STARK METROPOLITAN HOUSING AUTHORITY

STARK COUNTY

SINGLE AUDIT

APRIL 1, 2021 – MARCH 31, 2022

WILSON, SHANNON & SNOW
INC.
CPAs & ADVISORS

OHIO AUDITOR OF STATE
KEITH FABER

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Board of Commissioners
Stark County Metropolitan Housing Authority
400 Tuscarawas St East
Canton, OH 44702

We have reviewed the *Independent Auditor's Report* of the Stark County Metropolitan Housing Authority, Stark County, prepared by Wilson, Shannon & Snow, Inc., for the audit period April 1, 2021 through March 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Stark County Metropolitan Housing Authority is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

November 09, 2022

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STARK METROPOLITAN HOUSING AUTHORITY
STARK COUNTY

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WILSON, SHANNON & SNOW
INC.
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Stark Metropolitan Housing Authority
Stark County
400 Tuscarawas Street
Canton, Ohio 44702

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 Stark Metropolitan Housing Authority, Stark County, Ohio (the Authority), as of and for the fiscal year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component units of the Stark Metropolitan Housing Authority, as of March 31, 2022, and the respective changes in financial position and where applicable, cash flows, thereof for the fiscal year then ended in accordance with the accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Alliance Senior Tower, LLC and the Hunter House PSH, LLC, which represent $7,754,485 and 88 percent, $4,346,532 and 102 percent, and $1,419,979 and 92 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. 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 the Alliance Senior Tower, LLC and the Hunter House PSH, 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. The financial statements of the Hunter House PSH, LLC were not audited in accordance with *Government Auditing Standards*.

10 West Locust Street | Newark, Ohio 43055 | Phone: 740-345-6611 | Fax: 740-345-5635 | wssinc.net

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/assets 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 evidence sufficient to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The Financial Data Schedules, Cost Certifications, and 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedules, Cost Certifications, and the Schedule of Expenditures of Federal Awards is 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[i] our report dated September 27, 2022, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Wilson, Shannon & Snow, Inc.

Newark, Ohio
September 27, 2022

Stark Metropolitan Housing Authority's ("the Authority") management discussion and analysis (MDA) complies with Governmental Accounting Standards Board ("GASB") Statement No. 34 "Basic Financial Statements and Management's Discussion and Analysis–for State and Local Governments: Omnibus "and Statement No. 38, "Certain Financial Statement Disclosures". Purpose of MDA is to assist reader on significant financial issues, provide an overview of Authority's financial activity, identify changes in Authority's financial position, and identify individual fund issues or concerns. MDA is designed to focus on fiscal year end March 31, 2022 activities, resulting changes, and currently known facts of primary government. Please read it in conjunction with Authority's financial statements.

FINANCIAL HIGHLIGHTS

- The Authority's financial position at March 31, 2022, reflected total assets and deferred outflow of resources of $64,592,651 and total liabilities and deferred inflow of resources of $19,342,166. Total net position was $45,250,485 which increased by $3,766,967 or approximately 9.1%. Financial operations were in accordance with expectations and approved budget plan.

- The Operating Revenue was $30,746,733 in fiscal year 2022 and $30,946,036 in fiscal year 2021.

- Operating Expenses were $31,733,883 in fiscal year 2022 and $28,547,487 in fiscal year 2021.

FINANCIAL STATEMENTS

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

Statement of Net Position reports all financial and capital resources of the Authority. The Statement is presented in a format where assets and deferred outflow of resources minus liabilities and deferred inflow of resources equal Net Position. Assets and liabilities are in order of liquidity and classified as "current" (convertible into cash within one year) and "non-current". The Statement of Net Position presents the financial position of the Authority at the end of fiscal year and includes all assets and liabilities. Net position, difference between total assets and deferred outflow of resources and total liabilities and deferred inflow of resources, is an important indicator of current financial condition, while change in net position is an indicator of whether overall financial position has improved or worsened during the fiscal year.

Focus of the Statement of Net Position (the "unrestricted" net position) is designed to represent net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net position is reported in three broad categories.

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

<u>*Restricted Net Position*</u>: This component of net position consists of restricted assets. Restricted assets are assets with constraints placed by creditors (such as debt covenants), grantors, contributors, laws, and regulations.

<u>*Unrestricted Net Position*</u>: Consists of net position that does not meet definition of "Net Investment in Capital Assets", or "Restricted Net Position".

Financial statements also include a Statement of Revenues, Expenses, and Changes in Net Position, which is similar to an income statement. This Statement includes Operating Revenues, such as rental income (tenant revenues); Operating Expenses, such as administrative, utilities, maintenance, and depreciation; and Non-Operating Revenue and Expenses, such as interest income, and interest expense. Focus of Statement of Revenues, Expenses, and Changes in Net Position is "Changes in Net Position", which is similar to Net Income or Loss.

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

The Notes to the Basic Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

The Authority's Programs

Conventional Public Housing - Under Conventional Public Housing Program, the Authority rents units it owns to income eligible households. Operation of Conventional Public Housing Program is under an Annual Contributions Contract (ACC) with US Department of Housing and Urban Development (HUD). HUD provides Operating Subsidy and Capital Grant funding. Subsidy enables the Authority to provide housing and sets participants' rent at 30 percent of household income.

Housing Choice Voucher Program - Under HUD's Housing Choice Voucher Program, the Authority administers contracts with independent property owners. The Authority subsidizes participant's rent through a housing assistance payment made to the property owner. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Budget Authority to enable the Authority to structure a lease that sets participants' rent at 30 percent of household income.

Capital Fund Program (CFP) - This is the primary funding source for the Authority's physical and management improvements in Conventional Public Housing. HUD's formula funding for CFP utilizes, size and age of units to determine the Authority's funding.

Continuum of Care Program - This grant program, funded by HUD, is designed to link rental assistance to supportive services for hard-to-reach homeless persons with disabilities (primarily those who are seriously mentally ill, have chronic problems with alcohol, drugs, or both, or have acquired immune deficiency syndrome (AIDS) and related diseases), and their families.

Family Self-Sufficiency Program (FSS) **–** This grant program, funded by HUD, enables families in Conventional Public Housing and Housing Choice Voucher program to increase their earned income and reduce dependency on public assistance and rental subsidies. The participants are provided opportunities for education, job training, counseling and other forms of social assistance to obtain the skills necessary to achieve self-sufficiency. The program provides funds for FSS coordinators salary and related fringes. Program has an escrow account requirement for its participants.

Component Unit – The Authority has three component units which were developed or acquired to enable the Authority to serve the Stark County community. They are: *Alliance Senior Tower, LLC*, a multi-family residential housing; *Hunter House, LLC*, a multi-family residential housing; and *Progressive Housing Solutions Corporations*, a non-profit entity to acquire and operate housing development in Stark County, Ohio.

State and Local Activities - These non-HUD resources were developed from a variety of activities.

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BASIC FINANCIAL STATEMENTS

Following table reflects condensed Statement of Net Position compared to prior fiscal year. The Authority is engaged in Business-Type Activities.

Table 1 - Condensed Statement of Net Position Compared to Prior Fiscal Year Primary Government (Business Type Activities)

	2022	2021
Assets and Deferred Outflows of Resources		
Current Assets	$ 12,093,653	$ 12,242,220
Capital Assets	48,602,326	47,466,233
Other Non-Current Assets	2,851,984	2,308,282
Total Assets	63,547,963	62,016,735
Deferred Outflow of Resources	1,044,688	1,419,778
Total Assets and Deferred Outflow of Resources	$ 64,592,651	$ 63,436,513
Liabilities, Deferred Inflow of Resources and Net Position		
Current Liabilities	$ 3,735,519	$ 3,845,320
Non-Current Liabilities	10,227,669	13,443,583
Total Liabilities	13,963,188	17,288,903
Deferred Inflow of Resources	5,378,978	4,664,092
Net Position		
Net Investment in Capital Assets	42,312,183	40,629,945
Restricted	1,162,645	1,721,763
Unrestricted	1,775,657	(868,190)
Total Net Position	45,250,485	41,483,518
Total Liabilities, Deferred Inflow of Resources and Net Position	$ 64,592,651	$ 63,436,513

Major Factors Affecting Statement of Net Position

Total Assets and Deferred Outflow of Resources increased by $1,156,138 or 1.82 percent. The change includes $148,567 decrease in current assets, $1,136,093 increase in capital assets, $543,702 increase in non-current assets and $375,090 decrease in deferred outflows.

Total liabilities decreased by $3,325,715 or 19.24 percent. Primarily due to a significant decrease in net pension liability of $2,423,083.

Below Table 2 presents details on the change in Unrestricted Net Position.

Table 2 - Change of Unrestricted Net Position - Primary Government

Beginning Balance - March 31, 2021		$ (868,190)
Results of Operations	$ 3,766,967	
Adjustments:		
Depreciation (1)	4,450,931	
Adjusted Results from Operations		8,217,898
Decrease in Restricted Net Position		559,118
Capital Expenditures, net		(5,587,024)
Debt Payments		(546,144)
Rounding		(1)
Ending Balance - March 31, 2022		$ 1,775,657

(1) Depreciation is treated as an expense and reduces results of operations but does not have an impact on Unrestricted Net Position.

While Results of Operations are a significant measure of the Authority's activities, the analysis of changes in Unrestricted Net Position provides a clearer change in financial well-being.

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Statement of Revenues, Expenses, and Changes in Position

Total revenues increased by $1,672,382 or 4.86 percent. Changes to capital grants contributed $2,479,981 to the increase. Total expenses increase by $3,306,349 or 11.40 percent. The GASB 68 (pension) and GASB 75 (OPEB) fluctuations contributed $1,859,377 to the increase. In prior fiscal years, the pension and OPEB expense figures were included with administrative and maintenance expenses.

Table 3 - Statement of Revenues, Expenses and Changes in Net Position – Primary Government

	2022	2021
Revenues		
Operating Subsidies and Grants	$ 23,886,651	$ 23,910,772
Tenant Revenue - Rent and Other	6,013,759	5,634,437
Capital Grants	5,298,903	2,818,922
Investment Income	38,375	41,072
Other Revenues	846,323	1,400,827
Gain on Disposal of Assets	-	605,599
Total Revenues	36,084,011	34,411,629
Expenses		
Administrative	6,961,558	3,746,975
Utilities	3,338,876	3,127,130
Maintenance	7,466,036	5,133,514
Tenant Services	550,505	958,435
General and Protective Services	2,139,539	2,167,039
Interest Expense	197,243	157,108
Housing Assistance Payments	8,685,815	9,072,615
Pension and OPEB Expense	(1,859,377)	-
Depreciation	4,450,931	4,341,779
Casulaty Loss	385,918	306,100
Total Expenses	32,317,044	29,010,695
Change in Net Position	3,766,967	5,400,934
Beginning Net Position	41,483,518	36,082,584
Ending Net Position	$ 45,250,485	$ 41,483,518

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of fiscal year-end, the Authority had $48,602,326 invested in a variety of capital assets as reflected in following schedule, which represents a net increase (addition, deductions, and depreciation) of $1,136,092 from end of last fiscal year.

Table 4 - Capital Assets at Fiscal Year-End (Net of Depreciation) - Primary Government

	2022	2021
Land	$ 12,769,050	$ 12,769,050
Construction in Progress	5,010,535	971,793
Buildings	163,332,234	162,472,457
Equipment	8,780,215	8,091,710
Accumulated Depreciation	(141,289,708)	(136,838,777)
Total	$ 48,602,326	$ 47,466,233

The following reconciliation summarizes the change in Capital Assets, which is presented in detail in the notes on capital asset (Note 6).

Table 5 - Change in Capital Assets - Primary Government

	2022
Beginning Balance - March 31, 2021	$ 47,466,233
Current Year Additions	5,601,778
Current Year Deletions	(14,754)
Current Year Depreciation Expense	(4,450,931)
Ending Balance - March 31, 2022	$ 48,602,326

Debt Outstanding

As of fiscal year-end, the Authority had $6,290,143 in debt outstanding compared to $6,836,287 last fiscal year, a $546,144 decrease related to debt service payments. The following reconciliation summarizes the change in debt, which is presented in detail in Note 11.

Table 6 - Outstanding Debt, at Fiscal Year-End - Primary Government

	2022	2021
Beginning Balance - March 31, 2021	$ 6,836,287	$ 7,372,429
Current Year Debt Issued	-	-
Current Year Prinicpal Payments	(546,144)	(536,142)
Ending Balance - March 31, 2022	$ 6,290,143	$ 6,836,287

NET PENSION/OPEB LIABILITY/ASSET

The net pension liability (NPL) is the largest single liability reported by the Authority at March 31, 2022 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. In addition, the Authority reports financial balances pursuant to GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Authority's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability/asset, and the net OPEB liability/asset to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

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

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

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

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

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

In accordance with GASB 68 and GASB 75, the Authority's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows. To further explain the impact of these accounting standards on the Authority's net position, additional information is presented below.

	2022	2021	Change
Deferred Outflows of Resources - Pension	$ 927,147	$ 723,736	$ 203,411
Deferred Outflows of Resources - OPEB	117,541	696,042	(578,501)
Deferred Inflows of Resources - Pension	(4,121,065)	(2,510,598)	(1,610,467)
Deferred Inflows of Resources - OPEB	(1,257,913)	(2,153,494)	895,581
Net Pension Asset	192,806	161,170	31,636
Net OPEB Asset	1,199,427	704,793	494,634
Net Pension Liability	(3,233,505)	(5,656,588)	2,423,083
Impact of Gasb 68 & 75 on net position	$ (6,175,562)	$ (8,034,939)	$ 1,859,377

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding and subsidies provided by U.S. Department of Housing and Urban Development.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income.
- Inflationary pressure on utility rates, employee health care costs, insurances, rents, supplies, and other costs.
- COVID-19 continues to create unforeseen financial impact which at this time cannot be estimated.

FINANCIAL CONTACT

Questions concerning any information provided in this report or request for additional information should be addressed to Jeffrey Patterson, Interim Executive Director, Stark Metropolitan Housing Authority, 400 Tuscarawas Street East, Canton, Ohio 44702-1131, or call 330-454-8051.

STARK METROPOLITAN HOUSING AUTHORITY
STARK COUNTY, OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
MARCH 31, 2022

	Primary Government	Component Units
ASSETS		
Current Assets:		
Cash - Unrestricted	$ 8,504,149	$ 193,722
Cash - Restricted	2,301,893	804,829
Accounts Receivable - Net of Allowance	904,988	220,816
Inventories - Net of Allowance	344,916	-
Prepaid Expense	37,707	27,910
Total Current Assets	12,093,653	1,247,277
Non-Current Assets:		
Capital Assets - Non-Depreciated	17,779,585	475,680
Depreciable Capital Assets - Net	30,822,741	7,072,257
Note Receivable from Component Units	1,384,751	-
Other Non-Current Assets - Accrued Interest	75,000	
Net Pension Asset	192,806	-
Net OPEB Asset	1,199,427	-
Total Non-Current Assets	51,454,310	7,547,937
Deferred Outflow of Resources		
Deferred Outflow of Resources - Pension	927,147	-
Deferred Outflow of Resources - OPEB	117,541	-
Total Deferred Outflow of Resources	1,044,688	-
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 64,592,651	$ 8,795,214
LIABILITIES		
Current Liabilities:		
Accounts Payable	$ 507,145	$ 44,717
Current Portion of Long-Term Debt	566,141	38,933
Intergovernmental Payable	273,006	55,400
Accrued Wages and Payroll Taxes	373,286	1,582
Tenant Security Deposits	383,252	40,702
Other Current Liabilities	1,632,689	375,692
Total Current Liabilities	3,735,519	557,026
Non-Current Liabilities:		
Long-Term Debt - Net of Current Portion	5,724,002	2,460,902
Notes Payable to Primary Government	-	1,384,751
Net Pension Liability	3,233,505	-
Other Long-Term Liabilities and Compensated Absences	1,270,162	111,167
Total Non-Current Liabilities	10,227,669	3,956,820
Total Liabilities	13,963,188	4,513,846
Deferred Inflow of Resources		
Deferred Inflow of Resources - Pension	4,121,065	-
Deferred Inflow of Resources - OPEB	1,257,913	-
Total Deferred Inflow of Resources	5,378,978	-
NET POSITION		
Net Investment in Capital Assets	42,312,183	3,663,351
Restricted	1,162,645	-
Unrestricted	1,775,657	618,017
Total Net Position	45,250,485	4,281,368
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	$ 64,592,651	$ 8,795,214

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

STARK METROPOLITAN HOUSING AUTHORITY
STARK COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED MARCH 31, 2022

	Primary Government	Component Units
Operating Revenues		
Program Operating Grants/Subsidy	$ 23,886,651	$ 60,627
Tenant Revenues	6,013,759	1,335,641
Other Income	846,323	152,452
Total Operating Revenues	30,746,733	1,548,720
Operating Expenses		
Administrative	6,961,558	432,440
Utilities Expense	3,338,876	161,864
Maintenance Expense	7,466,036	268,888
Tenant Services	550,505	58,030
Protective Services	426,272	118,725
Housing Assistance Payments	8,685,815	-
Other General Expenses	1,713,267	154,603
Pension and OPEB Expense	(1,859,377)	-
Depreciation	4,450,931	350,478
Total Operating Expenses	31,733,883	1,545,028
Operating Income (Loss)	(987,150)	3,692
Non-Operating Revenue (Expenses)		
Interest Income	38,375	487
Interest Expense	(197,243)	(117,567)
Total Non-Operating Revenue (Expenses)	(158,868)	(117,080)
Excess (Deficiency) of Revenue Over (Under) Expenses before Capital Revenue and Transfers	(1,146,018)	(113,388)
Capital Grants, Contributions and Special Items		
Capital Grants/Contributions	5,298,903	319,869
Casualty Loss	(385,918)	0
Total Capital Grants, Contributions and Special Items	4,912,985	319,869
Change in Net Position	3,766,967	206,481
Beginning Net Position	41,483,518	4,074,887
ENDING NET POSITION	$ 45,250,485	$ 4,281,368

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

STARK METROPOLITAN HOUSING AUTHORITY
STARK COUNTY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED MARCH 31, 2022

	Primary Government
Cash Flows from Operating Activities	
Cash Received from HUD and Other Governments	$ 23,723,416
Cash Received from Tenants	6,033,748
Cash Received from Other Sources	1,115,341
Cash Payments for Housing Assistance Payments	(8,685,815)
Cash Payments for Administration	(6,950,228)
Cash Payments for Other Operating Expenses	(13,721,312)
Net Cash Provided by Operating Activities	1,515,150
Cash Flows from Capital and Related Financing Activities	
Payments to HUD	(204,000)
Principal Payments on Debt	(571,144)
Interest Expense	(203,602)
Acquisition of Capital Assets	(5,587,024)
Capital Grants and Contributions	5,298,903
Casualty Loss	(385,918)
Net Cash (Used by) Capital and Other Related Financing Activities	(1,652,785)
Cash Flows from Investing Activities	
Decrease in Notes Receivable	12,567
Investment Income	38,375
Net Cash Provided by Investing Activities	50,942
Net Increase (Decrease) in Cash and Cash Equivalents	(86,693)
Cash and Cash Equivalents, Beginning	10,892,735
Cash and Cash Equivalents, Ending	$ 10,806,042
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Net Operating Income (Loss)	$ (987,150)
Net Cash Provided by Operating Activities	
Depreciation	4,450,931
(Increase) Decrease in:	
Receivables, Current and Non-Current	43,407
Inventory and Prepaid Expense	(11,533)
Deferred Outflows of Resources and Pension Asset	(151,180)
Increase (Decrease) in:	
Accounts Payable	(456,734)
Net Pension/OPEB Liability	(2,423,083)
Non-Current Liabilities	2,314
Accrued Wages/Payroll Taxes	27,013
Intergovernmental Payable	64,856
Deferred Inflow of Resources	714,886
Tenant Security Deposits	(12,491)
Current Liabilities	253,914
Net Cash Provided by Operating Activities	$ 1,515,150

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

NOTE 1: **DESCRIPTION OF THE ENTITY**

Stark Metropolitan Housing Authority (the Authority) is a political subdivision created under Ohio Revised Code Section 3735.27 to engage in acquisition, development, leasing, and administration of a various subsidized public housing programs for eligible Stark County residents. These programs provide housing for eligible families under the United States Housing Act of 1937, as amended. The Authority contracts with 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 subsidies from HUD to operate.

The Authority participates in low-rent public housing program (Conventional Public Housing). Under this Program, the Authority manages constructed or financed public housing units using grant funds from HUD. Tenants of these facilities pay a percentage of his/her adjusted gross income towards rent and utilities.

In addition, the Authority participates in Housing Choice Voucher program and other programs supported by HUD. These programs help assist families in payment of rent. Under these HUD Programs, subsidy payments are made directly to landlord on behalf of participants living in their respective unit.

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

A. **Summary of Significant Accounting Policies**

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. Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies of Authority's are described below.

B. **Reporting Entity**

For financial reporting purposes, the reporting entity is defined to include the primary government, component units and other organizations that are included to ensure that financial statements are not misleading and consistent with GASB's Statement No. 14, *The Financial Reporting Entity.* Based on application of criteria set forth in GASB Statement No. 14 (as amended by GASB Statement No. 61), the Authority evaluated potential component units (PCU) for inclusion based on financial accountability, nature and significance of their relationship to the Authority, and whether exclusion would cause basic financial statements to be misleading or incomplete.

Among factors considered were whether the Authority holds PCU's corporate power, appoints a voting majority of PCU's board, is able to impose its will on or whether a financial benefit/burden relationship exists with PCU.

Primary government of the Authority consists of all funds, agencies, departments and offices that are not legally separate from the Authority. Preceding financial statements include all funds and account groups of the Authority (the primary government) and the Authority's component units. Following organizations have been reflected in the accompanying basic financial statements as discretely presented component units as excluding the following entities would render the Authority's basic financial statements incomplete or misleading.

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

C. ***Discretely Presented Component Units***

Component unit's column in combined financial statements identifies financial data of the Authority's three component units: Alliance Senior Tower, LLC, Hunter House, LLC, and Progressive Housing Solutions Corporation, Inc. They are reported separately to emphasize that they are legally separate from the Authority and provide services to clients of the Authority and others.

Alliance Senior Tower, LLC, is a for-profit limited liability corporation formed under the laws of the State of Ohio. Corporation formed for purpose of acquiring and operating Alliance Tower, a multi-family residential housing project in Stark County, Ohio. Separately issued audited financial statements are available from the Authority.

Hunter House, LLC, is a for-profit limited liability corporation formed under the laws of the State of Ohio. The entity formed for purpose of acquiring and operating Hunter House, a multi-family residential housing project in Stark County, Ohio. Hunter House, LLC has a December 31 fiscal year end. Separately issued audited financial statements are available from the Authority.

Progressive Housing Solutions Corporation, is a nonprofit limited corporation formed under the laws of the State of Ohio under Section 501(c)(3) of the Internal Revenue Code of 1986. The entity formed for purpose of acquiring and operating housing developments in Stark County, Ohio. Progressive Housing Solutions Corporation has a December 31 fiscal year end. Separately issued financial statements are available from the Authority.

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

D. **Fund Accounting**

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

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

E. **Proprietary Fund Types**

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

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

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

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

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

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.

Proprietary funds distinguish operating revenues and expenses from non-operating items. The Authority's operating revenues and expenses generally result from providing service and producing and delivering goods in connection with a propriety fund's principal ongoing operation. The Authority's principal operating revenues result from providing housing which results in charges to tenants for rent and the related operating subsidizes from HUD. The majority of operating expenses of the Authority's propriety fund include the cost of facility maintenance, housing assistance payments, administrative expenses and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Authority maintains inventory warehouses at various low-rent public housing sites. This inventory consists of materials, parts and operating supplies for the efficient operation of the program. Value of inventory is based on cost using the "First In First Out" (FIFO) method of accounting in accordance with GAAP.

The Authority is required to follow GAAP's Proprietary Fund accounting. GAAP requires the Authority to account for transactions using the accrual basis of accounting. Accrual basis of accounting requires revenues and expenses to be recognized in the period incurred. Contributions and subsidizes received from HUD are generally recognized as revenues based on the Annual Contributions contract year. Tenant rents are recognized as revenues in the month of occupancy. Contributions under the Capital Fund Program (CFP) are recognized as revenue in the period in which expenses related to CFP projects were incurred. Rents or grants received in advance of the period in which they are recognized are recorded as deferred inflows of resources.

G. **Investments**

Investments are restricted by provisions of HUD Regulations (See Note 2). Investments are valued at market value. Interest income earned in fiscal year 2022 totaled $38,375 for primary government and $487 for component units.

H. **Capital Assets**

Capital assets are stated at cost. Capitalization policy of the Authority is to depreciate all non-expendable personal property that have a useful life of more than one year and purchase price of $5,000 or more per unit. Capital assets are depreciated using straight line method with a half year convention in year of acquisition and disposal. Cost of normal maintenance and repairs that do not add to value of asset or materially extend asset life are not capitalized.

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

Estimated useful lives for each major class of depreciable assets are as follows:

Buildings	40 years
Building and Improvements	15 Years
Furniture and Equipment Dwellings	5 to 10 Years

I. **Cash and Cash Equivalents**

For purpose of Statement of Cash Flows, cash and cash equivalents include all liquid debt instruments with original maturities of three months or less.

J. **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. Amounts based on sick leave are accumulated at balance sheet date by those employees who currently are eligible to receive termination payments. To calculate liability, accumulations are reduced to maximum amount allowed as a termination payment. All employees who meet termination policy of the Authority for years of service are included in calculation of compensated absences accrual amount.

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

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

K. **Capital Grants and Contributions**

Capital Grants are made available by HUD with respect to all federally aided projects under an annual contributions contract. Hunter House, LLC capital contributions in its fiscal year 2022 came from private investors.

L. **Budgetary Accounting**

The Authority annually prepares its budget as prescribed by HUD. Budget is adopted by the Board of the Authority and then submitted to HUD when required.

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

M. **Estimates**

Preparation of financial statements in conformity GAAP requires management to make estimates and assumptions that affect reported amounts of assets, deferred outflow of resources, liabilities, and deferred inflow of resources and disclosure of contingent assets and liabilities at date of the financial statements, and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

N. **Inter-Program Loans**

Inter-Program Due to and Due for Primary Government from are reflected on supplemental Financial Data Schedules (FDS) and are eliminated in total on both FDS and Statement of Net Position.

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

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For the Authority, deferred outflows of resources are reported on the statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 8 and 9.

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 8 and 9.

P. **Pensions and Post-Employment Benefits**

For purposes of measuring the net pension/OPEB liability/asset, 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 3: **DEPOSITS AND INVESTMENTS**

A. **Deposits**

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

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

Inactive deposits are public deposits the Authority has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits either evidenced by certificates of deposit maturing no later than end of current period of designation of depositories, or by savings or deposit accounts including, but not limited to passbook accounts.

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

At fiscal year-end, carrying amount of the Authority's deposits was $9,862,855 of which $2,301,893 was restricted funds and $2,850 was petty cash, and its bank balances were $9,946,930.

Custodial Credit Risk
Custodial credit risk is the risk, in event of a bank failure, the Authority's deposits may not be returned. The Authority's policy is to place deposits with major local banks approved by the Board. Multiple financial institution collateral pools that insure public deposits must maintain collateral in excess of 105 percent of deposits, as permitted by Chapter 135 of the Ohio Revised Code. As of fiscal year-end, deposits of the primary government totaling $250,000 were covered by Federal Depository Insurance, and deposits totaling $9,696,930 were uninsured and collateralized with securities held by the financial institution's trust department or agent, but not in the Authority's name.

B. **Investments**

HUD, State Statute, and Board resolutions authorize the Authority to invest in obligations of the U. S. Treasury, agencies and instrumentalities, certificates of deposit, repurchase agreements, money market deposit accounts, municipal depository funds, super NOW accounts, sweep accounts, separate trading of registered interest and principal of securities, mutual funds, bonds and other obligations of this State, and the State Treasurer's investment pool. Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. Issuance of taxable notes for purpose of arbitrage, use of leverage, and short selling are also prohibited. An investment must mature within five years from date of purchase unless matched to a specific obligation or debt of the Authority and must be purchased with expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of securities representing investments to Treasurer or, if securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

The Authority has a formal investment policy. Objective of this policy shall be to maintain liquidity and protection of principal while earning investment interest. Safety of principal is primary objective of investment program. The Authority follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value.

The Authority categorizes its fair value of measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to insure the fair value of the asset. Level I inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The Authority's investments are measured at fair value and valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk

As a means of limiting its exposure to fair value of losses caused by rising interest rates, the Authority's investment policy requires funds which are not operating reserve funds be invested in investments with a maximum term of one year or Authority's operating cycle. For investments of the Authority's operating reserve funds, maximum term can be up to three years. The intent of policy is to avoid the need to sell securities prior to maturity.

As of March 31, 2022, the Authority had the following investments and investment maturities:

Investment Type	Value	Rating	Maturity	Level	Investments
U.S. Treasury and Government Securities	$ 190,958	AAA	Various Maturities	2	20.25%
U.S. Treasury and Government Securities	752,229	AAA	Various Maturities	2	79.75%
Total Investments	$ 943,187				100.00%

	Cash and Cash Equivalents	Investments
Per Statement of Net Position	$ 10,806,042	$ -
Huntington National Bank Escrow	(190,958)	190,958
Wells Fargo 100 % Treasury Money Market Fund	(752,229)	752,229
Per GASB Statement No. 3	$ 9,862,855	$ 943,187

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

C. **Component Units**

At March 31, 2022, each component unit maintains cash accounts at a single financial institution, respectively, where balances at times may exceed the $250,000 insured limit. The Component Units also have escrows and reserves held by the mortgage lender, and the balances may exceed $250,000. The total carrying value of cash for the component units was $998,551.

NOTE 4: **RESTRICTED CASH**

Restricted cash balances as of March 31, 2022 represents cash on hand for following:

	Primary Government	Component Units
Tenant Security Deposits	$ 383,252	$ 40,702
Restricted for Modernization and Rehabilition	1,445,711	-
Other Restricted Cash	472,930	764,127
Total Restricted Cash	$ 2,301,893	$ 804,829

NOTE 5: **INSURANCE COVERAGE** (Primary Government)

The Authority is exposed to various risks of loss related to torts; damage to and theft or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority covered for property damage and general liability through HAI Group or its affiliates. Auto liability and physical damage are covered through Travelers Insurance. Additionally, Workers' Compensation insurance is maintained through the State of Ohio Bureau of Workers' Compensation program, in which rates are calculated retrospectively. There was no significant reduction in coverages and no claims exceeded insurance coverage during the past three fiscal years.

NOTE 6: **CAPITAL ASSETS**

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

	Primary Government				
	Balance 3/31/2021	Reclasses	Additions	Deletions	Balance 3/31/2022
Capital assest not being Depreciated					
Land	$ 12,769,050	$ -	$ -	$ -	$ 12,769,050
Construction in Progress	971,793	(887,329)	4,940,825	(14,754)	5,010,535
Total Capital Assets not being Depreciated	13,740,843	(887,329)	4,940,825	(14,754)	17,779,585
Capital Assets Being Depreciated					
Buildings and Building Improvements	162,472,457	243,872	615,905	-	163,332,234
Furniture and Equipment Dwelling	8,091,710	643,457	45,048	-	8,780,215
Total Capital Assets Being Depreciated	170,564,167	887,329	660,953	-	172,112,449
Accumulated Depreciation					
Buildings and Improvements	(130,588,732)	-	(3,831,777)	-	(134,420,509)
Furniture and Equipment	(6,250,045)	-	(619,154)	-	(6,869,199)
Subtotal Accumulated Depreciation	(136,838,777)	-	(4,450,931)	-	(141,289,708)
Net Capital Assets being Depreciated	33,725,390	887,329	(3,789,978)	-	30,822,741
Total Primary Government	$ 47,466,233	$ -	$ 1,150,847	$ (14,754)	$ 48,602,326

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NOTE 6: **CAPITAL ASSETS** (Continued)

	Component Units				
	Balance 3/31/2021	Reclasses	Additions	Deletions	Balance 3/31/2022
Capital assest not being Depreciated					
Land	$ 250,701	$ -	$ -	$ -	$ 250,701
Construction in Progress	78,007	-	146,972	-	224,979
Total Capital Assets not being Depreciated	328,708	-	146,972	-	475,680
Capital Assets Being Depreciated					
Buildings and Building Improvements	10,023,713	-	-	-	10,023,713
Furniture and Equipment Dwelling	210,247	-	-	-	210,247
Total Capital Assets Being Depreciated	10,233,960	-	-	-	10,233,960
Accumulated Depreciation					
Buildings and Improvements	(2,615,097)	-	(349,559)	-	(2,964,656)
Furniture and Equipment	(196,127)	-	(920)	-	(197,047)
Subtotal Accumulated Depreciation	(2,811,224)	-	(350,479)	-	(3,161,703)
Net Capital Assets being Depreciated	7,422,736	-	(350,479)	-	7,072,257
Total Component Units	$ 7,751,444	$ -	$ (203,507)	$ -	$ 7,547,937

NOTE 7: **NOTES RECEIVABLE**

In September 2019, the Authority entered into a promissory note with Progressive Housing Solutions Corporation, an affiliate of the Authority, for the acquisition of The Villas at Meadowview, a market-rent apartment complex, in the amount of $1,000,000. The Villas at Meadowview serve as collateral for the note. The note has an annual interest rate of 3.0 percent. No payments are required prior to September 30, 2024. Commencing on October 1, 2024 and on the 1st day of each month thereafter, interest payments shall be due and made payable to the Authority. Commencing on October 1, 2029 and on the 1st day of the month thereafter, principal payments, interest, and accrued interest shall be due and made payable to the Authority. The note matures September 1, 2049, at which time any unpaid principle and interest shall be due and payable. As of March 31, 2022, the outstanding principal balance and accrued interest are $1,000,000 and $75,000, respectively.

In August 2014, the Authority entered into a Surplus Cash Note with Alliance Senior Tower, LLC for the acquisition of Alliance Senior Tower, in the amount of $200,000. The Alliance Senior Tower serves as collateral for the note. The note has an annual interest rate of 4.0 percent. No payments are required prior to September 30, 2024. Principal and interest are payable to the Authority out of surplus cash as defined in the Surplus Cash Note. The note matures November 1, 2031, at which time any unpaid principal and interest shall be due and payable. As of March 31, 2022, the outstanding principal balance and accrued interest are $197,638 and $2,904, respectively.

NOTE 8: **DEFINED BENEFIT PENSION PLAN**

Net Pension Liability/Asset

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

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability;* the proportionate share of each plan's funded benefits is presented as a long-term *net pension asset*. Any liability for the contractually-required pension contribution outstanding at the end of the fiscal year is included in *intergovernmental payable*.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

NOTE 8: **DEFINED BENEFIT PENSION PLAN** (Continued)

by visiting https://www.opers.org/financial/reports.shtml, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

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

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

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

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

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in 2019, the COLA is based on the average percentage increase in the Consumer Price Index, capped at 3 percent. Cost-of living adjustments for OPERS members in 2022 will be 3 percent for all those eligible to receive the annual benefit increase.

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

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment

NOTE 8: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contributions used to fund pension benefits was $790,709 for fiscal year ending March 31, 2022.

NOTE 8: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.038200%	0.055833%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	0.037165%	0.048935%	
Change in Proportionate Share	-0.001035%	-0.006898%	
Proportionate Share of the Net Pension Liability/(Asset)	$ 3,233,505	$ (192,806)	$ 3,040,699
Pension Expense	$ (251,504)	$ (7,496)	$ (259,000)

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

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$ 164,839	$ 1,196	$ 166,035
Changes of assumptions	404,346	9,690	414,036
Changes in proportion and differences between Authority contributions and proportionate share of contributions	153,865	14,151	168,016
Authority contributions subsequent to the measurement date	173,376	5,684	179,060
Total Deferred Outflows of Resources	$ 896,426	$ 30,721	$ 927,147
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	$ 3,846,140	$ 41,334	$ 3,887,474
Differences between expected and actual experience	70,919	21,557	92,476
Changes in proportion and differences between Authority contributions and proportionate share of contributions	128,944	12,171	141,115
Total Deferred Inflows of Resources	$ 4,046,003	$ 75,062	$ 4,121,065

NOTE 8: **DEFINED BENEFIT PENSION PLAN** (Continued)

$179,060 reported as deferred outflows of resources related to pension resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending March 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Pension Plan	OPERS Combined Plan	Total
Year Ending March 31:			
2023	$ (446,791)	$ (13,205)	$ (459,996)
2024	(1,359,947)	(18,051)	(1,377,998)
2025	(904,383)	(11,682)	(916,065)
2026	(611,832)	(8,047)	(619,879)
2027	0	(872)	(872)
Thereafter	0	1,832	1,832
Total	$ (3,322,953)	$ (50,025)	$(3,372,978)

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2% down to 6.9%, for the defined benefit investments. Key actuarial assumptions and methods used in the latest actuarial valuation, reflecting experience study results, are presented below:

NOTE 8: **DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

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-

NOTE 8: **DEFINED BENEFIT PENSION PLAN** (Continued)

block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00 %	1.03 %
Domestic Equities	21.00	3.78
Real Estate	11.00	3.66
Private Equity	12.00	7.43
International Equities	23.00	4.88
Risk Parity	5.00	2.92
Other investments	4.00	2.85
Total	100.00 %	4.21 %

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

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

Authority's proportionate share of the net pension liability/(asset)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Pension Plan	$ 8,525,279	$ 3,233,505	$ (1,169,954)
Combined Plan	$ (143,869)	$ (192,806)	$ (230,973)

NOTE 9: **DEFINED BENEFIT OPEB PLANS**

Net OPEB Asset

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

NOTE 9: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

In order to qualify for postemployment health care coverage, generally, age and service retirees under the traditional pension and combined plans must be at least age sixty with twenty or more years of qualifying Ohio service credit, or thirty years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution allocated to health care was $14,012 for fiscal year 2022

NOTE 9: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

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

	OPERS
Proportion of the Net OPEB Asset:	
Prior Measurement Date	0.039560%
Proportion of the Net OPEB Asset:	
Current Measurement Date	0.038294%
Change in Proportionate Share	-0.001266%
Proportionate Share of the Net OPEB Asset	$ 1,199,427
OPEB Expense	$ (797,136)

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

	OPERS
Deferred Outflows of Resources	
Changes in proportion and differences between Authority contributions and proportionate share of contributions	$ 114,368
Authority contributions subsequent to the measurement date	3,173
Total Deferred Outflows of Resources	$ 117,541
Deferred Inflows of Resources	
Net difference between projected and actual earnings on OPEB plan investments	$ 571,804
Differences between expected and actual experience	181,935
Changes of assumptions	485,514
Changes in proportion and differences between Authority contributions and proportionate share of contributions	18,660
Total Deferred Inflows of Resources	$ 1,257,913

$3,173 reported as deferred outflows of resources related to OPEB resulting from Authority contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset in the fiscal year ending March 31, 2023.

NOTE 9: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

	OPERS
Year Ending March 31:	
2023	$ (664,282)
2024	(272,208)
2025	(124,937)
2026	(82,118)
Total	$ (1,143,545)

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing historical assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions. The actuarial valuation used the following actuarial assumptions and methods, reflecting experience study results, applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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

NOTE 9: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

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

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	0.91 %
Domestic Equities	25.00	3.78
Real Estate Investment Trust	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	100.00 %	3.45 %

NOTE 9: **DEFINED BENEFIT OPEB PLANS** (Continued)

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

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

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Authority's proportionate share of the net OPEB asset	$ 705,375	$ 1,199,427	$ 1,609,497

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

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

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB asset	$1,212,388	$1,199,427	$1,184,050

NOTE 10: COMPENSATED ABSENCES

Board of Commissioners based on local and state laws establishes all leave policies. Union employees and non-union employees earn 4.6 and 4 hours, respectively of sick leave per eighty hours of service. Unused sick leave is accumulated without limit. At time of separation, if an employee states separation is due to retirement, employee will be eligible to receive payment for 50 percent of their accumulated sick leave balance. Employees hired on or after April 1, 2008, payment on sick leave is reduced from 50 percent to 33.33 percent. Employees hired on or after April 1, 2011, payment on sick leave is reduced from 50 percent to 25 percent. All permanent employees earn vacation hours accumulated based on length of service. Vacation time earned may be accumulated up to three times the annual amount that can be accrued in a calendar year. Employees hired after April 1, 2011 vacation time earned may be accumulated up to one times annual amount that can be earned in a calendar year.

Following is a summary of changes in compensated absences liability for the fiscal year ended March 31, 2022:

Balances at 3/31/2021	Increase	Decrease	Balances at 3/31/2022	Due Within One Year
$ 379,213	123,155	(127,077)	$ 375,291	67,178

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NOTE 11: **LONG-TERM OBLIGATIONS**

Changes in the Authority's long-term obligations during fiscal year 2022 are as follows:

Primary Government	Balance at 3/31/21	Additions	Deletions	Balance at 3/31/22	Due Within One Year
Long-Term Debt:					
Ohio Housing Finance Agency					
Serial Bonds 2018A	$ 3,286,072	$ -	$ 420,869	$ 2,865,203	$ 435,867
Energy Performance Contract					
EPC Series 2019 COPs	3,550,215	-	125,275	3,424,940	130,274
Subtotal	6,836,287	-	546,144	6,290,143	566,141
HUD CF Repayment	1,223,507	-	204,000	1,019,507	204,000
Knights of Columbus	166,667	-	25,000	141,667	25,000
Compensated Absence	379,213	123,155	127,077	375,291	67,178
Authority advance to HCV	10,946	-	-	10,946	-
Family Self Sufficiency Escrow	5,434	13,495	-	18,929	-
Net Pension Liability	5,656,588	-	2,423,083	3,233,505	-
Total Primary Government	$ 14,278,642	$ 136,650	$ 3,325,304	$ 11,089,988	$ 862,319
Component Units					
Alliance Senior Tower, LLC	$ 1,319,313	$ -	$ 80,535	$ 1,238,778	$ 38,932
Hunter House, LLC	1,908,074	-	262,266	1,645,808	267,516
Progressive Housing Solutions Corp.	1,000,000	-	-	1,000,000	-
Total Component Units	$ 4,227,387	$ -	$ 342,801	$ 3,884,586	$ 306,448

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NOTE 11: **LONG-TERM DEBT** (Continued)

The Authority was obligated on the following notes as of March 31, 2022:

Ohio Housing Finance Agency		**2022**
Serial Bond 2018A - Bond dated March 13, 2018, due April 2027, funding by a bond issue in the principal amount of $22,585,000, of which the Authority's share is $4,390,000. Payments are due semi-annually beginning April 1, 2018, totaling approximately $500,000 annually. This series replaces Serial Bond 2007A with a lower fixed interest rates between 3.00% and 4.00%. The bond is repaid from the Capital Fund Program and were issued to provide major renovations at three high-rise buildings: W.L. Hart Apartments, Plaza Apartments, and Lincoln Apartments. Premium on the bond of $108,675 was added to the debt and is being amortized over the life of the bond.	$	2,865,203
Stark Metropolitan Housing Authority		
Series 2019 COPs - COP proceeds, dated August 29, 2019 for $ 3,675,000, being used to fund a Public Housing Energy Efficiency Improvement Project. The bonds bear interest at varying amounts from 2 percent - 3 percent with the final maturity date of August 1, 2039. Premium on the bond of $5,490 was added to the debt and is being amortized over the life of the bond.		3,424,940
HUD Capital Fund Repayment		
The Authority entered into the repayment agreement on September 28, 2017 for $ 3,789,507 as result of ineligible expenditures in the Capital Fund Program for grant years 2005-2012. An initial payment of $ 1,750,000 was paid with the remaining balance, $ 2,039,507, paid in 10 equal annual installments. Payments will be made through a reduction in the annual Capital Fund Program starting with 2017 Capital Grant Year.		1,019,507
Knights of Columbus Settlement		
The Authority entered into a settlement agreement on November 20, 2015 for $300,000 as result of litigation between the Authority and the Knights of Columbus. The settlement obligates the Authority to make 144 monthly payments of $2,083 payable to the Knights of Columbus.		141,667
Total	$	7,451,317

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NOTE 11: **LONG-TERM DEBT** (Continued)

Total payments including interest necessary over the next five fiscal years for the primary government on the above notes are as follows:

	Principal	Interest	Total
2023	$ 795,141	$ 188,525	$ 983,666
2024	810,142	170,800	980,942
2025	835,142	150,250	985,392
2026	860,142	128,075	988,217
2027	889,649	106,650	996,299
Thereafter	3,261,101	587,250	3,848,351
Total	$ 7,451,317	$ 1,331,550	$ 8,782,867

	CFFP 2018a Series Bond		Certificates of Participation		HUD Repayment	Knights of Columbus	Total	
	Principal	Interest	Principal	Interest	Principal	Principal	Principal	Interest
2023	$ 435,867	$ 91,275	$ 130,274	$ 97,250	$ 204,000	$ 25,000	$ 795,141	$ 188,525
2024	445,867	76,200	135,275	94,600	204,000	25,000	810,142	170,800
2025	465,867	58,400	140,275	91,850	204,000	25,000	835,142	150,250
2026	485,867	39,800	145,275	88,275	204,000	25,000	860,142	128,075
2027	510,867	22,800	150,275	83,850	203,507	25,000	889,649	106,650
Thereafter	520,868	7,650	2,723,566	579,600	-	16,667	3,261,101	587,250
Total	$ 2,865,203	$ 296,125	$ 3,424,940	$ 1,035,425	$ 1,019,507	$ 141,667	$ 7,451,317	$ 1,331,550

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NOTE 11: **LONG-TERM DEBT** (Continued)

Debt schedule for component units is as follows:

Alliance Senior Tower LLC:		
First Mortgage - Principal Amount - Interest Rate of 1.0%		
$922,900 - Interest Rate of 1.0%	$	534,230
2nd Mortgage - Payable to Department of HUD - Interest Rate of 1.0%		362,996
3rd Mortgage - Payable to Department of HUD - Interest Rate of 1.0%		143,914
Notes Payable Affiliates		197,638
Hunter House PSH, LLC-		
OHFA Loan		267,516
HDAP Loan		1,100,000
Home Loan: Stark County		83,792
Home Loan: City of Canton		62,000
Managing Member		132,500
Progressive Housing Solutions Corp.		
The Authority's Note		1,000,000
Total	**$**	**3,884,586**

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NOTE 12: **CONDENSED FINANCIAL STATEMENT INFORMATION - COMPONENT UNITS**

	FYE 12/2021	FYE 3/2022	FYE 12/2021	
Balance Sheet	Hunter House PSH, LLC	Alliance Senior Tower, LLC	Progressive Housing Solutions Corp.	Total
Current and Other Assets	$ 540,033	$ 604,598	$ 102,646	$ 1,247,277
Capital Assets	4,568,104	2,041,750	938,083	7,547,937
Current Liabilities	391,434	167,962	38,393	597,789
Non-Current Liabilities	1,645,808	1,202,749	1,067,500	3,916,057
Net Position	$ 3,070,895	$ 1,275,637	$ (65,164)	$ 4,281,368
Revenues, Expenses, and Changes in Equity				
Total Revenues	$ 541,508	$ 878,471	$ 129,228	$ 1,549,207
Operating Expenses	530,303	604,056	153,223	1,287,582
Depreciation, Amorization & Other Expenses	259,383	98,163	17,467	375,013
Excess Revenue Over Expenses	(248,178)	176,252	(41,462)	(113,388)
Beginning Net Position	3,046,204	1,052,385	(23,702)	4,074,887
Capital Contributions	272,869	47,000	-	319,869
Ending Net Position:	$ 3,070,895	$ 1,275,637	$ (65,164)	$ 4,281,368
Detailed Ending Net Position:				
Unrestricted	$ 148,599	$ 472,665	$ (3,247)	$ 618,017
Restricted	-	-	-	-
Net Investments in Capital Assets	2,922,296	802,972	(61,917)	3,663,351
	$ 3,070,895	$ 1,275,637	$ (65,164)	$ 4,281,368

NOTE 12: **CONDENSED FINANCIAL STATEMENT INFORMATION - CUs** (Continued)

Hunter House PSH, LLC

Hunter House PSH, LLC (HH) was formed in 2010 as a partnership for the purchase, development and operation of a 48 unit complex serving homeless individuals with drug and alcohol dependencies. Currently HH general and managing member is Hunter House PSH. Inc. which is owed 76% by the Authority and 24% by Emerald Development and Economic Network, Inc (EDEN). HH is operated with subsidy from Department of Housing and Urban Development. The Authority did not provide any services and did not receive any fees or income from Hunter House PSH, LLC.

Alliance Senior Tower, LLC

Alliance Senior Tower, LLC (AT) was incorporated in April 2012 for the purpose of acquiring a 100 unit property at 350 South Arch Street in Alliance, Ohio. AT is a corporation which is 100% owned by the Authority. AT acquired property in August 2012. Currently, The Authority is the managing agent and bookkeeper. AT is operated with assistance from the Department of Housing and Urban Development. The Authority collected $103,819 from AT.

Progressive Housing Solutions Corp.

Progressive Housing Solutions Crop. (PHS) was incorporated in 2018 as an instrumentality of the Authority to assist with the development of housing for income eligible person. PHS received a IRS Determination Letter as a tax exempt 501(c)(3) entity. PHS is discreetly presented component units in the financial statements. During 2019 PHS acquired Meadowview, a property with 13 units. SHMA is the managing and bookkeeping Agent and received fees totaling $8,963 from January 2021 to December 2021.

NOTE 13: **CONTINGENCIES**

Litigations and Claims

In normal course of operations, the Authority may be subjected to litigation and claims. At March 31, 2022, Authority is involved in several matters. One matter involves an U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG) investigation. The Authority received a discussion draft report dated April 3, 2020 from OIG. The Authority strongly disagrees with report and provided a written rebuttal on May 7, 2020. The matter is disputed and is under review by OIG. No final report from OIG has been issued as of the date of this report. However, the effect of this OIG matter on the overall financial position of the Authority at March 31, 2022, cannot be determined.

In addition, the Authority has an ongoing alleged wrongful termination law suit which is represented by counsel retained by insurance company and is a matter covered under the Authority's insurance policy. While the outcome of this wrongful termination matter cannot presently be determined, management believes that the ultimate resolution will not have a material effect on financial statements.

HUD has been in discussion with the Authority to resolve prior year audit findings covering the fiscal year end 2011 through fiscal year end 2013 for the Authority lending Low Rent Public Housing funds to the Central Office

NOTE 13: **CONTINGENCIES** (Continued)

Cost Center (COCC). In a letter dated May 9, 2019, HUD requested a repayment of $1,123,368 from the COCC to the Public Housing Program. The Authority believes this amount has been included in the Repayment Agreement amount of $6,793,413 described in Note 15. As of March 31, 2022, the outcome of this matter is still unresolved.

The Authority entered into a Security Support Agreement on February 23, 2020 to financially support security services for Hunter House, LLC. The Authority received a two-year operating grant from Ohio Supportive Housing Program in January 2019 in the amount of $245,000 ($122,500 per year) to cover security costs incurred from January 1, 2019 thru December 31, 2020. In the event the grant is not renewed, the Authority is obligated to cover the shortfall annually through the end of the Compliance Period which ends December 31, 2027. The shortfall amount is capped at $122,500 per year. The grant was renewed for an additional two-year period form January 1, 2021 to December 31, 2022 in the amount of $254,700 ($127,350 per year).

The Authority, as majority member of the General Partner / Managing Member (Hunter House PSH, Inc.) of Hunter House PSH, LLC, will provide financial assistance in an amount of up to $235,000 as stated in Hunter House PSH, LLC's Amended and Restated Operating Agreement. The Operating Deficit Guaranty in the agreement covers any operating deficits Hunter House PSH, LCC may incur. These funds are payable out of future excess cash flows of Hunter House PSH, LLC. As of March 31, 2022, the Operating Deficit Guaranty due to the Authority is $132,500.

NOTE 14: **RESTRICTED NET POSITION**

The Housing Choice Voucher Program and the Veteran's Affairs Supportive Housing Program require the equity portion attributable to the excess housing assistance payments be reflected as restricted net position. The corresponding funds are reflected in the cash and investment accounts.

Housing Assistance Payments – Section 8	$ 222,472
Mainstream 5 Vouchers	885
Emergency Housing Vouchers	126,771
Efficiency Improvement Project	190,958
Unspent Proceeds from Sale of Assets (Prior Year)	346,206
Capital Fund Financing Program	275,353
Total Restricted Net Position	$ 1,162,645

NOTE 15: **HUD REPAYMENT AGREEMENTS**

The Authority entered into two repayment agreements with the U.S. Department of Housing and Urban Development (HUD) on September 28, 2017. Note 11 discusses the repayment agreement of capital grant funds. The other repayment agreement is for operating funds and is in the amount of $6,793,413. The agreement obligates the Authority to make 38 annual payments of $178,744 from non-federal funds to reimburse the Low-Rent Public Housing Program. The balance owed as of March 31, 2022 is $5,899,543. This inter-program transaction is eliminated on the Authority's financial statements.

NOTE 16: **SUBSEQUENT EVENT**

On September 15, 2021, the Authority signed a committal letter to enter into a Purchase and Sale Agreement to transfer site control of its Cherrie Turner Apartments located at 700 McKinley Ave NW in Canton, OH to Turner Tower, LLC. On August 1, 2022, The Authority transferred the property to Turner Tower LLC for its appraised value of $2,230,000 and ground lease and land for $120,099. In return, the Authority received a cash settlement of $293,546 and a Sellers Note totaling $2,056,553 for 42 years at an interest rate of 3.35%.

On August 1, 2022, the Authority advanced $500,000 from its Capital Fund program to Turner Tower, LLC in exchange for a Promissory Note totaling $500,000 for 42 years at an interest rate of 2.5%.

Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability/(Asset)
Ohio Public Employees Retirement System
Last Nine Fiscal Years (1)

Traditional Plan	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Authority's Proportion of the Net Pension Liability	0.037165%	0.038200%	0.034874%	0.033211%	0.033568%	0.036143%	0.037071%	0.035394%	0.035394%
Authority's Proportionate Share of the Net Pension Liability	$ 3,233,505	$ 5,656,588	$ 6,893,083	$ 9,095,820	$ 5,266,168	$ 8,207,461	$ 6,421,164	$ 4,268,911	$ 4,172,491
Authority's Covered Payroll	$ 5,393,763	$ 5,380,272	$ 4,904,826	$ 4,485,696	$ 4,435,990	$ 4,672,291	$ 4,613,808	$ 4,389,276	$ 4,463,332
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.95%	105.14%	140.54%	202.77%	118.71%	175.66%	139.17%	97.26%	93.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

Combined Plan	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Authority's Proportion of the Net Pension Asset	0.048935%	0.055833%	0.054586%	0.045800%	0.044182%	0.050612%	0.041660%	0.023007%	0.023007%
Authority's Proportionate Share of the Net Pension Asset	$ (192,806)	$ (161,170)	$ (113,825)	$ (51,215)	$ (60,146)	$ (28,169)	$ (20,273)	$ (8,858)	$ (2,414)
Authority's Covered Payroll	$ 223,091	$ 246,054	$ 242,990	$ 195,882	$ 180,948	$ 197,008	$ 151,627	$ 144,204	$ 146,681
Authority's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	86.42%	65.50%	46.84%	26.15%	33.24%	14.30%	13.37%	6.14%	1.65%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

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

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

See accompanying notes to the required supplementary information

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contributions										
Traditional Plan	$ 760,082	$ 731,171	$ 722,801	$ 634,933	$ 589,854	$ 550,035	$ 556,134	$ 522,711	$ 538,107	$ 572,085
Combined Plan	30,627	31,444	36,426	27,941	24,991	23,028	18,277	17,178	17,684	18,801
Total Required Contributions	$ 790,709	$ 762,615	$ 759,227	$ 662,874	$ 614,845	$ 573,063	$ 574,411	$ 539,889	$ 555,791	$ 590,886
Contributions in Relation to the Contractually Required Contribution	(790,709)	(762,615)	(759,227)	(662,874)	(614,845)	(573,063)	(574,411)	(539,889)	(555,791)	(590,886)
Contribution Deficiency / (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority's Covered Payroll										
Traditional Plan	$ 5,429,160	$ 5,222,647	$ 5,162,866	$ 4,535,236	$ 4,455,591	$ 4,482,494	$ 4,634,450	$ 4,355,925	$ 4,484,225	$ 4,400,654
Combined Plan	$ 218,761	$ 224,602	$ 260,184	$ 199,579	$ 188,775	$ 187,667	$ 152,308	$ 143,150	$ 147,367	$ 144,623
Pension Contributions as a Percentage of Covered Payroll										
Traditional Plan	14.00%	14.00%	14.00%	14.00%	13.24%	12.27%	12.00%	12.00%	12.00%	13.00%
Combined Plan	14.00%	14.00%	14.00%	14.00%	13.24%	12.27%	12.00%	12.00%	12.00%	13.00%

See accompanying notes to the required supplementary information

Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net OPEB Liability/(Asset)
Ohio Public Employees Retirement System
Last Six Fiscal Years (1)

	2022	2021	2020	2019	2018	2017
Authority's Proportion of the Net OPEB Liability/(Asset)	0.038294%	0.039560%	0.036100%	0.034437%	0.034560%	0.036890%
Authority's Proportionate Share of the Net OPEB Liability/(Asset)	$ (1,199,427)	$ (704,793)	$ 4,986,348	$ 4,489,772	$ 3,752,961	$ 3,726,015
Authority's Covered Payroll	$ 5,971,540	$ 5,982,884	$ 5,454,075	$ 4,994,943	$ 4,895,787	$ 5,098,046
Authority's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	20.09%	11.78%	91.42%	89.89%	76.66%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%	46.33%	54.14%	54.05%

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

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

See accompanying notes to the required supplementary information

Required Supplementary Information
Schedule of the Authority's Contributions - OPEB
Ohio Public Employees Retirement System
Last Eight Fiscal Years (1)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 14,012	$ 14,184	$ 12,776	$ 12,449	$ 46,963	$ 91,756	$ 97,614	$ 94,244
Contributions in Relation to the Contractually Required Contribution	(14,012)	(14,184)	(12,776)	(12,449)	(46,963)	(91,756)	(97,614)	(94,244)
Contribution Deficiency (Excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Authority Covered Payroll	$ 5,998,231	$ 5,801,854	$ 5,742,451	$ 5,046,054	$ 4,917,411	$ 4,902,245	$ 4,967,620 0	$ 4,650,833
Contributions as a Percentage of Covered Payroll	0.23%	0.24%	0.22%	0.25%	0.96%	1.87%	1.97%	2.03%

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

See accompanying notes to the required supplementary information

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability/Asset

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

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

Net OPEB Liability/Asset

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

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

STARK METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULES SUBMITTED TO HUD
FOR THE FISCAL YEAR ENDED MARCH 31, 2022

	Project Total	14.879 Mainstream Vouchers	14.PHC Public Housing CARES Act Funding	2 State/Local	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.896 PIH Family Self-Sufficiency Program	14.267 Continuum of Care Program	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	6,354,291	1,508		199,842	160,805	-	124,232		193,722		98,692	13,665	78,753	1,472,361	8,697,871		8,697,871
112 Cash - Restricted - Modernization and Development	1,289,393								-				-	-	1,289,393		1,289,393
113 Cash - Other Restricted	14,634	885							764,127		237,832	219,579	-	-	1,237,057		1,237,057
114 Cash - Tenant Security Deposits	374,634			8,618					40,702				-	-	423,954		423,954
115 Cash - Restricted for Payment of Current Liabilities	156,318								-		-		-	-	156,318		156,318
100 Total Cash	**8,189,270**	**2,393**	**-**	**208,460**	**160,805**	**-**	**124,232**	**-**	**998,551**	**-**	**336,524**	**233,244**	**78,753**	**1,472,361**	**11,804,593**	**-**	**11,804,593**
121 Accounts Receivable - PHA Projects	-								-				-		-		-
122 Accounts Receivable - HUD Other Projects	474,950				-	4,378			125,310				2,632	-	607,270		607,270
124 Accounts Receivable - Other Government	-								-				-		-		-
125 Accounts Receivable - Miscellaneous	192,603				-	-	-		9,931		10,237		-	107,740	320,511		320,511
126 Accounts Receivable - Tenants	202,607			4,340					88,728				-		295,675		295,675
126.1 Allowance for Doubtful Accounts -Tenants	(105,187)			(71)		-			(3,153)				-		(108,411)		(108,411)
126.2 Allowance for Doubtful Accounts - Other	-					-			-		-		-	-	-		-
127 Notes, Loans, & Mortgages Receivable - Current	189,533								-				-		189,533	(178,774)	10,759
128 Fraud Recovery	-						6,704		-		21,176		2,771		30,651		30,651
128.1 Allowance for Doubtful Accounts - Fraud	-						(6,704)		-		(21,176)		(2,771)		(30,651)		(30,651)
129 Accrued Interest Receivable	-								-				-		-		-
120 Total Receivables, Net of Allowances for Doubtful Accounts	**954,506**	**-**	**-**	**4,269**	**-**	**4,378**	**-**	**-**	**220,816**	**-**	**10,237**	**-**	**2,632**	**107,740**	**1,304,578**	**(178,774)**	**1,125,804**
131 Investments - Unrestricted	-								-				-		-		-
132 Investments - Restricted	-								-		-		-		-		-
135 Investments - Restricted for Payment of Current Liability	-								-		-		-		-		-
142 Prepaid Expenses and Other Assets	12,392								27,910		8,915		-	16,400	65,617		65,617
143 Inventories	379,063								-				-		379,063		379,063
143.1 Allowance for Obsolete Inventories	(34,147)								-				-		(34,147)		(34,147)
144 Inter Program Due From	16					7,661			-		9,506		3,105	116,323	136,611	(136,611)	-
145 Assets Held for Sale	-								-				-		-		-
150 Total Current Assets	**9,501,100**	**2,393**	**-**	**212,729**	**160,805**	**12,039**	**124,232**	**-**	**1,247,277**	**-**	**365,182**	**233,244**	**84,490**	**1,712,824**	**13,656,315**	**(315,385)**	**13,340,930**
161 Land	12,233,145			27,692					250,701				-	508,213	13,019,751		13,019,751
162 Buildings	159,243,051			1,042,301					10,023,713				-	3,046,882	173,355,947		173,355,947
163 Furniture, Equipment & Machinery - Dwellings	4,283,865								-				-		4,283,865		4,283,865
164 Furniture, Equipment & Machinery - Administration	3,039,060								210,247		50,698		-	1,406,592	4,706,597		4,706,597
165 Leasehold Improvements	-								-				-		-		-
166 Accumulated Depreciation	(137,812,704)			(587,356)					(3,161,703)		(7,330)		-	(2,882,318)	(144,451,411)		(144,451,411)
167 Construction in Progress	4,852,099								224,979				-	158,436	5,235,514		5,235,514
168 Infrastructure	-								-				-		-		-
160 Total Capital Assets, Net of Accumulated Depreciation	**45,838,516**	**-**	**-**	**482,637**	**-**	**-**	**-**	**-**	**7,547,937**	**-**	**43,368**	**-**	**-**	**2,237,805**	**56,150,263**	**-**	**56,150,263**
171 Notes, Loans and Mortgages Receivable - Non-Current	5,720,769												-	1,384,751	7,105,520	(5,720,769)	1,384,751
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	-												-	-	-		-
173 Grants Receivable - Non Current													-				
174 Other Assets	802,084										84,317		-	580,832	1,467,233		1,467,233
176 Investments in Joint Ventures	-												-	-	-		-
180 Total Non-Current Assets	**52,361,369**	**-**	**-**	**482,637**	**-**	**-**	**-**	**-**	**7,547,937**	**-**	**127,685**	**-**	**-**	**4,203,388**	**64,723,016**	**(5,720,769)**	**59,002,247**
200 Deferred Outflow of Resources	**601,859**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**63,269**		**-**	**379,560**	**1,044,688**	**-**	**1,044,688**
290 Total Assets and Deferred Outflow of Resources	**62,464,328**	**2,393**	**-**	**695,366**	**160,805**	**12,039**	**124,232**	**-**	**8,795,214**	**-**	**556,136**	**233,244**	**84,490**	**6,295,772**	**79,424,019**	**(6,036,154)**	**73,387,865**
311 Bank Overdraft	-								-				-		-		-
312 Accounts Payable <= 90 Days	464,099			17,200	11	28	4,012		44,717		2,390		14	19,391	551,862		551,862
313 Accounts Payable >90 Days Past Due	-								-				-		-		-
321 Accrued Wage/Payroll Taxes Payable	133,323				21	1,638	1,297		1,582		13,575	1,542	216	221,674	374,868		374,868
322 Accrued Compensated Absences - Current Portion	34,054								-		4,246		-	28,878	67,178		67,178
324 Accrued Contingency Liability	-								-				-		-		-
325 Accrued Interest Payable	57,037								233,832				-		290,869		290,869
331 Accounts Payable - HUD PHA Programs	-				14,399				-				10,511	-	24,910		24,910
332 Account Payable - PHA Projects	-								-				-		-		-
333 Accounts Payable - Other Government	248,096								55,400				-		303,496		303,496
341 Tenant Security Deposits	374,634			8,618					40,702				-		423,954		423,954
342 Unearned Revenue	643,650			1,494			45,186		8,412		644	92,808	-	1,828	794,022		794,022
343 Current Portion of Long-term Debt - Capital	566,141								38,933				-	-	605,074		605,074
344 Current Portion of Long-term Debt - Operating Borrowings	-								-				-		-		-
345 Other Current Liabilities	205,998					-			124,536		8,763		-	178,774	518,071	(178,774)	339,297
346 Accrued Liabilities - Other	420,792								8,912				-	87,311	517,015		517,015
347 Inter Program - Due To	90,342			1,606		10,373			-		8,164		-	26,126	136,611	(136,611)	-
348 Loan Liability - Current	-								-				-	-	-		-
310 Total Current Liabilities	**3,238,166**	**-**	**-**	**28,918**	**14,431**	**12,039**	**50,495**	**-**	**557,026**	**-**	**37,782**	**94,350**	**10,741**	**563,982**	**4,607,930**	**(315,385)**	**4,292,545**
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	5,724,002								3,845,653				-	-	9,569,655		9,569,655
352 Long-term Debt, Net of Current - Operating Borrowings	-								-				-		-		-
353 Non-current Liabilities - Other	828,143								111,167		17,239		-	5,837,436	6,793,985	(5,720,769)	1,073,216
354 Accrued Compensated Absences - Non Current	156,190								-		19,473		-	132,450	308,113		308,113
355 Loan Liability - Non Current	-								-				-	-	-		-
356 FASB 5 Liabilities									-				-		-		-
357 Accrued Pension and OPEB Liabilities	1,862,867	-	-	-	-	-	-	-	-	-	195,829		-	1,174,809	3,233,505		3,233,505
350 Total Non-Current Liabilities	**8,571,202**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,956,820**	**-**	**232,541**	**-**	**-**	**7,144,695**	**19,905,258**	**(5,720,769)**	**14,184,489**
300 Total Liabilities	**11,809,368**	**-**	**-**	**28,918**	**14,431**	**12,039**	**50,495**	**-**	**4,513,846**	**-**	**270,323**	**94,350**	**10,741**	**7,708,677**	**24,513,188**	**(6,036,154)**	**18,477,034**
400 Deferred Inflow of Resources	**3,098,905**										**325,763**		**-**	**1,954,310**	**5,378,978**	**-**	**5,378,978**
508.4 Net Investment in Capital Assets	39,548,373			482,637					3,663,351		43,368		-	2,237,805	45,975,534		45,975,534
511.4 Restricted Net Position	812,517	885							-		222,472	126,771	-	-	1,162,645		1,162,645
512.4 Unrestricted Net Position	7,195,165	1,508	-	183,811	146,374	-	73,737	-	618,017	-	(305,790)	12,123	73,749	(5,605,020)	2,393,674		2,393,674
513 Total Equity - Net Assets / Position	**47,556,055**	**2,393**	**-**	**666,448**	**146,374**	**-**	**73,737**	**-**	**4,281,368**	**-**	**(39,950)**	**138,894**	**73,749**	**(3,367,215)**	**49,531,853**	**-**	**49,531,853**
600 Total Liabilities, Deferred Inflows of Resources and Equity -	**62,464,328**	**2,393**	**-**	**695,366**	**160,805**	**12,039**	**124,232**	**-**	**8,795,214**	**-**	**556,136**	**233,244**	**84,490**	**6,295,772**	**79,424,019**	**(6,036,154)**	**73,387,865**

STARK METROPOLITAN HOUSING AUTHORITY
FINANCIAL DATA SCHEDULES SUBMITTED TO HUD
FOR THE FISCAL YEAR ENDED MARCH 31, 2022

	Project Total	14.879 Mainstream Vouchers	14.PHC Public Housing CARES Act Funding	2 State/Local	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.896 PIH Family Self-Sufficiency Program	14.267 Continuum of Care Program	14.CCC Central Office Cost Center CARES Act Funding	6.1 Component Unit - Discretely Presented	14.HCC HCV CARES Act Funding	14.871 Housing Choice Vouchers	14.EHV Emergency Housing Voucher	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	5,686,491			130,422					1,331,175				-		7,148,088		7,148,088
70400 Tenant Revenue - Other	196,137			709					4,466				-		201,312		201,312
70500 Total Tenant Revenue	5,882,628	-	-	131,131	-	-	-	-	1,335,641	-	-	-	-	-	7,349,400	-	7,349,400
70600 HUD PHA Operating Grants	13,070,261	70,659	816,084		110,953	39,817	627,995			26,424	8,460,974	204,357	250,502		23,678,026		23,678,026
70610 Capital Grants	5,298,903												-	-	5,298,903		5,298,903
70710 Management Fee													-	2,477,663	2,477,663	(2,414,748)	62,915
70720 Asset Management Fee													-	245,500	245,500	(245,500)	-
70730 Book Keeping Fee													-	299,524	299,524	(289,723)	9,801
70740 Front Line Service Fee													-	893,979	893,979	(744,120)	149,859
70750 Other Fees													-	24,535	24,535		24,535
70700 Total Fee Revenue													-	3,941,201	3,941,201	(3,694,091)	247,110
70800 Other Government Grants	-			208,625					60,627				-		269,252		269,252
71100 Investment Income - Unrestricted	-								455		15		-	37,907	38,377		38,377
71200 Mortgage Interest Income	-								-				-		-		-
71300 Proceeds from Disposition of Assets Held for Sale	-								-				-		-		-
71310 Cost of Sale of Assets	-								-				-		-		-
71400 Fraud Recovery	-				-		3,002		-		22,928		-		25,930		25,930
71500 Other Revenue	464,951			1,609	-	12,404		626,853	152,452		12,080		925	81,314	1,352,588	(626,853)	725,735
71600 Gain or Loss on Sale of Capital Assets	-								-				-		-		-
72000 Investment Income - Restricted	453								32		-		-		485		485
70000 Total Revenue	24,717,196	70,659	816,084	341,365	110,953	52,221	630,997	626,853	1,549,207	26,424	8,495,997	204,357	251,427	4,060,422	41,954,162	(4,320,944)	37,633,218
91100 Administrative Salaries	1,292,044		62,431	26,514	1,957	-	33,220		115,955	17,036	334,171	22,187	3,009	1,684,090	3,592,614		3,592,614
91200 Auditing Fees	15,481			104	220		592		14,895		9,003		319	1,290	41,904		41,904
91300 Management Fee	2,181,625	1,080	579,095	16,675	4,093	-	-	-	94,465	-	202,680	3,120	5,475		3,088,308	(2,993,843)	94,465
91310 Book-keeping Fee	203,160	675	47,758	1,372	2,805		9,660		9,810		68,172	278	3,600		347,290	(337,481)	9,809
91400 Advertising and Marketing	-								186				-	5,884	6,070		6,070
91500 Employee Benefit contributions - Administrative	(22,485)		18,523	30,248	775	-	12,711		40,409	9,320	315,949	3,418	(5,532)	92,083	495,419		495,419
91600 Office Expenses	331,816			1,482	79	2,467	5,384		43,882		41,238	1,217	1,505	178,590	607,660		607,660
91700 Legal Expense	187,102								5,189		600		-	122,595	315,486	(10,595)	304,891
91800 Travel	10,410			746		21			991		-		-	17,612	29,780		29,780
91810 Allocated Overhead	-								-				-		-		-
91900 Other	670,947			146,490	7	5,779	48,741		106,658		82,015	50	11	41,269	1,101,967	(6,021)	1,095,946
91000 Total Operating - Administrative	4,870,100	1,755	707,807	223,631	9,936	8,267	110,308	-	432,440	26,356	1,053,828	30,270	8,387	2,143,413	9,626,498	(3,347,940)	6,278,558
92000 Asset Management Fee	245,500								-				-		245,500	(245,500)	-
92100 Tenant Services - Salaries	140,737		103,431			35,507		44,583	36,593	68			-	329	361,248		361,248
92200 Relocation Costs	55,489								-				-		55,489		55,489
92300 Employee Benefit Contributions - Tenant Services	61,624		1,288			6,951		1,196	13,878	-			-	153	85,090		85,090
92400 Tenant Services - Other	23,502		3,558					53,404	7,559	-	4,743	13,942	-		106,708		106,708
92500 Total Tenant Services	281,352	-	108,277	-	-	42,458	-	99,183	58,030	68	4,743	13,942	-	482	608,535	-	608,535
93100 Water	604,255			10,636					34,603				-	4,294	653,788		653,788
93200 Electricity	879,321			1,285					92,617				-	46,844	1,020,067		1,020,067
93300 Gas	1,134,451			1,372					16,067				-	9,006	1,160,896		1,160,896
93400 Fuel	-								-				-		-		-
93500 Labor	-								-				-		-		-
93600 Sewer	641,100			5,788					18,577				-	524	665,989		665,989
93700 Employee Benefit Contributions - Utilities	-								-				-		-		-
93800 Other Utilities Expense	-								-				-		-		-
93000 Total Utilities	3,259,127	-	-	19,081	-	-	-	-	161,864	-	-	-	-	60,668	3,500,740	-	3,500,740
94100 Ordinary Maintenance and Operations - Labor	1,886,838								-				-	320,656	2,207,494		2,207,494
94200 Ordinary Maintenance and Operations - Materials and	1,031,788			8,682					58,067		87		-	21,452	1,120,076		1,120,076
94300 Ordinary Maintenance and Operations Contracts	3,791,759			49,078					210,821		670		-	99,355	4,151,683	(727,504)	3,424,179
94500 Employee Benefit Contributions - Ordinary Maintenance	219,406								-				-	19,832	239,238		239,238
94000 Total Maintenance	6,929,791	-	-	57,760	-	-	-	-	268,888	-	757	-	-	461,295	7,718,491	(727,504)	6,990,987
95100 Protective Services - Labor	206,387								-				-	-	206,387		206,387
95200 Protective Services - Other Contract Costs	79,410								115,320				-	-	194,730		194,730
95300 Protective Services - Other	8,997								3,405				-	40,905	53,307		53,307
95500 Employee Benefit Contributions - Protective Services	90,573								-				-		90,573		90,573
95000 Total Protective Services	385,367	-	-	-	-	-	-	-	118,725	-	-	-	-	40,905	544,997	-	544,997
96110 Property Insurance	488,751			5,399					45,143				-	7,676	546,969		546,969
96120 Liability Insurance	150,128			1,019					7,921		11,560		-	2,423	173,051		173,051
96130 Workmen's Compensation	44,400			317	25	436	406		1,219		4,541	257	36	24,647	76,284		76,284
96140 All Other Insurance	62,936						-		6,797		9,903		-	13,597	93,233		93,233
96100 Total insurance Premiums	746,215	-	-	6,735	25	436	406	-	61,080	-	26,004	257	36	48,343	889,537	-	889,537
96200 Other General Expenses	196,233			1,475	950	-	2,746		69,573		67,860		-	22,738	361,575		361,575
96210 Compensated Absences	23,230					1,060			-		13,966		50	84,849	123,155		123,155
96300 Payments in Lieu of Taxes	254,988								-				-		254,988		254,988
96400 Bad debt - Tenant Rents	211,609			3,056					23,950				-		238,615		238,615
96500 Bad debt - Mortgages	-								-				-		-		-
96600 Bad debt - Other	-								-				-		-		-
96800 Severance Expense	-								-				-		-		-
96000 Total Other General Expenses	686,060	-	-	4,531	950	1,060	2,746	-	93,523	-	81,826	-	50	107,587	978,333	-	978,333
96710 Interest of Mortgage (or Bonds) Payable	97,651								87,567				-		185,218		185,218
96720 Interest on Notes Payable (Short and Long Term)	99,592								30,000				-		129,592		129,592
96730 Amortization of Bond Issue Costs	-								-				-		-		-
96700 Total Interest Expense and Amortization Cost	197,243	-	-	-	-	-	-	-	117,567	-	-	-	-	-	314,810	-	314,810
96900 Total Operating Expenses	17,600,755	1,755	816,084	311,738	10,911	52,221	113,460	99,183	1,312,117	26,424	1,167,158	44,469	8,473	2,862,693	24,427,441	(4,320,944)	20,106,497
97000 Excess of Operating Revenue over Operating Expenses	7,116,441	68,904	-	29,627	100,042	-	517,537	527,670	237,090	-	7,328,839	159,888	242,954	1,197,729	17,526,721	-	17,526,721
97100 Extraordinary Maintenance	-								-				-		-		-
97200 Casualty Losses - Non-capitalized	373,883								-				-	12,035	385,918		385,918
97300 Housing Assistance Payments	-	111,511			82,656		524,551		-		7,732,986	20,994	213,117		8,685,815		8,685,815
97350 HAP Portability-In	-								-				-		-		-
97400 Depreciation Expense	4,225,374			48,751					350,478		5,312		-	171,494	4,801,409		4,801,409
90000 Total Expenses	22,200,012	113,266	816,084	360,489	93,567	52,221	638,011	99,183	1,662,595	26,424	8,905,456	65,463	221,590	3,046,222	38,300,583	(4,320,944)	33,979,639
10010 Operating Transfer In	2,618,906												-	536,811	3,155,717	(3,155,717)	-
10020 Operating transfer Out	(2,618,906)			(9,141)				(527,670)					-		(3,155,717)	3,155,717	-
10080 Special Items (Net Gain/Loss)	-								319,869				-		319,869		319,869
10093 Transfers between Program and Project - In	503,793												-		503,793	(503,793)	-
10094 Transfers between Project and Program - Out	(503,793)												-		(503,793)	503,793	-
10100 Total Other financing Sources (Uses)	-	-	-	(9,141)	-	-	-	(527,670)	319,869	-	-	-	-	536,811	319,869	-	319,869
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	2,517,184	(42,607)	-	(28,265)	17,386	-	(7,014)	-	206,481	-	(409,459)	138,894	29,837	1,551,011	3,973,448	-	3,973,448
11020 Required Annual Debt Principal Payments	535,000	-	-	-	-	-	-	-	305,908	-	-	-	-	-	840,908	-	840,908
11030 Beginning Equity	45,038,871	45,000	-	694,713	128,988	-	80,751	-	4,074,887	-	369,509	-	43,912	(4,918,226)	45,558,405	-	45,558,405
11040 Prior Period Adjustments, Equity Transfers and	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11170 Administrative Fee Equity											(262,422)		-		(262,422)		(262,422)
11180 Housing Assistance Payments Equity											222,472		-		222,472		222,472

STARK METROPOLITAN HOUSING AUTHORITY
COST CERTIFICATIONS
MARCH 31, 2022

Capital Fund Program Number:	501-12	501-13	501-14	501-15	501-16	501-17
1. The Program Costs are as follows:						
Funds Approved	$3,170,877	$3,072,450	$3,349,175	$3,415,443	$3,579,740	$3,487,975
Funds Disbursed	3,170,877	3,072,450	3,349,175	3,412,743	3,579,740	3,487,975
Excess (Deficiency) of Funds Approved	$ -	$ -	$ -	$ 2,700	$ -	$ -
Funds Disbursed	$3,170,877	$3,072,450	$3,349,175	$3,412,743	$3,579,740	$3,487,975
Funds Expended	3,170,877	3,072,450	3,349,175	3,412,743	3,579,740	3,487,975
Excess (Deficiency) of Funds Disbursed	$ -	$ -	$ -	$ -	$ -	$ -
2. The Final Financial Status Report was signed and filed on:	12/17/21	12/17/21	12/17/21	12/17/21	12/17/21	3/8/22

3. All costs have been paid and there are no outstanding obligations.

4. The Final Costs on the Certification agrees with the Authority's records.

STARK METROPOLITAN HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2022

Federal Grantor/Pass Through Grantor Program/Cluster Title	Pass-Through Number	Assistance Listing Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development				
Direct Programs:				
Public and Indian Housing - Low Rent Public Housing:				
Public and Indian Housing - Low Rent Public Housing	N/A	14.850		$ 13,070,261
COVID-19 Public Housing CARES Act Funding	N/A	14.PHC		816,084
Total Public and Indian Housing - Low Rent Public Housing				13,886,345
Section 8 Project Based Cluster:				
Section 8 Moderate Rehabilitation Single Room Occupancy	N/A	14.249		110,516
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	N/A	14.856		250,502
Total Section 8 Project Based Cluster				361,018
Family Self-Sufficiency Program	N/A	14.896		39,817
Housing Choice Voucher Cluster:				
Section 8 Housing Choice Vouchers	N/A	14.871		8,460,974
COVID-19 - Housing Choice Vouchers CARES Act Funding	N/A	14.HCC		26,424
Mainstream Vouchers	N/A	14.879		70,659
COVID-19 - Emergency Housing Vouchers	N/A	14.EHV		204,357
Total Housing Choice Voucher Cluster				8,762,414
Public Housing Capital Fund	N/A	14.872		5,298,903
Continuum of Care Program	N/A	14.267	$ 45,232	627,995
Total Expenditures of Federal Awards			$ 45,232	$ 28,976,492

See accompanying notes to the schedule of expenditures of federal awards.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE FISCAL YEAR ENDED MARCH 31, 2022

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Stark Metropolitan Housing Authority, Stark County (the Authority) under programs of the federal government for the fiscal year ended March 31, 2022. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

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

NOTE D – SUBRECIPIENTS

The Authority passes certain federal awards received from the U.S. Department of Housing and Urban Development (HUD) to other governments or not-for-profit agencies (subrecipients). As Note B describes, the Authority reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the Authority has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award’s performance goals.

NOTE E - MATCHING REQUIREMENTS

Certain Federal programs require the Authority to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Authority has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

WILSON, SHANNON & SNOW INC.
CPAs & ADVISORS

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

Stark Metropolitan Housing Authority
Stark County
400 Tuscarawas Street
Canton, Ohio 44702

To the Board of Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Stark Metropolitan Housing Authority, Stark County, (the Authority) as of and for the fiscal year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated September 27, 2022. Our report refers to other auditors who audited the financial statements of the Alliance Senior Tower, LLC and the Hunter House PSH, LLC, as described in our report on the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported. The financial statements of the Hunter House PSH, LLC were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our 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.

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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.

Wilson, Shannon & Snow, Inc.

Newark, Ohio
September 27, 2022

WILSON, SHANNON & SNOW INC.
CPAs & ADVISORS

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

Stark Metropolitan Housing Authority
Stark County
400 Tuscarawas Street
Canton, Ohio 44702

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

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

In our opinion, the Stark 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 fiscal year ended March 31, 2022.

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.

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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.

Wilson, Shannon & Snow, Inc.

Newark, Ohio
September 27, 2022

STARK METROPOLITAN HOUSING AUTHROITY
STARK COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
MARCH 31, 2022

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Housing Voucher Cluster
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $869,295 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR §200.520?**	Yes

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

OHIO AUDITOR OF STATE
KEITH FABER

STARK COUNTY METROPOLITAN HOUSING AUTHORITY

STARK 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 11/22/2022

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

This report is a matter of public record and is available online at
www.ohioauditor.gov