YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
MAHONING COUNTY, OHIO

SINGLE AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Zupka & Associates
Certified Public Accountants

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Board of Directors
Youngstown Metropolitan Housing Authority
131 W. Boardman Street
Youngstown, Ohio 44503

We have reviewed the *Independent Auditor's Report* of the Youngstown Metropolitan Housing Authority, Mahoning County, prepared by Zupka & Associates, for the audit period July 1, 2021 through June 30, 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 Youngstown Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

April 07, 2023

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MAHONING COUNTY, OHIO
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FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Youngstown Metropolitan Housing Authority
Mahoning County
131 W. Boardman Street
Youngstown, Ohio 44503

To the Members of the Board:

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of the Youngstown Metropolitan Housing Authority, Ohio, (the Authority) as of and for the year ended June 30, 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, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Youngstown Metropolitan Housing Authority as of June 30, 2022, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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 (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 opinion.

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 Postemployment Benefit Liabilities and Pension and Postemployment Benefit Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Statement of Modernization Cost - Completed and the Financial Data Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the basic financial statements. 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 Statement of Modernization Cost - Completed, the Financial Data Schedules, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Zupka & Associates

Zupka & Associates
Certified Public Accountants

March 13, 2023

As management of the Youngstown Metropolitan Housing Authority (Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 11.

FINANCIAL HIGHLIGHTS

- Assets and deferred outflows of the Authority exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $41,252,357 (net position), an increase of 2.6 percent from what was reported at the prior fiscal year-end.

- The Authority's cash and investment balance at June 30, 2022 was $9,544,404, representing an increase of $1,119,250, or 13.3 percent, from June 30, 2021.

- The Authority had total revenue of $24,366,792 and total expenses of $23,339,415 for the year ended June 30, 2022, increasing net position by $1,027,377 for the year.

- The Authority's capital outlays for the year were $677,650.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. These statements comprise three components: 1) government wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

REQUIRED FINANCIAL STATEMENTS

MD&A
Management Discussion and Analysis

Basic Financial Statements
Statement of Net Position
Statement of Revenues, Expenses, and Changes in Net Position
Statement of Cash Flows
Notes to the Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a private sector business.

The S*tatement of Net Position* presents information on all of the Authority's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The S*tatement of Revenues, Expenses, and Changes in Net Position* presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this Statement for some items that will only result in cash flows to future fiscal periods (e.g., earned but unused vacation leave).

The *Combined Statement of Cash Flows* provides information about the Authority's cash receipts and cash payments during the reporting period. The Statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities.

The Authority has many programs that are consolidated into a single enterprise fund. The Authority's programs consist of the following:

<u>Low-Income Public Housing</u> - Under the Conventional Public Housing Program, the Authority rents units it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contribution Contract (ACC) with the U.S. Department of Housing and Urban Development (HUD), and HUD provides Operating Subsidy to enable the PHA to provide the housing at a rent that is based upon 30 percent of adjusted gross household income.

<u>Capital Fund Program (CFP)</u> - This is the current primary funding source for the Authority's physical and management improvements. While the formula funding methodology used for the Comprehensive Grant Program (CGP) was revised for the CFP, funds are still provided by formula allocation and based on size and age of the Authority's units.

<u>Housing Choice Voucher Program (Section 8)</u> – HUD provides the Authority with vouchers to assist eligible families rent privately owned homes. A portion of the participant's rent is paid by the Authority to the landlord. The participant is responsible for paying the remainder portion. Applicants are chosen via a lottery.

These financial statements report on the functions of the Authority that are principally supported by intergovernmental revenues. The Authority's function is to provide decent, safe, and sanitary housing to low income and special needs populations, which is primarily funded with grant revenue received from the U.S. Department of Housing and Urban Development (HUD).

The financial statements can be found on pages 11 through 13 of this report.

<u>Fund Financial Statements</u>

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority has only one fund type, namely a proprietary fund.

<u>Notes to the Financial Statements</u>

Notes provide additional information essential to a full understanding of the data provided in the financial statements. Notes to the financial statements can be found on pages 14 through 39 of this report.

Financial Analysis of the Authority

The following table represents a condensed Statement of Net Position compared to the prior year.

Table 1 - Condensed Statement of Net Position

	2022 (thousands)	2021 (thousands)
Assets and Deferred Outflows of Resources		
Current and Other Assets	$ 15,661	$ 14,378
Deferred Outflows	527	490
Capital Assets	32,117	34,604
Total Assets and Deferred Outflows of Resources	48,305	49,472
Liabilities, Deferred Inflows of Resources, and Net Position		
Current Liabilites	1,320	1,886
Deferred Inflows	2,899	2,464
Non-Current Liabilities	2,834	4,897
Total Liabilities and Deferred Inflows of Resources	7,053	9,247
Net Position		
Net Investment in Capital Assets	30,876	32,825
Unrestricted and Restricted Net Position	10,376	7,400
Total Net Position	41,252	40,225
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 48,305	$ 49,472

During 2022, total assets and deferred outflows decreased by $1,166,749. The main decrease was depreciation exceeded capital additions by $2,526,399. This was partially offset by a large increase in current and other assets of $1,284,561.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $41,252,357 at the close of the most recent fiscal year.

By far the largest portion of the Authority's net position (75 percent) reflects its investment in capital assets (e.g., buildings, machinery, and equipment). The Authority uses these capital assets to provide housing services to residents; consequently, these assets are not available for future spending. The unrestricted net position of the Authority is available for future use to provide program services.

Statement of Revenues, Expenses, and Changes in Net Position

The following table reflects the condensed Statement of Revenues, Expenses, and Changes in Net Position.

Table 2 - Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2022 (thousands)	2021 (thousands)
Revenues		
Intergovernmental Revenues	$ 20,916	$ 23,863
Program Revenue	3,098	3,001
Other Revenue	282	462
Total Revenues	24,296	27,326
Expenditures		
Operating Expenses	9,652	7,768
Depreciation Expense	3,165	3,174
Housing Assistance Payments	10,443	10,604
Other Expenditures	9	73
Total Expenditures	23,269	21,619
Net Increase (Decrease)	1,027	5,707
Beginning Net Position	40,225	34,518
Ending Net Position	$ 41,252	$ 40,225

The net position of the Authority increased by $1,027,377 during the current fiscal year. The Authority receives its primary source of income from governmental revenues through HUD's Line-of-Credit Control system (eLOCCS). Allowable program expenses, with the exception of non-cash transactions (such as depreciation expense and changes in compensated absences) are drawn down from funds granted to the Authority. Governmental revenues, rental income, and charges for services were sufficient to cover operating expenses incurred during fiscal year 2022.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2022, the Authority's investment in capital assets for its business-type activities was $32,116,574 (net of accumulated depreciation) as reflected in the following schedule.

Table 3 - Capital Assets

	2022	2021
Land	$ 3,369,707	$ 3,370,778
Buildings	125,186,321	124,660,230
Equipment - Administrative	872,199	793,201
Equiment - Dwelling	1,214,353	1,180,469
Accumulated Depreciation	(98,526,564)	(95,400,382)
Construction-in-Progress	558	0
Total	$ 32,116,574	$ 34,604,296

Capital Assets and Debt Administration

Major capital asset transactions during the current fiscal year include the following:

- Kirwan Exterior Renovations - $464,327.

Additional information on the Authority's capital assets can be found in Note 5 of this report.

LONG-TERM DEBT

As of June 30, 2022, the Authority had $1,240,268 of long-term debt, a decrease of $539,169, or 30.3 percent, over the prior year. The Authority has bonds payable that were used to fund the Energy Efficiency Phase II Project, as well as refinance the remaining debt on Phase I, and bears interest at rates between 3 percent and 4 percent.

Additional information on the Authority's long-term debt can be found in Note 10 of this report.

NET PENSION/OPEB LIABILITY

The net pension liability (NPL) is the largest single liability reported by the Authority at June 30, 2022 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. In addition, the Authority reports financial balances pursuant to GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Authority's actual financial condition by adding the net pension liability and the deferred inflows related to pension and OPEB to the reported net position, and subtracting the net OPEB asset deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OBEP liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the Authority's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Authority is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

In accordance with GASB 68 and GASB 75, the Authority's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Authority's budget for the 2022 fiscal year:

- In the past, HUD has not fully funded the operating subsidy but has been funding around 90 percent of the eligible subsidy. Proration increased to approximately 104.3 percent for the 2022 year.

- The Authority's operating expenditures do not show any significant increases other than expected inflationary increases.

Future Events that will Financially Impact the Authority

Approximately 87 percent of the Authority's revenues come from governmental grants. For the last couple of years, the funding has returned to a higher proration, which has enabled the AMPs to operate at a profit and build some reserves. It remains to be seen how long the increased funding will last. The cost savings the Authority implemented are serving the Authority's operations well in the current climate, but funding will always be an issue, so the Authority will continue to review where cost savings can be implemented and what alternative revenue sources can be found. The Authority will need to continue to develop alternative sources of income to avoid the risks inherent in being dependent on one primary source of revenue. HUD has encouraged public housing authorities to become more entrepreneurial in their operations to protect against decreasing funding and/or other unforeseen circumstances. Without taking such actions, the Authority could face uncertainty in the future.

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, Youngstown Metropolitan Housing Authority, 131 West Boardman Street, Youngstown, Ohio 44503, or call (330) 744-2161.

Respectfully submitted,

LaMont English
Executive Director

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
MAHONING COUNTY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE
JUNE 30, 2022

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Assets	
Current Assets	
Cash and Cash Equivalents	$ 7,076,179
Restricted Cash and Cash Equivalents	531,206
Investments	1,937,019
Receivables, Net of Allowance	355,282
Inventory	39,125
Prepaid Expenses and Other Assets	81,779
Total Current Assets	10,020,590
Current Assets	
Capital Assets:	
Non-Depreciable Capital Assets	3,370,265
Depreciable Capital Assets, Net	28,746,309
Total Capital Assets	32,116,574
Non-Current Assets	
Notes Receivable	5,046,879
Other Assets	594,614
Total Non-Current Assets	5,641,493
Total Assets	47,778,657
Deferred Outflows of Resources	
Pension	511,972
OPEB	14,700
Total Deferred Outflows of Resources	526,672
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 48,305,329
LIABLIITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	
Liabilities	
Current Liabilities	
Accounts Payable	$ 222,022
Accrued Compensated Absences	196,308
Tenant Security Deposits	200,751
Deferred Revenue	60,901
Accrued Wages and Payroll Taxes	123,063
Current Portion of Long-Term Debt	516,667
Total Current Liabilities	1,319,712
Non-Current Liabilities	
Noncurrent Liabilities - Other	194,577
Accrued Compensated Absences	289,775
Long-Term Debt - Net of Current Portion	723,601
Net Pension Liability	1,625,932
Total Non-Current Liabilities	2,833,885
Total Liaiblities	4,153,597
Deferred Inflows of Resources	
Pension	2,280,399
OPEB	618,976
Total Deferred Inflows of Resources	2,899,375
Net Position	
Net Investment in Capital Assets	30,876,306
Restricted	76,920
Unrestricted	10,299,131
Total Net Position	41,252,357
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	$ 48,305,329

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

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
MAHONING COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND TYPE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Operating Revenues	
Government Grants	$ 20,405,630
Tenant Revenue	3,098,317
Other Revenue	351,951
Total Operating Revenues	23,855,898
Operating Expenses	
Administrative	2,562,822
Tenant Services	667,643
Utiities	2,735,812
Maintenance	2,183,325
General and Other Insurance	1,438,860
Housing Assistance Payments	10,443,191
Total Operating Expenses Before Depreciation	20,031,653
Income Before Depreciation	3,824,245
Depreciation	(3,164,859)
Operating Income	659,386
Non-Operating Revenues (Expenses)	
Interest and Investment Revenue	(70,494)
Interest Expense	(63,348)
Casualty Loss Expense	(9,061)
Total Non-Operating Revenues (Expenses)	(142,903)
Income Before Contributions	516,483
Capital Grants	510,894
Change in Net Position	1,027,377
Total Net Position - Beginning	40,224,980
Total Net Position - Ending	$ 41,252,357

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

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
MAHONING COUNTY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Cash Flows from Operating Activities	
Received from HUD/Other Governments	$ 20,022,823
Cash Received from Tenants	3,026,712
Cash Received from Other Sources	317,842
Cash Payments for Housing Assistance Payments	(10,443,191)
Cash Paymnet for Administrative	(3,645,868)
Cash Payments for Other Operating Expenses	(7,308,247)
Net Cash Provided by Operating Activities	1,970,071
Cash Flows from Capital and Related Financing Activities	
Net Casualty Loss	(9,061)
Interest and Principal Payments on Debt	(602,517)
Acquisition of Capital Assets and Other Assets	(677,137)
Capital Grants Received	510,894
Net Cash (Used) by Capital and Other Related Financing Activities	(777,821)
Cash Flows from Investing Activities	
Investment Income	(70,494)
Sale of Investments	105,550
Proceeds from Note Recievable	(2,506)
Net Cash Provided by Investing Activities	32,550
Net Increase in Cash and Cash Equivalents	1,224,800
Cash and Cash Equivalents - Beginning of Year	6,382,585
Cash and Cash Equivalents - End of Year	$ 7,607,385
Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Net Operating Income	$ 584,831
Adjustment to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	3,164,859
(Increase) Decreases in:	
Accounts Receivable	102,098
Prepaid Expenses and Other Assets	3,021
Deferred Outflows	(36,412)
Net OPEB Asset	(193,301)
Noncurrent Assets - Other	(15,023)
Increase (Decreases) in:	
Accounts Payable	21,147
Other Current Liabilities	(54,489)
Accrued Wages/Payroll Taxes	(159,733)
Deferred Revenue	(376,761)
Net Pension Liability	(1,498,519)
Tenant Security Deposits	(1,941)
Deferred Inflows	435,282
Non-Current Liabilities - Other	(4,988)
Net Cash Used by Operating Activities	$ 1,970,071

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

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

A. **Description of the Entity and Programs**

The Youngstown Metropolitan Housing Authority (the Authority) is a political subdivision created under Ohio Revised Code Section 3735.27 to engage in the acquisition, development, leasing, and administration of a low-rent housing program. The Authority contracts with the United States Department of Housing and Urban Development (HUD) to provide low-and-moderate income persons with safe and sanitary housing through rent subsidies provided by HUD. The Authority depends on the subsidies from HUD to operate. The Authority participates in the Section 8 Housing Choice Voucher Program provided by HUD. In these Section 8 programs, rental assistance is provided to families based on the families' ability to pay in accordance with HUD regulations. Under the Housing Choice Voucher Program, the rental assistance is tied to the tenant family. The rental assistance, in general, is provided to help the family pay rent wherever they choose to live. The Authority also participates in the Public Housing Program. Under this Program, the Authority manages constructed or financed public housing units using grant funds from HUD. Tenants of these facilities pay a percentage of his/her adjusted gross income towards rent and utilities.

B. **Summary of Significant Accounting Policies**

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

C. **Reporting Entity**

The accompanying general purpose financial statements comply with the provision of GASB Statement No. 14, *The Financial Reporting Entity (as amended by GASB Statement No. 61)*, 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.

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

C. **Reporting Entity** (Continued)

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.

Management believes the financial statements included in this report represent all of the funds of the Authority over which the Authority is financially accountable.

D. **Fund Accounting**

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

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

E. **Proprietary Fund Type**

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.

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

F. **Measurement Focus/Basis of Accounting**

The proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized in the period incurred.

G. **Interprogram Balances**

Receivables and payables resulting from short-term interprogram loans are classified as "Inter-program Due from/to" in respective program financial statements. These amounts are eliminated in the Authority's Statement of Net Position in the basic financial statements.

H. **Investments**

Investments are restricted by the provisions of the HUD Regulations (See Note 2). Investments are valued at market value. The Authority has cash deposits and investments totaling $9,544,404 at June 30, 2022. Interest income earned and unrealized loss on investments totaled ($70,494) for the fiscal year 2022.

I. **Capital Assets**

Capital assets are stated at cost and depreciation is computed using the straight-line method over an estimated useful life of the assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset life are not capitalized. The Authority capitalizes all assets with a cost of $1,000 or more. See Note 5 for useful lives for depreciation purposes.

J. **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.

K. **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 absences accrual amount.

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

K. **Compensated Absences** (Continued

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

In the proprietary fund, the compensated absences are expensed when earned with the amount reported as a fund liability. Information regarding compensated absences is detailed in Note 11.

L. **Budgetary Accounting**

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

M. **Estimates**

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

N. **Deferred Outflows/Inflows of Resources**

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

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

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

O. **Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions 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

At fiscal year end, the carrying amount of the Authority's deposits was $7,607,385, and the bank balance was $7,758,112. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2022, $677,120 of the Authority's bank balance was covered by Federal Depository Insurance. The remainder was collateralized by securities pledged in the name of the Authority or by pooled collateral. Included in the carrying value of the Authority's deposits is $700 in petty cash.

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

Investments

The Authority has a formal investment policy. The Authority had investments comprised of U.S. Government Securities (Aaa-Moody's) with a market value of $1,937,019 at June 30, 2022.

Investment	Fair Market Value	Maturity	Moody's Rating	Percentage of Investments
Government Obligations Fund	$ 29,254	Less than One Year	Aaa-nf	1.51%
Fixed Income Investments:				
FHLB .6%	46,241	Less than Four Years	Aaa	2.39%
FHLB .45%	226,976	Less than Three Years	Aaa	11.72%
FFCB .3%	193,984	Less than Two Years	Aaa	10.01%
FHLMC .57%	46,063	Less than Four Years	Aaa	2.38%
US Treasury N/B	440,422	Less than Two Years	Aaa	22.74%
US Treasury N/B	474,563	Less than Three Years	Aaa	24.50%
US Treasury N/B	455,977	Less than Four Years	Aaa	23.54%
US Treasury N/B	23,539	Less than Five Years	Aaa	1.21%
Total Portfolio	$ 1,937,019			100.00%

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

Interest Rate Risk
The Authority's investment policy limits investments to 5 years but does not limit investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The Authority staggers maturity dates of investments to avoid losses from rising interest rates.

Credit Risk
Any deposits of the Authority exceeding the $250,000 FDIC insurance limit are fully and continuously collateralized by securities pledged in the name of the Authority or by pooled collateral as provided by the Ohio Revised Code.

Concentration of Credit Risk
The Authority does not limit the amount of funds that may be on deposit with any one financial institution; however, as was mentioned in the preceding, all deposits exceeding the $250,000 FDIC insurance limit are fully and continuously collateralized by securities pledged in the name of the Authority or by pooled collateral as permitted by the Ohio Revised Code.

A reconciliation of cash and investments as shown in the Statement of Net Position at June 30, 2022 to the deposits and investments included in this note is as follows:

	Cash and Cash Equivalents *	Investments
Per Statement of Net Position	$ 7,607,385	$ 1,937,019
Per GASB Statement No. 3	$ 7,607,385	$ 1,937,019

* Includes Restricted Cash and Cash Equivalents

NOTE 3: **RESTRICTED CASH**

The restricted cash balance as of June 30, 2022 represents cash on hand for the following:

	Restricted Cash
Tenants Security Deposits	$ 200,751
FSS Escrow Funds	194,577
Restricted for HCV Vouchers	36,133
Restricted for ENV Vouchers	99,745
Total Restricted Cash	$ 531,206

NOTE 4: **INSURANCE COVERAGE**

The Authority is exposed to various risks of loss during the normal course of its operations including, but not limited to, loss related to torts; theft of, damage to, and destruction of assets, errors and omissions, and injuries to employees.

NOTE 4: **INSURANCE COVERAGE** (Continued)

To protect against risks to which the Authority is exposed, the Authority is covered for property damage, general liability, automobile liability, law enforcement liability, public officials' liability, and other crime liabilities through membership in the Ohio Housing Authority Property Casualty, Inc. (OHAPCI). OHAPCI is an insurance risk pool comprised of three Ohio housing authorities, of which the Authority is one. Deductibles and coverage limits are summarized below:

	Coverage Limits	Deductible
Property (per occurrence)	$ 250,000,000	$ 2,500
General Liability	$ 2,000,000	$ 0
Automobile Physical Damage/Liability	ACV/$2,000,000	$ 500/500
Public Officials	$ 2,000,000	$ 0

Additionally, Workers' Compensation insurance is maintained through the State of Ohio Bureau of Workers' Compensation, in which rates are calculated retrospectively. The Authority provides employee group health care benefits via a partially self-funded plan administered by Enterprise Group Planning, Inc. Excess loss coverage for the Plan is provided by QBE Insurance Corporation. There was no significant reduction in coverages and settled claims have not exceeded the Authority's insurance in any of the past three years.

NOTE 5: **CAPITAL ASSETS**

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

	6/30/2022
Capital Assets Not Being Depreciated	
Land	$ 3,369,707
Construction in Progress	558
Total Capital Assets Not Being Depreciated	3,370,265
Capital Assets Being Depreciated	
Buildings and Building Improvements	125,186,321
Furniture and Equipment	2,086,552
Total Capital Assets Being Depreciated	127,272,873
Less: Accumulated Depreciation	(98,526,564)
Total Capital Assets Being Depreciated, Net	28,746,309
Total Capital Assets, Net	$ 32,116,574

The Authority capitalizes all assets with a cost of $1,000 or more. The Authority uses the straight-line method of depreciation. The following is a list of useful lives for depreciation purposes:

Buildings	15 to 40 years
Equipment	7 years
Computer Equipment	3 years
Vehicles	5 years
Maintenance Equipment	7 years

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

The following is a summary of changes in capital assets:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Capital Assets Not Being Depreciated				
Land	$ 3,370,778	$ 0	$ (1,071)	$ 3,369,707
Construction-in-Progress	0	558	0	558
Total Capital Assets Not Being Depreciated	3,370,778	558	(1,071)	3,370,265
Capital Assets Being Depreciated				
Buildings and Buildingd Improvements	124,660,230	563,583	(37,492)	125,186,321
Furniture, Equipment, and Machinery	1,973,670	114,067	(1,185)	2,086,552
Total Capital Assets Being Depreciated	126,633,900	677,650	(38,677)	127,272,873
Accumulated Depreciation				
Buildings and Improvements	(93,879,385)	(3,036,843)	37,492	(96,878,736)
Furniture and Equipment	(1,520,997)	(128,016)	1,185	(1,647,828)
Total Accumulated Depreciation	(95,400,382)	(3,164,859)	38,677	(98,526,564)
Depreciable Assets, Net	31,233,518	(2,487,209)	0	28,746,309
Total Capital Assets Being Depreciated, Net	$ 34,604,296	$ (2,486,651)	$ (1,071)	$ 32,116,574

NOTE 6: **MIXED FINANCE CONSTRUCTION LOAN**

The Authority advanced funds to a development partner in conjunction with multi-lender mixed finance arrangements for construction of the Village at Arlington, Village at Arlington II, Arlington Heights, and Arlington Heights II developments. Repayment is subject to the projects realizing surplus cash flows. The loans are secured by the property. The notes bear interest at 1 percent. While the Authority has received payments for the Village at Arlington loans, no payments have been received on the Arlington Heights loans; due to this, interest has not been accrued on these loans. At June 30, 2022, the Note Receivable and Interest Receivable balance is $4,996,539. Due to the uncertainty of the projects generating surplus cash that would trigger a repayment obligation, no portion is considered to be current.

The following is a summary of Notes and Interest Receivable at June 30, 2022:

Notes Receivable - Village at Arlington I	$ 1,534,059	
Interest on Note Receivable	29,402	*
Note Receivable - Village at Arlington II	1,428,204	
Interest on Note Receivable	27,374	*
Note Receivable - Arlington Heights	977,500	
Note Receivable - Arlington Heights II	1,000,000	
Other Notes Receivable	107,116	
Total Notes and Interest Receivable	5,103,655	
* Interest Receivable	(56,776)	
Total Notes Receivable	$ 5,046,879	

NOTE 7: **DEFINED BENEFIT PENSION PLANS**

Net Pension Liability/Asset

The net pension liability/asset reported on the statement of net position represents a liability/asset 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/asset 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/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 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*. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *accrued wages and payroll taxes*.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 62 with 60 months of service credit or Age 57 with 25 years of service credit
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.

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

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

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those who retired 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 2019, the COLA is based on the average percentage increase in the Consumer Price Index, capped at 3 percent. Cost-of living adjustments for OPERS members in 2022 will be 3 percent for all those eligible to receive the annual benefit increase.

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.

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. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Beginning in 2022, the combined plan will be consolidated under the Traditional pension plan (defined benefit plan) and the Combined plan will no longer be available for new hires beginning in 2022.

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

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

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

	State and Local
2021-2022 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
2021-2022 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0 %
Total Employer	14.0 %
Employee	10.0 %

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

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with remainder going to pension.

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

The Authority’s contractually required contributions used to fund pension benefits was $389,016 for fiscal year ending June 30, 2022.

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

The net pension liability/asset for OPERS was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability/asset was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability/asset was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

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

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

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.021100%	0.008857%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	0.018688%	0.008386%	
Change in Proportionate Share	-0.002412%	-0.000471%	
Proportionate Share of the Net Pension Liability/(Asset)	$ 1,625,932	$ (33,041)	$ 1,592,891
Pension Expense	$ (428,726)	$ (1,243)	$ (429,969)

At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$ 82,888	$ 205	$ 83,093
Changes of assumptions	203,321	1,661	204,982
Changes in proportion and differences between Authority contributions and proportionate share of contributions	26,844	1,168	28,012
Authority contributions subsequent to the measurement date	193,141	2,744	195,885
Total Deferred Outflows of Resources	$ 506,194	$ 5,778	$ 511,972
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	$ 1,933,988	$ 7,084	$ 1,941,072
Differences between expected and actual experience	35,660	3,694	39,354
Changes in proportion and differences between Authority contributions and proportionate share of contributions	298,905	1,068	299,973
Total Deferred Inflows of Resources	$ 2,268,553	$ 11,846	$ 2,280,399

$195,885 reported as deferred outflows of resources related to pension resulting from the Authority’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 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:

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

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

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Year Ending June 30:			
2023	$ (442,118)	$ (2,221)	$ (444,339)
2024	(750,969)	(3,052)	(754,021)
2025	(454,759)	(1,949)	(456,708)
2026	(307,654)	(1,414)	(309,068)
2027	0	(167)	(167)
Thereafter	0	(9)	(9)
Total	$ (1,955,500)	$ (8,812)	$ (1,964,312)

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, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing 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, with the most notable being a reduction in the actuarially assumed rate of return from 7.2% down to 6.9%, for the defined benefit investments.

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

Actuarial Assumptions – OPERS (Continued)

	Traditional Pension Plan	Combined Plan
Wage Inflation		
Current Measurement Date:	2.75 percent	2.75 percent
Prior Measurement Date:	3.25 percent	3.25 percent
Future Salary Increases, including inflation		
Current Measurement Date:	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
Prior Measurement Date:	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA		
Pre 1/7/2013 retirees:	3 percent, simple	3 percent, simple
Post 1/7/2013 retirees:		
Current Measurement Date:	3 percent, simple through 2022, then 2.05 percent simple	3 percent, simple through 2022, then 2.05 percent simple
Prior Measurement Date:	0.50 percent, simple through 2021, then 2.15 percent simple	0.50 percent, simple through 2021, then 2.15 percent simple
Investment Rate of Return		
Current Measurement Date:	6.9 percent	6.9 percent
Prior Measurement Date:	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

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

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

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

Actuarial Assumptions – OPERS (Continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	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 %

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

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.9 percent, as well as what the Authority's proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one percent lower or one percent higher than the current rate:

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Pension Plan	$ 4,286,840	$ 1,625,932	$ 588,298
Combined Plan	$ (24,655)	$ (33,041)	$ (39,582)

NOTE 8: **DEFINED BENEFIT OPEB PLANS**

Net OPEB Asset

The net OPEB asset reported on the statement of net position represents an asset 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 asset represents the Authority's proportionate share of the OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of the OPEB plan's fiduciary net position. The net OPEB 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 related to this asset 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 any liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB asset. Resulting adjustments to the net OPEB asset would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's funded benefits is presented as a long-term *net OPEB asset*. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in *accrued wages and payroll taxes*.

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.

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

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

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.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2021, measurement date health care valuation.

In order to qualify for postemployment health care coverage, generally, age and service retirees under the traditional pension and combined plans must be at least age sixty with twenty or more years of qualifying Ohio service credit, or thirty years of qualifying service at any age. 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 Comprehensive Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting 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. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the Traditional Pension Plan and Combined Plan.

Employer contribution rates are expressed as a percentage of covered payroll. In 2021-2022, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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

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

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2021-2022, OPERS did not allocate any employer contributions to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2021-2022 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution allocated to health care was $1,557 for the fiscal year ending June 30, 2022.

Net OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB asset and total OPEB liability for OPERS 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 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:

	OPERS
Proportion of the Net OPEB Asset: Prior Measurement Date	0.020166%
Proportion of the Net OPEB Asset: Current Measurement Date	0.017883%
Change in Proportionate Share	-0.002283%
Proportionate Share of the Net OPEB Asset	$ 560,123
OPEB Expense	$ (487,430)

At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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

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

		OPERS
Deferred Outflows of Resources		
Changes in proportion and differences between Authority contributions and proportionate share of contributions	$	13,916
Authority contributions subsequent to the measurement date		784
Total Deferred Outflows of Resources	$	14,700
Deferred Inflows of Resources		
Net difference between projected and actual earnings on OPEB plan investments	$	267,026
Differences between expected and actual expenses		84,963
Changes of assumptions		226,731
Changes in proportion and differences between Authority contributions and proportionate share of contributions		40,256
Total Deferred Inflows of Resources	$	618,976

$784 reported as deferred outflows of resources related to OPEB resulting from Authority contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

		OPERS
Year Ending June 30:		
2023	$	(370,396)
2024		(137,971)
2025		(58,343)
2026		(38,350)
Total	$	(605,060)

Actuarial Assumptions - OPERS

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

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

Actuarial Assumptions – OPERS (Continued)

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021. 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 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:

Wage Inflation	
Current Measurement Date:	2.75 percent
Prior Measurement Date:	3.25 percent
Projected Salary Increases, including inflation	
Current Measurement Date:	2.75 to 10.75 percent, including wage inflation
Prior Measurement Date:	3.25 to 10.75 percent, including wage inflation
Single Discount Rate:	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	
Current Measurement Date:	1.84 percent
Prior Measurement Date:	2.00 percent
Health Care Cost Trend Rate	
Current Measurement Date:	5.50 percent initial, 3.50 percent ultimate in 2034
Prior Measurement Date:	8.50 percent initial, 3.50 percent ultimate in 2035
Actuarial Cost Method	Individual Entry Age

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

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

Actuarial Assumptions – OPERS (Continued)

The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 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 percent for 2021.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	0.91 %
Domestic Equities	25.00	3.78
Real Estate Investment Trust	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 %

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

Actuarial Assumptions – OPERS (Continued)

Discount Rate A single discount rate of 6.00 percent was used to measure the 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) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the actuarial 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.

Sensitivity of the Authority's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the Authority's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1.0 percent lower or 1.0 percent higher than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Authority's proportionate share of the net OPEB asset	$ 329,405	$ 560,123	$ 751,622

Sensitivity of the Authority's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

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

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

Actuarial Assumptions – OPERS (Continued)

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB asset	$ 566,176	$ 560,123	$ 552,942

NOTE 9: **LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for the fiscal year end June 30, 2022:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Due With In One Year
Primary Government					
Bank of the Ozarks - 8/12/14 3%-4%	$ 1,779,437	$ 0	$ (539,169)	$ 1,240,268	$ 516,667
Non-Current Liabilities-Other	160,323	93,019	(58,765)	194,577	0
Compensated Absences	579,814	322,066	(415,797)	486,083	196,308
Pension Liability	3,124,451	0	(1,498,519)	1,625,932	0
Total	$ 5,644,025	$ 415,085	$(2,512,250)	$ 3,546,860	$ 712,975

Long-term debt for the Low Rent Public Housing program consists of a $4,740,000 bond issue through the Bank of the Ozarks. The bonds bear interest at varying amounts from 3 percent-4 percent with the final maturity date of November 30, 2024. The Bond proceeds were being used to finance a Phase II Energy Performance contract and to pay off the remaining balance on previous PNC loan. The bonds mature as follows:

Year Ended June 30	Principal	Interest	Total
2022-2023	516,667	43,427	560,094
2023-2024	536,668	23,502	560,170
2024-2025	186,933	3,666	190,599
Total	$ 1,240,268	$ 70,595	$ 1,310,863

NOTE 10: **COMPENSATED ABSENCES**

Full time, permanent employees are granted vacation and sick leave benefits in varying amounts to specified maximums depending on tenure with the Authority. Vacation days exceeding those earned in the current year may not be carried over into the next calendar year. Generally, upon termination after one year of service, employees are entitled to be paid all accrued vacation. The following schedule details earned annual leave based on length of service for employees hired prior to September 1, 2007:

NOTE 10: **COMPENSATED ABSENCES** (Continued)

Management		Maintenance and Administration	
1-5 years	2 weeks	1-5 years	2 weeks
6-10 years	3 weeks	6-10 years	3 weeks
11-15 years	4 weeks	11-15 years	4 weeks
16-20 years	5 weeks	16-20 years	5 weeks
21 years and over	6 weeks	21 years and over	6 weeks

Employees hired after September 1, 2007 earn annual leave as follows:

Management		Maintenance and Administration	
1-6 years	2 weeks	1-6 years	2 weeks
7-12 years	3 weeks	7-12 years	3 weeks
13-18 years	4 weeks	13-18 years	4 weeks
19-24 years	5 weeks	19-24 years	5 weeks
25 years and over	6 weeks	25 years and over	6 weeks

Sick leave accrues to full time, permanent employees to specified maximums. Sick leave may be cumulative without limit. However, employees with 7 years or more of service, upon termination of employment, may receive 50 percent of their accumulated sick leave, up to a maximum of 75 days. Upon retirement, employees with 7 years or more of service, may receive 100 percent of their accumulated sick leave, up to a maximum of 75 days.

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service requirement is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

The estimated liability for compensated absences at June 30, 2022, based on the vesting method is detailed as follows:

	Current Accrued Compensated Absences	Long-Term Accrued Compensated Absences	Total Accrued Compensated Absences
Public Housing	$ 96,293	$ 155,317	$ 251,610
Central Office	68,023	102,130	170,153
Section 8 - Rental Vouchers and SR	31,992	32,328	64,320
	$ 196,308	$ 289,775	$ 486,083

NOTE 11: INTERPROGRAM RECEIVABLES AND PAYABLES

The following balances at June 30, 2022 represent individual fund interprogram receivables and payables:

Program	Interfund Receivables	Interfund Payables
Total AMPs	$ 0	$ 26,121
PIH FSS	0	12,441
Service Coordinator Grant	0	8,826
SRO Program	0	0
Central Office	47,388	0
Total	$ 47,388	$ 47,388

These interprogram receivables and payables have been eliminated in the Statement of Net Position.

NOTE 12: CONTINGENCIES

The Authority is party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The Authority's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the Authority. The Authority has received several federal and state grants for specific purposes which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenses disallowed under the terms of the grant. Based upon prior experience, management believes such disallowances, if any, will be immaterial.

NOTE 13: CONSTRUCTION COMMITMENTS

The Authority had the following material capital or construction commitment at June 30, 2022:

	Contract Amount	Balance Outstanding June 30, 2022
Mathews Road Renovation	$ 328,000	$ 155,200
Amedia Lobby Doors	79,637	79,637
Total	$ 407,637	$ 234,837

NOTE 14: NET INVESTMENT IN CAPITAL ASSETS

Capital Assets	$ 32,116,574
Less Outstanding Debt	(1,240,268)
Total	$ 30,876,306

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

Traditional Plan	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Liability	0.018688%	0.021100%	0.020517%	0.020441%	0.020665%	0.021364%	0.042320%	0.025756%	0.025756%
Authority's Proportionate Share of the Net Pension Liability	$ 1,625,932	$ 3,124,451	$ 4,055,324	$ 5,598,375	$ 3,241,938	$ 4,851,402	$ 4,212,528	$ 3,106,462	$ 3,036,297
Authority's Covered Payroll	$ 2,712,173	$ 2,971,791	$ 2,886,692	$ 2,760,856	$ 2,730,178	$ 2,761,781	$ 3,026,920	$ 3,157,661	$ 3,265,433
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.95%	105.14%	140.48%	202.78%	118.74%	175.66%	139.17%	98.38%	92.98%
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%	86.45%	86.36%

Combined Plan	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's Proportion of the Net Pension Asset	0.008386%	0.008857%	0.008401%	0.008127%	0.008552%	0.008716%	0.009310%	0.005605%	0.005605%
Authority's Proportionate Share of the Net Pension (Asset)	$ (33,041)	$ (25,567)	$ (17,518)	$ (9,088)	$ (11,642)	$ (6,301)	$ (4,532)	$ (2,157)	$ (588)
Authority's Covered Payroll	$ 38,232	$ 39,032	$ 37,397	$ 34,757	$ 35,025	$ 33,928	$ 33,875	$ 20,488	$ 2,270
Authority's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	86.42%	65.50%	46.84%	26.15%	33.24%	18.57%	13.38%	10.53%	25.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

(1) - Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional years will be displayed as the information becomes available.

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

See accompanying notes to the required supplementary information.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
MAHONING COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contributions										
Traditional Plan	$ 383,567	$ 393,876	$ 416,326	$ 398,896	$ 366,598	$ 352,647	$ 339,796	$ 373,917	$ 378,107	$ 439,397
Combined Plan	5,449	5,307	5,429	5,051	4,683	4,332	3,972	3,968	545	0
Total Required Contributions	$ 389,016	$ 399,183	$ 421,755	$ 403,947	$ 371,281	$ 356,979	$ 343,768	$ 377,885	$ 378,652	$ 439,397
Contributions in Relation to the Contractually Required Contribution	(389,016)	(399,183)	(421,755)	(403,947)	(371,281)	(356,979)	(343,768)	(377,885)	(378,652)	(439,397)
Contribution Deficiency / (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority's Covered Payroll										
Traditional Plan	$ 2,739,764	$ 2,813,400	$ 2,973,757	$ 2,849,257	$ 2,716,960	$ 2,824,469	$ 2,831,633	$ 3,115,975	$ 3,150,892	$ 3,379,977
Combined Plan	$ 38,921	$ 37,907	$ 38,779	$ 36,079	$ 34,704	$ 34,699	$ 33,100	$ 33,067	$ 4,542	$ 0
Pension Contributions as a Percentage of Covered Payroll										
Traditional Plan	14.00%	14.00%	14.00%	14.00%	13.49%	12.49%	12.00%	12.00%	12.00%	13.00%
Combined Plan	14.00%	14.00%	14.00%	14.00%	13.49%	12.48%	12.00%	12.00%	12.00%	13.00%

See accompanying notes to the required supplementary information.

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

	2022	2021	2020	2019	2018	2017
Authority's Proportion of the Net OPEB Liability/Asset	0.017883%	0.020166%	0.019716%	0.019938%	0.020290%	0.020870%
Authority's Proportionate Share of the Net OPEB Liability/(Asset)	$ (560,123)	$ (359,273)	$ 2,723,292	$ 2,599,445	$ 2,203,345	$ 2,107,941
Authority's Covered Payroll	$ 2,788,638	$ 3,049,730	$ 2,978,716	$ 2,891,960	$ 2,873,521	$ 2,883,827
Authority's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	20.09%	11.78%	91.43%	89.89%	76.68%	73.10%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%	46.33%	54.14%	54.05%

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

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

See accompanying notes to the required supplementary information.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
MAHONING COUNTY, OHIO
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS - OPEB
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS (1)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 1,557	$ 1,516	$ 1,530	$ 3,036	$ 18,329	$ 46,992	$ 59,073	$ 63,852
Contributions in Relation to the Contractually Required Contribution	(1,557)	(1,516)	(1,530)	(3,036)	(18,329)	(46,992)	(59,073)	(63,852)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority Covered Payroll	$ 2,817,608	$ 2,889,215	$ 3,050,794	$ 2,961,238	$ 2,858,145	$ 2,934,266	$ 2,975,319	$ 3,241,014
Contributions as a Percentage of Covered Payroll	0.06%	0.05%	0.05%	0.10%	0.64%	1.60%	1.99%	1.97%

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

See accompanying notes to the required supplementary information.

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2022.

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

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2022.

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

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE BALANCE SHEET SUMMARY
JUNE 30, 2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	14.CCC Central Office Cost Center CARES Act Funding	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	4,267,905	-	-	1,126,007	-	24,145	1,001,146	-	-	8,628	648,348	7,076,179	-	7,076,179
113 Cash - Other Restricted	19,095	-	-	-	-	-	211,615	-	-	99,745	-	330,455	-	330,455
114 Cash - Tenant Security Deposits	188,843	-	-	10,608	-	-	-	-	-	-	1,300	200,751	-	200,751
100 Total Cash	4,475,843	-	-	1,136,615	-	24,145	1,212,761	-	-	108,373	649,648	7,607,385	-	7,607,385
122 Accounts Receivable - HUD Other Projects	45,586	-	2,519	-	-	-	-	8,826	-	-	-	56,931	-	56,931
125 Accounts Receivable - Miscellaneous	59,600	-	-	-	-	-	-	-	-	-	17,013	76,613	-	76,613
126 Accounts Receivable - Tenants	357,561	-	-	-	-	-	-	-	-	-	684	358,245	-	358,245
126.1 Allowance for Doubtful Accounts -Tenants	-192,995	-	-	-	-	-	-	-	-	-	-288	-193,283	-	-193,283
129 Accrued Interest Receivable	-	-	-	-	-	-	-	-	-	-	56,776	56,776	-	56,776
120 Total Receivables, Net of Allowances for Doubtful Accounts	269,752	-	2,519	-	-	-	-	8,826	-	-	74,185	355,282	-	355,282
131 Investments - Unrestricted	1,729,348	-	-	-	-	-	-	-	-	-	207,671	1,937,019	-	1,937,019
142 Prepaid Expenses and Other Assets	74,620	-	-	761	-	-	368	-	-	-	6,030	81,779	-	81,779
143 Inventories	37,125	-	-	2,000	-	-	-	-	-	-	-	39,125	-	39,125
144 Inter Program Due From	-	-	-	-	-	-	-	-	-	-	47,388	47,388	-47,388	-
150 Total Current Assets	6,586,688	-	2,519	1,139,376	-	24,145	1,213,129	8,826	-	108,373	984,922	10,067,978	-47,388	10,020,590
161 Land	3,258,207	-	-	88,000	-	-	-	-	-	-	23,500	3,369,707	-	3,369,707
162 Buildings	122,226,915	-	-	2,419,771	-	-	-	-	-	-	539,635	125,186,321	-	125,186,321
163 Furniture, Equipment & Machinery - Dwellings	1,214,353	-	-	-	-	-	-	-	-	-	-	1,214,353	-	1,214,353
164 Furniture, Equipment & Machinery - Administration	53,226	-	-	30,100	-	1,373	182,535	1,454	-	-	603,511	872,199	-	872,199
166 Accumulated Depreciation	-96,146,288	-	-	-1,746,378	-	-	-118,706	-242	-	-	-514,950	-98,526,564	-	-98,526,564
167 Construction in Progress	558	-	-	-	-	-	-	-	-	-	-	558	-	558
160 Total Capital Assets, Net of Accumulated Depreciation	30,606,971	-	-	791,493	-	1,373	63,829	1,212	-	-	651,696	32,116,574	-	32,116,574
171 Notes, Loans and Mortgages Receivable - Non-Current	107,116	-	-	-	-	-	-	-	-	-	4,939,763	5,046,879	-	5,046,879
174 Other Assets	325,778	-	-	14,923	-	-	53,732	-	-	-	200,181	594,614	-	594,614
180 Total Non-Current Assets	31,039,865	-	-	806,416	-	1,373	117,561	1,212	-	-	5,791,640	37,758,067	-	37,758,067
200 Deferred Outflow of Resources	289,259	-	-	13,251	-	-	47,709	-	-	-	176,453	526,672	-	526,672
290 Total Assets and Deferred Outflow of Resources	37,915,812	-	2,519	1,959,043	-	25,518	1,378,399	10,038	-	108,373	6,953,015	48,352,717	-47,388	48,305,329
312 Accounts Payable <= 90 Days	178,601	-	-	2,346	-	-	2,273	-	-	-	38,802	222,022	-	222,022
321 Accrued Wage/Payroll Taxes Payable	63,142	-	-	3,158	-	-	12,719	-	-	-	44,044	123,063	-	123,063
322 Accrued Compensated Absences - Current Portion	96,293	-	-	4,361	-	-	27,631	-	-	-	68,023	196,308	-	196,308
341 Tenant Security Deposits	188,843	-	-	10,608	-	-	-	-	-	-	1,300	200,751	-	200,751
342 Unearned Revenue	-	-	-	1,941	-	-	-	-	-	58,960	-	60,901	-	60,901
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	516,667	-	-	-	-	-	-	-	-	-	-	516,667	-	516,667
347 Inter Program - Due To	26,121	-	12,441	-	-	-	-	8,826	-	-	-	47,388	-47,388	-
310 Total Current Liabilities	1,069,667	-	12,441	22,414	-	-	42,623	8,826	-	58,960	152,169	1,367,100	-47,388	1,319,712
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	723,601	-	-	-	-	-	-	-	-	-	-	723,601	-	723,601
353 Non-current Liabilities - Other	19,095	-	-	-	-	-	175,482	-	-	-	-	194,577	-	194,577
354 Accrued Compensated Absences - Non Current	155,317	-	-	14,947	-	-	17,381	-	-	-	102,130	289,775	-	289,775
357 Accrued Pension and OPEB Liabilities	892,996	-	-	40,907	-	-	147,286	-	-	-	544,743	1,625,932	-	1,625,932
350 Total Non-Current Liabilities	1,791,009	-	-	55,854	-	-	340,149	-	-	-	646,873	2,833,885	-	2,833,885
300 Total Liabilities	2,860,676	-	12,441	78,268	-	-	382,772	8,826	-	58,960	799,042	4,200,985	-47,388	4,153,597
400 Deferred Inflow of Resources	1,592,400	-	-	72,946	-	-	262,641	-	-	-	971,388	2,899,375	-	2,899,375
508.4 Net Investment in Capital Assets	29,366,703	-	-	791,493	-	1,373	63,829	1,212	-	-	651,696	30,876,306	-	30,876,306
511.4 Restricted Net Position	-	-	-	-	-	-	36,133	-	-	40,787	-	76,920	-	76,920
512.4 Unrestricted Net Position	4,096,033	-	-9,922	1,016,336	-	24,145	633,024	-	-	8,626	4,530,889	10,299,131	-	10,299,131
513 Total Equity - Net Assets / Position	33,462,736	-	-9,922	1,807,829	-	25,518	732,986	1,212	-	49,413	5,182,585	41,252,357	-	41,252,357
600 Total Liabilities, Deferred Inflow of Resources, and Equity - Net	37,915,812	-	2,519	1,959,043	-	25,518	1,378,399	10,038	-	108,373	6,953,015	48,352,717	-47,388	48,305,329

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	14.CCC Central Office Cost Center CARES Act Funding	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	2,739,365	-	-	158,461	-	-	-	-	-	-	19,869	2,917,695	-	2,917,695
70400 Tenant Revenue - Other	180,357	-	-	-	-	-	-	-	-	-	265	180,622	-	180,622
70500 Total Tenant Revenue	2,919,722	-	-	158,461	-	-	-	-	-	-	20,134	3,098,317	-	3,098,317
70600 HUD PHA Operating Grants	7,380,294	452,045	238,307	140,397	-	-	11,644,448	47,892	365,914	136,333	-	20,405,630	-	20,405,630
70610 Capital Grants	509,440	-	-	-	-	-	-	1,454	-	-	-	510,894	-	510,894
70710 Management Fee	-	-	-	-	-	-	-	-	-	-	1,322,182	1,322,182	-1,322,182	-
70720 Asset Management Fee	-	-	-	-	-	-	-	-	-	-	129,480	129,480	-129,480	-
70730 Book Keeping Fee	-	-	-	-	-	-	-	-	-	-	201,234	201,234	-201,234	-
70740 Front Line Service Fee	-	-	-	-	-	-	-	-	-	-	75,679	75,679	-75,679	-
70700 Total Fee Revenue	-	-	-	-	-	-	-	-	-	-	1,728,575	1,728,575	-1,728,575	-
71100 Investment Income - Unrestricted	-89,492	-	-	112	-	-	-	-	-	-	18,886	-70,494	-	-70,494
71400 Fraud Recovery	-	-	-	-	-	-	4,481	-	-	-	-	4,481	-	4,481
71500 Other Revenue	91,232	-	-	3,813	122,938	3,230	62,446	-	-	-	199,167	482,826	-135,356	347,470
70000 Total Revenue	10,811,196	452,045	238,307	302,783	122,938	3,230	11,711,375	49,346	365,914	136,333	1,966,762	26,160,229	-1,863,931	24,296,298
91100 Administrative Salaries	463,160	-	146,221	28,978	-	-	222,668	28,071	-	12,677	749,686	1,651,461	-	1,651,461
91200 Auditing Fees	21,811	-	-	885	-	-	6,402	-	-	-	-	29,098	-	29,098
91300 Management Fee	1,053,022	122,938	-	6,012	-	-	261,924	-	-	1,224	-	1,445,120	-1,445,120	-
91310 Book-keeping Fee	94,229	-	-	3,758	-	-	38,197	-	64,285	765	-	201,234	-201,234	-
91400 Advertising and Marketing	3,165	-	-	-	-	-	2,255	-	-	-	11,794	17,214	-	17,214
91500 Employee Benefit contributions - Administrative	63,283	-	65,240	-4,642	-	-	-237,675	13,881	-	5,015	-3,060	-97,958	-	-97,958
91600 Office Expenses	15,872	-	8,865	155	-	-	6,422	1,093	-	-	8,196	40,603	-	40,603
91700 Legal Expense	39,566	-	-	1,805	-	-	33	-	-	-	43,654	85,058	-	85,058
91800 Travel	7,475	-	7,781	124	-	-	2,759	1,633	-	-	16,861	36,633	-	36,633
91900 Other	383,413	-	1,963	16,561	-	139	80,375	2,775	-	101	315,386	800,713	-	800,713
91000 Total Operating - Administrative	2,144,996	122,938	230,070	53,636	-	139	383,360	47,453	64,285	19,782	1,142,517	4,209,176	-1,646,354	2,562,822
92000 Asset Management Fee	129,480	-	-	-	-	-	-	-	-	-	-	129,480	-129,480	-
92100 Tenant Services - Salaries	-	217,827	-	-	33,798	-	-	-	186,746	-	-	438,371	-	438,371
92300 Employee Benefit Contributions - Tenant Services	-	100,715	-	-	1,364	-	-	-	103,095	-	-	205,174	-	205,174
92400 Tenant Services - Other	2,803	7,145	480	-	4,162	1,460	-	-	8,048	-	-	24,098	-	24,098
92500 Total Tenant Services	2,803	325,687	480	-	39,324	1,460	-	-	297,889	-	-	667,643	-	667,643
93100 Water	371,600	-	-	10,248	-	-	725	-	-	-	3,156	385,729	-	385,729
93200 Electricity	881,147	-	-	31,664	-	-	4,395	-	-	-	18,621	935,827	-	935,827
93300 Gas	687,737	-	-	1,399	-	-	1,279	-	-	-	6,227	696,642	-	696,642
93600 Sewer	700,032	-	-	9,600	-	-	1,432	-	-	-	6,550	717,614	-	717,614
93000 Total Utilities	2,640,516	-	-	52,911	-	-	7,831	-	-	-	34,554	2,735,812	-	2,735,812
94100 Ordinary Maintenance and Operations - Labor	887,552	-	-	32,866	-	-	-	-	-	-	73,862	994,280	-	994,280
94200 Ordinary Maintenance and Operations - Materials and Other	291,297	-	-	23,804	-	-	3,075	-	-	-	12,949	331,125	-	331,125
94300 Ordinary Maintenance and Operations Contracts	744,666	-	-	45,398	-	-	11,055	-	-	-	35,064	836,183	-88,097	748,086
94500 Employee Benefit Contributions - Ordinary Maintenance	115,400	-	-	-5,265	-	-	-	-	-	-	-301	109,834	-	109,834
94000 Total Maintenance	2,038,915	-	-	96,803	-	-	14,130	-	-	-	121,574	2,271,422	-88,097	2,183,325
95200 Protective Services - Other Contract Costs	256,163	-	-	1,743	-	-	-	-	-	-	224	258,130	-	258,130
95000 Total Protective Services	256,163	-	-	1,743	-	-	-	-	-	-	224	258,130	-	258,130
96110 Property Insurance	267,230	-	-	2,744	-	-	-	-	-	-	-	269,974	-	269,974
96120 Liability Insurance	-	-	-	-	-	-	1,341	-	-	-	16,399	17,740	-	17,740
96130 Workmen's Compensation	18,147	-	2,640	767	-	-	2,353	439	-	201	17,211	41,758	-	41,758
96100 Total insurance Premiums	285,377	-	2,640	3,511	-	-	3,694	439	-	201	33,610	329,472	-	329,472
96200 Other General Expenses	381,928	-	53	-	-	-	-	-	-	-	459	382,440	-	382,440
96210 Compensated Absences	20,876	-	-	-	-	-	-	-	-	-	-	20,876	-	20,876
96300 Payments in Lieu of Taxes	44,760	-	-	9	-	-	-	-	-	-	3,031	47,800	-	47,800
96400 Bad debt - Tenant Rents	277,630	-	-	8,499	-	-	-	-	-	-	288	286,417	-	286,417
96800 Severance Expense	37,488	-	14,986	-	-	-	34,757	-	-	-	26,494	113,725	-	113,725
96000 Total Other General Expenses	762,682	-	15,039	8,508	-	-	34,757	-	-	-	30,272	851,258	-	851,258
96720 Interest on Notes Payable (Short and Long Term)	63,348	-	-	-	-	-	-	-	-	-	-	63,348	-	63,348
96700 Total Interest Expense and Amortization Cost	63,348	-	-	-	-	-	-	-	-	-	-	63,348	-	63,348
96900 Total Operating Expenses	8,324,280	448,625	248,229	217,112	39,324	1,599	443,772	47,892	362,174	19,983	1,362,751	11,515,741	-1,863,931	9,651,810

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
SUPPLEMENTAL FINANCIAL SCHEDULE
ENTITY WIDE REVENUE AND EXPENSE SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Project Total	14.PHC Public Housing CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	14.182 N/C S/R Section 8 Programs	14.CCC Central Office Cost Center CARES Act Funding	2 State/Local	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.EHV Emergency Housing Voucher	COCC	Subtotal	ELIM	Total
97000 Excess of Operating Revenue over Operating Expenses	2,486,916	3,420	-9,922	85,671	83,614	1,631	11,267,603	1,454	3,740	116,350	604,011	14,644,488	-	14,644,488
97200 Casualty Losses - Non-capitalized	8,527	-	-	-	-	-	-	-	-	-	534	9,061	-	9,061
97300 Housing Assistance Payments	-	-	-	-	-	-	10,377,848	-	-	65,343	-	10,443,191	-	10,443,191
97400 Depreciation Expense	3,054,323	-	-	40,730	-	-	21,690	242	-	-	47,874	3,164,859	-	3,164,859
90000 Total Expenses	11,387,130	448,625	248,229	257,842	39,324	1,599	10,843,310	48,134	362,174	85,326	1,411,159	25,132,852	-1,863,931	23,268,921
10010 Operating Transfer In	639,960	-	-	-	-	-	-	-	-	-	-	639,960	-639,960	-
10020 Operating transfer Out	-639,960	-	-	-	-	-	-	-	-	-	-	-639,960	639,960	-
10100 Total Other financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-575,934	3,420	-9,922	44,941	83,614	1,631	868,065	1,212	3,740	51,007	555,603	1,027,377	-	1,027,377
11020 Required Annual Debt Principal Payments	539,167	-	-	-	-	-	-	-	-	-	-	539,167	-	539,167
11030 Beginning Equity	34,030,813	-	-	1,761,986	-	29,296	-140,413	-	-	-	4,543,298	40,224,980	-	40,224,980
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	7,857	-3,420	-	902	-83,614	-5,409	5,334	-	-3,740	-1,594	83,684	-	-	-
11170 Administrative Fee Equity	-	-	-	-	-	-	696,853	-	-	-	-	696,853	-	696,853
11180 Housing Assistance Payments Equity	-	-	-	-	-	-	36,133	-	-	-	-	36,133	-	36,133
11190 Unit Months Available	14,244	-	-	528	-	-	26,868	-	-	-	36	41,676	-	41,676
11210 Number of Unit Months Leased	13,755	-	-	501	-	-	21,939	-	-	-	24	36,219	-	36,219

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
MAHONING COUNTY, OHIO
SCHEDULE OF MODERNIZATION COSTS - COMPLETED
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

1. Actual modernization costs of the Project are as follows:

OH12P002501-11	
Funds Approved	$ 2,147,527
Funds Expended	2,147,527
Excess (Deficiency) of Funds Approved	$ 0
Funds Advanced	$ 2,147,527
Funds Expended	2,147,527
Excess (Deficiency) of Funds Approved	$ 0
OH12P002501-12	
Funds Approved	$ 1,847,957
Funds Expended	1,847,957
Excess (Deficiency) of Funds Approved	$ 0
Funds Advanced	$ 1,847,957
Funds Expended	1,847,957
Excess (Deficiency) of Funds Approved	$ 0
OH12P002501-14	
Funds Approved	$ 1,818,767
Funds Expended	1,818,767
Excess (Deficiency) of Funds Approved	$ 0
Funds Advanced	$ 1,818,767
Funds Expended	1,818,767
Excess (Deficiency) of Funds Approved	$ 0
OH12P002501-15	
Funds Approved	$ 1,829,527
Funds Expended	1,829,527
Excess (Deficiency) of Funds Approved	$ 0
Funds Advanced	$ 1,829,527
Funds Expended	1,829,527
Excess (Deficiency) of Funds Approved	$ 0
OH12R002501-12	
Funds Approved	$ 124,362
Funds Expended	124,362
Excess (Deficiency) of Funds Approved	$ 0
Funds Advanced	$ 124,362
Funds Expended	124,362
Excess (Deficiency) of Funds Approved	$ 0

(Continued)

OH12R002501-14		
Funds Approved	$	95,008
Funds Expended		95,008
Excess (Deficiency) of Funds Approved	$	0
Funds Advanced	$	95,008
Funds Expended		95,008
Excess (Deficiency) of Funds Approved	$	0
OH12R002501-15		
Funds Approved	$	95,581
Funds Expended		95,581
Excess (Deficiency) of Funds Approved	$	0
Funds Advanced	$	95,581
Funds Expended		95,581
Excess (Deficiency) of Funds Approved	$	0
OH12R002501-17		
Funds Approved	$	33,753
Funds Expended		33,753
Excess (Deficiency) of Funds Approved	$	0
Funds Advanced	$	33,753
Funds Expended		33,753
Excess (Deficiency) of Funds Approved	$	0

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

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

4. There are no discharged mechanics, laborers, contractors, or material liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
MAHONING COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR/ *Pass Through Grantor'* Program/Title	**Assistance Listing Number**	**Federal Expenditures**
U.S. Department of Housing and Urban Development		
Direct Programs:		
Public Housing Programs		
Public and Indian Housing	14.850	$ 6,345,101
Public and Indian Housing - CARES Act	14.850	452,045
Total CFDA #14.850		6,797,146
Public Housing Capital Fund	14.872	1,544,633
Housing Voucher Cluster		
Section 8 Housing Choice Vouchers	14.871	11,644,448
Section 8 Housing Choice Vouchers - CARES Act	14.871	365,914
Section 8 Housing Choice Vouchers - Emergency Housing Voucher	14.871	136,333
Total Housing Voucher Cluster		12,146,695
Section 8 Project-Based Cluster		
Section 8 New Construction and Substantial Rehabilitation	14.182	140,397
Total Section 8 Project Based Cluster		140,397
Resident Opportunity and Supportive Services - Service Coordinator	14.870	49,346
Family Self-Sufficiency Program	14.896	238,307
Total Direct Programs		20,916,524
Total U.S. Department of Housing and Urban Development		20,916,524
Total Expenditures of Federal Awards		$ 20,916,524

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

NOTE 1: **PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Youngstown Metropolitan Housing Authority under programs of the federal government for the year ended June 30, 2022. 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 Youngstown Metropolitan Housing Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Youngstown Metropolitan Housing Authority.

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

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

NOTE 3: **INDIRECT COST RATE**

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

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

Youngstown Metropolitan Housing Authority
Mahoning County
131 W. Boardman Street
Youngstown, Ohio 44503

To the Members of the Board:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Youngstown Metropolitan Housing Authority, Ohio, (the Authority) as of and for the year ended June 30, 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 March 13, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Zupka & Associates

Zupka & Associates
Certified Public Accountants

March 13, 2023

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

Youngstown Metropolitan Housing Authority
Mahoning County
131 W. Boardman Street
Youngstown, Ohio 44503

To the Members of the Board:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Youngstown Metropolitan Housing Authority, Ohio's (the Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2022. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Youngstown Metropolitan Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Youngstown Metropolitan Housing Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the Youngstown Metropolitan Housing Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Youngstown Metropolitan Housing Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Zupka & Associates

Zupka & Associates
Certified Public Accountants

March 13, 2023

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
UNIFORM GUIDANCE
JUNE 30, 2022

1. SUMMARY OF AUDITOR'S RESULTS

2021(i)	Type of Financial Statement Opinion	Unmodified
2021(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2021(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2021(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2021(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2021(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2021(v)	Type of Major Programs' Compliance Opinion	Unmodified
2021(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2021(vii)	Major Programs (list): Public and Indian Housing - CFDA #14.850 Public and Indian Housing - Cares Act - CFDA #14.850 Public Housing Capital Fund - CFDA #14.872	
2021(viii)	Dollar Threshold: Type A\B Programs	Type A: $750,000 Type B: All Others
2021(ix)	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY
MAHONING COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

The prior audit report, as of June 30, 2021, included no citations or instances of noncompliance. Management letter recommendations have corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

OHIO AUDITOR OF STATE
KEITH FABER

YOUNGSTOWN METROPOLITAN HOUSING AUTHORITY

MAHONING 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 5/4/2023

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