OHIO AUDITOR OF STATE
KEITH FABER

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
TUSCARAWAS COUNTY
MARCH 31, 2023

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OHIO AUDITOR OF STATE
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INDEPENDENT AUDITOR'S REPORT

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

To the Board of Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the Tuscarawas Metropolitan Housing Authority, Tuscarawas County, Ohio (the Authority), as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Authority, as of March 31, 2023, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Tuscarawas Affordable Housing One, LLC, which represent 99 percent, 98 percent, and 100 percent, respectively, of the assets, net position, and revenues of the aggregated discretely presented component units as of March 31, 2023, and the respective changes in financial position and cash flows, thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Tuscarawas Affordable Housing One, LLC, are based solely on the report of other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Required Supplementary Information

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

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Schedule of Expenditures of Federal Awards 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 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Financial Data Schedule as required by the Department of Housing and Urban Development present additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2023, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance.

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

December 11, 2023

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

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

Financial Highlights

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

- During fiscal year 2023, the Authority's net position decreased by $46,763 and the component units decreased by $19,456.
- The Authority's revenue increased by $1,176 and its component unit's revenue increased by $266.
- Total expenses of the Authority increased by $130,080 and the component unit's expenses increased by $9,950.

Using This Annual Report

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

MD&A
~Management's Discussion
and Analysis ~

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

Required Supplementary Information
~ Pension and OPEB Schedules ~

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

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

Authority-Wide Financial Statements

The Authority-wide financial statements on pages 15 through 19 are designed to be corporate-like in that all business type activities are consolidated into columns, which add to a total for the entire Authority. The financial statements of the Authority include component units which are more fully discussed in the Notes to the Basic Financial Statements.

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

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

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

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

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

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

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

Finally, a Statement of Cash Flows on pages 18 and 19 is included, which discloses net cash provided by, or used for operating activities, investing activities, and from capital and related financing activities.

Fund Financial Statements

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

Some of the programs operated by the Authority are required to be reported separately by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control. Program are reported separately in the Financial Data Schedule within Other Supplementary Information.

The Authority's Programs

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

Other Programs
In addition to the program above, the Authority also operates the following programs:

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

- Family Self-Sufficiency Program - represents HUD grant resources utilized to promote the development of local strategies to coordinate public and private resources that help housing choice voucher program participants.

Component Units

- Tuscarawas Affordable Housing Services Corporation is a not-for-profit corporation that provides low- moderate income housing services.

- Tuscarawas Affordable Housing One, LLC - a limited liability corporation that owns and manages Clay Village Apartments.

Authority-Wide Statements

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

Primary Government

		2023		2022 Restated
Assets				
Current Assets	$	526,816	$	553,019
Noncurrent Assets		137,479		195,304
Deferred Outflows of Resources		162,113		38,158
Total Assets and Deferred Outflows of Resources	$	826,408	$	786,481
Liabilities				
Current Liabilities	$	40,157	$	43,993
Long-Term Liabilities		709,777		439,653
Total Liabilities		749,934		483,646
Deferred Inflows of Resources		5,217		184,815
Net Position				
Net Investment in Capital Assets		(15,607)		(14,040)
Restricted		2,290		91,325
Unrestricted		84,574		40,735
Total Net Position		71,257		118,020
Total Liabilities, Deferred Inflows of Resources, and Net Position	$	826,408	$	786,481

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

During the fiscal year, the Authority implemented Government Accounting Standards Board (GASB) Statement No. 87 "*Leases*", and the related guidance from GASB Implementation Guide 2019-3, "*Leases*". GASB 87 establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The 2022 financial statements of the Authority have been restated to reflect $11,454 of intangible right to use lease asset and an offsetting lease liability of $11,454.

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Component Units

		2022		2021
Assets				
Current Assets	$	171,057	$	166,120
Capital Assets		848,290		886,037
Total Assets	$	1,019,347	$	1,052,157
Liabilities				
Current Liabilities	$	207,072	$	189,760
Long-Term Liabilities		1,245,519		1,276,185
Total Liabilities		1,452,591		1,465,945
Net Position				
Net Investment in Capital Assets		(427,895)		(418,184)
Restricted		134,699		126,249
Unrestricted		(140,048)		(121,853)
Total Net Position		(433,244)		(413,788)
Total Liabilities and Net Position	$	1,019,347	$	1,052,157

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

Major Factors Affecting the Statement of Net Position

Total assets and deferred outflows of resources of the Authority increased by $39,927 and total liabilities and deferred inflows of resources increased by $86,690. This change was due to the result of the change in assumptions and the changes in the Authority's proportionate share in pension and OPEB plans.

The assets of the Authority's component units decreased by $32,810 and the liabilities decreased by $13,354. The decrease in assets was due to decrease in capital assets due to the current year depreciation expense. The decrease in liabilities is due to the reduction in debt for current year principal payment.

Table 2 presents details on the change in Net Position.

Primary Government

	Net Investment in Capital Assets	Restricted Net Position	Unrestricted Net Position
Beginning Balance - March 31, 2022	$ (14,040)	$ 91,325	$ 40,735
Results of Operation	0	(89,035)	42,272
Adjustments:			
Current year Depreciation/Amortization Expense (1)	(18,235)	0	18,235
Current year Debt Activities, Net	11,299	0	(11,299)
Current year Lease Activities, Net	5,369	0	(5,369)
Ending Balance - March 31, 2023	$ (15,607)	$ 2,290	$ 84,574

Component Units

	Net Investment in Capital Assets	Restricted Net Position	Unrestricted Net Position
Beginning Balance - December 31, 2021	$ (418,184)	$ 126,249	$ (121,853)
Results of Operation	0	8,450	(27,906)
Adjustments:			
Current year Depreciation Expense (1)	(45,185)	0	45,185
Capital Expenditure	7,438	0	(7,438)
Current year Debt Activities, Net	28,036	0	(28,036)
Ending Balance - December 31, 2022	$ (427,895)	$ 134,699	$ (140,048)

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

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

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

Primary Government

	2023	2022
Revenues		
Operating Subsidies	$ 2,864,597	$ 2,822,206
Investment Income	31	3
Other Revenues	39,319	80,562
Total Revenues	**2,903,947**	**2,902,771**
Expenses		
Administrative	363,127	279,591
Tenant Services	51,723	53,776
Utilities	4,986	4,894
Maintenance	5,198	4,119
General and Interest Expenses	6,922	7,605
Housing Assistance Payments	2,500,519	2,453,744
Depreciation	12,867	16,901
Amortization	5,368	-
Total Expenses	**2,950,710**	**2,820,630**
Net Increases (Decreases)	**$ (46,763)**	**$ 82,141**

Component Units

	2022	2021
Revenues		
Total Tenant Revenues	$ 189,800	$ 189,635
Investment Income	107	6
Total Revenues	**189,907**	**189,641**
Expenses		
Administrative	41,562	39,843
Utilities	35,049	33,897
Maintenance	60,681	54,282
General and Interest Expenses	26,886	27,936
Depreciation	45,185	43,455
Total Expenses	**209,363**	**199,413**
Net (Decreases)	**$ (19,456)**	**$ (9,772)**

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

The total revenue of the Primary Government remained stable for the year, with a net increase of only $1,176.

The component units' revenue also remained stable for the year with an increase of only $266 due to tenant revenues and interest earned.

Total expenses for the Primary Government increased by $130,080 for the fiscal year. The main reason for the increase are changes in pension and OPEB expenses.

The component unit expenses increase for the year by $9,950. The increase is due to an increase in maintenance expenses.

Capital Assets

As of March 31, 2023, the Authority had $137,479 invested in capital assets and the component units had $848,290 as reflected in the following schedule, which represents a net decrease of $18,235 due to current year depreciation expense for the Primary Government and $37,747 net decrease for the component units due to net change of current year additions less depreciation expense.

Primary Government

	2023	2022 Restated
Land and Land Rights	$ 30,000	$ 30,000
Buildings and Improvements	446,322	446,322
Equipment	92,002	92,002
Accumulated Depreciation	(430,845)	(412,610)
Total	$ 137,479	$ 155,714

Component Units

	2022	2021
Land and Land Rights	$ 100,000	$ 100,000
Buildings	1,500,048	1,500,048
Equipment	76,142	68,704
Accumulated Depreciation	(827,900)	(782,715)
Total	$ 848,290	$ 886,037

The following reconciliation summarizes the change in capital assets, which is presented in detail on page 28 of the notes.

	Primary Government
Beginning Balance - March 31, 2022 Restated	$ 155,714
Current year Depreciation/Amortization Expense	(18,235)
Ending Balance - March 31, 2023	$ 137,479

	Component Units
Beginning Balance - December 31, 2021	$ 886,037
Current year Additions	7,438
Current year Depreciation Expense	(45,185)
Ending Balance - December 31, 2022	$ 848,290

Debt

The Authority's debt was reduced by $16,668 and the component unit debt decreased by $28,036 during fiscal year 2023 and 2022. The following is a comparison of the debt outstanding at year end 2023 and year end 2022.

	Primary Government
Beginning Balance - March 31, 2022 Restated	$ 169,754
Current Year Debt Issued	-
Current Year Principal Payments	(16,668)
Ending Balance - March 31, 2023	$ 153,086

	Component Units
Beginning Balance - December 31, 2021	$ 1,304,221
Current Year Debt Issued	-
Current Year Principal Payments	(28,036)
Ending Balance - December 31, 2022	$ 1,276,185

Economic Factors

Significant economic factors affecting the Authority are as follows:

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

Financial Contact

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

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
Statement of Net Position
Proprietary Funds
March 31, 2023

	Primary Government	Component Units
ASSETS		
Current assets		
Cash and cash equivalents	$258,305	$11,565
Restricted cash and cash equivalents	124,472	150,439
Receivables, net	136,623	0
Prepaid expenses and other assets	7,416	9,053
Total current assets	**526,816**	**171,057**
Noncurrent assets		
Capital assets:		
Nondepreciable Assets	30,000	100,000
Depreciable/Amortized capital assets	538,324	1,576,190
Less accumulated depreciation/amortization	(430,845)	(827,900)
Capital assets, net	137,479	848,290
Total noncurrent assets	***137,479***	***848,290***
Deferred Outflows of Resources		
Pension	138,141	0
OPEB	23,972	0
Total deferred outflows of resources	***162,113***	***0***
Total Assets and Deferred Outflows of Resources	**$826,408**	**$1,019,347**
LIABILITIES		
Current liabilities		
Accounts payable	$7,345	$6,801
Accrued liabilities	15,780	1,697
Intergovernmental payables	0	16,216
Tenant security deposits	0	15,740
Bonds, notes, and loans payable	11,900	30,666
Other current liabilities	0	135,952
Leases - Current Portion	5,132	0
Total current liabilities	***40,157***	***207,072***
Noncurrent liabilities		
Bonds, notes, and loans payable	135,101	1,245,519
Accrued compensated absences non-current	49,042	0
Lease liability non-current	953	0
Net pension liability payable	394,655	0
Net OPEB liability payable	7,844	0
Noncurrent liabilities - other	122,182	0
Total noncurrent liabilities	***709,777***	***1,245,519***
Total liabilities	**$749,934**	**$1,452,591**

See accompanying notes to the basic financial statements.

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
Statement of Net Position (Continued)
Proprietary Funds
March 31, 2023

Deferred Inflows of Resources		
Pension	$2,361	$0
OPEB	2,856	0
Total deferred inflows of resources	**5,217**	**0**
NET POSITION		
Net invested in capital assets	(15,607)	(427,895)
Restricted net position	2,290	134,699
Unrestricted net position	84,574	(140,048)
Total net position	**71,257**	**(433,244)**
Total Liabilities, Deferred Inflows and Net Position	**$826,408**	**$1,019,347**

See accompanying notes to the basic financial statements.

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended March 31, 2023

	Primary Government	Component Units
OPERATING REVENUES		
Tenant Revenue	$0	$189,800
Government operating grants	2,864,597	0
Other revenue	39,319	0
Total operating revenues	**2,903,916**	**189,800**
OPERATING EXPENSES		
Administrative	363,127	41,562
Tenant Services	51,723	0
Utilities	4,986	35,049
Maintenance	5,198	60,681
General	(1,002)	24,486
Housing assistance payment	2,500,519	0
Amortization	5,368	0
Depreciation	12,867	45,185
Total operating expenses	***2,942,786***	***206,963***
Operating (loss)	**(38,870)**	**(17,163)**
NONOPERATING REVENUES (EXPENSES)		
Interest and investment revenue	31	107
Interest expense	(7,924)	(2,400)
Total nonoperating revenues (expenses)	***(7,893)***	***(2,293)***
Change in net position	(46,763)	(19,456)
Total net position, Beginning of Year	118,020	(413,788)
Net Position, End of Year	**$71,257**	**($433,244)**

See accompanying notes to the basic financial statements.

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
Statement of Cash Flows
Proprietary Funds
For the Year Ended March 31, 2023

	Primary Government	***Component Units***
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating grants received	$2,852,086	$0
Tenant revenue received	0	191,018
Other revenue received	39,319	0
General and administrative expenses paid	(405,075)	(148,702)
Housing assistance payments	(2,500,519)	0
Net cash provided (used) by operating activities	**(14,189)**	**42,316**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Retirement of debt	(11,299)	(28,036)
Interest paid on Debt	(7,924)	(2,400)
Lease liability, net	(5,369)	0
Property and equipment purchased, net	0	(7,438)
Net cash (used) by capital and related financing activities	**(24,592)**	**(37,874)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned	31	107
Net cash provided by investing activities	31	107
Net increase (decrease) in cash	(38,750)	4,549
Cash and cash equivalents - Beginning of year	421,527	157,455
Cash and cash equivalents - End of year	**$382,777**	**$162,004**

See accompanying notes to the basic financial statements.

TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended March 31, 2023

	Primary Government	***Component Units***
RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Net Operating (Loss)	($38,870)	($17,163)
Adjustment to Reconcile Operating Loss to Net Cash Used by Operating Activities		
- Depreciation/Amortization	18,235	45,185
- (Increases) Decreases in Accounts Receivable	(12,511)	1,218
- (Increases) Decreases in Prepaid Assets	(36)	(1,606)
- (Increases) Decreases in Other Noncurrent Assets	39,590	0
- (Increases) Decreases in Deferred Outflows	(123,955)	0
- Increases (Decreases) in Accounts Payable	(6,706)	1,076
- Increases (Decreases) in Intergovernmental Payable	0	865
- Increases (Decreases) in Accrued Payable	2,507	(379)
- Increases (Decreases) in Other Current Liabilities	0	12,586
- Increases (Decreases) in FSS Escrow	8,338	0
- Increases (Decreases) in Tenant Security Deposits	0	534
- Increases (Decreases) in Compensated Absence	(5,531)	0
- Increases (Decreases) in Deferred Inflows	(179,598)	0
- Increases (Decreases) in Pension Liability	276,504	0
- Increases (Decreases) in OPEB Liability	7,844	0
Net cash provided by operating activities	**($14,189)**	**$42,316**

See accompanying notes to the basic financial statements.

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Summary of Significant Accounting Policies

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

The more significant of the Authority's accounting policies are described below.

Reporting Entity

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

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

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

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

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

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

Component Units

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

Discretely Presented Component Unit	*Brief Description and Relationship*
Tuscarawas Affordable Housing Service Corp.	A not-for A not-for-profit (IRS section 501(c) (3)) corporation created for the purpose of providing low and moderate-income housing. Tuscarawas Metropolitan Housing Authority staff operates and manages the units. Four of the five Board Members are the same for both Agencies. Tuscarawas Affordable Housing Service Corporation's fiscal year is a December 31 year end. The financial statements reflected in this report are for the fiscal year ending December 31, 2022.

Discretely Presented Component Unit	*Brief Description and Relationship*
Tuscarawas Affordable Housing One, LLC	A limited liability corporation created for the purpose of ownership and management of Clay Village Apartments. Tuscarawas Affordable Housing One, LLC's fiscal year is a December 31 year end. The financial statements reflected in this report are for the fiscal year ending December 31, 2022.

Basis of Presentation

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

Pursuant to GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance, contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the Authority follows GASB guidance as applicable to enterprise funds.

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

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

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

Fund Accounting

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

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

Proprietary Fund Types

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

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

Revenues

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Nonexchange transactions, in which the Authority receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Authority must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Authority on a reimbursement basis.

Description of programs

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

A. *Housing Choice Voucher Program*

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

B. *Shelter Plus Care Program*
The Shelter Plus Care Program provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. The agency assists the Alcohol, Drug Addiction and Mental Health Services Board of Tuscarawas and Carroll Counties to administer this program.

C. *Business Activities*
Represents non-HUD resources primarily from housing management services.

D. *Family Self-Sufficiency Program*
Represents HUD grant resources utilized to promote the development of local strategies to coordinate public and private resources that help housing choice voucher program participants.

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

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

Investments
Investments are restricted by the provisions of the HUD Regulations. The Authority had no investments during the year and cash was maintained in demand deposit or time and savings bank accounts. The Primary Government had $31 interest earned in the fiscal year. The interest income earned by Component Units for the period totaled $107.

Capital Assets
Capital assets (except for intangible right to use lease assets) are stated at cost (or estimated historical cost). Donated capital assets are recorded at their acquisition values as of the date received. The capitalization policy of the Authority is to depreciate all non-expendable personal property having a useful life of more than one year and purchase price of $5,000 or more per unit. Depreciation is computed using the straight-line method over the following estimated useful lives:

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

The Primary Government is reporting intangible right to use assets related to leased equipment. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, these intangible assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Net Position

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

The Authority applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Operating Revenues and Expenses

Operating revenues and expenses are those revenues that are generated directly from the primary activities of the proprietary fund and expenses incurred for the day to day operation. For the Authority, operating revenues are tenant rent charges, operating subsidy from HUD and other miscellaneous revenue. All revenues and expenses not meeting these definitions are classified as nonoperating.

Capital Contributions

This represents contributions made available by HUD with respect to all federally aided projects under an annual contribution contract. No capital contributions were received in the fiscal year under audit.

Cash and Cash Equivalents

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

Restricted Cash

Restricted cash balance as of March 31, 2023 for the primary government and December 31, 2022, for the component unit represents cash on hand for the following:

	Primary Government	Component Units
FSS Escrow Funds held for Tenants	$ 122,182	$ 0
Reserve for Taxes and Insurance	0	698
Reserve for Replacements	0	134,001
Tenant Security Deposit	0	15,740
FSS Escrow Forfeiture	2,290	0
Total Restricted Cash	$ 124,472	$ 150,439

Compensated Absences

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

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

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

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

Deferred Outflow and Inflows of Resources
In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For the Authority, deferred outflows of resources are reported on the statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Note 6 and 7.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Authority, deferred inflows of resources are reported on the statement of net position for pension and OPEB. The deferred inflows of resources related to pension and OPEB plans are explained in Notes 6 and 7.

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

NOTE 2: ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For fiscal year 2023, the Authority implemented Government Accounting Standards Board (GASB) Statement No. 87 "*Leases*", and the related guidance from GASB Implementation Guide 2019-3, "*Leases*".

GASB Statement No. 87 and GASB Implementation Guide 2019-3 enhance the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The leases of the Authority have been reflected in the financial statements as $11,454 of intangible in right to use lease assets were reported with an offsetting lease liability of $11,454.

The Authority also implemented Guide 2020-1 "*Implementation Guide Update – 2020*", GASB Statement No. 92, "*Omnibus 2020*", GASB Statement No. 97, "*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. These changes were incorporated in the Authority's financial statements; however, there was no effect on the beginning net position balance.

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 withdrawal on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

Protection of the Authority deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

At fiscal year end March 31, 2023, the carrying amount of the Authority's deposits totaled $382,777 (includes $100 of petty cash) and its bank balance was $386,239. The entire bank balance was covered by FDIC.

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 or participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Component Unit
The carrying amount of the Component Unit deposits was $162,004 as of December 31, 2022. It includes savings accounts and all certificates of deposit with original maturities of three months or less.

NOTE 4: RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the fiscal year ending March 31, 2023 the Authority maintains comprehensive insurance coverage with private carriers for health, real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage.

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

NOTE 5: CAPITAL ASSETS

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

Primary Government

	Restated Balance 03/31/22	Adjust	Additions	Deletion	Balance 03/31/23
Capital Assets Not Being Depreciated:					
Land	$30,000	$0	$0	$0	$30,000
Total Capital Assets Not Being Depreciated	**30,000**	**0**	**0**	**0**	**30,000**
Capital Assets Being Depreciated/Amortized:					
Buildings	437,765	0	0	0	437,765
Furniture, Machinery and Equip.	70,087	0	0	0	70,087
Leasehold Improvement	8,557	0	0	0	8,557
Intangible Right-To Use: Lease	21,915	0	0	0	21,915
Total Capital Assets Depreciated	538,324	0	0	0	538,324
Accumulated Depreciation/Amortization:					
Buildings	(324,534)	0	(12,181)	0	(336,715)
Furniture, Machinery and Equip.	(69,058)	0	(686)	0	(69,744)
Leasehold Improvement	(8,557)	0	0	0	(8,557)
Intangible Right-To Use: Lease	(10,461)	0	(5,368)	0	(15,829)
Total Accum Depreciation / Amortization	**(412,610)**	**0**	**(18,235)**	**0**	**(430,845)**
Total Capital Assets Being Depreciated, Net	**125,714**	**0**	**(18,235)**	**0**	**107,479**
Total Capital Assets, Net	**$155,714**	**$0**	**($18,235)**	**$0**	**$137,479**

Component Units

	Balance 01/01/22	Adjust	Additions	Deletion	Balance 12/31/22
Capital Assets Not Being Depreciated:					
Land	$100,000	$0	$0	$0	$100,000
Total Capital Assets Not Being Depreciated	**100,000**	**0**	**0**	**0**	**100,000**
Capital Assets Being Depreciated:					
Buildings	1,500,048	0	0	0	1,500,048
Furnit, Machinery and Equip	68,704	0	7,438	0	76,142
Total Capital Assets Being Depreciated	1,568,752	0	7,438	0	1,576,190

			Component Units		
	Balance 01/01/22	**Adjust**	**Additions**	**Deletion**	**Balance 12/31/22**
Accumulated Depreciation	(782,715)	0	(45,185)	0	(827,900)
Total Capital Assets Being Depreciated, Net	**786,037**	**0**	**(37,747)**	**0**	**748,290**
Total Capital Assets, Net	**$886,037**	**$0**	**($37,747)**	**$0**	**$848,290**

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.

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

Ohio Revised Code limits the Authority's obligation for this liability to annually required payments. The Authority cannot control benefit terms or the manner in which pensions are financed; however, the Authority does receive the benefit of employees' services in exchange for compensation including pension.
GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

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

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

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

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

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Effective January 1, 2022 the combined plan is no longer available for member selection.

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

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

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

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

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

The Authority's contractually required contribution for pension was $29,264 for fiscal year ending March 31, 2023. Of this amount $2,222 is reported with accrued liabilities.

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, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	Traditional Plan
Proportionate Share of Net Pension Liability	$394,655
Proportion of the Net Pension Liability	
- Prior Measurement Date	0.001358%
- Current Meassurement Date	0.001336%
Change in Proportion from Prior	-0.000022%
Pension Expense	$41,064

On March 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Traditional Plan
Deferred Outflows of Resources	
Net Difference between projected and actual earning on pension plan investments	$112,489
Assumption Changes	4,169
Difference between expected and actual experience	13,109
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	596
Authority contributions subsequent to the measurement date	7,778
Total Deferred Outflows of Resources	$138,141

	Traditional Plan
Deferred Inflows of Resources	
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	$2,361
Total Deferred Inflows of Resources	$2,361

$7,778 reported as deferred outflows of resources related to pension resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending March 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Traditional Plan
Fiscal Year Ending March 31,:	
2024	$14,271
2025	25,516
2026	33,111
2027	55,104
Total	$128,002

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2022, using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67.

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

Actuarial Information	**Traditional Plan**
Measurement and Valuation Date	December 31, 2022
Experience Study	5-year ended 12/31/2020
Actuarial Cost Method	Individual entry age
Actuarial Assumption:	
Investment Rate of Return	6.9%
Wage Inflation	2.75%
Future Salary Increases, including inflation 2.75%	2.75 - 10.75 %
Cost-of-Living Adjustment	Pre 01/07/13 Retirees: 3% Simple Post 01/07/13 Retirees: 3.0% Simple through 2023, then 2.05% Simple

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

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1% for 2022.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. The table below displays the Board-approved asset allocation policy for 2022 and the long-term expected real rates of return:

Asset Class	Target Allocation as of December 31, 2022	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	22.00%	2.62%
Domestic Equities	22.00%	4.60%
Real Estate	13.00%	3.27%
Private Equity	15.00%	7.53%
International Equities	21.00%	5.51%
Risk Parity	2.00%	4.37%
Other Investments	5.00%	3.27%
TOTAL	100.00%	

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

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 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 (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
Authority's proportionate share of the net pension liability			
- Traditional Pension Plan	$591,180	$394,655	$231,181

NOTE 7: DEFINED BENEFIT OPEB PLAN

Net OPEB Liability / Asset

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

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

Ohio Revised Code limits the Authority's obligation for this liability to annually required payments. The Authority cannot control benefit terms or the manner in which OPEB are financed; however, the Authority does receive the benefit of employees' services in exchange for compensation including OPEB. GASB 75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). OPERS may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. Any resulting legislative change to benefits or funding could significantly affect the net OPEB liability / asset. Resulting adjustments to the net OPEB liability / asset would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term net OPEB liability / asset on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in accrued liabilities on the accrual and basis of accounting.

Plan Description – Ohio Public Employees Retirement System (OPERS)

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Effective January 1, 2022 the combined plan is no longer available for member selection.

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses, and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. Effective January 1, 2022, eligible non-Medicare retirees are part of a Connector program and may be eligible for monthly allowances deposited to an HRA, similar to Medicare-enrolled retirees. Additional details on health care coverage can be found in the Plan Statement in the annual report.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an Other Post

Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced later for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code. Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care. Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2022. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2023 remained at 0 percent for both plans. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2022 was 4.0 percent. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution was $0 for the year ending March 31, 2023.

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

The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB liability was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	Health Care Plan
Proportionate Share of Net OPEB Liability	$7,844
Proportion of the Net OPEB Liability	
- Prior Measurement Date	0.001264%
- Current Meassurement Date	0.001244%
Change in Proportion from Prior	-0.000020%
OPEB Expense	($12,901)

On March 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Health Care Plan
Deferred Outflows of Resources	
Net Difference between projected and actual earning on pension plan investments	$15,578
Assumption Changes	7,661
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	733
Total Deferred Outflows of Resources	$23,972
Deferred Inflows of Resources	
Assumption Changes	$630
Difference between expected and actual experience	1,957
Change in proportionate share and difference between Employer contribution and proportionate share of contribution	269
Total Deferred Inflows of Resources	$2,856

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

	Health Care Plan
Fiscal Year Ending March 31:	
2024	$2,760
2025	5,973
2026	4,858
2027	7,525
Total	$21,116

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability/asset was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. 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:

Actuarial Information	
Actuarial Valuation Date	December 31, 2021
Rolled-Forward Measurement Date	December 31, 2022
Experianse Study	5-Year Period Ended December 31, 2020
Actuarial Cost Method	Individual entry age
Actuarial Assumptions	
Single Discount Rate - Current Measurement Period	5.22%
Single Discount Rate - Prior Measurement Period	6.00%
Investment Rate of Return	6.00%
Municipal Bond Rate - Current Measurement Period	4.05%
Municipal Bond Rate - Prior Measurement Period	1.84%
Wage Inflation	2.75%
Future Salary Increases, including inflation 2.75%	2.75 - 10.75%
Health Care Cost Trend Rate	5.5% initial, 3.5% ultimate in 2036

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement Divisions.

Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

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.

OPERS manages investments in three investment portfolios: The Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio.

The allocation of investment assets with the Health Care 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 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. The table below displays the Board-approved asset allocation policy for 2022 and the long-term expected real rates of return:

Asset Class	Target Allocation as of December 31, 2022	Weighted Average Long-Term Expected Real Rate of Return
Fixed Income	34.00%	2.56%
Domestic Equities	26.00%	4.60%
REITs	7.00%	4.70%
International Equities	25.00%	5.51%
Risk Parity	2.00%	4.37%
Other Investments	6.00%	1.84%
TOTAL	100.00%	

Discount Rate A single discount rate of 5.22 percent was used to measure the OPEB liability/asset on the measurement date of December 31, 2022. A single discount rate of 6.00 percent was used to measure the OPEB liability/asset on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05% percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Authority's Proportionate Share of the Net OPEB liability/asset to Changes in the Discount Rate The following table presents the Authority's proportionate share of the net OPEB liability/asset calculated using the single discount rate of 5.22 percent, as well as what the Authority's proportionate share of the net OPEB liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

	1% Decrease (4.22%)	Single Discount Rate (5.22%)	1% Increase (6.22%)
Authority's proportionate share of the net OPEB liability/(asset)	$26,696	$7,844	($7,713)

Sensitivity of the Authority's Proportionate Share of the Net OPEB liability to Changes in the Health Care Cost Trend Rate **–** Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the Authority's proportionate share of 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 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.5 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries' project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability	$7,352	$7,844	$8,397

NOTE 8: LONG-TERM OBLIGATIONS

Tuscarawas Metropolitan Housing Authority (Primary Government)

In the fiscal year ending March 31, 2003, the Authority issued $300,000 mortgage revenue bond, for a 30 year period, series 2002, for the purpose of paying part of the cost of a construction of an office addition to the administration building. In addition the bonds issued were also used to refinance the existing mortgage loan of $89,974 for the purchase of the administration building. The outstanding principal amount shall bear interest at the rate of 4.625 percent, calculated on a basis of actual number of days and a 365-day year. The project was fully completed in February 2004 and the loan commenced on November 1, 2003.

The following is a summary of changes in long-term obligations for the year ended March 31, 2023:

DESCRIPTION	Restated Balance 03/31/22	Additions	Deletions	Balance 03/31/23	Due Within One Year
Mortgage Payable	$158,300	$0	$11,299	$147,001	$11,900
Compensated Absences	55,993	0	5,044	50,949	1,907
Lease Payable	11,454	0	5,369	6,085	5,132
Net Pension Liability	118,151	276,504	0	394,655	0
Net OPEB Liability	0	7,844	0	7,844	0
Non-Current Other - FSS Escrow	113,844	89,048	80,710	122,182	0
Total Primary Government	$457,742	$373,396	$102,422	$728,716	$18,939

Debt maturities are as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL
2024	11,900	6,717	18,617
2025	12,500	6,117	18,617
2026	13,000	5,617	18,617
2027	13,600	5,017	18,617
2028	14,200	4,417	18,617
2028-2032	81,801	8,951	90,752
Total	$147,001	$36,836	$183,837

Tuscarawas Affordable Housing One, LLC (Component Unit):

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

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

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

As of December 31, 2022, the outstanding loan balance was $890,840.	$890,840
On November 20, 2002, Tuscarawas Affordable Housing Services Inc. entered into a promissory note with Ohio Housing Finance Agency for $400,000 to finance the purchase and capital improvement to the Clay Village Apartment Project. The note was amended to add Tuscarawas Affordable Housing One, LLC (the project owner) and its share of the note amount was $254,625. Repayment on the note is only necessary in the event the property generates surplus cash. For the 2022 year, the Agency made a payment of $0. As of December 31, 2022, the outstanding loan balance was $239,970.	239,970

Tuscarawas Affordable Housing Services Inc. (Component Unit):

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

No Repayment is due on the amount reported.	145,375
Total Debt Payable	**$1,276,185**

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

DESCRIPTION	Balance 01/01/2022	Additions	Deletions	Balance 12/31/2022	Due Within One Year
Tuscarawas Affordable Housing One LLC:					
- USDA Rural Development	$918,876	$0	$28,036	$890,840	$30,666
- Ohio Housing Finance Agency	239,970	0	0	239,970	0
Tuscarawas Affordable Housing Services Inc.:					
- Ohio Housing Finance Agency	145,375	0	0	145,375	0
Total	**$1,304,221**	**$0**	**$28,036**	**$1,276,185**	**$30,666**

The following is a summary of debt maturity:

	Tuscarwas Affordable Housing OneLLC		Affordable Housing Services
Year	USDA Rural Development	OHFA	OHFA
2023	30,666	0	0
2024	33,542	0	0
2025	36,689	0	0
2026	40,131	0	0
2027	43,895	0	0
2028-2032	287,859	0	0
2033-2037	418,058	239,970	145,375
Total	**$890,840**	**$239,970**	**$145,375**

NOTE 9: COVID-19

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

NOTE 10: LEASES

The Primary Government has entered into lease agreements for the use of right to use equipment. Right to use equipment leases are for postage machines and computer workstations with a lease end date in fiscal year 2025 for both. Due to the implementation of GASB Statement 87, the Primary Government reports intangible capital assets and corresponding liabilities for the future scheduled payments under each lease. future lease payments were discounted based on the interest rate implicit in the lease or using the Primary Government's incremental borrowing rate. A summary of the principal and interest amounts for the remaining leases is as follows:

Year	Principal	Interest	Total
2024	$5,132	$839	$5,971
2025	953	187	1,140
Total	$6,085	$1,026	$7,111

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Tuscarawas Metropolitan Housing Authority
Required Supplementary Information
Schedule of The Authority
Proportionate Share of the Net Pension Liability
Last Fiscal Years Available

Traditional Plan	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's Proportion of the Net Pension Liability	0.001336%	0.001358%	0.001341%	0.001226%	0.001373%	0.001292%	0.001490%	0.001458%	0.147400%
Authority's Proportionate Share of the Net Pension Liability	$394,655	$118,151	$198,573	$242,327	$376,037	$202,690	$338,354	$252,544	$175,851
Authority's Covered-Employee Payroll	$207,027	$197,143	$188,855	$172,563	$185,486	$174,321	$134,032	$181,044	$181,090
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	190.63%	59.93%	105.15%	140.43%	202.73%	116.27%	252.44%	139.49%	97.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74%	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%

1) Amounts presented for each year were determined as of the Authority's measurement date, which is the prior year end.
2) Information prior to 2015 is not available. This schedule is intended to show ten years of information, additional years will be displayed as it become available.

Tuscarawas Metropolitan Housing Authority
Required Supplementary Information
Schedule of Authority's Contributions - Pension
Ohio Public Employees Retirement System
For the Last Ten Fiscal Years

Traditional Plan	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Contractually Required Contribution										
Pension	$29,264	$27,956	$26,607	$24,050	$27,436	$22,662	$16,084	$21,725	$21,731	$23,085
Contributions in Relation to the										
Contractually Required Contribution	$29,264	$27,956	$26,607	$24,050	$27,436	$22,662	$16,084	$21,725	$21,731	$23,085
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Authority's Covered-Employee Payroll	$209,026	$199,689	$190,051	$171,786	$195,971	$174,321	$134,032	$181,044	$181,090	$176,221
Contributions as a Percentage of										
Covered-Employee Payroll										
Pension	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.10%

Tuscarawas Metropolitan Housing Authority
Required Supplementary Information
Schedule of The Authority
Proportionate Share of the Net OPEB Liability (Assets)
For the Years Available

	2023	2022	2021	2020	2019	2018	2017
Authority's Proportion of the Net OPEB Liability/Asset	0.001244%	0.001264%	0.001249%	0.001142%	0.001279%	0.001200%	0.001233%
Authority's Proportionate Share of the Net OPEB Liability (Asset)	$7,844	($39,590)	($22,252)	$157,740	$166,751	$130,311	$124,583
Authority's Covered-Employee Payroll	$207,027	$197,143	$188,855	$172,563	$185,486	$174,321	$134,032
Authority's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Employee Payroll	3.79%	(20.08%)	(11.78%)	91.41%	89.90%	74.75%	92.95%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	94.79%	128.23%	115.57%	47.80%	46.33%	54.14%	68.52%

1) Amounts presented for each year were determined as of the Authority's measurement date, which is the prior year end.

2) Information prior to 2017 is not available. This schedule is intended to show ten years of information, additional years will be displayed as it become available.

Tuscarawas Metropolitan Housing Authority
Required Supplementary Information
Schedule of Authority's Contributions - OPEB
Ohio Public Employees Retirement System
For the Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution										
OPEB	$0	$0	$0	$0	$0	$1,743	$2,680	$3,621	$3,622	$2,263
Contributions in Relation to the Contractually Required Contribution	0	0	0	0	0	1,743	2,680	3,621	3,622	2,263
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Authority's Covered-Employee Payroll	$209,026	$199,689	$190,051	$171,786	$195,971	$174,321	$134,032	$181,044	$181,090	$176,221
Contributions as a Percentage of Covered-Employee Payroll										
OPEB	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%	2.00%	1.28%

Ohio Public Employees' Retirement System

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2015-2023.

Changes in assumptions:
There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2015-2016 and 2023.

For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

For 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation changed from 3.75% to 3.25% (b) future salary increases changed from 4.25% - 10.05% to 3.25% - 10.75%.

For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: the expected investment return was reduced from 7.50% to 7.20%.

For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018, then 2.15% simple to 1.40% simple through 2020, then 2.15% simple.

For 2021, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees was reduced from 1.40% simple though 2020, then 2.15% simple to 0.50% simple through 2021 then 2.15% simple.

For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75% (b) future salary increases changed from 3.25% - 10.75% to 2.75% - 10.75% (c) the cost-of-living adjustments for post-1/7/2013 retirees was increase from 0.5% simple though 2021, then 2.15% simple to 3.0% simple through 2022 then 2.05% simple (d) Amounts reported beginning in 2022 use pre-retirement mortality rates based on 130 percent of the Pub- 2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree

Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all these tables.

Net OPEB liability/asset

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2020 and 2022-2023.

The 2021, the following change was reflected: on January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees.

Changes in assumptions:
For 2018, the single discount rate changed from 4.23% to 3.85%.

For 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2020, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced (c) the single discount rate changed from 3.85% to 3.96%. (d) the municipal bond rate changed from 3.31% to 3.71% (e) the healthcare cost trend rate changed from 7.5% initial, 3.25% ultimate in 2028 to 10.0% initial, 3.25% ultimate in 2029.

For 2020, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16% (b) the municipal bond rate changed from 3.71% to 2.75% (c) the healthcare cost trend rate changed from 10.0% initial, 3.25% ultimate in 2029 to 10.5% initial, 3.5% ultimate in 2030.

For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the healthcare cost trend rate changed from 10.5% initial, 3.5% ultimate in 2030 to 8.5% initial, 3.5% ultimate in 2035.

For 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate remained at 6.00% (b) the municipal bond rate changed from 2.00% to 1.84% (c) the projected salary increase changed from 3.25% - 10.75% to 2.75% - 10.75% (d) wage inflation changed from 3.25% to 2.75% (e) the healthcare cost trend rate changed from 8.5% initial, 3.5% ultimate in 2035 to 5.5% initial, 3.5% ultimate in 2034.

For 2023, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22% (b) the municipal bond rate changed from 1.84% to 4.00% (c) the healthcare cost trend rate changed from 5.5% initial, 3.5% ultimate in 2034 to 5.5% initial, 3.5% ultimate in 2036.

Tuscarawas Metropolitan Housing Authority (OH063)

NEW PHILADELPHIA, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2023

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	Subtotal	ELIM	Total
111 Cash - Unrestricted	$11,565	$0	$87,776	$170,529	$0	$269,870	$0	$269,870
113 Cash - Other Restricted	$134,699	$0	$0	$122,182	$2,290	$259,171	$0	$259,171
114 Cash - Tenant Security Deposits	$15,740	$0	$0	$0	$0	$15,740	$0	$15,740
100 Total Cash	$162,004	$0	$87,776	$292,711	$2,290	$544,781	$0	$544,781
122 Accounts Receivable - HUD Other Projects	$0	$0	$0	$671	$0	$671	$0	$671
125 Accounts Receivable - Miscellaneous	$0	$0	$135,952	$0	$0	$135,952	$0	$135,952
128 Fraud Recovery	$0	$0	$0	$45,875	$0	$45,875	$0	$45,875
128.1 Allowance for Doubtful Accounts - Fraud	$0	$0	$0	($45,875)	$0	($45,875)	$0	($45,875)
120 Total Receivables, Net of Allowances for Doubtful Accounts	$0	$0	$135,952	$671	$0	$136,623	$0	$136,623
142 Prepaid Expenses and Other Assets	$9,053	$0	$0	$7,416	$0	$16,469	$0	$16,469
150 Total Current Assets	$171,057	$0	$223,728	$300,798	$2,290	$697,873	$0	$697,873
161 Land	$100,000	$0	$30,000	$0	$0	$130,000	$0	$130,000
162 Buildings	$1,500,048	$0	$437,765	$0	$0	$1,937,813	$0	$1,937,813
163 Furniture, Equipment & Machinery - Dwellings	$76,142	$0	$0	$0	$0	$76,142	$0	$76,142
164 Furniture, Equipment & Machinery - Administration	$0	$0	$70,087	$21,915	$0	$92,002	$0	$92,002
165 Leasehold Improvements	$0	$0	$8,557	$0	$0	$8,557	$0	$8,557
166 Accumulated Depreciation	($827,900)	$0	($415,015)	($15,830)	$0	($1,258,745)	$0	($1,258,745)
160 Total Capital Assets, Net of Accumulated Depreciation	$848,290	$0	$131,394	$6,085	$0	$985,769	$0	$985,769
180 Total Non-Current Assets	$848,290	$0	$131,394	$6,085	$0	$985,769	$0	$985,769
200 Deferred Outflow of Resources	$0	$0	$0	$162,113	$0	$162,113	$0	$162,113
290 Total Assets and Deferred Outflow of Resources	$1,019,347	$0	$355,122	$468,996	$2,290	$1,845,755	$0	$1,845,755
312 Accounts Payable <= 90 Days	$6,801	$0	$0	$7,345	$0	$14,146	$0	$14,146
321 Accrued Wage/Payroll Taxes Payable	$1,595	$0	$0	$13,873	$0	$15,468	$0	$15,468
322 Accrued Compensated Absences - Current Portion	$0	$0	$0	$1,907	$0	$1,907	$0	$1,907
325 Accrued Interest Payable	$102	$0	$0	$0	$0	$102	$0	$102

Tuscarawas Metropolitan Housing Authority (OH063)

NEW PHILADELPHIA, OH

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2023

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	Subtotal	ELIM	Total
333 Accounts Payable - Other Government	$16,216	$0	$0	$0	$0	$16,216	$0	$16,216
341 Tenant Security Deposits	$15,740	$0	$0	$0	$0	$15,740	$0	$15,740
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$30,666	$0	$11,900	$5,132	$0	$47,698	$0	$47,698
345 Other Current Liabilities	$135,952	$0	$0	$0	$0	$135,952	$0	$135,952
310 Total Current Liabilities	$207,072	$0	$11,900	$28,257	$0	$247,229	$0	$247,229
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	$1,245,519	$0	$135,101	$953	$0	$1,381,573	$0	$1,381,573
352 Long-term Debt, Net of Current - Operating Borrowings	$0	$0	$0	$0	$0	$0	$0	$0
353 Non-current Liabilities - Other	$0	$0	$0	$122,182	$0	$122,182	$0	$122,182
354 Accrued Compensated Absences - Non Current	$0	$0	$0	$49,042	$0	$49,042	$0	$49,042
357 Accrued Pension and OPEB Liabilities	$0	$0	$0	$402,499	$0	$402,499	$0	$402,499
350 Total Non-Current Liabilities	$1,245,519	$0	$135,101	$574,676	$0	$1,955,296	$0	$1,955,296
300 Total Liabilities	$1,452,591	$0	$147,001	$602,933	$0	$2,202,525	$0	$2,202,525
400 Deferred Inflow of Resources	$0	$0	$0	$5,217	$0	$5,217	$0	$5,217
508.4 Net Investment in Capital Assets	($427,895)	$0	($15,607)	$0	$0	($443,502)	$0	($443,502)
511.4 Restricted Net Position	$134,699	$0	$0	$0	$2,290	$136,989	$0	$136,989
512.4 Unrestricted Net Position	($140,048)	$0	$223,728	($139,154)	$0	($55,474)	$0	($55,474)
513 Total Equity - Net Assets / Position	($433,244)	$0	$208,121	($139,154)	$2,290	($361,987)	$0	($361,987)
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$1,019,347	$0	$355,122	$468,996	$2,290	$1,845,755	$0	$1,845,755

Tuscarawas Metropolitian Housing Authority (OH063)
NEW PHILADELPHIA, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2023

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	$182,795	$0	$0	$0	$0	$182,795	$0	$182,795
70400 Tenant Revenue - Other	$7,005	$0	$0	$0	$0	$7,005	$0	$7,005
70500 Total Tenant Revenue	$189,800	$0	$0	$0	$0	$189,800	$0	$189,800
70600 HUD PHA Operating Grants	$0	$39,000	$0	$2,825,597	$0	$2,864,597	$0	$2,864,597
71100 Investment Income - Unrestricted	$107	$0	$0	$31	$0	$138	$0	$138
71400 Fraud Recovery	$0	$0	$0	$10,642	$0	$10,642	$0	$10,642
71500 Other Revenue	$0	$0	$11,841	$14,546	$2,290	$28,677	$0	$28,677
70000 Total Revenue	$189,907	$39,000	$11,841	$2,850,816	$2,290	$3,093,854	$0	$3,093,854
91100 Administrative Salaries	$15,728	$0	$6,015	$170,939	$0	$192,682	$0	$192,682
91200 Auditing Fees	$3,600	$0	$0	$8,734	$0	$12,334	$0	$12,334
91400 Advertising and Marketing	$0	$0	$0	$167	$0	$167	$0	$167
91500 Employee Benefit contributions - Administrative	$0	$0	$0	$125,750	$0	$125,750	$0	$125,750
91600 Office Expenses	$0	$0	$0	$35,880	$0	$35,880	$0	$35,880
91700 Legal Expense	$245	$0	$0	$200	$0	$445	$0	$445
91800 Travel	$0	$0	$0	$3,879	$0	$3,879	$0	$3,879
91900 Other	$21,989	$0	$1,751	$9,812	$0	$33,552	$0	$33,552
91000 Total Operating - Administrative	$41,562	$0	$7,766	$355,361	$0	$404,689	$0	$404,689
92100 Tenant Services - Salaries	$0	$27,809	$0	$7,948	$0	$35,757	$0	$35,757
92300 Employee Benefit Contributions - Tenant Services	$0	$11,191	$0	$4,775	$0	$15,966	$0	$15,966
92400 Tenant Services - Other	$0	$0	$0	$0	$0	$0	$0	$0
92500 Total Tenant Services	$0	$39,000	$0	$12,723	$0	$51,723	$0	$51,723
93100 Water	$26,439	$0	$0	$651	$0	$27,090	$0	$27,090
93200 Electricity	$8,610	$0	$0	$3,098	$0	$11,708	$0	$11,708
93300 Gas	$0	$0	$0	$1,237	$0	$1,237	$0	$1,237
93000 Total Utilities	$35,049	$0	$0	$4,986	$0	$40,035	$0	$40,035
94100 Ordinary Maintenance and Operations - Labor	$14,190	$0	$0	$0	$0	$14,190	$0	$14,190

Tuscarawas Metropolitian Housing Authority (OH063)

NEW PHILADELPHIA, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2023

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	Subtotal	ELIM	Total
94200 Ordinary Maintenance and Operations - Materials and Other	$25,191	$0	$0	$0	$0	$25,191	$0	$25,191
94300 Ordinary Maintenance and Operations Contracts	$21,300	$0	$0	$5,198	$0	$26,498	$0	$26,498
94000 Total Maintenance	$60,681	$0	$0	$5,198	$0	$65,879	$0	$65,879
96110 Property Insurance	$8,270	$0	$0	$0	$0	$8,270	$0	$8,270
96120 Liability Insurance	$0	$0	$0	$2,592	$0	$2,592	$0	$2,592
96130 Workmen's Compensation	$0	$0	$0	$1,450	$0	$1,450	$0	$1,450
96100 Total insurance Premiums	$8,270	$0	$0	$4,042	$0	$12,312	$0	$12,312
96200 Other General Expenses	$0	$0	$0	$5,368	$0	$5,368	$0	$5,368
96210 Compensated Absences	$0	$0	$0	($5,044)	$0	($5,044)	$0	($5,044)
96300 Payments in Lieu of Taxes	$16,216	$0	$0	$0	$0	$16,216	$0	$16,216
96000 Total Other General Expenses	$16,216	$0	$0	$324	$0	$16,540	$0	$16,540
96710 Interest of Mortgage (or Bonds) Payable	$2,400	$0	$7,322	$0	$0	$9,722	$0	$9,722
96720 Interest on Notes Payable (Short and Long Term)	$0	$0	$0	$602	$0	$602	$0	$602
96700 Total Interest Expense and Amortization Cost	$2,400	$0	$7,322	$602	$0	$10,324	$0	$10,324
96900 Total Operating Expenses	$164,178	$39,000	$15,088	$383,236	$0	$601,502	$0	$601,502
97000 Excess of Operating Revenue over Operating Expenses	$25,729	$0	($3,247)	$2,467,580	$2,290	$2,492,352	$0	$2,492,352
97300 Housing Assistance Payments	$0	$0	$0	$2,500,519	$0	$2,500,519	$0	$2,500,519
97400 Depreciation Expense	$45,185	$0	$12,867	$0	$0	$58,052	$0	$58,052
90000 Total Expenses	$209,363	$39,000	$27,955	$2,883,755	$0	$3,160,073	$0	$3,160,073
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	($19,456)	$0	($16,114)	($32,939)	$2,290	($66,219)	$0	($66,219)
11020 Required Annual Debt Principal Payments	$0	$0	$11,900	$0	$0	$11,900	$0	$11,900
11030 Beginning Equity	($413,788)	$0	$224,235	($106,215)	$0	($295,768)	$0	($295,768)
11170 Administrative Fee Equity	$0	$0	$0	($139,154)	$0	($139,154)	$0	($139,154)

Tuscarawas Metropolitian Housing Authority (OH063)

NEW PHILADELPHIA, OH

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2023

	6.1 Component Unit - Discretely Presented	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	Subtotal	ELIM	Total
11180 Housing Assistance Payments Equity	$0	$0	$0	$0	$0	$0	$0	$0
11190 Unit Months Available	480	0	0	7,392	0	7,872	0	7,872
11210 Number of Unit Months Leased	434	0	0	6,829	0	7,263	0	7,263

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Tuscarawas Metropolitan Housing Authority
Tuscarawas County

Schedule of Expenditures of Federal Awards
For the Year Ended March 31, 2023

FEDERAL GRANTOR / PASS THROUGH GRANTOR / PROGRAM OR CLUSTER TITLE	ASSISTANCE LISTING NUMBER	EXPENDITURES
U.S. Department of Agriculture		
Direct Program		
Community and Facilities Loans and Grants Cluster:		
Community Facilities Loans and Grants	10.766	$ 158,300
Total Community and Facilities Loans and Grants Cluster		158,300
Total U.S. Department of Agriculture		**158,300**
U.S. Department of Housing and Urban Development		
Direct Program		
Housing Voucher Cluster:		
Housing Choice Voucher Program	14.871	2,825,597
Total Housing Voucher Cluster		2,825,597
Family Self-Sufficiency Program	14.896	39,000
Total U.S. Department of Housing and Urban Development		**2,864,597**
Total Federal Awards Expenditures		**$ 3,022,897**

See accompanying notes to this schedule

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED MARCH 31, 2023

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Tuscarawas Metropolitan Housing Authority (the Authority) and is presented on the full accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

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

NOTE B - SUBRECIPIENTS

The Authority provided no federal awards to subrecipients during the year ending March 31, 2023.

NOTE C – DISCLOSURE OF OTHER FORMS OF ASSISTANCE

The Authority received no federal awards of non-monetary assistance that are required to be disclosed for the year ended March 31, 2023.

NOTE D – LOAN PROGRAMS WITH CONTINUING COMPLIANCE REQUIREMENTS

The federal loan programs listed below are administered directly by the Authority, and balances and transactions relating to these programs are included in the Authority's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balances of loans outstanding at March 31, 2023 consist of:

AL Number	Program/Cluster Name	Outstanding Balance at March 31, 2023
10.766	Community and Facilities Loans and Grants Cluster	$147,001

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

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

To the Board of Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the business-type activities and the aggregate discretely presented component units of the Tuscarawas Metropolitan Housing Authority, Tuscarawas County, Ohio (the Authority), as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated December 11, 2023. Our report includes a reference to other auditors who audited the financial statements of the Tuscarawas Affordable Housing One LLC, one of the discretely presented component units of the Authority, as described in our report on the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Keith Faber
Auditor of State
Columbus, Ohio

December 11, 2023

OHIO AUDITOR OF STATE
KEITH FABER

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

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

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Tuscarawas Metropolitan Housing Authority's, Tuscarawas County, Ohio (the Authority) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Tuscarawas Metropolitan Housing Authority's major federal program for the year ended March 31, 2023. Tuscarawas Metropolitan Housing Authority's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

In our opinion, Tuscarawas Metropolitan Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended March 31, 2023.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber
Auditor of State
Columbus, Ohio

December 11, 2023

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TUSCARAWAS METROPOLITAN HOUSING AUTHORITY
TUSCARAWAS COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
FOR THE YEAR ENDED MARCH 31, 2023

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE
KEITH FABER

TUSCARAWAS COUNTY METROPOLITAN HOUSING AUTHORITY

TUSCARAWAS COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 12/14/2023

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