

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2024

**WITH
REPORT OF INDEPENDENT AUDITORS**

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
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YEAR ENDED DECEMBER 31, 2024**

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REPORT OF INDEPENDENT AUDITORS

To the Board of Commissioners
Parma Public Housing Agency DBA North Coast Housing Connections:

Opinion

We have audited the accompanying financial statements of the Parma Public Housing Agency DBA North Coast Housing Connections (the "Agency") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, as listed in the accompanying table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of December 31, 2024, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency'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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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 Agency'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 Agency'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.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements. The accompanying financial data schedule is also not a required part of the basic financial statements and is presented for the purposes of additional analysis as required by the U.S. Department of Housing and Urban Development.

Other Matters (continued)

The schedule of expenditures of federal awards and financial data schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and financial data schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2025 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Agency'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 Agency's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Novogradac & Company LLP". The signature is written in a cursive, flowing style.

May 5, 2025
Toms River, New Jersey

MANAGEMENT'S DISCUSSION AND ANALYSIS

PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024

Unaudited

The Parma Public Housing Agency's ("the Authority") Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's position, and (d) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the 2024 year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statement.

FINANCIAL HIGHLIGHTS

- The Authority's Net Position decreased by \$ 170,455 or 14.56% during 2024, resulting from changes in operations. Since the Authority engages only in business-type activities, the decrease is all in the category of business-type Net Position.
- Revenues increased by \$503,540 or 6.67% during 2024. The increase was due to the additional HUD funding received for the year.
- The total expenses of the Authority programs increased by \$506,108 or 6.56%. The change was mainly due to an increase in housing assistance payments and an increase in tenants security assistance made with the proceeds from the sale of public housing units.

Authority Financial statements

The Authority financial statements are designed to be corporate-like in that all business type activities are consolidated into columns, which add to a total for the entire Authority.

These Statements include a Statement of Net Position, which is like a Balance Sheet. The Statement of Net Position reports on all financial and capital resources for the Authority. The Statement is presented in the format where assets, minus liabilities, equal "Net Position", formerly known as equity. Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year), and "Non-current".

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

Net Position, Invested in Capital Assets, net of Related Debt: This component of Net Position consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

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DBA NORTH COAST HOUSING CONNECTIONS
MANAGEMENT’S DISCUSSION AND ANALYSIS
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Unaudited

Unrestricted Net Position: Consists of Net Position that do not meet the definition of “Net Position Invested in Capital Assets, Net of Related Debt”, or “Restricted Net Position”.

The Authority financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Position (like an Income Statement). This Statement includes Operating Revenue, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as capital grant revenue, investment income and interest expense.

The focus of the Statement of Revenues, Expenses and Changes in Fund Net Position is the “Change in Net Position”, which is like Net Income or Loss.

Fund Financial Statements

The Authority consists of exclusively Enterprise Funds. Enterprise Funds utilize the full accrual basis of accounting. The Enterprise method of accounting is like accounting utilized by the private sector accounting.

Many of the programs maintained by the Authority are done so as required by the Department of Housing and Urban Development. Others are segregated to enhance accountability and control.

The Authority’s Programs

Housing Choice Voucher Program – Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family’s rent through a Housing Assistance Payment made to the landlord.

Tenant Security Deposit Assistance (Business Activities) – The Authority received approval from HUD to use the money from the sale of Public Housing to assist new participants with their security deposits for their rented unit. The money is also allowed to be used for down payment assistance and closing costs for participants that are purchasing a home.

Resident Opportunities and Family Self-Sufficiency Program (ROSS) – The ROSS Program is intended to enable participants to make progress toward economic independence and housing self-sufficiency; reduce or eliminate the need for welfare assistance and increase earned income. Through needs assessments, case management, and referrals to community and web-based services, the Service Coordinator help each participant advance towards the above goals in ways that best fit their needs, personal priorities, and interest. The Authority used the funds to pay for the Service Coordinator salary and fringe benefits.

PARMA PUBLIC HOUSING AGENCY
 DBA NORTH COAST HOUSING CONNECTIONS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 DECEMBER 31, 2024

Unaudited

AUTHORITY STATEMENTS

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

Table 1 - Condensed Statement of Net Positions Compared to Prior Year

	<u>2024</u>	<u>2023</u>
Current and Other Assets	\$ 1,620,086	\$ 1,768,642
Capital Assets & Right-of-use Asset	35,422	57,101
Total Assets	<u>1,655,508</u>	<u>1,825,743</u>
Deferred Outflows of Resources	<u>241,609</u>	<u>447,998</u>
Total Assets and Deferred Outflows	<u>\$ 1,897,117</u>	<u>\$ 2,273,741</u>
Current Liabilities	\$ 78,754	\$ 93,355
Long-Term Liabilities	790,655	998,036
Total Liabilities	<u>869,409</u>	<u>1,091,391</u>
Deferred Inflows of Resources	<u>27,678</u>	<u>11,865</u>
Net Positions:		
Net Investment in Capital Assets	8,108	11,665
Restricted Net Positions	80,135	-
Unrestricted Net Positions	<u>911,787</u>	<u>1,158,820</u>
Total Net Positions	<u>1,000,030</u>	<u>1,170,485</u>
Total Liabilities, Deferred Inflows and Net Positions	<u>\$ 1,897,117</u>	<u>\$ 2,273,741</u>

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

PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024

Unaudited

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

During 2024, current and other assets decreased by \$148,556 and current liabilities decreased by \$14,601. The change in current assets was due to a change in cash. The change in current liability was due to a change in accounts payable at the end of the year.

Long-term liability decreased by \$207,381. This decrease is mainly related to the change net Pension and OPEB liability.

Capital assets & right-of-use assets changed from \$57,101 in 2023 to \$35,422 in 2024. The \$21,679 decrease is attributed to the net of additions, amortization and depreciation expense. For more detail see "Capital Assets" presented later in this report.

The following table presents details on the change in Net Position.

Table 2 - Changes of Net Positions

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Net Invest in C/A</u>
Beginning Balance - December 31, 2023	\$ 1,158,820	\$ -	\$ 11,665
Results of Operation	(250,590)	80,135	-
Adjustments:			
Current year Depreciation / Amortization Expense	25,590	-	(25,590)
Capital Expenditure (2)	(3,911)	-	3,911
Current year Lease Liability Retired	(18,122)	-	18,122
Ending Balance - December 31, 2024	<u>\$ 911,787</u>	<u>\$ 80,135</u>	<u>\$ 8,108</u>

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

(2) Capital expenditure represents an outflow of unrestricted Net Position but are not treated as an expense against Results of Operations, and therefore must be deducted.

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Position provides a clearer presentation of financial position.

The following schedule compares the revenues and expenses for the current and previous fiscal year. The Authority is engaged only in Business-Type Activities.

PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024

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Table 3 - Statement of Revenue, Expenses & Changes in Net Assets

	<u>2024</u>	<u>2023</u>
<u>Revenues</u>		
Operating Subsidies	\$ 7,985,019	\$ 7,456,153
Investment Income	26,326	23,531
Other Revenues	43,399	71,520
Total Revenues	<u>8,054,744</u>	<u>7,551,204</u>
<u>Expenses</u>		
Administrative	653,442	654,257
Tenant Services	83,529	55,493
Utilities	3,586	3,471
Maintenance	125	1,108
General & Interest Expenses	214,727	255,583
Housing Assistance Payments	7,252,691	6,662,696
Depreciation & Amortization	25,590	27,136
Actuarial change in post employment benefits	(8,491)	59,347
Total Expenses	<u>8,225,199</u>	<u>7,719,091</u>
Net Increases (Decreases)	(170,455)	(167,887)
Total Net Position - Beginning	<u>1,170,485</u>	<u>1,338,372</u>
Total Net Position - Ending	<u>\$ 1,000,030</u>	<u>\$ 1,170,485</u>

**MAJOR FACTORS AFFECTING THE STATEMENT OF REVENUE, EXPENSES AND
CHANGES IN NET POSITION**

Total revenue increased by \$503,540 for the year. The revenue was \$7,551,204 in 2023 and \$8,054,744 in 2024. The increase in revenue is mainly due to an increase in grant revenue earned from HUD for the Housing Choice Voucher program.

Total expenses increased by \$506,108 for the year. The increase was mainly due to the change in housing assistance payments and the actuarial change in post-employment benefits.

PARMA PUBLIC HOUSING AGENCY
 DBA NORTH COAST HOUSING CONNECTIONS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
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Unaudited

CAPITAL ASSETS

As of year end, the Authority had \$35,422 invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of \$21,679 or 37.97% from the end of last year.

Table 4 - Condensed Statement of Changes in Capital Assets

	<u>2024</u>	<u>2023</u>
Furniture, Equipment & Machinery - Admin	\$ 120,211	\$ 116,300
Leasehold Improvements	1,815	1,815
Intangible Right-To-Use: leased Equipment	198,390	198,390
Accumulated Depreciation / Amortization	<u>(284,994)</u>	<u>(259,404)</u>
Total	<u>\$ 35,422</u>	<u>\$ 57,101</u>

The following reconciliation identifies the change in Capital Assets.

Table 5 - Changes in Capital Assets

Beginning Balance - December 31, 2023	\$	57,101
Current year Additions		3,911
Current year Depreciation / Amortization Expense		<u>(25,590)</u>
Ending Balance - December 31, 2024	\$	<u>35,422</u>
Current year Additions are summarized as follows:		
Door, wall and bulletproof glass	\$	<u>3,911</u>
Total 2024 Additions	\$	<u>3,911</u>

DEBT OUTSTANDING

As of year-end, the Agency had no debt (bonds, Notes, etc.) outstanding.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding provided by Congress to the 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, supplies and other costs.

PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024

Unaudited

FINANCIAL CONTACT

The individual to be contacted regarding this report is Amy Waxman, Executive Director of the Parma Public Housing Agency dba North Coast Housing Connections, at (216) 661-2015 ext 15. Specific requests may be submitted to the Parma Public Housing Agency dba North Coast Housing Connections, 1440 Rockside Road, Suite 306, Parma, OH 44134.

FINANCIAL STATEMENTS

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2024**

ASSETS

Current assets:	
Cash and cash equivalents	\$ 1,408,473
Accounts receivable	1,967
Prepaid expenses	<u>40,265</u>
Total current assets	<u>1,450,705</u>
Non-current assets:	
Restricted cash	145,425
OPEB asset	23,956
Right-to-use asset - leases, net	27,313
Capital assets, net	<u>8,109</u>
Total non-current assets	<u>204,803</u>
Total assets	<u>1,655,508</u>

DEFERRED OUTFLOWS OF RESOURCES

State of Ohio P.E.R.S. Pension	221,057
State of Ohio P.E.R.S. OPEB	<u>20,552</u>
Total deferred outflows of resources	<u>241,609</u>
Total assets and deferred outflows of resources	<u>\$ 1,897,117</u>

See accompanying notes to financial statements.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
STATEMENT OF NET POSITION (continued)
AS OF DECEMBER 31, 2024**

LIABILITIES

Current liabilities:	
Accounts payable	\$ 11,509
Accrued expenses	2,716
Accrued compensated absences, current	45,913
Lease liability, current	<u>18,616</u>
Total current liabilities	<u>78,754</u>
Non-current liabilities:	
Accrued pension liability	660,968
Accrued compensated absences, non-current	31,743
FSS escrow liability	89,246
Lease liability, non-current	<u>8,698</u>
Total non-current liabilities	<u>790,655</u>
Total liabilities	<u>869,409</u>

DEFERRED INFLOWS OF RESOURCES

State of Ohio P.E.R.S. Pension	12,586
State of Ohio P.E.R.S. OPEB	<u>15,092</u>
Total deferred inflows of resources	<u>27,678</u>

NET POSITION

Net position:	
Net investment in capital assets	8,108
Restricted	80,135
Unrestricted	<u>911,787</u>
Total net position	<u>1,000,030</u>
Total liabilities, deferred inflows of resources and net position	<u><u>\$ 1,897,117</u></u>

See accompanying notes to financial statements.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024**

Operating revenues:	
HUD operating grants	\$ 7,985,019
Other revenues	<u>43,399</u>
Total operating revenues	<u>8,028,418</u>
Operating expenses:	
Administrative	653,442
Tenant services	83,529
Utilities	3,586
Ordinary repairs and maintenance	125
Insurance	13,747
General	193,747
Housing assistance payments	7,252,691
Amortization	18,123
Depreciation	<u>7,467</u>
Total operating expenses	<u>8,226,457</u>
Operating loss	<u>(198,039)</u>
Non-operating revenues (expenses):	
Actuarial change in post employment benefits	8,491
Interest expense	(7,233)
Investment income	<u>26,326</u>
Total non-operating revenues (expenses)	<u>27,584</u>
Change in net position	(170,455)
Net position, beginning of year	<u>1,170,485</u>
Net position, end of year	<u><u>\$ 1,000,030</u></u>

See accompanying notes to financial statements.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Cash Flows from Operating Activities:	
Cash received from grantors and others	\$ 8,181,623
Cash paid to employees	(652,290)
Cash paid to vendors and suppliers	<u>(7,555,858)</u>
Net cash used in operating activities	<u>(26,525)</u>
Cash Flows from Capital and Related Financing Activities:	
Principal payments on lease	(18,122)
Interest paid on lease	(7,233)
Purchase of capital assets	<u>(3,911)</u>
Net cash used in capital and related financing activities	<u>(29,266)</u>
Cash Flows from Investing Activities:	
Investment income	<u>26,326</u>
Net cash provided by investing activities	<u>26,326</u>
Net decrease in cash and cash equivalents and restricted cash	(29,465)
Cash and cash equivalents and restricted cash, beginning of year	<u>1,583,363</u>
Cash and cash equivalents and restricted cash, end of year	<u><u>\$ 1,553,898</u></u>
Reconciliation of cash and cash equivalents and restricted cash to the Statement of Net Position is as follows:	
Cash and cash equivalents	\$ 1,408,473
Restricted cash	<u>145,425</u>
Cash and cash equivalents and restricted cash	<u><u>\$ 1,553,898</u></u>

See accompanying notes to financial statements.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024**

Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (198,039)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	7,467
Amortization of right-to-use asset	18,123
Changes in operating assets, deferred outflow of resources, liabilities and deferred inflows of resources:	
Accounts receivable	144,714
Prepaid expenses	(1,667)
Deferred outflows of resources	206,389
Accounts payable	(15,528)
Accrued expenses	1,727
Accrued compensated absences	(575)
FSS escrow liability	17,253
Accrued pension liability	(183,584)
Accrued OPEB liability	(38,618)
Deferred inflows of resources	<u>15,813</u>
Net cash used in operating activities	<u>\$ (26,525)</u>

See accompanying notes to financial statements.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Parma Public Housing Agency DBA North Coast Housing Connections (the "Agency") was created under the Codified Ordinances of the City of Parma (the "City"), Chapter 2101, Ordinance 66-85 for the purpose of providing low and moderate income persons with safe and sanitary housing through subsidies provided by the U.S. Department of Housing and Urban Development ("HUD").

The Agency is governed by the City's Board of Commissioners who appoint an executive director to manage the day-to-day operations of the Agency. The governing board is essentially autonomous but is responsible to HUD.

B. Basis of Accounting / Financial Statement Presentation

The Agency's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Governmental Accounting Standards Board is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Agency primarily administers a Section 8 Housing Choice Vouchers Program. The program is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenses. The individual program accounts for the governmental resources allocated to it for the purpose of carrying on a specific program in accordance with laws, regulations, or other restrictions, including those imposed by HUD. The Section 8 Housing Choice Vouchers Program is accounted for within an enterprise fund. An enterprise fund is used to account for activities that are operated in a manner similar to those found in the private sector.

The Agency's enterprise fund is accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Agency's financial statements are prepared in accordance with GASB 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended ("GASB 34"). GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows. GASB 34 also requires the Agency to include Management's Discussion and Analysis as part of the Required Supplementary Information.

The Agency's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB 33, *Accounting and Financial Reporting for Non-exchange Transactions* ("GASB 33"), grant and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Agency has complied with the grant and subsidy requirements.

On January 30, 2008, HUD issued PIH Notice 2008-9 which requires that unused housing assistance payments ("HAP") under proprietary fund reporting should be reported as restricted net position, with the associated cash and investments also being reported as restricted. Any unused administrative fees should be reported as unrestricted net position, with the associated assets being reported on the financial data schedule as unrestricted.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Accounting / Financial Statement Presentation (continued)

Both administrative fee and HAP revenue continue to be recognized under the guidelines set forth in GASB 33. Accordingly, both the time and purpose restrictions as defined by GASB 33 are met when these funds are available and measurable, not when these funds are expended. The Section 8 Housing Choice Vouchers Program is no longer a cost reimbursement grant; therefore, the Agency recognizes unspent administrative fee and HAP revenue in the reporting period as revenue for financial statement reporting.

In accordance with 2 CFR 200.305(b)(9), any investment income earned up to \$500 on these funds may be retained by the Agency. Amounts in excess of \$500 must be remitted annually to the Department of Health and Human Services, Payment Management System.

Effective January 1, 2024, the Authority adopted GASB 101, *Compensated Absences* ("GASB 101"). GASB 101 establishes a more unified model for recognizing and measuring compensated absences, leading to more consistent and comparable financial reporting among government organizations. Key changes resulting from GASB 101 include updating the recognition and measurement of the liability, streamlining the approach and reporting process for consistency, and enhanced disclosures related to the leave types, measurement methods, and key assumptions. For the year ended December 31, 2024, the adoption of GASB 101 did not have a material effect on the financial statements of the Authority.

C. Reporting Entity

In accordance with GASB 61, *The Financial Reporting Entity Omnibus - An Amendment of GASB Statement No. 14 and No. 34*, the Agency's basic financial statements include those of the Agency and any component units. Component units are legally separate organizations whose majority of officials are appointed by the primary government or the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or impose specific financial burdens on, the primary government. An organization has a financial benefit or burden relationship with the primary government if any one of the following conditions exist:

1. The primary government is legally entitled to or can otherwise access the organization's resources.
2. The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
3. The primary government is obligated in some manner for the debt of the organization.

Based on the application of the above criteria, this report includes all programs and activities operated by the Agency. There were no additional entities required to be included in the reporting entity under these criteria. However, the Agency is a department of the City and as such is included in their Annual Comprehensive Financial Report.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Description of Programs

The Agency maintains its accounting records by program. A summary of the significant programs operated by the Agency is as follows:

Section 8 Housing Choice Vouchers

The Agency administers a program of rental assistance payments to private owners on behalf of eligible low-income households under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating household.

PIH Family Self-Sufficiency ("FSS") Program

To promote the development of local strategies to coordinate the use of assistance under the Section 8 Housing Choice Vouchers Program with public and private resources to enable participating families to increase earned income and financial literacy, reduce or eliminate the need for welfare assistance, and make progress toward economic independence and self-sufficiency.

Business Activities Fund

The Business Activities Fund is utilized to offer security deposit assistance for all subsidized families of newly leased units. The Agency has also implemented a homeownership downpayment assistance program. The program is available to all Family Self-Sufficiency participants to obtain up to \$10,000 to assist with downpayment and closing costs.

FSS Escrow Forfeiture

The FSS Escrow Forfeiture fund represents forfeited escrow funds which are to be used to support participants in good standing, to train FSS program coordinators or other eligible activities.

E. Use of Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, accrued expenses and net pension liability, depreciable lives of properties and equipment, deferred inflows and outflows of resources, and contingencies. Actual results could differ significantly from these estimates.

F. Cash and Cash Equivalents

HUD requires housing authorities to invest excess funds in obligations of the United States, Certificates of Deposit, or any other federally insured investment. HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Agency or with an unaffiliated bank or trust company for the account of the Agency.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash and Cash Equivalents (continued)

For the Statement of Cash Flows, cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less at time of purchase. It is the Agency's policy to maintain collateralization in accordance with HUD requirements.

G. Accounts Receivable

Accounts receivable includes amounts that tenants owe the Agency as payment for committing fraud or misrepresentation. The Agency also recognizes a receivable from HUD and other governmental agencies for amounts earned and billed but not received and for amounts unbilled, but earned as of year end.

H. Allowance for Doubtful Accounts

The Agency periodically reviews all accounts receivable to determine the amount, if any, that may be uncollectable. If it is determined that an account or accounts may be uncollectable, the Agency prepares an analysis of such accounts and records an appropriate allowance against such amounts.

I. Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

J. Capital Assets, Net

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of capital assets, the cost and related accumulated depreciation are eliminated from the accounts and any related gain or loss is reflected in the Statement of Revenues, Expenses and Changes in Net Position. Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

◆	Building Improvements	15-25 Years
◆	Land Improvements	5-15 Years
◆	Maintenance Machinery and Equipment Vehicles	5-15 Years
◆	Office and Computer Equipment	5-7 Years

The Agency has established a capitalization threshold of \$5,000.

K. Impairment of Long-Lived Assets

The Agency evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Agency determines that a capital asset is impaired, and that the impairment is significant and other-than-temporary, then an impairment loss will be recorded in the Agency's financial statements. During the year ended December 31, 2024, there were no impairment losses incurred.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Right-To-Use Assets and Lease Liabilities

Lessees are required to recognize a lease liability and an intangible right-to-use lease asset. The lease liability is the present value of future payments expected to be made over the course of the lease, and the right-to-use lease assets are measured as the initial amount of lease liability, plus any payments made to the lessor at or before the time of commencement of the lease and minus any lease incentives received from the lessor.

The Agency uses its implicit rate at the commencement date in determining the present value of lease payments. Amortization of the right-to-use lease asset is recognized on a straight-line basis over the lease term.

M. Accounts Payable and Accrued Liabilities

The Agency recognizes a liability for goods and services received but not paid for as of year-end. It also recognizes a liability for wages and fringe benefits related to services performed at year-end but not yet paid to employees or taxing authorities.

N. Compensated Absences

Compensated absences are those absences for which employees will be paid in accordance with the Agency's Personnel Policy. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Agency and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Agency and its employees are accounted for in the period in which such services are rendered or in which such event takes place.

O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Ohio Public Employees Retirement System ("OPERS") and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Other Post Employment Benefits

For purposes of measuring the net Other Post Employment Benefits ("OPEB") liability (asset), deferred outflows of resources and deferred inflows of resources related to the net OPEB, and OPEB expense, and information about the fiduciary net position of the OPERS and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources until that time.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

R. Net Position Classifications

Net position is displayed in three components:

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position - Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other resources that do not meet the definition of "restricted" or "net investment in capital assets."

S. Use of Restricted Assets

When both restricted and unrestricted resources are available for a particular restricted use, it is the Agency's policy to use restricted resources first, and then unrestricted resources as needed.

T. Operating Revenues and Expenses

The Agency defines its operating revenues as income derived from charges to residents and others for services provided as well as government subsidies and grants used for operating purposes. Operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Agency classifies all other revenues and expenses as non-operating.

U. Taxes

The Agency is a department within the City government and under State of Ohio law, is exempt from real estate, sales and income taxes by both the federal and state governments.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

V. Budgets and Budgetary Accounting

The Agency is required by contractual agreements to adopt annual, appropriated operating budgets for its Section 8 Housing Choice Vouchers Program. The budget is prepared on a HUD basis, which is materially consistent with accounting principles generally accepted in the United States of America. All appropriations lapse at HUD's program year end or at the end of grant period.

W. Economic Dependency

The Section 8 Housing Choice Vouchers Program of the Agency is economically dependent on operating grants and subsidies from HUD. The program operates at a loss prior to receiving the grants.

X. Risk Management

The Agency is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Agency is covered through membership in the Housing Authority Risk Retention Group, Inc. ("HARRG"). HARRG is an insurance risk pool comprised of public housing authorities, of which the Agency is one. Additionally, workers' compensation insurance is maintained through the State of Ohio Bureau of Workers' Compensation, in which rates are calculated retrospectively. The Agency is also fully insured through a premium payment plan with a commercial insurance company for employee health benefits. Settlement amounts have not exceeded insurance coverage for the last three years.

NOTE 2. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

As of December 31, 2024, the Agency had funds on deposit in checking, savings and money market accounts. The carrying amount of the Agency's cash and cash equivalents (including restricted cash) was \$1,553,898 and the bank balances approximated \$1,559,830.

<u>Cash Category</u>	<u>Amount</u>
Unrestricted	\$ 1,408,473
Restricted	<u>145,425</u>
Total cash and cash equivalents	<u>\$ 1,553,898</u>

Of the bank balances, \$421,960 was covered by federal depository insurance and the remaining \$1,137,870 was collateralized with securities held by the pledging financial institutions as of December 31, 2024.

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Agency does not have a formal policy for custodial credit risk. As of December 31, 2024, the Agency's bank balances were not exposed to custodial credit risk.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 3. ACCOUNTS RECEIVABLE

As of December 31, 2024, accounts receivable totaled \$1,967 and consisted of accounts receivable - miscellaneous. Miscellaneous accounts receivable represents amounts owed to the Agency from various sources. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

NOTE 4. RESTRICTED DEPOSITS

As of December 31, 2024, restricted deposits consisted of the following:

<u>Cash Category</u>	<u>Amount</u>
Housing assistance payment reserves	\$ 50,181
FSS Program escrows	89,246
FSS forfeitures escrows	<u>5,998</u>
Total restricted deposits	<u>\$ 145,425</u>

Housing assistance payment reserves are restricted for use only in the Section 8 Housing Choice Vouchers Program for future housing assistance payments.

FSS Program escrows are restricted for use in the Section 8 Housing Choice Vouchers Program by FSS Program participants.

FSS forfeitures escrows are restricted to be used to fund eligible expenses of FSS Program participants in good standing.

NOTE 5. CAPITAL ASSETS, NET

The following is a summary of the changes in capital assets during the year ended December 31, 2024:

<u>Description</u>	<u>December 31, 2023</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>December 31, 2024</u>
<u>Depreciable capital assets:</u>					
Leasehold improvements	\$ 1,815	\$ -	\$ -	\$ -	\$ 1,815
Furniture and equipment	<u>116,300</u>	<u>3,911</u>	<u>-</u>	<u>-</u>	<u>120,211</u>
Subtotal	<u>118,115</u>	<u>3,911</u>	<u>-</u>	<u>-</u>	<u>122,026</u>
Less: accumulated depreciation	<u>106,450</u>	<u>7,467</u>	<u>-</u>	<u>-</u>	<u>113,917</u>
Net capital assets	<u>\$ 11,665</u>	<u>\$ (3,556)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,109</u>

Depreciation expense for the year ended December 31, 2024 totaled \$7,467.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 6. RIGHT-TO-USE ASSETS AND LEASE LIABILITIES

On August 1, 2016, the Agency entered into a lease agreement as a lessee to rent administrative office space. The term of the lease is for ten years, commencing on August 1, 2016 and terminating on July 31, 2026. Lease payments in the amount of \$1,967.63 are due monthly. The lease has an implicit interest rate of 4.50%. A right-to-use lease asset was recorded in the amount of \$190,567 and as of December 31, 2024, the value of the right-to-use lease asset was \$24,773. Amortization expense totaled \$16,508 for the year then ended. Rent and interest expense for the year ended December 31, 2024 amounted to \$16,579 and \$7,033, respectively.

On October 10, 2021, the Agency entered into a lease agreement as a lessee for a postage machine. The term of the lease is for five years, commencing on October 1, 2021 and terminating on October 9, 2026. Lease payments in the amount of \$145.30 are due monthly. The lease has an implicit interest rate of 4.50%. A right-to-use lease asset was recorded in the amount of \$7,823 and as of December 31, 2024, the value of the right-to-use lease asset was \$2,540. Amortization expense totaled \$1,615 for the year then ended. Principal and interest payments made on the lease for the year ended December 31, 2024 amounted to \$1,543 and \$200, respectively.

The following is a summary of the Agency's changes in right-to-use assets for the year ended December 31, 2024:

Description	December 31, 2023	Additions	Dispositions	December 31, 2024
Right-to-use asset	\$ 198,390	\$ -	\$ -	\$ 198,390
Less: accumulated amortization	<u>152,954</u>	<u>18,123</u>	<u>-</u>	<u>171,077</u>
Net right-to-use asset	<u>\$ 45,436</u>	<u>\$ (18,123)</u>	<u>\$ -</u>	<u>\$ 27,313</u>

The lease liability as of December 31, 2024 was \$27,314, with \$18,616 classified as a current liability.

Annual lease payments for principal and interest over the next two years are as follows:

Year	Principal	Interest	Total
2025	\$ 18,616	\$ 6,740	\$ 25,356
2026	<u>8,698</u>	<u>6,238</u>	<u>14,936</u>
	<u>\$ 27,314</u>	<u>\$ 12,978</u>	<u>\$ 40,292</u>

NOTE 7. ACCOUNTS PAYABLE

As of December 31, 2024, accounts payable consisted of vendors accounts payable totaling \$11,509. Accounts payable - vendors represents the amounts payable to vendors and contractors for materials received or services rendered.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 8. PENSION PLAN

A. Net Pension Liability

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

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

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

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

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

B. Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - Agency employees participate in 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. Agency employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosures focus 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. Agency to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 8. PENSION PLAN (continued)

**B. Plan Description - Ohio Public Employees Retirement System (OPERS)
(continued)**

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

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

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

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

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

	<u>State and Local</u>
2023 Statutory Maximum Contribution Rates:	
Employer	14.0 %
Employee	10.0%

Service retirement benefits of 1/55th of final average salary for each year of service credit are available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit are available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 8. PENSION PLAN (continued)

**B. Plan Description - Ohio Public Employees Retirement System (OPERS)
(continued)**

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Agency's contractually required contributions used to fund pension benefits were \$57,784 for the year ended December 31, 2024.

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

The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency's proportion of the net pension liability was based on the Agency's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	Traditional Plan
Proportion of Net Pension Liability:	
Prior Measurement Date	0.002879%
Current Measurement Date	0.002525%
Change in Proportionate Share	0.000354%
Proportionate Share of Net Pension Liability	\$ 660,968
Pension Expense (Benefit)	\$ (5,854)

At December 31, 2024, the Agency reported deferred outflows of resources and deferred inflows of resources from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between actual and projected earnings on pension plan investments	\$ 133,429	\$ -
Assumption changes	-	-
Differences between expected and actual experience	10,804	-
Change in proportionate share and difference between employer contribution and proportionate share of contribution	19,040	12,586
Contributions paid subsequent to the measurement date	57,784	-
Total	\$ 221,057	\$ 12,586

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 8. PENSION PLAN (continued)

C. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

The Agency's contributions subsequent to the measurement date will be recognized as a reduction of the net position liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:	<u>Amount</u>
2025	\$ 39,796
2026	44,745
2027	85,147
2028	<u>(19,001)</u>
	<u>\$ 150,687</u>

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

<u>Actuarial Information</u>	<u>Traditional Pension Plan</u>
Measurement and Valuation Date	December 31, 2023
Experience Study	5-Year Period Ended December 31, 2020
Actuarial Cost Method	Individual entry age
Actuarial Assumptions:	
Investment Rate of Return	6.90%
Wage Inflation	2.75%
Projected Salary Increases	2.75%-10.75%
	(includes wage inflation at 2.75%)
Cost-of-living Adjustments	Pre-1/7/2013 Retirees: 3.00% Simple
	Post-1/7/2013 Retirees: 3.00% Simple
	through 2023, then 2.05% Simple

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 8. PENSION PLAN (continued)

D. Actuarial Assumptions - OPERS (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 most recent experience study was completed for the five-year period ended December 31, 2020.

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

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 investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.2% for 2023.

E. Long-Term Expected Rate of Return

The allocation of investment assets with the Defined Benefit 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 achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board approved asset allocation policy for 2023 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	24.00%	2.85%
Domestic Equities	21.00%	4.27%
Real Estate	13.00%	4.46%
Private Equity	15.00%	7.52%
International Equities	20.00%	5.16%
Risk Parity	2.00%	4.38%
Other Investments	5.00%	3.46%
Total	100.00%	

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 8. PENSION PLAN (continued)

F. Discount Rate

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

G. Sensitivity of the Agency's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Agency's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.9 percent) or 1 percentage point higher (7.9 percent) than the current rate.

Agency's proportionate share of the net pension liability	1% Decrease (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
Traditional Pension Plan	\$ <u>1,040,679</u>	\$ <u>660,968</u>	\$ <u>345,319</u>

NOTE 9. OTHER POST EMPLOYMENT BENEFITS PLAN

A. Net OPEB Liability (Asset)

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term net OPEB liability (asset) on the accrual basis of accounting.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 9. OTHER POST EMPLOYMENT BENEFITS PLAN (continued)

B. Plan Description - OPERS

OPERS administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance. In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an OPEB as described in GASB Statement 75. See OPERS' ACFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Agency 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, health care was no longer being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023-2024, state and local employers contributed at a rate of 14.0 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. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent and 2.0 percent during calendar years 2023-2024. 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 Agency's contractually required contribution was \$-0- for the year ended December 31, 2024.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 9. OTHER POST EMPLOYMENT BENEFITS PLAN (continued)

C. OPEB Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Agency's proportion of the net OPEB liability (asset) was based on the Agency's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	Health Care Plan
Proportion of Net OPEB Liability	
Prior Measurement Date	0.002744%
Current Measurement Date	0.002654%
Change in Proportionate Share	-0.000090%
Proportionate Share of Net OPEB Liability (Asset)	\$ <u>(23,956)</u>
OPEB Expense (Benefit)	\$ <u>(1,514)</u>

At December 31, 2024, the Agency reported deferred outflows of resources and deferred inflows of resources from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between actual and projected earnings on OPEB plan investments	\$ 14,385	\$ -
Assumption changes	6,167	10,297
Differences between expected and actual experience	-	3,409
Change in proportionate share and difference between employer contribution and proportionate share of contribution	-	1,386
Total	\$ 20,552	\$ 15,092

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

	Amount
Year ending December 31:	
2025	\$ (1,994)
2026	1,114
2027	11,198
2028	(4,858)
	\$ 5,460

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 9. OTHER POST EMPLOYMENT BENEFITS PLAN (continued)

D. Actuarial Assumptions - OPERS

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The net OPEB liability (asset) was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023.

The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 75:

Actuarial Information

Actuarial Valuation Date	December 31, 2022
Rolled-Forward Measurement Date	December 31, 2023
Experience Study	5-Year Period Ended December 31, 2020
Actuarial Cost Method	Individual entry age
Actuarial Assumptions	
Single Discount Rate	5.70%
Investment Rate of Return	6.00%
Municipal Bond Rate	3.77%
Wage Inflation	2.75%
Projected Salary Increases	2.75%-10.75%
	(includes wage inflation at 2.75%)
Health Care Cost Trend Rate	5.50% initial, 3.50% ultimate in 2038

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

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

OPERS manages 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 14.0% for 2023.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 9. OTHER POST EMPLOYMENT BENEFITS PLAN (continued)

D. Actuarial Assumptions - OPERS (continued)

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The system's primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation of as December 31, 2023</u>	<u>Weighted Average Long- Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	37.00%	2.82%
Domestic Equities	25.00%	4.27%
REITs	5.00%	4.68%
International Equities	25.00%	5.16%
Risk Parity	3.00%	4.38%
Other Investments	5.00%	2.43%
Total	100.00%	

E. Discount Rate

A single discount rate of 5.70% was used to measure the OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.77%. 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 2070. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 9. OTHER POST EMPLOYMENT BENEFITS PLAN (continued)

F. Sensitivity of the Agency's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Agency's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 5.70%, as well as what the Agency's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.70%) or 1 percentage point higher (6.70%) than the current rate.

	1% Decrease <u>(4.70%)</u>	Discount Rate <u>(5.70%)</u>	1% Increase <u>(6.70%)</u>
Agency's proportionate share of the net OPEB liability (asset)	\$ <u>13,164</u>	\$ <u>(23,956)</u>	\$ <u>(54,699)</u>

G. Sensitivity of the Agency's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Healthcare Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates, and the expected net OPEB liability (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 2024 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Healthcare Cost Trend Rate <u>Assumption</u>	1% Increase
Agency's proportionate share of the net OPEB liability (asset)	\$ <u>(24,948)</u>	\$ <u>(23,956)</u>	\$ <u>(22,824)</u>

NOTE 10. NON-CURRENT LIABILITIES

Non-current liabilities activity during the year ended December 31, 2024 consisted of the following:

Description	December 31, 2023	Additions	Payments/ Retirements	December 31, 2024	Amounts due within one year
Accrued compensated absences	\$ 78,231	\$ 46,450	\$ 47,025	\$ 77,656	\$ 45,913
Accrued pension liability	850,406	5,854	195,292	660,968	-
Accrued OPEB liability (asset)	17,299	2,637	43,892	(23,956)	-
FSS escrow liability	71,993	54,951	37,698	89,246	-
Lease liability	<u>45,436</u>	<u>-</u>	<u>18,122</u>	<u>27,314</u>	<u>18,616</u>
Total non-current liabilities	<u>\$ 1,063,365</u>	<u>\$ 109,892</u>	<u>\$ 342,029</u>	<u>\$ 831,228</u>	<u>\$ 64,529</u>

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2024**

NOTE 11. RESTRICTED NET POSITION

As of December 31, 2024, restricted net position consisted of the following:

<u>Description</u>	<u>Amount</u>
Housing assistance payment reserves	\$ 50,181
FSS forfeitures escrows	5,998
OPEB asset	<u>23,956</u>
Total restricted net position	<u>\$ 80,135</u>

Housing assistance payment reserves are restricted for use only in the Section 8 Housing Choice Vouchers Program for future housing assistance payments.

FSS forfeitures escrows are restricted to be used to fund eligible expenses of FSS Program participants in good standing.

The Agency recognizes an OPEB asset, in accordance with GASB 75, in which employers are required to recognize and report certain amounts associated with their participation in the OPERS. See Note 9 for additional information.

NOTE 12. CONTINGENCIES

The Agency receives financial assistance from HUD in the form of grants and subsidies. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by HUD. As a result of these audits, costs previously reimbursed could be disallowed and require payments to HUD. As of December 31, 2024, the Agency estimates that no material liabilities will result from such audits.

NOTE 13. SUBSEQUENT EVENTS

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Subsequent events have been evaluated through May 5, 2025, which is the date the financial statements were available to be issued and management concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements.

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

To the Board of Commissioners
Parma Public Housing Agency DBA North Coast Housing Connections:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Parma Public Housing Agency DBA North Coast Housing Connections (the "Agency") as of and for the year ended December 31, 2024 and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated May 5, 2025.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Novogrodac & Company LLP

May 5, 2025
Toms River, New Jersey

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Commissioners
Parma Public Housing Agency DBA North Coast Housing Connections:

Report on Compliance for Each Major Federal Program

We have audited the Parma Public Housing Agency DBA North Coast Housing Connections' (the "Agency") compliance with the types of compliance requirements described in the Uniform Guidance that could have a direct and material effect on each of the Agency's major federal programs for the year ended December 31, 2024. The Agency's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Opinion on Each Major Federal Program

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Agency and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' 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 Agency's compliance based on our audit.

Auditors' Responsibilities for the Audit of Compliance (continued)

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 generally accepted auditing standards, *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 Agency's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *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 Agency'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 Agency'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 Agency'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 Auditors' 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.

Purpose of this Report

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

Novogardac & Company LLP

May 5, 2025
Toms River, New Jersey

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>Federal Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Grant Expenditures</u>
U.S. Department of Housing and Urban Development:		
Housing Voucher Cluster		
Section 8 Housing Choice Vouchers	14.871	\$ <u>7,987,225</u>
Total Housing Voucher Cluster		<u>7,987,225</u>
PIH Family Self-Sufficiency Program	14.896	<u>58,036</u>
Total Expenditures of Federal Awards		\$ <u><u>8,045,261</u></u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Agency under programs of the federal government for the year ended December 31, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of operations of the Agency, it is not intended to and does not present the net position, changes in net position or cash flows of the Agency. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of the financial statements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3. INDIRECT COST RATE

The Agency has not elected to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

I. Summary of Auditors' Results

Financial Statement Section

- | | | |
|----|-----------------------------------------------------|---------------|
| 1. | Type of auditors' report issued: | Unmodified |
| 2. | Internal control over financial reporting | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified? | None Reported |
| 3. | Noncompliance material to the financial statements? | No |

Federal Awards Section

- | | | |
|----|----------------------------------------------------------------------------------------------------|---------------|
| 1. | Internal control over compliance: | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified? | None Reported |
| 2. | Type of auditors' report on compliance for major programs: | Unmodified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |
| 4. | Identification of major programs: | |

<u>ALN</u>	<u>Name of Federal Program</u>
14.871	Section 8 Housing Choice Vouchers

- | | | |
|----|--------------------------------------------------------------------------|-----------|
| 5. | Dollar threshold used to distinguish between Type A and Type B Programs: | \$750,000 |
| 6. | Auditee qualified as low-risk Auditee? | No |

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024**

II. Financial Statement Findings

There were no findings relating to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

III. Federal Award and State Financial Assistance Findings and Questioned Costs

There were no findings or questioned costs relating to federal awards.

IV. Schedule of Prior Year Audit Findings

There were no findings or questioned costs in the prior year.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
REQUIRED PENSION INFORMATION
DECEMBER 31, 2024**

SCHEDULE OF AGENCY CONTRIBUTIONS FOR THE LAST TEN FISCAL YEARS

	December 31, <u>2015</u>	December 31, <u>2016</u>	December 31, <u>2017</u>	December 31, <u>2018</u>	December 31, <u>2019</u>	December 31, <u>2020</u>	December 31, <u>2021</u>	December 31, <u>2022</u>	December 31, <u>2023</u>	December 31, <u>2024</u>
Contractually required contribution	\$ 38,749	\$ 36,107	\$ 44,634	\$ 49,475	\$ 48,763	\$ 48,214	\$ 47,901	\$ 59,356	\$ 58,131	\$ 57,784
Contributions in relation to the contractually required contribution	<u>38,749</u>	<u>36,107</u>	<u>44,634</u>	<u>49,475</u>	<u>48,763</u>	<u>48,214</u>	<u>47,901</u>	<u>59,356</u>	<u>58,131</u>	<u>57,784</u>
(Over) / under funded	\$ <u>-</u>									
Agency's covered-employee payroll	\$ <u>322,908</u>	\$ <u>300,968</u>	\$ <u>341,165</u>	\$ <u>353,391</u>	\$ <u>346,826</u>	\$ <u>344,389</u>	\$ <u>344,655</u>	\$ <u>423,971</u>	\$ <u>415,223</u>	\$ <u>412,742</u>
Contributions as a percentage of covered-employee payroll	<u>12.00 %</u>	<u>12.00 %</u>	<u>13.08 %</u>	<u>14.00 %</u>	<u>14.06 %</u>	<u>14.00 %</u>	<u>13.90 %</u>	<u>14.00 %</u>	<u>14.00 %</u>	<u>14.00 %</u>

See Report of Independent Auditors.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
REQUIRED PENSION INFORMATION (continued)
DECEMBER 31, 2024**

SCHEDULE OF THE AGENCY'S PROPORTIONATE SHARE OF THEIR NET PENSION LIABILITY FOR THE LAST TEN FISCAL YEARS

	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023	December 31, 2024
Agency's proportion of the net pension liability	<u>0.0013 %</u>	<u>0.0023 %</u>	<u>0.0026 %</u>	<u>0.0026 %</u>	<u>0.0026 %</u>	<u>0.0024 %</u>	<u>0.0024 %</u>	<u>0.0023 %</u>	<u>0.0029 %</u>	<u>0.0025 %</u>
Agency's proportionate share of the net pension liability	<u>\$ 160,040</u>	<u>\$ 397,305</u>	<u>\$ 579,491</u>	<u>\$ 412,248</u>	<u>\$ 701,988</u>	<u>\$ 472,059</u>	<u>\$ 351,592</u>	<u>\$ 200,295</u>	<u>\$ 850,406</u>	<u>\$ 660,968</u>
Agency's covered-employee payroll	<u>\$ 322,908</u>	<u>\$ 300,968</u>	<u>\$ 341,165</u>	<u>\$ 353,391</u>	<u>\$ 346,826</u>	<u>\$ 344,389</u>	<u>\$ 344,655</u>	<u>\$ 423,971</u>	<u>\$ 415,223</u>	<u>\$ 412,742</u>
Agency's proportionate share of the net pension liability as a percentage of its covered-employee payroll	<u>49.56 %</u>	<u>132.01 %</u>	<u>169.86 %</u>	<u>116.65 %</u>	<u>202.40 %</u>	<u>137.07 %</u>	<u>102.01 %</u>	<u>47.24 %</u>	<u>204.81 %</u>	<u>160.14 %</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>52.08 %</u>	<u>47.93 %</u>	<u>40.14 %</u>	<u>48.10 %</u>	<u>53.60 %</u>	<u>56.27 %</u>	<u>58.32 %</u>	<u>70.33 %</u>	<u>62.91 %</u>	<u>79.01 %</u>

See Report of Independent Auditors.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
REQUIRED OTHER POST EMPLOYMENT BENEFITS INFORMATION
DECEMBER 31, 2024**

SCHEDULE OF AGENCY CONTRIBUTIONS FOR THE LAST TEN FISCAL YEARS

	December 31, <u>2015</u>	December 31, <u>2016</u>	December 31, <u>2017</u>	December 31, <u>2018</u>	December 31, <u>2019</u>	December 31, <u>2020</u>	December 31, <u>2021</u>	December 31, <u>2022</u>	December 31, <u>2023</u>	December 31, <u>2024</u>
Contractually required contribution	\$ 6,458	\$ 6,015	\$ 3,412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>6,458</u>	<u>6,015</u>	<u>3,412</u>	<u>-</u>						
(Over) / under funded	<u>\$ -</u>									
Agency's covered-employee payroll	<u>\$ 322,908</u>	<u>\$ 300,968</u>	<u>\$ 300,868</u>	<u>\$ 341,165</u>	<u>\$ 353,391</u>	<u>\$ 346,826</u>	<u>\$ 344,655</u>	<u>\$ 342,148</u>	<u>\$ 446,252</u>	<u>\$ 412,742</u>
Contributions as a percentage of covered-employee payroll	<u>2.00 %</u>	<u>2.00 %</u>	<u>1.13 %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>

See Report of Independent Auditors.

**PARMA PUBLIC HOUSING AGENCY
DBA NORTH COAST HOUSING CONNECTIONS
REQUIRED OTHER POST EMPLOYMENT BENEFITS INFORMATION (continued)
DECEMBER 31, 2024**

SCHEDULE OF THE AGENCY'S PROPORTIONATE SHARE OF THEIR NET OPEB LIABILITY FOR THE LAST TEN FISCAL YEARS***

	December 31, <u>2017</u>	December 31, <u>2018</u>	December 31, <u>2019</u>	December 31, <u>2020</u>	December 31, <u>2021</u>	December 31, <u>2022</u>	December 31, <u>2023</u>	December 31, <u>2024</u>
Agency's proportion of the net OPEB liability	<u>0.0021 %</u>	<u>0.0025 %</u>	<u>0.0025 %</u>	<u>0.0023 %</u>	<u>0.0023 %</u>	<u>0.0022 %</u>	<u>0.0027 %</u>	<u>0.0027 %</u>
Agency's proportionate share of the net OPEB liability (asset)	<u>\$ 216,259</u>	<u>\$ 274,653</u>	<u>\$ 321,426</u>	<u>\$ 317,093</u>	<u>\$ (40,570)</u>	<u>\$ (68,722)</u>	<u>\$ 17,299</u>	<u>\$ (23,956)</u>
Agency's covered-employee payroll	<u>\$ 300,868</u>	<u>\$ 341,165</u>	<u>\$ 353,391</u>	<u>\$ 346,826</u>	<u>\$ 344,655</u>	<u>\$ 342,148</u>	<u>\$ 446,252</u>	<u>\$ 412,742</u>
Agency's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	<u>71.88 %</u>	<u>80.50 %</u>	<u>90.95 %</u>	<u>91.43 %</u>	<u>(11.77)%</u>	<u>(20.09)%</u>	<u>3.88 %</u>	<u>(5.80)%</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>68.52 %</u>	<u>54.14 %</u>	<u>46.33 %</u>	<u>47.80 %</u>	<u>115.57 %</u>	<u>128.23 %</u>	<u>94.79 %</u>	<u>107.76 %</u>

*** = Until a full 10 year trend is compiled the Agency is presenting information for those years that are available.

See Report of Independent Auditors.

Parma Public Housing Agency (OH073)

Parma, OH

Submission Type: Audited/Single Audit

Entity Wide Balance Sheet Summary

Fiscal Year End: 12/31/2024

	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	Total
111 Cash - Unrestricted		\$167,337	\$1,241,136		\$1,408,473
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted			\$139,427	\$5,998	\$145,425
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$167,337	\$1,380,563	\$5,998	\$1,553,898
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects			\$0		\$0
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous			\$1,967		\$1,967
126 Accounts Receivable - Tenants					
126.1 Allowance for Doubtful Accounts -Tenants					
126.2 Allowance for Doubtful Accounts - Other			\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$1,967	\$0	\$1,967
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets			\$40,265		\$40,265
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$0	\$167,337	\$1,422,795	\$5,998	\$1,596,130
161 Land					
162 Buildings					
163 Furniture, Equipment & Machinery - Dwellings		\$12,956	\$107,255		\$120,211
164 Furniture, Equipment & Machinery - Administration					
165 Leasehold Improvements			\$200,205		\$200,205
166 Accumulated Depreciation		-\$10,797	-\$274,197		-\$284,994
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$2,159	\$33,263	\$0	\$35,422
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets			\$23,956		\$23,956
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$2,159	\$57,219	\$0	\$59,378
200 Deferred Outflow of Resources			\$241,609		\$241,609
290 Total Assets and Deferred Outflow of Resources	\$0	\$169,496	\$1,721,623	\$5,998	\$1,897,117

Parma Public Housing Agency (OH073)

Parma, OH

Submission Type: Audited/Single Audit

Entity Wide Balance Sheet Summary

Fiscal Year End: 12/31/2024

	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	Total
311 Bank Overdraft					
312 Accounts Payable <= 90 Days			\$11,509		\$11,509
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable			\$2,716		\$2,716
322 Accrued Compensated Absences - Current Portion			\$45,913		\$45,913
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$18,616		\$18,616
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other					
347 Inter Program - Due To					
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$0	\$78,754	\$0	\$78,754
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$8,698		\$8,698
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other			\$89,246		\$89,246
354 Accrued Compensated Absences - Non Current			\$31,743		\$31,743
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities			\$660,968		\$660,968
350 Total Non-Current Liabilities	\$0	\$0	\$790,655	\$0	\$790,655
300 Total Liabilities	\$0	\$0	\$869,409	\$0	\$869,409
400 Deferred Inflow of Resources			\$27,678		\$27,678
508.4 Net Investment in Capital Assets		\$2,159	\$5,949		\$8,108
511.4 Restricted Net Position			\$74,137	\$5,998	\$80,135
512.4 Unrestricted Net Position	\$0	\$167,337	\$744,450	\$0	\$911,787
513 Total Equity - Net Assets / Position	\$0	\$169,496	\$824,536	\$5,998	\$1,000,030
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$169,496	\$1,721,623	\$5,998	\$1,897,117

Parma Public Housing Agency (OH073)

Parma, OH

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2024

	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	Total
70300 Net Tenant Rental Revenue					
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$58,036		\$7,926,983		\$7,985,019
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					\$0
70800 Other Government Grants					
71100 Investment Income - Unrestricted		\$1,733	\$24,593		\$26,326
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery			\$49,194		\$49,194
71500 Other Revenue			\$2,006	\$690	\$2,696
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$58,036	\$1,733	\$8,002,776	\$690	\$8,063,235
91100 Administrative Salaries		\$2,470	\$315,221		\$317,691
91200 Auditing Fees			\$12,525		\$12,525
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative		\$1,200	\$131,773		\$132,973
91600 Office Expenses			\$24,257		\$24,257
91700 Legal Expense			\$217		\$217
91800 Travel			\$2,143		\$2,143
91810 Allocated Overhead					
91900 Other		\$13,547	\$150,089		\$163,636
91000 Total Operating - Administrative	\$0	\$17,217	\$636,225	\$0	\$653,442
92000 Asset Management Fee					
92100 Tenant Services - Salaries	\$29,001		\$22,605		\$51,606
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services	\$29,035				\$29,035
92400 Tenant Services - Other				\$2,888	\$2,888
92500 Total Tenant Services	\$58,036	\$0	\$22,605	\$2,888	\$83,529

Parma Public Housing Agency (OH073)

Parma, OH

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2024

	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	Total
93100 Water			\$3,586		\$3,586
93200 Electricity					
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$0	\$0	\$3,586	\$0	\$3,586
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and Other			\$125		\$125
94300 Ordinary Maintenance and Operations Contracts					
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$0	\$125	\$0	\$125
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance					
96120 Liability Insurance			\$13,747		\$13,747
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$13,747	\$0	\$13,747
96200 Other General Expenses		\$146,645	\$652		\$147,297
96210 Compensated Absences			\$46,450		\$46,450
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$146,645	\$47,102	\$0	\$193,747
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)			\$7,233		\$7,233
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$7,233	\$0	\$7,233
96900 Total Operating Expenses	\$58,036	\$163,862	\$730,623	\$2,888	\$955,409
97000 Excess of Operating Revenue over Operating Expenses	\$0	-\$162,129	\$7,272,153	-\$2,198	\$7,107,826

Parma Public Housing Agency (OH073)

Parma, OH

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 12/31/2024

	14.896 PIH Family Self-Sufficiency Program	1 Business Activities	14.871 Housing Choice Vouchers	14.EFA FSS Escrow Forfeiture Account	Total
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments			\$7,252,691		\$7,252,691
97350 HAP Portability-In					
97400 Depreciation Expense		\$4,319	\$21,271		\$25,590
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$58,036	\$168,181	\$8,004,585	\$2,888	\$8,233,690
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	-\$166,448	-\$1,809	-\$2,198	-\$170,455
11020 Required Annual Debt Principal Payments	\$0	\$0	\$8,698	\$0	\$8,698
11030 Beginning Equity	\$0	\$335,944	\$834,541	\$0	\$1,170,485
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			-\$8,196	\$8,196	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity			\$774,355		\$774,355
11180 Housing Assistance Payments Equity			\$50,181		\$50,181
11190 Unit Months Available			9624		9624
11210 Number of Unit Months Leased			9354		9354