

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDED MARCH 31, 2023**

**WITH  
REPORT OF INDEPENDENT AUDITORS**

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
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**FOR THE YEAR ENDED MARCH 31, 2023**

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**REPORT OF INDEPENDENT AUDITORS**

To the Board of Commissioners  
Housing Authority of the City of Perth Amboy:

**Opinions**

We have audited the accompanying financial statements of the business-type activities (primary government) and the aggregate discretely presented component units of the Housing Authority of the City of Perth Amboy (the "Authority") as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the accompanying table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the primary government and the aggregate discretely presented component units of the Authority, as of March 31, 2023, and the changes in their net position and, where applicable, their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Change in Accounting Principle**

As discussed in Note 1 to the financial statements, the Authority adopted accounting standards changes related to accounting for and disclosing certain leasing arrangements. Our opinion is not modified with respect to this matter.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The financial statements of Dunlap RAD, LLC, a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*. 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 Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required pension and 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 Authority'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 December 6, 2023 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Novogradac & Company LLP*

December 6, 2023  
Toms River, New Jersey

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
MARCH 31, 2023

As Management of the Housing Authority of the City of Perth Amboy (the "Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority (Primary Government) for the fiscal year ended March 31, 2023. The following discussion and analysis provides an overview of the primary government's financial activities. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements as presented elsewhere in this Report.

A. Financial Highlights

1. The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$19,746,033 (net position) as opposed to \$18,120,673 for the prior fiscal year.
2. At the close of the current fiscal year, the Authority's Proprietary Fund reported ending Unrestricted Net Position of \$16,738,751, an increase of \$15,362,959 from the prior fiscal year.
3. The Authority's unrestricted cash and cash equivalents balance at March 31, 2022 was \$6,895,130 representing an increase of \$1,373,720 from the prior fiscal year.
4. The Authority had Total Operating Revenues of \$20,900,261 and Total Operating Expenses of \$20,923,867 (including depreciation of \$50,214) for the year ended March 31, 2023.
5. The Authority had no capital asset purchases for the year ended March 31, 2023.
6. The Authority's Expenditures of Federal Awards amounted to \$19,537,034 for the fiscal year.

B. Using the Annual Report

1. Management's Discussion and Analysis

The Management's Discussion and Analysis is intended to serve as an introduction to the Authority's basic financial statements (Primary Government). The Authority's basic financial statements and Notes to Financial Statements included in this Report were prepared in accordance with GAAP applicable to governmental entities in the United States of America for Proprietary Fund types.

HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
MARCH 31, 2023

B. Using the Annual Report (continued)

3. Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business. They consist of the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows.

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

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

The Statement of Cash Flows reports the Authority's cash flows from operating, investing, capital and non-capital activities.

The financial statements report on the Authority's activities. The activities are primarily supported by HUD subsidies and grants. The Authority's function is to provide decent, safe and sanitary housing to low income and special needs populations. The basic financial statements can be found on pages 10 through 16.

4. Notes to Financial Statements

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The Notes to Financial Statements can be found in this Report after the financial statements.



HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
MARCH 31, 2023

B. Using the Annual Report (continued)

5. Supplemental Information

The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State of New Jersey OMB Circular 15-08. The Schedule of Expenditures of Federal Awards can be found on page 50 of this report.

C. The Authority (Primary Government) as a Whole

The Authority's unrestricted net position increased during the fiscal year as detailed on the following page. The Authority's revenues are primarily subsidies and grants received from HUD. The Authority receives subsidies each month based on a pre-approved amount by HUD. Grants are drawn down based on need against a pre-authorized funding level. The Authority's revenues were sufficient to cover all expenses, excluding depreciation during the fiscal year.

By far, the largest portion of the Authority's net position reflects its unrestricted net position. Which is available for future use to provide program services.

	As of		
	3/31/2023	3/31/2022	Change
Cash and Other Current Assets	\$ 8,175,491	\$ 7,717,247	\$ 458,244
Restricted Cash	929,770	571,428	358,342
Notes Receivable	23,290,233	23,553,387	(263,154)
Capital Assets - Net	272,204	322,418	(50,214)
Other Assets	2,500,321	2,502,441	(2,120)
Deferred Outflows of Resources	1,630,023	1,508,748	121,275
Total Assets	36,798,042	36,175,669	622,373
Less: Total Liabilities	9,989,493	10,214,970	(225,477)
Less: Deferred Inflows of Resources	7,062,516	7,840,026	(777,510)
Net Position	\$ 19,746,033	\$ 18,120,673	\$ 1,625,360
Net Investment in Capital Assets	\$ 272,204	\$ 322,418	\$ (50,214)
Restricted Net Position	2,735,078	2,435,296	299,782
Unrestricted Net Position	16,738,751	15,362,959	1,375,792
Net Position	\$ 19,746,033	\$ 18,120,673	\$ 1,625,360

HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
MARCH 31, 2023

C. The Authority (Primary Government) as a Whole

1. Cash and other current assets increased \$458,244 primarily due operating revenues outweighing operating expenses for the year ended March 31, 2023.
2. Restricted cash increased \$358,342 primarily due an increase in Housing Assistance Payment reserves.
3. Capital assets, net decreased \$50,214 due to depreciation taken in the current year.
4. Liabilities decreased \$225,477 primarily due to the change in the net pension liability of \$533,647 and net OPEB liability of (\$801,018).

	Year Ended		Change
	3/31/2023	3/31/2022	
<u>Revenues</u>			
HUD Operating Grants	\$ 18,331,414	\$ 16,250,783	\$ 2,080,631
Other Governmental Grants	15,616	187,301	(171,685)
Fraud Recovery Revenue	3,256	3,850	(594)
Other Revenues	2,549,975	2,831,627	(281,652)
Total Operating Revenues	<u>20,900,261</u>	<u>19,273,561</u>	<u>1,626,700</u>
<u>Expenses</u>			
Other Operating Expenses	3,299,904	3,254,902	45,002
Housing Assistance Payments	17,573,749	15,740,523	1,833,226
Depreciation Expense	50,214	44,498	5,716
Total Operating Expenses	<u>20,923,867</u>	<u>19,039,923</u>	<u>1,883,944</u>
Operating Income (Loss)	(23,606)	233,638	(257,244)
<u>Non-Operating Revenues (Expenses)</u>			
Interest Income	777,409	1,038,852	(261,443)
Actuarial Change in Post-Employment Benefits	1,133,411	1,016,695	116,716
Bad Debt Expense	(261,854)	(309,465)	47,611
Capital Grants	-	-	-
Total Net Non-Operating Revenues (Expenses)	<u>1,648,966</u>	<u>1,746,082</u>	<u>(97,116)</u>
Change in Net Position	1,625,360	1,979,720	(354,360)
Net Position - Beginning of Year	18,122,619	16,142,899	1,979,720
Change in Accounting Principle			
- Adoption of GASB 87	(1,946)	-	(1,946)
Net Position - End of Year	<u>\$ 19,746,033</u>	<u>\$ 18,122,619</u>	<u>\$ 1,623,414</u>

HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
MARCH 31, 2023

C. The Authority (Primary Government) as a Whole (continued)

1. HUD and other government subsidies increased \$1,908,946 primarily due to the increase of funding for the Section 8 Housing Choice Vouchers and Emergency Housing Vouchers programs.
2. Housing assistance payments expense increased \$1,833,226 due to an increase in unit months leased during year ending 2023.

D. Budgetary Highlights

For the year ended March 31, 2023, individual program or grant budgets were prepared by the Authority and were approved by the Board of Commissioners. These budgets were primarily used as a management tool and have no legal stature. Also, the Authority adopted a comprehensive annual budget for the General Fund. The budgets were prepared in accordance with the accounting procedures prescribed by the applicable funding agency.

E. Capital Assets and Debt Administration

1. Capital Assets

As of March 31, 2023, the Authority's investment in capital assets for its Proprietary Fund was \$272,204 (net of accumulated depreciation). There were no capital assets purchased during the year.

	As of		
	3/31/2023	3/31/2022	Change
Land	\$ -	\$ -	\$ -
Building and Improvements	204,914	204,914	-
Furniture and Equipment	313,872	313,872	-
Construction in Progress	-	-	-
Total Capital Assets	518,786	518,786	-
Less: Accumulated Depreciation	246,582	196,368	50,214
Net Capital Assets	\$ 272,204	\$ 322,418	\$ (50,214)

HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
MARCH 31, 2023

F. Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Authority's budget for the fiscal year ending March 31, 2023.

1. The state of the economy.
2. The need for Congress to fund the war on terrorism and the possible cut-back on HUD subsidies and grants.
3. The Authority's cash position (excluding restricted cash and tenant security deposits) of \$6,895,130 may be used to fund any shortfalls rising from a possible economic turndown and reduced subsidies and grants. The Authority's cash position appears sufficient to cover any shortfall.

G. Contacting the Authority's Financial Management

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Douglas Dzema, Executive Director, Housing Authority of the City of Perth Amboy, 881 Amboy Ave., Perth Amboy, N.J. 08862.

## **FINANCIAL STATEMENTS**

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**STATEMENT OF NET POSITION**  
**AS OF MARCH 31, 2023**

	ASSETS		
	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Current assets:			
Cash and cash equivalents	\$ 6,895,130	\$ 1,507,884	\$ 8,403,014
Tenant security deposits	-	151,817	151,817
Accounts receivable, net	921,276	68,723	989,999
Accrued interest receivable	55,935	-	55,935
Lease receivable, current	2,120	-	2,120
Prepaid expenses	301,030	406,567	707,597
Total current assets	8,175,491	2,134,991	10,310,482
Non-current assets:			
Restricted cash	929,770	4,407,219	5,336,989
Notes receivable, net	23,290,233	-	23,290,233
Capital assets, net	272,204	24,670,665	24,942,869
Lease receivable, non-current	2,500,321	-	2,500,321
Right-of-use asset - leases, net	-	1,219,388	1,219,388
Deferred charges, net	-	383,797	383,797
Total non-current assets	26,992,528	30,681,069	57,673,597
Total assets	35,168,019	32,816,060	67,984,079
DEFERRED OUTFLOWS OF RESOURCES			
State of New Jersey P.E.R.S.	201,527	-	201,527
State of New Jersey S.H.B.P.	1,428,496	-	1,428,496
Total deferred outflows of resources	1,630,023	-	1,630,023
Total assets and deferred outflows of resources	\$ 36,798,042	\$ 32,816,060	\$ 69,614,102

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**STATEMENT OF NET POSITION (continued)**  
**AS OF MARCH 31, 2023**

LIABILITIES			
	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Current liabilities:			
Accounts payable	\$ 50,366	\$ 266,384	\$ 316,750
Accrued expenses	32,940	-	32,940
Accrued compensated absences, current	244,382	-	244,382
Tenant security deposits	-	157,471	157,471
Unearned revenue	28,144	6,106	34,250
Loans payable, current	-	62,385	62,385
Related party payables	-	665,852	665,852
Total current liabilities	355,832	1,158,198	1,514,030
Non-current liabilities:			
Accrued compensated absences, non-current	469,629	-	469,629
Loans payable, non-current	-	23,239,679	23,239,679
Accrued interest payable	-	1,669,164	1,669,164
Accrued pension liability	3,551,939	-	3,551,939
Accrued OPEB liability	5,167,709	-	5,167,709
Other non-current liabilities	444,384	1,217,442	1,661,826
Total non-current liabilities	9,633,661	26,126,285	35,759,946
Total liabilities	9,989,493	27,284,483	37,273,976
DEFERRED INFLOWS OF RESOURCES			
State of New Jersey P.E.R.S.	1,125,711	-	1,125,711
State of New Jersey S.H.B.P.	3,768,988	-	3,768,988
Leases	2,167,817	-	2,167,817
Total deferred inflows of resources	7,062,516	-	7,062,516
NET POSITION			
Net position:			
Net investment in capital assets	272,204	1,368,601	1,640,805
Restricted	2,735,078	4,407,219	7,142,297
Unrestricted	16,738,751	(244,243)	16,494,508
Total net position	19,746,033	5,531,577	25,277,610
Total liabilities, deferred inflows of resources and net position	\$ 36,798,042	\$ 32,816,060	\$ 69,614,102

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED MARCH 31, 2023**

	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Operating revenues:			
Tenant revenue	\$ -	\$ 4,689,401	\$ 4,689,401
HUD operating grants	18,331,414	-	18,331,414
Other government grants	15,616	-	15,616
Fraud recovery revenue	3,256	-	3,256
Other revenues	<u>2,549,975</u>	<u>124,053</u>	<u>2,674,028</u>
Total operating revenues	<u>20,900,261</u>	<u>4,813,454</u>	<u>25,713,715</u>
Operating expenses:			
Administrative	2,682,203	1,093,576	3,775,779
Tenant services	192,849	-	192,849
Utilities	14,537	1,299,452	1,313,989
Ordinary maintenance and operations	93,789	912,781	1,006,570
Insurance	105,474	418,954	524,428
General	211,052	188,756	399,808
Housing assistance payments	17,573,749	-	17,573,749
Amortization	-	49,039	49,039
Depreciation	<u>50,214</u>	<u>1,216,522</u>	<u>1,266,736</u>
Total operating expenses	<u>20,923,867</u>	<u>5,179,080</u>	<u>26,102,947</u>
Operating loss	<u>(23,606)</u>	<u>(365,626)</u>	<u>(389,232)</u>
Non-operating revenues (expenses):			
Investment income	82,287	13,137	95,424
Mortgage interest income	695,122	-	695,122
Actuarial change in post-employment benefits	1,133,411	-	1,133,411
Bad debt expense - accrued interest receivable	(261,854)	-	(261,854)
Interest expense	<u>-</u>	<u>(603,254)</u>	<u>(603,254)</u>
Net non-operating revenues (expenses)	<u>1,648,966</u>	<u>(590,117)</u>	<u>1,058,849</u>
Change in net position	1,625,360	(955,743)	669,617
Net position, beginning of year	<u>18,122,619</u>	<u>6,407,942</u>	<u>24,530,561</u>
Change in accounting principle - adoption of GASB 87	<u>(1,946)</u>	<u>79,378</u>	<u>77,432</u>
Net position, beginning of year (as restated)	<u>18,120,673</u>	<u>6,487,320</u>	<u>24,607,993</u>
Net position, end of year	<u>\$ 19,746,033</u>	<u>\$ 5,531,577</u>	<u>\$ 25,277,610</u>

See accompanying notes to financial statements.



**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Primary Government</u>
Cash Flows from Operating Activities:	
Cash received from tenants and others	\$ 3,383,439
Cash received from grantors	18,870,446
Cash paid to vendors and suppliers	(19,287,682)
Cash paid to employees	<u>(2,678,554)</u>
Net cash provided by operating activities	<u>287,649</u>
Cash Flows from Investing Activities:	
Interest received on investments	8,589
Interest received on mortgages	1,172,670
Collection of notes receivable	<u>263,154</u>
Net cash provided by investing activities	<u>1,444,413</u>
Net increase in cash and cash equivalents and restricted cash	1,732,062
Cash and cash equivalents and restricted cash, beginning of year	<u>6,092,838</u>
Cash and cash equivalents and restricted cash, end of year	<u><u>\$ 7,824,900</u></u>
Reconciliation of cash and cash equivalents and restricted cash to Statement of Net Position is as follows:	
Cash and cash equivalents	\$ 6,895,130
Restricted cash	<u>929,770</u>
Cash and cash equivalents and restricted cash, end of year	<u><u>\$ 7,824,900</u></u>

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
STATEMENT OF CASH FLOWS (continued)  
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Primary Government</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (23,606)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	50,214
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:	
Accounts receivable, net	246,448
Prepaid expenses	5,444
Deferred outflows of resources	(121,275)
Accounts payable	(11,246)
Accrued expenses	3,649
Accrued compensated absences	24,327
Other liabilities	20,978
Accrued pension liability	1,253,227
Accrued OPEB liability	(387,187)
Unearned revenue	4,186
Deferred inflows of resources	<u>(777,510)</u>
Net cash provided by operating activities	<u>\$ 287,649</u>

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**COMBINING STATEMENT OF NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**MARCH 31, 2023**

ASSETS			
	Dunlap RAD, LLC	Hansen RAD, LLC	Total Discretely Presented Component Units
Current assets:			
Cash and cash equivalents	\$ 1,125,129	\$ 382,755	\$ 1,507,884
Tenant security deposits	98,393	53,424	151,817
Accounts receivable, net	51,814	16,909	68,723
Prepaid expenses	327,084	79,483	406,567
Total current assets	1,602,420	532,571	2,134,991
Non-current assets:			
Restricted cash	3,147,506	1,259,713	4,407,219
Capital assets, net	14,130,152	10,540,513	24,670,665
Right-of-use asset - leases, net	744,482	474,906	1,219,388
Deferred charges, net	167,763	216,034	383,797
Total non-current assets	18,189,903	12,491,166	30,681,069
Total assets	\$ 19,792,323	\$ 13,023,737	\$ 32,816,060
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 179,922	\$ 86,462	\$ 266,384
Tenant security deposits	103,189	54,282	157,471
Prepaid rent	4,194	1,912	6,106
Loans payable, current	46,079	16,306	62,385
Related party payables	381,965	283,887	665,852
Total current liabilities	715,349	442,849	1,158,198
Non-current liabilities:			
Loans payable, non-current	13,975,304	9,264,375	23,239,679
Accrued interest payable	758,436	910,728	1,669,164
Lease liability	752,954	464,488	1,217,442
Total non-current liabilities	15,486,694	10,639,591	26,126,285
Total liabilities	16,202,043	11,082,440	27,284,483
NET POSITION			
Net position:			
Net investment in capital assets	108,769	1,259,832	1,368,601
Restricted	3,147,506	1,259,713	4,407,219
Unrestricted	334,005	(578,248)	(244,243)
Total net position	3,590,280	1,941,297	5,531,577
Total liabilities and net position	\$ 19,792,323	\$ 13,023,737	\$ 32,816,060

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Dunlap RAD, LLC</u>	<u>Hansen RAD, LLC</u>	<u>Total Discretely Presented Component Units</u>
Operating revenues:			
Tenant revenue	\$ 3,161,407	\$ 1,527,994	\$ 4,689,401
Other revenues	<u>9,271</u>	<u>114,782</u>	<u>124,053</u>
Total operating revenues	<u>3,170,678</u>	<u>1,642,776</u>	<u>4,813,454</u>
Operating expenses:			
Administrative	597,693	495,883	1,093,576
Utilities	980,494	318,958	1,299,452
Ordinary maintenance and operations	468,584	444,197	912,781
Insurance	262,026	156,928	418,954
General	128,099	60,657	188,756
Amortization	23,648	25,391	49,039
Depreciation	<u>672,654</u>	<u>543,868</u>	<u>1,216,522</u>
Total operating expenses	<u>3,133,198</u>	<u>2,045,882</u>	<u>5,179,080</u>
Operating income (loss)	<u>37,480</u>	<u>(403,106)</u>	<u>(365,626)</u>
Non-operating revenues (expenses):			
Investment income	11,220	1,917	13,137
Interest expense	<u>(357,530)</u>	<u>(245,724)</u>	<u>(603,254)</u>
Net non-operating revenues (expenses)	<u>(346,310)</u>	<u>(243,807)</u>	<u>(590,117)</u>
Change in net position	(308,830)	(646,913)	(955,743)
Net position, beginning of year	<u>3,861,829</u>	<u>2,546,113</u>	<u>6,407,942</u>
Change in accounting principle - adoption of GASB 87	<u>37,281</u>	<u>42,097</u>	<u>79,378</u>
Net position, beginning of year	<u>3,899,110</u>	<u>2,588,210</u>	<u>6,487,320</u>
Net position, end of year	<u>\$ 3,590,280</u>	<u>\$ 1,941,297</u>	<u>\$ 5,531,577</u>

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023**

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

**A. Organization**

The Housing Authority of the City of Perth Amboy (the "Authority") is a governmental, public corporation created under federal and state housing laws as defined by State statute (N.J.S.A. 4A:12A-1, et. Seq., the Housing Authority Act) for the purpose of engaging in the development, acquisition and administrative activities of the low-income housing program and other programs with similar objectives for low and moderate income families residing in the City of Perth Amboy (the "City"). The Authority is responsible for operating certain low-rent housing programs in the City under programs administered by the U.S. Department of Housing and Urban Development ("HUD"). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

The governing board is essentially autonomous but is responsible to HUD and the State of New Jersey Department of Community Affairs. An executive director is appointed by the Authority's Board of Commissioners to manage the day-to-day operations of the Authority.

**B. Basis of Accounting / Financial Statement Presentation**

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

The programs of the Authority are organized as separate accounting entities. Each program is accounted for by a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position (program equity), revenues, and expenses. The individual programs account for the governmental resources allocated to them for the purpose of carrying on specific programs in accordance with laws, regulations, or other restrictions, including those imposed by HUD. The programs of the Authority are combined and considered 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 Authority'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 Authority'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 Authority to include Management's Discussion and Analysis as part of the Required Supplementary Information.

The Authority'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 Authority has complied with the grant and subsidy requirements.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

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.

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 Authority 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 Authority. Amounts in excess of \$500 must be remitted annually to the Department of Health and Human Services, Payment Management System.

On April 1, 2022, the Authority adopted GASB 87, *Leases* ("GASB 87"). GASB 87 increases the transparency and comparability among governmental organizations by requiring the recognition of lease assets and deferred inflows of resources on the statement of net position by lessees and the disclosure of key information about leasing arrangements. Necessary adjustments were recognized through a cumulative effect adjustment. As a result of the adoption of GASB 87, on April 1, 2022, a lease receivable in the amount of \$1,217,442 and deferred inflows of resources of \$1,219,388 were recognized.

The cumulative effect adjustment recording the lease receivable and deferred inflows of resources amounted to \$1,946, and was recognized as an decrease to unrestricted net position at April 1, 2022.

**C. Reporting Entity**

In accordance with GASB 61, *The Financial Reporting Entity Omnibus - An Amendment of GASB Statement No. 14 and No. 34*, the Authority's basic financial statements include those of the Authority 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 (Authority) 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.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Reporting Entity (continued)**

Based on the application of the above criteria, this report includes the following discretely presented component units:

**Dunlap RAD, LLC**

Dunlap RAD, LLC was formed as a New Jersey limited liability company on November 29, 2017. The purpose of Dunlap RAD, LLC is to acquire, construct and/or rehabilitate as applicable, own, develop, operate, maintain, manage and lease a multifamily apartment complex consisting of two hundred and thirteen (213) units contained in four (4) sites for rental to persons of low to moderate income. The property is located in the City and operates under the name of Perth Amboy Family Apartments.

**Hansen RAD, LLC**

Hansen RAD, LLC was formed as a New Jersey limited liability company on November 30, 2017. The purpose of Hansen RAD, LLC is to acquire, construct and/or rehabilitate as applicable, own, develop, operate, maintain, manage and lease a multifamily apartment complex consisting of one hundred and forty seven (147) units contained in two (2) buildings for rental to persons of low to moderate income. The property is located in the City and operates under the name of Perth Amboy Senior Apartments.

The discretely presented component units issue their own separate audited financial statements which are presented as of and for the year ended December 31, 2022 and can be obtained by writing to the Executive Director, Perth Amboy Housing Authority, 881 Amboy Avenue, Perth Amboy, NJ 08862.

**D. Description of Programs**

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

**Section 8 Housing Choice Vouchers**

The Authority 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.

**Public and Indian Housing Program**

The Public and Indian Housing Program is designed to provide low-cost housing. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program. The Authority converted all of its public housing units to project based vouchers under HUD's Rental Assistance Demonstration Program ("RAD"). Accordingly, the Authority will no longer operate a Public and Indian Housing Program.

**Public Housing Capital Fund Program**

The purpose of the Public Housing Capital Fund Program is to provide another source of funding to cover the cost of physical and management improvements and rehabilitation on existing low-income housing and improving the central office facilities. Funding for this program is provided by grants from HUD.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Description of Programs (continued)**

Community Development Block Grants ("CDBG")

The primary objective of the CDBG Program is to develop viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate income. The CDBG funding is passed through and received from the City's Office of Economic and Community Development.

Resident Opportunity and Supportive Services ("ROSS")

The purpose of the ROSS Program is to provide funding to hire and maintain Service Coordinators who will assess the needs of residents and coordinate available resources in the community to meet those needs. This program works to promote the development of local strategies to coordinate the use of assistance with public and private resources, for supportive services and resident empowerment activities.

Business Activities Fund

The Business Activities Fund is utilized as part of the RAD program. RAD was created in order to give public housing authorities ("PHA") a powerful tool to preserve and improve public housing properties. RAD allows PHA's to leverage public and private debt and equity in order to reinvest in public housing stock. Public housing units move to a Section 8 platform with a long-term contract under which residents continue to pay 30% of their income towards rent. The Business Activities Fund holds the mortgage notes from the Authority's discretely presented component units and also provides management services to other PHA's and affiliate entities.

Emergency Housing Vouchers Program ("EHV")

EHV funds are to be used to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability.

**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 and OPEB 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**

New Jersey Authorities are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States, or the State of New Jersey, or the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey Authorities.



**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Cash and Cash Equivalents (continued)**

The Authority is required to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. N.J.S.A. 17:9-42 requires governmental units to deposit public funds only in public depositories located in New Jersey, when the funds are secured in accordance with the act.

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 Authority or with an unaffiliated bank or trust company for the account of the Authority.

It is the Authority's policy to maintain collateralization in accordance with state and HUD requirements. 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.

**G. Accounts Receivable, Net**

Rents are due from tenants on the first day of each month. As a result, tenants accounts receivable balances primarily consist of rents past due and vacated tenants. An allowance for doubtful accounts is established to provide for all accounts, which may not be collected in the future for any reason. Collection losses on accounts receivable are charged against the allowance for doubtful accounts. Also included in accounts receivable are those amounts that tenants owe the Authority as payment for committing fraud or misrepresentation.

The Authority 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 Authority 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 Authority 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.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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 is 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:

• Buildings	40 Years
• Leasehold Improvements	15 Years
• Furniture and Equipment	5 Years
• Computers	3 Years

The Authority has established a capitalization threshold of \$1,000.

**K. Impairment of Long Lived Assets**

The Authority evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Authority 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 Authority's financial statements. For the year ended March 31, 2023, there were no impairment losses incurred.

**L. Notes Receivable**

The Authority has utilized development funds in accordance with HUD guidelines to assist in the construction and redevelopment of numerous public housing developments through the issuance of mortgage notes. When preparing financial statements in accordance with generally accepted accounting principles, management is required to make estimates as to the collectability of such mortgage notes. When estimating collectability, management analyzes the value of the underlying mortgaged property; the property's ability to generate positive cash flow, and current economic trends and conditions. Management utilizes these estimates and judgments in connection with establishing an allowance for uncollectable amounts during an accounting period.

**M. Lease Receivable**

Lease receivables are recognized at the net present value of the lease payments expected to be received during the lease term at a borrowing rate either explicitly described in the lease agreement or implicitly determined by the Authority.

**N. Inter-program Receivables and Payables**

Inter-program receivables and payables are current, and are the result of the use of the Business Activities fund as the common paymaster for shared costs of the Authority. Cash settlements are made periodically, and all inter-program balances net to zero. In accordance with GASB 34, inter-program receivables and payables are eliminated for financial statement purposes.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**O. Accounts Payable and Accrued Liabilities**

The Authority 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.

**P. Prepaid Rent**

The Authority's prepaid rent primarily consists of the prepayment of rent by residents applicable to future periods.

**Q. Compensated Absences**

Compensated absences represent amounts to which employees are entitled based on accumulated leave earned in accordance with the Authority's Personnel Policy. Employees may be compensated for accumulated vacation leave in the event of retirement or termination from service at the current salary. Employees may be compensated for sick leave at retirement or termination at one half of the earned sick leave up to 300 days.

**R. 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 Public Employees Retirement System ("PERS") and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

**S. Other Post Employment Benefits**

For purposes of measuring the net OPEB liability, 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 State of New Jersey State Health Benefits Local Government Retired Employees Plan ("SHBP") and additions to/deductions from SHBP's fiduciary net position have been determined on the same basis as they are reported by SHBP. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as you-go plan.

**T. 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.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**U. 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.”

**V. Use of Restricted Assets**

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

**W. Operating Revenues and Expenses**

The Authority 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. The Authority receives annual operating subsidies from HUD, subject to limitations prescribed by HUD. Operating subsidies from HUD are recorded when received and are accounted for as revenue.

Operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies all other revenues and expenses as non-operating.

**X. Regulated Leases**

The Authority is a lessor of residential dwelling units under regulated leases as defined by GASB 87 and as such recognizes rental revenue in accordance with the terms of the lease contract. The leases which are twelve months in length are regulated by HUD as to rent, unit size, household composition and tenant income. For the year ended March 31, 2023, rental revenue earned by the discretely presented component units under the aforementioned leases totaled \$4,678,601.

**Y. Taxes**

The Authority is a unit of local government under the State of New Jersey law and is exempt from real estate, sales and income taxes by both the federal and state governments. However, the Authority will pay a payment in lieu of taxes to cover municipal services provided by the local government for certain properties owned throughout the City.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Z. Economic Dependency**

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

**AA. Budgets and Budgetary Accounting**

The Authority adopts annual, appropriated operating budgets for all its programs receiving federal expenditure awards, which are used as a management tool throughout the accounting cycle. All budgets are prepared on a HUD basis, which differs 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 periods.

**BB. Risk Management**

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority is a member of the New Jersey Public Housing Authorities Joint Insurance Fund ("JIF").

The JIF is both an insured and self-administered group of housing authorities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The JIF will be self-sustaining through member premiums. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the past three years.

**CC. Contingencies**

The Authority 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 March 31, 2023, the Authority estimates that no material liabilities will result from such audits.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 2. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH**

As of March 31, 2023, the Authority had funds on deposit in checking, savings, and money market accounts. The carrying amount of the primary government's cash and cash equivalents (including restricted cash) was \$7,824,900, and the bank balances approximated \$7,880,798.

<u>Cash Category</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Unrestricted	\$ 6,895,130	\$ 1,507,884	\$ 8,403,014
Tenant security deposits	-	151,817	151,817
Restricted	<u>929,770</u>	<u>4,407,219</u>	<u>5,336,989</u>
Total cash and cash equivalents	<u>\$ 7,824,900</u>	<u>\$ 6,066,920</u>	<u>\$ 13,891,820</u>

Of the primary government's bank balances, \$1,000,957 was covered by federal depository insurance and the remaining \$6,879,841 was collateralized by GUDPA as of March 31, 2023.

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 Authority does not have a formal policy for custodial credit risk. As of March 31, 2023, the Authority's bank balances were not exposed to custodial credit risk.

**NOTE 3. ACCOUNTS RECEIVABLE, NET**

Accounts receivable, net consists of the following as of March 31, 2023:

<u>Description</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Accounts receivable - tenants, net	\$ -	\$ 68,723	\$ 68,723
Accounts receivable - HUD	47,495	-	47,495
Accounts receivable - PHA projects	17,505	-	17,505
Accounts receivable - other governments	4,680	-	4,680
Accounts receivable - miscellaneous	<u>851,596</u>	<u>-</u>	<u>851,596</u>
Total accounts receivable, net	<u>\$ 921,276</u>	<u>\$ 68,723</u>	<u>\$ 989,999</u>

Accounts Receivable - Tenants, Net

Tenant accounts receivable represents amounts owed to the Authority by tenants for outstanding rent. The balance is shown net of an allowance for doubtful accounts of \$18,785.

Accounts Receivable - HUD

As of March 31, 2023, accounts receivable - HUD consisted of amounts due to the Authority for amounts expended under the ROSS Programs that have not yet been received. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 3. ACCOUNTS RECEIVABLE, NET (continued)**

Accounts Receivable - PHA Projects

Accounts receivable - PHA projects represents amounts owed to the Authority by other PHAs under the portability provisions of the Section 8 Housing Choice Vouchers Program. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

Accounts Receivable - Other Governments

Accounts receivable - other governments represents amounts owed to the Authority by other federal agencies and state and local governments. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

Accounts Receivable - Miscellaneous

Accounts receivable - miscellaneous consists of amounts owed to the Authority for services provided to the Perth Amboy Redevelopment Team for Neighborhood Enterprise and Revitalization ("P.A.R.T.N.E.R.") under a fee for service agreement and developer fees owed from Dunlap and Hansen. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

**NOTE 4. RESTRICTED DEPOSITS**

As of March 31, 2023, restricted deposits consisted of the following:

<u>Cash Category</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Housing assistance payment reserves	\$ 461,613	\$ -	\$ 461,613
Reserve and replacement escrows	-	2,244,600	2,244,600
Debt service escrows	-	2,426	2,426
Working capital escrows	-	88,605	88,605
Insurance and tax escrows	-	145,233	145,233
Operating deficit escrows	-	1,877,885	1,877,885
Revenue Bond trustee reserves	-	48,470	48,470
Family Self-Sufficiency ("FSS") escrows	439,874	-	439,874
EHV fund reserves	27,644	-	27,644
FSS forfeiture funds	639	-	639
Tenant security deposits	-	151,817	151,817
Total restricted deposits	<u>\$ 929,770</u>	<u>\$ 4,559,036</u>	<u>\$ 5,488,806</u>

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

The reserve and replacement escrows represent funds that are restricted for repairs and replacements of buildings and equipment.

Debt service escrows represent funds held in reserve for future payments of principal and interest on debt.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 4. RESTRICTED DEPOSITS (continued)**

Working capital escrows represent funds held in reserve for on-going expenditures related to the RAD conversions.

Insurance and tax escrows represent funds held in reserve for future payments of real estate taxes and property and mortgage insurance.

Operating deficit escrows represent funds that are restricted in the case that projects encounter an operating deficit.

Revenue Bond Trustee reserves are restricted as part of the Multifamily Conduit Revenue Bonds issued by the New Jersey Housing and Mortgage Finance Agency and are to be used to assist in the substantial rehabilitation of a multi-family residential rental project.

Family Self-Sufficiency ("FSS") Program escrows are restricted for use in the Section 8 Housing Choice Vouchers Program by FSS Program participants.

EHV fund reserves are restricted to support the Authority's efforts in implementing and operating an effective EHV Program that will best address the needs of eligible individuals and families in the City.

FSS forfeiture funds are restricted to be used to support FSS program participants in good standing with transportation, childcare, testing fees, employment preparation costs, other costs related to achieving obligations outlined in the FSS contract of participation and training FSS program coordinators.

Tenant security deposits represent amounts held by the Authority on behalf of tenants. Upon termination from the Authority, the tenant is due amounts deposited plus interest earned less any amounts charged for damage to the unit.

**NOTE 5. LEASE RECEIVABLE**

On August 17, 2010, the Authority entered into a ground lease agreement with Parkview Senior Housing, LLC. The term of the lease was for sixty five (65) years, which expires on August 16, 2075. In accordance with the lease agreement, \$1,285,200 was paid in full at the commencement date of the lease. As of March 31, 2023, the value of the investment in the land was \$1,285,000. The value of the deferred inflows of resources as of March 31, 2023 was \$961,402. For the year ended March 31, 2023, the Authority recognized lease revenue in the amount of \$19,772.

On November 29, 2017, the Authority entered into a ground lease agreement with Dunlap RAD, LLC. The term of the lease was for ninety nine (99) years, which expires on November 28, 2116. An initial lease receivable was recorded in the amount of \$784,082. As of March 31, 2023, the value of the lease receivable was \$752,953. Beginning on the commencement of the lease term, annual rent shall be paid to the Authority in the amount of \$31,313. For the year ended March 31, 2023, the Authority did not receive any payments on the lease and accrued the interest due in the amount of \$30,570. The implicit interest rate on the lease was 4.06%. The value of the deferred inflows of resources as of March 31, 2023 was \$736,562. For the year ended March 31, 2023, the Authority recognized lease revenue in the amount of \$7,920.



**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
NOTES TO FINANCIAL STATEMENTS (continued)  
MARCH 31, 2023**

**NOTE 5. LEASE RECEIVABLE (continued)**

On November 30, 2017, the Authority entered into a ground lease agreement with Hansen RAD, LLC. The term of the lease was for ninety nine (99) years, which expires on November 29, 2116. An initial lease receivable was recorded in the amount of \$500,166. As of March 31, 2023, the value of the lease receivable was \$464,488. Beginning on the commencement of the lease term, annual rent shall be paid to the Authority in the amount of \$22,126. For the year ended March 31, 2023, the Authority did not receive any payments on the lease and accrued the interest due in the amount of \$21,831. The implicit interest rate on the lease was 4.70%. The value of the deferred inflows of resources as of March 31, 2023 was \$469,853. For the year ended March 31, 2023, the Authority recognized lease revenue in the amount of \$5,052.

**NOTE 6. NOTES RECEIVABLE**

Notes receivable of the primary government consists of the following as of March 31, 2023:

The Authority advanced a loan to Perth Willow Pond, LLC in the amount of \$400,000. The loan accrues interest at 1.00% per annum. Annual payments are payable only out of "Net Cash Flow" as defined in the operating agreement and are due starting December 2025. The loan matures December 2044 and is subordinate to a first mortgage. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$3,534 as of March 31, 2023. \$ 322,826

The Authority advanced a loan to Parkview Senior Housing, LLC in the amount of \$1,950,000 in connection with the development of an 84 unit building of which 31 units will be operated as public housing. The loan accrues interest at 1.00% per annum. Principal and interest are payable only out of "Net Cash Flow" as defined in the operating agreement and are due on August 17, 2040. The loan is secured by the underlying land and building. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$247,309 as of March 31, 2023. 1,950,000

The Authority issued a sellers note to Dunlap RAD, LLC in the amount of \$7,150,000. The note accrues interest at 2.60% per annum. Annual payments are payable only out of "Net Cash Flow" as defined in the operating agreement. The loan matures on November 29, 2047 and is secured by a mortgage on the property. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$0- as of March 31, 2023. 6,915,429

The Authority issued a seller take-back bond to Dunlap RAD, LLC in the maximum amount of \$2,350,000 from the acquisition of the tax exempt bonds via their interest in the property. The bond accrues interest at 4.06% per annum. Annual payments are payable only out of "Net Cash Flow" as defined in the operating agreement. The loan matures on November 1, 2034 and is secured by a mortgage on the property. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$190,142 as of March 31, 2023. 2,300,000

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
NOTES TO FINANCIAL STATEMENTS (continued)  
MARCH 31, 2023**

**NOTE 6. NOTES RECEIVABLE (continued)**

The Authority issued a loan to Dunlap RAD, LLC up to the amount of \$4,415,298. The loan accrues interest at 1.95% per annum. Annual payments are payable only out of "Net Cash Flow" as defined in the operating agreement. The loan matures on November 29, 2047 and is secured by a mortgage on the property. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$257,943 as of March 31, 2023. 3,876,746

The Authority issued a sellers note to Hansen RAD, LLC in the amount of \$5,659,500. The loan accrues interest at 2.60% per annum. Annual payments are payable only out of "Net Cash Flow" as defined in the operating agreement. The loan matures on November 29, 2047 and is secured by a mortgage on the property. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$712,848 as of March 31, 2023. 5,659,500

The Authority issued a loan to Hansen RAD, LLC up to the amount of \$2,735,118. The loan accrues interest at 3.00% per annum. Annual payments are payable only out of "Net Cash Flow" as defined in the operating agreement. The loan matures on November 29, 2047 and is secured by a mortgage on the property. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$150,752 as of March 31, 2023. 2,265,732

The Authority issued a loan to Dunlap RAD, LLC in the amount of \$1,597,500, through the Federal Home Loan Bank of New York. The loan is interest free and is due in a lump sum payment upon maturity on November 29, 2057. The loan is secured by a mortgage on the property. Management has determined to place on allowance on the loan for the full amount of the principal balance. 1,597,500

The Authority issued a loan to Hansen RAD, LLC in the amount of \$1,102,500, through the Federal Home Loan Bank of New York. The loan is interest free and is due in a lump sum payment upon maturity on November 30, 2057. The loan is secured by a mortgage on the property. Management has determined to place on allowance on the loan for the full amount of the principal balance. 1,102,500

Total notes receivable	25,990,233
Allowance on notes receivable	<u>(2,700,000)</u>

Notes receivable, net	<u>\$ 23,290,233</u>
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As of March 31, 2023, the current portion of notes receivable amounted to \$-0- and accrued interest on the notes receivable totaled \$1,562,528, which is shown net of an allowance for uncollectable interest of \$1,558,994. Management estimates that \$3,534 of the accrued interest will be collected currently.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 7. CAPITAL ASSETS, NET**

The following is a summary of the primary government's changes in capital assets during the year ended March 31, 2023:

Description	March 31, 2022	Additions	Dispositions	Transfers	March 31, 2023
<u>Depreciable capital assets:</u>					
Buildings and improvements	\$ 204,914	\$ -	\$ -	\$ -	\$ 204,914
Furniture and equipment	<u>313,872</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>313,872</u>
Subtotal	<u>518,786</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>518,786</u>
Less: accumulated depreciation	<u>196,368</u>	<u>50,214</u>	<u>-</u>	<u>-</u>	<u>246,582</u>
Net capital assets	<u>\$ 322,418</u>	<u>\$ (50,214)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,204</u>

Depreciation expense for the primary government for the fiscal year ended March 31, 2023 amounted to \$50,214.

The following is a summary of the Authority's discretely presented component units' changes in capital assets during the year ended March 31, 2023:

Description	March 31, 2022	Additions	Dispositions	Transfers	March 31, 2023
<u>Non-depreciable capital assets:</u>					
Land	\$ 1,263,443	\$ -	\$ -	\$ -	\$ 1,263,443
<u>Depreciable capital assets:</u>					
Buildings and improvements	28,511,799	-	-	-	28,511,799
Furniture and equipment	<u>477,492</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>477,492</u>
Subtotal	<u>28,989,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,989,291</u>
Less: accumulated depreciation	<u>4,365,547</u>	<u>1,216,522</u>	<u>-</u>	<u>-</u>	<u>5,582,069</u>
Net capital assets	<u>\$ 25,887,187</u>	<u>\$ (1,216,522)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,670,665</u>

Depreciation expense for Authority's discretely presented component units for the fiscal year ended March 31, 2023 amounted to \$1,216,522.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 8. RIGHT-OF-USE ASSET AND LEASE LIABILITY**

On November 29, 2017, Dunlap RAD, LLC entered into a ground lease agreement with the Authority which expires on November 28, 2116. During the term of the lease, base rent of \$31,313 is due annually on January 1st. For the year ended March 31, 2023, Dunlap RAD, LLC incurred amortization expense on the right-of-use asset and interest expense totaling \$7,920 and \$30,599, respectively. The right-of-use asset as of March 31, 2023, totaled \$744,482. As of March 31, 2023, the lease liability totaled \$752,954.

On November 30, 2017, Hansen RAD, LLC entered into a ground lease agreement with the Authority which expires on November 29, 2116. During the term of the lease, base rent of \$22,126 is due annually on January 1st. For the year ended March 31, 2023, Dunlap RAD, LLC incurred amortization expense on the right-of-use asset and interest expense totaling \$5,052 and \$21,844, respectively. The right-of-use asset as of March 31, 2023, totaled \$474,906. As of March 31, 2023, the lease liability totaled \$464,488.

The following is a summary of the Authority's changes in right-of-use asset for the year ended March 31, 2023:

Description	March 31, 2022	Additions	Dispositions	March 31, 2023
Right-of-use asset	\$ 1,284,248	\$ -	\$ -	\$ 1,284,248
Less: accumulated amortization	<u>51,888</u>	<u>12,972</u>	<u>-</u>	<u>64,860</u>
Net right-of-use asset	<u>\$ 1,232,360</u>	<u>\$ (12,972)</u>	<u>\$ -</u>	<u>\$ 1,219,388</u>

Annual lease payments the next five years and thereafter are as follows:

Year	Principal
2024	\$ 53,439
2025	53,439
2026	53,439
2027	53,439
2028	53,439
Thereafter	<u>950,247</u>
	<u>\$ 1,217,442</u>

**NOTE 9. ACCOUNTS PAYABLE**

As of March 31, 2023, accounts payable consisted of the following:

Description	Primary Government	Discretely Presented Component Units	Total Reporting Entity (Memorandum Only)
Accounts payable - vendors	\$ 47,266	\$ 158,861	\$ 206,127
Accounts payable - PHA projects	3,100	-	3,100
Accounts payable - other governments	<u>-</u>	<u>107,523</u>	<u>107,523</u>
Total account payable	<u>\$ 50,366</u>	<u>\$ 266,384</u>	<u>\$ 316,750</u>

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
NOTES TO FINANCIAL STATEMENTS (continued)  
MARCH 31, 2023**

**NOTE 9. ACCOUNTS PAYABLE (continued)**

Accounts Payable - Vendors

Accounts payable - vendors represents the amounts payable to contractors and vendors for materials received or services rendered.

Accounts Payable - PHA Projects

As of March 31, 2023, accounts payable - PHA Projects consisted of amounts payable to other PHAs under the portability provisions of the Section 8 Housing Choice Vouchers Program.

Accounts Payable - Other Governments

Accounts payable - other governments represents amounts due and payable to the City for payments in lieu of taxes.

**NOTE 10. PAYMENTS IN LIEU OF TAXES**

Under Federal, State and local law, the Authority's programs and discretely presented component units are exempt from income, property and excise taxes. However, the Authority and its discretely presented component units are required to make payments in lieu of taxes ("PILOT") for the PHA owned units in accordance with the provisions of its Cooperation Agreement with the City. Under the Cooperation Agreements, the Authority and its discretely presented component units must pay the City the lesser of 10% of its net shelter rent or the approximate full real property taxes. During the fiscal year ended March 31, 2023, PILOT expense of the Authority's discretely presented component units, Dunlap and Hansen amounted to \$72,965 and \$34,558, respectively.

**NOTE 11. LOANS PAYABLE**

Loans payable of the Authority's discretely presented component units consisted of the following as of March 31, 2023:

The Authority issued a sellers note to Dunlap RAD, LLC in the amount of \$7,150,000. The note accrues interest at 2.60% per annum with an effective interest rate of 2.63%. Annual payments are payable only out of "Net Cash Flow" as defined in the operating agreement. The loan matures on November 29, 2047 and is secured by a mortgage on the property. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$179,622 as of March 31, 2023. \$ 6,350,000

The Authority issued a loan to Dunlap RAD, LLC in the amount of \$4,415,298 in November 2017. The loan accrues interest at 1.95% per annum and is due annual payments are payable only out of "Net Cash Flow" as defined in the operating agreement. The loan matures on November 30, 2047 and is secured by a mortgage on the property. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$578,814 as of March 31, 2023. 3,876,745

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
NOTES TO FINANCIAL STATEMENTS (continued)  
MARCH 31, 2023**

**NOTE 11. LOANS PAYABLE (continued)**

<p>The New Jersey Housing and Mortgage Finance Agency has issued a Multifamily Conduit Revenue Bond Series 2017 K-2 in the amount of \$2,350,000 to Dunlap RAD, LLC. This note is to assist in the substantial rehabilitation of a 213 unit multi-family residential rental project. The noted is secured by a mortgage on the multi-family property. The bond is payable to TD Bank, accrues interest at a fixed rate of 4.06% per annum, and has an effective interest rate of 4.14%. Interest payments are due on the first day of each calendar month through November 1, 2019, at which time principal payments are due monthly until maturity on November 1, 2034.</p>	2,215,806
<p>The Authority issued a loan to Dunlap RAD, LLC in the amount of \$1,597,500, through the Federal Home Loan Bank of New York. The loan is interest free and is due in a lump sum payment upon maturity on November 29, 2057. The loan is secured by a mortgage on the property. Management expects the current portion of the loan to be nil.</p>	1,597,500
<p>The Authority issued a sellers note to Hansen RAD, LLC in the amount of \$5,659,500. The loan accrues interest at 2.60% per annum with an effective interest rate of 2.63%. Annual payments are payable only out of "Net Cash Flow" as defined in the operating agreement. The loan matures on November 30, 2047 and is secured by a mortgage on the property. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$756,376 as of March 31, 2023.</p>	5,659,500
<p>The Authority issued a loan to Hansen RAD, LLC in the amount of \$2,735,118 in November 2017. The loan accrues interest at 1.95% per annum and is due annual payments are payable only out of "Net Cash Flow" as defined in the operating agreement. The loan matures on November 30, 2047 and is secured by a mortgage on the property. Management expects the current portion of the loan to be nil. Accrued interest on the loan totaled \$154,352 as of March 31, 2023.</p>	2,265,733
<p>The New Jersey Housing and Mortgage Finance Agency has issued a loan in the amount of \$300,000 to Hansen RAD, LLC. The loan has an interest of 4.7% per annum and matures on December 1, 2034. Principal and interest payments are due at the beginning of each month. The loan is secured by a first mortgage on the property.</p>	252,948
<p>The Authority issued a loan to Hansen RAD, LLC in the amount of \$1,102,500, through the Federal Home Loan Bank of New York. The loan is interest free and is due in a lump sum payment upon maturity on November 30, 2057. The loan is secured by a mortgage on the property. Management expects the current portion of the loan to be nil.</p>	<u>1,102,500</u>
<p>Total loans payable</p>	23,320,732
<p>Less: unamortized debt issuance costs</p>	<u>18,668</u>
<p>Total loans payable, excluding unamortized debt issuance costs</p>	<u>\$ 23,302,064</u>

As of March 31, 2023, the current portion of loans payable amounted to \$62,385 and accrued interest payable on the loans payable totaled \$1,669,164.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 11. LOANS PAYABLE (continued)**

Annual debt service for principal and interest over the next five years and in five-year increments thereafter is as follows:

Year	Principal	Interest	Total
2024	\$ 62,385	\$ 102,096	\$ 164,481
2025	64,850	99,632	164,482
2026	67,926	96,557	164,483
2027	70,884	93,598	164,482
2028	76,967	87,516	164,483
2029-2033	439,205	383,208	822,413
2034-2038	1,686,537	278,471	1,965,008
2039-2043	-	-	-
2044-2048	-	-	-
2049-2053	18,151,978	9,217,499	27,369,477
2054-2057	2,700,000	-	2,700,000
	<u>\$ 23,320,732</u>	<u>\$ 10,358,577</u>	<u>\$ 33,679,309</u>

**NOTE 12. RELATED PARTY PAYABLES**

Dunlap RAD, LLC and Hansen RAD, LLC are controlled by Perth Amboy Housing Inc. (a 501(c)(3) organization and the 100% owner of the managing member), who also controls other entities whose operations are similar to that of the Company.

Dunlap RAD, LLC and Hansen RAD, LLC entered into property management agreements with P.A.R.T.N.E.R. at a fee of \$65 per unit, per month for each occupied unit, escalating two percent annually. As part of the agreements, the discretely presented component units will also pay P.A.R.T.N.E.R. a service fee equal to \$7.50 per unit, per month for data processing and accounting. For the year ended March 31, 2023, property management fees totaled \$177,659 and \$118,519, respectively. For the year ended March 31, 2023, bookkeeping fees totaled \$20,503 and \$12,893, respectively.

Dunlap RAD, LLC and Hansen RAD, LLC reimburses P.A.R.T.N.E.R. for salaries and employee benefits. For the year ended March 31, 2023, salaries and employee benefits incurred totaled \$652,923 and \$491,285, respectively. Included in related party payables is \$351,186 and \$242,379, respectively, owed to P.A.R.T.N.E.R. for the reimbursement of salaries and benefits as of March 31, 2023.

The investor services fee is the annual fee paid to the investment member for its services in monitoring the operations of the discretely presented component units. The base fees of \$15,975 and \$11,025, respectively, are increased annually by 3%. For the year ended March 31, 2023, an investor service fees in the amount of \$17,456 and \$12,781, respectively, were incurred and are included in related party payables.

The Authority periodically pays expenditures on behalf of the discretely presented component units. The advances are interest free and due upon demand. As of March 31, 2023, Dunlap RAD, LLC and Hansen RAD, LLC are to pay \$13,323 and \$28,727, respectively, to the Authority, which is included in related party payables.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 12. RELATED PARTY PAYABLES (continued)**

Dunlap RAD, LLC and Hansen RAD, LLC also pay to the managing member, an annual non-cumulative company management fee equal to \$31,950 and \$22,050, respectively, per year and increasing annually by 3% subject to available net cash flow as defined in the operating agreements. For the year ended March 31, 2023, no company management fees were incurred.

**NOTE 13. NON-CURRENT LIABILITIES**

Non-current liabilities activity of the primary government during the year ended March 31, 2023 consisted of the following:

	March 31, 2022	Additions	Payments/ Retirements	March 31, 2023	Due in One Year
Compensated absences	\$ 689,684	\$ 250,565	\$ 226,238	\$ 714,011	\$ 244,382
Accrued pension liability	3,018,292	533,647	-	3,551,939	-
Accrued OPEB liability	5,968,727	-	801,018	5,167,709	-
Family self sufficiency escrows	418,786	21,088	-	439,874	-
Other miscellaneous liabilities	<u>4,620</u>	<u>-</u>	<u>110</u>	<u>4,510</u>	<u>-</u>
Totals	<u>\$ 10,100,109</u>	<u>\$ 805,300</u>	<u>\$ 1,027,366</u>	<u>\$ 9,878,043</u>	<u>\$ 244,382</u>

Non-current liabilities activity of the Authority's discretely presented component units during the year ended March 31, 2023 consisted of the following:

	March 31, 2022	Additions	Payments/ Retirements	March 31, 2023	Due in One Year
Loans payable	\$ 23,363,039	\$ -	\$ 60,975	\$ 23,302,064	\$ 62,385
Accrued interest payable	1,915,511	535,068	781,415	1,669,164	-
Deferred developer fees	381,628	-	381,628	-	-
Related party payables	400,527	265,325	-	665,852	-
Lease liabilities	<u>1,218,438</u>	<u>-</u>	<u>996</u>	<u>1,217,442</u>	<u>-</u>
Totals	<u>\$ 27,279,143</u>	<u>\$ 800,393</u>	<u>\$ 1,225,014</u>	<u>\$ 26,854,522</u>	<u>\$ 62,385</u>

**NOTE 14. PENSION PLAN**

**A. Plan Description**

The PERS is a cost-sharing multiple employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the "Division"). For additional information about PERS, please refer to the Division's Annual Comprehensive Financial Report, which can be found at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

**B. Benefits**

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.



**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 14. PENSION PLAN (continued)**

**B. Benefits (continued)**

The following represents the membership tiers for PERS:

1. Members who were enrolled prior to July 1, 2007
2. Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3. Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4. Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5. Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers one and two before reaching age 60, tiers 3 and 4 before age 62 with 25 years or more of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month a member retires prior to the age at which a member can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**C. Contributions**

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by all active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

The local employers' contribution amounts are based on the actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of the assets.

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

At March 31, 2023, the Authority reported a liability of \$3,551,939, for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2021, and rolled forward to June 30, 2022.

For the year ended March 31, 2023, the Authority recognized pension benefit of \$719,580. At March 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 14. PENSION PLAN (continued)**

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 11,005	\$ 531,866
Changes in Proportion	17,874	571,237
Differences between expected and actual experience	25,636	22,608
Net differences between actual and projected earnings on pension plan investments	<u>147,012</u>	<u>-</u>
Total	<u>\$ 201,527</u>	<u>\$ 1,125,711</u>

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 March 31:	<u>Amount</u>
2024	\$ (360,077)
2025	(257,094)
2026	(175,294)
2027	(131,769)
2028	<u>50</u>
	<u>\$ (924,184)</u>

**E. Actuarial Assumptions**

The collective total pension liability at the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	2.75 - 6.55%
	based on years of service
Investment rate of return	7.00%

Pre-mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
NOTES TO FINANCIAL STATEMENTS (continued)  
MARCH 31, 2023**

**NOTE 14. PENSION PLAN (continued)**

**E. Actuarial Assumptions (continued)**

Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial adjustments used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

**F. Long-Term Expected Rate of Return**

The long-term expected rate of return is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and the Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class, including the PERS's target asset allocation as of June 30, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

**G. Discount Rate**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00 percent) or 1 percentage point higher (8.00 percent) than the current rate.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
NOTES TO FINANCIAL STATEMENTS (continued)  
MARCH 31, 2023**

**NOTE 14. PENSION PLAN (continued)**

**H. Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate (continued)**

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Authority's proportionate share of the net pension liability	\$ <u>4,601,847</u>	\$ <u>3,551,939</u>	\$ <u>2,714,107</u>

**NOTE 15. OTHER POST EMPLOYMENT BENEFITS PLAN**

**A. Plan Description**

The SHBP is a cost-sharing multiple-employer defined benefit OPEB plan administered by the Division. It covers employees of local government employers that have adopted a resolution to participate in the SHBP. For additional information about SHBP, please refer to the Division's Annual Comprehensive Financial Report, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

**B. Benefits**

SHBP provides medical and prescription drug to retirees and their covered dependents of the employers. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of services credit in a State of locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

Pursuant to Chapter 78, P.L., 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**C. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At March 31, 2023, the Authority reported a liability of \$5,167,709, for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and rolled forward to June 30, 2022.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 15. OTHER POST EMPLOYMENT BENEFITS PLAN (continued)**

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

For the year ended March 31, 2023, the Authority recognized an OPEB benefit of \$413,831. At March 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 689,652	\$ 1,763,639
Changes in Proportion	43,655	1,047,475
Differences between expected and actual experience	266,866	957,874
Net differences between projected and actual investment earnings on OPEB plan investments	1,360	-
Contributions paid subsequent to the measurement date	<u>426,963</u>	<u>-</u>
Total	<u>\$ 1,428,496</u>	<u>\$ 3,768,988</u>

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

	<u>Amount</u>
Year ending March 31:	
2024	\$ (637,522)
2025	(638,361)
2026	(639,127)
2027	(456,402)
2028	(76,724)
Thereafter	<u>107,644</u>
	<u>\$ (2,340,492)</u>

**D. Actuarial Assumptions**

The total OPEB liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions:

Salary increases:	
Rate for all future years	2.75 to 6.55% based on years of service

Mortality rates were based on the Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using the MP-2021 scale.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
NOTES TO FINANCIAL STATEMENTS (continued)  
MARCH 31, 2023**

**NOTE 15. OTHER POST EMPLOYMENT BENEFITS PLAN (continued)**

**D. Actuarial Assumptions (continued)**

Certain actuarial assumptions used in the July 1, 2021 valuation were based on the results of the PERS experience studies prepared for July 1, 2018 to June 30, 2021. 100% of active members are considered to participate in the SHBP upon retirement.

**E. Discount Rate**

The discount rate used to measure the total OPEB liability was 3.54% as of June 30, 2022. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**F. Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the Authority's proportionate share of the net OPEB liability calculated using the discount rate of 3.54%, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.54%) or 1 percentage point higher (4.54%) than the current rate.

	1% Decrease <u>(2.54%)</u>	Discount Rate <u>(3.54%)</u>	1% Increase <u>(4.54%)</u>
Authority's proportionate share of the net OPEB liability	\$ <u>5,990,415</u>	\$ <u>5,167,709</u>	\$ <u>4,505,765</u>

**G. Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Trend Rate**

The following presents the Authority's proportionate share of the net OPEB liability calculated using the healthcare trend rate as disclosed above, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Authority's proportionate share of the net OPEB liability	\$ <u>4,383,923</u>	\$ <u>5,167,709</u>	\$ <u>6,171,518</u>

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 16. RESTRICTED NET POSITION**

As of March 31, 2023, restricted net position consisted of the following:

<u>Description</u>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Entity (Memorandum Only)</u>
Housing assistance payments reserves	\$ 461,613	\$ -	\$ 461,613
Reserve and replacement escrows	-	2,244,600	2,244,600
Debt service escrows	-	2,426	2,426
Working capital escrows	-	88,605	88,605
Insurance and tax escrows	-	145,233	145,233
Operating deficit escrows	-	1,877,885	1,877,885
Revenue Bond trustee escrows	-	48,470	48,470
FSS forfeiture funds	639	-	639
Mixed finance loan receivable reserves	<u>2,272,826</u>	<u>-</u>	<u>2,272,826</u>
Total restricted net position	<u>\$ 2,735,078</u>	<u>\$ 4,407,219</u>	<u>\$ 7,142,297</u>

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

The reserve and replacement escrows represent funds that are restricted for repairs and replacements of buildings and equipment.

Debt service escrows represent funds held in reserve for future payments of principal and interest on debt.

Working capital escrows represent funds held in reserve for on-going expenditures related to the RAD conversions.

Insurance and tax escrows represent funds held in reserve for future payments of real estate taxes and property and mortgage insurance.

Operating deficit escrows represent funds that are restricted in the case that projects encounter an operating deficit.

Revenue Bond Trustee reserves are restricted as part of the Multifamily Conduit Revenue Bonds issued by the New Jersey Housing and Mortgage Finance Agency and are to be used to assist in the substantial rehabilitation of a multi-family residential rental project.

FSS forfeiture funds are restricted to be used to support FSS program participants in good standing with transportation, childcare, testing fees, employment preparation costs, other costs related to achieving obligations outlined in the FSS contract of participation and training FSS program coordinators.

Mixed finance loan receivable reserves are restricted for affordable housing purposes upon collection of the loans and the satisfaction of regulatory requirements.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO FINANCIAL STATEMENTS (continued)**  
**MARCH 31, 2023**

**NOTE 17. COMMITMENTS AND CONTINGENCIES**

The Authority has assumed certain financial guarantees on behalf of Dunlap and Hansen. While the guarantees vary by individual companies, they include such things as guarantees related to the loss of tax benefits to investors and certain operating deficit guarantees.

The Authority is also required to guarantee the deficits that result from any reduction in rental subsidy. In the event the rental contract is terminated or not renewed, the Authority will guarantee the deficits that occur prior to re-tenanting the property to stabilized occupancy for the balance of the compliance period.

As of March 31, 2023, the Authority has not incurred any costs related to guarantees.

The Authority 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 the 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 March 31, 2023, the Authority estimates that no material liabilities will result from such audits.

**NOTE 18. 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 December 6, 2023, which is the date the financial statements were available to be issued, and 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  
Housing Authority of the City of Perth Amboy:

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 and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the business type activities (primary government) and the discretely presented component units of the Housing Authority of the City of Perth Amboy (the "Authority") as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's financial statements, and have issued our report thereon dated December 6, 2023. The financial statements of Dunlap RAD, LLC were not audited in accordance with *Government Auditing Standards* and accordingly do not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with that entity.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

*Novogradac & Company LLP*

December 6, 2023  
Toms River, New Jersey

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND  
THE STATE OF NEW JERSEY OMB CIRCULAR 15-08**

To the Board of Commissioners  
Housing Authority of the City of Perth Amboy:

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

We have audited the Housing Authority of the City of Perth Amboy (the "Authority") compliance with the types of compliance requirements described in the OMB Compliance Supplement and the State of New Jersey OMB Circular 15-08 that could have a direct and material effect on each of the Authority's major federal programs for the year ended March 31, 2023. The Authority'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 Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2023.

**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), and the State of New Jersey OMB Circular 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

**Responsibility 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 its federal programs.

**Auditors' Responsibilities for Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit.

## **Auditors' Responsibilities for 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 Authority'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*, the Uniform Guidance, and the State of New Jersey OMB Circular 15-08, we:

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

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for 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.

*Novogradac & Company LLP*

December 6, 2023  
Toms River, New Jersey

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MARCH 31, 2023**

Federal Grantor/Program Title	Federal Assistance Listing Number	State Pass-through Number	Grant Period From / To		Grant Award	Total Fiscal Year Federal Expenditures	Cumulative Expenditures
<u>U.S. Department of Housing and Urban Development</u>							
Housing Voucher Cluster							
Section 8 Housing Choice Voucher	14.871	N/A	4/1/2022	3/31/2023	\$ 17,327,961	\$ 18,532,264	\$ 18,532,264
Emergency Housing Vouchers	14.EHV	N/A	4/1/2022	3/31/2023	<u>619,834</u>	<u>605,535</u>	<u>605,535</u>
Total Housing Voucher Cluster					<u>17,947,795</u>	<u>19,137,799</u>	<u>19,137,799</u>
Public and Indian Housing	14.850	N/A	1/1/2021	9/30/2030	-	96,919	-
Public Housing Capital Fund	14.872	N/A	5/29/2018	2/22/2025	-	93,851	-
Resident Opportunity and Supportive Services - Service Coordinators	14.870	N/A	1/15/2021	12/31/2022	<u>-</u>	<u>192,849</u>	<u>-</u>
Total Direct Awards					<u>17,947,795</u>	<u>19,521,418</u>	<u>19,137,799</u>
Passed Through the City of Perth Amboy: Community Development Block Grant	14.218	D-20-56-880-806	6/1/2021	5/31/2022	<u>15,616</u>	<u>15,616</u>	<u>15,616</u>
Total Expenditures of Federal Awards					<u>\$ 17,963,411</u>	<u>\$ 19,537,034</u>	<u>\$ 19,153,415</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MARCH 31, 2023**

**NOTE 1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Authority under programs of the federal government for the year ended March 31, 2023. 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) and State of New Jersey OMB Circular 15-08. Because the Schedule presents only a selected portion of operations of the Authority, it is not intended to and does not present the net position, changes in net position or cash flows of the Authority. 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 and the State of New Jersey OMB Circular 15-08, 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 Authority has not elected to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)**  
**FOR THE YEAR ENDED MARCH 31, 2023**

**NOTE 4. SCHEDULE OF CAPITAL FUND PROGRAM COSTS AND ADVANCES**

The total amounts of Capital Fund Program Costs and Advances incurred and earned by the Authority as of and for the year ended March 31, 2023 are provided herein.

	<u>501-19</u>	<u>501-20</u>	<u>501-21</u>	<u>501-22</u>	<u>Total</u>
Budget	\$ <u>310,145</u>	\$ <u>332,321</u>	\$ <u>246,651</u>	\$ <u>-</u>	\$ <u>889,117</u>
<u>Advances:</u>					
Cumulative through 3/31/2022	\$ 203,780	\$ 227,473	\$ 19,052	\$ -	\$ 450,305
Current year	<u>106,365</u>	<u>104,848</u>	<u>227,599</u>	<u>60,851</u>	<u>499,663</u>
Cumulative through 3/31/2023	<u>310,145</u>	<u>332,321</u>	<u>246,651</u>	<u>60,851</u>	<u>949,968</u>
<u>Costs:</u>					
Cumulative through 3/31/2022	310,145	299,321	246,651	-	856,117
Current year	<u>-</u>	<u>33,000</u>	<u>-</u>	<u>60,851</u>	<u>93,851</u>
Cumulative through 3/31/2023	<u>310,145</u>	<u>332,321</u>	<u>246,651</u>	<u>60,851</u>	<u>949,968</u>
Excess / (Deficiency)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

As of the report date, December 6, 2023, the Public Housing Capital Fund Grants NJ39P006501-19, NJ39P006501-20, and NJ39P006501-21 with approved fundings of \$310,145, \$332,321, and \$246,651 respectively, have been fully drawn down and expended as per Capital Fund Grant Regulations.



**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED MARCH 31, 2023**

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:  |               |

ALN

Name of Federal Program

Housing Voucher Cluster:  
14.871  
14.EHV

Section 8 Housing Choice Vouchers  
Emergency Housing Vouchers

- |    |  |           |
|----|--|-----------|
| 5. | Dollar threshold used to distinguish between Type A and Type B Programs: | \$750,000 |
| 6. | Auditee qualified as low-risk Auditee?                                   | Yes       |

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)  
FOR THE YEAR ENDED MARCH 31, 2023**

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 Findings and Questioned Costs

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

IV. Summary of Prior Audit Findings

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

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
REQUIRED PENSION INFORMATION  
MARCH 31, 2023**

**SCHEDULE OF AUTHORITY CONTRIBUTIONS FOR THE LAST TEN FISCAL YEARS\*\*\***

	March 31, <u>2015</u>	March 31, <u>2016</u>	March 31, <u>2017</u>	March 31, <u>2018</u>	March 31, <u>2019</u>	March 31, <u>2020</u>	March 31, <u>2021</u>	March 31, <u>2022</u>	March 31, <u>2023</u>
Contractually required contribution	\$ 227,703	\$ 234,166	\$ 243,708	\$ 257,702	\$ 273,343	\$ 270,610	\$ 291,652	\$ 298,381	\$ 296,803
Contributions in relation to the contractually required contribution	<u>227,703</u>	<u>234,166</u>	<u>243,708</u>	<u>257,702</u>	<u>273,343</u>	<u>270,610</u>	<u>291,652</u>	<u>298,381</u>	<u>296,803</u>
(Over) / under funded	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Authority's covered-employee payroll	\$ <u>1,711,276</u>	\$ <u>1,746,039</u>	\$ <u>1,717,481</u>	\$ <u>1,764,809</u>	\$ <u>1,714,759</u>	\$ <u>1,831,365</u>	\$ <u>1,811,873</u>	\$ <u>1,656,406</u>	\$ <u>1,600,531</u>
Contributions as a percentage of covered-employee payroll	<u>13.31 %</u>	<u>13.41 %</u>	<u>14.19 %</u>	<u>14.60 %</u>	<u>15.94 %</u>	<u>14.78 %</u>	<u>16.10 %</u>	<u>18.01 %</u>	<u>18.54 %</u>

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

See Report of Independent Auditors.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
REQUIRED PENSION INFORMATION (continued)  
MARCH 31, 2023**

**SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY FOR THE LAST TEN FISCAL YEARS\*\*\***

	March 31, <u>2015</u>	March 31, <u>2016</u>	March 31, <u>2017</u>	March 31, <u>2018</u>	March 31, <u>2019</u>	March 31, <u>2020</u>	March 31, <u>2021</u>	March 31, <u>2022</u>	March 31, <u>2023</u>
Authority's proportion of the net pension liability	<u>0.0267 %</u>	<u>0.0264 %</u>	<u>0.0274 %</u>	<u>0.0278 %</u>	<u>0.0275 %</u>	<u>0.0278 %</u>	<u>0.0267 %</u>	<u>0.0255 %</u>	<u>0.0235 %</u>
Authority's proportionate share of the net pension liability	<u>\$ 5,005,694</u>	<u>\$ 5,924,255</u>	<u>\$ 8,124,773</u>	<u>\$ 6,475,534</u>	<u>\$ 5,410,789</u>	<u>\$ 5,012,804</u>	<u>\$ 4,347,624</u>	<u>\$ 3,018,292</u>	<u>\$ 3,551,939</u>
Authority's covered-employee payroll	<u>\$ 1,711,276</u>	<u>\$ 1,746,039</u>	<u>\$ 1,717,481</u>	<u>\$ 1,764,809</u>	<u>\$ 1,714,759</u>	<u>\$ 1,831,365</u>	<u>\$ 1,811,873</u>	<u>\$ 1,656,406</u>	<u>\$ 1,600,531</u>
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>292.51 %</u>	<u>339.30 %</u>	<u>473.06 %</u>	<u>366.93 %</u>	<u>315.54 %</u>	<u>273.72 %</u>	<u>239.95 %</u>	<u>182.22 %</u>	<u>221.92 %</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>52.08 %</u>	<u>47.93 %</u>	<u>43.35 %</u>	<u>48.10 %</u>	<u>53.60 %</u>	<u>56.30 %</u>	<u>58.32 %</u>	<u>70.33 %</u>	<u>62.91 %</u>

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See Report of Independent Auditors.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
REQUIRED OTHER POST EMPLOYMENT BENEFITS INFORMATION  
MARCH 31, 2023**

**SCHEDULE OF AUTHORITY CONTRIBUTIONS FOR THE LAST TEN FISCAL YEARS\*\*\***

	March 31, <u>2018</u>	March 31, <u>2019</u>	March 31, <u>2020</u>	March 31, <u>2021</u>	March 31, <u>2022</u>	March 31, <u>2023</u>
Statutorily required contribution	\$ 151,145	\$ 113,867	\$ 252,681	\$ 599,778	\$ 527,489	\$ 561,565
Contributions in relation to the statutorily required contribution	<u>151,145</u>	<u>113,867</u>	<u>252,681</u>	<u>599,778</u>	<u>527,489</u>	<u>561,565</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Authority's covered-employee payroll	<u>\$ 1,764,809</u>	<u>\$ 1,714,759</u>	<u>\$ 1,831,365</u>	<u>\$ 1,811,873</u>	<u>\$ 1,656,406</u>	<u>\$ 1,600,531</u>
Contributions as a percentage of covered-employee payroll	<u>8.56 %</u>	<u>6.64 %</u>	<u>13.80 %</u>	<u>33.10 %</u>	<u>31.85 %</u>	<u>35.09 %</u>

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See Report of Independent Auditors.

**HOUSING AUTHORITY OF THE CITY OF PERTH AMBOY  
REQUIRED OTHER POST EMPLOYMENT BENEFITS INFORMATION (continued)  
MARCH 31, 2023**

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

	March 31, <u>2018</u>	March 31, <u>2019</u>	March 31, <u>2020</u>	March 31, <u>2021</u>	March 31, <u>2022</u>	March 31, <u>2023</u>
Authority's proportion of the net OPEB liability	<u>0.0411 %</u>	<u>0.0386 %</u>	<u>0.0340 %</u>	<u>0.0336 %</u>	<u>0.0332 %</u>	<u>0.0320 %</u>
Authority's proportionate share of the net OPEB liability	<u>\$ 7,783,519</u>	<u>\$ 6,051,075</u>	<u>\$ 4,602,955</u>	<u>\$ 6,028,088</u>	<u>\$ 5,968,727</u>	<u>\$ 5,167,709</u>
Authority's covered-employee payroll	<u>\$ 1,764,809</u>	<u>\$ 1,714,759</u>	<u>\$ 1,831,365</u>	<u>\$ 1,811,873</u>	<u>\$ 1,656,406</u>	<u>\$ 1,600,531</u>
Authority's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	<u>441.04 %</u>	<u>352.88 %</u>	<u>251.34 %</u>	<u>332.70 %</u>	<u>360.34 %</u>	<u>322.87 %</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>1.03 %</u>	<u>1.97 %</u>	<u>1.98 %</u>	<u>0.91 %</u>	<u>0.28 %</u>	<u>(36.46)%</u>

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

See Report of Independent Auditors.

Perth Amboy Housing Authority (NJ006)

Perth Amboy, NJ

Submission Type: Audited/Single Audit

Entity Wide Balance Sheet Summary

Fiscal Year End: 03/31/2023

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	1 Business Activities	14.871 Housing Choice Vouchers
111 Cash - Unrestricted			\$1,507,884	\$4,168,315	\$2,710,899
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted			\$4,407,219	\$1,677	\$899,872
114 Cash - Tenant Security Deposits			\$151,817		
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$0	\$6,066,920	\$4,169,992	\$3,610,771
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects					
124 Accounts Receivable - Other Government				\$4,680	\$17,505
125 Accounts Receivable - Miscellaneous				\$847,874	\$3,722
126 Accounts Receivable - Tenants			\$56,300		
126.1 Allowance for Doubtful Accounts -Tenants			-\$11,089		
126.2 Allowance for Doubtful Accounts - Other				\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery			\$23,512		\$18,785
128.1 Allowance for Doubtful Accounts - Fraud			\$0		-\$18,785
129 Accrued Interest Receivable				\$55,935	
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$68,723	\$908,489	\$21,227
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets			\$406,567	\$271,701	\$29,329
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					\$47,495
145 Assets Held for Sale					
150 Total Current Assets	\$0	\$0	\$6,542,210	\$5,350,182	\$3,708,822
161 Land			\$1,263,443		
162 Buildings			\$28,511,799	\$149,844	
163 Furniture, Equipment & Machinery - Dwellings			\$477,492	\$252,577	
164 Furniture, Equipment & Machinery - Administration					\$61,295
165 Leasehold Improvements				\$55,070	
166 Accumulated Depreciation			-\$5,582,069	-\$208,147	-\$38,435
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$24,670,665	\$249,344	\$22,860
171 Notes, Loans and Mortgages Receivable - Non-Current				\$23,290,233	
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets			\$1,603,185	\$1,217,441	
176 Investments in Joint Ventures				\$1,285,000	
180 Total Non-Current Assets	\$0	\$0	\$26,273,850	\$26,042,018	\$22,860
200 Deferred Outflow of Resources				\$579,373	\$1,050,650
290 Total Assets and Deferred Outflow of Resources	\$0	\$0	\$32,816,060	\$31,971,573	\$4,782,332

Perth Amboy Housing Authority (NJ006)

Perth Amboy, NJ

Submission Type: Audited/Single Audit

Entity Wide Balance Sheet Summary

Fiscal Year End: 03/31/2023

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	1 Business Activities	14.871 Housing Choice Vouchers
311 Bank Overdraft					
312 Accounts Payable <= 90 Days			\$266,384	\$10,905	\$36,361
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable				\$13,977	\$18,963
322 Accrued Compensated Absences - Current Portion				\$119,198	\$125,184
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					\$3,100
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits			\$157,471		
342 Unearned Revenue			\$6,106	\$500	
344 Current Portion of Long-term Debt - Operating Borrowings			\$62,385		
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities			\$665,852		
346 Accrued Liabilities - Other					\$438,197
347 Inter Program - Due To					
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$0	\$1,158,198	\$144,580	\$621,805
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$23,239,679		
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other			\$2,886,606	\$6,187	
354 Accrued Compensated Absences - Non Current				\$232,685	\$236,944
355 Loan Liability - Non Current			\$0		
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities				\$3,148,437	\$5,571,211
350 Total Non-Current Liabilities	\$0	\$0	\$26,126,285	\$3,387,309	\$5,808,155
300 Total Liabilities	\$0	\$0	\$27,284,483	\$3,531,889	\$6,429,960
400 Deferred Inflow of Resources				\$3,885,126	\$3,177,390
508.4 Net Investment in Capital Assets			\$1,368,601	\$249,344	\$22,860
511.4 Restricted Net Position			\$4,407,219	\$2,272,826	\$460,274
512.4 Unrestricted Net Position	\$0	\$0	-\$244,243	\$22,032,388	-\$5,308,152
513 Total Equity - Net Assets / Position	\$0	\$0	\$5,531,577	\$24,554,558	-\$4,825,018
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$0	\$32,816,060	\$31,971,573	\$4,782,332



Perth Amboy Housing Authority (NJ006)

Perth Amboy, NJ

Submission Type: Audited/Single Audit

Entity Wide Balance Sheet Summary

Fiscal Year End: 03/31/2023

	14.870 Resident Opportunity and Supportive Services	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account	ELIM	Total
111 Cash - Unrestricted		\$14,515			\$8,401,613
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted		\$28,983	\$639		\$5,338,390
114 Cash - Tenant Security Deposits					\$151,817
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$43,498	\$639	\$0	\$13,891,820
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects	\$47,495				\$47,495
124 Accounts Receivable - Other Government					\$22,185
125 Accounts Receivable - Miscellaneous					\$851,596
126 Accounts Receivable - Tenants					\$56,300
126.1 Allowance for Doubtful Accounts -Tenants					-\$11,089
126.2 Allowance for Doubtful Accounts - Other	\$0				\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					\$42,297
128.1 Allowance for Doubtful Accounts - Fraud					-\$18,785
129 Accrued Interest Receivable					\$55,935
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$47,495	\$0	\$0	\$0	\$1,045,934
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					\$707,597
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From				-\$47,495	\$0
145 Assets Held for Sale					
150 Total Current Assets	\$47,495	\$43,498	\$639	-\$47,495	\$15,645,351
161 Land					\$1,263,443
162 Buildings					\$28,661,643
163 Furniture, Equipment & Machinery - Dwellings					\$730,069
164 Furniture, Equipment & Machinery - Administration					\$61,295
165 Leasehold Improvements					\$55,070
166 Accumulated Depreciation					-\$5,828,651
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$24,942,869
171 Notes, Loans and Mortgages Receivable - Non-Current					\$23,290,233
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					\$2,820,626
176 Investments in Joint Ventures					\$1,285,000
180 Total Non-Current Assets	\$0	\$0	\$0	\$0	\$52,338,728
200 Deferred Outflow of Resources					\$1,630,023
290 Total Assets and Deferred Outflow of Resources	\$47,495	\$43,498	\$639	-\$47,495	\$69,614,102

Perth Amboy Housing Authority (NJ006)

Perth Amboy, NJ

Submission Type: Audited/Single Audit

Entity Wide Balance Sheet Summary

Fiscal Year End: 03/31/2023

	14.870 Resident Opportunity and Supportive Services	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account	ELIM	Total
311 Bank Overdraft					
312 Accounts Payable <= 90 Days					\$313,650
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					\$32,940
322 Accrued Compensated Absences - Current Portion					\$244,382
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					\$3,100
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					\$157,471
342 Unearned Revenue					\$6,606
344 Current Portion of Long-term Debt - Operating Borrowings					\$62,385
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					\$665,852
346 Accrued Liabilities - Other		\$27,644			\$465,841
347 Inter Program - Due To	\$47,495			-\$47,495	\$0
348 Loan Liability - Current					
310 Total Current Liabilities	\$47,495	\$27,644	\$0	-\$47,495	\$1,952,227
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					\$23,239,679
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					\$2,892,793
354 Accrued Compensated Absences - Non Current					\$469,629
355 Loan Liability - Non Current					\$0
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities					\$8,719,648
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$35,321,749
300 Total Liabilities	\$47,495	\$27,644	\$0	-\$47,495	\$37,273,976
400 Deferred Inflow of Resources					\$7,062,516
508.4 Net Investment in Capital Assets					\$1,640,805
511.4 Restricted Net Position		\$1,339	\$639		\$7,142,297
512.4 Unrestricted Net Position	\$0	\$14,515	\$0		\$16,494,508
513 Total Equity - Net Assets / Position	\$0	\$15,854	\$639	\$0	\$25,277,610
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$47,495	\$43,498	\$639	-\$47,495	\$69,614,102

Perth Amboy Housing Authority (NJ006)

Perth Amboy, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 03/31/2023

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	1 Business Activities	14.871 Housing Choice Vouchers
70300 Net Tenant Rental Revenue			\$4,698,687		
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$4,698,687	\$0	\$0
70600 HUD PHA Operating Grants	\$190,770				\$17,327,961
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					
70800 Other Government Grants		\$15,616			
71100 Investment Income - Unrestricted			\$7,180	\$70,736	\$12,101
71200 Mortgage Interest Income				\$694,572	
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					\$3,256
71500 Other Revenue			\$114,767	\$1,191,662	\$2,491,085
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted			\$5,957		
70000 Total Revenue	\$190,770	\$15,616	\$4,826,591	\$1,956,970	\$19,834,403
91100 Administrative Salaries		\$12,116	\$362,011	\$439,508	\$841,668
91200 Auditing Fees			\$20,400	\$7,700	\$7,700
91300 Management Fee	\$54,766		\$296,178	\$79,127	
91310 Book-keeping Fee					
91400 Advertising and Marketing			\$555	\$1,030	
91500 Employee Benefit contributions - Administrative		\$3,500	\$215,702	\$330,778	\$409,749
91600 Office Expenses			\$108,680	\$247,918	\$137,576
91700 Legal Expense			\$16,300	\$40,881	\$200
91800 Travel			\$2,322	\$13,664	\$3,578
91810 Allocated Overhead					
91900 Other			\$71,428	\$5,580	\$3,864
91000 Total Operating - Administrative	\$54,766	\$15,616	\$1,093,576	\$1,166,186	\$1,404,335
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0
93100 Water			\$281,854		
93200 Electricity			\$366,001	\$9,240	
93300 Gas			\$272,505	\$5,297	
93400 Fuel					
93500 Labor			\$244,853		
93600 Sewer			\$134,239		
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$0	\$0	\$1,299,452	\$14,537	\$0

Perth Amboy Housing Authority (NJ006)

Perth Amboy, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 03/31/2023

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	1 Business Activities	14.871 Housing Choice Vouchers
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and Other			\$161,650		
94300 Ordinary Maintenance and Operations Contracts			\$656,404	\$93,789	
94500 Employee Benefit Contributions - Ordinary Maintenance			\$94,727		
94000 Total Maintenance	\$0	\$0	\$912,781	\$93,789	\$0
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					
96130 Workmen's Compensation					
96140 All Other Insurance			\$418,954	\$64,037	\$41,437
96100 Total insurance Premiums	\$0	\$0	\$418,954	\$64,037	\$41,437
96200 Other General Expenses			\$78,551	\$100,000	\$53,445
96210 Compensated Absences				\$34,074	\$23,533
96300 Payments in Lieu of Taxes			\$107,523		
96400 Bad debt - Tenant Rents			\$2,682		
96500 Bad debt - Mortgages				\$261,854	
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	\$188,756	\$395,928	\$76,978
96710 Interest of Mortgage (or Bonds) Payable			\$579,843		
96720 Interest on Notes Payable (Short and Long Term)			\$23,411		
96730 Amortization of Bond Issue Costs			\$49,039		
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$652,293	\$0	\$0
96900 Total Operating Expenses	\$54,766	\$15,616	\$4,565,812	\$1,734,477	\$1,522,750
97000 Excess of Operating Revenue over Operating Expenses	\$136,004	\$0	\$260,779	\$222,493	\$18,311,653
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					\$15,150,100
97350 HAP Portability-In					\$1,859,414
97400 Depreciation Expense			\$1,216,522	\$40,054	\$10,160
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$54,766	\$15,616	\$5,782,334	\$1,774,531	\$18,542,424

Perth Amboy Housing Authority (NJ006)

Perth Amboy, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 03/31/2023

	Project Total	14,218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	1 Business Activities	14.871 Housing Choice Vouchers
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				\$136,004	
10094 Transfers between Project and Program - Out	-\$136,004				
10100 Total Other financing Sources (Uses)	-\$136,004	\$0	\$0	\$136,004	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	\$0	-\$955,743	\$318,443	\$1,291,979
11020 Required Annual Debt Principal Payments	\$0	\$0	\$59,783	\$0	\$0
11030 Beginning Equity	\$0	\$0	\$6,407,942	\$24,238,061	-\$6,116,997
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors			\$79,378	-\$1,946	\$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					-\$5,285,292
11180 Housing Assistance Payments Equity					\$460,274
11190 Unit Months Available	0		4320		17117
11210 Number of Unit Months Leased	0		4244		16850

Perth Amboy Housing Authority (NJ006)

Perth Amboy, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 03/31/2023

	14.870 Resident Opportunity and Supportive Services	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account	ELIM	Total
70300 Net Tenant Rental Revenue					\$4,698,687
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$4,698,687
70600 HUD PHA Operating Grants	\$192,849	\$619,834			\$18,331,414
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	\$0
70800 Other Government Grants					\$15,616
71100 Investment Income - Unrestricted					\$90,017
71200 Mortgage Interest Income					\$694,572
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					\$3,256
71500 Other Revenue			\$639		\$3,798,153
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					\$5,957
70000 Total Revenue	\$192,849	\$619,834	\$639	\$0	\$27,637,672
91100 Administrative Salaries		\$18,871			\$1,674,174
91200 Auditing Fees					\$35,800
91300 Management Fee					\$430,071
91310 Book-keeping Fee					
91400 Advertising and Marketing					\$1,585
91500 Employee Benefit contributions - Administrative		\$8,813			\$968,542
91600 Office Expenses					\$494,174
91700 Legal Expense					\$57,381
91800 Travel					\$19,564
91810 Allocated Overhead					
91900 Other		\$13,616			\$94,488
91000 Total Operating - Administrative	\$0	\$41,300	\$0	\$0	\$3,775,779
92000 Asset Management Fee					
92100 Tenant Services - Salaries	\$144,292				\$144,292
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services	\$48,557				\$48,557
92400 Tenant Services - Other					
92500 Total Tenant Services	\$192,849	\$0	\$0	\$0	\$192,849
93100 Water					\$281,854
93200 Electricity					\$375,241
93300 Gas					\$277,802
93400 Fuel					
93500 Labor					\$244,853
93600 Sewer					\$134,239
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$0	\$0	\$0	\$0	\$1,313,989

Perth Amboy Housing Authority (NJ006)

Perth Amboy, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 03/31/2023

	14.870 Resident Opportunity and Supportive Services	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account	ELIM	Total
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and Other					\$161,650
94300 Ordinary Maintenance and Operations Contracts					\$750,193
94500 Employee Benefit Contributions - Ordinary Maintenance					\$94,727
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$1,006,570
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					
96130 Workmen's Compensation					
96140 All Other Insurance					\$524,428
96100 Total insurance Premiums	\$0	\$0	\$0	\$0	\$524,428
96200 Other General Expenses					\$231,996
96210 Compensated Absences					\$57,607
96300 Payments in Lieu of Taxes					\$107,523
96400 Bad debt - Tenant Rents					\$2,682
96500 Bad debt - Mortgages					\$261,854
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$0	\$0	\$0	\$661,662
96710 Interest of Mortgage (or Bonds) Payable					\$579,843
96720 Interest on Notes Payable (Short and Long Term)					\$23,411
96730 Amortization of Bond Issue Costs					\$49,039
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$652,293
96900 Total Operating Expenses	\$192,849	\$41,300	\$0	\$0	\$8,127,570
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$578,534	\$639	\$0	\$19,510,102
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments		\$564,235			\$15,714,335
97350 HAP Portability-In					\$1,859,414
97400 Depreciation Expense					\$1,266,736
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$192,849	\$605,535	\$0	\$0	\$26,968,055

Perth Amboy Housing Authority (NJ006)

Perth Amboy, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 03/31/2023

	14.870 Resident Opportunity and Supportive Services	14.EHV Emergency Housing Voucher	14.EFA FSS Escrow Forfeiture Account	ELIM	Total
10010 Operating Transfer In				-\$136,004	-\$136,004
10020 Operating transfer Out				\$136,004	\$136,004
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					\$136,004
10094 Transfers between Project and Program - Out					-\$136,004
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	\$14,299	\$639	\$0	\$669,617
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0		\$59,783
11030 Beginning Equity	\$0	\$1,555	\$0		\$24,530,561
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors					\$77,432
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					-\$5,285,292
11180 Housing Assistance Payments Equity					\$460,274
11190 Unit Months Available		372			21809
11210 Number of Unit Months Leased		363			21457