

**HOUSING AUTHORITY OF THE BOROUGH OF  
COLLINGSWOOD, NEW JERSEY**

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**REPORT ON AUDIT OF FINANCIAL STATEMENTS AND SUPPLEMENTAL  
DATA**

**YEARS ENDED MARCH 31, 2018 AND 2017**

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**FRANCIS J McCONNELL**  
CERTIFIED PUBLIC ACCOUNTANT

Member of American and Pennsylvania  
Institutes of Certified Public Accountants

6225 Rising Sun Avenue  
Philadelphia, PA 19111  
Voice: 215-742-3428

INDEPENDENT AUDITOR'S REPORT

July 24, 2018

Board of Commissioners  
Housing Authority of the Borough of Collingswood  
Collingswood, New Jersey

**Report on the Financial Statements**

I have audited the accompanying financial statements of Collingswood Housing Authority, as of and for the years ended March 31, 2018 and March 31, 2017, and the related notes to the financial statements, which collectively comprise Collingswood 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.

***Auditor's Responsibility***

My responsibility is to express opinions on these financial statements based on my audits. I conducted my audits 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. Those standards require that I 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 auditor's 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 auditor considers 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Opinions**

In my opinion, the financial statement referred to above present fairly, in all material respects, the respective financial position of Collingswood Housing Authority, as of March 31, 2018 and March 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of the Authority's Proportionate Share of the Net Pension Liability, Schedule of the authority's contributions as listed in the table of contents 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Collingswood Housing Authority's basic financial statements. The accompanying financial information, the combining statements of net position, activities and changes in net position and Financial Data Schedule as listed in other supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements.

The combining statement of net position, activities and changes in net position, 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 my opinion, the combining statements of net position, activities and changes in net position, 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*, I have also issued my report July 24, 2018 on my consideration of the Collingswood Housing Authority's internal control over financial reporting and on my 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 my 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 Collingswood Housing Authority's internal control over financial reporting and compliance.

*Francis McConnell*

Francis J. McConnell  
Certified Public Accountant



## MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

### OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements included in this annual report are those of a special-purpose government engaged only in a business-type activity. The following statements are included:

- Statement of Net Position – reports the Authority's current financial resources (short term spend able resources) with capital assets and long-term debt obligations.
- Statement of Revenues, Expenses and Changes in Fund Net Position – reports the Authority's operating and non-operating revenues, by major source along with operating and non-operating expenses and capital contributions.
- Statement of Cash Flows – reports the Authority's cash flows from operating, investing, capital and non-capital activities

### FINANCIAL ANALYSIS OF THE AUTHORITY

**Net Position:** may serve over time as a useful indicator of an agency's financial position. In the case of the Collingswood Housing Authority, assets exceed liabilities by \$1.16 million at the close of the most recent fiscal year. The following table shows a summary of changes from the prior years

	2018	2017	2016
Current and Other Assets	528,143	466,255	463,619
Capital Assets, net of depreciation	1,297,314	1,433,363	1,241,814
Total Assets	1,825,457	1,899,618	1,705,433
Deferred Outflows of Resources	595,828	817,005	769,234
Current Liabilities	86,752	137,045	87,336
Noncurrnt Liabilities	423,306	531,777	266,666
Total Liabilities	510,058	668,822	354,002
Deferred Inflows of Resources	635,767	753,297	960,083
Net Investment in Capital Assets	1,297,314	1,433,363	1,241,814
Unrestricted	(21,854)	(138,859)	(81,232)
Net Position	1,275,460	1,294,504	1,160,582

2016 reflects implementation of Gasb 68

## MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued

### CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets The following table summarizes the changes in capital assets between fiscal years 2018, 2017 and 2016:

	2018	2017	2016
LAND	\$ 309,977	\$ 309,977	\$ 309,977
BUILDINGS AND IMPROVEMENTS	5,744,529	5,385,090	5,346,459
EQUIPMENT	118,494	118,494	118,494
CONSTRUCTION IN PROGRESS	-	335,693	-
TOTAL CAPITAL ASSETS	<u>6,173,000</u>	<u>6,149,254</u>	<u>5,774,930</u>
ACCUMULATED DEPRECIATION	<u>4,875,686</u>	<u>4,715,891</u>	<u>4,533,116</u>
NET CAPITAL ASSETS	<u>1,297,314</u>	<u>1,433,363</u>	<u>1,241,814</u>

### **Debt**

At the end of March 31, 2018 the Authority had no outstanding debt.

**Statement of Activities.** The Statement of Activities shows the sources of CHA's changes in net position as they arise through its various programs and functions. A condensed Statement of Activities comparing fiscal year 2018 , 2017 and 2016.

	2018	2017	2016
Tenant Rental Revenue	\$ 441,382	\$ 446,890	\$ 444,294
Government Operating Grants	257,058	190,737	200,686
Other Revenue	78,780	30,656	32,152
Total Operating Revenue	<u>777,220</u>	<u>668,283</u>	<u>677,132</u>
Operating Expenses			
Administrative	177,572	184,856	156,343
Tenant Services	23,818	21,329	21,715
Utilities	179,554	187,611	192,750
Maintenance	189,912	180,365	139,166
Protective Services	-	-	1,272
Insurance Expense	27,507	25,842	24,956
General expenses	26,183	25,991	24,981
Depreciation	159,795	182,775	203,885
Nonroutine maintenance	15,319	25,164	17,025
Total Operating expenses	<u>799,660</u>	<u>833,933</u>	<u>782,093</u>
Net Operating Income (loss)	<u>(22,440)</u>	<u>(165,650)</u>	<u>(104,961)</u>
Non Operating Revenue	-	-	-
Net Investment Income	3,396	3,202	2,638
Capital Grants	-	296,370	10,687
Total NonOperating revenue	<u>3,396</u>	<u>299,572</u>	<u>13,325</u>
Prior Period Adjustment	-	-	(498,836)
CHANGE IN NET POSITION	<u>\$ (19,044)</u>	<u>\$ 133,922</u>	<u>\$ (91,636)</u>

## **MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued**

### **Statement of Activities – continued**

Governmental operating revenue includes the annual operating subsidies for the low rent and capital grants made available by the U.S. Housing and Urban Development (“HUD”). CHA also generated over \$400 thousand in tenant revenue which helped offset CHA’s administrative expenses.

### **CONTACTING THE AUTHORITY’S FINANCIAL MANAGEMENT**

The financial report is designed to provide a general overview of the Authority’s finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Executive Director, Housing Authority of the Borough of Collingswood, New Jersey, 30 Washington Avenue, Collingswood, New Jersey 08108, or call (856)854-1077.

## **FINANCIAL SECTION**



**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**STATEMENTS OF NET POSITION**  
**MARCH 31, 2018 and 2017**

**ASSETS**

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 189,214	\$ 134,345
Restricted cash and cash equivalents	35,202	35,520
Investments	279,808	276,856
Other current assets	<u>23,919</u>	<u>19,534</u>
Total Current Assets	<u>528,143</u>	<u>466,255</u>
Noncurrent assets		
Capital assets, net of deprecition	<u>1,297,314</u>	<u>1,433,363</u>
Total Noncurrent Assets	<u>1,297,314</u>	<u>1,433,363</u>
Deferred Outflow of Resources		
Total Deferred Outflows of resources	<u>595,828</u>	<u>817,005</u>
Total Assets and Deferred Outflow of Resources	<u>2,421,285</u>	<u>2,716,623</u>

**LIABILITIES AND NET POSITION**

**LIABILITIES:**

Current Liabilities		
Accounts Payable	23,565	33,814
Accounts payable - Other Government	26,183	25,991
Trusts and deposits	35,202	35,520
Deferred credits and other liabilities	<u>1,802</u>	<u>41,720</u>
Total Current Liabilities	<u>86,752</u>	<u>137,045</u>
Noncurrent liabilities		
Accrued Pension	<u>423,306</u>	<u>531,777</u>
Total Noncurrent Liabilities	<u>423,306</u>	<u>531,777</u>
Total Liabilities	<u>510,058</u>	<u>668,822</u>
Deferred Inflow of Resources		
Total Deferred Inflow of Resources	<u>635,767</u>	<u>753,297</u>
<b>NET POSITION</b>		
Net Investments in capital assets	1,297,314	1,433,363
Unrestricted net assets (Deficit)	<u>(21,854)</u>	<u>(138,859)</u>
Total net position	<u>1,275,460</u>	<u>1,294,504</u>
Total Liabilities, Deferred Inflow of Resources, and Net Position	<u>\$ 2,421,285</u>	<u>\$ 2,716,623</u>

The accompanying notes are an integral part of this statement

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**YEARS ENDED MARCH 31, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
Tenant Revenue	\$ 441,382	\$ 446,890
Operating grants	257,058	190,737
Other Income	<u>78,780</u>	<u>30,656</u>
Total operating revenues	<u>777,220</u>	<u>668,283</u>
OPERATING EXPENSES		
Administrative	177,572	184,856
Tenant services	23,818	21,329
Utilities	179,554	187,611
Maintenance	205,231	205,529
General	26,183	25,991
Insurance expenses	27,507	25,842
Depreciation Expense	<u>159,795</u>	<u>182,775</u>
Total Operating Expenses	<u>799,660</u>	<u>833,933</u>
NET OPERATING INCOME (LOSS)	(22,440)	(165,650)
NONOPERATING REVENUES (EXPENSES)		
Investment Income	<u>3,396</u>	<u>3,202</u>
Total nonoperating revenues	<u>3,396</u>	<u>3,202</u>
Income (loss) before capital grants	(19,044)	(162,448)
Capital Grants	<u>-</u>	<u>296,370</u>
Change in net position	(19,044)	133,922
Total net position - beginning	<u>1,294,504</u>	<u>1,160,582</u>
Total net position - ending	<u>\$ 1,275,460</u>	<u>\$ 1,294,504</u>

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED MARCH 31, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Hud operating subsidies	\$ 257,058	\$ 190,737
Receipts from residents and others	441,382	446,890
Other revenue received	78,780	30,656
Payments to suppliers	(456,882)	(387,990)
Payments to and on behalf of employees	(245,437)	(244,423)
	<u>74,901</u>	<u>35,870</u>
Net cash provided by (used) in operating activities		
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>		
Capital grants received	-	296,370
Acquisition of capital assets	(23,746)	(335,001)
Net cash (used) in capital and related financing activities	<u>(23,746)</u>	<u>(38,631)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Purchase of Investments	3,396	3,202
Investment Income	3,396	3,202
Net cash provided by investing activities	54,551	441
<b><u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u></b>	169,865	169,424
<b><u>CASH AND CASH EQUIVALENTS, OCTOBER 1</u></b>	<u>\$ 224,416</u>	<u>\$ 169,865</u>
<b><u>CASH AND CASH EQUIVALENTS, SEPTEMBER 30</u></b>		
<b><u>SEPTEMBER 30, CASH AND CASH EQUIVALENTS</u></b>		
Unrestricted	\$ 189,214	\$ 134,345
Restricted	35,202	35,520
Total Unrestricted and Restricted	<u>\$ 224,416</u>	<u>\$ 169,865</u>

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED MARCH 31, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
<b><u>RECONCILIATION OF OPERATING INCOME TO</u></b>		
<b><u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>		
<b>Net Operating Loss</b>	\$ (22,440)	\$ (165,650)
<b>Add back non-cash Items:</b>		
Depreciation expense	159,795	182,775
Pension Credit	(7,776)	(31,420)
<b>Decrease (Increase) in Assets/Deferred outflows/inflows</b>		
	-	-
Prepaid Expenses	(4,385)	544
	<u>125,194</u>	<u>(13,751)</u>
<b>Increase (Decrease) in Liabilities</b>		
Accounts Payable and Accrued Expenses	(10,375)	12,965
other Liabilities and deferred credits	(39,918)	36,656
	<u>(50,293)</u>	<u>49,621</u>
<b>Net Cash provided by operating activities</b>	<u>\$ 74,901</u>	<u>\$ 35,870</u>

The accompanying notes are an integral part of this statement



**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED MARCH 31, 2018 and 2017**

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

**A. Organization and Program Description**

The Housing Authority of the Borough of Collingswood, New Jersey was organized under the laws of the State of New Jersey and operates under an Annual Contributions Contract (ACC) with the United States Department of Housing and Urban Development (HUD) to provide low-income housing to eligible participants under the United States Housing Act of 1937, as amended. The formation and operation of the Housing Authority is governed by the Act, and administered by HUD under the Annual Contributions Contracts.

The Authority is governed by a Board of Directors appointed locally. An Executive Director is appointed by the housing authority's Board to manage the day to day operations of the Authority.

**Low Rent Housing Program**

This program provides low-rent housing to qualified residents of the Borough of Collingswood, New Jersey. All units are owned and operated by the Housing Authority. The operations of the program are subsidized by HUD through an Annual Contributions Contract. Operating subsidy contributions for the years ended March 31, 2018 and 2017 were \$257,058 and \$190,737 respectively, and are included in operating subsidies in the combined statement of revenues, expenses and changes in net position.

**Capital Fund Program Grants**

Capital fund grants are recognized as revenues in the combined statement of revenues, expenses and changes in net assets in accordance with GASB Statement No. 34. Capital grants support the development, modernization and operation of public housing developments.

**B Reporting Entity**

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity is made by applying the criteria set forth by GASB. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financial accountable. Based on these criteria, There are no additional agencies which should be included in the financial statements of Collingswood Housing Authority.

**C Change in Accounting Policy**

During FY 2016, CHA adopted the accounting standard under Government Accounting Standards Board (GASB) No. 68 "*Accounting and Financial Reporting for Pensions*" and, accordingly, changed its accounting policy for its defined benefit pension plan, which was previously accounted for on a cash basis. Under GASB No. 68, CHA is required to include in its financial statements the net pension liability and any related unrecognized experience gain and loss as deferred inflows and deferred outflows, respectively (see also Note 10). There was no restatement of the prior period.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED MARCH 31, 2018 and 2017**  
(continued)

**D - Basis of Accounting**

CHA accounts for its operations in a single enterprise fund. Enterprise funds account for those operations financed and operated in a manner similar to a private business or where CHA has decided that determination of revenue earned, costs incurred and net revenue over expense is necessary for management accountability.

Enterprise funds are proprietary funds used to account for business activities of special purpose governments for which a housing authority qualifies under GASB No. 34, "*Basic Financial Statements – Management's Discussion and Analysis—for State and Local Governments.*" Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting, whereby all revenues are recognized in the period in which they are earned and expenses are recognized in the period in which the liability is incurred regardless of the timing of the related cash flows. All assets and deferred outflows and liabilities and deferred inflows associated with the operation of the Authority are included in the statements of net position. The statements of revenues, expenses and changes in net position present increases (revenue and capital contributions) and decreases (expenses) in total net position.

**Budgeting and Budgetary Accounting**

The Authority prepares an annual operating and capital budget for all programs in accordance with HUD requirements. The budget is formally adopted by resolution of the Authority's Board of Directors. Once adopted, the Board of Directors may amend the adopted budget when unexpected modifications are required in estimated revenues and expenses. The budget is prepared on a detailed line item basis.

**E – Cash and Cash Equivalents**

The Authority considers all securities, including certificates of deposits and short term investments, with maturities of three months or less to be cash equivalents.

**F – Investments**

Investments consist of Certificates of Deposit with maturity dates in excess of three months.

**G – Capital Assets**

Capital assets include land, structures and equipment recorded at cost and is comprised of property betterments and additions, and modernization program costs. Charges for maintenance and repairs are expensed when incurred. The authority depreciates these assets over their estimated useful lives using the straight-line method of depreciation..

<u>Category</u>	<u>Useful lives (in Years)</u>
Buildings	40 years
Building Improvements	15 years
Furniture and Equipment	3 - 20 years
Machinery	3 - 20 years

Long-lived assets are reviewed annually for impairment under the provisions and in accordance with GASB No. 42, "*Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries.*"

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED MARCH 31, 2018 and 2017**  
(continued)

**H – Accrued Compensated absences**

In accordance with the Authority's personnel policy, employees can accumulate sick leave with a maximum accumulation of 30 days. Vacation time must be used in the year provided with no carryover to the next year, therefore, there is no accrual for compensated absences.

**I – Post Employment Benefits**

The Authority does not provide its employees with any health or post employment benefits, therefore there is no accrual for other post employment benefits.

**J – Equity Classifications**

Equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – consists of any capital assets, net of accumulated depreciation and reduced by any outstanding balances of loans, notes or mortgages

Restricted Net Position - consists of the net amount of assets with constraints placed on the use either by (1) external groups such as creditors, grantors, laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – all other net amounts of assets that do not meet the definition of "restricted" or "net investment in capital assets".

**K – Use of Restricted Assets**

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

**L - Operating Revenues and Expenses**

The Authority defines its operating revenues as income derived from charges to residents and others for services provided, and in the management of Authority assets. Its operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies other revenues and expenses as non-operating.

**M - Income Taxes**

CHA is a New Jersey municipal authority and, as such, is exempt from income taxes and other state and local taxes. CHA believes it has not engaged in any activities for which its tax-exempt status would not be sustained under Internal Revenue Service examination or that would require filing of an income tax return for unrelated business income taxes.

**N- Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED MARCH 31, 2018 and 2017**  
(continued)

**O – Economic Dependency**

The Low Rent Housing Program of the Authority is economically dependent on operating grants and subsidies from HUD.

**NOTE 2 – CASH AND INVESTMENTS**

HUD requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC/FSLIC 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 deposits. Obligations furnished as security must be held by the authority or with an unaffiliated bank or trust company for the account of the authority.

It is the Authority's policy to maintain collateralization in accordance with the requirements of HUD. Authority cash and investment balances are covered by the Federal Deposit Insurance Corporation up to \$250,000 with the balance being covered by the Governmental Unit Deposit Protection act of the State of New Jersey.

As of March 31, 2018 and 2017, cash and investment balances consist of the following:

	2018	2017
Operating Accounts	134,145	133,792
Escrow Accounts	35,520	35,432
Other	200	200
	-	-
	169,865	169,424
	-	-
	169,865	169,424
	-	-
Bank Balances	\$ 172,953	\$ 175,280
Certificates of Deposit	\$ 276,856	\$ 274,117
<u>Reconciliation of detail to statement of net assets</u>		
Cash - unrestricted	134,345	133,992
Cash - restricted	35,520	35,432
	\$ 169,865	\$ 169,424
	-	-
Investments	\$ 276,856	\$ 274,117



**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED MARCH 31, 2018 and 2017**

(continued)

**NOTE 3 – CAPITALASSETS**

Changes in capital assets for 2018 consisted of:

	2017	additions	disposals	transfers	2018
<u>Non-depreciable capital assets:</u>					
Land	309,977	-	-		309,977
Construction in Progress	335,693	-		(335,693)	-
	645,670	-		(335,693)	309,977
<u>Depreciable capital assets:</u>					
Buildings and Improvements	5,385,090	23,746	-	335,693	5,744,529
Equipment - Admin & Dwelling	118,494	-	-		118,494
Totals	5,503,584	23,746	-	335,693	5,863,023
Total capital assets	6,149,254	23,746			6,173,000
Accumulated Depreciation:	(4,715,891)	(159,795)	-		(4,875,686)
Net Capital Assets	1,433,363	(136,049)	-	-	1,297,314

Changes in capital assets for 2017 consisted of:

	2016	additions	disposals	transfers	2017
<u>Non-depreciable capital assets:</u>					
Land	309,977	-	-		309,977
Construction in progress	-	335,693		-	335,693
	309,977	335,693		-	645,670
<u>Depreciable capital assets:</u>					
Buildings and Improvements	5,346,459	38,631	-	-	5,385,090
Equipment - Admin & Dwelling	118,494	-	-		118,494
Totals	5,464,953	38,631	-	-	5,503,584
Total capital assets	5,774,930	374,324	-	-	6,149,254
Accumulated Depreciation:	(4,533,116)	(182,775)	-		(4,715,891)
Net Capital Assets	1,241,814	191,549			1,433,363

**NOTE 4 – RISK MANAGEMENT**

The Authority is exposed to various risks of potential liabilities, such as theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In order to deal with these potential liabilities, the Authority's risk management program consisted of various insurance policies covering each of these risks. The Authority believes such coverage is sufficient to preclude any significant uninsured losses to the Authority.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED MARCH 31, 2018 and 2017**

(continued)

**NOTE 5 – COMMITMENTS AND CONTINGENCIES**

During the year ended March 31, 2015 the Authorities lease commitment, as lessor, with Sprint for renting space on authority property, was renewed for an additional five year term.

**NOTE 6 – PAYABLE TO OTHER GOVERNMENT AGENCIES – (PILOT)**

The Authority is required to make a payment in lieu of taxes (PILOT) for the PHA Owned Program in accordance with the provisions of its cooperation agreement with the Borough of Collingswood, New Jersey. Under the cooperation agreements, the Authority must pay the lesser of 10% of its net shelter rent or the appropriate full real property taxes. During the fiscal years ended March 31, 2018 and 2017, PILOT expense was accrued in the amounts of \$26,183 and \$25,991, respectively. Shown on statement of net position as payable to other government.

**NOTE 7 – Deferred Outflows/Inflows of Resources** – Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Deferred outflows of resources consist of unrecognized items not yet charges to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources until that time. These inflows consist of unamortized portion of the net difference between projected and actual earnings on pension plan investments.

**NOTE 8 – PENSION PLAN**

**Description of Plan**

The Authority participates in the Public Employees Retirement System (PERS), a cost-sharing multiple employer defined benefit pension plan administered by the Division of Pensions within the Department of Treasury, State of New Jersey. It is a cost-sharing, multiple-employer defined benefit pension plan. The PERS was established on January 1, 1955 under the provisions of N.J.S.A. 43:15A. to provide coverage, including post-retirement health care, for substantially all full time employees of the state, its counties, municipalities, school districts or public agencies, provided the employee is not a member of another state administered retirement system. Membership is mandatory for such employees.

**Vesting and Benefit Provisions**

The vesting and benefit provisions for the PERS are set by N.J. S.A. 43:15A and 43:3B. All benefits vest after ten years of services, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined.

**Funding Requirements - PERS**

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994 and Chapter 115, P.L. of 1998, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Employers contributions are actuarially determined annually by the

The Authority's total contributions to PERS for the year ended were \$ 16,846.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED MARCH 31, 2018 and 2017**  
(continued)

**NOTE 8 – PENSION PLAN - continued**

**Net 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 \$ 423,306 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the authority's share of contributions to the pension plan relative to the contributions of all PERS participating employers. At June 30, 2017, the authority's collective proportion percentage was .0018184503.

For the year ended the authority recognized pension expense of \$ 12,925. At March 31, 2018, the authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 9,967	\$ -
Changes in assumptions	85,282	84,969
Net difference between projected and actual earnings on pension plan investments	2,882	
Changes in proportion and differences between Authority contributions and proportionate share of contributions	477,482	550,798
Contribution subsequent to measurement date	20,215	
Total	<u>\$ 595,828</u>	<u>\$ 635,767</u>

\$ 20,215 reported as deferred outflows of resources related to pensions resulting from the Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

Year Ended Mar., 31	Total
2019	\$ (12,031)
2020	(12,031)
2021	(12,031)
2022	(12,031)
2023	(12,031)
	<u>\$ (60,154)</u>

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED MARCH 31, 2018 and 2017**  
(continued)

**NOTE 8 – PENSION PLAN - continued**

Actuarial assumptions – the total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation :	2.25%
Rates of 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%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality tables, as appropriate, with adjustments for mortality improvements based on Scale AA.

The long-term expected rate of return on pension plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best estimate ranges of expected future real rates of return are developed for each major class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major 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	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 estate	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-US developed markets equity	11.50%	9.00%
Emerging Markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%



**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED MARCH 31, 2018 and 2017**  
(continued)

**NOTE 8 – PENSION PLAN – continued**

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 plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of 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, the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Pension Plan Fiduciary Net Position – detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report which is available on the PERS website.

Sensitivity of the Authority's Proportionate Share of Net Pension Liability to changes in the Discount Rate – the following represents the Authority's proportionate share of the net pension liability calculated using the discount rate of 4.90 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 (3.90 percent) or 1-percentage point higher (5.90 percent) than the current rate,

	4.00%	5.00%	6.00%
Authority's proportionate share of the net pension liability	525,140	423,306	338,466

**NOTE 9 – Defined Contribution Plan**

The Authority also participates in the "New Jersey Defined Contribution Retirement Plan" which is a Money Purchase Plan. Under the plan 5.5% of an employee's annual base salary is automatically contributed, The State of New Jersey contributes an amount equal to three percent of employees base salary. This plan is administered by Prudential Insurance Co. The Authority's contributions to the plan for the years ended March 31, 2018, 2017 and 2016 were \$3,654, \$1,191 and \$1,239, respectively.

**NOTE 10 – SUBSEQUENT EVENTS**

In preparing the financial statements, the Housing Authority has evaluated events and transactions for potential recognition or disclosure through July 24 2018 the date the financial statements were available to be issued. No transactions were found for recognition or disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION**

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY**  
**YEAR ENDED MARCH 31, 2018**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Authority's proportions of the net pension liability (asset)	0.0018184503%	0.0017955039%	0.0011879286%
Authority's proportionate share of the net pension liability	\$ 423,306	\$ 531,777	\$ 266,666
Authority's covered-employee payroll	\$ 128,508	125,984	\$ 123,520
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	329.40%	422.10%	215.89%
Plan fiduciary net position as a percentage of the total pension liability	47.93%	59.86%	47.93%

Note: GASB Statement NO 68 requires ten years of information to be presented in this table. However, until a full 10 year trend is compiled, the Authority will present information for those years for which information is available.

See accompanying independent auditor's report

HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY  
SCHEDULE OF AUTHORITY'S CONTRIBUTIONS  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
YEAR ENDED MARCH 31, 2018

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contributions	16,846	15,951	10,213
Contributions in relation to the statutorily required contributions	16,846	15,951	10,213
Contributions deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>
Authority's covered-employee payroll	128,508	125,984	123,520
Contributions as a percentage of covered-employee payroll	13.11%	12.66%	8.27%

See accompanying independent auditor's report

## **OTHER SUPPLEMENTARY INFORMATION**

ASSETS		
Current Assets		
Cash	189,214	189,214
Restricted cash and investments	35,202	35,202
Receivables, net	-	-
Investments	279,808	279,808
Other assets	23,919	23,919
Total Current assets	528,143	528,143
NONCURRENT ASSETS		
Capital assets, net of depreciation	1,297,314	1,297,314
Other assets	-	-
Total noncurrent assets	1,297,314	1,297,314
Deferred Outflows of Resources	595,828	595,828
TOTAL ASSETS and DEFERRED OUTFLOWS OF RESOURCES	2,421,285	2,421,285
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts payable	10,698	10,698
Accrued Liabilities	12,867	12,867
Accounts Payable - other government	26,183	26,183
Compensated absences	-	-
Tenant security deposits	35,202	35,202
Deferred credits and other liabilities	1,802	1,802
Total current liabilities	86,752	86,752
NONCURRENT LIABILITIES		
Compensated absences	-	-
Accrued pension other liabilities	423,306	423,306
Total noncurrent liabilities	423,306	423,306
TOTAL LIABILITIES	510,058	510,058
Deferred Inflows of Resources	635,767	635,767
NET POSITION		
Net Investment in capital assets	1,297,314	1,297,314
Restricted net position	-	-
Unrestricted net position ( deficit )	(21,854)	(21,854)
TOTAL NET POSITION	1,275,460	1,275,460
TOTAL LIABILITIES AND NET POSITION	2,421,285	2,421,285

Housing Authority of the Borough of Collingswood, New Jersey  
Combining Statement of Revenues, Expenses and changes in Net Position  
For the year ended March 31, 2018

	Low Rent Housing	Capital Fund Program	Totals
Operating revenue			
Total Tenant Revenue	441,382	-	441,382
Operating subsidies	175,802	81,256	257,058
other revenue	78,780	-	78,780
Total operating revenue	695,964	81,256	777,220
Operating Expenses			
Administrative expenses	177,572	-	177,572
Tenant services	23,818	-	23,818
Utilities	179,554	-	179,554
Maintenance	205,231	-	205,231
Protective services	-	-	-
General	26,183	-	26,183
Insurance Expense	27,507	-	27,507
Depreciation expense	159,795	-	159,795
Total operating expenses	799,660	-	799,660
Operating income (loss)	(103,696)	81,256	(22,440)
Nonoperating revenue (expenses)			
Investment Income	3,396	-	3,396
Net nonoperating revenue	3,396	-	3,396
Income (Loss) before capital subsidies	(100,300)	81,256	(19,044)
Capital subsidies	-	-	-
Change in net assets	(100,300)	81,256	(19,044)
Total net assets at beginning of year	1,294,504	-	1,294,504
Capital contributions/transfers	81,256	(81,256)	-
Total net position at end of year	1,275,460	-	1,275,460



Collingswood Housing Authority (NJ079)

COLLINGSWOOD, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit Fiscal Year End: 03/31/2018

	Project Total	Subtotal	Total
111 Cash - Unrestricted	\$189,214	\$189,214	\$189,214
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted	\$35,202	\$35,202	\$35,202
114 Cash - Tenant Security Deposits			
115 Cash - Restricted for Payment of Current Liabilities	\$224,416	\$224,416	\$224,416
100 Total Cash			
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects			
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous			
126 Accounts Receivable - Tenants			
126.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other			
127 Notes, Loans, & Mortgages Receivable - Current			
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$279,808	\$279,808	\$279,808
131 Investments - Unrestricted			
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability	\$23,919	\$23,919	\$23,919
142 Prepaid Expenses and Other Assets			
143 Inventories			

Collingswood Housing Authority (NJ079)  
 COLLINGSWOOD, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2018

	Project Total	Subtotal	Total
143.1 Allowance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$528,143	\$528,143	\$528,143
161 Land	\$309,977	\$309,977	\$309,977
162 Buildings	\$5,744,529	\$5,744,529	\$5,744,529
163 Furniture, Equipment & Machinery - Dwellings	\$26,084	\$26,084	\$26,084
164 Furniture, Equipment & Machinery - Administration	\$92,410	\$92,410	\$92,410
165 Leasehold Improvements			
166 Accumulated Depreciation	-\$4,875,686	-\$4,875,686	-\$4,875,686
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,297,314	\$1,297,314	\$1,297,314
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$1,297,314	\$1,297,314	\$1,297,314
200 Deferred Outflow of Resources	\$595,828	\$595,828	\$595,828
290 Total Assets and Deferred Outflow of Resources	\$2,421,285	\$2,421,285	\$2,421,285



Collingswood Housing Authority (NJ079)  
COLLINGSWOOD, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2018

	Project Total	Subtotal	Total
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$10,698	\$10,698	\$10,698
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$35	\$35	\$35
322 Accrued Compensated Absences - Current Portion			
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government	\$26,183	\$26,183	\$26,183
341 Tenant Security Deposits	\$35,202	\$35,202	\$35,202
342 Unearned Revenue	\$1,802	\$1,802	\$1,802
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities			
346 Accrued Liabilities - Other	\$12,832	\$12,832	\$12,832
347 Inter Program - Due To			
348 Loan Liability - Current			
310 Total Current Liabilities	\$86,752	\$86,752	\$86,752
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other			
354 Accrued Compensated Absences - Non Current			

**Collingswood Housing Authority (NJ079)  
COLLINGSWOOD, NJ**

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2018

	Project Total	Subtotal	Total
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities	\$423,306	\$423,306	\$423,306
350 Total Non-Current Liabilities	\$423,306	\$423,306	\$423,306
300 Total Liabilities	\$510,058	\$510,058	\$510,058
400 Deferred Inflow of Resources	\$635,767	\$635,767	\$635,767
508.4 Net Investment in Capital Assets	\$1,297,314	\$1,297,314	\$1,297,314
511.4 Restricted Net Position	\$0	\$0	\$0
512.4 Unrestricted Net Position	-\$21,854	-\$21,854	-\$21,854
513 Total Equity - Net Assets / Position	\$1,275,460	\$1,275,460	\$1,275,460
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$2,421,285	\$2,421,285	\$2,421,285

**Collingswood Housing Authority (NJ079)**  
**COLLINGSWOOD, NJ**

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2018

	Project Total	Subtotal	Total
70300 Net Tenant Rental Revenue	\$426,012	\$426,012	\$426,012
70400 Tenant Revenue - Other	\$15,370	\$15,370	\$15,370
70500 Total Tenant Revenue	\$441,382	\$441,382	\$441,382
70600 HUD PHA Operating Grants	\$257,058	\$257,058	\$257,058
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$3,396	\$3,396	\$3,396
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue	\$78,780	\$78,780	\$78,780
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$780,616	\$780,616	\$780,616



**Collingswood Housing Authority (NJ079)**  
**COLLINGSWOOD, NJ**

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2018

	Project Total	Subtotal	Total
91100 Administrative Salaries	\$107,644	\$107,644	\$107,644
91200 Auditing Fees	\$4,200	\$4,200	\$4,200
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing			
91500 Employee Benefit Contributions - Administrative	\$17,111	\$17,111	\$17,111
91600 Office Expenses	\$23,122	\$23,122	\$23,122
91700 Legal Expense	\$9,000	\$9,000	\$9,000
91800 Travel	\$1,458	\$1,458	\$1,458
91810 Allocated Overhead			
91900 Other	\$15,037	\$15,037	\$15,037
91000 Total Operating - Administrative	\$177,572	\$177,572	\$177,572
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other	\$23,818	\$23,818	\$23,818
92500 Total Tenant Services	\$23,818	\$23,818	\$23,818
93100 Water	\$9,807	\$9,807	\$9,807
93200 Electricity	\$66,581	\$66,581	\$66,581
93300 Gas	\$30,844	\$30,844	\$30,844
93400 Fuel			

**Collingswood Housing Authority (NJ079)**  
**COLLINGSWOOD, NJ**

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2018

	Project Total	Subtotal	Total
93500 Labor	\$9,947	\$9,947	\$9,947
93600 Sewer	\$60,453	\$60,453	\$60,453
93700 Employee Benefit Contributions - Utilities	\$1,922	\$1,922	\$1,922
93800 Other Utilities Expense			
93000 Total Utilities	\$179,554	\$179,554	\$179,554
94100 Ordinary Maintenance and Operations - Labor	\$89,522	\$89,522	\$89,522
94200 Ordinary Maintenance and Operations - Materials and Other	\$21,409	\$21,409	\$21,409
94300 Ordinary Maintenance and Operations Contracts	\$64,514	\$64,514	\$64,514
94500 Employee Benefit Contributions - Ordinary Maintenance	\$14,467	\$14,467	\$14,467
94000 Total Maintenance	\$189,912	\$189,912	\$189,912
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0
95000 Total Protective Services			
96110 Property Insurance			
96120 Liability Insurance			
96130 Workmen's Compensation			
96140 All Other Insurance	\$27,507	\$27,507	\$27,507
96100 Total Insurance Premiums	\$27,507	\$27,507	\$27,507



**Collingswood Housing Authority (NJ079)**  
**COLLINGSWOOD, NJ**

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2018

	Project Total	Subtotal	Total
96200 Other General Expenses			
96210 Compensated Absences			
96300 Payments in Lieu of Taxes	\$26,183	\$26,183	\$26,183
96400 Bad debt - Tenant Rents			
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$26,183	\$26,183	\$26,183
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$624,546	\$624,546	\$624,546
97000 Excess of Operating Revenue over Operating Expenses	\$156,070	\$156,070	\$156,070
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized	\$15,319	\$15,319	\$15,319
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	\$159,795	\$159,795	\$159,795
97500 Fraud Losses			

**Collingswood Housing Authority (NJ079)  
COLLINGSWOOD, NJ**

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2018

	Project Total	Subtotal	Total
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$799,660	\$799,660	\$799,660
10010 Operating Transfer In	\$81,256	\$81,256	\$81,256
10020 Operating transfer Out	-\$81,256	-\$81,256	-\$81,256
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$19,044	-\$19,044	-\$19,044
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0
11030 Beginning Equity	\$1,294,504	\$1,294,504	\$1,294,504
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0

Collingswood Housing Authority (NJ079)  
COLLINGSWOOD, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2018

	Project Total	Subtotal	Total
11050 Changes in Compensated Absence Balance			
11060 Changes in Contingent Liability Balance			
11070 Changes in Unrecognized Pension Transition Liability			
11080 Changes in Special Term/Severance Benefits Liability			
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			
11100 Changes in Allowance for Doubtful Accounts - Other			
11170 Administrative Fee Equity			
11180 Housing Assistance Payments Equity			
11190 Unit Months Available	1140	1140	1140
11210 Number of Unit Months Leased	1137	1137	1137
11270 Excess Cash	\$365,025	\$365,025	\$365,025
11610 Land Purchases	\$0	\$0	\$0
11620 Building Purchases	\$359,438	\$359,438	\$359,438
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0	\$0	\$0
11650 Leasehold Improvements Purchases	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$0	\$0	\$0
13901 Replacement Housing Factor Funds	\$0	\$0	\$0

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**SCHEDULE OF ACTUAL MODERNIZATION COST CERTIFICATES**  
**YEAR ENDED MARCH 31, 2018**

<u>PROGRAM/GRANT</u>	<u>NJ39PO79501-17</u>
BUDGET - ORIGINAL FUNDS APPROVED	<u>\$ 81,256</u>
FUNDS DISBURSED	81,256
	-
FUNDS EXPENDED	<u>\$ 81,256</u>
	-
EXCESS (DEFICIENCY) OF ADVANCES DUE TO (FROM) HUD	<u>\$ -</u>

THE ACTUAL MODERNIZATION COST CERTIFICATES ARE IN AGREEMENT WITH THE RECORDS OF THE HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY.

## **OTHER REPORTS**



**FRANCIS J McCONNELL**  
CERTIFIED PUBLIC ACCOUNTANT

Member of American and Pennsylvania  
Institutes of Certified Public Accountants

6225 Rising Sun Avenue  
Philadelphia, PA 19111  
Voice: 215-742-3428

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*

Board of Directors  
Collingswood Housing Authority  
Collingswood, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of Collingswood Housing Authority, as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise Collingswood Housing Authority's basic financial statements, and have issued our report thereon dated July 24, 2018.

**Internal Control over Financial Reporting**

In planning and performing my audit of the financial statements, I considered Collingswood Housing 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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Collingswood Housing Authority's internal control. Accordingly, I do not express an opinion on the effectiveness of Collingswood Housing 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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Collingswood Housing Authority's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 my 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.

*Francis McConnell*

Francis J. McConnell  
Certified Public accountant

July 24, 2018

**THE HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NJ**  
**SCHEDULE OF FINDINGS OF NONCOMPLIANCE**  
**March 31, 2018**

**FINDINGS**

NONE

**General comments**

NONE