15%	140.43%	202.73%	116.27%	252.44%	139.49%	97.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.54%

Amount presented based on the measurement periods ended December 31st
Information prior to 2014 is not available.

Tuscarawas Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority's Pension Contributions
For the Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution - Traditional Plan	$ 27,956	$ 26,607	$ 24,050	$ 27,436	$ 22,662	$ 16,084	$ 21,725	$ 21,731	$ 23,085	$ 19,629
Contributions in Relation to the Contractually Required Contribution	(27,956)	(26,607)	(24,050)	(27,436)	(22,662)	(16,084)	(21,725)	(21,731)	(23,085)	(19,629)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll	$ 199,689	$ 190,051	$ 171,786	$ 195,971	$ 174,321	$ 134,032	$ 181,044	$ 181,090	$ 176,221	$ 192,441
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.10%	10.20%

Tuscarawas Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net OPEB Liability/(Asset)
For the Fiscal Years Available

Traditional Plan	2021	2020	2019	2018	2017	2016
Authority's Proportion of the Net OPEB Liability/(Asset)	0.001264%	0.001249%	0.001142%	0.001279%	0.001200%	0.001233%
Authority's Proportionate Share of the Net OPEB Liability (Asset)	$ (39,590)	$ (22,252)	$ 157,740	$ 166,751	$ 130,311	$ 124,583
Authority's Covered Payroll	197,143	188,855	172,563	185,486	174,321	134,032
Authority's Proportionate share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	-20.08%	-11.78%	91.41%	89.90%	74.75%	92.95%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%	46.33%	54.14%	68.52%

Amount presented based on the measurement periods ended December 31st
Information prior to 2016 is not available.

Tuscarawas Metropolitan Housing Authority
Required Supplementary Information
Schedule of the Authority's OPEB Contributions
For the Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution - Traditional Plan	$ -	$ -	$ -	$ -	$ 1,743	$ 2,680	$ 3,621	$ 3,622	$ 2,263	$ 5,935
Contributions in Relation to the Contractually Required Contribution	-	-	-	-	(1,743)	(2,680)	(3,621)	(3,622)	(2,263)	(5,935)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll	$ 199,689	$ 190,051	$ 171,786	$ 195,971	$ 174,321	$ 134,032	$ 181,044	$ 181,090	$ 176,221	$ 192,441
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%	2.00%	1.28%	3.08%

Ohio Public Employees' Retirement System

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2021.

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

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2021.

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

Supplementary Information

Tuscarawas Metropolitan Housing Authority
Supplemental Financial Schedule
Entity Wide Financial Data Schedule
For the Year Ended March 31, 2022

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
111 Cash - Unrestricted	$16,000	$0	$21,797	$194,561	$0	$232,358	$0	$232,358
113 Cash - Other Restricted	$126,249	$0	$0	$205,169	$0	$331,418	$0	$331,418
114 Cash - Tenant Security Deposits	$15,206	$0	$0	$0	$0	$15,206	$0	$15,206
100 Total Cash	$157,455	$0	$21,797	$399,730	$0	$578,982	$0	$578,982
125 Accounts Receivable - Miscellaneous	$0	$0	$124,112	$0	$0	$124,112	$0	$124,112
126 Accounts Receivable - Tenants	$1,218	$0	$0	$0	$0	$1,218	$0	$1,218
128 Fraud Recovery	$0	$0	$0	$51,495	$0	$51,495	$0	$51,495
128.1 Allowance for Doubtful Accounts - Fraud	$0	$0	$0	-$51,495	$0	-$51,495	$0	-$51,495
120 Total Receivables, Net of Allowances for Doubtful Accounts	$1,218	$0	$124,112	$0	$0	$125,330	$0	$125,330
142 Prepaid Expenses and Other Assets	$7,447	$0	$0	$7,380	$0	$14,827	$0	$14,827
144 Inter Program Due From	$0	$0	$92,366	$0	$0	$92,366	-$92,366	$0
150 Total Current Assets	$166,120	$0	$238,275	$407,110	$0	$811,505	-$92,366	$719,139
161 Land	$100,000	$0	$30,000	$0	$0	$130,000	$0	$130,000
162 Buildings	$1,500,048	$0	$437,765	$0	$0	$1,937,813	$0	$1,937,813
163 Furniture, Equipment & Machinery - Dwellings	$68,704	$0	$0	$0	$0	$68,704	$0	$68,704
164 Furniture, Equipment & Machinery - Administration	$0	$0	$70,087	$0	$0	$70,087	$0	$70,087
165 Leasehold Improvements	$0	$0	$8,557	$0	$0	$8,557	$0	$8,557
166 Accumulated Depreciation	-$782,715	$0	-$402,149	$0	$0	-$1,184,864	$0	-$1,184,864
160 Total Capital Assets, Net of Accumulated Depreciation	$886,037	$0	$144,260	$0	$0	$1,030,297	$0	$1,030,297

Tuscarawas Metropolitan Housing Authority
Supplemental Financial Schedule
Entity Wide Financial Data Schedule
For the Year Ended March 31, 2022

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
174 Other Assets	$0	$0	$0	$39,590	$0	$39,590	$0	$39,590
180 Total Non-Current Assets	$886,037	$0	$144,260	$39,590	$0	$1,069,887	$0	$1,069,887
200 Deferred Outflow of Resources	$0	$0	$0	$38,158	$0	$38,158	$0	$38,158
290 Total Assets and Deferred Outflow of Resources	$1,052,157	$0	$382,535	$484,858	$0	$1,919,550	-$92,366	$1,827,184
312 Accounts Payable <= 90 Days	$5,725	$0	$0	$14,051	$0	$19,776	$0	$19,776
321 Accrued Wage/Payroll Taxes Payable	$1,764	$0	$0	$11,853	$0	$13,617	$0	$13,617
322 Accrued Compensated Absences - Current Portion	$0	$0	$0	$1,420	$0	$1,420	$0	$1,420
325 Accrued Interest Payable	$312	$0	$0	$0	$0	$312	$0	$312
333 Accounts Payable - Other Government	$15,351	$0	$0	$0	$0	$15,351	$0	$15,351
341 Tenant Security Deposits	$15,206	$0	$0	$0	$0	$15,206	$0	$15,206
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$28,036	$0	$11,300	$0	$0	$39,336	$0	$39,336
345 Other Current Liabilities	$123,366	$0	$0	$0	$0	$123,366	$0	$123,366
347 Inter Program - Due To	$0	$0	$0	$92,366	$0	$92,366	-$92,366	$0
310 Total Current Liabilities	$189,760	$0	$11,300	$119,690	$0	$320,750	-$92,366	$228,384
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$1,276,185	$0	$147,000	$0	$0	$1,423,185	$0	$1,423,185
353 Non-current Liabilities - Other	$0	$0	$0	$113,844	$0	$113,844	$0	$113,844
354 Accrued Compensated Absences - Non Current	$0	$0	$0	$54,573	$0	$54,573	$0	$54,573
357 Accrued Pension and OPEB Liabilities	$0	$0	$0	$118,151	$0	$118,151	$0	$118,151
350 Total Non-Current Liabilities	$1,276,185	$0	$147,000	$286,568	$0	$1,709,753	$0	$1,709,753

Tuscarawas Metropolitan Housing Authority
Supplemental Financial Schedule
Entity Wide Financial Data Schedule
For the Year Ended March 31, 2022

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
300 Total Liabilities	$1,465,945	$0	$158,300	$406,258	$0	$2,030,503	-$92,366	$1,938,137
400 Deferred Inflow of Resources	$0	$0	$0	$184,815	$0	$184,815	$0	$184,815
508.4 Net Investment in Capital Assets	-$418,184	$0	-$14,040	$0	$0	-$432,224	$0	-$432,224
511.4 Restricted Net Position	$126,249	$0	$0	$91,325	$0	$217,574	$0	$217,574
512.4 Unrestricted Net Position	-$121,853	$0	$238,275	-$197,540	$0	-$81,118	$0	-$81,118
513 Total Equity - Net Assets / Position	-$413,788	$0	$224,235	-$106,215	$0	-$295,768	$0	-$295,768
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$1,052,157	$0	$382,535	$484,858	$0	$1,919,550	-$92,366	$1,827,184
70300 Net Tenant Rental Revenue	$182,465	$0	$0	$0	$0	$182,465	$0	$182,465
70400 Tenant Revenue - Other	$7,170	$0	$0	$0	$0	$7,170	$0	$7,170
70500 Total Tenant Revenue	$189,635	$0	$0	$0	$0	$189,635	$0	$189,635
70600 HUD PHA Operating Grants	$0	$50,511	$0	$2,750,508	$21,187	$2,822,206	$0	$2,822,206
71100 Investment Income - Unrestricted	$6	$0	$0	$3	$0	$9	$0	$9
71400 Fraud Recovery	$0	$0	$0	$13,710	$0	$13,710	$0	$13,710
71500 Other Revenue	$0	$0	$18,901	$47,951	$0	$66,852	$0	$66,852
70000 Total Revenue	$189,641	$50,511	$18,901	$2,812,172	$21,187	$3,092,412	$0	$3,092,412
91100 Administrative Salaries	$15,728	$0	$6,473	$140,821	$17,922	$180,944	$0	$180,944
91200 Auditing Fees	$3,450	$0	$0	$8,746	$0	$12,196	$0	$12,196

Tuscarawas Metropolitan Housing Authority
Supplemental Financial Schedule
Entity Wide Financial Data Schedule
For the Year Ended March 31, 2022

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
91400 Advertising and Marketing	$0	$0	$0	$125	$0	$125	$0	$125
91500 Employee Benefit contributions - Administrative	$0	$0	$0	$27,803	$0	$27,803	$0	$27,803
91600 Office Expenses	$0	$0	$0	$63,269	$0	$63,269	$0	$63,269
91700 Legal Expense	$387	$0	$0	$0	$0	$387	$0	$387
91800 Travel	$0	$0	$0	$4,032	$0	$4,032	$0	$4,032
91900 Other	$20,278	$0	$225	$10,175	$0	$30,678	$0	$30,678
91000 Total Operating - Administrative	$39,843	$0	$6,698	$254,971	$17,922	$319,434	$0	$319,434
92100 Tenant Services - Salaries	$0	$34,364	$0	$0	$0	$34,364	$0	$34,364
92300 Employee Benefit Contributions - Tenant Services	$0	$16,147	$0	$0	$0	$16,147	$0	$16,147
92400 Tenant Services - Other	$0	$0	$0	$0	$3,265	$3,265	$0	$3,265
92500 Total Tenant Services	$0	$50,511	$0	$0	$3,265	$53,776	$0	$53,776
93100 Water	$25,964	$0	$0	$790	$0	$26,754	$0	$26,754
93200 Electricity	$7,933	$0	$0	$2,888	$0	$10,821	$0	$10,821
93300 Gas	$0	$0	$0	$1,216	$0	$1,216	$0	$1,216
93000 Total Utilities	$33,897	$0	$0	$4,894	$0	$38,791	$0	$38,791
94100 Ordinary Maintenance and Operations - Labor	$15,746	$0	$0	$0	$0	$15,746	$0	$15,746
94200 Ordinary Maintenance and Operations - Materials and Other	$23,220	$0	$0	$0	$0	$23,220	$0	$23,220
94300 Ordinary Maintenance and Operations Contracts	$15,316	$0	$0	$4,119	$0	$19,435	$0	$19,435
94000 Total Maintenance	$54,282	$0	$0	$4,119	$0	$58,401	$0	$58,401

Tuscarawas Metropolitan Housing Authority
Supplemental Financial Schedule
Entity Wide Financial Data Schedule
For the Year Ended March 31, 2022

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
96110 Property Insurance	$7,761	$0	$0	$0	$0	$7,761	$0	$7,761
96120 Liability Insurance	$0	$0	$0	$2,704	$0	$2,704	$0	$2,704
96130 Workmen's Compensation	$0	$0	$0	$1,739	$0	$1,739	$0	$1,739
96100 Total insurance Premiums	$7,761	$0	$0	$4,443	$0	$12,204	$0	$12,204
96210 Compensated Absences	$0	$0	$0	-$4,664	$0	-$4,664	$0	-$4,664
96300 Payments in Lieu of Taxes	$15,351	$0	$0	$0	$0	$15,351	$0	$15,351
96000 Total Other General Expenses	$15,351	$0	$0	-$4,664	$0	$10,687	$0	$10,687
96710 Interest of Mortgage (or Bonds) Payable	$4,824	$0	$7,826	$0	$0	$12,650	$0	$12,650
96700 Total Interest Expense and Amortization Cost	$4,824	$0	$7,826	$0	$0	$12,650	$0	$12,650
96900 Total Operating Expenses	$155,958	$50,511	$14,524	$263,763	$21,187	$505,943	$0	$505,943
97000 Excess of Operating Revenue over Operating Expenses	$33,683	$0	$4,377	$2,549,889	$0	$2,587,949	$0	$2,587,949
97300 Housing Assistance Payments	$0	$0	$0	$2,453,744	$0	$2,453,744	$0	$2,453,744
97400 Depreciation Expense	$43,455	$0	$16,901	$0	$0	$60,356	$0	$60,356
90000 Total Expenses	$199,413	$50,511	$31,425	$2,717,507	$21,187	$3,020,043	$0	$3,020,043
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-$9,772	$0	-$12,524	$94,665	$0	$72,369	$0	$72,369
11020 Required Annual Debt Principal Payments	$28,036	$0	$11,300	$0	$0	$39,336	$0	$39,336

Tuscarawas Metropolitan Housing Authority
Supplemental Financial Schedule
Entity Wide Financial Data Schedule
For the Year Ended March 31, 2022

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	Subtotal	ELIM	Total
11030 Beginning Equity	-$404,016	$0	$236,759	-$200,880	$0	-$368,137	$0	-$368,137
11170 Administrative Fee Equity	$0	$0	$0	-$197,540	$0	-$197,540	$0	-$197,540
11180 Housing Assistance Payments Equity	$0	$0	$0	$91,325	$0	$91,325	$0	$91,325
11190 Unit Months Available	480	0	0	7,356	0	7,836	0	7,836
11210 Number of Unit Months Leased	424	0	0	6,942	0	7,366	0	7,366

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
TUSCARAWAS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2022

FEDERAL GRANTOR/ PROGRAM TITLE	FEDERAL AL NUMBER	TOTAL FEDERAL EXPENDITURES
U.S. Department of Housing and Urban Development		
Direct Program		
Housing Voucher Cluster:		
Section 8 Housing Choice Vouchers	14.871	$ 2,750,508
COVID-19 Section 8 Housing Choice Vouchers	14.871	21,187
Total Section 8 Housing Choice Vouchers		2,771,695
Total Housing Voucher Cluster		2,771,695
Family Self-Sufficiency Program	14.896	50,511
Total U.S. Department of Housing and Urban Development		2,822,206
TOTAL EXPENDITURES OF FEDERAL AWARDS		$ 2,822,206

See accompanying notes to this schedule.

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2022

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 minims indirect cost rate as allowed under the Uniform Guidance.

NOTE B – SUBRECIPIENTS

The Authority provided no federal awards to subrecipients during the year ending March 31, 2022.

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 March 31, 2022.

The Authority had no loans, loan guarantees, or federally restricted endowment funds required to be disclosed for the fiscal year ended March 31, 2022.

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

Tuscarawas Metropolitan Housing Authority
Tuscarawas County
134 Second Street SW
New Philadelphia, Ohio 44663

To the Director and Board of Commissioners:

We have audited, 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, the financial statements of the business-type activities and the aggregate discretely presented component units of the **Tuscarawas Metropolitan Housing Authority,** Tuscarawas County, (the Authority) as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated November 11, 2022. Our report refers to other auditors who audited the financial statements of the Tuscarawas Affordable Housing One, LLC, as described in our report on the Authority's 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 those auditors separately reported.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Perry & Associates CPA's A.C.

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

November 11, 2022

Perry & Associates
Certified Public Accountants, A.C.

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

Tuscarawas Metropolitan Housing Authority
Tuscarawas County
134 Second Street SW
New Philadelphia, Ohio 44663

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited **Tuscarawas Metropolitan Housing Authority's**, (the Authority) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Tuscarawas Metropolitan Housing Authority's major federal program for the year ended March 31, 2022. Tuscarawas Metropolitan Housing Authority's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of audit findings.

In our opinion, Tuscarawas Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended March 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The Authority's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Perry & Associates CPA's A.C.

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

November 11, 2022

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
TUSCARAWAS COUNTY

SCHEDULE OF AUDIT FINDINGS
2 CFR § 200.515
FOR THE YEAR ENDED MARCH 31, 2022

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR§200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Section 8 Housing Choice Vouchers, AL # 14.871
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR §200.520?**	Yes

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

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OHIO AUDITOR OF STATE
KEITH FABER

TUSCARAWAS COUNTY METROPOLITAN HOUSING AUTHORITY

TUSCARAWAS COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 12/13/2022

88 East Broad Street, Columbus, Ohio 43215
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