



**COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY  
SINGLE AUDIT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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Marietta, OH 45750  
740 373 0056

1907 Grand Central Ave.  
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KEITH FABER



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Board of Commissioners  
Coshocton Metropolitan Housing Authority  
823 Magnolia Street  
Coshocton, Ohio 43812

We have reviewed the *Independent Auditor's Report* of the Coshocton Metropolitan Housing Authority, Coshocton County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period July 1, 2020 through June 30, 2021. 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 Coshocton Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

March 18, 2022

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**COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY**

**TABLE OF CONTENTS**

TITLE	PAGE
Independent Auditor’s Report .....	1
Management’s Discussion and Analysis .....	4
Basic Financial Statements:	
Statement of Net Position .....	10
Statement of Revenues, Expenses, and Changes in Net Position.....	11
Statement of Cash Flows .....	12
Notes to the Basic Financial Statements .....	13
Required Supplementary Information	
Schedule of Authority’s Proportionate Share of the Net Pension Liability - Ohio Public Employees Retirement System .....	40
Schedule of Authority’s Contributions – Ohio Public Employees Retirement System.....	41
Schedule of Authority’s Proportionate Share of the Net OPEB Liability – Ohio Public Employees Retirement System .....	42
Schedule of Authority’s Contributions – Ohio Public Employees Retirement System.....	43
Notes to the Required Supplementary Information .....	44
Supplemental Information:	
Schedule of Expenditures of Federal Awards .....	47
Notes to the Schedule of Expenditures of Federal Awards .....	48
Financial Data Schedule .....	49
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	54
Independent Auditor’s Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance .....	56
Schedule of Audit Findings – 2 CRF § 200.515.....	58

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Certified Public Accountants, A.C.

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## INDEPENDENT AUDITOR'S REPORT

January 21, 2022

Coshocton Metropolitan Housing Authority  
Coshocton County  
823 Magnolia Street  
Coshocton, Ohio 43812

To the Board of Commissioners:

### *Report on the Financial Statements*

We have audited the accompanying financial statements of **Coshocton Metropolitan Housing Authority**, Coshocton County, Ohio (the Authority), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations  
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***Auditor's Responsibility (Continued)***

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Coshocton Metropolitan Housing Authority, Coshocton County, as of June 30, 2021, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 12 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Authority. We did not modify our opinion regarding this matter.

***Other Matters***

***Required Supplementary Information***

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

***Supplementary and Other Information***

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

The Financial Data Schedule presented on pages 49-53 presents additional analysis as required by the United States Department of Housing and Urban Development and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards also presents 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 also not a required part of the financial statements.



***Other Matters (Continued)***

*Supplementary and Other Information (Continued)*

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2022, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



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

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
MANAGEMENT'S DISCUSSION & ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED

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## **Management's Discussion and Analysis**

This Management's Discussion and Analysis (MD&A) for the Coshocton Metropolitan Housing Authority (Coshocton MHA) is intended to assist the reader identify what management feels are significant financial issues, provide an overview of the financial activity for the year, and identify and offer a discussion about changes in Coshocton MHA's financial position. It is designed to focus on the financial activity for the fiscal year ended June 30, 2021, resulting changes and currently known facts. Please read it in conjunction with the financial statements found elsewhere in this report.

### **Overview of the Financial Statements**

The Basic Financial Statements included elsewhere in this report are:

the Statement of Net Position,  
the Statement of Revenues, Expenses & Changes in Fund Net Position, and  
the Statement of Cash Flows

The **Statement of Net Position** is very similar to, and what most people would think of as, a Balance Sheet. In the first half it reports the value of assets Coshocton MHA holds at 6/30/2021 – that is, the cash Coshocton MHA has, the amounts that are owed Coshocton MHA from others, and the value of the equipment Coshocton MHA owns. In the other half of the report, it shows the liabilities Coshocton MHA has – that is, what Coshocton MHA owes others at 6/30/2021, and what Net Position (comparable to Equity) Coshocton MHA has at 6/30/2021. The two parts of the report are in balance, thus why many might refer to this type of report as a Balance Sheet, in that the total of the assets part equals the total of the liabilities plus net position (or equity) part.

In the statement, the Net Position part is broken out into three broad categories:

Net Investment in Capital Assets,  
Restricted Net Position, and  
Unrestricted Net Position.

The balance in Net Investment in Capital Assets reflects the value of capital assets. This includes assets such as land, buildings, & equipment, reported in the top part of the statement reduced by the amount of accumulated depreciation of those assets and by the outstanding amount of debt yet owed on those assets.

The balance in Restricted Net Position reflects the value of assets reported in the top part of the statement that are restricted for use by law or regulation, or when the use of those assets is restricted by constraints placed on the assets by creditors.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
MANAGEMENT'S DISCUSSION & ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED

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The balance in Unrestricted Net Position is what is left over of Net Position after what is classified in the two previously mentioned components of Net Position. It reflects the value of assets available to Coshocton MHA to use to further its purposes.

The **Statement of Revenues, Expenses & Changes in Fund Net Position** is very similar to and may commonly be referred to as an Income Statement. It is in essence a report showing what Coshocton MHA earned, that is what its revenues or incomes were, versus what expenses Coshocton MHA had over the same period. Then it shows how Net Position (or equity) changed because of how the incomes exceeded or were less than what expenses were. It helps the reader to determine if Coshocton MHA had more in revenues than in expenses or vice-versa, and then how that net gain or net loss affected the Net Position. The bottom line of the report, the Ending Total Net Position, is what is referred to in the above discussion of the Statement of Net Position that when added to the liabilities Coshocton MHA has equals the total assets Coshocton MHA has.

The **Statement of Cash Flows** is a report that shows how the amount of cash Coshocton MHA had at the end of the previous year was impacted by the activities of the current year. It breaks out in general categories the cash coming in and the cash going out. It helps the reader to understand the sources and uses of cash by Coshocton MHA during the year to include a measurement of cash gained or used by operating activities, by activities related to acquiring capital assets, and by activities related to investing activities.

### **Coshocton MHA's Business Type Funds**

The financial statements included elsewhere in this report are presented using the Authority-wide perspective meaning the activity reported reflects the summed results of all the programs, or business type funds of Coshocton MHA. Coshocton MHA consists exclusively of Enterprise Funds. The full accrual basis of accounting is used for Enterprise Funds. That method of accounting is very similar to accounting used in the private sector. Coshocton MHA's programs include the following:

- the Low Rent Public Housing program,
- the Section 8 Housing programs,
- the Rural Housing program, and
- the State & Local program.

Under the Low Rent Public Housing program, Coshocton MHA rents dwelling units it owns to low to moderate-income families. Through an Annual Contributions Contract (commonly referred to as an ACC) with HUD, HUD provides an operating subsidy to Coshocton MHA to help support the operations of the program. In addition, HUD provides funds for physical improvements to Coshocton MHA's properties and funds for management improvements through Capital Fund Program grants.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 MANAGEMENT'S DISCUSSION & ANALYSIS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
 UNAUDITED

Under the Section 8 Housing Choice Voucher program, Coshocton MHA subsidizes the rents of low to moderate-income families through Housing Assistance Payments contracts when those families rent from private landlords. This is called a tenant-based program because when the tenant family moves, the rental assistance goes with the family to the new rental unit.

Under the Rural Housing program, the US Department of Agriculture provided a low interest loan to Coshocton MHA to finance the construction of the dwelling units and then also provides rental assistance to the low to moderate-income families that rent them from the owner, Coshocton MHA. Under its Local program, Coshocton MHA operates coin laundry facilities in its Public Housing rental housing developments and assigns 100% of the proceeds against a debt owed to the Public Housing program of the agency.

### Condensed Financial Statements

The following is a condensed Statement of Net Position compared to the prior year-end. Coshocton MHA is engaged only in business type activities.

Table 1 -- Condensed Statement of Net Position Compared to Prior Year  
 (Values Rounded to Nearest Thousand)

	<u>2021</u>	<u>2020</u>
Current Assets	\$ 688,000	\$ 640,000
Non-Current Assets	39,000	-
Capital Assets	1,514,000	1,044,000
Deferred Outflows	81,000	89,000
<b>Total Assets &amp; Deferred Outflows</b>	<b>2,322,000</b>	<b>1,773,000</b>
Current Liabilities	133,000	132,000
Long-Term Liabilities	970,000	1,339,000
Deferred Inflows	271,000	193,000
<b>Total Liabilities &amp; Deferred Inflows</b>	<b>1,374,000</b>	<b>1,664,000</b>
Net Position:		
Net Investment in Capital Assets	894,000	414,000
Restricted Net Position	86,000	82,000
Unrestricted Net Position	(32,000)	(387,000)
<b>Total Net Position</b>	<b>948,000</b>	<b>109,000</b>
<b>Total Liabilities, Deferred Inflows &amp; Net Position</b>	<b>\$2,322,000</b>	<b>\$1,773,000</b>

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 MANAGEMENT'S DISCUSSION & ANALYSIS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
 UNAUDITED

Current assets increased by \$48,000, or 7 percent, from the previous year. This was due mostly to an increase of cash on hand, as a result of increased funding in Public Housing and Section 8 programs. The increase in capital assets of \$470,000 was the result of a significant amount of building and site improvements and equipment added. Current liabilities increased from the prior year-end only by \$1,000, less than 1 percent. This is primarily the net result of an increase in accrued payroll and security deposits on hand, offset by decrease in accrued expenses and prepaid revenue. Long-term liabilities decreased by \$369,000, or 28 percent, from the previous year. This is due mainly to significant decreases in net pension and net OPEB liabilities. Adjustments made for GASB 68 and GASB 75 reporting resulted in a decrease in deferred outflows of \$8,000 or 9 percent; and an increase in deferred inflows of \$78,000, or 40 percent.

The following is a condensed **Statement of Revenues, Expenses & Changes in Net Position**. Coshocton MHA is engaged only in business type activities.

Table 2 -- Condensed Statement of Revenues, Expenses & Changes in Net Position  
 (Values Rounded to Nearest Thousand)

	<u>2021</u>	<u>2020</u>
<b><u>Revenues</u></b>		
Tenant Revenues - Rents & Other	\$ 275,000	\$ 263,000
Operating Subsidies & Grants	1,868,000	1,673,000
Capital Grants	408,000	105,000
Other Revenues	42,000	46,000
<b>Total Revenues</b>	<b>2,593,000</b>	<b>2,087,000</b>
<b><u>Expenses</u></b>		
Administrative	192,000	353,000
Tenant Services	3,000	3,000
Utilities	133,000	136,000
Maintenance	285,000	335,000
General	66,000	63,000
Housing Assistance Payments	911,000	851,000
Depreciation	155,000	118,000
<b>Total Expenses</b>	<b>1,745,000</b>	<b>1,859,000</b>
Net Increase (Decrease) in Net Position	840,000	228,000
Beginning Net Position	109,000	(119,000)
Ending Net Position	<b>\$ 949,000</b>	<b>\$ 109,000</b>

Revenues increased from the prior year by \$506,000, or 24 percent. Most categories of revenue saw modest increases from the previous period, with the exception of a sizeable increase in capital grants in the Public Housing program.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 MANAGEMENT'S DISCUSSION & ANALYSIS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
 UNAUDITED

Expenses decreased from the prior year by \$105,000, or about 6 percent. This was mostly a net result of increases in administrative and maintenance expenses, as well as increased leasing and housing assistance payments in the Housing Choice Voucher program, combined with a significant negative adjustment in pension and OPEB expense for the GASB 68 and 75 liabilities.

The following is a condensed **Statement of Changes in Capital Assets** comparing the balance in capital assets at the year-end versus at the end of the prior year.

Table 3 -- Condensed Statement of Changes in Capital Assets  
 (Values Rounded to Nearest Thousand)

	<u>2021</u>	<u>2020</u>
Land and Land Rights	\$ 439,000	\$ 439,000
Buildings & Improvements	8,777,000	8,173,000
Equipment	392,000	371,000
Accumulated Depreciation	<u>(8,094,000)</u>	<u>(7,939,000)</u>
Total	\$ 1,514,000	\$ 1,044,000

Capital Assets increased by \$470,000. The change was the result of a significant amount of building and property improvements and equipment added, combined with normal yearly depreciation expense.

The following is a **comparison of debt outstanding** at the year-end versus at the end of the prior year.

Table 4 -- Condensed Statement of Changes in Debt Outstanding  
 (Values Rounded to Nearest Thousand)

	<u>2021</u>	<u>2020</u>
Current Portion of Debt	\$ 12,000	\$ 11,000
Long Term Portion of Debt	608,000	619,000
Total	<u>\$ 620,000</u>	<u>\$ 630,000</u>

Debt was reduced by about \$10,000 during this fiscal period. That is the result of regular payments on the loan from the US Department of Agriculture made several years ago to enable the agency to develop rental property owned by Coshocton MHA.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
MANAGEMENT'S DISCUSSION & ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED

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**Economic Factors**

While there was some relief in this period, budget problems of the Federal government continue to take a significant toll on the agency's ability to administer its programs because the Authority relies on funding from HUD to operate its programs. Funds to administer the Section 8 Housing Choice Voucher program and the Public Housing program have been cut drastically for several years despite inflationary pressures on expenses remaining constant. That means the agency continues to be forced to make cuts whenever possible. Ultimately this impacts the agency's ability to maintain its properties and level of service to clients of agency programs.

**Financial Contact**

Questions concerning this report or requests for additional information should be directed to Lisa Mowery, Executive Director of the Coshocton Metropolitan Housing Authority, 823 Magnolia Street, Coshocton, Ohio, 43812

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 STATEMENT OF NET POSITION  
 June 30, 2021

**ASSETS**

**Current Assets**

Cash and Cash Equivalents - Unrestricted	\$	505,230
Cash and Cash Equivalents - Restricted		126,828
Receivables, Net		2,162
Inventory		31,909
Prepaid Expenses		21,790
<b>Total Current Assets</b>		<b>687,919</b>

**Noncurrent Assets**

Net OPEB Asset		38,678
Non-Depreciable Capital Assets		438,538
Depreciable Capital Assets, Net of Depreciation		1,075,601
<b>Total Noncurrent Assets</b>		<b>1,552,817</b>

Deferred Outflows of Resources		81,314
		<b>81,314</b>

<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$</b>	<b>2,322,050</b>
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**LIABILITIES**

**Current Liabilities**

Accrued Wages/Payroll Taxes	\$	32,366
Current Portion of Compensated Absences		3,001
Accrued PILOT		12,238
Tenant Security Deposits		37,774
Current Portion of Long-Term Debt		12,477
Other Current Liabilities		35,502
<b>Total Current Liabilities</b>		<b>133,358</b>

**Noncurrent Liabilities**

Accrued Compensated Absences, Net of Current Portion		17,003
Long-Term Debt, Net of Current Portion		607,407
Net Pension Liability		345,170
<b>Total Noncurrent Liabilities</b>		<b>969,580</b>
<b>TOTAL LIABILITIES</b>		<b>1,102,938</b>

Deferred Inflows of Resources		270,795
		<b>270,795</b>

**NET POSITION**

Net Investment in Capital Assets		894,255
Restricted Net Position		86,377
Unrestricted Net Position		(32,315)
<b>TOTAL NET POSITION</b>		<b>948,317</b>

<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, &amp; NET POSITION</b>	<b>\$</b>	<b>2,322,050</b>
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The accompanying notes are an integral part of the financial statements.



COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2021

<b><u>Operating Revenue</u></b>	
Government Operating Grants	\$ 1,867,776
Tenant Revenue	274,894
Other Income	42,745
<b>Total Operating Revenue</b>	<b>2,185,415</b>
 <b><u>Operating Expenses</u></b>	
Administration	192,217
Tenant Services	2,526
Utilities	132,871
Maintenance	285,806
General	66,477
Housing Assistance Payments	910,630
Depreciation	154,892
<b>Total Operating Expenses</b>	<b>1,745,419</b>
<b>Net Operating Income (Loss)</b>	<b>439,996</b>
 <b><u>Nonoperating Revenues/(Expenses)</u></b>	
Investment Income - Unrestricted	115
Interest Expense	(57,201)
Interest Subsidy	48,812
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>(8,274)</b>
Excess of Revenue Over(Under) Expenses before Capital Grants	431,722
Capital Grants	408,037
<b>Change in Net Position</b>	<b>839,759</b>
Total Net Position - Beginning of Year	108,558
<b>Total Net Position - Ending</b>	<b>\$ 948,317</b>

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

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2021

<b><u>Cash Flows from Operating Activities</u></b>	
Receipts from Residents	\$ 275,901
Receipts from Operating Grants	1,867,776
Other Receipts	42,733
Payments for Housing Assistance	(910,630)
Payments for General and Administration Expense	(995,874)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b><u>279,906</u></b>
<b><u>Cash Flows from Capital and Related Financing Activities</u></b>	
Payments on Long-Term Debt	(10,495)
Interest Paid on Long-Term Debt	(8,452)
Capital Grants Received	408,037
Acquisition of Capital Assets	(624,635)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b><u>(235,545)</u></b>
<b><u>Cash Flows from Investing Activities</u></b>	
Investment Income	127
<b>Net Cash Provided from Investing Activities</b>	<b><u>127</u></b>
<b>Net Increase (Decrease) in Cash</b>	<b>44,488</b>
Cash and Cash Equivalents at Beginning of Year	587,570
<b>Cash and Cash Equivalents at End of Year</b>	<b><u>\$ 632,058</u></b>
<b><u>Reconciliation of Net Operating Income to Net Cash Provided (Used) by Operating Activities</u></b>	
Net Operating Income (Loss)	\$ 439,996
Adjustments to Reconcile Net Income to Net Cash:	
Provided by Operating Activities:	
Depreciation	154,892
(Increase) Decrease in:	
Accounts Receivable	952
Prepaid Expenses	(1,700)
Inventory	(3,403)
Increase (Decrease) in:	
Accounts Payable	(466)
Compensated Absences	(1,260)
Wages and Benefits Payable	13,479
Tenant Security Deposits	(506)
Other Liabilities	(322,078)
<b>Net Cash provided (Used) by Operating Activities</b>	<b><u>\$ 279,906</u></b>

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

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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**NOTE 1: DESCRIPTION OF THE HOUSING AUTHORITY AND REPORTING ENTITY**

**Summary of Significant Accounting Policies**

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

**Reporting Entity**

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

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities, and functions for which the Authority is financially accountable. This report includes all activities considered by management to be part of the Authority by virtue of Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

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

The definition of a reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity.

It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing 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.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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**NOTE 1: DESCRIPTION OF THE HOUSING AUTHORITY AND REPORTING ENTITY** (Continued)

**Reporting Entity** (Continued)

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. The 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.

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

**Basis of Presentation**

The Authority's basic financial statements consist of a Statement of Net Position, a Statement of Revenue, Expenses, and Changes in Net Position, and a Statement of Cash Flows.

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

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

**Measurement Focus**

The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Authority are included on the statement of net position. The Statement of Revenues, Expenses and Changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Authority finances and meets the cash flow needs of its enterprise activity.

**Enterprise Fund**

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.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Enterprise Fund** (Continued)

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

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

**Projects - Conventional Public Housing and Capital Fund Programs**

Under the Conventional Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy to enable the PHA to provide the housing at a rent that is based upon 30 percent of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical (i.e., capital) and management improvements to the Authority's properties. Funds are provided by formula allocation and based on size and age of the units.

**Housing Choice Voucher Program**

Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a Housing Assistant Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contributions Funding to enable the Authority to structure a lease that sets the participants' rent at 30 percent of household income.

**Rural Housing Program**

The United States Department of Agriculture provided a low interest loan to the Coshocton Metropolitan Housing Authority to finance the construction of the dwelling units and then also provides rental assistance to the low to moderate-income families that rent them from the owner, Coshocton MHA.

**Accounting and Reporting for Nonexchange Transactions**

Nonexchange transactions occur when the Public Housing Authority (PHA) receives (or gives) value without directly giving equal value in return. GASB 33 identifies four classes of nonexchange transactions as follows:

- Derived tax revenues: result from assessments imposed on exchange transactions (i.e., income taxes, sales taxes and other assessments on earnings or consumption)
- Imposed nonexchange revenues: result from assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions (i.e., property taxes and fines)

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Accounting and Reporting for Nonexchange Transactions** (Continued)

- Government-mandated nonexchange transactions: occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose (i.e., federal programs that state or local governments are mandated to perform)
- Voluntary nonexchange transactions: result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (i.e., certain grants and private donations)

PHA grants and subsidies will be defined as a government-mandated or voluntary nonexchange transactions.

GASB 33 establishes two distinct standards depending upon the kind of stipulation imposed by the provider.

- Time requirements specify (a) the period when resources are required to be used or when use may begin (for example, operating or capital grants for a specific period) or (b) that the resources are required to be maintained intact in perpetuity or until a specified date or event has occurred (for example, permanent endowments, term endowments, and similar agreements). Time requirements affect the timing of recognition of nonexchange transactions.
- Purpose restrictions specify the purpose for which resources are required to be used, (i.e., capital grants used for the purchase of capital assets). Purpose restrictions do not affect when a nonexchange transaction is recognized. However, PHAs that receive resources with purpose restrictions should report resulting net assets, equity, or fund balance as restricted.

**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, and all non-negotiable certificates of deposits regardless of maturity.

**Investments**

Investments are restricted by the provisions of the HUD regulations (See Note 3). Investments are valued at market value. Interest income earned in fiscal year ending June 30, 2021 totaled \$115.

**Receivables - Net of Allowance**

Bad debts are provided on the allowance method based on management's evaluation of the collectability of outstanding tenant receivable balances at the end of the year. The allowance for doubtful accounts at June 30, 2021 was \$30,054.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Prepaid Expenses**

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid expenses using the consumption method. A current asset for the amount is recorded at the time of the purchase and expense is reported in the year in which the services are consumed.

**Inventory**

The Authority's inventory is comprised of maintenance materials and supplies. Inventory is valued at cost and uses the first-in, first-out (FIFO) flow assumption in determining cost.

The consumption method is used to record inventory. Under this method, the acquisition of materials and supplies is recorded initially in inventory accounts and charges as expenditures when used. There was no allowance for obsolete inventory at June 30, 2021.

**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 expensed as incurred. The Authority's capitalization policy is \$1,000. The following are the useful lives used for depreciation purposes:

Buildings and Improvements 15-40 years  
 Furniture and Equipment 3-7 years

**Due From/To Other Programs**

On the basic financial statements, inter-program receivables and payables listed on the FDS are eliminated.

A summary of changes in inter-company Accounts Receivable and Accounts Payable:

	Balance		Balance
	6/30/2020	Change	6/30/2021
Public Housing Due From Section 8 HCV	\$ 40,026	\$ (40,026)	\$ -
Public Housing Due From Rural Rental Assistance Program	58,284	(15,633)	42,651
Total Due From	\$ 98,310	\$ (55,659)	\$ 42,651

In fiscal year-end 2012, the Authority adopted a plan to repay the inter-company accounts payable between the Other Federal Program 1 (the Parkview North Property) and the Public Housing program. In fiscal year-end 2014 the Board adopted a resolution acknowledging

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Due From/To Other Programs** (Continued)

the 2012 repayment plan and authorizing the Executive Director of the Authority to make payments from the Parkview North property to the Public Housing program to achieve the goal of the 2012 plan. The 2012 plan called for the repayment to be completed at some point in calendar year 2016. The goal of the 2012 has still not been achieved as of June 30, 2021.

**Accrued Liabilities**

All payables and accrued liabilities are reported in the basic financial statements.

**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.

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

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

**Net Position**

Net position represents the difference between assets and deferred outflow of resources, and liabilities and deferred inflow of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is recorded as restricted when there are limitations imposed on their use by internal or external restrictions.



COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the Authority, these revenues are tenant revenues, operating grant from HUD and other miscellaneous revenue. Operating expenses are those expenses that are expended directly for the primary activity of the proprietary fund. For the Authority, these expenses are administrative, utilities, maintenance, PILOT, insurance, depreciation, bad debt and housing assistance payments.

**Capital Grant**

This represents grants provided by HUD that the Authority spends on capital assets.

**Budgetary Accounting**

The Authority annually prepares its program budgets as prescribed by the Department of Housing and Urban Development and Department of Agriculture. These budgets are adopted by the Board of the Housing Authority and submitted to the Federal agencies, as applicable.

**Estimates**

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

**Pensions & Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, 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.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenses/expenditure) until then. For the Authority, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 6.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Deferred Outflows/Inflows of Resources** (Continued)

In addition to liabilities, the statements of net position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Authority, deferred inflows of resources include pension. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 6)

NOTE 3: **DEPOSITS AND INVESTMENTS**

**Deposits**

State statutes classify monies held by the Authority into three categories:

- A. Active deposits are public deposits necessary to meet demands on the treasury. Such monies must be maintained either as cash in the Authority's Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.
- B. Inactive deposits are public deposits that the Authority has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.
- C. Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the Authority's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by collateral held by the Authority, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

**Deposits** (Continued)

At fiscal year end June 30, 2021, the carrying amount of the Authority's deposits totaled \$632,058 and its bank balance was \$654,710. Based on the criteria described in GASB Statement No. 40, Deposits and Investments Risk Disclosures, as of June 30, 2021, deposits totaling \$250,000 was covered by the Federal Depository Insurance Corporation. The remaining \$404,710 were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Authority's name.

Custodial credit risk is the risk that in the event of bank failure, the Authority will not be able to recover the deposits. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at the Federal Reserve Banks or at member banks of the Federal Reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Authority.

**Investments**

In accordance with the Ohio Revised Code and HUD investment policy, the Authority is permitted to invest in certificates of deposit, savings accounts, money market accounts, certain highly rated commercial paper, obligations of certain political subdivision of Ohio and the United States government and its agencies, and repurchase agreements with any eligible depository or any eligible dealers. Public depositories must give security for all public funds on deposit. Repurchase agreements must be secured by the specific qualifying securities upon which the repurchase agreements are based.

The Authority is prohibited from investing in any financial instruments, contracts, or obligations whose value or return is based or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a derivative). The Authority is also prohibited from investing in reverse purchase agreements.

***Interest Rate Risk*** - The Authority does not have a formal investment policy that limits investments as a means of managing its exposure to fair value losses arising from increasing interest rates. However, it is the Authority's practice to limit its investments to three years or less.

***Credit Risk*** - HUD requires specific collateral on individual accounts in excess of amounts insured by the Federal Deposit Insurance Corporation. The Authority's depository agreement specifically requires compliance with HUD requirements.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

**Investments** (Continued)

***Concentration of Credit Risk*** - The Authority places no limit on the amount that may be invested with any one issuer.

The Authority had no investments at June 30, 2021.

	6/30/2021
Cash Restricted:	
Unspent HAP Funding - Section 8 HCV Program	\$ 11,250
Unspent CARES Act Funds - Section 8 HCV Program	2,677
Parkview North Security Deposits	5,292
Parkview North Replacement Reserve	75,127
Public Housing Security Deposits	32,482
Total Cash Restricted	\$ 126,828
 Cash Unrestricted:	
Cash Unrestricted	505,230
Bank Overdraft	-
Net Cash Unrestricted	\$ 505,230
 Carrying Amount	 \$ 632,058

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COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

**NOTE 4: CAPITAL ASSETS**

The Following is a summary of changes to capital assets:

	Balance 6/30/2020	Additions	Adjustments/Transfe Disposals	Balance 6/30/2021
<b><u>Capital Assets Not Being Depreciated</u></b>				
Land and Land Basements	\$ 438,538	\$ -	\$ -	\$ 438,538
Construction In Progress	\$ -	\$ -	\$ -	\$ -
<b>Total Capital Assets Not Being Depreciated</b>	<b>\$ 438,538</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 438,538</b>
<b><u>Capital Assets Being Depreciated</u></b>				
Buildings and Improvements	\$ 8,172,985	\$ 599,194	\$ -	\$ 8,772,179
Furniture, Equipment, and Machinery	\$ 371,339	\$ 25,440	\$ -	\$ 396,779
<b>Total Capital Assets Being Depreciated</b>	<b>\$ 8,544,324</b>	<b>\$ 624,634</b>	<b>\$ -</b>	<b>\$ 9,168,958</b>
<b><u>Accumulated Depreciation</u></b>				
Buildings	\$ (7,599,779)	\$ (136,850)	\$ -	\$ (7,736,629)
Furniture and Equipment	\$ (338,686)	\$ (18,042)	\$ -	\$ (356,728)
<b>Total Accumulated Depreciation</b>	<b>\$ (7,938,465)</b>	<b>\$ (154,892)</b>	<b>\$ -</b>	<b>\$ (8,093,357)</b>
Depreciable Assets, Net	\$ 605,859	\$ 469,742	\$ -	\$ 1,075,601
<b>Total Capital Assets, Net</b>	<b>\$ 1,044,397</b>	<b>\$ 469,742</b>	<b>\$ -</b>	<b>\$ 1,514,139</b>

**NOTE 5: RISK MANAGEMENT**

The Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Workers' compensation benefits are provided. There was no significant reduction in coverage and no settlements exceeded insurance coverage during the past three years.

**NOTE 6: DEFINED BENEFIT PENSION PLAN**

**Net Pension Liability**

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

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

**Net Pension Liability** (Continued)

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

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

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

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

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

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

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

	State and Local
<b>Statutory Maximum Contribution Rates</b>	
Employer	14.0%
Employee	10.0%
 <b>Actual Contribution Rates</b>	
Employer:	
Pension	14.0%
Post-employment Health Care Benefits	<u>0.0%</u>
Total Employer	<u>14.0%</u>
 Employee	 <u>10.0%</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority’s contractually required contribution for the period ended June 30, 2021 were \$47,093. 100% has been contributed for 2021. Of this amount, \$0 is reported as accrued salaries payable.

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

The net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:



COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

	OPERS Traditional Pension Plan
Proportionate Share of the Net Pension Liability/(Asset)	\$ 345,170
Proportion of the Net Pension Liability/(Asset)	0.002331%
Increase/(decrease) in % from Prior Proportion Measured	0.000178%
Pension Expense	\$ (38,046)

At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional Pension Plan
<b>Deferred Outflows of Resources</b>	
Changes in proportion and differences between government contributions and proportionate share of contributions Authority contributions subsequent to the measurement date	\$ 24,509 <u>23,371</u>
Total Deferred Outflows of Resources	<u>\$ 47,880</u>
<b>Deferred Inflows of Resources</b>	
Net difference between projected and actual earnings on pension plan investments	\$ 134,537
Differences between expected and actual experience	14,439
Changes in proportion and differences between government contributions and proportionate share of contributions	<u>1,835</u>
Total Deferred Inflows of Resources	<u>\$ 150,811</u>

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

\$22,243 reported as deferred outflows of resources related to pension resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending June 30:	Traditional Pension Plan
2022	\$ (42,373)
2023	(10,737)
2024	(54,842)
2025	<u>(18,350)</u>
Total	<u>\$ (126,302)</u>

**Actuarial Assumptions - OPERS**

OPERS' total pension asset and liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of December 31, 2020, are presented below:

Actuarial Information	Traditional Pension Plan
Valuation Date	December 31, 2020
Experience Study	5 Year Period Ended December 31, 2015
Actuarial Cost Method	Individual Entry Age
Actuarial Assumptions:	
Investment Rate of Return	7.20%
Wage Inflation	3.25%
Projected Salary Increases	3.25% to 10.75% (Includes wage inflation of 3.25%)
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00% Simple; Post-1/7/2013 Retirees: 3.00% Simple through 2020, then 2.15% Simple

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

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

The long-term 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.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

**Actuarial Assumptions – OPERS** (Continued)

During 2020 OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined 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 on the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 11.7% for 2020.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2020 and the long-term expected real rates of return:

Asset Class	Target Allocation for 2019	Weighted-Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00%	1.32%
Domestic Equities	21.00%	5.64%
Real Estate	10.00%	5.39%
Private Equity	12.00%	10.42%
International Equities	23.00%	7.36%
Other Investments	<u>9.00%</u>	<u>4.75%</u>
Total	<u>100.00%</u>	<u>5.43%</u>

**Discount Rate**

The discount rate used to measure the total pension liability was 7.2%, post experience study results, for the Traditional Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

NOTE 6: **DEFINED BENEFIT PENSION PLAN** (Continued)

**Discount Rate** (Continued)

projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Authority’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the Authority’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.2 percent, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

Employer’s Net Pension Liability/ (Asset)	1% Decrease (6.20%)	Current Rate (7.20%)	1% Increase (8.20%)
Traditional Pension Plan	\$ 658,414	\$ 345,170	\$ 84,709

NOTE 7: **DEFINED BENEFIT OPEB PLAN**

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

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

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

**A. Plan Description**

The Authority's employees participate in the Ohio Public Employees Retirement System of Ohio (OPERS), which is a cost-sharing, multiple-employer retirement plan. OPERS maintains one health care trust, the 115 Health Care Trust (115 Trust), which was established in 2014 to initially provide a funding mechanism for a health reimbursement arrangement (HRA), as the prior trust structure could not support the HRA. In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate health care assets into the 115 Trust. The 401(h) Health Care Trust (401(h) Trust) was a pre-funded trust that provided health care funding for eligible members of the Traditional Pension Plan and the Combined Plan through December 31, 2015, when plans funded through the 401(h) Trust were terminated. The Voluntary Employees' Beneficiary Association Trust (VEBA Trust) accumulated funding for retiree medical accounts for participants in the Member- Directed Plan through June 30, 2016. The 401(h) Trust and the VEBA Trust were closed as of June 30, 2016 and the net positions transferred to the 115 Trust on July 1, 2016. Beginning in 2016, the 115 Trust, established under Internal Revenue Code (IRC) Section 115, is the funding vehicle for all health care plans. The Plan is included in the report of OPERS which can be obtained by visiting [www.opers.org](http://www.opers.org) or by calling (800) 222-7377.

**B. Funding Policy**

Ohio Revised Code Chapter 145 authorizes OPERS to offer the Plan and gives the OPERS Board of Trustees discretionary authority over how much, if any, of the health care costs will be absorbed by OPERS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the year ended December 31, 2020, in the Traditional Plan OPERS allocated 0 percent of employer contributions to post-employment health care.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

**C. Net OPEB Liability**

The net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net OPEB liability was based on the Authority's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>OPERS</u>
Proportionate share of the Net OPEB Liability/(Asset)	\$ (38,678)
Proportion of the Net OPEB Liability	0.002171%
Increase/(decrease) in % from prior portion measured	0.000171%
OPEB Expense	\$ (248,087)

At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>
<b>Deferred Outflows of Resources</b>	
Changes in assumptions	\$ 19,015
Changes in proportion and differences between government contributions and proportionate share of contributions	<u>14,420</u>
Total Deferred Outflows of Resources	<u>\$ 33,435</u>
<b>Deferred Inflows of Resources</b>	
Changes in assumptions	\$ 62,670
Net difference between projected and actual earnings on pension plan investments	20,600
Differences between expected and actual experience	34,907
Changes in proportion and differences between contributions and proportionate share of contributions	<u>1,810</u>
Total Deferred Inflows of Resources	<u>\$ 119,987</u>

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

---

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

**C. Net OPEB Liability** (Continued)

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

Fiscal Year Ending June 30:	<u>OPERS</u>
2022	\$ (44,756)
2023	(44,427)
2024	5,060
2025	<u>(2,429)</u>
Total	<u>\$ (86,552)</u>

**D. Actuarial Assumptions – OPERS**

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

**Key Methods and Assumptions Used in Valuation of Total OPEB Liability**

Actuarial Information	Traditional Pension Plan
Valuation Date	December 31, 2019
Rolled-Forward Measurement Date	December 31, 2020
Experience Study	5 Year Period Ended December 31, 2015
Actuarial Cost Method	Individual entry age normal
Actuarial Assumptions	
Single Discount Rate	6.00%
Investment Rate of Return	6.00%
Municipal Bond Rate	2.00%
Wage Inflation	3.25%
Projected Salary Increases	3.25% to 10.75%
	(Includes wage inflation of 3.25%)
Health Care Cost Trend Rate	8.5% Initial; 3.5% ultimate in 2035

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006.



COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

**D. Actuarial Assumptions – OPERS**

The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

A single discount rate of 6.00% as used to measure the OPEB liability on the measurement date of December 31, 2020. 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% and a municipal bond rate of 2.00%. 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 2120. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2120, and the municipal bond rate was applied to all health care costs after that date.

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

	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
Authority's proportionate share of the net OPEB liability/(asset)	\$ (9,618)	\$ (38,678)	\$ (62,568)

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0% lower or 1.0% 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 2021 is 8.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

**D. Actuarial Assumptions – OPERS** (Continued)

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% in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability/(asset)	\$ (39,621)	\$ (38,678)	\$ (37,623)

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2020 and the long-term expected real rates of return.

Asset Class	Target Allocation for 2019	Weighted-Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00%	1.07%
Domestic Equities	25.00%	5.64%
REITs	7.00%	6.48%
International Equities	25.00%	7.36%
Other Investments	<u>9.00%</u>	<u>4.02%</u>
Total	<u>100.00%</u>	<u>4.43%</u>

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 2020, 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

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

**D. Actuarial Assumptions – OPERS** (Continued)

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 is 10.5% for 2020.

NOTE 8: **LONG-TERM DEBT**

The Authority is obligated on a mortgage payable to the United States Department of Agriculture-Rural Development, which matures in November 2040. The date of the loan was October 30, 1990 for the amount of \$744,314 with an interest rate of 9 percent. Rural Development requires monthly installments of \$1,579. This monthly installment represents discounted monthly payments of \$4,068 of which is subsidized by the U.S. Department of Agriculture - Rural Development.

The following is a summary of changes in long-term liabilities for the year ended June 30, 2021:

Description	Balance 6/30/2020	Additions	Deletions	Balance 6/30/2021	Due Within One Year
Loan Payable	\$ 630,379	\$ -	\$ (10,495)	\$ 619,884	\$ 12,477
Net Pension Liability	425,555	-	(80,385)	345,170	-
Net OPEB Liability (Asset)	276,252	-	(314,930)	(38,678)	-
Compensated Absences	21,264	-	(1,260)	20,004	3,001
<b>Total</b>	<b>\$ 1,353,450</b>	<b>\$ -</b>	<b>\$ (407,070)</b>	<b>\$ 946,380</b>	<b>\$ 15,478</b>

Discounted debt maturities for the period after June 30, 2021 are estimated as follows:

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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NOTE 8: **LONG-TERM DEBT** (Continued)

Maturity Date	Principal Amount	Interest Amount	Total
2022	\$ 12,477	\$ 55,283	\$ 67,760
2023	13,647	54,113	67,760
2024	14,928	52,832	67,760
2025	16,328	51,432	67,760
2026	17,860	49,900	67,760
2027-2031	117,802	220,998	338,800
2032-2036	184,441	154,359	338,800
2037-2041	242,401	51,226	293,627
Total	<u>\$ 619,884</u>	<u>\$ 690,143</u>	<u>\$ 1,310,027</u>

NOTE 9: **RESTRICTED NET POSITION**

The Agency had the following restricted net position at June 30, 2021:

Unspent HAP Funding - Section 8 HCV Program	\$ 11,250
Parkview North Replacement Reserve	75,127
Total Restricted Net Position	<u>\$ 86,377</u>

NOTE 10: **CONTINGENCIES**

**Grants**

Amounts grantor agencies pay to the Authority are subject to audit and adjustments by the grantor, principally the federal government. Grantors may require refunding any disallowed costs or excess reserve balances. Management cannot presently determine amounts grantors may disallow or recapture. However, based on prior experience, management believes any such disallowed claims or recaptured amounts would not have a material adverse effect on the overall financial position of the Authority at June 30, 2021.

**Litigations**

In the normal course of operations, the Authority may be subject to litigations and claims. At June 30, 2021, the Authority was not aware of any such matters.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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NOTE 11: **2003 INSPECTOR GENERAL REPORT**

**Inspector General Audit**

The financial data schedule submitted to REAC included a non-current receivable in the Low Rent Program and an offsetting liability in the State and Local program in the amount of \$358,980 related to an audit finding identified in a 2003 report by the Inspector General’s Office. In accordance with generally accepted accounting principles, these amounts are not reflected in the agency wide financial statements because they are inter-agency receivables and payables. In addition, management believes it is not likely that the receivable will ever be fully collected and the payable will ever be fully repaid. This information was reflected on the financial data schedule submitted to REAC as instructed by HUD.

Coshocton MHA signed a repayment agreement with HUD related to this amount due to the Public Housing program. The agreement specifies that laundry income the PHA collects will be applied against the amount to be paid back to the Public Housing program. Based on this arrangement, it will take well over 100+ years for the liability to be satisfied. During this period, HUD issued a partial forgiveness of this debt in the amount of \$88,052. The total amount applied to the balance during the audit period was \$89,620.

Balance	Payment Made In	Balance
6/30/2020	Period	6/30/2021
\$ 448,600	\$ (89,620)	\$ 358,980

NOTE 12: **SUBSEQUENT EVENTS**

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

**COSHOCTON METROPOLITAN HOUSING AUTHORITY**  
**COSHOCTON COUNTY, OHIO**  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of the Authority's Proportionate Share of the Net Pension Liability  
Ohio Public Employees Retirement System - Traditional Plan  
Last Seven Years (1)  
**For the Calendar Year Ended December 31**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Authority's Proportion of the Net Pension Liability	0.002331%	0.002153%	0.002192%	0.002813%	0.002702%	0.002436%	0.002841	0.002841
Authority's Proportionate Share of the Net Pension Liability	\$ 345,170	\$ 425,555	\$ 600,343	\$ 441,305	\$ 613,578	\$ 421,946	\$ 342,656	\$ 334,917
Authority's Covered Payroll	\$ 312,605	\$ 312,087	\$ 305,949	\$ 372,145	\$ 364,576	\$ 332,692	\$ 347,275	\$ 345,264
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	110.42%	136.36%	196.22%	118.58%	168.30%	126.83%	98.67%	97.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Information prior to 2013 is not available.

(2) Information is presented on a calendar year basis, consistent with measurement year used by OPERS.

**COSHOCTON METROPOLITAN HOUSING AUTHORITY**  
**COSHOCTON COUNTY, OHIO**  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of Authority's Contributions  
Ohio Public Employees Retirement System - Traditional Plan  
Last Eight Fiscal Years (1)  
**For the Fiscal Year Ended June 30**

	<u>FY2021</u>	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>	<u>FY2017</u>	<u>FY2016</u>	<u>FY2015</u>	<u>FY2014</u>	<u>FY2013</u>
Contractually Required Contribution	\$ 47,093	\$ 43,765	\$ 41,297	\$ 48,623	\$ 45,572	\$ 39,923	\$ 41,646	\$ 43,158	\$ 41,055
Contributions in Relation to the Contractually Required Contribution	47,093	43,765	41,297	48,623	45,572	39,923	41,646	43,158	41,055
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority Covered Payroll	\$ 336,378	\$ 312,605	\$ 294,975	\$ 360,618	\$ 364,576	\$ 332,692	\$ 347,050	\$ 359,650	\$ 357,000
Contributions as Percentage of Covered Payroll	14.00%	14.00%	14.00%	13.48%	12.50%	12.00%	12.00%	12.00%	11.50%

See Accompanying Notes to the Basic Financial Statements.

(1) Information prior to 2013 is not available.

(2) Information is presented on a fiscal year basis, consistent with Authority's financial statements.

**COSHOCTON METROPOLITAN HOUSING AUTHORITY**  
**COSHOCTON COUNTY, OHIO**  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of Authority's Proportionate Share of the Net OPEB Liability  
Ohio Public Employees Retirement System  
Last Four Fiscal Years (1)  
**For the Calendar Year Ended December 31**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Authority's Proportion of the Net OPEB Liability	0.002171%	0.002000%	0.002038%	0.002620%	0.002528%
Authority's Proportionate Share of the Net OPEB Liability	\$ (38,678)	\$ 276,252	\$ 265,708	\$ 284,514	\$ 255,337
Authority's Covered Payroll	\$ 312,605	\$ 312,087	\$ 305,949	\$ 372,415	\$ 364,576
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	12.4%	88.5%	86.8%	76.4%	70.0%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%	N/A

(1) Information prior to 2016 is not available.

(2) Information is presented on a calendar year basis, consistent with measurement year used by OPERS.



**COSHOCTON METROPOLITAN HOUSING AUTHORITY**  
**COSHOCTON COUNTY, OHIO**  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of Authority's Contributions  
Ohio Public Employees Retirement System - OPEB Plan  
Last Five Fiscal Years (1)  
**For the Fiscal Year Ended June 30**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ 1,864	\$ 5,469	\$ 6,654
Contributions in Relation to the Contractually Required Contribution	-	-	-	1,864	5,469	6,654
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority Covered Payroll	\$ 336,378	\$ 312,605	\$ 294,975	\$ 360,618	\$ 364,576	\$ 332,692
Contributions as Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.52%	1.50%	2.00%

See Accompanying Notes to the Basic Financial Statements.

(1) Information prior to 2016 is not available.

(2) Information is presented on a fiscal year basis, consistent with Authority's financial statements.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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**NOTE 1: Changes in Assumptions – OPERS Pension**

Amounts reported for fiscal year 2017 (Measurement Period 2016) incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2016 (Measurement Period 2015) and prior are presented below:

<b>Key Methods and Assumptions Used in Valuation of Total Pension Liability</b>		
Actuarial Information	Traditional Pension Plan	Traditional Pension Plan
Valuation Date	December 31, 2016	December 31, 2015
Experience Study	5 Year Period Ended December 31, 2015	5 Year Period Ended December 31, 2010
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Investment Rate of Return	7.50%	8.00%
Wage Inflation	3.25%	3.75%
Projected Salary Increases	3.25% to 10.75% (Includes wage inflation of 3.25%)	4.25% to 10.05% (Includes wage inflation of 3.75%)
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00% Simple; Post-1/7/2013 Retirees: 3.00% Simple through 2018, then 2.15% Simple	Pre-1/7/2013 Retirees: 3.00% Simple; Post-1/7/2013 Retirees: 3.00% Simple through 2018, then 2.15% Simple

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a reduction of the discount rate from 8.0% to 7.5%, a reduction in the wage inflation rate from 3.75% to 3.25%, and transition from RP-2000 mortality tables to the RP-2014 mortality tables.

There are no changes in actuarial valuation for measurement period 2017 versus measurement period 2016.

Changes for the period 2018 versus the measurement period 2017 included a reduction of the discount rate from 7.5% to 7.2.

There were no significant changes for the measurement period 2019 versus the measurement period 2018.

There were no significant changes for the measurement period 2020 versus the measurement period 2019.

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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**NOTE 2: Changes in Assumptions – OPERS OPEB**

Amounts reported for fiscal year 2019 (Measurement Period 2018) incorporate changes in assumptions used by OPERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2018 (Measurement Period 2017) are presented below:

<b>Key Methods and Assumptions Used in Valuation of Total OPEB Liability</b>		
Actuarial Information	Traditional Pension Plan	Traditional Pension Plan
Valuation Date	December 31, 2017	December 31, 2016
Rolled-Forward Measurement Date	December 31, 2018	December 31, 2017
Experience Study	5 Year Period Ended December 31, 2015	5 Year Period Ended December 31, 2010
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Single Discount Rate	3.96%	3.85%
Investment Rate of Return	6.00%	6.50%
Municipal Bond Rate	3.71%	3.31%
Wage Inflation	3.25%	3.25%
Projected Salary Increases	3.25% to 10.75% (Includes wage inflation of 3.25%)	3.25% to 10.75% (Includes wage inflation of 3.25%)
Health Care Cost Trend Rate	10% initial, 3.25% ultimate in 2029	7.5% initial, 3.25% ultimate in 2028

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included an increase of the discount rate from 3.85% to 3.96%, a reduction in the investment rate of return 6.50% to 6.00%, and an increase in bond rate from 3.31% to 3.71%.

Amounts reported for fiscal year 2020 (Measurement Period 2019) incorporate changes in assumptions used by OPERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2019 (Measurement Period 2018) are presented below:

COSHOCTON METROPOLITAN HOUSING AUTHORITY  
 COSHOCTON COUNTY, OHIO  
 REQUIRED SUPPLEMENTARY INFORMATION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

**NOTE 2: Changes in Assumptions – OPERS OPEB (Continued)**

**Key Methods and Assumptions Used in Valuation of Total OPEB Liability**

Actuarial Information	Traditional Pension Plan	Traditional Pension Plan
Valuation Date	December 31, 2018	December 31, 2017
Rolled-Forward Measurement Date	December 31, 2019	December 31, 2018
Experience Study	5 Year Period Ended December 31, 2015	5 Year Period Ended December 31, 2010
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Single Discount Rate	3.16%	3.96%
Investment Rate of Return	6.00%	6.00%
Municipal Bond Rate	2.75%	3.71%
Wage Inflation	3.25%	3.25%
Projected Salary Increases	3.25% to 10.75% (Includes wage inflation of 3.25%)	3.25% to 10.75% (Includes wage inflation of 3.25%)
Health Care Cost Trend Rate	10.5% initial, 3.5% ultimate in 2030	10% initial, 3.25% ultimate in 2029

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included a decrease of the discount rate from 3.96% to 3.16% and a decrease in bond rate from 3.71% to 2.75%. There is also a change Health Care Cost Trend Rates.

Amounts reported for fiscal year 2021 (Measurement Period 2020) incorporate changes in assumptions used by OPERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2020 (Measurement Period 2019) are presented below:

**Key Methods and Assumptions Used in Valuation of Total OPEB Liability**

Actuarial Information	Traditional Pension Plan	Traditional Pension Plan
Valuation Date	December 31, 2019	December 31, 2018
Rolled-Forward Measurement Date	December 31, 2020	December 31, 2019
Experience Study	5 Year Period Ended December 31, 2015	5 Year Period Ended December 31, 2010
Actuarial Cost Method	Individual entry age	Individual entry age
Actuarial Assumptions:		
Single Discount Rate	6.00%	3.16%
Investment Rate of Return	6.00%	6.00%
Municipal Bond Rate	2.00%	2.75%
Wage Inflation	3.25%	3.25%
Projected Salary Increases	3.25% to 10.75% (Includes wage inflation of 3.25%)	3.25% to 10.75% (Includes wage inflation of 3.25%)
Health Care Cost Trend Rate	8.5% initial, 3.5% ultimate in 2035	10.5% initial, 3.25% ultimate in 2030

Changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended December 31, 2015. Significant changes included an increase of the discount rate from 3.16% to 6.00% and a decrease in bond rate from 3.25% to 2.00%. There is also a change Health Care Cost Trend Rates.

**COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<b>Federal Grantor/ Program Title</b>	<b>Federal Assistance Listing Number</b>	<b>Expenditures</b>	<b>Fund Expended</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
Direct Programs:			
Public and Indian Housing	14.850	\$ 537,865	\$ -
COVID-19 - Public and Indian Housing	14.850	72,180	-
Total Public and Indian Housing		610,045	-
Section 8 Housing Choice Vouchers	14.871	1,056,137	-
COVID-19 - Section 8 Housing Choice Vouchers	14.871	49,767	-
Total Section 8 Housing Choice Vouchers		1,105,904	-
Capital Fund Program	14.872	526,212	-
Total U.S. Department of Housing and Urban Development		2,242,161	-
<b><u>U.S. Department of Agriculture - Rural Housing Service</u></b>			
Direct Program:			
Rural Rental Housing Loan	10.415	-	619,884
Rural Rental Assistance Payments	10.427	33,652	-
Total U.S. Department of Agriculture - Rural Housing Service		33,652	619,884
<b>Total Expenditures of Federal Awards</b>		<b>\$ 2,275,813</b>	<b>\$ 619,884</b>

The accompanying notes are an integral part of the schedule.

**COSHOCTON METROPOLITAN HOUSING AUTHORITY**  
**COSHOCTON COUNTY, OHIO**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**NOTE 1: BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Coshocton Metropolitan Housing Authority (the Authority) under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

**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 Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE 3: INDIRECT COST RATE**

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

Coshocton Metropolitan Housing Authority (OH037)  
COSHOCTON, OH

**Entity Wide Balance Sheet Summary**

Submission Type: Unaudited/Single Audit

Fiscal Year  
End: 06/30/2021

	Project Total	14.182 N/C S/R Section 8 Programs	State/Local	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	10.427 Rural Rental Assistance	Subtotal	Interprogram Elimination	Total
111 Cash - Unrestricted	\$460,027			\$45,203			\$505,230		\$505,230
113 Cash - Other Restricted				\$11,250	\$2,677	\$75,127	\$89,054		\$89,054
114 Cash - Tenant Security Deposits	\$32,482					\$5,292	\$37,774		\$37,774
100 Total Cash	\$492,509	\$0	\$0	\$56,453	\$2,677	\$80,419	\$632,058	\$0	\$632,058
126 Accounts Receivable - Tenants	\$1,146					\$387	\$1,533		\$1,533
126.1 Allowance for Doubtful Accounts - Tenants	-\$830					-\$193	-\$1,023		-\$1,023
126.2 Allowance for Doubtful Accounts - Other	\$0						\$0		\$0
128 Fraud Recovery	\$8,141			\$22,542			\$30,683		\$30,683
128.1 Allowance for Doubtful Accounts - Fraud	-\$7,734			-\$21,297			-\$29,031		-\$29,031
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$723	\$0	\$0	\$1,245	\$0	\$194	\$2,162	\$0	\$2,162
142 Prepaid Expenses and Other Assets	\$17,769			\$1,742		\$2,279	\$21,790		\$21,790
143 Inventories	\$31,909						\$31,909		\$31,909
144 Inter Program Due From	\$42,651						\$42,651	-\$42,651	\$0
150 Total Current Assets	\$585,561	\$0	\$0	\$59,440	\$2,677	\$82,892	\$730,570	-\$42,651	\$687,919
161 Land	\$438,538						\$438,538		\$438,538
162 Buildings	\$7,995,890					\$781,435	\$8,777,325		\$8,777,325
163 Furniture, Equipment & Machinery - Dwellings	\$118,882					\$7,770	\$126,652		\$126,652
164 Furniture, Equipment & Machinery - Administration	\$255,014			\$7,874		\$2,093	\$264,981		\$264,981
166 Accumulated Depreciation	-\$7,511,545			-\$1,575		-\$580,237	-\$8,093,357		-\$8,093,357
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,296,779	\$0	\$0	\$6,299	\$0	\$211,061	\$1,514,139	\$0	\$1,514,139
171 Notes, Loans and Mortgages Receivable - Non-Current	\$358,980			\$126,970			\$485,950	-\$485,950	\$0
174 Other Assets	\$38,678						\$38,678		\$38,678
180 Total Non-Current Assets	\$1,694,437	\$0	\$0	\$133,269	\$0	\$211,061	\$2,038,767	-\$485,950	\$1,552,817

	Project Total	14.182 N/C S/R Section 8 Programs	State/Local	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	10.427 Rural Rental Assistance	Subtotal	Interprogram Elimination	Total
200 Deferred Outflow of Resources	\$68,449			\$6,325		\$6,540	\$81,314		\$81,314
<b>290 Total Assets and Deferred Outflow of Resources</b>	<b>\$2,348,447</b>	<b>\$0</b>	<b>\$0</b>	<b>\$199,034</b>	<b>\$2,677</b>	<b>\$300,493</b>	<b>\$2,850,651</b>	<b>-\$528,601</b>	<b>\$2,322,050</b>
312 Accounts Payable <= 90 Days									
321 Accrued Wage/Payroll Taxes Payable	\$29,512			\$1,586		\$1,268	\$32,366		\$32,366
322 Accrued Compensated Absences - Current Portion	\$2,175			\$564		\$262	\$3,001		\$3,001
325 Accrued Interest Payable						\$426	\$426		\$426
333 Accounts Payable - Other Government	\$5,054					\$7,184	\$12,238		\$12,238
341 Tenant Security Deposits	\$32,482					\$5,292	\$37,774		\$37,774
342 Unearned Revenue	\$7,389				\$2,677	\$1,359	\$11,425		\$11,425
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						\$12,477	\$12,477		\$12,477
346 Accrued Liabilities - Other	\$20,375			\$1,597		\$1,679	\$23,651		\$23,651
347 Inter Program - Due To						\$42,651	\$42,651	-\$42,651	\$0
310 Total Current Liabilities	\$96,987	\$0	\$0	\$3,747	\$2,677	\$72,598	\$176,009	-\$42,651	\$133,358
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						\$607,407	\$607,407		\$607,407
353 Non-current Liabilities - Other		\$126,970	\$358,980				\$485,950	-\$485,950	\$0
354 Accrued Compensated Absences - Non Current	\$12,322			\$3,194		\$1,487	\$17,003		\$17,003
357 Accrued Pension and OPEB Liabilities	\$249,276			\$57,401		\$38,493	\$345,170		\$345,170
350 Total Non-Current Liabilities	\$261,598	\$126,970	\$358,980	\$60,595	\$0	\$647,387	\$1,455,530	-\$485,950	\$969,580
300 Total Liabilities	\$358,585	\$126,970	\$358,980	\$64,342	\$2,677	\$719,985	\$1,631,539	-\$528,601	\$1,102,938
400 Deferred Inflow of Resources	\$200,352			\$44,200		\$26,243	\$270,795		\$270,795
508.4 Net Investment in Capital Assets	\$1,296,779			\$6,299	\$0	-\$408,823	\$894,255		\$894,255
511.4 Restricted Net Position	\$0			\$11,250	\$0	\$75,127	\$86,377		\$86,377
512.4 Unrestricted Net Position	\$492,731	-\$126,970	-\$358,980	\$72,943	\$0	-\$112,039	-\$32,315		-\$32,315
513 Total Equity - Net Assets / Position	\$1,789,510	-\$126,970	-\$358,980	\$90,492	\$0	-\$445,735	\$948,317	\$0	\$948,317
<b>600 Total Liabilities, Deferred Inflows of Resources and Equity - Net</b>	<b>\$2,348,447</b>	<b>\$0</b>	<b>\$0</b>	<b>\$199,034</b>	<b>\$2,677</b>	<b>\$300,493</b>	<b>\$2,850,651</b>	<b>-\$528,601</b>	<b>\$2,322,050</b>



Coshocton Metropolitan Housing Authority (OH037)  
 COSHOCTON, OH  
 Entity Wide Revenue and Expense Summary

Submission Type: Unaudited/Single Audit

Fiscal Year End: 06/30/2021

	Project Total	14.PHC Public Housing CARES Act Funding	14.182 N/C S/R Section 8 Programs	State/Local	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	10.427 Rural Rental Assistance	Subtotal	Interprogram Elimination	Total
70300 Net Tenant Rental Revenue	\$189,305						\$84,503	\$273,808		\$273,808
70400 Tenant Revenue - Other	\$1,086							\$1,086		\$1,086
70500 Total Tenant Revenue	\$190,391	\$0	\$0	\$0	\$0	\$0	\$84,503	\$274,894	\$0	\$274,894
70600 HUD PHA Operating Grants	\$656,040	\$72,180			\$1,056,137	\$49,767		\$1,834,124		\$1,834,124
70610 Capital Grants	\$408,037							\$408,037		\$408,037
70800 Other Government Grants							\$33,652	\$33,652		\$33,652
71100 Investment Income - Unrestricted	\$114						\$1	\$115		\$115
71400 Fraud Recovery					\$10,870			\$10,870		\$10,870
71500 Other Revenue	\$24,047			\$1,569	\$0		\$6,247	\$31,863		\$31,863
72000 Investment Income - Restricted							\$12	\$12		\$12
<b>70000 Total Revenue</b>	<b>\$1,278,629</b>	<b>\$72,180</b>	<b>\$0</b>	<b>\$1,569</b>	<b>\$1,067,007</b>	<b>\$49,767</b>	<b>\$124,415</b>	<b>\$2,593,567</b>	<b>\$0</b>	<b>\$2,593,567</b>
91100 Administrative Salaries	\$140,454	\$16,460			\$23,435	\$22,613	\$8,410	\$211,372		\$211,372
91200 Auditing Fees	\$7,443				\$1,353		\$870	\$9,666		\$9,666
91400 Advertising and Marketing	\$722						\$362	\$1,084		\$1,084
91500 Employee Benefit contributions - Administrative	-\$100,573	\$7,622			-\$31,279	\$7,720	-\$10,668	-\$127,178		-\$127,178
91600 Office Expenses	\$29,389	\$666			\$6,123	\$5,829	\$3,599	\$45,606		\$45,606
91700 Legal Expense	\$15,417	\$2,539			\$1,083		\$727	\$19,766		\$19,766
91800 Travel	\$1,398				\$288	\$198		\$1,884		\$1,884
91900 Other	\$10,976				\$15,936		\$3,105	\$30,017		\$30,017
91000 Total Operating - Administrative	\$105,226	\$27,287	\$0	\$0	\$16,939	\$36,360	\$6,405	\$192,217	\$0	\$192,217
92100 Tenant Services - Salaries	\$926							\$926		\$926
92400 Tenant Services - Other	\$1,600							\$1,600		\$1,600
92500 Total Tenant Services	\$2,526	\$0	\$0	\$0	\$0	\$0	\$0	\$2,526	\$0	\$2,526
93100 Water	\$76,128	\$21,494					\$6,703	\$104,325		\$104,325
93200 Electricity	\$15,612	\$840					\$4,505	\$20,957		\$20,957
93300 Gas	\$7,101						\$488	\$7,589		\$7,589

	Project Total	14.PHC Public Housing CARES Act Funding	14.182 N/C S/R Section 8 Programs	State/Local	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	10.427 Rural Rental Assistance	Subtotal	Interprogram Elimination	Total
93000 Total Utilities	\$98,841	\$22,334	\$0	\$0	\$0	\$0	\$11,696	\$132,871	\$0	\$132,871
94100 Ordinary Maintenance and Operations - Labor	\$117,590	\$13,769					\$20,118	\$151,477		\$151,477
94200 Ordinary Maintenance and Operations - Materials and Other	\$76,599	\$1,334					\$4,582	\$82,515		\$82,515
94300 Ordinary Maintenance and Operations Contracts	\$69,404	\$1,080			\$1,865	\$13,407	\$4,975	\$90,731		\$90,731
94500 Employee Benefit Contributions - Ordinary Maintenance	-\$68,102	\$6,376					-\$1,978	-\$63,704		-\$63,704
94000 Total Maintenance	\$195,491	\$22,559	\$0	\$0	\$1,865	\$13,407	\$27,697	\$261,019	\$0	\$261,019
96110 Property Insurance	\$27,617						\$3,681	\$31,298		\$31,298
96120 Liability Insurance					\$718			\$718		\$718
96130 Workmen's Compensation	\$1,453				\$264		\$170	\$1,887		\$1,887
96100 Total insurance Premiums	\$29,070	\$0	\$0	\$0	\$982	\$0	\$3,851	\$33,903	\$0	\$33,903
96200 Other General Expenses	\$2,365						\$860	\$3,225		\$3,225
96300 Payments in Lieu of Taxes	\$5,291						\$7,184	\$12,475		\$12,475
96400 Bad debt - Tenant Rents	\$16,805						\$69	\$16,874		\$16,874
96000 Total Other General Expenses	\$24,461	\$0	\$0	\$0	\$0	\$0	\$8,113	\$32,574	\$0	\$32,574
96710 Interest of Mortgage (or Bonds) Payable							\$8,389	\$8,389		\$8,389
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$8,389	\$8,389	\$0	\$8,389
96900 Total Operating Expenses	\$455,615	\$72,180	\$0	\$0	\$19,786	\$49,767	\$66,151	\$663,499	\$0	\$727,110
97000 Excess of Operating Revenue over Operating Expenses	\$823,014	\$0	\$0	\$1,569	\$1,047,221	\$0	\$58,264	\$1,930,068	\$0	\$1,930,068
97100 Extraordinary Maintenance	\$24,787							\$24,787		\$24,787
97300 Housing Assistance Payments					\$910,630			\$910,630		\$910,630
97400 Depreciation Expense	\$131,443				\$1,575		\$21,874	\$154,892		\$154,892
<b>90000 Total Expenses</b>	<b>\$611,845</b>	<b>\$72,180</b>	<b>\$0</b>	<b>\$0</b>	<b>\$931,991</b>	<b>\$49,767</b>	<b>\$88,025</b>	<b>\$1,753,808</b>	<b>\$0</b>	<b>\$1,753,808</b>
10010 Operating Transfer In	\$51,872							\$51,872	-\$51,872	\$0
10020 Operating transfer Out	-\$51,872							-\$51,872	\$51,872	\$0
10093 Transfers between Program and Project - In				\$88,051				\$88,051	-\$88,051	\$0
10094 Transfers between Project and Program - Out	-\$88,051							-\$88,051	\$88,051	\$0
10100 Total Other financing Sources (Uses)	-\$88,051	\$0	\$0	\$88,051	\$0	\$0	\$0	\$0	\$0	\$0

	Project Total	14.PHC Public Housing CARES Act Funding	14.182 N/C S/R Section 8 Programs	State/Local	14.871 Housing Choice Vouchers	14.HCC HCV CARES Act Funding	10.427 Rural Rental Assistance	Subtotal	Interprogram Elimination	Total
<b>10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses</b>	<b>\$578,733</b>	<b>\$0</b>	<b>\$0</b>	<b>\$89,620</b>	<b>\$135,016</b>	<b>\$0</b>	<b>\$36,390</b>	<b>\$839,759</b>	<b>\$0</b>	<b>\$839,759</b>
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$10,558	\$10,558		\$10,558
11030 Beginning Equity	\$1,210,777	\$0	-\$126,970	-\$448,600	-\$44,524	\$0	-\$482,125	\$108,558		\$108,558
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0							\$0		\$0
11170 Administrative Fee Equity					\$79,242			\$79,242		\$79,242
11180 Housing Assistance Payments Equity					\$11,250			\$11,250		\$11,250
11190 Unit Months Available	1572	0		0	3036	0	276	4884		4884
11210 Number of Unit Months Leased	1565	0		0	2807	0	271	4643		4643
11270 Excess Cash	\$378,625							\$378,625		\$378,625
11610 Land Purchases	\$0							\$0		\$0
11620 Building Purchases	\$391,632							\$391,632		\$391,632
11630 Furniture & Equipment - Dwelling Purchases	\$16,405							\$16,405		\$16,405
11640 Furniture & Equipment - Administrative Purchases	\$0							\$0		\$0
11650 Leasehold Improvements Purchases	\$0							\$0		\$0
11660 Infrastructure Purchases	\$0							\$0		\$0
13510 CFFP Debt Service Payments	\$0							\$0		\$0
13901 Replacement Housing Factor Funds	\$0							\$0		\$0



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

January 21, 2022

Coshocton Metropolitan Housing Authority  
Coshocton County  
823 Magnolia Street  
Coshocton, Ohio 43812

To the Board of Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States’ *Government Auditing Standards*, the financial statements of the **Coshocton Metropolitan Housing Authority**, Coshocton County, (the Authority) as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated January 3, 2022, wherein we noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the College.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Authority’s internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Authority’s internal control. Accordingly, we have not opined on it.

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

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

Tax - Accounting – Audit – Review – Compilation – Agreed Upon Procedure – Consultation – Bookkeeping – Payroll – Litigation Support – Financial Investigations  
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***Compliance and Other Matters***

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

***Purpose of this Report***

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



**Perry & Associates**  
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*Marietta, Ohio*



Certified Public Accountants, A.C.

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

January 21, 2022

Coshocton Metropolitan Housing Authority  
Coshocton County  
823 Magnolia Street  
Coshocton, Ohio 43812

To the Board of Commissioners:

***Report on Compliance for Each Major Federal Program***

We have audited the **Coshocton Metropolitan Housing Authority's** (the Authority) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of the Coshocton Metropolitan Housing Authority's major federal programs for the year ended June 30, 2021. The *Summary of Auditor's Results* in the accompanying schedule of audit findings identifies the Authority's major federal programs.

***Management's Responsibility***

The Authority's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

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

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

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations  
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***Opinion on Each Major Program***

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could directly and materially affect each of its federal programs for the year ended June 30, 2021.

***Report on Internal Control Over Compliance***

The Authority's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Authority's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on the major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Authority's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



**Perry & Associates**  
Certified Public Accountants, A.C.  
Marietta, Ohio

**COSHOCTON METROPOLITAN HOUSING AUTHORITY  
COSHOCTON COUNTY**

**SCHEDULE OF AUDIT FINDINGS  
2 CFR § 200.515  
FOR THE YEAR ENDED JUNE 30, 2021**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unmodified
<i>(d)(1)(ii)</i>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iii)</i>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	Section 8 Housing Choice Vouchers, ALN #14.871 Public and Indian Housing ALN #14.850
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee under 2 CFR §200.520?</b>	Yes

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

None

**3. FINDINGS FOR FEDERAL AWARDS**

None



# OHIO AUDITOR OF STATE KEITH FABER



**COSHOCTON COUNTY METROPOLITAN HOUSING AUTHORITY**

**COSHOCTON 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 3/31/2022**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)