

JERSEY CITY HOUSING AUTHORITY

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED MARCH 31, 2018

**WITH
REPORT OF INDEPENDENT AUDITORS**

JERSEY CITY HOUSING AUTHORITY
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YEAR ENDED MARCH 31, 2018

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REPORT OF INDEPENDENT AUDITORS

The Board of Commissioners
Jersey City Housing Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of the Jersey City Housing Authority as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise the Jersey City Housing Authority's basic financial statements as listed in the table of contents.

Management's Responsibility 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. This includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the Jersey City Housing Authority as of March 31, 2018, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Correction of Error

As discussed in Note 15 to the financial statements, certain errors that resulted in understatements of amounts previously reported for notes receivable and net position as of and for the year ended March 31, 2017, were discovered by management of the Authority during the current year. Accordingly, amounts reported for notes receivable and net position have been restated in the 2017 financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of pension contributions and schedule of net pension liability 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 financial statements, and other knowledge we obtained during our audit of the 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 Jersey City Housing Authority's financial statements. The schedule of expenditures of federal awards, 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 *State of New Jersey OMB Circular 15-08* is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying financial data schedule is also not a required part of the financial statements and is presented for the purposes of additional analysis as required by the U.S. Department of Housing and Urban Development.

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 September 14, 2018 on our consideration of the Jersey City Housing 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 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 Jersey City Housing Authority's internal control over financial reporting and compliance.

Novogradac & Company LLP

September 14, 2018
Toms River, New Jersey

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

For the Fiscal Year ended March 31, 2018

Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, and (c) identify changes in the Authority's financial position for the fiscal year ended March 31, 2018. Please read it in conjunction with the Authority's financial statements.

Overview of the financial statements

The Authority's financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. The Authority's accounting records are structured as an enterprise fund with revenues recognized when earned, rather than when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and depreciated over their estimated useful lives. The accounting for enterprise funds is similar to the accounting used by businesses. See the notes to the financial statements for a summary of the Authority's significant accounting policies.

Following the MD&A are the basic financial statements of the Authority together with notes, which are essential to a full understanding of the data contained in the financial statements. The Authority's basic financial statements are designed to provide readers with a broad overview of the Authority's finances.

The **Statement of Net Position** presents information similar to a Balance Sheet. The Statement of Net Position reports all financial and capital resources of the Authority. The statement is presented in the format where assets and deferred outflows of resources, minus liabilities and deferred inflows of resources, equals net position. Assets and liabilities are presented in order of liquidity, and are classified as current and non-current.

Net position is reported in three broad categories:

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

Restricted Net Position: This component consists of assets that are constrained by limitations placed on their use by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Position: This component consists of assets that are not restricted and do not meet the definition of Net Investment in Capital Assets or Restricted Net Position.

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

For the Fiscal Year ended March 31, 2018

Overview of the financial statements (continued)

The **Statement of Revenues, Expenditures, and Changes in Net Position** presents information showing how the Authority's net position changed during the year. This statement includes operating revenues, such as rental income, HUD operating grants, operating expenses, such as administrative, tenant services, utilities, maintenance, and depreciation, and non-operating revenue and expenses, such as capital grant revenue, investment income, interest expense, and gains or losses from the sale or disposition of capital assets. The focus of the statement is the change in net position, which is similar to net income or loss for a business entity.

The **Statement of Cash Flows** reports net cash provided by or used by operating activities, non-capital financing activities, capital and related financing activities and investing activities.

The **Notes to Financial Statements** provide additional information that is essential to a full understanding of the information included in the financial statements.

In addition to the basic financial statements and accompanying notes, this report includes two types of supplementary information: required supplementary information and other supplementary information. Required supplementary information must be included to conform to generally accepted accounting principles. Management's Discussion and Analysis and certain pension information is required supplementary information.

Other supplementary information is not required by generally accepted accounting principles but is presented for additional analysis purposes or to meet other requirements. The financial data schedule is required by the U.S. Department of Housing and Urban Development (HUD). The schedule of expenditures of federal awards is required by the Uniform Guidance.

Program information

Public and Indian Housing: The Authority owns and manages 1,847 ACC units and private management companies additional 580 mixed finance ACC units. Under the Low Income Public Housing program, the Authority rents units that it owns, to low-income households. The program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Funding to enable the Authority to provide housing at a rent that is based on 30% of household income. The Conventional Public Housing Program includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties. The Authority also owns and manages 126 non-federal units.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2018**

Program information (continued)

Section 8 Housing Choice Vouchers: HUD has contracted with the Authority for the support for 4,381 Housing Choice Vouchers. Under the Housing Choice Vouchers Program, the Authority administers contracts with landlords that own rental property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contribution Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income.

Financial position and analysis

Table 1 compares the Authority's financial position for the fiscal years ended March 31, 2018 and 2017:

	2018	2017	Increase (Decrease)	Percent Variance
Assets:				
Cash & cash equivalents	\$ 8,121,270	\$ 7,301,435	\$ 819,835	11.23%
Other current assets	4,393,801	6,978,666	(2,584,865)	-37.04%
Capital assets, net	76,577,165	79,586,795	(3,009,630)	-3.78%
Noncurrent assets	76,103,564	70,534,697	5,568,867	7.90%
Total assets	<u>165,195,800</u>	<u>164,401,593</u>	794,207	0.48%
Deferred Outflows of Resources	<u>8,300,758</u>	<u>9,454,492</u>	<u>(1,153,734)</u>	-12.20%
Total assets and deferred outflows of resources	<u>\$ 173,496,558</u>	<u>\$ 173,856,085</u>	<u>\$ (359,527)</u>	-0.21%
Liabilities:				
Current liabilities	4,684,026	6,160,071	(1,476,045)	-23.96%
Noncurrent liabilities	53,194,316	59,990,578	(6,796,262)	-11.33%
Total liabilities	<u>57,878,342</u>	<u>66,150,649</u>	<u>(8,272,307)</u>	-12.51%
Deferred Inflows of Resources	<u>8,332,658</u>	<u>3,152,289</u>	<u>5,180,369</u>	164.34%
Net position:				
Net invested in capital assets	62,222,016	64,088,777	(1,866,761)	-2.91%
Restricted net position	75,834,062	70,261,067	5,572,995	7.93%
Unrestricted net position	<u>(30,770,520)</u>	<u>(29,796,697)</u>	<u>(973,823)</u>	3.27%
Total net position	<u>107,285,558</u>	<u>104,553,147</u>	<u>2,732,411</u>	2.61%
Total liabilities, deferred outflows of resources and net position	<u>\$ 173,496,558</u>	<u>\$ 173,856,085</u>	<u>\$ (359,527)</u>	-0.21%

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2018**

Financial position and analysis (continued)

Cash and Cash Equivalents (excluding restricted cash) increased by \$819,835 or 11.23%. This is primarily due to the Authority reporting an operating profit, excluding depreciation expense, in the amount of \$2,862,410, which was offset by \$3,180,213 of cash used in investing activities.

Other Current Assets decreased by \$2,584,865 or 37.04% primarily due to decreases in amounts due from HUD regarding the reimbursement of grant expenses.

Current Liabilities decreased by \$1,476,045 or 23.96% primarily due to a substantial decrease in accounts payable at year-end.

Non-current liabilities decreased by \$6,796,262 or 11.33% primarily due to a decrease in the Authority's unfunded pension liability.

Deferred Outflows of Resources and Deferred Inflows of Resources were reported as a result of recording the Authority's net pension liability as required by GASB 68.

Table 2 focuses on the changes in net position:

	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	<u>Percent Variance</u>
Operating revenue & expense				
Operating revenue	\$ 75,927,227	\$ 79,931,821	\$ (4,004,594)	-5.01%
Operating expenses	<u>81,122,756</u>	<u>84,881,591</u>	<u>(3,758,835)</u>	-4.43%
Operating loss	(5,195,529)	(4,949,770)	(245,754)	4.96%
Net non-operating revenue (expense)	<u>5,613,959</u>	<u>3,070,464</u>	<u>2,543,495</u>	82.84%
Change in net position	418,430	(1,879,306)	2,297,736	-122.27%
Net position, beginning of year	106,867,128	106,432,453	434,675	0.41%
Prior period adjustment	<u>-</u>	<u>2,313,981</u>	<u>(2,313,981)</u>	-100.00%
Net position, end of year	<u><u>\$ 107,285,558</u></u>	<u><u>\$ 106,867,128</u></u>	<u><u>\$ 418,430</u></u>	.39%

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2018**

Financial position and analysis (continued)

Table 3 presents a summary of the Authority's revenue by source:

	<u>2018</u>	<u>2017</u>	<u>Increase (Decrease)</u>	<u>Percent Variance</u>
Operating revenue				
Tenant revenue	\$10,115,213	\$ 9,841,945	\$ 273,268	2.78%
HUD operating grants	63,076,228	65,100,953	(2,024,725)	-3.11%
Other income	<u>2,735,786</u>	<u>4,988,923</u>	<u>(2,253,137)</u>	-45.16%
Total operating revenue	<u>75,927,227</u>	<u>79,931,821</u>	<u>(4,004,594)</u>	-5.01%
Non-operating revenues				
Investment income	36,225	22,413	13,812	61.62%
Mortgage interest income	2,697,027	2,354,378	342,649	14.55%
Capital grants	<u>3,381,482</u>	<u>3,295,448</u>	<u>86,034</u>	2.61%
Total non-operating revenues	<u>6,114,734</u>	<u>5,672,239</u>	<u>442,495</u>	7.80%
Total revenues	<u><u>\$82,041,961</u></u>	<u><u>\$85,604,060</u></u>	<u><u>\$ (3,562,099)</u></u>	-4.16%

Operating Loss increased \$245,754 or 4.96% primarily due to a decrease in operating revenues.

HUD Operating Grants decreased by \$2,024,725 or 3.11% primarily due to the Authority utilizing \$1,502,847 and \$1,332,333 less in the Public Housing program and Housing Choice Vouchers program subsidy, which was offset by an increase of \$807,017 in State/Local program subsidy.

Capital Grants increased by \$86,034 or 2.61% due to more capital improvement work and corresponding revenue received as compared to last year.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2018**

Financial position and analysis (continued)

Table 4 presents a summary of the Authority's operating expenses:

	2018	2017	Increase (Decrease)	Percent Variance
Administrative	\$ 9,733,626	\$10,429,878	\$ (696,252)	-6.68%
Tenant services	369,661	226,540	143,121	63.18%
Utilities	4,582,666	4,742,881	(160,215)	-3.38%
Maintenance	10,344,708	10,169,555	175,153	1.72%
Protective services	52,630	250,710	(198,080)	-79.01%
Insurance	1,136,692	956,640	180,052	18.82%
General expense	2,811,622	4,285,296	(1,473,674)	-34.39%
Extraordinary maintenance expense	1,043,430	1,659,065	(615,635)	-37.11%
Depreciation expenses	6,172,708	8,894,887	(2,722,179)	-30.60%
Housing assistance payments	44,875,013	43,266,139	1,608,874	3.72%
 Total expenses	 <u>\$81,122,756</u>	 <u>\$84,881,591</u>	 <u>\$ (3,758,835)</u>	 -4.43%

Administrative Expenses decreased by \$696,252 or 6.68% primarily due to decreases in the Authority's net pension cost.

Tenant Services increased by \$143,121 or 63.18% primarily due to an increase in tenant service salaries and benefits.

Utilities Expenses decreased \$160,215 or 3.38% primarily due to the decrease in gas charges.

Maintenance expenses increased by \$175,153 or 1.72% primarily due to increases in maintenance and operating contracts.

Protective Services expenses decreased by \$198,080 or 79.01% primarily due to decreases in contracted costs.

Extraordinary maintenance expense decreased by \$615,635 from \$1,659,065 in FY 2017 to \$1,043,430 in FY 2018. This is primarily due to a reduction of expenses associated with the Public Housing program.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2018**

Financial position and analysis (continued)

Depreciation Expenses decreased by \$2,722,179 or 30.60% primarily due to the Authority placing in service several million dollars of undepreciated construction in progress.

Housing Assistance Payments increased by \$1,608,874 or 3.72% primarily due to the Authority having an increase in regular HAP during fiscal year.

Capital assets

Table 5 summarizes the Authority's capital assets:

	2018	2017	Increase (Decrease)	Percent Variance
Land	\$ 5,056,197	\$ 4,756,550	\$ 299,647	6.30%
Buildings, improvements and equip	201,852,830	190,674,871	11,177,959	5.86%
Construction in progress	7,857,597	16,322,583	(8,464,986)	-51.86%
	<u>214,766,624</u>	<u>211,754,004</u>	3,012,620	1.42%
Less: accumulated depreciation	<u>(138,189,459)</u>	<u>(132,167,209)</u>	<u>(6,022,250)</u>	4.56%
Capital assets, net	<u>\$ 76,577,165</u>	<u>\$ 79,586,795</u>	<u>\$ (3,009,630)</u>	-3.78%

Acquisitions are capitalized at cost and depreciated using the straight-line method of depreciation. The Authority purchased \$3,012,621 of capital assets, primarily through their capital fund program. The Authority also recorded the disposition of capital assets as part of their transfer to certain mixed finance entities.

Additional information and details can be found in Note 7 to the Financial Statements.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2018**

Analysis of Debt Activity

Table 6

The Authority entered into a lease purchase agreement on November 23, 2010 for energy savings equipment expiring in November, 2025. The assets recorded under the capital lease totaled \$8,500,000, and are included in capital assets on the Statements of Net Position. Under terms of the refinanced lease, monthly payments of \$67,951 including interest at 2.2397% are due through November, 2025. The assets are depreciated over the shorter of the lease term or the estimated useful life.

March 31, 2017	\$ 5,647,618
Current year debt paid	<u>839,908</u>
March 31, 2018	<u><u>\$ 4,807,710</u></u>

In December of 2007, the Authority entered into a Capital Fund leveraging pool. The New Jersey Housing and Mortgage Finance Agency issued tax exempt, twenty year Capital Fund Program Revenue Bonds totaling \$18,585,000. The Authority's share amounted to \$10,000,000 and this accrues interest between 4% and 5% and is payable semiannually, with principal on May 1st and November 1st.

March 31, 2017	\$ 6,700,000
Current year debt paid	<u>465,000</u>
March 31, 2018	<u><u>\$ 6,235,000</u></u>

Mortgage loan payable to the New Jersey Housing Mortgage Finance Agency (NJHMFA) in the original amount of \$1,077,250 bearing interest at a rate of 7.75% with monthly principal and interest payments, maturing in September, 2022.

March 31, 2017	\$ 405,410
Current year debt paid	<u>62,022</u>
March 31, 2018	<u><u>\$ 343,388</u></u>

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2018**

Analysis of Debt Activity (continued)

Table 6 (continued)

Mortgage loan payable to the Department of Community Affairs of the State of New Jersey as part of the Balanced Housing Program in the original amount of \$1,073,315 bearing no interest and maturing in September, 2022.

March 31, 2017	\$ 1,073,315
Current year debt paid	<u>-</u>
March 31, 2018	<u><u>\$ 1,073,315</u></u>

Mortgage loan payable to the Department of Community Affairs of the State of New Jersey from the Petroleum Overcharge Reimbursement Fund in the original amount of \$283,860 bearing no interest and maturing in September, 2022.

March 31, 2017	\$ 283,860
Current year debt paid	<u>-</u>
March 31, 2017	<u><u>\$ 283,860</u></u>

Loan payable to the Community Preservation Corporation dated December 29, 2005 in the original amount of \$1,750,000. Principal and interest payments are due monthly at 2.836% maturing in March, 2036.

March 31, 2017	\$ 1,387,815
Current year debt paid	<u>50,939</u>
March 31, 2018	<u><u>\$ 1,336,876</u></u>

The Authority proposed an agreement with the United States Department of Housing and Urban Development for the repayment of \$8,230,428 in phase-down funding overpayments. The Authority is responsible to repay the amount over 30 years in equal annual installments of \$274,348. The repayment agreement is interest free.

March 31, 2017	\$ 8,230,428
Current year borrowing	<u>-</u>
March 31, 2018	<u><u>\$ 8,230,428</u></u>

Additional information and details can be found in Note 9 to the Financial Statements.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2018**

Significant economic factors affecting the Authority are as follows:

- Federal funding of the US Department of Housing and Urban Development (HUD).
- Local Labor supply and demand, which can affect salary and wage rates.
- Local inflationary, recessionary and employment trends which can affect resident incomes and therefore, the amount of rental income.
- Inflationary pressure on utility rates, supplies and other costs.

Request for Information

This financial report is designed to provide a general overview of the Authority's accountability for all those interested. If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

Jersey City Housing Authority
Attn: Samuel Moolayil, Chief Financial Officer
400 U.S. Highway #1 (Marion Gardens)
Jersey City, New Jersey 07306

FINANCIAL STATEMENTS

JERSEY CITY HOUSING AUTHORITY
STATEMENT OF NET POSITION
MARCH 31, 2018

ASSETS

Current assets:	
Cash and cash equivalents	\$ 8,121,270
Tenant security deposits	432,263
Accounts receivable, net	2,309,048
Prepaid expenses and other current assets	884,111
Inventories	<u>768,379</u>
Total current assets	<u>12,515,071</u>
Non-current assets:	
Restricted cash	1,103,018
Notes receivable, long term	75,000,546
Capital assets, net	<u>76,577,165</u>
Total non-current assets	<u>152,680,729</u>
Total assets	<u>165,195,800</u>
DEFERRED OUTFLOWS OF RESOURCES	
State of New Jersey P.E.R.S.	<u>8,300,758</u>
Total assets and deferred outflows of resources	<u>\$ 173,496,558</u>

See accompanying notes to financial statements.

JERSEY CITY HOUSING AUTHORITY
STATEMENT OF NET POSITION (continued)
MARCH 31, 2018

LIABILITIES

Current liabilities:	
Accounts payable	\$ 1,342,111
Accrued expenses	520,870
Accrued compensated absences, current	243,753
Tenant security deposits	432,263
Prepaid tenant rent	171,476
Current portion of capital lease	600,819
Current portion of loans and bonds payable	916,764
Other current liabilities	<u>455,970</u>
Total current liabilities	<u>4,684,026</u>
Non-current liabilities:	
Accrued compensated absences, net of current portion	2,193,776
Capital lease, net of current portion	4,206,891
Loans and bonds payable, net of current portion	16,586,103
Net pension liability	29,938,044
Non-current liabilities - other	<u>269,502</u>
Total non-current liabilities	<u>53,194,316</u>
Total liabilities	<u>57,878,342</u>

DEFERRED INFLOWS OF RESOURCES

State of New Jersey P.E.R.S.	<u>8,332,658</u>
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NET POSITION

Net position:	
Net investment in capital assets	62,222,016
Restricted	75,834,062
Unrestricted (deficit)	<u>(30,770,520)</u>
Total net position	<u>107,285,558</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 173,496,558</u>

**JERSEY CITY HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEAR ENDED MARCH 31, 2018**

Operating revenues:	
Tenant revenue	\$ 10,115,213
HUD operating grants	63,076,228
Other revenues	<u>2,735,786</u>
Total operating revenues	<u>75,927,227</u>
Operating expenses:	
Administrative	9,733,626
Tenant services	369,661
Utilities	4,582,666
Ordinary maintenance and operations	10,344,708
Protective services	52,630
Insurance	1,136,692
General	2,811,622
Extraordinary maintenance	1,043,430
Housing assistance payments	44,875,013
Depreciation	<u>6,172,708</u>
Total operating expenses	<u>81,122,756</u>
Operating loss	<u>(5,195,529)</u>
Non-operating revenues (expenses):	
Investment income	36,225
Mortgage interest income	2,697,027
Interest expense	<u>(500,775)</u>
Net non-operating revenue	<u>2,232,477</u>
Loss before capital grants	(2,963,052)
Capital grants	<u>3,381,482</u>
Change in net position	418,430
Net position, beginning of year	<u>106,867,128</u>
Net position, end of year	<u>\$ 107,285,558</u>

See accompanying notes to financial statements.

JERSEY CITY HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2018

Cash Flows from Operating Activities:	
Cash received from grantors	\$ 66,038,864
Cash received from tenants and others	12,961,665
Cash paid to employees	(9,642,396)
Cash paid to suppliers and vendors	<u>(66,055,885)</u>
Net cash provided by operating activities	<u>3,302,248</u>
Cash Flows from Capital and Related Financing Activities:	
Interest paid	(500,775)
Purchases of capital assets	(3,381,482)
Capital grants received	3,381,482
Principal payments on loans payable	<u>(1,417,869)</u>
Net cash used in capital and related financing activities	<u>(1,918,644)</u>
Cash Flows from Investing Activities:	
Issuance of notes receivable	(594,655)
Collection of notes receivable	75,244
Investment income	<u>36,225</u>
Net cash used in investing activities	<u>(483,186)</u>
Net increase in cash and cash equivalents	900,418
Cash and cash equivalents, beginning of year	<u>8,756,133</u>
Cash and cash equivalents, end of year	<u>\$ 9,656,551</u>

A reconciliation of cash and cash equivalents to the Statement of Net Position is as follows:

Cash and cash equivalents	\$ 8,121,270
Tenant security deposits	432,263
Restricted cash and cash equivalents	<u>1,103,018</u>
	<u>\$ 9,656,551</u>

See accompanying notes to financial statements.

JERSEY CITY HOUSING AUTHORITY
STATEMENT OF CASH FLOWS (continued)
YEAR ENDED MARCH 31, 2018

Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (5,195,529)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	6,172,708
Los on disposition of capital assets	218,403
Bad debt expense - tennat rents	149,430
Changes in assets, deferred outflows, liabilities and deferred inflows:	
Accounts receivable - HUD	2,962,636
Accounts receivable - tenants	(127,412)
Accounts receivable - misc	(14,778)
Prepaid expenses	(75,431)
Inventory	(286,467)
Deferred outflows of resources	1,153,734
Accounts payable	(1,278,790)
Deferred inflows of resources	5,180,369
Net pension liability	(5,891,460)
Accrued expenses	(120,683)
Accrued compensated absences	625,543
Tenant security deposits	23,113
Unearned revenue	80,313
Other current liabilities	(269,323)
Other liabilities	<u>(4,128)</u>
Net cash provided by operating activities	<u>\$ 3,302,248</u>

See accompanying notes to financial statements.

**JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Jersey City Housing Authority (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 Jersey City (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 Authority is governed by a board of commissioners which 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. Financial Statement Presentation / Basis of Accounting

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 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 Supplemental 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.

On January 30, 2008, HUD issued *PIH Notice 2008-9*, which requires that 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 as unrestricted.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Both administrative fee and HAP revenues 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 Voucher 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.

The Authority adopted GASB 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"). GASB 68 established standards for measuring and recognizing assets, liabilities, deferred outflows of resources, deferred inflows of resources, and expenditures associated with pension plans of State and Local Governments. For defined benefit pensions, GASB 68 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actual present value, and attribute that present value to periods of employee service. In addition, GASB 68 details the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions.

C. Reporting Entity

In accordance with GASB 61, *The Financial Reporting Entity Omnibus - An Amendment of GASB 14 and 32*, 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.

Based on the application of the above criteria, this report includes all programs and activities operated by the Authority. There were no additional entities required to be included in the reporting entity under these criteria in the current fiscal year. Furthermore, the Authority is not included in any other reporting entity on the basis of such criteria.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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:

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.

Section 8 Housing Choice Vouchers

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

Public Housing Capital Fund Program

The purpose of the 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.

Resident Opportunity and Supportive Services Program

The purpose of the Resident Opportunities and Supportive Services (ROSS) program is to provide funds for job training and supportive services to help residents of public housing transition from welfare to work. ROSS also provides funding to link elderly/disabled residents to critical services which can help them continue to live independently.

Revitalization of Severely Distressed Public Housing ("Hope VI") Program

The purpose of the HOPE VI Program is to foster initiative and comprehensive approaches to the problems of severely distressed public housing developments and their residents, including new ways for public housing authorities and HUD to work together, in collaboration with residents. Funding for this program is provided by HUD. However, grantees are encouraged to leverage grant funds with other private or governmental funds to create additional affordable housing.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Description of Programs (continued)

Choice Neighborhoods Planning Grants

Choice Neighborhoods Planning Grants support the development of comprehensive neighborhood transformation plans. The transformation plan should integrate effective strategies to implement public and/or assisted housing revitalization, the coordination and design of supportive services, including educational opportunities for children, and neighborhood-level planning to improve a range of neighborhood assets.

Continuum of Care Program ("COC")

The COC program is designed to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and state and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

Section 8 Moderate Rehabilitation Single Room Occupancy ("SRO")

Under the SRO program, HUD enters into annual contribution contracts with PHA's in connection with the moderate rehabilitation of residential properties. PHA's make Section 8 rental assistance payments to participating landlords on behalf of homeless individuals who rent the rehabilitated dwellings. HUD provides rental assistance for a period up to ten (10) years. Owners are compensated for the cost of rehabilitation as well as the other costs of maintaining the property, through rental assistance payments.

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 and liabilities, 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 other liabilities, depreciable lives of properties and equipment, and contingencies. Actual results could differ significantly from these estimates.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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. 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.

For the statement of cash flows, cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less at time of purchase.

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

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. Also included in accounts receivable are those amounts that tenants owe the Authority as payment for committing fraud or misrepresentation. These charges usually consist of retroactive rent and other amounts that may be determined by a formal written agreement or by a court order. An allowance for doubtful accounts is established to provide for all accounts, which may not be collected in the future for any reason. The Authority recognizes a receivable from HUD and other governmental agencies for amounts 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.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Prepaid Expenses

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

J. Inventory

Inventories are valued at cost using the First in First out (FIFO) method. If inventory falls below cost due to damage, deterioration, or obsolescence, the Authority establishes an allowance for obsolete inventory. The Authority uses the consumption method for expense recognition and relies upon its periodic (annual) inventory for financial reporting purposes.

K. Capital Assets

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. Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

• Buildings	27.5 - 40 Years
• Building and Land Improvements	15 Years
• Infrastructure	15 Years
• Furniture and Equipment	3 - 7 Years

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

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. Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation and sick leave computed in accordance with GASB Standards. A liability for compensated absences that is attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the Authority and its employees are accounted for in the period in which such services are rendered or in which such events take place.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Prepaid Tenant Rent

Prepaid tenant rent consist of rent payments made by tenants that apply to future periods.

O. 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. 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.

P. Taxes

The Authority is a unit of local government under New Jersey law and is exempt from real estate, sales and income taxes.

Q. Deferred Outflows / Inflows of Resources

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

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

R. 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 State of New Jersey, 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.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S. Equity Classifications

Equity is classified as net position and 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."

T. Economic Dependency

The Section 8 Housing Choice Vouchers and Low Rent Public Housing Programs of the Authority are economically dependent on operating grants and subsidies from HUD. The programs operate at a loss prior to receiving grants and subsidies.

U. Budgets and Budgetary Accounting

The Authority adopts annual, appropriated operating budgets for all its programs receiving federal expenditure awards. All budgets are prepared on a HUD basis, which differs with GAAP. All appropriations lapse at HUD's program year end or at the end of grant periods.

The Authority also submits its annual entity-wide operating and capital budget to the State of New Jersey Department of Consumer Affairs in accordance with New Jersey State Law.

NOTE 2. CASH AND CASH EQUIVALENTS

At March 31, 2018, the Authority had funds on deposit in checking accounts.

All bank deposits as of the net position date are entirely insured or collateralized by a collateral pool maintained by public depositories as required by New Jersey law.

As of March 31, 2018, the carrying amount of the Authority's cash (including restricted cash) was \$9,656,551 and the bank balances were \$9,960,240, respectively.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 2. CASH AND CASH EQUIVALENTS (continued)

Of the bank balances, \$1,350,000 was covered by federal depository insurance and the remaining \$8,610,240 was collateralized with the pledging financial institutions as of March 31, 2018.

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, 2018, the Authority's bank balances were not exposed to custodial credit risk.

NOTE 3. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following at March 31, 2018:

<u>Description</u>	<u>Amount</u>
Accounts receivable - HUD	\$ 2,001,796
Accounts receivable - tenants, net	59,222
Accounts receivable - other government	105,759
Accounts receivable - miscellaneous	<u>142,271</u>
Total accounts receivable, net	<u>\$ 2,309,048</u>

Accounts receivable - HUD

Accounts receivable - HUD represents amounts due to the Authority for amounts expended under grant agreements that have not yet been reimbursed. At March 31, 2018, accounts receivable - HUD consisted of reimbursable expenses within the following grants:

<u>Program</u>	<u>Amount</u>
Public Housing Capital Fund Program	\$ 1,071,347
Resident Opportunity and Supportive Services	142,698
Mainstream Vouchers	76,661
Continuum of Care	55,202
Section 8 Housing Choice Voucher Program	<u>655,888</u>
	<u>\$ 2,001,796</u>

Accounts receivable - tenants

Accounts receivable - tenants represents amounts due for tenant rents and at March 31, 2018 are shown net of an allowance for doubtful accounts of \$217,690.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 3. ACCOUNTS RECEIVABLE, NET (continued)

Accounts receivable - other government

Accounts receivable - other government consists of amounts that are due from an Affordable Housing Trust Fund Grant that was awarded by the City.

Accounts receivable - miscellaneous

Accounts receivable - miscellaneous consists of amounts owed to the Authority from the County of Hudson and Hope VI fees owed from tax credit properties.

NOTE 4. INVENTORY

Inventory consists of materials and supplies and fuel which is valued at its lower of cost or market using the first-in first-out method.

NOTE 5. NOTES RECEIVABLE

The Authority has utilized Hope VI and other development funds in accordance with HUD guidelines to assist the construction of numerous public housing developments through the issuance of mortgage loans. Outstanding notes receivable as of March 31, 2018 consisted of the following:

	<u>Description</u>	<u>Amount</u>
<p>The Authority issued a second mortgage loan receivable from A. Harry Moore Phase I Associates, LLC in the original amount of \$2,961,966. Interest accrues at 6% annually whereby principal and interest are due in 40 years (2046). The mortgage is secured by the rental property. Amounts owed under the mortgage at March 31, 2018 include \$2,139,281 of accrued interest.</p>		\$ 5,101,247
<p>The Authority issued 3rd, 4th and 5th mortgage loans to A. Harry Moore Phase II Associates, L.L.C in the original amount of \$4,392,202. The 3rd and 4th mortgage loans accrue interest at 6.25% annually. The 5th mortgage loan is interest free. Principal and interest on the mortgages are due in forty years (2046 - 2048) The mortgages are secured by the rental property. Amounts owed under the mortgages at March 31, 2018 include \$2,926,333 of accrued interest.</p>		7,318,535
<p>The Authority has a second mortgage loan receivable from Lafayette Family Phase III Urban Renewal Associates, L.P. in the original amount of \$6,603,606. Interest accrues at 4.387% annually whereby amounts are paid from project cash flow. Principal and interest are due on December 31, 2049. The mortgage is secured by the rental property. Amounts owed under the mortgage at March 31, 2018 include \$2,839,817 of accrued interest.</p>		9,443,423

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 5 **NOTES RECEIVABLE (continued)**

<u>Description</u>	<u>Amount</u>
<p>The Authority issued a loan to Lafayette Community Limited Partnership in the original amount of \$10,146,093. The loan bore interest at an annual rate of 7% until September 1, 2002 and thereafter bears no interest. The loan matures on September 6, 2057 and is secured by the rental property. Amounts owed under the mortgage at March 31, 2018 include \$138,735 of accrued interest.</p>	10,284,828
<p>The Authority issued a second mortgage loan receivable from Lafayette Family Phase II Urban Renewal Associates, L.P. in the original amount of \$5,001,149. Interest accrues at 4.83% annually whereby amounts are paid from project cash flow. Principal and interest are due in April, 2047. The mortgage is secured by the rental property. Amounts owed under the mortgage at March 31, 2018 include \$4,033,509 of accrued interest.</p>	9,034,658
<p>The Authority issued 2nd, 3rd, 4th and 5th mortgage loans to Dwight Street Urban Renewal Associates, L.P. in the original amount of \$4,162,337. The 2nd and 3rd mortgage loans accrue interest at 4.5% per annum and are due in February, 2049. The 4th and 5th mortgage loans are non-interest bearing and are due in July, 2050. The mortgages are secured by rental property. Amounts owed under the mortgages at March 31, 2018 include \$1,638,578 of accrued interest.</p>	5,800,915
<p>The Authority issued 3rd, 4th, 5th and 6th mortgage loans to Lafayette Senior Living Center, L.P. in the original amount of \$1,409,681. The 4th and 5th mortgage loans accrue interest at 4.68% annually. The 3rd and 6th mortgage loans are interest free. Principal and interest on the mortgages are due on May 30, 2048. The mortgages are secured by the rental property. Amounts owed under the mortgages at March 31, 2018 include \$231,466 of accrued interest.</p>	1,641,147
<p>The Authority issued three loans to Lafayette Family Urban Renewal Associates, L.P. in the original amount of \$6,099,341. The loans accrue interest at rates of 0%, 1% and 5.02% annually and are payable out of available cash flow. The loans matures at various periods between 2047 and 2052 and are secured by the rental property. Amounts owed under the mortgages at March 31, 2018 include \$4,270,429 of accrued interest.</p>	10,369,770
<p>The Authority has a mortgage loan receivable in the amount of \$3,500,000 from AHM Housing Urban Renewal Associates, LLC. Interest accrued at 5.715% through completion of the project and is interest free subsequent to the completion date. Principal and interest are due on October 28, 2060. The mortgage is secured by the underlying property.</p>	3,424,756

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 5 **NOTES RECEIVABLE (continued)**

<u>Description</u>	<u>Amount</u>
The Authority made a \$400,000 HOME loan to AHM Housing Urban Renewal Associates LLC. The loan bears no interest and payments are only due from available cash flow. The outstanding loan matures on October 28, 2060.	400,000
HOPE VI mortgage loan receivable from Glennview Townhouses Urban Renewal Associates, LP. in the original amount of \$5,000,000 with a current balance of \$4,953,333. Interest accrues at 4.5% and the loan matures January 1, 2051. Amounts owed under the mortgage at March 31, 2018 include \$1,773,964 of accrued interest.	6,727,297
Mortgage loan receivable from Glennview Townhouses II Urban Renewal Associates, LP in the original amount of \$1,541,099. The loan bears interest at 1%, compounded annually and matures December 1, 2064. Amounts owed under the mortgage at March 31, 2018 include \$28,359 of accrued interest.	1,585,265
The Authority has two mortgage loans receivable from Montgomery Senior Living Center Urban Renewal Associates, LP in the original amounts of \$400,000 and \$176,350, respectively. Interest accrues at 1% per annum and the loans mature on October 1, 2064. Amounts owed under the mortgage at March 31, 2018 include \$19,922 of accrued interest.	1,702,497
The Authority has two mortgage loans receivable from AHM Housing Urban Renewal Associates IV, LLC in the original amounts of \$33,986 and \$325,000, respectively. Interest accrues at 1% per annum and the loans mature on December 1, 2064. Amounts owed under the mortgage at March 31, 2018 include \$3,597 of accrued interest.	366,208
The Authority has committed a mortgage loan from the Jersey City Affordable Housing Trust Fund to Montgomery - Phase I construction in the amount of \$2,000,000 with no interest accrued.	<u>1,800,000</u>
Total notes receivable	<u>\$ 75,000,546</u>

The current portion on notes receivable is expected to be \$-0-.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 6. RESTRICTED CASH

Restricted cash consists of the following at March 31, 2018:

<u>Cash Category</u>	<u>Amount</u>
State Leveraging Fund	\$ 8,518
Tenant security deposits	432,263
Family Self Sufficiency ("FSS") Program escrows	269,502
Bergen Avenue project reserves	519,457
Arlington Gardens project reserves	<u>305,541</u>
	<u>\$ 1,535,281</u>

State leveraging funds are held in trust at Wells Fargo Bank as a reserve for debt service .

Tenant security deposits represent amounts held by the Authority on behalf of tenants participating in the Public and Indian Housing Program.

FSS program escrows are restricted for use by FSS program participants within the Housing Choice Voucher Program.

Bergen Avenue project reserves are controlled by the New Jersey Housing Mortgage Finance Agency for certain capital and other project expenditures within 254 Bergen Avenue.

Arlington Gardens project reserves are held in a separate bank account for certain capital and other project expenditures.

NOTE 7. CAPITAL ASSETS, NET

A summary of the changes in capital assets during the year ended March 31, 2018 was as follows:

	<u>Balances at March 31, 2017</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Transfers</u>	<u>Balances at March 31, 2018</u>
<u>Non-depreciable capital assets:</u>					
Land	\$ 4,756,550	\$ 299,647	\$ -	\$ -	\$ 5,056,197
Construction in progress	16,322,583	912,262	-	(9,377,248)	7,857,597
Total	<u>21,079,133</u>	<u>1,211,909</u>	<u>-</u>	<u>(9,377,248)</u>	<u>12,913,794</u>
<u>Depreciable capital assets:</u>					
Buildings	189,697,834	804,842	-	9,377,248	199,879,924
Dwelling equipment	977,036	1,364,731	(368,861)	-	1,972,906
Total	<u>190,674,870</u>	<u>2,169,573</u>	<u>(368,861)</u>	<u>9,377,248</u>	<u>201,852,830</u>
Total capital assets	211,754,003	3,381,482	(368,861)	-	214,766,624
Less accumulated depreciation for:					
Buildings	(131,281,027)	(5,976,662)	-	-	(137,257,689)
Dwelling equipment	(886,182)	(196,046)	150,458	-	(931,770)
Total accumulated depreciation	<u>(132,167,209)</u>	<u>(6,172,708)</u>	<u>150,458</u>	<u>-</u>	<u>(138,189,459)</u>
Net capital assets	<u>\$ 79,586,794</u>	<u>\$ (2,791,226)</u>	<u>\$ (218,403)</u>	<u>\$ -</u>	<u>\$ 76,577,165</u>

Depreciation expense for the fiscal year ended March 31, 2018 amounted to \$6,172,708.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 8. ACCOUNTS PAYABLE

As of March 31, 2018, the Authority has a total accounts payable balance of \$1,342,111, which consisted of the following:

<u>Description</u>	<u>Amount</u>
Accounts payable - operations	\$ 1,328,934
Accounts payable - HUD	<u>13,177</u>
	<u>\$ 1,342,111</u>

NOTE 9. NON-CURRENT LIABILITIES

BONDS AND LOANS

<u>Description</u>	<u>Amount</u>
<p>During 2007, the Authority entered into a Capital Fund leveraging pool. The New Jersey Housing and Mortgage Finance Agency ("NJHMFA") issued tax exempt, twenty year Capital Fund Program Revenue Bonds totaling \$18,585,000. The Authority's share of funds from the bond issue pool amounted to \$10,000,000. Interest accrues at rates between 4% and 5% and is payable semi-annually on May 1st and November 1st. Repayment of the funds is paid solely from Capital Fund allocations received by the Authority from the Department of Housing and Urban Development. The bonds are secured by future capital fund grant allocations and mature in November, 2027.</p>	\$ 6,235,000
<p>Mortgage loan payable to NJHMFA in connection with the development of 254 Bergen Ave. The loan with the original amount of \$1,077,250 carries an annual interest rate of 7.75%, requires monthly principal and interest payments of \$7,787, matures in September, 2022 and is secured by a first mortgage on the rental property.</p>	343,388
<p>Mortgage loan payable to the Department of Community Affairs of the State of New Jersey as part of the Balanced Housing Program in the original amount of \$1,073,315. The loan is interest free, matures in September, 2022 and is secured by a second mortgage on the property at 254 Bergen Avenue.</p>	1,073,315
<p>Mortgage loan payable to the Department of Community Affairs of the State of New Jersey from the Petroleum Overcharge Reimbursement Fund in the original amount of \$283,860. The loan is interest free, matures in September, 2022 and is secured by a third mortgage on the property at 254 Bergen Avenue.</p>	283,860

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 9. NON-CURRENT LIABILITIES (continued)

BONDS AND LOANS (continued)

<u>Description</u>	<u>Amount</u>
Loan payable to the Community Preservation Corporation dated December 29, 2005 in the original amount of \$1,750,000 for the acquisition of the Arlington Gardens property. Principal and interest payments are due monthly in the amount of \$8,607 including interest at 2.836%. The loan matures in March, 2036 and is secured by the property located at 301-305 Randolph Ave.	1,336,876
The Authority has an agreement with the United States Department of Housing and Urban Development for the repayment of \$8,230,428 in phase-down funding overpayments. The Authority is responsible to repay the amount over 30 years in equal annual installments of \$275,000. The repayment agreement is interest free and matures in 2047.	<u>8,230,428</u>
Total bonds and loans payable	17,502,867
Less: current portion	<u>916,764</u>
Bonds and loans payable, excluding current portion	<u>\$ 16,586,103</u>

CAPITAL LEASE

<u>Description</u>	<u>Amount</u>
The Authority entered into a lease purchase agreement on November 23, 2010 for energy savings equipment expiring in November, 2025. The assets recorded under the capital lease totaled \$8,500,000, and are included in capital assets on the Statement of Net Position. Under terms of the capital lease, monthly payments of \$58,831 including interest at 2.2397% are due through November, 2025. The assets are depreciated over the shorter of the lease term or the estimated useful life.	\$ 4,807,710
Less: current portion	<u>600,819</u>
Capital lease, excluding current portion	<u>\$ 4,206,891</u>

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 9. NON-CURRENT LIABILITIES (continued)

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,517,583	\$ 480,403	\$ 1,997,986
2020	1,827,528	434,437	2,261,965
2021	1,874,159	386,431	2,260,590
2022	1,926,621	336,219	2,262,840
2023	1,933,237	287,076	2,220,313
2024-2028	7,067,324	682,160	7,749,484
2029-2033	1,794,651	96,782	1,891,433
2034-2038	1,659,581	16,671	1,676,252
2039-2043	1,375,000	-	1,375,000
2044-2048	<u>1,334,893</u>	<u>-</u>	<u>1,334,893</u>
	<u>\$ 22,310,577</u>	<u>\$ 2,720,179</u>	<u>\$ 25,030,756</u>

OTHER LIABILITIES

<u>Description</u>	<u>Amount</u>
FSS Escrows	\$ 269,502
Utility accruals	329,300
Other miscellaneous liabilities	<u>126,670</u>
Total	725,472
Due within one year	<u>455,970</u>
Non-current portion	<u>\$ 269,502</u>

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 9. NON-CURRENT LIABILITIES (continued)

Long-term debt activity for the year ended March 31, 2018 consisted of the following:

Description	March 31, 2017	Increases	Decreases	March 31, 2018	Amounts due within one year
Bonds and loans	\$ 18,080,828	\$ -	\$ (577,961)	\$ 17,502,867	\$ 916,764
Capital lease	5,647,618	-	(839,908)	4,807,710	600,819
Compensated absences	1,811,986	1,347,141	(721,608)	2,437,519	243,753
Net pension liability	35,829,504	-	(5,891,460)	29,938,044	-
Other liabilities	<u>998,922</u>	<u>-</u>	<u>(273,450)</u>	<u>725,472</u>	<u>455,970</u>
	<u>\$ 62,368,858</u>	<u>\$ 1,347,141</u>	<u>\$ (8,304,387)</u>	<u>\$ 55,411,612</u>	<u>\$ 2,217,306</u>

NOTE 10. PENSION PLAN

A. Plan Description

The State of New Jersey Public Employees' Retirement System ("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 Comprehensive Annual Financial Report ("CAFR"), which can be found at www.nj.gov/treasury/pensions/financial-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, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS. 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 1/55th 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 1/60th 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 1 and 2 before reaching age 60, tiers 3 and 4 before age 62 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more 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 full early retirement benefits in accordance with their respective tier. Tier 1 members 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.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 10. PENSION PLAN (continued)

C. Contributions

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by 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.

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, 2018, the Authority reported a liability of \$29,938,044 for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2016, and rolled forward to June 30, 2017.

For the year ended March 31, 2018, the Authority recognized pension expense of \$1,639,846. At March 31, 2018, 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	\$ 6,031,484	\$ 6,009,371
Changes in Proportion	1,360,478	2,323,287
Differences between expected and actual experience	704,938	-
Net differences between actual and projected earnings on pension plan investments	<u>203,858</u>	<u>-</u>
Total	<u>\$ 8,300,758</u>	<u>\$ 8,332,658</u>

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 10. PENSION PLAN (continued)

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

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>
2019	\$	(24,151)
2020		(36,444)
2021		(22,083)
2022		29,371
2023		<u>21,407</u>
	\$	<u>(31,900)</u>

E. Actuarial Assumptions

The collective total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following assumptions:

Inflation Rate	2.25%
Salary increases:	
Through 2026	1.65 - 4.15%, based on age
Thereafter	2.65 - 5.15%, based on age
Investment rate of return	7.00%

Preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 10. PENSION PLAN (continued)

F. Long-term Expected Rate of Return

The long-term expected rate of return on plan investments 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 rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real asset	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. equity	30.00%	8.19%
Non-U.S. developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

G. Discount Rate

The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.58% as of June 30, 2017 based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 10. PENSION PLAN (continued)

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 5.00 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 (4.00 percent) or 1 percentage point higher (6.00 percent) than the current rate.

	1% Decrease <u>(4.00%)</u>	Discount Rate <u>(5.00%)</u>	1% Increase <u>(6.00%)</u>
Authority's proportionate share of the net pension liability	\$ <u>37,140,175</u>	\$ <u>29,938,044</u>	\$ <u>23,937,775</u>

NOTE 11. POST-RETIREMENT BENEFITS

The Authority participates in the New Jersey State Health Benefits Program ("the SHBP"), which qualifies as a cost-sharing, multiple-employer plan in accordance with GASB 45 *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*. The SHBP is administered by the State of New Jersey, Department of Treasury, Division of Pension and Benefits.

Under the SHBP, retirees may continue the health benefits programs in which they are enrolled at the time of retirement, provided the retiree pays the costs of the benefits (at group rates) for themselves and their eligible dependents.

A retiree may also receive Authority-paid health benefits in accordance with labor agreements if they have twenty-five (25) or more years enrolled in the pension system.

Contribution Requirements – SHBP

Contributions to pay for the health premiums of participating employees in the SHBP – Local are collected from the State of New Jersey, participating local employers, active members, and retired members. Local employer payments and active and retired member contributions are generally received on a monthly basis.

Local group employees are not affected by the premium sharing provisions of Chapter 8, P.L. 1996. Chapter 2, P.L. 2010, effective May 21, 2010, requires a minimum contribution of 1.5% of base salary toward the cost of health care benefits coverage by all active public employees. Employees of the State, local governments, and boards of education who become a member of a State or locally-administered retirement system on or after the law's effective date would be required to pay in retirement 1.5% of their pension benefit toward the cost of health care coverage under the SHBP.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 11. POST-RETIREMENT BENEFITS (continued)

Contribution Requirements – SHBP (continued)

Chapter 78, P.L. 2011, effective June 28, 2011, established new employee contribution requirements towards the cost of employer provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee’s annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78’s effective date with a minimum contribution required to be at least 1.5% of salary. For those employed on or after June 28, 2011, the 4-year phase-in does not apply and contributions based on the full percentage rate of contribution are required. Under Chapter 78, certain future retirees eligible for employer-paid health care coverage at retirement will also be required to pay a percentage of the cost of their medical coverage determined on the basis of their annual retirement benefit.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the SHBP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

The SHBP is established under the authority of N.J.S.A. 52:14-17.25 et seq. and regulations adopted by the State Health Benefits Commission. The required contribution rate is determined on an annual pay as you go basis. The following were the required contributions to the SHBP:

<u>Year</u>	<u>Amount</u>
2018	\$ <u>4,628,932</u>
2017	\$ <u>4,577,899</u>
2016	\$ <u>4,341,583</u>

NOTE 12. RESTRICTED NET POSITION

At March 31, 2018, restricted net position consisted of the following:

<u>Description</u>	<u>Amount</u>
State Debt Leveraging Fund	\$ 8,518
HOPE VI notes receivable and related accrued interest	75,000,546
Bergen Avenue project reserves	519,457
Arlington Gardens project reserves	<u>305,541</u>
	<u>\$ 75,834,062</u>

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 12. RESTRICTED NET POSITION (continued)

State debt leveraging funds represent amount held in escrow in accordance with the New Jersey Housing and Mortgage Finance Agency Revenue Bond Capital Fund Program 2007 Series A bond indenture.

Hope VI loan reserves and the related accrued interest are restricted for public housing development upon collection of the loan and related accrued interest.

Bergen Avenue project reserves are restricted by the New Jersey Housing Mortgage Finance Agency for certain capital and other project expenditures within 254 Bergen Avenue.

Arlington Gardens project reserves are held in a separate bank account and restricted for certain capital and other project expenditures.

NOTE 13. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft, damage, and destruction of assets; errors and omissions; and natural disasters. The Authority maintains insurance policies acquired from independent insurance covering all structural property, automobiles, crime coverage, personal property and general liability. Settlement amounts have not exceeded insurance coverage for the last three years.

NOTE 14. 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 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, 2018, the Authority estimates that no material liabilities will result from such audits.

NOTE 15. PRIOR PERIOD ADJUSTMENT

The Authority's financial statements have been restated due to the correction of an error related to a note receivable that was incorrectly expensed in the prior years. As a result of the error, unrestricted net position and notes receivable have been increased by \$2,313,981 as of April 1, 2017.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2018

NOTE 16. 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. Management evaluated the activity of the Authority through September 14, 2018 (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 disclosure in the notes to the financial statements.



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**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
Jersey City Housing Authority:

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 Jersey City Housing Authority (the "Authority"), as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise Authority's financial statements, and have issued our report thereon dated September 14, 2018.

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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 entity'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 may exist that have not been identified.



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Compliance and Other Matters

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

Novogradac & Company LLP

September 14, 2018
Toms River, New Jersey



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

To the Board of Commissioners
Jersey City Housing Authority:

Report on Compliance for Each Major Federal Program

We have audited the Jersey City Housing Authority's (the "Authority") compliance with the types of compliance requirements described in the Uniform Guidance 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, 2018. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. 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. Those standards and the Uniform Guidance and the State of New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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



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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, 2018.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

September 14, 2018
Toms River, New Jersey

SUPPLEMENTAL INFORMATION

JERSEY CITY HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED MARCH 31, 2018

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State Pass- through Number</u>	<u>Grant Period</u>		<u>Grant Award</u>	<u>Fiscal Year Expenditures</u>	<u>Cumulative - Expenditures</u>
			<u>From</u>	<u>/ To</u>			
Public and Indian Housing	14.850	N/A	4/1/17	3/31/18	\$ 10,663,638	\$ 10,663,638	\$ 10,663,638
Section 8 Housing Choice Vouchers	14.871	N/A	4/1/17	3/31/18	44,650,058	45,332,109	45,332,109
Section 8 Mod Rehab SRO	14.249	N/A	4/1/17	3/31/18	889,492	857,293	870,470
Public Housing Capital Fund	14.872	N/A	4/1/15	3/31/19	26,455,441	5,941,176	24,201,049
Capital Fund Education and Training Fac.	14.890	N/A	4/1/15	3/31/19	998,640	896,704	998,640
Mainstream Vouchers	14.879	N/A	4/1/15	3/31/19	1,877,008	1,877,008	1,877,008
Continuum of Care	14.267	N/A	4/1/15	3/31/16	486,723	410,871	410,871
Revitalization of Severely Distressed Public Housing	14.866	N/A	9/15/10	9/30/15	34,140,000	199,882	34,140,000
Resident Opportunity and Support Services	14.870	N/A	09/02/15	09/02/18	<u>455,326</u>	<u>154,063</u>	<u>397,698</u>
Total					<u>\$ 120,616,326</u>	<u>\$ 66,332,744</u>	<u>\$ 118,891,483</u>

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

JERSEY CITY HOUSING AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED MARCH 31, 2018

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, 2018. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Authority.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3. INDIRECT COST RATE

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

JERSEY CITY HOUSING AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
YEAR ENDED MARCH 31, 2018

NOTE 4. STATEMENT AND CERTIFICATION OF ACTUAL CAPITAL FUND PROGRAM COSTS AND ADVANCES - CLOSED GRANTS

	<u>501-12</u>	<u>501-13</u>	<u>R502-09</u>	<u>R501-11</u>	<u>R502-12</u>	<u>R502-13</u>	<u>Total</u>
Budget	\$ <u>3,872,643</u>	\$ <u>3,728,805</u>	\$ <u>705,334</u>	\$ <u>115,752</u>	\$ <u>98,663</u>	\$ <u>307,959</u>	\$ <u>8,829,156</u>
<u>Advances:</u>							
Cumulative through 3/31/17	\$ 3,872,643	\$ 3,728,805	\$ 705,334	\$ 115,752	\$ 98,663	\$ 307,959	\$ 8,829,156
Current Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cumulative through 3/31/18	<u>3,872,643</u>	<u>3,728,805</u>	<u>705,334</u>	<u>115,752</u>	<u>98,663</u>	<u>307,959</u>	<u>8,829,156</u>
<u>Costs:</u>							
Cumulative through 3/31/17	3,872,643	3,728,805	705,334	115,752	98,663	307,959	8,829,156
Current Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cumulative through 3/31/18	<u>3,872,643</u>	<u>3,728,805</u>	<u>705,334</u>	<u>115,752</u>	<u>98,663</u>	<u>307,959</u>	<u>8,829,156</u>
Excess / (Deficiency)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

NOTES TO SCHEDULE OF CAPITAL FUND PROGRAM COSTS AND ADVANCES

- 1) The total amount of Capital Fund Program Costs and Advances for closed grants incurred and earned by the Jersey City Housing Authority as of and for the year ended March 31, 2018 are provided herein.
- 2) The Capital Fund grants listed have been fully drawn down and expended as per Capital Fund grant regulations.

**JERSEY CITY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED MARCH 31, 2018**

I. Summary of Auditors' Results

Financial Statements

- | | | |
|----|---|------------|
| 1. | Type of auditors' report issued: | Unmodified |
| 2. | Internal control over financial reporting | |
| a. | Material weakness(es) identified? | No |
| b. | Significant deficiency(ies) identified? | No |
| 3. | Noncompliance material to the financial statements? | No |

Federal Awards

- | | | |
|----|--|------------|
| 1. | Internal Control over compliance: | |
| a. | Material weakness(es) identified? | No |
| b. | Significant deficiency(ies) identified? | No |
| 2. | Type of auditors' report on compliance for major programs: | Unmodified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |
| 4. | Identification of major programs: | |

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.850	Public and Indian Housing
14.872	Public Housing Capital Fund
14.890	Public Housing Capital Fund Education and Training

- | | | |
|----|--|-------------|
| 5. | Dollar threshold used to distinguish between Type A and Type B Programs: | \$1,989,982 |
| 6. | Auditee qualified as low-risk Auditee? | Yes |

JERSEY CITY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
YEAR ENDED MARCH 31, 2018

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

None reported.

IV. Schedule of Prior Year Audit Findings

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

**JERSEY CITY HOUSING AUTHORITY
REQUIRED PENSION INFORMATION
MARCH 31, 2018**

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

	March 31, <u>2014</u>	March 31, <u>2015</u>	March 31, <u>2016</u>	March 31, <u>2017</u>	March 31, <u>2018</u>
Contractually required contribution	\$ 1,170,858	\$ 1,103,948	\$ 1,123,862	\$ 1,028,449	\$ 1,191,422
Contributions in relation to the contractually required contribution	<u>1,170,858</u>	<u>1,103,948</u>	<u>1,123,862</u>	<u>1,028,449</u>	<u>1,191,422</u>
(Over) / under funded	<u>\$ -</u>				
Authority's covered-employee payroll	<u>\$ 9,483,747</u>	<u>\$ 8,805,692</u>	<u>\$ 9,411,623</u>	<u>\$ 9,856,186</u>	<u>\$ 10,316,181</u>
Contributions as a percentage of covered-employee payroll	<u>12.35 %</u>	<u>12.54 %</u>	<u>11.94 %</u>	<u>10.43 %</u>	<u>11.55 %</u>

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

	March 31, <u>2014</u>	March 31, <u>2015</u>	March 31, <u>2016</u>	March 31, <u>2017</u>	March 31, <u>2018</u>
Authority's proportion of the net pension liability	<u>0.1465 %</u>	<u>0.1363 %</u>	<u>0.1260 %</u>	<u>0.1210 %</u>	<u>0.1286 %</u>
Authority's proportionate share of the net pension liability	<u>\$ 28,001,608</u>	<u>\$ 25,521,097</u>	<u>\$ 28,291,027</u>	<u>\$ 35,829,504</u>	<u>\$ 29,938,044</u>
Authority's covered-employee payroll	<u>\$ 9,483,747</u>	<u>\$ 8,805,692</u>	<u>\$ 9,411,623</u>	<u>\$ 9,856,186</u>	<u>\$ 10,316,181</u>
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>295.26 %</u>	<u>289.83 %</u>	<u>300.60 %</u>	<u>363.52 %</u>	<u>290.20 %</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>48.72 %</u>	<u>52.08 %</u>	<u>47.93 %</u>	<u>40.14 %</u>	<u>48.10 %</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 Jersey City									
NJ009									
Financial Data Schedule (FDS)									
March 31, 2018									
Line Item #	Account Description	PROJECTS	HOUSING CHOICE VOUCHERS	14.890 CAPITAL FUND EDUCATION AND TRAINING COMMUNITIES	SECTION 8 MODERATE REHAB SINGLE ROOM OCC	MAINSTREAM VOUCHERS	14.866 REVITALIZATION OF SEVERLY DISTRESSED PUBLIC HOUSING	SHELTER PLUS CARE	
ASSETS:									
CURRENT ASSETS:									
Cash:									
111	Cash - unrestricted	\$ 3,887,962	\$ 2,471,990	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
112	Cash - restricted - modernization and development	8,518	-	-	-	-	-	-	-
113	Cash - other restricted	-	269,502	-	-	-	-	-	-
114	Cash - tenant security deposits	362,133	-	-	-	-	-	-	-
115	Cash - restricted for payment of current liabilities	-	-	-	-	-	-	-	-
100	Total cash	4,258,613	2,741,492	-	-	-	-	-	-
Accounts and notes receivables:									
121	Accounts receivable - PHA projects	-	-	-	-	-	-	-	-
122	Accounts receivable - HUD other projects	1,071,347	655,888	-	-	76,661	-	-	-
124	Accounts receivable - other government	-	1,677	-	-	-	-	-	-
125	Accounts receivable - miscellaneous	95,852	3,205	-	-	-	-	-	-
126	Accounts receivable- tenants	260,124	-	-	-	-	-	-	-
126.1	Allowance for doubtful accounts - tenants	(207,110)	-	-	-	-	-	-	-
126.2	Allowance for doubtful accounts - other	-	-	-	-	-	-	-	-
127	Notes and mortgages receivable- current	-	-	-	-	-	-	-	-
128	Fraud recovery	-	-	-	-	-	-	-	-
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for doubtful accounts	1,220,213	660,770	-	-	76,661	-	-	-
Current investments									
131	Investments - unrestricted	-	-	-	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-	-	-	-
135	Investments - restricted for payment of current liability	-	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	703,508	227	-	-	-	-	-	-
143	Inventories	689,431	-	-	-	-	-	-	-
143.1	Allowance for obsolete inventories	-	-	-	-	-	-	-	-
144	Interprogram - due from	4,476,745	475,360	-	211,570	-	-	-	-
145	Assets held for sale	-	-	-	-	-	-	-	-
150	TOTAL CURRENT ASSETS	11,348,510	3,877,849	-	211,570	76,661	-	-	-
NONCURRENT ASSETS:									
Fixed assets:									
161	Land	2,687,161	-	-	-	-	-	-	-
162	Buildings	178,372,551	-	-	-	-	-	-	-
163	Furniture, equipment & machinery - dwellings	112,774	-	-	-	-	-	-	-
164	Furniture, equipment & machinery - administration	963,010	149,912	-	-	-	-	-	-
165	Leasehold improvements	-	-	-	-	-	-	-	-
166	Accumulated depreciation	(121,601,768)	(116,520)	-	-	-	-	-	-
167	Construction in Progress	6,926,456	-	818,059	-	-	-	-	-
168	Infrastructure	-	-	-	-	-	-	-	-
160	Total fixed assets, net of accumulated depreciation	67,460,184	33,392	818,059	-	-	-	-	-
Other non-current assets:									
171	Notes and mortgages receivable - non-current	73,200,546	-	-	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-	-	-	-
174	Other assets	-	-	-	-	-	-	-	-
175	Undistributed debits	-	-	-	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-	-	-	-
180	TOTAL NONCURRENT ASSETS	140,660,730	33,392	818,059	-	-	-	-	-
200	DEFERRED OUTFLOWS RESOURCES	3,533,448	1,192,525	-	-	-	-	-	-
290	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 155,542,688	\$ 5,103,766	\$ 818,059	\$ 211,570	\$ 76,661	\$ -	\$ -	\$ -

Housing Authority of the City of Jersey City									
NJ009									
Financial Data Schedule (FDS)									
March 31, 2018									
Line Item #	Account Description	PROJECTS	HOUSING CHOICE VOUCHERS	14.890 CAPITAL FUND EDUCATION AND TRAINING COMMUNITIES	SECTION 8 MODERATE REHAB SINGLE ROOM OCC	MAINSTREAM VOUCHERS	14.866 REVITALIZATION OF SEVERLY DISTRESSED PUBLIC HOUSING	SHELTER PLUS CARE	
LIABILITIES AND EQUITY:									
Liabilities:									
Current Liabilities:									
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts payable ≤ 90 days	982,293	84,413	-	-	-	-	-	-
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	191,628	52,054	-	-	-	-	-	-
322	Accrued compensated absences - current portion	107,234	24,301	-	-	-	-	-	-
324	Accrued contingency liability	-	-	-	-	-	-	-	-
325	Accrued interest payable	131,325	-	-	-	-	-	-	-
331	Accounts payable - HUD PHA programs	-	-	-	13,177	-	-	-	-
332	Accounts payable - PHA projects	-	-	-	-	-	-	-	-
333	Accounts payable - other government	-	-	-	-	-	-	-	-
341	Tenant security deposits	362,133	-	-	-	-	-	-	-
342	Unearned Revenue	171,476	-	-	-	-	-	-	-
343	Current portion of L-T debt - capital projects	1,122,825	-	-	-	-	-	-	-
344	Current portion of L-T debt - operating borrowings	275,001	-	-	-	-	-	-	-
345	Other current liabilities	102,519	9,520	-	-	-	-	-	-
346	Accrued liabilities - other	-	-	-	-	-	-	-	-
347	Interprogram - due to	763,523	-	-	-	41,038	-	-	-
310	TOTAL CURRENT LIABILITIES	4,209,957	170,288	-	13,177	41,038	-	-	-
NONCURRENT LIABILITIES:									
351	Long-term debt, net of current - capital projects	10,194,885	-	-	-	-	-	-	-
352	Long-term debt, net of current - operating borrowings	7,680,427	-	-	-	-	-	-	-
353	Non-current liabilities- other	-	269,502	-	-	-	-	-	-
354	Accrued compensated absences - noncurrent	965,114	218,705	-	-	-	-	-	-
355	Loan Liability - Non Current	-	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-
357	Accrued pension and OPEB liabilities	12,743,958	4,301,038	-	-	-	-	-	-
350	TOTAL NONCURRENT LIABILITIES	31,584,384	4,789,245	-	-	-	-	-	-
300	TOTAL LIABILITIES	35,794,341	4,959,533	-	13,177	41,038	-	-	-
400	DEFERRED INFLOW OF RESOURCES	3,547,027	1,197,108	-	-	-	-	-	-
EQUITY:									
508.1	Net Investment in Capital Assets	56,142,474	33,392	818,059	-	-	-	-	-
511.1	Restricted Net Position	73,209,064	-	-	-	-	-	-	-
512.1	Unrestricted Net Position	(13,150,218)	(1,086,267)	-	198,393	35,623	-	-	-
513	TOTAL EQUITY	116,201,320	(1,052,875)	818,059	198,393	35,623	-	-	-
600	TOTAL LIABILITIES, DEFERRED INFLOWS AND EQUITY	\$ 155,542,688	\$ 5,103,766	\$ 818,059	\$ 211,570	\$ 76,661	\$ -	\$ -	\$ -

Housing Authority of the City of Jersey City							
NJ009							
Financial Data Schedule (FDS)							
March 31, 2018							
Line Item #	Account Description	STATE/LOCAL	14,870 RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	14,267 CONTINUM OF CARE PROGRAM	COCC	ELIMINATION	TOTAL
	ASSETS:						
	CURRENT ASSETS:						
	Cash:						
111	Cash - unrestricted	\$ 440,571	\$ -	\$ -	\$ 1,320,747	\$ -	\$ 8,121,270
112	Cash - restricted - modernization and development	-	-	-	-	-	8,518
113	Cash - other restricted	824,998	-	-	-	-	1,094,500
114	Cash - tenant security deposits	70,130	-	-	-	-	432,263
115	Cash - restricted for payment of current liabilities	-	-	-	-	-	-
100	Total cash	1,335,699	-	-	1,320,747	-	9,656,551
	Accounts and notes receivables:						
121	Accounts receivable - PHA projects	-	-	-	-	-	-
122	Accounts receivable - HUD other projects	-	142,698	55,202	-	-	2,001,796
124	Accounts receivable - other government	104,082	-	-	-	-	105,759
125	Accounts receivable - miscellaneous	42,528	-	-	686	-	142,271
126	Accounts receivable - tenants	16,788	-	-	-	-	276,912
126.1	Allowance for doubtful accounts - tenants	(10,580)	-	-	-	-	(217,690)
126.2	Allowance for doubtful accounts - other	-	-	-	-	-	-
127	Notes and mortgages receivable - current	-	-	-	-	-	-
128	Fraud recovery	-	-	-	-	-	-
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-
120	Total receivables, net of allowances for doubtful accounts	152,818	142,698	55,202	686	-	2,309,048
	Current investments						
131	Investments - unrestricted	-	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-	-
135	Investments - restricted for payment of current liability	-	-	-	-	-	-
142	Prepaid expenses and other assets	54,824	-	-	125,552	-	884,111
143	Inventories	78,948	-	-	-	-	768,379
143.1	Allowance for obsolete inventories	-	-	-	-	-	-
144	Interprogram - due from	-	-	-	-	(5,163,675)	-
145	Assets held for sale	-	-	-	-	-	-
150	TOTAL CURRENT ASSETS	1,622,289	142,698	55,202	1,446,985	(5,163,675)	13,618,089
	NONCURRENT ASSETS:						
	Fixed assets:						
161	Land	1,472,667	-	-	896,369	-	5,056,197
162	Buildings	7,836,323	-	-	13,671,050	-	199,879,924
163	Furniture, equipment & machinery - dwellings	13,206	-	-	-	-	125,980
164	Furniture, equipment & machinery - administration	5,751	-	-	728,253	-	1,846,926
165	Leasehold improvements	-	-	-	-	-	-
166	Accumulated depreciation	(5,242,872)	-	-	(11,228,299)	-	(138,189,459)
167	Construction in Progress	113,082	-	-	-	-	7,857,597
168	Infrastructure	-	-	-	-	-	-
160	Total fixed assets, net of accumulated depreciation	4,198,157	-	-	4,067,373	-	76,577,165
	Other non-current assets:						
171	Notes and mortgages receivable - non-current	1,800,000	-	-	-	-	75,000,546
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-	-
174	Other assets	-	-	-	-	-	-
175	Undistributed debits	-	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-	-
180	TOTAL NONCURRENT ASSETS	5,998,157	-	-	4,067,373	-	151,577,711
200	DEFERRED OUTFLOWS RESOURCES	319,272	-	-	3,255,513	-	8,300,758
290	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 7,939,718	\$ 142,698	\$ 55,202	\$ 8,769,871	\$ (5,163,675)	\$ 173,496,558

Housing Authority of the City of Jersey City							
NJ009							
Financial Data Schedule (FDS)							
March 31, 2018							
Line Item #	Account Description	STATE/LOCAL	14,870 RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	14,267 CONTINUM OF CARE PROGRAM	COCC	ELIMINATION	TOTAL
LIABILITIES AND EQUITY:							
Liabilities:							
Current Liabilities:							
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts payable ≤ 90 days	18,270	-	-	243,958	-	1,328,934
313	Accounts payable > 90 days past due	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	11,762	-	-	134,101	-	389,545
322	Accrued compensated absences - current portion	9,678	-	-	102,540	-	243,753
324	Accrued contingency liability	-	-	-	-	-	-
325	Accrued interest payable	-	-	-	-	-	131,325
331	Accounts payable - HUD PHA programs	-	-	-	-	-	13,177
332	Accounts payable - PHA projects	-	-	-	-	-	-
333	Accounts payable - other government	-	-	-	-	-	-
341	Tenant security deposits	70,130	-	-	-	-	432,263
342	Unearned Revenue	-	-	-	-	-	171,476
343	Current portion of L-T debt - capital projects	119,757	-	-	-	-	1,242,582
344	Current portion of L-T debt - operating borrowings	-	-	-	-	-	275,001
345	Other current liabilities	-	-	-	14,631	-	126,670
346	Accrued liabilities - other	6,079	-	-	323,221	-	329,300
347	Interprogram - due to	1,682,624	142,656	54,989	2,478,845	(5,163,675)	-
310	TOTAL CURRENT LIABILITIES	1,918,300	142,656	54,989	3,297,296	(5,163,675)	4,684,026
NONCURRENT LIABILITIES:							
351	Long-term debt, net of current - capital projects	2,917,682	-	-	-	-	13,112,567
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-	7,680,427
353	Non-current liabilities- other	-	-	-	-	-	269,502
354	Accrued compensated absences - noncurrent	87,099	-	-	922,858	-	2,193,776
355	Loan Liability - Non Current	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-
357	Accrued pension and OPEB liabilities	1,151,508	-	-	11,741,540	-	29,938,044
350	TOTAL NONCURRENT LIABILITIES	4,156,289	-	-	12,664,398	-	53,194,316
300	TOTAL LIABILITIES	6,074,589	142,656	54,989	15,961,694	(5,163,675)	57,878,342
400	DEFERRED INFLOW OF RESOURCES	320,499	-	-	3,268,024	-	8,332,658
EQUITY:							
508.1	Net Investment in Capital Assets	1,160,718	-	-	4,067,373	-	62,222,016
511.1	Restricted Net Position	2,624,998	-	-	-	-	75,834,062
512.1	Unrestricted Net Position	(2,241,086)	42	213	(14,527,220)	-	(30,770,520)
513	TOTAL EQUITY	1,544,630	42	213	(10,459,847)	-	107,285,558
600	TOTAL LIABILITIES, DEFERRED INFLOWS AND EQUITY	\$ 7,939,718	\$ 142,698	\$ 55,202	\$ 8,769,871	\$ (5,163,675)	\$ 173,496,558

Housing Authority of the City of Jersey City								
NJ009								
Financial Data Schedule (FDS)								
March 31, 2018								
Line Item #	Account Description	OPERATING	CAPITAL	HOUSING CHOICE VOUCHERS	14.890 CAPITAL FUND EDUCATION AND TRAINING COMMUNITIES	SECTION 8 MODERATE REHAB SINGLE ROOM OCC	MAINSTREAM VOUCHERS	REVITALIZATION OF SEVERLY DISTRESSED PUBLIC HOUSING
REVENUE:								
70300	Net tenant rental revenue	\$ 8,650,958	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70400	Tenant revenue - other	215,188	-	-	-	-	-	-
70500	Total tenant revenue	8,866,146	-	-	-	-	-	-
70600	HUD PHA grants	10,663,638	3,363,219	44,650,058	93,179	857,293	1,877,008	199,882
70610	Capital grants	-	2,577,957	-	803,525	-	-	-
70710	Management fee	-	-	-	-	-	-	-
70720	Asset management fee	-	-	-	-	-	-	-
70730	Book keeping fee	-	-	-	-	-	-	-
70740	Front line service fee	-	-	-	-	-	-	-
70750	Other fees	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	-	-	-	-
71100	Investment income - unrestricted	5,919	-	13,302	-	-	-	-
71200	Mortgage interest income	2,697,027	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-
71301	Cost of sale of assets	-	-	-	-	-	-	-
71400	Fraud recovery	17,809	-	130,840	-	-	-	-
71500	Other revenue	333,330	-	338,838	-	-	421	-
71600	Gain or loss on sale of fixed assets	70,977	-	-	-	-	-	-
72000	Investment income - restricted	-	-	-	-	-	-	-
70000	TOTAL REVENUE	22,654,846	5,941,176	45,133,038	896,704	857,293	1,877,429	199,882
EXPENSES:								
Administrative								
91100	Administrative salaries	1,179,430	-	1,179,034	-	-	-	-
91200	Auditing fees	12,553	-	19,627	-	2,500	-	-
91300	Outside management fees	1,269,102	436,659	641,140	68,750	13,800	27,744	-
91310	Book-keeping fee	136,345	-	361,500	-	8,625	17,338	-
91400	Advertising and marketing	-	-	-	-	-	-	-
91500	Employee benefit contributions- administrative	649,667	-	845,917	-	-	-	-
91600	Office expenses	58,976	-	82,299	-	-	-	-
91700	Legal expenses	137,269	-	33,635	-	-	-	-
91800	Travel	609	-	4,569	-	-	-	-
91810	Allocated overhead	-	-	-	-	-	-	-
91900	Other	764,813	130,509	101,862	-	86,963	109,420	-
	Total administrative	4,208,764	567,168	3,269,583	68,750	111,888	154,502	-
92000	Asset Management Fee	146,640	-	-	-	-	-	-
Tenant services								
92100	Tenant services - salaries	-	-	156,877	-	-	-	-
92200	Relocation costs	8,380	8,500	-	-	-	-	-
92300	Employee benefit contributions- tenant services	27,667	-	65,813	-	-	-	-
92400	Tenant services - other	95,715	-	210	-	-	-	-
	Total tenant services	131,762	8,500	222,900	-	-	-	-
Utilities								
93100	Water	1,307,865	-	-	-	-	-	-
93200	Electricity	1,096,249	-	-	-	-	-	-
93300	Gas	1,076,159	-	-	-	-	-	-
93400	Fuel	468,618	-	-	-	-	-	-
93500	Labor	-	-	-	-	-	-	-
93600	Sewer	-	-	-	-	-	-	-
93700	Employee benefit contributions- utilities	-	-	-	-	-	-	-
93800	Other utilities expense	236,875	-	-	-	-	-	-
	Total utilities	4,185,766	-	-	-	-	-	-

Housing Authority of the City of Jersey City								
NJ009								
Financial Data Schedule (FDS)								
March 31, 2018								
Line Item #	Account Description	OPERATING	CAPITAL	HOUSING CHOICE VOUCHERS	14.890 CAPITAL FUND EDUCATION AND TRAINING COMMUNITIES	SECTION 8 MODERATE REHAB SINGLE ROOM OCC	MAINSTREAM VOUCHERS	REVITALIZATION OF SEVERLY DISTRESSED PUBLIC HOUSING
	Ordinary maintenance & operation							
94100	Ordinary maintenance and operations - labor	3,119,411	-	141,589	-	-	-	-
94200	Ordinary maintenance and operations - materials & other	277,933	-	-	-	-	-	-
94300	Ordinary maintenance and operations - contract costs	2,537,909	-	-	-	-	-	-
94500	Employee benefit contributions- ordinary maintenance	2,235,212	-	24,073	-	-	-	-
	Total ordinary maintenance	8,170,465	-	165,662	-	-	-	-
	Protective services							
95100	Protective services - labor	-	-	-	-	-	-	-
95200	Protective services- other contract costs	52,630	-	-	-	-	-	-
95300	Protective services - other	-	-	-	-	-	-	-
95500	Employee benefit contributions- protective services	-	-	-	-	-	-	-
	Total protective services	52,630	-	-	-	-	-	-
	General expenses							
96100	Insurance premiums	803,268	-	109,499	-	-	-	-
96200	Other general expenses	1,622,530	-	238,444	-	-	-	-
96210	Compensated absences	343,142	-	63,795	-	-	-	-
96300	Payments in lieu of taxes	-	-	-	-	-	-	-
96400	Bad debt - tenant rents	141,857	-	-	-	-	-	-
96500	Bad debt- mortgages	2,697,027	-	-	-	-	-	-
96600	Bad debt - other	-	-	-	-	-	-	-
96700	Interest expense	-	-	-	-	-	-	-
96710	Interest of mortgage (or bonds) payable	114,519	299,978	-	-	-	-	-
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-
96730	Amortization of bond issue costs	-	-	-	-	-	-	-
96800	Severance expense	72,553	-	-	-	-	-	-
	Total general expenses	5,794,896	299,978	411,738	-	-	-	-
96900	TOTAL OPERATING EXPENSES	22,690,923	875,646	4,069,883	68,750	111,888	154,502	-
97000	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	(36,077)	5,065,530	41,063,155	827,954	745,405	1,722,927	199,882
97100	Extraordinary maintenance	1,144	821,985	-	20,419	-	-	199,882
97200	Casualty losses - non capitalized	-	-	-	-	-	-	-
97300	Housing assistance payments	-	-	41,255,771	-	745,405	1,722,927	-
97350	HAP Portability - in	-	-	-	-	-	-	-
97400	Depreciation expense	5,368,172	-	10,216	-	-	-	-
97500	Fraud losses	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-
90000	TOTAL EXPENSES	28,060,239	1,697,631	45,335,870	89,169	857,293	1,877,429	199,882

Housing Authority of the City of Jersey City								
NJ009								
Financial Data Schedule (FDS)								
March 31, 2018								
Line Item #	Account Description	OPERATING	CAPITAL	HOUSING CHOICE VOUCHERS	14.890 CAPITAL FUND EDUCATION AND TRAINING COMMUNITIES	SECTION 8 MODERATE REHAB SINGLE ROOM OCC	MAINSTREAM VOUCHERS	REVITALIZATION OF SEVERLY DISTRESSED PUBLIC HOUSING
OTHER FINANCING SOURCES (USES)								
10010	Operating transfers in	1,054,324	-	-	-	-	-	-
10020	Operating transfers out	-	(1,054,324)	-	-	-	-	-
10030	Operating transfers from/to primary government	-	-	-	-	-	-	-
10040	Operating transfers from/to component unit	-	-	-	-	-	-	-
10070	Extraordinary items, net gain/loss	-	-	-	-	-	-	-
10080	Special items (net gain/loss)	-	-	-	-	-	-	-
10091	Inter Project excess cash transfer in	637,959	-	-	-	-	-	-
10092	Inter Project excess cash transfer out	(637,959)	-	-	-	-	-	-
10093	Transfers between program and project in	1,279,873	-	-	-	-	-	-
10094	Transfers between program and project out	-	-	-	-	-	-	-
10100	TOTAL OTHER FINANCING SOURCES (USES)	2,334,197	(1,054,324)	-	-	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (3,071,196)	\$ 3,189,221	\$ (202,832)	\$ 807,535	\$ -	\$ -	\$ -
MEMO ACCOUNT INFORMATION:								
11020	Required annual debt principal payments	654,896	435,001	-	-	-	-	-
11030	Beginning equity	108,200,085	4,691,224	(850,043)	10,524	179,371	35,623	-
11040	Prior period adjustments and equity transfers	-	494,959	-	-	19,022	-	-
11170	Administrative fee equity	-	-	(1,052,875)	-	-	-	-
11180	Housing assistance payments equity	-	-	-	-	-	-	-
11190	Unit months available	27,462	-	50,700	-	1,200	2,400	-
11210	Number of unit months leased	24,885	-	48,200	-	1,150	2,312	-
Equity Roll Forward Test:								
	Calculation from R/E Statement	\$ 113,504,293	\$ -	\$ (1,052,875)	\$ 818,059	\$ 198,393	\$ 35,623	\$ -
	B/S Line 513	\$ 116,201,320	\$ -	\$ (1,052,875)	\$ 818,059	\$ 198,393	\$ 35,623	\$ -
		\$ (2,697,027)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Housing Authority of the City of Jersey City								
NJ009								
Financial Data Schedule (FDS)								
March 31, 2018								
Line Item #	Account Description	SHELTER PLUS CARE	STATE/LOCAL	14.870 RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	14.267 CONTINUUM OF CARE PROGRAM	COCC	ELIMINATION	TOTAL
REVENUE:								
70300	Net tenant rental revenue	\$ -	\$ 1,225,627	-	\$ -	\$ -	\$ -	9,876,585
70400	Tenant revenue - other	-	23,440	-	-	-	-	238,628
70500	Total tenant revenue	-	1,249,067	-	-	-	-	10,115,213
70600	HUD PHA grants	-	-	154,063	410,871	-	-	62,269,211
70610	Capital grants	-	-	-	-	-	-	3,381,482
70710	Management fee	-	-	-	-	2,457,195	(2,457,195)	-
70720	Asset management fee	-	-	-	-	146,640	(146,640)	-
70730	Book keeping fee	-	-	-	-	523,808	(523,808)	-
70740	Front line service fee	-	-	-	-	2,087,198	(2,087,198)	-
70750	Other fees	-	-	-	-	-	-	-
70800	Other government grants	-	807,017	-	-	-	-	807,017
71100	Investment income - unrestricted	-	2,657	-	-	14,347	-	36,225
71200	Mortgage interest income	-	-	-	-	-	-	2,697,027
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-
71301	Cost of sale of assets	-	-	-	-	-	-	-
71400	Fraud recovery	-	-	-	-	-	-	148,649
71500	Other revenue	-	106,345	-	-	1,737,226	-	2,516,160
71600	Gain or loss on sale of fixed assets	-	-	-	-	-	-	70,977
72000	Investment income - restricted	-	-	-	-	-	-	-
70000	TOTAL REVENUE	-	2,165,086	154,063	410,871	6,966,414	(5,214,841)	82,041,961
EXPENSES:								
Administrative								
91100	Administrative salaries	-	102,852	92,787	-	2,530,998	-	5,085,101
91200	Auditing fees	-	15,998	-	-	3,002	-	53,680
91300	Outside management fees	-	-	-	-	-	(2,457,195)	-
91310	Book-keeping fee	-	-	-	-	-	(523,808)	-
91400	Advertising and marketing	-	-	-	-	-	-	-
91500	Employee benefit contributions- administrative	-	37,617	38,349	-	1,188,235	-	2,759,785
91600	Office expenses	-	3,194	2,777	-	65,595	-	212,841
91700	Legal expenses	-	13,132	-	-	66,957	(154,635)	96,358
91800	Travel	-	105	3,545	-	33,087	-	41,915
91810	Allocated overhead	-	-	-	-	-	-	-
91900	Other	-	31,925	6,960	58,004	193,490	-	1,483,946
	Total administrative	-	204,823	144,418	58,004	4,081,364	(3,135,638)	9,733,626
92000	Asset Management Fee	-	-	-	-	-	(146,640)	-
Tenant services								
92100	Tenant services - salaries	-	-	-	-	-	-	156,877
92200	Relocation costs	-	-	-	-	-	-	16,880
92300	Employee benefit contributions- tenant services	-	2,150	-	-	4,177	-	99,807
92400	Tenant services - other	-	-	172	-	-	-	96,097
	Total tenant services	-	2,150	172	-	4,177	-	369,661
Utilities								
93100	Water	-	148,891	-	-	-	-	1,456,756
93200	Electricity	-	30,286	4,551	-	104,986	-	1,236,072
93300	Gas	-	95,505	-	-	2,097	-	1,173,761
93400	Fuel	-	-	-	-	-	-	468,618
93500	Labor	-	-	-	-	-	-	-
93600	Sewer	-	-	-	-	-	-	-
93700	Employee benefit contributions- utilities	-	-	-	-	-	-	-
93800	Other utilities expense	-	10,584	-	-	-	-	247,459
	Total utilities	-	285,266	4,551	-	107,083	-	4,582,666

Housing Authority of the City of Jersey City								
NJ009								
Financial Data Schedule (FDS)								
March 31, 2018								
Line Item #	Account Description	SHELTER PLUS CARE	STATE/LOCAL	14.870 RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	14.267 CONTINUUM OF CARE PROGRAM	COCC	ELIMINATION	TOTAL
	Ordinary maintenance & operation							
94100	Ordinary maintenance and operations - labor	-	293,923	-	-	1,471,038	-	5,025,961
94200	Ordinary maintenance and operations - materials & other	-	66,880	-	-	41,357	-	386,170
94300	Ordinary maintenance and operations - contract costs	-	187,607	-	-	34,352	(1,932,563)	827,305
94500	Employee benefit contributions- ordinary maintenance	-	203,131	-	-	1,642,856	-	4,105,272
	Total ordinary maintenance	-	751,541	-	-	3,189,603	(1,932,563)	10,344,708
	Protective services							
95100	Protective services - labor	-	-	-	-	-	-	-
95200	Protective services- other contract costs	-	-	-	-	-	-	52,630
95300	Protective services - other	-	-	-	-	-	-	-
95500	Employee benefit contributions- protective services	-	-	-	-	-	-	-
	Total protective services	-	-	-	-	-	-	52,630
	General expenses							
96100	Insurance premiums	-	45,477	4,938	-	173,510	-	1,136,692
96200	Other general expenses	-	64,715	-	-	-	-	1,925,689
96210	Compensated absences	-	60,941	-	-	157,665	-	625,543
96300	Payments in lieu of taxes	-	18,590	-	-	-	-	18,590
96400	Bad debt - tenant rents	-	7,573	-	-	-	-	149,430
96500	Bad debt- mortgages	-	-	-	-	-	-	2,697,027
96600	Bad debt - other	-	-	-	-	-	-	-
96700	Interest expense	-	-	-	-	-	-	-
96710	Interest of mortgage (or bonds) payable	-	86,278	-	-	-	-	500,775
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-
96730	Amortization of bond issue costs	-	-	-	-	-	-	-
96800	Severance expense	-	19,817	-	-	-	-	92,370
	Total general expenses	-	303,391	4,938	-	331,175	-	7,146,116
96900	TOTAL OPERATING EXPENSES	-	1,547,171	154,079	58,004	7,713,402	(5,214,841)	32,229,407
97000	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	-	617,915	(16)	352,867	(746,988)	-	49,812,554
97100	Extraordinary maintenance	-	-	-	-	-	-	1,043,430
97200	Casualty losses - non capitalized	-	-	-	-	-	-	-
97300	Housing assistance payments	-	798,043	-	352,867	-	-	44,875,013
97350	HAP Portability - in	-	-	-	-	-	-	-
97400	Depreciation expense	-	221,161	-	-	573,159	-	6,172,708
97500	Fraud losses	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-
90000	TOTAL EXPENSES	-	2,566,375	154,079	410,871	8,286,561	(5,214,841)	84,320,558

Housing Authority of the City of Jersey City								
NJ009								
Financial Data Schedule (FDS)								
March 31, 2018								
Line Item #	Account Description	SHELTER PLUS CARE	STATE/LOCAL	14.870 RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	14.267 CONTINIUM OF CARE PROGRAM	COCC	ELIMINATION	TOTAL
OTHER FINANCING SOURCES (USES)								
10010	Operating transfers in	-	-	-	-	-	-	1,054,324
10020	Operating transfers out	-	-	-	-	-	-	(1,054,324)
10030	Operating transfers from/to primary government	-	-	-	-	-	-	-
10040	Operating transfers from/to component unit	-	-	-	-	-	-	-
10070	Extraordinary items, net gain/loss	-	-	-	-	-	-	-
10080	Special items (net gain/loss)	-	-	-	-	-	-	-
10091	Inter Project excess cash transfer in	-	-	-	-	-	-	637,959
10092	Inter Project excess cash transfer out	-	-	-	-	-	-	(637,959)
10093	Transfers between program and project in	-	-	-	-	-	-	1,279,873
10094	Transfers between program and project out	-	-	-	-	(1,279,873)	-	(1,279,873)
10100	TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	(1,279,873)	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ -	\$ (401,289)	\$ (16)	\$ -	\$ (2,600,020)	\$ -	\$ (2,278,597)
MEMO ACCOUNT INFORMATION:								
11020	Required annual debt principal payments	-	-	-	-	-	-	1,089,897
11030	Beginning equity	213	(207,081)	58	-	(7,506,827)	-	104,553,147
11040	Prior period adjustments and equity transfers	(213)	2,153,000	-	213	(353,000)	-	2,313,981
11170	Administrative fee equity	-	-	-	-	-	-	(1,052,875)
11180	Housing assistance payments equity	-	-	-	-	-	-	-
		-	-	-	-	-	-	(1,052,875)
11190	Unit months available	-	1,512	-	471	-	-	83,745
11210	Number of unit months leased	-	1,339	-	402	-	-	78,288
	Equity Roll Forward Test:							
	Calculation from R/E Statement	\$ -	\$ 1,544,630	\$ 42	\$ 213	\$ (10,459,847)		\$ 104,588,531
	B/S Line 513	\$ -	\$ 1,544,630	\$ 42	\$ 213	\$ (10,459,847)		\$ 107,285,558
		\$ -	\$ -	\$ -	\$ -	\$ -		\$ (2,697,027)