



**HOUSING AUTHORITY OF THE  
CITY OF VINELAND**

**REPORT OF AUDIT**

**FOR THE FISCAL YEARS ENDED  
SEPTEMBER 30, 2019 AND 2018**

**HOUSING AUTHORITY OF THE CITY OF VINELAND**

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**September 30, 2019 and 2018**

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**HOUSING AUTHORITY OF THE CITY OF VINELAND**

**PART I - FINANCIAL SECTION**

**FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2019 AND 2018**

## **INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
Housing Authority of the City of Vineland

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the City of Vineland (the "Authority"), a component unit of the City of Vineland, its blended component unit, Vineland Housing Development Corporation, and its discretely presented component unit, Affordable Housing Corporation of Vineland, as of and for the fiscal years ended September 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the 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**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our 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 and in compliance with the audit requirements as prescribed by the Bureau of Authority Regulation, 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. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

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, 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.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Housing Authority of the City of Vineland, its blended component unit, Vineland Housing Development Corporation, and its discretely presented component unit, Affordable Housing Corporation of Vineland, as of September 30, 2019 and 2018, and the changes in its financial position and its cash flows thereof for the fiscal 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 required supplementary information 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 financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying supplementary schedules as listed in the table of contents are not a required part of the financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Financial Data Schedule as required by the U.S. Department of Housing and Urban Development are presented for purposes of additional analysis and are not a required part of the financial statements.

The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Financial Data Schedule as required by the U.S. Department of Housing and Urban Development are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 the Financial Data Schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2020 on our consideration of the Housing Authority of the City of Vineland'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 the Housing Authority of the City of Vineland's internal control over financial reporting and compliance.

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

Woodbury, New Jersey  
December 16, 2020

**INDEPENDENT AUDITOR'S 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 Commissioners  
Housing Authority of the City of Vineland

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and in compliance with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the business-type activities of the Housing Authority of the City of Vineland, a component unit of the City of Vineland, as of and for the fiscal year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 16, 2020. The component unit, Vineland Housing Development Corporation, issues its own audited financial statements which are not audited in accordance with *Government Auditing Standards*. The financial statements of the discretely presented component unit was not audited in accordance with *Government Auditing Standards*. Accordingly, this report does not extend to the component units.

### **Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of 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 that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey.

## 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* and the audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Housing Authority of the City of Vineland's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

Woodbury, New Jersey  
December 16, 2020



**Housing Authority of the City of Vineland**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED**  
**September 30, 2019**

As management of the Vineland Housing Authority, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activity of the Authority for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which includes its blended component unit, Vineland Housing Development Corporation.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual financial report consists of two parts: Management's Discussion and Analysis (this section) and the basic financial statements. The Management's Discussion and Analysis is intended to share management's analysis of the Authority's financial performance. The Authority's financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to private businesses, such as real estate development and management. The financial statements included in this report were prepared in accordance with GAAP applicable to governmental entities for Proprietary Fund types ("Business-Type" activities). The financial statements and accompanying data include the following:

- 1 The Statements of Net Position** - reports information on all the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and with the difference reported as net position (equity).
- 2 The Statements of Revenue, Expenses and Changes in Net Position** - reports the Authority's operating and nonoperating revenue, by major sources, along with operating and nonoperating expenses and capital contributions.
- 3 Statements of Cash Flows** - reports the Authority's net cash from operating, investing, non-capital financing, and capital and related financial activities.
- 4 Notes to Financial Statements** - provides disclosures essential to fully understanding the data provided in the financial statements.
- 5 Supplemental Information** - presents the schedule of expenditures of Federal Awards as required by the U.S. Office of Management and Budget (2 CFR 200 *Uniform Guidance*). Also included are the Financial Data Schedule and Capital Grant Schedule. Schedules for the Authority's post-retirement plan and the State-Administered pension plan are presented as Required Supplementary Information.

**FINANCIAL HIGHLIGHTS**

- The Authority's Total Net Position (equity) increased from 2018 to 2019 by \$283,594 due to an increase in Unrestricted Net Position of \$2,430,518 offset by a decrease in Net Investment in Capital Assets of \$1,961,030 and a decrease in Restricted Net Position of \$(185,894).
- The Authority's Total Net Position (equity) decreased from 2017 to 2018 by \$(9,082,029) primarily due to the GASB 75 adjustment of \$(8,905,248) .

**Housing Authority of the City of Vineland**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED**  
**September 30, 2019**

**FINANCIAL HIGHLIGHTS (continued)**

- The Authority's Current Assets balance including cash at the reporting year end was \$6,438,237 for 2019, \$5,875,009 for 2018 and \$5,918,383 for 2017. This includes amounts designated for current restricted use.
- The Authority had Total Revenues of \$11,295,117 in 2019, \$9,914,195 in 2018 and \$11,004,884 in 2017. The Authority had Total Expenses of \$11,011,523 in 2019, \$10,090,976 in 2018 and \$10,064,932 in 2017.
- The Authority had Contributed Capital of \$0.00 in 2019, \$0.00 in 2018 and \$1,600,489 in 2017.
- The Primary Government's Expenditures of Federal Awards amounted to \$6,760,437 in 2019, \$6,376,964 in 2018 and \$6,242,532 in 2017.

**OTHER FINANCIAL INFORMATION**

The Housing Authority of the City of Vineland operates various programs involving the provisioning of affordable housing services. Some programs are federal and state instituted and others are management operations of affordable housing.

The major programs of the Authority are:

1. Public Housing Program
2. Section 8 Housing Choice Voucher Program
3. Business Activities, consisting of General Management and Supplemental funds.
4. Component Units, which are legally separate corporations and instrumentalities of the Housing Authority formed to carry out the mission of the Authority and expand affordable housing opportunities.
5. Congregate Service Program
6. ROSS - Resident Opportunity & Self-Sufficiency Program
7. FSS - Family Self-Sufficiency Program

**HOUSING FACTS:**

1. Over 1,031 Low-income families have been assisted throughout the county by the Housing Authority in 2019; affording them decent, safe, and sanitary housing based on their ability to pay.
2. Over \$4.5 million was disbursed in Housing Assistance Payments for the year ended 9-30-19.
3. The average monthly housing assistance provided for Section 8 families was \$606.00.

**Housing Authority of the City of Vineland**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED (CONT'D)**  
**September 30, 2019**

**BUDGETARY HIGHLIGHTS**

As for the year ended September 30, 2019, a consolidated budget (excluding the component unit) was prepared by the Authority and was approved by the Board of Commissioners. Individual project, program and grant budgets were also prepared and used internally by management. The budgets are used primarily as a management tool. However, for the Authority's annual entity-wide (excluding the component unit) State budget, the total amount of appropriations constitutes the legal level of control. Expenditures may not exceed appropriations at this level without approval State of New Jersey Department of Community Affairs.

In some governmental programs, funding is derived by formula. The Authority experienced major funding changes in recent years, including recent reductions.

**STATEMENTS OF NET POSITION**

	September 30, 2019		September 30, 2018		September 30, 2017	
	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit
Current Assets	\$ 6,328,092	\$ 110,145	\$ 5,803,277	\$ 71,732	\$ 5,254,621	\$ 663,762
Non-current Restricted Assets	1,703,406	390,683	500,748	372,001	384,968	357,794
Capital Assets, net	15,002,703	3,555,179	15,434,226	3,784,054	16,068,848	4,012,929
Other Assets	1,269,237	44,769	1,269,237	48,688	1,775,463	52,607
<b>Total Assets</b>	<b>24,303,438</b>	<b>4,100,776</b>	<b>23,007,488</b>	<b>4,276,475</b>	<b>23,483,900</b>	<b>5,087,092</b>
Deferred Outflows of Resources	647,033	-	748,084	-	879,366	-
Current Liabilities	845,599	169,654	920,106	137,884	1,029,642	91,638
Long-term Liabilities	11,487,592	2,954,719	11,093,624	3,043,979	5,992,402	3,672,828
<b>Total Liabilities</b>	<b>12,333,191</b>	<b>3,124,373</b>	<b>12,013,730</b>	<b>3,181,863</b>	<b>7,022,044</b>	<b>3,764,466</b>
Deferred Inflows of Resources	5,153,170	-	4,734,074	-	1,424,900	-
Net Investment in Capital Assets	11,400,538	756,260	13,159,226	958,602	13,543,848	658,610
Restricted Net Position	108,952	217,942	201,574	311,214	97,766	297,061
Unrestricted Net Position	(4,045,380)	2,201	(6,353,032)	(120,665)	2,274,708	366,955
<b>Net Position</b>	<b>\$ 7,464,110</b>	<b>\$ 976,403</b>	<b>\$ 7,007,768</b>	<b>\$ 1,149,151</b>	<b>\$ 15,916,322</b>	<b>\$ 1,322,626</b>

**Housing Authority of the City of Vineland**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED (CONT'D)**  
**September 30, 2019**

**STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION**

	September 30, 2019		September 30, 2018		September 30, 2017	
	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit
Revenues:						
Federal grant awards	\$ 6,417,368	\$ -	\$ 5,935,314	\$ -	\$ 5,791,078	\$ -
State and local grant awards	88,547	-	91,652	-	82,229	-
Tenant charges	2,587,888	98,784	2,524,587	99,823	2,437,723	88,527
Housing assistance payments	715,719	178,312	-	169,036	-	-
Other Revenues	492,855	27	253,211	62	281,351	200,723
<b>Total Revenues</b>	<b>10,302,377</b>	<b>277,123</b>	<b>8,804,764</b>	<b>268,921</b>	<b>8,592,381</b>	<b>289,250</b>
Operating Expenses:						
Housing assistance payments	4,535,981	-	3,732,598	-	3,841,776	-
Administrative and Other Expenses	4,812,772	147,817	4,754,680	153,037	4,564,430	141,762
Depreciation expense	1,016,709	232,794	1,033,024	232,794	1,082,758	232,744
<b>Total Operating Expenses</b>	<b>10,365,462</b>	<b>380,611</b>	<b>9,520,302</b>	<b>385,831</b>	<b>9,488,964</b>	<b>374,506</b>
<b>Operating Loss</b>	<b>(63,085)</b>	<b>(103,488)</b>	<b>(715,538)</b>	<b>(116,910)</b>	<b>(896,583)</b>	<b>(85,256)</b>
Non-Operating Revenues (Expenses):						
Tower Rental Income	54,163	-	52,729	-	59,615	-
Capital Grants	343,069	-	441,650	-	451,454	-
Investment Income	22,438	4,337	11,985	1,601	10,997	698
Interest Expense	(191,853)	(67,923)	(109,287)	(69,882)	(120,061)	(75,727)
Insurance Recovery on capital assets, net of impairment loss	291,610	-	315,155	-	-	-
NJHMFA loan fees	-	(5,674)	-	(5,674)	-	(5,674)
Capital contribution	-	-	-	-	-	1,600,489
Other nonoperating income	-	-	-	17,390	-	-
<b>Net non-operating revenue (expenses)</b>	<b>519,427</b>	<b>(69,260)</b>	<b>712,232</b>	<b>(56,565)</b>	<b>402,005</b>	<b>1,519,786</b>
<b>Increase (decrease) in net position</b>	<b>456,342</b>	<b>(172,748)</b>	<b>(3,306)</b>	<b>(173,475)</b>	<b>(494,578)</b>	<b>1,434,530</b>
<b>Net position at the beginning of the fiscal year</b>	<b>7,007,768</b>	<b>1,149,151</b>	<b>15,916,322</b>	<b>1,322,626</b>	<b>16,410,900</b>	<b>(111,904)</b>
Cumulative effect of change in accounting principle	-	-	(8,905,248)	-	-	-
<b>Net position at the beginning of the fiscal year, as restated</b>	<b>7,007,768</b>	<b>1,149,151</b>	<b>7,011,074</b>	<b>1,322,626</b>	<b>16,410,900</b>	<b>(111,904)</b>
<b>Net position at the end of the fiscal year</b>	<b>\$ 7,464,110</b>	<b>\$ 976,403</b>	<b>\$ 7,007,768</b>	<b>\$ 1,149,151</b>	<b>\$ 15,916,322</b>	<b>\$ 1,322,626</b>

**Housing Authority of the City of Vineland**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED (CONT'D)**  
**September 30, 2019**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

*Capital Assets:*

The following table summarizes the changes in capital assets between September 30, 2019, 2018 and 2017:

	September 30, 2019		September 30, 2018		September 30, 2017	
	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit
Land	\$ 3,398,069	\$ 50,800	\$ 3,398,069	\$ 50,800	\$ 3,398,069	\$ 50,800
Building	45,955,644	3,922,740	45,554,704	3,922,740	45,216,971	3,922,740
Equipment	2,212,278	458,882	2,087,512	458,882	2,038,075	458,882
Construction-in-progress	-	-	-	-	-	-
Total	51,565,991	4,432,422	51,040,285	4,432,422	50,653,115	4,432,422
Accumulated Depreciation	36,563,288	877,243	35,606,059	648,368	34,584,267	419,493
Net Capital Assets	<u>\$ 15,002,703</u>	<u>\$ 3,555,179</u>	<u>\$ 15,434,226</u>	<u>\$ 3,784,054</u>	<u>\$ 16,068,848</u>	<u>\$ 4,012,929</u>

*Debt:*

As of September 30, 2019, the Authority had \$1,260,000 in outstanding bond debt from the capital leveraging program.

As of September 30, 2019, the Authority had \$2,342,165 in outstanding bond debt from the RAD conversion of two projects.

As of September 30, 2019, the component unit had \$2,798,919 in outstanding mortgage debt.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The following factors were considered in preparing the Authority's budget for the fiscal year ending September 30, 2019.

- Federal funding of the Department of Housing and Urban Development
- Local labor supply and demand, which can affect salary and wages rates
- Local inflationary, recession and employment trends, which can affect resident incomes and, therefore, the amount of rental income
- Inflationary pressure on utility rates, supplies, interest rates and other costs

**CONTRACTING 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 Executive Director, Vineland Housing Authority, 191 W. Chestnut Avenue, Vineland, NJ 08360-5499, 856-691-4099.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Statements of Net Position**  
**September 30, 2019 and 2018**

	<b>September 30, 2019</b>		<b>September 30, 2018</b>	
	<u>Primary Government</u>	<u>Component Unit</u>	<u>Primary Government</u>	<u>Component Unit</u>
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 5,952,339	\$ 93,159	\$ 5,288,349	\$ 56,907
Accounts receivable, net of allowance for doubtful accounts of \$8,021 in 2019 and \$6,793 in 2018	24,761	2,726	21,050	565
Development fee receivable	154,689	-	267,146	-
Due from HUD	55,871	-	116,477	-
Due from other governments	57,927	-	42,868	-
Other receivables	6,710	788	2,621	788
Prepaid expenses	75,795	13,472	64,766	13,472
Total current assets	<u>6,328,092</u>	<u>110,145</u>	<u>5,803,277</u>	<u>71,732</u>
Non-current restricted assets				
Cash and cash equivalents	<u>1,703,406</u>	<u>390,683</u>	<u>500,748</u>	<u>372,001</u>
Capital assets, net	<u>15,002,703</u>	<u>3,555,179</u>	<u>15,434,226</u>	<u>3,784,054</u>
Due from Melrose Court Homes, LP	<u>1,269,237</u>	<u>-</u>	<u>1,269,237</u>	<u>-</u>
Deferred charges	<u>-</u>	<u>44,769</u>	<u>-</u>	<u>48,688</u>
Total assets	<u>\$ 24,303,438</u>	<u>\$ 4,100,776</u>	<u>\$ 23,007,488</u>	<u>\$ 4,276,475</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Related to pensions	\$ 439,958	\$ -	\$ 724,507	\$ -
Related to OPEB	<u>207,075</u>	<u>-</u>	<u>23,577</u>	<u>-</u>
Total deferred outflows of resources	<u>\$ 647,033</u>	<u>\$ -</u>	<u>\$ 748,084</u>	<u>\$ -</u>

(continued)

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Statements of Net Position (continued)**  
**September 30, 2019 and 2018**

	<b>September 30, 2019</b>		<b>September 30, 2018</b>	
	Primary Government	Component Unit	Primary Government	Component Unit
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable and accrued expenses	\$ 345,522	\$ 114,089	\$ 404,369	\$ 49,342
Current portion of liability for compensated absences	60,165	-	63,164	-
Current portion of development fee payable	-	19,837	-	54,539
Due to other governments	146,414	5,438	133,145	5,516
Unearned revenue	24,503	980	15,411	338
Current portion of long-term debt	244,435	29,310	260,000	28,149
Accrued interest payable	24,560	-	44,017	-
<b>Total current liabilities</b>	<b>845,599</b>	<b>169,654</b>	<b>920,106</b>	<b>137,884</b>
<b>Long-term liabilities</b>				
Tenant funds on deposit	205,209	35,805	198,369	35,687
Pension liability	2,575,775	-	2,846,879	-
Pension liability - contributions subsequent to measurement date	34,763	-	35,955	-
Other postemployment benefits	5,087,498	-	5,748,552	-
Long-term debt, net of current portion	3,357,730	2,769,609	2,015,000	2,797,303
Liability for compensated absences, net of current portion	180,494	-	189,493	-
Tenant funds on deposit	46,123	-	59,376	-
Development fee payable	-	80,163	-	100,000
Accrued interest	-	69,142	-	56,450
<b>Total long-term liabilities</b>	<b>11,487,592</b>	<b>2,954,719</b>	<b>11,093,624</b>	<b>2,989,440</b>
<b>Total liabilities</b>	<b>\$ 12,333,191</b>	<b>\$ 3,124,373</b>	<b>\$ 12,013,730</b>	<b>\$ 3,127,324</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Related to pensions	\$ 1,392,011	\$ -	\$ 1,547,800	\$ -
Related to OPEB	3,761,159	-	3,186,274	-
<b>Total deferred inflows of resources</b>	<b>\$ 5,153,170</b>	<b>\$ -</b>	<b>\$ 4,734,074</b>	<b>\$ -</b>
<b>NET POSITION (DEFICIT)</b>				
Net investment in capital assets	\$ 11,400,538	\$ 756,260	\$ 13,159,226	\$ 958,602
Restricted net position	108,952	217,942	201,574	311,214
Unrestricted net position (deficit)	(4,045,380)	2,201	(6,353,032)	(120,665)
<b>Total net position</b>	<b>\$ 7,464,110</b>	<b>\$ 976,403</b>	<b>\$ 7,007,768</b>	<b>\$ 1,149,151</b>

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

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Statements of Revenue, Expenses, and Changes in Net Position**  
**For the Fiscal Years Ended September 30, 2019 and 2018**

	<b>September 30, 2019</b>		<b>September 30, 2018</b>	
	Primary Government	Component Unit	Primary Government	Component Unit
Operating revenue				
Federal grant awards	\$ 6,417,368	\$ -	\$ 5,935,314	\$ -
State and local grant awards	88,547	-	91,652	-
Tenant charges	2,587,888	98,784	2,524,587	99,823
Housing assistance payments	715,719	178,312	-	169,036
Management contract fees	230,404	-	152,753	-
Development fees	116,695	-	-	-
Other income	145,756	27	100,458	62
Total operating revenue	<u>10,302,377</u>	<u>277,123</u>	<u>8,804,764</u>	<u>268,921</u>
Operating expenses				
Administration	1,852,197	65,630	1,772,589	55,143
Tenant services	193,435	17	200,162	-
Utilities	1,092,896	14,460	1,132,644	13,771
Housing assistance payments	4,535,981	-	3,732,598	-
Ordinary maintenance and operation	1,222,064	23,489	1,228,812	39,433
Protective services	1,200	-	1,200	-
General expenses	217,104	16,776	201,416	16,625
Depreciation expense	1,016,709	232,794	1,033,024	232,794
Insurance	233,876	27,445	217,857	28,065
Total operating expenses	<u>10,365,462</u>	<u>380,611</u>	<u>9,520,302</u>	<u>385,831</u>
Operating loss	<u>(63,085)</u>	<u>(103,488)</u>	<u>(715,538)</u>	<u>(116,910)</u>
Non-operating revenue (expenses):				
Tower rental income	54,163	-	52,729	-
Capital grants	343,069	-	441,650	-
Investment income	22,438	4,337	11,985	1,601
Interest expense	(191,853)	(67,923)	(109,287)	(69,882)
Insurance recovery on capital assets, net of impairment loss	291,610	-	315,155	-
NJHMFA loan fees	-	(5,674)	-	(5,674)
Other nonoperating income	-	-	-	17,390
Net non-operating revenue (expenses)	<u>519,427</u>	<u>(69,260)</u>	<u>712,232</u>	<u>(56,565)</u>
Increase (decrease) in net position	<u>456,342</u>	<u>(172,748)</u>	<u>(3,306)</u>	<u>(173,475)</u>
Net position at the beginning of the fiscal year, as originally stated	<u>7,007,768</u>	<u>1,149,151</u>	<u>15,916,322</u>	<u>1,322,626</u>
Cumulative effect of change in accounting principle	<u>-</u>	<u>-</u>	<u>(8,905,248)</u>	<u>-</u>
Net position at the beginning of the fiscal year, as restated	<u>7,007,768</u>	<u>1,149,151</u>	<u>7,011,074</u>	<u>1,322,626</u>
Net position at the end of the fiscal year	<u>\$ 7,464,110</u>	<u>\$ 976,403</u>	<u>\$ 7,007,768</u>	<u>\$ 1,149,151</u>

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



**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Statements of Cash Flows**  
**For the Fiscal Years Ended September 30, 2019 and 2018**

	<b>September 30, 2019</b>		<b>September 30, 2018</b>	
	Primary Government	Component Unit	Primary Government	Component Unit
Cash flows from operating activities				
Cash received from federal and state assistance programs	\$ 6,761,462	\$ -	\$ 6,574,167	\$ -
Cash received from tenants	2,586,856	98,784	2,490,728	99,823
Housing assistance payment receipts	715,719	178,312	-	169,036
Cash received from management contracts	117,947	-	152,753	-
Other operating cash receipts	312,451	27	169,141	62
Payments for goods and services	(3,793,138)	(71,857)	(4,154,497)	(146,938)
Payments to employees and for benefits	(1,376,832)	-	(1,223,926)	-
Payments to landlords for rent	(4,535,981)	-	(3,729,281)	-
Cash received from related organizations	108,368	-	672,801	-
Net cash provided by operating activities	<u>896,852</u>	<u>205,266</u>	<u>951,886</u>	<u>121,983</u>
Cash flows from non-capital financing activities				
Tower rental income	54,163	-	52,729	-
Net cash provided by non-capital financing activities	<u>54,163</u>	<u>-</u>	<u>52,729</u>	<u>-</u>
Cash flows from capital and related financing activities				
Purchase of capital assets	(585,186)	-	(83,247)	-
Capital grants received	343,069	-	441,650	-
Principal payments on long-term debt	(1,072,835)	(26,533)	(250,000)	(528,867)
Borrowings of long-term debt	2,400,000	-	-	-
Interest payments on long-term debt	(191,853)	(67,923)	(113,845)	(69,882)
Payment of development fee	-	(54,539)	-	(112,403)
Payment of NJHMFA loan fees	-	(5,674)	-	(5,674)
Other nonoperating income	-	-	-	17,390
Net cash provided by (used in) capital and related financing activities	<u>893,195</u>	<u>(154,669)</u>	<u>(5,442)</u>	<u>(699,436)</u>
Cash flows from investing activities				
Interest income received	22,438	4,337	11,985	1,601
Increase (decrease) in cash and cash equivalents	1,866,648	54,934	1,011,158	(575,852)
Cash and cash equivalents, beginning of fiscal year	5,789,097	428,908	4,777,939	1,004,760
Cash and cash equivalents, end of fiscal year	<u>\$ 7,655,745</u>	<u>\$ 483,842</u>	<u>\$ 5,789,097</u>	<u>\$ 428,908</u>

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Statements of Cash Flows (continued)**  
**For the Fiscal Years Ended September 30, 2019 and 2018**

	<b>September 30, 2019</b>		<b>September 30, 2018</b>	
	Primary Government	Component Unit	Primary Government	Component Unit
Reconciliation of operating loss to net cash provided by operating activities				
Operating loss	\$ (63,085)	\$ (103,488)	\$ (715,538)	\$ (116,910)
Adjustments to reconcile operating loss to net cash provided by operating activities				
Depreciation	1,016,709	228,875	1,033,024	228,875
Provision for allowance of doubtful accounts	1,228	-	1,256	-
Adjustment to actuarial pension expense	(148,305)	-	(87,561)	-
Adjustment to actuarial accounts payable amount	(40,724)	-	(19,035)	-
Adjustment to actuarial other postemployment benefits	49,171	-	6,001	-
Deferred charges, net	-	3,919	-	3,919
Accrued interest	-	12,692	-	13,536
(Increase) decrease in assets				
Accounts receivable, net of allowance for doubtful accounts	(4,939)	(2,161)	(5,450)	1,215
Development fee receivable	112,457	-	167,904	-
Due from HUD	60,606	-	171,401	-
Due from other governments	(15,059)	-	6,787	-
Due from Melrose Court Homes, LP	-	-	506,226	-
Other receivables	(4,089)	-	(1,329)	-
Prepaid expenses	(11,029)	-	6,153	755
Increase (decrease) in liabilities				
Accounts payable and accrued expenses	(60,039)	64,747	(109,757)	(8,922)
Liability for compensated absences	(11,998)	-	29,240	-
Tenant funds on deposit	(6,413)	118	(28,712)	-
Due to other governments	13,269	(78)	(7,771)	-
Unearned revenue	9,092	642	(953)	(485)
Net cash provided by operating activities	<u>\$ 896,852</u>	<u>\$ 205,266</u>	<u>\$ 951,886</u>	<u>\$ 121,983</u>
Reconciliation of cash and cash equivalents to the statements of net position				
Cash and cash equivalents - unrestricted	\$ 5,952,339	\$ 93,159	\$ 5,288,349	\$ 56,907
Cash and cash equivalents - restricted	<u>1,703,406</u>	<u>390,683</u>	<u>500,748</u>	<u>372,001</u>
	<u>\$ 7,655,745</u>	<u>\$ 483,842</u>	<u>\$ 5,789,097</u>	<u>\$ 428,908</u>

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

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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**Note 1: ORGANIZATION AND ACTIVITY**

The Housing Authority of the City of Vineland (the "Authority") was created through a resolution of the Council of the City of Vineland in 1965. Organized as a public housing authority ("PHA") as defined by state statute (N.J.S.A. 40A:12A-1, et seq., the "Housing Authority Act"), the Authority functions under the supervision of the U.S. Department of Housing and Urban Development and the New Jersey State Department of Community Affairs. The Board of Commissioners of the Authority is a seven-member board with five members appointed by the Council of the City of Vineland, one member appointed by the Mayor of the City of Vineland, and one member appointed by the Commissioner of the New Jersey State Department of Community Affairs.

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, The Financial Reporting Entity, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, and GASB Statement No. 61, The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34 and GASB Statement No. 80, Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit would be or is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the Authority is a component unit of the City of Vineland. The Council and Mayor of the City of Vineland appoint six out of seven commissioners. These financial statements would be either blended or discretely presented as a part of the City's financial statements if the City reported using generally accepted accounting principles applicable to governmental entities.

As of September 30, 2019, based upon the application of these criteria, the Authority considers the Vineland Housing Development Corporation (VHDC), the Affordable Housing Corporation of Vineland (AHCV), and Melrose Court Homes, LP (MCH) to be component units because of the significance of their operational or financial relationships with the Authority.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 1: **ORGANIZATION AND ACTIVITY (continued)**

VHDC is a separate legal entity from the Housing Authority of the City of Vineland but is related by common management. VHDC is a blended component unit which is included in the financial statements of the Authority. VHDC is a nonprofit entity incorporated June 8, 1999 and works in conjunction with the Housing Authority of the City of Vineland and the City of Vineland in an effort to create and increase affordable housing units within the city limits of Vineland, New Jersey. The component unit's fiscal year covers the period ending June 30, 2019. The financial statements of the individual component unit may be obtained by writing to the Authority's Executive Director at 191 W. Chestnut Avenue, Vineland, NJ 08360-5499. The purpose of VHDC is to provide affordable housing to the needy and for other charitable purposes permitted by N.J.S.A. 15A:2-(1) and the Internal Revenue Code Section 501 (c)(3).

AHCV is a separate legal entity from the Housing Authority of the City of Vineland but is related by common management. AHCV is a blended component unit which is included in the financial statements of the Authority. The component unit's fiscal year covers the period ending September 30, 2019. AHCV is a nonprofit entity incorporated June 6, 2018 and works in conjunction with the Housing Authority of the City of Vineland to provide low and moderate income individuals with affordable housing opportunities and, without limitation, providing, developing, building, managing, promoting, constructing, operating, selling, leasing, rehabilitating, renovating, and disposing of safe and affordable housing.

MCH is a separate legal entity from the Housing Authority of the City of Vineland but is related by common management. MCH is a discretely presented component unit in the financial statements of the Authority. MCH was formed as a limited partnership on March 31, 2014. The purpose of MCH is to develop, construct, lease, maintain, and operate a multifamily complex consisting of seventeen (17) detached single family homes on a single parcel for rental to persons of low to moderate income. The property is located in Vineland, New Jersey and operates under the name of Melrose Court. The project has qualified for and been allocated low-income housing tax credits pursuant to Internal Revenue Code Section 42 which regulates the use of the project through the New Jersey Housing Mortgage Finance Agency (NJHMFA) as to occupant eligibility and unit gross rent, among other requirements. MCH must meet the provisions of these regulations during each of 15 consecutive years in order to remain qualified to receive the credits. The component unit's fiscal year covers the period ending December 31, 2019. The financial statements of the individual component unit may be obtained by writing to the Authority's Executive Director at 191 W. Chestnut Avenue, Vineland, NJ 08360-5499.

As of September 30, 2019, the activities of the Authority included the ownership and/or management or oversight management of the following programs in Vineland, New Jersey:

The Housing Choice Voucher Program provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for extremely low and very low income families as defined by the Housing Act of 1998, at rents that they can afford. The U.S. Department of Housing and Urban Development ("HUD") provides assistance for approximately 466 housing units to the Authority. This includes 347 units of tenant based rental assistance and 196 units of project based vouchers. Project based vouchers are currently available only to tenants of Oakview Apartments in Millville, New Jersey (119), Parkview Gardens in Buena, New Jersey (60), and Melrose Court Homes in Vineland, New Jersey (17).

The Public Housing Program consists of 375 rental units constructed or purchased and operated by the Authority. The purpose of this program is to provide decent, safe, and sanitary housing to eligible low-income families and the elderly at rents they can afford. HUD provides assistance to the Authority in the form of operating subsidies.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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

The Rental Assistance Demonstration ("RAD") program was created to assist housing authorities with preserving and/or improving public housing properties. The RAD program allows housing authorities to leverage public housing stock and public and private debt to make these improvements in the absence of federal funding for this purpose. In addition, converting to RAD provides for a more stable funding stream. Effective November 30, 2018, the Authority converted its Asselta Acres, Parkview Apartments, and Tarkiln Acres properties to RAD, converting 225 rental units to project-based vouchers. The vouchers are managed by the Authority.

The Congregate Services Program is a state-funded program that provides nutrition, housekeeping, and certain other services to tenants residing in the Authority's owned or managed housing projects for the elderly and disabled.

Basis of presentation

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to enterprise funds of State and Local Governments on a going concern basis. The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Authority is a single enterprise fund and maintains its records on the accrual basis of accounting. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by law or regulations that the activity's cost of providing services, including capital cost (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues, or (iii) that the pricing policies of the activity establish fees and charges, designated to recover its costs, including capital costs (such as depreciation or debt service). Under this method, revenues are recorded when earned and expenses are recorded when the related liability is incurred.

Basis of accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

Revenues -- Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. Tenant charges, management contract fees, and other income are recognized as revenue when services are provided. Development fee revenue is recognized in accordance with a partnership agreement.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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

Basis of accounting (continued)

Non-exchange transactions, in which the Authority receives value without directly giving equal value in return, include grants, contributed capital, and donations. Revenue from grants, contributed capital, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Authority must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Authority on a reimbursement basis.

Expenses - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

Budgets and budgetary control

The Authority prepares an annual budget as required by N.J.A.C. 5:31-2. N.J.A.C. 5:31-2 requires the governing body to introduce the annual Authority budget at least 60 days prior to the end of the current year and to adopt not later than the beginning of the Authority's year. The governing body may amend the budget at any point during the year. The Authority's budget includes all operations of the Authority, exclusive of its component unit. Planned Capital Fund expenditures are included in a capital budget, which is part of the annual budget. The original budget and budget amendments must be approved by Board resolution. Budget amendments during the fiscal years ended September 30, 2019 and 2018 were not significant.

Annual budgets are prepared on the modified accrual basis of accounting. This basis differs in certain respects from the full accrual basis of accounting that the Authority utilizes for financial reporting.

The Authority's annual budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by function and nature. The total amount of appropriations constitutes the legal level of control. Expenditures may not exceed appropriations at this level without approval of the State of New Jersey Department of Community Affairs.

Cash and cash equivalents and investments

Cash and cash equivalents include petty cash, change funds and cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value, as applicable.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

New Jersey governmental units 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 of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the local unit or bonds or other obligations of school district of which the local unit is a part or within which the school district is located, bonds or other obligations approved by the Division of Local Government Services, Department of Community Affairs for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

Cash and cash equivalents and investments (continued)

Additionally, the Authority has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the GUDPA. In lieu of designating a depository, the cash management plan may provide that the local unit make deposits with the State of New Jersey Cash Management Fund.

Restricted assets

Certain cash of the Authority is restricted by HUD for use to fund future housing assistance payment, for tenant security deposits, Family Self-Sufficiency deposits, or for other specified purposes.

Capital assets

Land, buildings, and furniture and equipment are carried substantially at cost. All additions and betterments are charged to the capital asset accounts. The Authority has no infrastructure assets.

Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the capital assets currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Interest has been capitalized during the construction period on buildings and equipment.

Assets capitalized generally have an original cost of \$2,000 or more and a useful life in excess of three years. Depreciation has been provided on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	40 years
Building improvements	15 years
Furniture and equipment	3 to 7 years

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Deferred outflows and deferred inflows of resources

The statements of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The Authority is required to report amounts related to the defined benefit pension plan that are applicable to future periods as deferred outflows of resources and deferred inflows of resources. See notes 6 and 7 for more information regarding the pension plan other postemployment benefits (OPEB), respectively.

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are 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 the 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.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Postemployment Benefits Other Than Pensions (OPEB) - State Health Benefits Local Government Retired Employees Plan

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB (benefit) expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan (the Plan) and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.



**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Net position

In accordance with the provisions of GASB Statement No. 34 ("Statement 34") of the Governmental Accounting Standards Board "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments", the Authority has classified its net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced, by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at fiscal year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component as the unspent amount.

Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted net position – This component of net position consists of net position that does not meet the definitions of "restricted" or "net investment in capital assets". This component includes net position that may be allocated for specific purposes by the Board.

Income taxes

The Authority operates as defined by the Internal Revenue Code Section 115 and is exempt from income taxes under Section 115. The for-profit component unit is recognized as partnerships for federal and state purposes. No provisions for income taxes are presented in the financial statements since taxable income or loss is reported by the partners on their individual income tax returns.

Operating and non-operating revenues and expenses

Federal and state grant revenue - Operating subsidies, Section 8 housing choice voucher revenue, and Capital Fund program revenue received from the U.S. Department of Housing and Urban Development are susceptible to accrual and are recognized during the fiscal year earned in accordance with applicable HUD program guidelines. The Authority is generally entitled to receive monies under an established payment schedule or, for the Capital Fund program, as expenditures are made. Housing Choice Voucher Program income is recognized based on amounts reported per HUD's Voucher Management System (VMS), with subsequent adjustments computed by HUD in accordance with current regulations. Adjustments made by HUD in periods subsequent to the year end are reflected in the financial statements when they become known and are not anticipated to be material in amount. Advance payments received for the subsequent year are recorded as unearned revenue.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Federal grants are generally classified as operating unless they are capital specific in which case they are classified as non-operating. During the fiscal year ended September 30, 2019, the Authority determined that certain grant revenues related to capital leveraging were more properly classified as non-operating as the funds were used for capital improvements. Amounts totaling \$343,09 for 2019 and \$441,650 for 2018 have been reclassified from operating revenues, federal grant awards to non-operating, capital grants in the accompanying Statements of Revenue, Expenses, and Changes in Net Position.

State financial assistance applicable to the Congregate Services Program is recognized when program expenditures are incurred in accordance with program guidelines. Such revenue is subject to review by the funding agency and may result in disallowance in subsequent periods.

Management contract fees - The Authority provides property management and administrative services to certain outside parties providing affordable housing. Management fees for these services are determined as prescribed in the individual management contracts. Revenue from these contracts is recognized on an accrual basis.

Operating and non-operating revenues and expenses (continued)

Tenant charges - Tenant charges consist of rental income and fees for nutrition, housekeeping, and certain other services. Charges are determined and billed monthly and are recognized as revenues when assessed because they are measurable and are collectible within the current period. Amounts not received by year-end are considered to be accounts receivable, and amounts paid for the subsequent year are recorded as unearned revenue.

Housing assistance payments - Housing assistance payments consist of amounts received related to project based vouchers held by tenants. Charges are determined and billed monthly and recognized as revenues when assessed because they are measurable and are collectible within the current period. Amounts not received by year-end are considered to be accounts receivable, and amounts paid for the subsequent year are recorded as unearned revenue.

Other income - Miscellaneous income is composed primarily of miscellaneous service fees. This revenue is recorded as earned since it is measurable and available.

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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

New accounting standards adopted

For the year ended December 31, 2019, the Authority early adopted Governmental Accounting Standards Board (GASB) Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The adoption of this Statement has impacted the year that the Authority will adopt several of the statements listed in the recently issued accounting pronouncements below.

New accounting pronouncements to be implemented in the future

The Authority plans to implement the following pronouncements by the required implementation dates or earlier, when deemed feasible:

Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement originally would have become effective for the Authority in the year ending September 30, 2020, but as a result of GASB Statement 95 will become effective in the year ending September 30, 2021. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement originally would have become effective for the Authority in the year ending September 30, 2021, but as a result of GASB Statement 95 will become effective in the year ending September 30, 2022. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This Statement originally would have become effective for the Authority in the year ending September 30, 2022, but as a result of GASB Statement 95 will become effective in the year ending September 30, 2023. Management has not yet determined the impact of this Statement on the financial statements.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

New accounting pronouncements to be implemented in the future (continued)

Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement originally would have become effective for the Authority in the year ending September 30, 2020, but as a result of GASB Statement 95 will become effective in the year ending September 30, 2021. Management has not yet determined the impact of this Statement on the financial statements.

Statement No. 90, *Major Equity Interests*. The objective of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This Statement originally would have become effective for the Authority in the year ending September 30, 2021, but as a result of GASB Statement 95 will become effective in the year ending September 30, 2022. Management has not yet determined the impact of this Statement on the financial statements.

Statement No. 91, *Conduit Debt Obligations*. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement originally would have become effective for the Authority in the year ending September 30, 2023, but as a result of GASB Statement 95 will become effective in the year ending September 30, 2024. Management has not yet determined the impact of this Statement on the financial statements.

Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statements are effective as follows:

1. The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
2. The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 originally would have become effective for the Authority in the year ending September 30, 2022, but as a result of GASB Statement 95 will become effective in the year ending September 30, 2023.
3. The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities originally would have become effective for the Authority in the year ending September 30, 2022, but as a result of GASB Statement 95 will become effective in the year ending September 30, 2023.
4. The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition originally would have become effective for the Authority in the year ending September 30, 2022, but as a result of GASB Statement 95 will become effective in the year ending September 30, 2023.

Management has not yet determined the impact of this Statement on the financial statements.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

New accounting pronouncements to be implemented in the future (continued)

Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address the accounting and financial reporting effects that result from the replacement of interbank offered rates (IBORs) with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information. This Statement will become effective for the Authority in the year ending September 30, 2022. GASB Statement 95 changed the effective date for paragraphs 13 and 14 to the year ending September 30, 2023. Management does not expect this Statement will have an impact on the financial statements.

Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The Statement will become effective for the Authority in the year ending September 30, 2023. Management does not expect this Statement will have an impact on the financial statements.

Statement 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The Statement will become effective for the Authority in the year ending September 30, 2023. Management does not expect this Statement will have an impact on the financial statements.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 3: **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents

Custodial credit risk – Custodial credit risk is the risk that, in the event of a bank failure, the Authority’s deposits may not be returned to it. The Authority’s formal policy regarding custodial credit risk is the same as described in Note 1, N.J.S.A. 17:9-41 et seq. and included in its cash management plan. The Authority shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. As of September 30, 2019 and 2018, the bank balances of the Authority and the component unit, were insured or collateralized as follows:

	September 30, 2019	
	Authority	Component Unit
Insured	\$ 737,239	\$ 236,186
Collateralized under GUDPA	6,963,138	-
Uninsured or uncollateralized	-	-
	<b>\$ 7,700,377</b>	<b>\$ 236,186</b>

	September 30, 2018	
	Authority	Component Unit
Insured	\$ 701,154	\$ 128,122
Collateralized under GUDPA	5,056,256	-
Uninsured or uncollateralized	-	-
	<b>\$ 5,757,410</b>	<b>\$ 128,122</b>

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 4: **RESTRICTED ASSETS**

The Authority established restricted cash accounts as required by HUD to report cash associated with unused Housing Assistance Payments, to hold tenant security deposits, and for capital leveraging purposes. The Authority also established a restricted cash account to hold money the Authority has set aside for tenants participating in the Family Self-Sufficiency Program. The purpose of the program is to reduce dependency on housing assistance. Participants can withdraw monies from their account to pay for certain expenditures, including the purchase of a home.

The Authority's restricted cash is as follows:

	September 30,	
	2019	2018
RAD reserves	\$ 1,321,684	\$ -
Housing Assistance Payments	206,267	242,137
Tenant security deposits	128,278	198,369
Family Self-Sufficiency deposits	46,123	59,376
Capital leveraging	1,054	866
	\$ 1,703,406	\$ 500,748

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

**Note 5: CAPITAL ASSETS**

The Authority's capital asset activity for the fiscal years ended September 30, 2019 and 2018 was as follows:

	Balance September 30, 2018	Additions	Reductions	Balance September 30, 2019
Land	\$ 3,398,069			\$ 3,398,069
Buildings	45,554,704	\$ 431,445	\$ 30,504	45,955,645
Furniture, equipment & machinery - dwelling	467,728	7,805		475,533
Furniture, equipment & machinery – administration	1,619,783	181,301	64,339	1,736,745
	51,040,284	620,551	94,843	51,565,992
Less accumulated depreciation	35,606,058	1,016,709	59,479	36,563,289
Capital assets, net	<u>\$ 15,434,226</u>	<u>\$ (396,158)</u>	<u>\$ 35,364</u>	<u>\$ 15,002,703</u>
	Balance September 30, 2017	Additions	Reductions	Balance September 30, 2018
Land	\$ 3,398,069			\$ 3,398,069
Buildings	45,216,971	\$ 412,796	\$ 75,063	45,554,704
Furniture, equipment & machinery - dwelling	452,068	17,840	2,180	467,728
Furniture, equipment & machinery – administration	1,586,007	37,352	3,576	1,619,783
	50,653,115	467,988	80,819	51,040,284
Less accumulated depreciation	34,584,267	1,033,024	11,233	35,606,058
Capital assets, net	<u>\$ 16,068,848</u>	<u>\$ (565,036)</u>	<u>\$ 69,586</u>	<u>\$ 15,434,226</u>



**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 6: **PENSION PLAN**

Public Employees' Retirement System

A substantial number of Authority employees participate in the Public Employees' Retirement System ("PERS"), a defined benefit pension plan, which is administered by the New Jersey Division of Pensions and Benefits ("the Division"). This plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information about the Pension Plan

**Plan Description**

The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Authority, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

**Vesting and Benefit Provisions**

The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The following represents the membership tiers for PERS:

**Tier Definition**

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 21, 2010
4. Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
5. Members who were eligible to enroll on or after June 28, 2011

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

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 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that 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.

**Contributions**

The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2019. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) was 10.0% in State fiscal year 2019. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Authority's contractually required contribution rate for the fiscal years ended September 30, 2019 and 2018 was 12.11% and 14.12% of the Authority's covered payroll, respectively. These amounts were actuarially determined as an amount that, when combined with employee contributions, are expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2019, the Authority's contractually required contribution to the pension plan for the fiscal year ended September 30, 2019 was \$139,050, and was payable by April 1, 2020. Based on the PERS measurement date of June 30, 2018, the Authority's contractually required contribution to the pension plan for the fiscal year ended September 30, 2018 was \$143,819, and was payable by April 1, 2019. Employee contributions to the pension plan during the fiscal years ended September 30, 2019 and 2018 were \$87,640 and \$75,416, respectively.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

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

At September 30, 2019, the Authority's proportionate share of the net pension liability was \$2,575,775. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2019 measurement date, the Authority's proportion was 0.0142951807%, which was a decrease of 0.0001636850% from its proportion measured as of June 30, 2018.

At September 30, 2018, the Authority's proportionate share of the net pension liability was \$2,846,879. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2018. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2018 measurement date, the Authority's proportion was 0.0144588657%, which was an increase of 0.0005780428% from its proportion measured as of June 30, 2017.

For the fiscal years ended September 30, 2019 and 2018, the Authority recognized pension expense (benefit) of \$41,030 and (\$4,486), respectively. These amounts were based on the plan's June 30, 2019 and 2018 measurement dates, respectively.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

**Deferred Outflows of Resources and Deferred Inflows of Resources**

At September 30, 2019 and 2018, the Authority had deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>September 30, 2019</u>		<u>September 30, 2018</u>	
	<u>Measurement Date June 30, 2019</u>		<u>Measurement Date June 30, 2018</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 46,232	\$ 11,379	\$ 54,290	\$ 14,679
Change of assumptions	257,201	894,043	469,118	910,280
Net difference between projected and actual earnings on pension plan investments		40,660		26,704
Changes in proportion and differences between Authority contributions and proportionate share of contributions	101,762	445,929	165,144	596,137
Authority contributions subsequent to the measurement date	<u>34,763</u>		<u>35,955</u>	
	<u>\$ 439,958</u>	<u>\$ 1,392,011</u>	<u>\$ 724,507</u>	<u>\$ 1,547,800</u>

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

**Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

The deferred outflows of resources related to pensions totaling \$34,763 and \$35,955 will be included as a reduction of the net pension liability in the fiscal years ended September 30, 2020 and 2019, respectively. This amount is based on an estimated April 1, 2021 and April 1, 2020 contractually required contribution, prorated from the pension plans measurement date of June 30, 2019 and June 30, 2018 to the Authority's fiscal year end of September 30, 2019 and 2018.

The Authority will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		
Year of pension plan deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
Changes of assumptions		
Year of pension plan deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
Net difference between projected and actual earnings on pension plan investments		
Year of pension plan deferral:		
June 30, 2014	-	5.00
June 30, 2015	5.00	-
June 30, 2016	5.00	-
June 30, 2017	-	5.00
June 30, 2018	-	5.00
June 30, 2019	-	5.00

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

**Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

	Deferred Outflow of Resources	Deferred Inflows of Resources
Changes in proportion and differences between Authority contributions and proportionate share of contributions		
Year of pension plan deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21

Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

<b>Fiscal Year Ending September 30,</b>	
2020	\$ (220,337)
2021	(390,542)
2022	(270,364)
2023	(58,931)
2024	(11,879)
	\$ (952,053)

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 6: **PENSION PLAN (continued)**

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2019 and 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 and 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019 and 2018. These actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b>Measurement Date June 30, 2019</b>	<b>Measurement Date June 30, 2018</b>
Inflation rate:		
Price	2.75%	2.25%
Wage	3.25%	2.25%
Salary increases:		
Through 2026	2.00% - 6.00%	1.65% - 4.15%
Based on years of service		Based on age
Thereafter	3.00% - 7.00%	1.65% - 4.15%
Based on years of service		Based on age
Investment rate of return	7.00%	7.00%
Period of actuarial experience Study upon which actuarial assumptions were based	July 1, 2014 – June 30, 2018	July 1, 2011 – June 30, 2014

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

**Actuarial Assumptions (continued)**

For the June 30, 2019 measurement date, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

For the June 30, 2018 measurement date, 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 Conduent modified 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. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent modified 2014 projection scale thereafter. 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).

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2019 and 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions 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 (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2019 and 2018 are summarized in the table on the following page.



**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

**Actuarial Assumptions (continued)**

<b>Asset Class</b>	<b>Measurement Date June 30, 2019</b>		<b>Measurement Date June 30, 2018</b>	
	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Risk Mitigation Strategies	3.00%	4.67%	5.00%	5.51%
Cash Equivalents	5.00%	2.00%	5.50%	1.00%
U.S. Treasuries	5.00%	2.68%	3.00%	1.87%
Investment Grade Credit	10.00%	4.25%	10.00%	3.78%
High Yield	2.00%	5.37%	2.50%	6.82%
Private Credit	6.00%	7.92%	-	-
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%
Real Assets	2.50%	9.31%	2.50%	11.83%
Real Estate	7.50%	8.33%	6.25%	9.23%
U.S. Equity	28.00%	8.26%	30.00%	8.19%
Non-U.S. Developed Markets Equity	12.50%	9.00%	11.50%	9.00%
Emerging Markets Equity	6.50%	11.37%	6.50%	11.64%
Buyouts/Venture Capital	-	-	8.25%	13.08%
Private Equity	12.00%	10.85%	-	-
	<u>100.00%</u>		<u>100.00%</u>	

**Discount Rate**

The discount rate used to measure the total pension liability at June 30, 2019 was 6.28%. The single blended discount rate as based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, 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 pension plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current pension plan members through 2057. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

**Discount Rate (continued)**

The discount rate used to measure the total pension liability at June 30, 2018 was 5.66%. The respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018, 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 rates assumed that contributions from pension plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current pension plan members through 2046; therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2046, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

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

The following presents the Authority's proportionate share of the net pension liability at September 30, 2019, calculated using a discount rate of 6.28%, 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% lower or 1% higher than the current rates used:

	<u>1% Decrease (5.28%)</u>	<u>Current Discount Rate (6.28%)</u>	<u>1% Increase (7.28%)</u>
Proportionate share of the net pension liability	<u>\$ 3,253,622</u>	<u>\$ 2,575,775</u>	<u>\$ 2,004,592</u>

The following presents the Authority's proportionate share of the net pension liability at September 30, 2018, calculated using a discount rate of 5.66%, 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% lower or 1% higher than the current rates used:

	<u>1% Decrease (4.66%)</u>	<u>Current Discount Rate (5.66%)</u>	<u>1% Increase (6.66%)</u>
Proportionate share of the net pension liability	<u>\$ 3,579,622</u>	<u>\$ 2,846,879</u>	<u>\$ 2,232,154</u>

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and additions to/deductions from PERS' respective fiduciary net position have been determined on the same basis as they are reported by PERS. Accordingly, 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. For additional information about PERS, please refer to the pension plan's Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Note 7: **OTHER POST-RETIREMENT BENEFITS**

State Health Benefits Local Government Retired Employees Plan

General Information about the OPEB Plan

**Plan Description and Benefits Provided** - The Authority contributes to the State Health Benefits Local Government Retired Employees Plan (the "Plan"), which is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug benefit coverage to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

General Information about the OPEB Plan (continued)

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

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

**Contributions** - The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members.

The Authority was billed monthly by the Plan and for the fiscal years ended September 30, 2019 and 2018, the Authority paid \$122,679 and \$194,736, respectively. These amounts represent 10.68% and 19.11% of the Authority's covered payroll. During the fiscal years ended September 30, 2019 and 2018, the Authority had no retirees receiving healthcare benefits.

*Special Funding Situation Component* - The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1997, as disclosed below. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis. Partially funded benefits are also available to local police officers and firefighters who retire with 25 years of service or on disability from an employer who does not provide coverage under the provisions of Chapter 330, P.L. 1997. Upon retirement, these individuals must enroll in the OPEB plan.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80% of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

General Information about the OPEB Plan (continued)

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

The Authority does not have a Special Funding Situation within the Plan.

OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

**OPEB Liability** - At September 30, 2019, the Authority's proportionate share of the net OPEB liability was \$5,087,498. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The Authority's proportion of the net OPEB liability was based on the ratio of the plan members of an individual employer to the total members of the Plan during the measurement period July 1, 2018 through June 30, 2019. For the June 30, 2019 measurement date, the Authority's proportion was 0.037557% which was an increase of 0.000864% from its proportion measured as of the June 30, 2018 measurement date.

At September 30, 2018, the Authority's proportionate share of the net OPEB liability was \$5,748,552. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The Authority's proportion of the net OPEB liability was based on the ratio of the plan members of an individual employer to the total members of the Plan during the measurement period July 1, 2017 through June 30, 2018. For the June 30, 2018 measurement date, the Authority's proportion was 0.036693% which was a decrease of 0.000479% from its proportion measured as of the June 30, 2017 measurement date.

**OPEB (Benefit) Expense** - At September 30, 2019, the Authority's proportionate share of the OPEB benefit, calculated by the Plan as of the June 30, 2019 measurement date is (\$113,369). As previously mentioned, for the fiscal year ended September 30, 2019, the Authority made contributions to the Plan totaling \$122,679.

At September 30, 2018, the Authority's proportionate share of the OPEB expense, calculated by the Plan as of the June 30, 2018 measurement date is \$133,294. As previously mentioned, for the fiscal year ended September 30, 2018, the Authority made contributions to the Plan totaling \$194,736.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

**Deferred Outflows of Resources and Deferred Inflows of Resources**

At September 30, 2019 and 2018, the Authority had deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	<u>September 30, 2019</u>		<u>September 30, 2018</u>	
	Measurement Date		Measurement Date	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,487,783	\$ -	\$ 1,167,161
Change of assumptions	-	1,802,896	-	1,458,196
Net difference between projected and actual earnings on OPEB plan investments	4,191	-	3,038	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions	172,622	470,480	-	560,917
Authority contributions subsequent to the measurement date	30,262	-	20,539	-
	<u>\$ 207,075</u>	<u>\$ 3,761,159</u>	<u>\$ 23,577</u>	<u>\$ 3,186,274</u>

The deferred outflows of resources related to OPEB totaling \$30,262 and \$20,539 were the result of the Authority's contributions subsequent to the Plan's measurement date of June 30, 2019 and June 30, 2018, respectively. These amounts will be included as a reduction of the Authority's net OPEB liability during the fiscal year ending September 30, 2020 and 2019, respectively.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

**Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

The Authority will amortize the other deferred outflow of resources and deferred inflows of resources related to the OPEB liability over the following number of years:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		
Year of OPEB plan deferral:		
June 30, 2018	-	8.14
June 30, 2019	-	8.05
Changes of assumptions		
Year of OPEB plan deferral:		
June 30, 2018	-	8.14
June 30, 2019	-	8.05
Net difference between projected and actual earnings on OPEB plan investments		
Year of OPEB plan deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions		
Year of OPEB plan deferral:		
June 30, 2018	8.14	8.14
June 30, 2019	8.05	8.05

Other amounts included as deferred outflows of resources and deferred inflows of resources related to the OPEB liability will be recognized in future periods as follows:

**Fiscal Year Ending  
September 30,**

2019	\$ (601,214)
2020	(601,214)
2021	(601,542)
2022	(602,073)
2023	(602,559)
Thereafter	(545,482)
	\$ (3,554,084)

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

Actuarial Assumptions

The actuarial valuation at June 30, 2019 and 2018 used the following actuarial assumptions, applied to all periods in the measurement:

	<b>Measurement Date June 30, 2019</b>	<b>Measurement Date June 30, 2018</b>
Inflation	2.50%	2.50%
Salary increases*		
PERS		
Initial fiscal year applied:		
Rate through 2026	2.00% - 6.00%	1.65% - 8.98% Based on age
Rate thereafter	3.00% - 7.00%	2.65% - 9.98% Based on age

\* The June 30, 2019 assumptions for salaries were based on years of service, and the June 30, 2018 assumptions for salaries were based on the defined benefit plan that the member is enrolled in and his or her age.

For the June 30, 2019 measurement date, mortality rates were based on Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019.

Actuarial assumptions used in the July 1, 2018 valuation were based on the results of the PERS experience study prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30., 2018, respectively.

For the June 30, 2018 measurement date, Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

100% of active members in both the June 30, 2019 and June 30, 2018 measurement dates are considered to participate in the Plan upon retirement.



**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

Actuarial Assumptions (continued)

All of the Plan's investments are in the State of New Jersey Cash Management Fund ("CMF"). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, *Certain Investments and External Investment Pools*. The CMF invests in U.S. Government and Agency Obligations, Commercial Paper, Corporate Obligations and Certificates of Deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) are the unit cost of value of \$1.00. Participant shares are valued on a fair value basis. The CMF pays interest to participants on a monthly basis.

**Discount Rate** - The discount rate used to measure the OPEB Liability at June 30, 2019 and 2018 were 3.50% and 3.87%, respectively. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Health Care Trend Assumptions** - For the June 30, 2019 measurement date, the trend rate for pre-Medicare medical benefits is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

For the June 30, 2018 measurement date, the trend rate for pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits is initially 5.8% and decreases to a 5.0% long-term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long-term trend rate after seven years. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Sensitivity of the net OPEB Liability to Changes in the Discount Rate

The net OPEB liability as of June 30, 2019, the plans measurement date, for the Authority calculated using a discount rate of 3.50%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Proportionate share of the net OPEB liability	<u>\$ 5,882,442</u>	<u>\$ 5,087,498</u>	<u>\$ 4,441,501</u>

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

Sensitivity of the net OPEB Liability to Changes in the Discount Rate (continued)

The net OPEB liability as of June 30, 2018, the plans measurement date, for the Authority calculated using a discount rate of 3.87%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Proportionate share of the net OPEB liability	\$ 6,744,571	\$ 5,748,552	\$ 4,952,958

Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The Authority's proportionate share of the net OPEB Liability as of June 30, 2019, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Proportionate share of the net OPEB liability	\$ 4,293,221	\$ 5,087,498	\$ 6,100,732

The Authority's proportionate share of the net OPEB Liability as of June 30, 2018, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Proportionate share of the net OPEB liability	\$ 4,795,214	\$ 5,748,552	\$ 6,982,313

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 8: **LONG-TERM DEBT**

The following summarizes compensated absences:

	September 30,	
	2019	2018
Beginning balance	\$ 252,657	\$ 223,417
Increase	91,043	132,135
Decrease	(103,041)	(102,895)
Ending balance	\$ 240,659	\$ 252,657
Current portion	\$ 60,165	\$ 63,164

On December 12, 2004, the Authority issued Capital Fund Program Revenue Bonds, Series 2004A in the amount of \$4,760,000. These bonds bear interest at 4.466% and require semi-annual payments of principal and interest on May 1 and November 1 through November 1, 2025. Some of the bonds were retired as a partial refinancing in the amount of \$805,000 occurred when the Authority converted several of its properties to RAD and issued series 2018 bonds.

On November 30, 2018, the Authority converted its Asselta Acres, Parkview Apartments, and Tarkiln Acres properties to RAD and issued series 2018 bonds in the amount of \$2,400,000. These bonds bear interest at 5.2% and require monthly payments of principal and interest through November 15, 2038.

The following is a summary of bonds payable for the fiscal year ended September 30, 2019:

Beginning Balance	Additions	Retirements	Refinanced	Ending Balance	Amounts due within the year
\$ 2,275,000	\$ 2,400,000	\$ (267,835)	\$ (805,000)	\$ 3,602,165	\$ 243,218

The following is a summary of bonds payable for the fiscal year ended September 30, 2018:

Beginning Balance	Additions	Retirements	Refinanced	Ending Balance
\$ 2,525,000	\$ -	\$ (\$250,000)	\$ -	\$ 2,275,000

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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**Note 8: LONG-TERM DEBT (continued)**

As of September 30, future principal and interest payments are as follows:

Year Ending September 30,	Principal	Interest	Total
2020	\$ 243,218	\$ 178,338	\$ 421,556
2021	257,117	166,468	423,585
2022	266,224	153,901	420,125
2023	280,550	140,763	421,313
2024	295,106	126,924	422,030
2025-2039	<u>2,259,950</u>	<u>970,783</u>	<u>3,230,733</u>
	<u>\$ 3,602,165</u>	<u>\$ 1,737,177</u>	<u>\$ 5,339,342</u>

**Note 9: COMMITMENTS**

As of September 30, 2019, the Authority had commitments to expend approximately \$23,304 for various capital improvements and related costs for the 2017 Capital Fund grant.

**Note 10: RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered through a joint insurance pool as described below. Settled claims from these risks have not exceeded coverage for the past several years.

The Authority is a member of the New Jersey Public Housing Authority Joint Insurance Fund. The Fund provides its members with the following coverage:

- Property and Physical Damage
- General and Automobile Liability
- Workers' Compensation
- Public Official Liability/Employment Practices Liability

Contributions to the Fund are payable in an annual premium and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment to the Fund's obligation.

The Fund publishes its own financial report which can be obtained from:

New Jersey Public Housing Authorities Joint Insurance Fund  
9 Campus Drive, Suite 216  
Parsippany, New Jersey 07054-4412

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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**Note 11: RELATED PARTY TRANSACTIONS**

Vineland Housing Development Corporation

Housing Authority of the City of Vineland has an outstanding loan due from Vineland Housing Development Corporation ("VHDC") dated August 1, 2000. The purpose of the loan is to enable Vineland Housing Development Corporation to purchase and/or construct single family residences within the City of Vineland for sale to qualified buyers. This loan was refinanced and included in the loan described below in 2005.

Housing Authority of the City of Vineland entered into a loan agreement with Vineland Housing Development Corporation dated June 1, 2005, in the amount of \$379,660 which was intended to refinance the remaining balance of the original note described above plus the remaining amount of additional funds at the time that the new note was formalized in writing. Although this new note was prepared, no formal board resolution was ever passed refinancing the balance on the remaining balance on the original note. The purpose of this new note was to enable Vineland Housing Development Corporation to purchase land located on Chestnut Avenue in Vineland, New Jersey in order to construct single family residential homes for sale to qualified buyers. Despite the agreement's provision to charge a six percent interest on the unpaid principal balance, no interest has been accrued or paid on the loan. The balance outstanding of the note, including the amount of the original note and additional funds advanced, at September 30, 2019 and 2018 is \$374,167. As of the date of the preparation of the financial statements, no payments were made to the Authority on this loan.

In conjunction with the development of this project, the mortgages which secured this debt discussed above were discharged in November 2012.

In addition to the loans described above, the Housing Authority of the City of Vineland has advanced amounts to Vineland Housing Development Corporation for operating purposes, without interest. In April 2008, the Board of the Housing Authority of the City of Vineland passed a resolution authorizing cash advances of up to \$50,000 with no set payment terms. No amounts have been advanced for this purpose for the fiscal year ending September 30, 2019. \$3,500 has been advanced for this purpose to Vineland Housing Development Corporation for the fiscal year ending September 30, 2018. Additionally, from time to time the Authority has paid expenses attributable to VHDC. The amount of outstanding advances and payments made for expenditures on behalf of VHDC by the Housing Authority of the City of Vineland at September 30, 2019 and 2018 totaled \$86,694 and \$86,357, respectively. As of the date of the preparation of the financial statements, no payments were made to the Authority on these amounts due.

Melrose Court Homes, LP

Several organizations are involved in the project, including, Melrose Court Homes, LP (the "LP") who is the owner of the development. Melrose Court GP, LLC (the "LLC") is a General Partner with a .01% ownership interest in the LP. The LLC is owned 49% by the Authority and 51% by VHDC. The remaining ownership interest in the LP of 99.99% was held by an investor limited partner.

The Authority provided a construction loan and permanent financing of up to a \$2.1M to Melrose Court Homes, LP. This loan will be treated as a second mortgage and will be paid for out of cash flow. Interest is accrued at a rate of 1% using the simple interest method. The balance on this loan at September 30, 2019 and 2018 is \$1,269,237.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 11: **RELATED PARTY TRANSACTIONS** (continued)

Melrose Court Homes, LP (continued)

As the developer for the construction of the Melrose Court Project, Vineland Housing Development Corporation earned development fees which are paid in accordance with the Amended and Restated Partnership Agreement. Payments of \$54,539 and \$167,904 were paid to Vineland Housing Development Corporation during 2019 and 2018, respectively.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 12: **BLENDED COMPONENT UNIT CONSOLIDATION**

The following schedule details the blending of the primary government and its blended component unit, including eliminations in the Statement of Net Position as of September 30, 2019.

	<u>PG</u>	<u>CU</u>	<u>Eliminations</u>	<u>Consolidated</u> <u>2019</u>
<b>Assets</b>				
Current assets	\$ 6,301,138	\$ 391,164	\$ (460,861)	\$ 6,328,092
Non-current assets	2,972,643	-	-	2,972,643
Capital assets, net	<u>14,950,591</u>	<u>52,112</u>	<u>-</u>	<u>15,002,703</u>
Total assets	24,321,023	443,276	(460,861)	24,303,438
Deferred outflows of resources	647,033	-	-	647,033
<b>Liabilities</b>				
Current liabilities	843,899	462,561	(460,861)	845,599
Long term liabilities	<u>11,487,592</u>	<u>-</u>	<u>-</u>	<u>11,487,592</u>
Total liabilities	12,331,491	462,561	(460,861)	12,333,191
Deferred inflows of resources	5,153,170	-	-	5,153,170
<b>Net position</b>				
Net investment in capital assets	11,348,426	52,112	-	11,400,538
Restricted	108,952	-	-	108,952
Unrestricted	<u>(3,973,983)</u>	<u>(71,397)</u>	<u>-</u>	<u>(4,045,380)</u>
Total net position (deficit)	<u>\$ 7,483,395</u>	<u>\$ (19,285)</u>	<u>\$ -</u>	<u>\$ 7,464,110</u>

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 12: **BLENDED COMPONENT UNIT CONSOLIDATION (continued)**

The following schedule details the blending of the primary government and its blended component unit, including eliminations in the Statement of Net Position as of September 30, 2018.

	<u>PG</u>	<u>CU</u>	<u>Eliminations</u>	<u>Consolidated</u> <u>2018</u>
<b>Assets</b>				
Current assets	\$ 5,868,250	\$ 395,551	\$ (460,524)	\$ 5,803,277
Non-current assets	1,769,985	-	-	1,769,985
Capital assets, net	<u>15,382,114</u>	<u>52,112</u>	<u>-</u>	<u>15,434,226</u>
Total assets	23,020,349	447,663	(460,524)	23,007,488
Deferred outflows of resources	748,084	-	-	748,084
<b>Liabilities</b>				
Current liabilities	918,406	462,224	(460,524)	920,106
Long term liabilities	<u>11,093,624</u>	<u>-</u>	<u>-</u>	<u>11,093,624</u>
Total liabilities	12,012,030	462,224	(460,524)	12,013,730
Deferred inflows of resources	4,734,074	-	-	4,734,074
<b>Net position</b>				
Net investment in capital assets	13,107,114	52,112	-	13,159,226
Restricted	201,574	-	-	201,574
Unrestricted	<u>(6,286,359)</u>	<u>(66,673)</u>	<u>-</u>	<u>(6,353,032)</u>
Total net position (deficit)	<u>\$ 7,022,329</u>	<u>\$ (14,561)</u>	<u>\$ -</u>	<u>\$ 7,007,768</u>



**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 12: **BLENDED COMPONENT UNIT CONSOLIDATION (continued)**

The following schedule details the blending of the primary government and its blended component unit, including eliminations in the Statement of Revenue, Expenses, and Changes in Net Position for the fiscal year ended September 30, 2019.

	<u>PG</u>	<u>CU</u>	<u>Eliminations</u>	<u>Consolidated</u> <u>2019</u>
Operating revenue	\$ 10,302,377	\$ -	\$ -	\$ 10,302,377
Operating expenses	9,344,029	4,724	-	9,348,753
Depreciation	<u>1,016,709</u>	<u>-</u>	<u>-</u>	<u>1,016,709</u>
Operating loss	(58,361)	(4,724)	-	(63,085)
Non-operating revenue	711,280	-	-	711,280
Non-operating expense	<u>(191,853)</u>	<u>-</u>	<u>-</u>	<u>(191,853)</u>
Increase (decrease) in net position	<u>461,066</u>	<u>(4,724)</u>	<u>-</u>	<u>456,342</u>
Net position, beginning	<u>7,022,329</u>	<u>(14,561)</u>	<u>-</u>	<u>7,007,768</u>
Net position (deficit), ending	<u>\$ 7,483,395</u>	<u>\$ (19,285)</u>	<u>\$ -</u>	<u>\$ 7,464,110</u>

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 12: **BLENDED COMPONENT UNIT CONSOLIDATION (continued)**

The following schedule details the blending of the primary government and its blended component unit, including eliminations in the Statement of Revenue, Expenses, and Changes in Net Position for the fiscal year ended September 30, 2018.

	<u>PG</u>	<u>CU</u>	<u>Eliminations</u>	<u>Consolidated</u> <u>2018</u>
Operating revenue	\$ 8,801,514	\$ 3,250	\$ -	\$ 8,804,764
Operating expenses	8,481,581	5,697	-	8,487,278
Depreciation	<u>1,033,024</u>	<u>-</u>	<u>-</u>	<u>1,033,024</u>
Operating income (loss)	(713,091)	(2,447)	-	(715,538)
Non-operating revenue	821,519	-	-	821,519
Non-operating expense	<u>(109,287)</u>	<u>-</u>	<u>-</u>	<u>(109,287)</u>
Decrease in net position	<u>(859)</u>	<u>(2,447)</u>	<u>-</u>	<u>(3,306)</u>
Net position, beginning	<u>15,928,446</u>	<u>(12,114)</u>	<u>-</u>	<u>15,916,332</u>
Cumulative effect of change in accounting principle	<u>(8,905,248)</u>	<u>-</u>	<u>-</u>	<u>(8,905,248)</u>
Net position (deficit), ending	<u>\$ 7,025,635</u>	<u>\$ (14,561)</u>	<u>\$ -</u>	<u>\$ 7,011,074</u>

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 12: **BLENDED COMPONENT UNIT CONSOLIDATION (continued)**

The following schedule details the blending of the primary government and its blended component unit, including eliminations in the Statement of Cash Flows for the fiscal year ended September 30, 2019.

	<u>PG</u>	<u>CU</u>	<u>Eliminations</u>	<u>Consolidated 2019</u>
Net cash provided by operating activities	\$ 788,817	\$ 108,035	\$ -	\$ 896,852
Net cash provided by non-capital financing activities	54,163	-	-	54,163
Net cash used in capital and related financing activities	893,195	-	-	893,195
Net cash provided by investing activities	<u>22,438</u>	<u>-</u>	<u>-</u>	<u>22,438</u>
Increase in cash and cash equivalents	1,758,613	108,035	-	1,866,648
Cash and cash equivalents, beginning of year	<u>5,661,569</u>	<u>127,528</u>	<u>-</u>	<u>5,789,097</u>
Cash and cash equivalents, end of year	<u>\$ 7,420,182</u>	<u>\$ 235,563</u>	<u>\$ -</u>	<u>\$ 7,655,745</u>

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

Note 12: **BLENDED COMPONENT UNIT CONSOLIDATION (continued)**

The following schedule details the blending of the primary government and its blended component unit, including eliminations in the Statement of Cash Flows for the fiscal year ended September 30, 2018.

	<u>PG</u>	<u>CU</u>	<u>Eliminations</u>	<u>Consolidated 2018</u>
Net cash provided by (used in) operating activities	\$ 916,935	\$ 4,831	\$ -	\$ 921,766
Net cash provided by non-capital financing activities	52,729	-	-	52,729
Net cash used in capital and related financing activities	(5,442)	-	-	(5,442)
Net cash provided by investing activities	<u>11,985</u>	<u>-</u>	<u>-</u>	<u>11,985</u>
Increase (decrease) in cash and cash equivalents	1,006,327	4,831	-	1,011,158
Cash and cash equivalents, beginning of year	<u>4,655,242</u>	<u>122,697</u>	<u>-</u>	<u>4,777,939</u>
Cash and cash equivalents, end of year	<u>\$ 5,661,569</u>	<u>\$ 127,528</u>	<u>\$ -</u>	<u>\$ 5,789,097</u>

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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**Note 13: OTHER MATTERS**

The Rental Assistance Demonstration (RAD) program was created to assist housing authorities with preserving and/or improving public housing properties. The RAD program allows housing authorities to leverage public housing stock and public and private debt to make these improvements in the absence of federal funding for this purpose. In addition, converting to RAD provides for a more stable funding stream.

The Authority has converted Parkview Apartments, Tarkiln Acres, and Asselta Acres to RAD. Kidston Towers and Olivio Towers were converted to RAD with an effective date of December 1, 2020. D’Orazio Terrace applied for the RAD program and received the RAD Conversion Commitment on December 7, 2018. The first step in conversion is completing an application to the Department of Housing and Urban Development (“HUD”). Several forms and tasks must be completed prior to being approved for conversion. Once approved, HUD will issue a commitment to enter into a Housing Assistance Payment (“CHAP”). Then HUD will issue a RAD Conversion Commitment (“RCC”), along with a checklist of items required to complete the contract and closing documents. A final closing is necessary to complete the process.

The properties listed above are in various stages of conversion. Parkview Apartments, Tarkiln Acres, and Asselta Acres converted to RAD effective December 1, 2018. This conversion involved a bond issuance. Kidston Towers and Olivio Towers applied for RAD in October 2017 and received their CHAP February 2018. Kidston and Olivio Towers converted to RAD effective December 1, 2020 and this conversion also involved a bond issuance. In addition, a Federal Home Loan Bank of New York (FHLBNY) direct subsidy was awarded for the Kidston and Olivio towers project. The amount is \$2,200,000. The D’Orazio Terrace project is in the process of the redevelopment process, which has been interrupted by the COVID-19 pandemic.

The Authority cannot pay itself housing assistance payments (HAP), therefore per RAD regulations, a separate not-for-profit entity was created in April 2018, the Affordable Housing Corporation of Vineland (AHCV), to be party to the HAP contract. The AHCV is the HAP owner for all of the Authority’s projects that have converted to RAD.

The Authority owns 72 Scattered Site homes through the City of Vineland. The Authority applied to the Special Applications Center at HUD for a disposition approval. The approval has been received and the Authority is in the process of developing a plan for the sale of the Scattered Site homes.

**Note 14: SUBSEQUENT EVENTS**

In January 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a “Public Health Emergency of International Concern,” which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the Authority, its performance, and its financial results.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Financial Statements (continued)**

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Note 14: **SUBSEQUENT EVENTS (contined)**

As a result of the Covid-19 Pandemic, on March 27, 2020 the CARES Act was signed into law. This law provided regulatory waivers and additional funding to Public Housing Authorities across the nation. The Authority accepted many of the blanket waivers available from HUD as well as \$251,892 in additional administrative fees for the Section 8 Housing Choice Voucher Program, received between May and August 2020. The Authority also received \$125,166 in additional funding for its Public Housing Program in May 2020. The additional funding is for expenditures incurred between March 27, 2020 and December 31, 2020 for activity relating to the preparation of, response to, and prevention of coronavirus. Any unused funds must be returned to HUD.

Management of the Vineland Housing Authority has evaluated subsequent events through December 16, the date the financial statements were available to be issued.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SEPTEMBER 30, 2019 AND 2018**

**Vineland Housing Authority  
Required Supplementary Information  
Schedule of the Authority's Proportionate Share of the Net OPEB Liability  
State Health Benefits Local Government Retired Employees Plan  
Last Two Plan Years**

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	<u><b>2019</b></u>	<u><b>2018</b></u>
Authority's Proportion of the Net OPEB Liability	0.037557%	0.036693%
Authority's Proportionate Share of the Net OPEB Liability	\$ 5,087,498	\$ 5,748,552
Authority's Covered Payroll (Plan Measurement Period)	\$ 1,148,527	\$ 1,018,764
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	442.96%	564.27%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.97%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.



**Vineland Housing Authority  
Required Supplementary Information  
Schedule of the Authority's OPEB Contributions  
State Health Benefits Local Government Retired Employees Plan  
Last Two Fiscal Years**

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	<u><b>2019</b></u>	<u><b>2018</b></u>
Authority's Required Contributions	\$ 122,679	\$ 194,736
Authority's Contributions in Relation to the Required Contribution	<u>\$ (122,679)</u>	<u>\$ (194,736)</u>
Authority's Contribution Deficiency (Excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Authority's Covered Payroll (Fiscal Year)	\$ 1,148,527	\$ 1,018,764
Authority's Contributions as a Percentage of Covered Payroll	10.68%	19.11%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Note to Required Supplementary Information**  
**Public Employees' Retirement System (PERS)**  
**For the Fiscal Year Ended September 30, 2018**

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**Note to Required Supplementary Information**

*Changes in benefit terms* - None

*Changes in Assumptions* - In 2019, the discount rate changed to 3.50% from 3.87%, and there were changes in the assumed health care cost trend, PPO/HMO future retiree elections, and excise tax assumptions. Further, decrements, salary scale, and mortality assumptions were updated based on the July 1, 2013 - June 30, 2018 PFRS and July 1, 2014 - June 30, 2018 PERS experience studies. For mortality related to PFRS members and retirees, the Pub-2010 "Safety" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019 was used. For mortality related to PERS members and retirees, the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019 was used.

In 2018, the discount rate changed to 3.87% from 3.58%, there were changes in the census, claims and premiums experience and a decrease in the assumed health care cost trend and excise tax assumptions.

In 2017, the discount rate changed to 3.58% from 2.85%.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Required Supplementary Information**  
**Schedule of the Authority's Proportionate Share of the Net Pension Liability**  
**Public Employees' Retirement System (PERS)**  
**Last Seven Plan Years**

	<u>Measurement Date Ending June 30,</u>						
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Authority's proportion of the net pension liability	0.0142951807%	0.0144588657%	0.0138808229%	0.0175966359%	0.0184563371%	0.0185062675%	0.0171508299%
Authority's proportionate share of the net pension liability	\$ 2,575,775	\$ 2,846,879	\$ 3,231,234	\$ 5,211,619	\$ 4,143,078	\$ 3,464,879	\$ 3,277,864
Authority's covered payroll (plan measurement period)	1,015,848	1,015,380	944,324	1,172,256	1,274,948	1,279,812	1,156,124
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	253.56%	280.38%	342.17%	444.58%	324.96%	270.73%	283.52%
Plan fiduciary net position as a percentage of the total pension liability	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Required Supplementary Information**  
**Schedule of the Authority's Contributions**  
**Public Employees' Retirement System (PERS)**  
**Last Seven Fiscal Years**

**Fiscal Year Ended September 30,**

	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>
Contractually required contribution	\$ 139,050	\$ 143,819	\$ 128,591	\$ 156,326	\$ 158,675	\$ 152,536	\$ 129,228
Contributions in relation to the contractually required contribution	<u>(139,050)</u>	<u>(143,819)</u>	<u>(128,591)</u>	<u>(156,326)</u>	<u>(158,675)</u>	<u>(152,536)</u>	<u>(129,228)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll (fiscal year)	\$ 1,148,527	\$ 1,018,764	\$ 1,012,832	\$ 1,006,307	\$ 1,177,257	\$ 1,257,149	\$ 1,254,517
Contributions as a percentage of Authority's covered payroll	12.11%	14.12%	12.70%	15.53%	13.48%	12.13%	10.30%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Note to Required Supplementary Information**  
**Public Employees' Retirement System (PERS)**  
**For the Fiscal Years Ended September 30, 2019 and 2018**

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**Note to Required Supplementary Information**

*Changes in benefit terms* - None

*Changes in Assumptions* - The Discount Rate changed at June 30th over the following years, 5.39% 2014, 4.90% 2015, 3.98% 2016, 5.00% 2017, 5.66% 2018, and 6.28% 2019.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017, 2018 and 2019.

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2014 - June 30, 2018 Experience Study. For pre-retirement mortality, the Pub-2010 General Below-Median Income Employee mortality table with a 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For healthy retirees and beneficiaries, the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For disabled retiree mortality, the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males, and a 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**

**SUPPLEMENTARY INFORMATION**

**(AS REQUIRED BY U.S. DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT)**

**SEPTEMBER 30, 2019**

Vineland Housing Authority (NJ063)  
VINELAND, NJ  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.247 Self-Help Homeownership Opportunity Program	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$1,848,152		\$19,582	\$425,219	\$2,231,162	\$93,159	\$235,563	\$69,472	\$649,192	\$473,998	\$6,045,499		\$6,045,499
112 Cash - Restricted - Modernization and Development									\$1,342,068		\$1,342,068		\$1,342,068
113 Cash - Other Restricted	\$1,128			\$136,398		\$354,903					\$492,429		\$492,429
114 Cash - Tenant Security Deposits	\$128,279					\$35,780			\$76,931		\$240,990		\$240,990
115 Cash - Restricted for Payment of Current Liabilities	\$10,923			\$7,678							\$18,601		\$18,601
100 Total Cash	\$1,988,482	\$0	\$19,582	\$569,295	\$2,231,162	\$483,842	\$235,563	\$69,472	\$2,068,191	\$473,998	\$8,139,587	\$0	\$8,139,587
121 Accounts Receivable - PHA Projects													
122 Accounts Receivable - HUD Other Projects	\$15,156	\$19,688	\$21,027								\$55,871		\$55,871
124 Accounts Receivable - Other Government								\$22,159		\$35,767	\$57,926		\$57,926
125 Accounts Receivable - Miscellaneous	\$1,520					\$788	\$154,689			\$5,887	\$162,884		\$162,884
126 Accounts Receivable - Tenants	\$11,223			\$4,731		\$2,726			\$16,132		\$34,812		\$34,812
126.1 Allowance for Doubtful Accounts - Tenants	-\$2,805			-\$1,183		\$0		\$0	-\$4,033		-\$8,021		-\$8,021
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0			\$0	\$0	\$0		\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current						\$1,683,904				\$46,194	\$1,730,098	-\$460,861	\$1,269,237
128 Fraud Recovery													
128.1 Allowance for Doubtful Accounts - Fraud													
129 Accrued Interest Receivable													
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$25,094	\$19,688	\$21,027	\$3,548	\$1,683,904	\$3,514	\$154,689	\$22,159	\$12,099	\$87,848	\$2,033,570	-\$460,861	\$1,572,709
131 Investments - Unrestricted													
132 Investments - Restricted													
135 Investments - Restricted for Payment of Current Liability													
142 Prepaid Expenses and Other Assets	\$37,632			\$397		\$13,472	\$912		\$19,372	\$17,482	\$89,267		\$89,267
143 Inventories													
143.1 Allowance for Obsolete Inventories													
144 Inter Program Due From	\$15,726									\$533,860	\$549,586	-\$549,586	\$0
145 Assets Held for Sale													
150 Total Current Assets	\$2,066,934	\$19,688	\$40,609	\$573,240	\$3,915,066	\$500,828	\$391,164	\$91,631	\$2,099,662	\$1,113,188	\$10,812,010	-\$1,010,447	\$9,801,563
161 Land	\$2,740,771					\$50,800	\$52,112		\$222,429	\$382,758	\$3,448,870		\$3,448,870
162 Buildings	\$22,953,666					\$3,922,740	\$0		\$19,359,259	\$3,642,718	\$49,878,383		\$49,878,383
163 Furniture, Equipment & Machinery - Dwellings	\$289,860					\$458,882	\$0		\$185,674		\$934,416		\$934,416
164 Furniture, Equipment & Machinery - Administration	\$240,413			\$75,579			\$0		\$744,959	\$675,793	\$1,736,744		\$1,736,744
165 Leasehold Improvements													
166 Accumulated Depreciation	-\$19,136,488			-\$74,454		-\$877,243	\$0		-\$14,277,608	-\$3,074,738	-\$37,440,531		-\$37,440,531
167 Construction in Progress													
168 Infrastructure													
160 Total Capital Assets, Net of Accumulated Depreciation	\$7,088,222	\$0	\$0	\$1,125	\$0	\$3,555,179	\$52,112	\$0	\$6,234,713	\$1,626,531	\$18,557,882	\$0	\$18,557,882

Vineland Housing Authority (NJ063)  
VINELAND, NJ  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.247 Self-Help Homeownership Opportunity Program	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
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						\$44,769	\$0		\$0		\$44,769		\$44,769
176 Investments in Joint Ventures													
180 Total Non-Current Assets	\$7,088,222	\$0	\$0	\$1,125	\$0	\$3,599,948	\$52,112	\$0	\$6,234,713	\$1,626,531	\$18,602,651	\$0	\$18,602,651
200 Deferred Outflow of Resources	\$274,700			\$101,095				\$763	\$158,138	\$112,337	\$647,033		\$647,033
290 Total Assets and Deferred Outflow of Resources	\$9,429,856	\$19,688	\$40,609	\$675,460	\$3,915,066	\$4,100,776	\$443,276	\$92,394	\$8,492,513	\$2,852,056	\$30,061,694	-\$1,010,447	\$29,051,247
311 Bank Overdraft													
312 Accounts Payable <= 90 Days	\$18,670			\$32,512		\$114,178		\$3,619	\$11,594	\$40,082	\$220,655		\$220,655
313 Accounts Payable >90 Days Past Due													
321 Accrued Wage/Payroll Taxes Payable	\$23,264	\$4,269	\$3,598	\$9,518				\$3,034	\$13,952	\$40,661	\$98,296		\$98,296
322 Accrued Compensated Absences - Current Portion	\$16,127			\$5,800					\$7,438	\$30,800	\$60,165		\$60,165
324 Accrued Contingency Liability													
325 Accrued Interest Payable	\$24,560					\$69,142					\$93,702		\$93,702
331 Accounts Payable - HUD PHA Programs													
332 Account Payable - PHA Projects													
333 Accounts Payable - Other Government	\$89,758					\$5,349			\$41,032		\$136,139		\$136,139
341 Tenant Security Deposits	\$128,278					\$35,805			\$76,931		\$241,014		\$241,014
342 Unearned Revenue	\$10,586					\$980	\$0		\$13,917		\$25,483		\$25,483
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	\$170,000					\$29,310			\$74,435		\$273,745		\$273,745
344 Current Portion of Long-term Debt - Operating Borrowings									\$374,167		\$374,167	-\$374,167	\$0
345 Other Current Liabilities	\$15,625			\$7,678			\$88,394				\$111,697	-\$86,694	\$25,003
346 Accrued Liabilities - Other	\$63,530			\$21,373					\$38,190	\$50,720	\$173,813		\$173,813
347 Inter Program - Due To	\$154,379	\$15,419	\$37,011	\$196,018	\$10,168			\$7,317	\$129,274		\$549,586	-\$549,586	\$0
348 Loan Liability - Current													
310 Total Current Liabilities	\$714,777	\$19,688	\$40,609	\$272,899	\$10,168	\$254,764	\$462,561	\$13,970	\$406,763	\$162,263	\$2,358,462	-\$1,010,447	\$1,348,015



Vineland Housing Authority (NJ063)  
VINELAND, NJ  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.247 Self-Help Homeownership Opportunity Program	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$1,090,000					\$2,769,609	\$0		\$2,267,730		\$6,127,339		\$6,127,339
352 Long-term Debt, Net of Current - Operating Borrowings													
353 Non-current Liabilities - Other	\$10,998			\$27,447		\$100,000					\$138,445		\$138,445
354 Accrued Compensated Absences - Non Current	\$48,378			\$17,399					\$22,315	\$92,400	\$180,492		\$180,492
355 Loan Liability - Non Current													
356 FASB 5 Liabilities													
357 Accrued Pension and OPEB Liabilities	\$2,821,824			\$1,274,446				\$18,747	\$2,220,314	\$1,327,942	\$7,663,273		\$7,663,273
350 Total Non-Current Liabilities	\$3,971,200	\$0	\$0	\$1,319,292	\$0	\$2,869,609	\$0	\$18,747	\$4,510,359	\$1,420,342	\$14,109,549	\$0	\$14,109,549
300 Total Liabilities	\$4,685,977	\$19,688	\$40,609	\$1,592,191	\$10,168	\$3,124,373	\$462,561	\$32,717	\$4,917,122	\$1,582,605	\$16,468,011	-\$1,010,447	\$15,457,564
400 Deferred Inflow of Resources	\$1,775,575			\$832,986				\$13,860	\$1,591,170	\$939,579	\$5,153,170		\$5,153,170
508.4 Net Investment in Capital Assets	\$5,828,222	\$0	\$0	\$1,125		\$756,260	\$52,112		\$3,892,548	\$1,626,531	\$12,156,798		\$12,156,798
511.4 Restricted Net Position	\$0	\$0	\$0	\$108,952		\$217,942	\$0			\$0	\$326,894		\$326,894
512.4 Unrestricted Net Position	-\$2,859,918	\$0	\$0	-\$1,859,794	\$3,904,898	\$2,201	-\$71,397	\$45,817	-\$1,908,327	-\$1,296,659	-\$4,043,179		-\$4,043,179
513 Total Equity - Net Assets / Position	\$2,968,304	\$0	\$0	-\$1,749,717	\$3,904,898	\$976,403	-\$19,285	\$45,817	-\$1,984,221	\$329,872	\$8,440,513	\$0	\$8,440,513
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$9,429,856	\$19,688	\$40,609	\$675,460	\$3,915,066	\$4,100,776	\$443,276	\$92,394	\$8,492,513	\$2,852,056	\$30,061,694	-\$1,010,447	\$29,051,247

Vineland Housing Authority (NJ063)  
VINELAND, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.247 Self-Help Homeownership Opportunity Program	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$1,689,687					\$98,784			\$822,401		\$2,610,872		\$2,610,872
70400 Tenant Revenue - Other	\$40,043								\$19,102		\$59,145		\$59,145
70500 Total Tenant Revenue	\$1,729,730	\$0	\$0	\$0	\$0	\$98,784	\$0	\$0	\$841,503	\$0	\$2,670,017	\$0	\$2,670,017
70600 HUD PHA Operating Grants	\$1,296,285	\$66,120	\$72,442	\$4,982,521		\$178,312					\$6,595,680		\$6,595,680
70610 Capital Grants	\$343,069										\$343,069		\$343,069
70710 Management Fee									\$513,903		\$513,903	-\$513,903	\$0
70720 Asset Management Fee						\$44,886			\$44,886		\$44,886	-\$44,886	\$0
70730 Book Keeping Fee									\$88,190		\$88,190	-\$88,190	\$0
70740 Front Line Service Fee													
70750 Other Fees									\$266,220		\$266,220		\$266,220
70700 Total Fee Revenue									\$913,199		\$913,199	-\$646,979	\$266,220
70800 Other Government Grants								\$88,547	\$715,719		\$804,266		\$804,266
71100 Investment Income - Unrestricted	\$5,637			\$640	\$10,168	\$127			\$4,623	\$723	\$21,918		\$21,918
71200 Mortgage Interest Income													
71300 Proceeds from Disposition of Assets Held for Sale													
71310 Cost of Sale of Assets													
71400 Fraud Recovery	\$216			\$2,724					\$712		\$3,652		\$3,652
71500 Other Revenue	\$56,234			\$25,504		\$27		\$13,003	\$100	\$248,957	\$343,825	-\$50,000	\$293,825
71600 Gain or Loss on Sale of Capital Assets													
72000 Investment Income - Restricted	\$29			\$618		\$4,210					\$4,857		\$4,857
70000 Total Revenue	\$3,431,200	\$66,120	\$72,442	\$5,012,007	\$10,168	\$281,460	\$0	\$101,550	\$1,562,657	\$1,162,879	\$11,700,483	-\$696,979	\$11,003,504
91100 Administrative Salaries	\$183,871		\$57,672	\$141,571					\$93,156	\$362,007	\$838,277		\$838,277
91200 Auditing Fees	\$17,649			\$8,000		\$15,000			\$10,590	\$12,661	\$63,900		\$63,900
91300 Management Fee	\$404,059		\$10,000	\$89,676	\$10,168	\$40,560					\$554,463	-\$513,903	\$40,560
91310 Book-keeping Fee	\$33,143			\$55,047							\$88,190	-\$88,190	\$0
91400 Advertising and Marketing										\$1,413	\$1,413		\$1,413
91500 Employee Benefit contributions - Administrative	\$70,158		\$4,770	\$54,293					\$26,003	\$71,131	\$226,355		\$226,355
91600 Office Expenses	\$6,376			\$3,660		\$4,394		\$72	\$3,276	\$17,620	\$35,398		\$35,398
91700 Legal Expense	\$11,437					\$0			\$46,360	\$17,500	\$75,297		\$75,297
91800 Travel										\$3,812	\$3,812		\$3,812
91810 Allocated Overhead													
91900 Other	\$104,790			\$16,859		\$5,676	\$2,979	\$1,898	\$283,509	\$237,860	\$653,571		\$653,571
91000 Total Operating - Administrative	\$831,483	\$0	\$72,442	\$369,106	\$10,168	\$65,630	\$2,979	\$1,970	\$462,894	\$724,004	\$2,540,676	-\$602,093	\$1,938,583

Vineland Housing Authority (NJ063)  
VINELAND, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.247 Self-Help Homeownership Opportunity Program	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
92000 Asset Management Fee	\$44,886										\$44,886	-\$44,886	\$0
92100 Tenant Services - Salaries		\$63,741						\$40,257			\$103,998		\$103,998
92200 Relocation Costs													
92300 Employee Benefit Contributions - Tenant Services		\$2,379						\$4,584			\$6,963		\$6,963
92400 Tenant Services - Other	\$8,031					\$17		\$47,837	\$1,668	\$4,180	\$61,733		\$61,733
92500 Total Tenant Services	\$8,031	\$66,120	\$0	\$0	\$0	\$17	\$0	\$92,678	\$1,668	\$4,180	\$172,694	\$0	\$172,694
93100 Water	\$64,285					\$4,585			\$28,623	\$1,828	\$99,321		\$99,321
93200 Electricity	\$291,608					\$96			\$253,125	\$34,686	\$579,505		\$579,505
93300 Gas	\$120,563					\$133			\$61,422	\$6,348	\$188,466		\$188,466
93400 Fuel													
93500 Labor													
93600 Sewer	\$141,907					\$6,630			\$68,915	\$2,088	\$219,540		\$219,540
93700 Employee Benefit Contributions - Utilities													
93800 Other Utilities Expense	\$17,496					\$3,026					\$20,522		\$20,522
93000 Total Utilities	\$635,859	\$0	\$0	\$0	\$0	\$14,460	\$0	\$0	\$412,085	\$44,950	\$1,107,354	\$0	\$1,107,354
94100 Ordinary Maintenance and Operations - Labor	\$256,796								\$135,907	\$44,291	\$436,994		\$436,994
94200 Ordinary Maintenance and Operations - Materials and Other	\$143,293			\$473		\$2,012		\$3,043	\$84,646	\$9,330	\$242,797		\$242,797
94300 Ordinary Maintenance and Operations Contracts	\$252,084			\$68		\$21,477		\$2,698	\$165,841	\$37,168	\$479,336	-\$50,000	\$429,336
94500 Employee Benefit Contributions - Ordinary Maintenance	\$95,964								\$36,584	\$3,877	\$136,425		\$136,425
94000 Total Maintenance	\$748,137	\$0	\$0	\$541	\$0	\$23,489	\$0	\$5,741	\$422,976	\$94,666	\$1,295,552	-\$50,000	\$1,245,552
95100 Protective Services - Labor													
95200 Protective Services - Other Contract Costs	\$1,200										\$1,200		\$1,200
95300 Protective Services - Other													
95500 Employee Benefit Contributions - Protective Services													
95000 Total Protective Services	\$1,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,200	\$0	\$1,200
96110 Property Insurance	\$70,724			\$690		\$13,910	\$1,151		\$28,358	\$2,877	\$117,710		\$117,710
96120 Liability Insurance	\$52,748			\$514		\$5,980	\$594		\$21,150	\$2,146	\$83,132		\$83,132
96130 Workmen's Compensation	\$27,189			\$265		\$356			\$10,902	\$1,106	\$39,818		\$39,818
96140 All Other Insurance	\$9,276			\$91		\$7,199			\$3,719	\$377	\$20,662		\$20,662
96100 Total Insurance Premiums	\$159,937	\$0	\$0	\$1,560	\$0	\$27,445	\$1,745	\$0	\$64,129	\$6,506	\$261,322	\$0	\$261,322

Vineland Housing Authority (NJ063)  
VINELAND, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.247 Self-Help Homeownership Opportunity Program	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
96200 Other General Expenses	\$8,817					\$17,101					\$25,918		\$25,918
96210 Compensated Absences	\$18,064			\$4,034					\$4,972	\$14,201	\$41,271		\$41,271
96300 Payments in Lieu of Taxes	\$105,383					\$5,349			\$41,032		\$151,764		\$151,764
96400 Bad debt - Tenant Rents	\$6,102								\$14,499		\$20,601		\$20,601
96500 Bad debt - Mortgages													
96600 Bad debt - Other													
96800 Severance Expense													
96000 Total Other General Expenses	\$138,366	\$0	\$0	\$4,034	\$0	\$22,450	\$0	\$0	\$60,503	\$14,201	\$239,554	\$0	\$239,554
96710 Interest of Mortgage (or Bonds) Payable	\$87,630					\$67,923			\$104,224		\$259,777		\$259,777
96720 Interest on Notes Payable (Short and Long Term)													
96730 Amortization of Bond Issue Costs						\$3,919					\$3,919		\$3,919
96700 Total Interest Expense and Amortization Cost	\$87,630	\$0	\$0	\$0	\$0	\$71,842	\$0	\$0	\$104,224	\$0	\$263,696	\$0	\$263,696
96900 Total Operating Expenses	\$2,655,529	\$66,120	\$72,442	\$375,241	\$10,168	\$225,333	\$4,724	\$100,389	\$1,528,481	\$888,507	\$5,926,934	-\$696,979	\$5,229,955
97000 Excess of Operating Revenue over Operating Expenses	\$775,671	\$0	\$0	\$4,636,766	\$0	\$56,127	-\$4,724	\$1,161	\$34,176	\$274,372	\$5,773,549	\$0	\$5,773,549
97100 Extraordinary Maintenance													
97200 Casualty Losses - Non-capitalized													
97300 Housing Assistance Payments				\$4,535,981							\$4,535,981		\$4,535,981
97350 HAP Portability-In													
97400 Depreciation Expense	\$607,794			\$750		\$228,875			\$307,729	\$100,436	\$1,245,584		\$1,245,584
97500 Fraud Losses													
97600 Capital Outlays - Governmental Funds													
97700 Debt Principal Payment - Governmental Funds													
97800 Dwelling Units Rent Expense													
90000 Total Expenses	\$3,263,323	\$66,120	\$72,442	\$4,911,972	\$10,168	\$454,208	\$4,724	\$100,389	\$1,836,210	\$988,943	\$11,708,499	-\$696,979	\$11,011,520

Vineland Housing Authority (NJ063)  
VINELAND, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	Project Total	14.896 PIH Family Self-Sufficiency Program	14.870 Resident Opportunity and Supportive Services	14.871 Housing Choice Vouchers	14.247 Self-Help Homeownership Opportunity Program	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	2 State/Local	1 Business Activities	COCC	Subtotal	ELIM	Total
10010 Operating Transfer In	\$379,315										\$379,315	-\$379,315	\$0
10020 Operating transfer Out	-\$379,315										-\$379,315	\$379,315	\$0
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	\$291,610										\$291,610		\$291,610
10080 Special Items (Net Gain/Loss)													
10091 Inter Project Excess Cash Transfer In	\$50,000										\$50,000	-\$50,000	\$0
10092 Inter Project Excess Cash Transfer Out	-\$50,000										-\$50,000	\$50,000	\$0
10093 Transfers between Program and Project - In													
10094 Transfers between Project and Program - Out													
10100 Total Other financing Sources (Uses)	\$291,610	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$291,610	\$0	\$291,610
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$459,487	\$0	\$0	\$100,035	\$0	-\$172,748	-\$4,724	\$1,161	-\$273,553	\$173,936	\$283,594	\$0	\$283,594
11020 Required Annual Debt Principal Payments	\$210,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$210,000		\$210,000
11030 Beginning Equity	\$10,759,814	\$0	\$0	-\$262,670	\$4,025,637	\$1,149,151	-\$14,561	\$77,478	\$0	\$1,333,319	\$17,068,168		\$17,068,168
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$8,250,997			-\$1,587,082	-\$120,739	\$0	\$0	-\$32,822	\$2,257,774	-\$1,177,383	-\$8,911,249		-\$8,911,249
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				-\$1,858,669							-\$1,858,669		-\$1,858,669
11180 Housing Assistance Payments Equity				\$108,952							\$108,952		\$108,952
11190 Unit Months Available	4950	0	0	9443	0	204		0	2250		16847		16847
11210 Number of Unit Months Leased	4859	0	0	7473	0	198		0	2009		14539		14539
11270 Excess Cash	\$1,103,904										\$1,103,904		\$1,103,904
11610 Land Purchases	\$0									\$0	\$0		\$0
11620 Building Purchases	\$23,918									\$0	\$23,918		\$23,918
11630 Furniture & Equipment - Dwelling Purchases	\$7,805									\$0	\$7,805		\$7,805
11640 Furniture & Equipment - Administrative Purchases	\$101,346									\$0	\$101,346		\$101,346
11650 Leasehold Improvements Purchases	\$0									\$0	\$0		\$0
11660 Infrastructure Purchases	\$0									\$0	\$0		\$0
13510 CFFP Debt Service Payments	\$250,027									\$0	\$250,027		\$250,027
13901 Replacement Housing Factor Funds	\$0									\$0	\$0		\$0

Vineland Housing Authority (NJ063)  
VINELAND, NJ  
Project Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	NJ063000001	NJ063000002	NJ063000003	NJ063000004	NJ063000005	OTHER PROJ	Total
111 Cash - Unrestricted	\$148,128	\$824,343		\$875,681			\$1,848,152
112 Cash - Restricted - Modernization and Development							
113 Cash - Other Restricted	\$281	\$570		\$277			\$1,128
114 Cash - Tenant Security Deposits	\$26,434	\$58,547		\$43,298			\$128,279
115 Cash - Restricted for Payment of Current Liabilities				\$10,923			\$10,923
100 Total Cash	\$174,843	\$883,460	\$0	\$930,179	\$0	\$0	\$1,988,482
121 Accounts Receivable - PHA Projects							
122 Accounts Receivable - HUD Other Projects	\$783	\$13,186		\$1,187			\$15,156
124 Accounts Receivable - Other Government							
125 Accounts Receivable - Miscellaneous		\$1,520					\$1,520
126 Accounts Receivable - Tenants	\$1,633	\$1,598		\$7,992			\$11,223
126.1 Allowance for Doubtful Accounts -Tenants	-\$408	-\$399		-\$1,998			-\$2,805
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0			\$0
127 Notes, Loans, & Mortgages Receivable - Current							
128 Fraud Recovery							
128.1 Allowance for Doubtful Accounts - Fraud							
129 Accrued Interest Receivable							
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$2,008	\$15,905	\$0	\$7,181	\$0	\$0	\$25,094
131 Investments - Unrestricted							
132 Investments - Restricted							
135 Investments - Restricted for Payment of Current Liability							
142 Prepaid Expenses and Other Assets	\$6,399	\$17,878		\$13,355			\$37,632
143 Inventories							
143.1 Allowance for Obsolete Inventories							
144 Inter Program Due From	\$15,726						\$15,726
145 Assets Held for Sale							
150 Total Current Assets	\$198,976	\$917,243	\$0	\$950,715	\$0	\$0	\$2,066,934

Vineland Housing Authority (NJ063)

VINELAND, NJ

Project Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	NJ063000001	NJ063000002	NJ063000003	NJ063000004	NJ063000005	OTHER PROJ	Total
161 Land	\$65,275	\$270,405		\$2,405,091			\$2,740,771
162 Buildings	\$5,122,221	\$14,045,983		\$3,785,462			\$22,953,666
163 Furniture, Equipment & Machinery - Dwellings	\$1,641	\$245,040		\$43,179			\$289,860
164 Furniture, Equipment & Machinery - Administration	\$185,373	\$24,420		\$30,620			\$240,413
165 Leasehold Improvements							
166 Accumulated Depreciation	-\$4,730,591	-\$11,570,222		-\$2,835,675			-\$19,136,488
167 Construction in Progress							
168 Infrastructure							
160 Total Capital Assets, Net of Accumulated Depreciation	\$643,919	\$3,015,626	\$0	\$3,428,677	\$0	\$0	\$7,088,222
171 Notes, Loans and Mortgages Receivable - Non-Current							
172 Notes, Loans, & Mortgages Receivable - Non Current - Past							
173 Grants Receivable - Non Current							
174 Other Assets							
176 Investments in Joint Ventures							
180 Total Non-Current Assets	\$643,919	\$3,015,626	\$0	\$3,428,677	\$0	\$0	\$7,088,222
200 Deferred Outflow of Resources	\$64,014	\$129,674		\$81,012			\$274,700
290 Total Assets and Deferred Outflow of Resources	\$906,909	\$4,062,543	\$0	\$4,460,404	\$0	\$0	\$9,429,856
311 Bank Overdraft							
312 Accounts Payable <= 90 Days	\$4,058	\$10,223		\$4,389			\$18,670
313 Accounts Payable >90 Days Past Due							
321 Accrued Wage/Payroll Taxes Payable	\$4,735	\$9,904		\$8,625			\$23,264
322 Accrued Compensated Absences - Current Portion	\$3,475	\$6,136		\$6,516			\$16,127
324 Accrued Contingency Liability							
325 Accrued Interest Payable	\$6,550	\$13,294		\$4,716			\$24,560
331 Accounts Payable - HUD PHA Programs							
332 Account Payable - PHA Projects							
333 Accounts Payable - Other Government		\$44,099		\$45,659			\$89,758
341 Tenant Security Deposits	\$26,434	\$58,547		\$43,297			\$128,278

Vineland Housing Authority (NJ063)

VINELAND, NJ

Project Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	NJ063000001	NJ063000002	NJ063000003	NJ063000004	NJ063000005	OTHER PROJ	Total
342 Unearned Revenue	\$3,787	\$4,375		\$2,424			\$10,586
343 Current Portion of Long-term Debt - Capital	\$45,339	\$92,021		\$32,640			\$170,000
344 Current Portion of Long-term Debt - Operating Borrowings							
345 Other Current Liabilities	\$15,625						\$15,625
346 Accrued Liabilities - Other	\$14,522	\$27,987		\$21,021			\$63,530
347 Inter Program - Due To	\$389	\$47,792		\$106,198			\$154,379
348 Loan Liability - Current							
310 Total Current Liabilities	\$124,914	\$314,378	\$0	\$275,485	\$0	\$0	\$714,777
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$290,703	\$590,017		\$209,280			\$1,090,000
352 Long-term Debt, Net of Current - Operating Borrowings							
353 Non-current Liabilities - Other				\$10,998			\$10,998
354 Accrued Compensated Absences - Non Current	\$10,425	\$18,404		\$19,549			\$48,378
355 Loan Liability - Non Current							
356 FASB 5 Liabilities							
357 Accrued Pension and OPEB Liabilities	\$662,129	\$1,293,722		\$865,973			\$2,821,824
350 Total Non-Current Liabilities	\$963,257	\$1,902,143	\$0	\$1,105,800	\$0	\$0	\$3,971,200
300 Total Liabilities	\$1,088,171	\$2,216,521	\$0	\$1,381,285	\$0	\$0	\$4,685,977
400 Deferred Inflow of Resources	\$407,804	\$801,920		\$565,851			\$1,775,575
508.4 Net Investment in Capital Assets	\$307,877	\$2,333,588	\$0	\$3,186,757	\$0	\$0	\$5,828,222
511.4 Restricted Net Position	\$0		\$0	\$0	\$0	\$0	\$0
512.4 Unrestricted Net Position	-\$896,943	-\$1,289,486	\$0	-\$673,489	\$0	\$0	-\$2,859,918
513 Total Equity - Net Assets / Position	-\$589,066	\$1,044,102	\$0	\$2,513,268	\$0	\$0	\$2,968,304
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$906,909	\$4,062,543	\$0	\$4,460,404	\$0	\$0	\$9,429,856



Vineland Housing Authority (NJ063)  
VINELAND, NJ  
Project Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	NJ063000001	NJ063000002	NJ063000003	NJ063000004	NJ063000005	OTHER PROJ	Total
70300 Net Tenant Rental Revenue	\$347,349	\$693,305	\$139,656	\$509,377			\$1,689,687
70400 Tenant Revenue - Other	\$7,668	\$21,412	\$2,066	\$8,897			\$40,043
70500 Total Tenant Revenue	\$355,017	\$714,717	\$141,722	\$518,274	\$0	\$0	\$1,729,730
70600 HUD PHA Operating Grants	\$391,348	\$592,071	\$211,171	\$101,695			\$1,296,285
70610 Capital Grants	\$88,101	\$62,438	\$157,665	\$34,865			\$343,069
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	\$1,439	\$2,828	\$367	\$1,003			\$5,637
71200 Mortgage Interest Income							
71300 Proceeds from Disposition of Assets Held for Sale							
71310 Cost of Sale of Assets							
71400 Fraud Recovery		\$216					\$216
71500 Other Revenue	\$806	\$55,279	\$109	\$40			\$56,234
71600 Gain or Loss on Sale of Capital Assets							
72000 Investment Income - Restricted	\$7	\$14	\$3	\$5			\$29
70000 Total Revenue	\$836,718	\$1,427,563	\$511,037	\$655,882	\$0	\$0	\$3,431,200
91100 Administrative Salaries	\$43,123	\$58,366	\$17,457	\$64,925			\$183,871
91200 Auditing Fees	\$4,706	\$9,554		\$3,389			\$17,649
91300 Management Fee	\$98,802	\$184,614	\$41,350	\$79,293			\$404,059
91310 Book-keeping Fee	\$8,828	\$18,045	\$0	\$6,270			\$33,143
91400 Advertising and Marketing							
91500 Employee Benefit contributions - Administrative	\$18,123	\$25,881	\$9,912	\$16,242			\$70,158
91600 Office Expenses	\$1,376	\$3,142	\$440	\$1,418			\$6,376
91700 Legal Expense	\$2,179	\$3,447	\$2,549	\$3,262			\$11,437

Vineland Housing Authority (NJ063)

VINELAND, NJ

**Project Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	NJ063000001	NJ063000002	NJ063000003	NJ063000004	NJ063000005	OTHER PROJ	Total
91800 Travel							
91810 Allocated Overhead							
91900 Other	\$19,355	\$57,089	\$13,336	\$15,010			\$104,790
91000 Total Operating - Administrative	\$196,492	\$360,138	\$85,044	\$189,809	\$0	\$0	\$831,483
92000 Asset Management Fee	\$12,000	\$24,360	\$0	\$8,526			\$44,886
92100 Tenant Services - Salaries							
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services							
92400 Tenant Services - Other	\$151	\$2,412	\$1,313	\$4,155			\$8,031
92500 Total Tenant Services	\$151	\$2,412	\$1,313	\$4,155	\$0	\$0	\$8,031
93100 Water	\$16,693	\$27,194	\$5,025	\$15,373			\$64,285
93200 Electricity	\$124,206	\$127,144	\$39,316	\$942			\$291,608
93300 Gas	\$11,685	\$102,539	\$4,669	\$1,670			\$120,563
93400 Fuel							
93500 Labor							
93600 Sewer	\$38,514	\$73,800	\$12,283	\$17,310			\$141,907
93700 Employee Benefit Contributions - Utilities							
93800 Other Utilities Expense				\$17,496			\$17,496
93000 Total Utilities	\$191,098	\$330,677	\$61,293	\$52,791	\$0	\$0	\$635,859
94100 Ordinary Maintenance and Operations - Labor	\$65,297	\$107,646	\$18,898	\$64,955			\$256,796
94200 Ordinary Maintenance and Operations - Materials and	\$30,155	\$47,970	\$15,405	\$49,763			\$143,293
94300 Ordinary Maintenance and Operations Contracts	\$36,067	\$119,208	\$24,626	\$72,183			\$252,084
94500 Employee Benefit Contributions - Ordinary Maintenance	\$22,693	\$29,694	\$17,461	\$26,116			\$95,964
94000 Total Maintenance	\$154,212	\$304,518	\$76,390	\$213,017	\$0	\$0	\$748,137

Vineland Housing Authority (NJ063)  
VINELAND, NJ  
Project Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	NJ063000001	NJ063000002	NJ063000003	NJ063000004	NJ063000005	OTHER PROJ	Total
95100 Protective Services - Labor							
95200 Protective Services - Other Contract Costs		\$1,200					\$1,200
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services							
95000 Total Protective Services	\$0	\$1,200	\$0	\$0	\$0	\$0	\$1,200
96110 Property Insurance	\$12,109	\$31,073	\$4,329	\$23,213			\$70,724
96120 Liability Insurance	\$9,031	\$23,175	\$3,229	\$17,313			\$52,748
96130 Workmen's Compensation	\$4,655	\$11,946	\$1,664	\$8,924			\$27,189
96140 All Other Insurance	\$1,588	\$4,076	\$568	\$3,044			\$9,276
96100 Total insurance Premiums	\$27,383	\$70,270	\$9,790	\$52,494	\$0	\$0	\$159,937
96200 Other General Expenses	\$438	\$1,002	\$7,061	\$316			\$8,817
96210 Compensated Absences		\$6,281		\$11,783			\$18,064
96300 Payments in Lieu of Taxes	\$15,625	\$36,263	\$7,836	\$45,659			\$105,383
96400 Bad debt - Tenant Rents	\$2,823	\$1,255	\$592	\$1,432			\$6,102
96500 Bad debt - Mortgages							
96600 Bad debt - Other							
96800 Severance Expense							
96000 Total Other General Expenses	\$18,886	\$44,801	\$15,489	\$59,190	\$0	\$0	\$138,366
96710 Interest of Mortgage (or Bonds) Payable	\$14,877	\$30,663	\$31,379	\$10,711			\$87,630
96720 Interest on Notes Payable (Short and Long Term)							
96730 Amortization of Bond Issue Costs							
96700 Total Interest Expense and Amortization Cost	\$14,877	\$30,663	\$31,379	\$10,711	\$0	\$0	\$87,630
96900 Total Operating Expenses	\$615,099	\$1,169,039	\$280,698	\$590,693	\$0	\$0	\$2,655,529
97000 Excess of Operating Revenue over Operating Expenses	\$221,619	\$258,524	\$230,339	\$65,189	\$0	\$0	\$775,671

Vineland Housing Authority (NJ063)  
VINELAND, NJ  
Project Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	NJ063000001	NJ063000002	NJ063000003	NJ063000004	NJ063000005	OTHER PROJ	Total
97100 Extraordinary Maintenance							
97200 Casualty Losses - Non-capitalized							
97300 Housing Assistance Payments							
97350 HAP Portability-In							
97400 Depreciation Expense	\$82,686	\$363,171	\$45,517	\$116,420			\$607,794
97500 Fraud Losses							
97600 Capital Outlays - Governmental Funds							
97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense							
90000 Total Expenses	\$697,785	\$1,532,210	\$326,215	\$707,113	\$0	\$0	\$3,263,323
10010 Operating Transfer In	\$45,837	\$94,260	\$169,296	\$69,922			\$379,315
10020 Operating transfer Out	-\$45,837	-\$94,260	-\$169,296	-\$69,922			-\$379,315
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				\$291,610			\$291,610
10080 Special Items (Net Gain/Loss)							
10091 Inter Project Excess Cash Transfer In	\$50,000						\$50,000
10092 Inter Project Excess Cash Transfer Out		-\$50,000					-\$50,000
10093 Transfers between Program and Project - In							
10094 Transfers between Project and Program - Out							
10100 Total Other financing Sources (Uses)	\$50,000	-\$50,000	\$0	\$291,610	\$0	\$0	\$291,610
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$188,933	-\$154,647	\$184,822	\$240,379	\$0	\$0	\$459,487

Vineland Housing Authority (NJ063)  
VINELAND, NJ  
Project Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2019

	NJ063000001	NJ063000002	NJ063000003	NJ063000004	NJ063000005	OTHER PROJ	Total
11020 Required Annual Debt Principal Payments	\$21,336	\$50,220	\$123,084	\$15,360	\$0	\$0	\$210,000
11030 Beginning Equity	\$1,301,171	\$3,211,507	\$3,304,980	\$2,942,156	\$0	\$0	\$10,759,814
11040 Prior Period Adjustments, Equity Transfers and	-\$2,079,170	-\$2,012,758	-\$3,489,802	-\$669,267			-\$8,250,997
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							
11100 Changes in Allowance for Doubtful Accounts - Other							
11170 Administrative Fee Equity							
11180 Housing Assistance Payments Equity							
11190 Unit Months Available	1250	2436	400	864	0	0	4950
11210 Number of Unit Months Leased	1222	2406	395	836	0	0	4859
11270 Excess Cash	\$18,743	\$491,442	-\$21,466	\$615,185	\$0	\$0	\$1,103,904
11610 Land Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11620 Building Purchases	\$0	\$12,218	\$0	\$11,700	\$0	\$0	\$23,918
11630 Furniture & Equipment - Dwelling Purchases	\$0	\$0	\$0	\$7,805	\$0	\$0	\$7,805
11640 Furniture & Equipment - Administrative Purchases	\$66,765	\$0	\$34,581	\$0	\$0	\$0	\$101,346
11650 Leasehold Improvements Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11660 Infrastructure Purchases	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13510 CFFP Debt Service Payments	\$29,663	\$67,589	\$131,420	\$21,355	\$0	\$0	\$250,027
13901 Replacement Housing Factor Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**HOUSING AUTHORITY OF THE CITY OF VINELAND**

**PART II - SINGLE AUDIT SECTION**

**SEPTEMBER 30, 2019**

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

Board of Commissioners  
Housing Authority of the City of Vineland

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

We have audited the Housing Authority of the City of Vineland's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the fiscal year ended September 30, 2019. The Authority's federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The Authority's blended component unit, Vineland Housing Development Corporation and its discreetly presented component unit, the Affordable Housing Corporation of Vineland, are not subject to Single Audit requirements and are not covered by this report.

***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.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Housing Authority of the City of Vineland'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; audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey; 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). Those standards and the Uniform Guidance 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 Housing Authority of the City of Vineland'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 Housing Authority of the City of Vineland's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the Housing Authority of the City of Vineland 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 fiscal year ended September 30, 2019.

## Report on Internal Control Over Compliance

Management of the Housing Authority of the City of Vineland 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 a major federal program in order 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, 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 to significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

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.

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

Woodbury, New Jersey  
December 16, 2020



**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year Ended September 30, 2019**

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development Direct Programs				
Housing Choice Voucher Cluster - Section 8 Housing Choice Voucher Program	14.871	N/A	None	\$ 4,982,521
Public and Indian Housing Program	14.850	N/A	None	985,383
Resident Opportunity and Supportive Services - Service Coordinators	14.870	N/A	None	72,442
Family Self-Sufficiency Program	14.896	N/A	None	66,120
Public Housing - Capital Fund Program	14.872	N/A	None	<u>653,971</u>
Total expenditures of federal awards				<u>\$ 6,760,437</u>

See accompanying notes to schedule of expenditures of federal awards.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Notes to Schedule of Expenditures of Federal Awards**

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**Note 1: BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Housing Authority of the City of Vineland (the "Authority") under programs of the federal government for the fiscal year ended September 30, 2019. The information in this 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 position or cash flows of the Authority.

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

Basis of Presentation

Expenditures reported on this Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Authority has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 3: RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedule agree with amounts reported in the Authority's financial statements.

**Note 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

All amounts in the accompanying schedule agree with, in all material respects, the amounts reported in the related federal financial reports.

Additionally, there were expenditures of \$88,547 under the State of New Jersey, Department of Community Affairs Congregate Housing Services Program, which is not subject to a State Single Audit.

**Note 5: PHA'S STATEMENT AND CERTIFICATION OF ACTUAL CAPITAL FUND PROGRAM COSTS**

There were no Modernization Cost Certificates filed by the Housing Authority in 2019.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**

**PART III – SCHEDULE OF FINDINGS & QUESTIONED COSTS**

**SEPTEMBER 30, 2019**

**HOUSING AUTHORITY OF THE CITY OF VINELAND  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended September 30, 2019**

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***Section 1 – Summary of Auditor’s Results***

Financial Statements

- |  |            |
|--|------------|
| A. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP | Unmodified |
| B. Internal control over financial reporting:  |            |
| 1. Material weakness(es) identified?   | None noted |
| 2. Significant deficiency(ies) identified?   | None noted |
| C. Noncompliance material to financial statements noted?   | None noted |

Federal Awards Section

- |   |            |
|---|------------|
| D. Internal control over major federal programs:  |            |
| 1. Material weakness(es) identified?  | None noted |
| 2. Significant deficiency(ies) identified?  | None noted |
| E. Type of auditor’s report on compliance for major federal programs:                             | Unmodified |
| F. Audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a): | None noted |
| G. Identification of major federal programs:  |            |

CFDA Numbers	Name of Federal Program or Cluster
14.871	Section 8 Housing Choice Voucher Program

- |   |            |
|---|------------|
| H. Dollar threshold used to distinguish between type A and type B programs: | \$ 750,000 |
| I. Auditee qualified as low-risk auditee?                                   | No         |

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended September 30, 2019**

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***Section 2- Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey.

None noted.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended September 30, 2019**

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***Section 3- Schedule of Federal Award Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, 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).

None noted.

**HOUSING AUTHORITY OF THE CITY OF VINELAND**  
**Summary Schedule of Prior Year Audit Findings**  
**And Questioned Costs as Prepared by Management**

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This section identifies the status of prior year findings related to the financial statements and Federal Awards that are required to be reported in accordance with Government Auditing Standards, and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**FINANCIAL STATEMENT FINDINGS**

None noted.

**FEDERAL AWARDS**

None noted.

**APPRECIATION**

We express our appreciation for the courtesies extended and assistance rendered to us during the course of this audit.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants