

JERSEY CITY HOUSING AUTHORITY

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

YEAR ENDED MARCH 31, 2016

JERSEY CITY HOUSING AUTHORITY
TABLE OF CONTENTS
YEAR ENDED MARCH 31, 2016

	<u>Page</u>
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-13
Financial Statements:	
Statement of Net Position	14-15
Statement of Revenues, Expenses, and Changes in Net Position	16
Statement of Cash Flows	17-18
Notes to Financial Statements	19-38
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	39-40
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance Required by the Uniform Guidance and State of New Jersey OMB Circular 15-08	41-42
Supplemental Information:	
Schedule of Expenditures of Federal Awards	43
Notes to Schedule of Expenditures of Federal Awards	44-45
Schedule of Findings and Questioned Costs	46-47
Required Pension Information	48
Financial Data Schedule	49-58



INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
Jersey City Housing Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of the Jersey City Housing Authority ("the Authority") as of and for the year ended March 31, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the accompanying table of contents.

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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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.

INDEPENDENT AUDITOR'S REPORT (continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Jersey City Housing Authority as of March 31, 2016, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

INDEPENDENT AUDITOR'S REPORT (continued)

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 6, 2016 on our consideration of the Jersey City Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Jersey City Housing Authority's internal control over financial reporting and compliance.

September 6, 2016
Toms River, New Jersey

Fallon & Larsen LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

For the Fiscal Year ended March 31, 2016

Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, and (c) identify changes in the Authority's financial position for the fiscal year ended March 31, 2016. Please read it in conjunction with the Authority's financial statements.

Overview of the financial statements

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

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

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

Net position is reported in three broad categories:

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

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

For the Fiscal Year ended March 31, 2016

Overview of the financial statements (continued)

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

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

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

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

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

Program information

Low Income Public Housing: The Authority owns and manages 1,847 ACC units and private management companies additional 516 mixed finance ACC units. Under the Low Income Public Housing program, the Authority rents units that it owns, to low-income households. The program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy and Capital Funding to enable the Authority to provide housing at a rent that is based on 30% of household income. The Conventional Public Housing Program includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties. The Authority also owns and manages 126 non-federal units.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2016**

Program information (continued)

Section 8 Housing Choice Vouchers: HUD has contracted with the Authority for the support for 4,292 Housing Choice Vouchers. Under the Housing Choice Voucher Program, the Authority administers contracts with landlords that own rental property. The Authority subsidizes the family's rent through a Housing Assistance Payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides Annual Contribution Funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income.

Financial position and analysis

Table 1 compares the Authority's financial position for the fiscal years ended March 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>	<u>Increase (Decrease)</u>	<u>Percent Variance</u>
Assets:				
Cash & cash equivalents	\$ 5,525,071	\$ 2,917,541	\$ 2,607,530	89.37%
Other current assets	4,255,693	2,164,333	2,091,360	96.63%
Noncurrent assets	<u>156,774,769</u>	<u>157,773,993</u>	<u>(999,224)</u>	-0.63%
Total assets	166,555,533	162,855,867	3,699,666	2.27%
Deferred outflows of resources	<u>3,746,450</u>	-	<u>3,746,450</u>	n/a
Total assets and deferred outflows of resources	<u>\$ 170,301,983</u>	<u>\$ 162,855,867</u>	<u>\$ 7,446,116</u>	4.57%
Liabilities:				
Current liabilities	5,348,570	3,386,083	1,962,487	57.96%
Noncurrent liabilities	<u>55,088,580</u>	<u>19,607,063</u>	<u>35,481,517</u>	180.96%
Total liabilities	60,437,150	22,993,146	37,444,004	162.85%
Deferred inflows of resources	<u>3,432,380</u>	-	<u>3,432,380</u>	n/a
Net position:				
Invested in capital assets	73,059,419	75,018,512	(1,959,093)	-2.61%
Restricted net position	64,690,343	62,274,143	2,416,200	3.88%
Unrestricted net position	<u>(31,317,309)</u>	<u>2,570,066</u>	<u>(33,887,375)</u>	-1318.54%
Total net position	106,432,453	139,862,721	(33,430,268)	(0)
Total liabilities, deferred outflows of resources and net position	<u>\$ 170,301,983</u>	<u>\$ 162,855,867</u>	<u>\$ 7,446,116</u>	4.57%

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2016**

Financial position and analysis (continued)

Cash and Cash Equivalents (excluding restricted cash) increased by \$2,607,530 or 89.37%. This is primarily due to the Authority reporting an operating profit, excluding depreciation expense, in the amount of \$3,830,301 which was offset by \$451,631 in cash used in capital and related financing activities and \$831,521 of cash used in investing activities.

Other Current Assets increased by \$2,091,360 or 96.63% primarily due to increases in amounts due from HUD regarding the reimbursement of capital grant expenditures.

Current Liabilities increased by \$1,962,487 or 57.96% primarily due to a substantial increase in accounts payable at year-end.

Non-current liabilities increased by \$35,481,517 or 180.96% due primarily to the Authority financing their repayment agreement with HUD in the amount of \$8,230,428 as well as reporting their unfunded pension liability in the amount of \$28,291,027 as a result of the Authority adopting GASB 68 for the year ended March 31, 2016.

Deferred Outflows of Resources and Deferred Inflows of Resources were reported as of March 31, 2016 as a result of recording the Authority's net pension liability as required by GASB 68.

Table 2 focuses on the changes in net position:

	2016	2015	Increase (Decrease)	Percent Variance
Operating revenue & expense				
Operating revenue	\$ 81,068,649	\$ 61,968,440	\$ 19,100,209	30.82%
Operating expenses	83,429,859	66,041,526	17,388,333	26.33%
Operating loss	(2,361,210)	(4,073,086)	1,711,876	-42.03%
Net non-operating revenue (expense)	(2,881,552)	5,001,125	(7,882,677)	157.62%
Increase (decrease) in net position	(5,242,762)	928,039	(6,170,801)	664.93%
Net position, beginning of year	139,862,721	138,934,682	928,039	0.67%
Change in accounting principal - adoption of GASB 68	(28,187,506)	-	(28,187,506)	100.00%
Net position, end of year	\$ 106,432,453	\$ 139,862,721	\$ (33,430,268)	-23.90%

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2016**

Financial position and analysis (continued)

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

	<u>2016</u>	<u>2015</u>	<u>Increase (Decrease)</u>	<u>Percent Variance</u>
Operating revenue				
Tenant revenue	\$ 9,139,117	\$ 9,207,090	\$ (67,973)	-0.74%
HUD operating grants	69,666,557	51,930,212	17,736,345	34.15%
Other income	<u>2,262,975</u>	<u>831,138</u>	<u>1,431,837</u>	172.27%
Total operating revenue	<u>81,068,649</u>	<u>61,968,440</u>	<u>19,100,209</u>	30.82%
Non-operating revenues				
Investment income	8,708	111,199	(102,491)	-92.17%
Mortgage interest income	2,431,481	2,033,120	398,361	19.59%
Capital grants	<u>3,764,197</u>	<u>3,574,922</u>	<u>189,275</u>	5.29%
Total non-operating revenues	<u>6,204,386</u>	<u>5,719,241</u>	<u>485,145</u>	8.48%
Total revenues	<u><u>\$87,273,035</u></u>	<u><u>\$67,687,681</u></u>	<u><u>\$ 19,585,354</u></u>	28.93%

Operating Loss decreased \$1,711,876 or 42.0% primarily due to an increase in operating revenues that exceeded the increase in operating expenses.

HUD Operating Grants increased by \$17,736,345 or 34.15% primarily due to the Authority utilizing \$9,831,546 more in HOPE VI operating grants, \$4,090,094 in Housing Choice Voucher program subsidy, \$1,405,951 in Public and Indian Housing subsidy and \$1,777,237 in Mainstream Vouchers.

Capital Grants increased by \$189,275 or 5.29% due to more capital improvement works and corresponding revenue received as compared to last year.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2016**

Financial position and analysis (continued)

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

	<u>2016</u>	<u>2015</u>	<u>Increase (Decrease)</u>	<u>Percent Variance</u>
Administrative	\$ 9,126,611	\$ 7,544,974	\$ 1,581,637	20.96%
Tenant services	91,146	244,774	(153,628)	-62.76%
Utilities	4,469,812	4,786,042	(316,230)	-6.61%
Maintenance	9,326,559	6,686,516	2,640,043	39.48%
Protective services	292,980	127,725	165,255	129.38%
Insurance	980,319	739,371	240,948	32.59%
General expense	2,754,090	2,894,043	(139,953)	-4.84%
Extraordinary maintenance expense	9,291,501	355,923	8,935,578	2510.54%
Depreciation expenses	6,174,921	7,128,508	(953,587)	-13.38%
Housing assistance payments	<u>40,921,920</u>	<u>35,533,650</u>	<u>5,388,270</u>	15.16%
 Total expenses	 <u>\$83,429,859</u>	 <u>\$66,041,526</u>	 <u>\$ 17,388,333</u>	 26.33%

Administrative Expenses increased by \$1,581,637 or 20.96% primarily due to increases in outside management fees associated with administering the HOPE VI grant.

Tenant Services decreased by \$153,628 or 62.76% primarily due to decrease in tenant service salaries and benefits.

Utilities Expenses decreased \$316,230 or 6.61% primarily due to the reduction in gas charges.

Maintenance expenditures increased by \$2,640,043 or 39.48% primarily due to increases in labor and employee benefits.

Protective Services expenditures increased by \$165,255 or 129.38% primarily due to increases in contracted costs.

Extraordinary maintenance expense increased by \$8,935,578 from \$355,923 in FY 2015 to \$9,291,501 in FY 2016. This is primarily due to expenditures associated with the HOPE VI grant. Modernization costs associated with mixed finance properties are categorized as extraordinary maintenance and charge to expense as incurred.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2016**

Financial position and analysis (continued)

Depreciation Expenses decreased by \$953,587 or 13.38% primarily due to an ageing public housing stock with more fully depreciated assets.

Housing Assistance Payments increased by \$5,388,270 or 15.16% primarily due to the Authority having more units under lease during FY 2016.

Capital assets

Table 5 summarizes the Authority's investment in capital assets:

	2016	2015	Increase (Decrease)	Percent Variance
Land	\$ 5,265,611	\$ 5,265,611	\$ -	0.00%
Buildings, improve. and equip.	196,482,939	196,438,315	44,624	0.02%
Construction in progress	13,523,246	10,184,052	3,339,194	32.79%
	<u>215,271,796</u>	<u>211,887,978</u>	<u>3,383,818</u>	1.60%
Less: accumulated depreciation	<u>(124,655,366)</u>	<u>(118,480,445)</u>	<u>(6,174,921)</u>	5.21%
Capital assets, net	<u>\$ 90,616,430</u>	<u>\$ 93,407,533</u>	<u>\$ (2,791,103)</u>	-2.99%

Acquisitions are capitalized at cost and depreciated using the straight-line method of depreciation. The Authority purchased \$3,383,818 of capital assets, primarily through their capital fund program.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2016**

Analysis of Debt Activity

Table 6

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

March 31, 2015	\$ 7,466,415
Current year debt paid	<u>311,391</u>
March 31, 2016	<u><u>\$ 7,155,024</u></u>

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

March 31, 2015	\$ 7,570,000
Current year debt paid	<u>425,000</u>
March 31, 2016	<u><u>\$ 7,145,000</u></u>

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

March 31, 2015	\$ 516,391
Current year debt paid	<u>53,420</u>
March 31, 2016	<u><u>\$ 462,971</u></u>

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2016**

Analysis of Debt Activity (continued)

Table 6 (continued)

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

March 31, 2015	\$ 1,073,315
Current year debt paid	<u>-</u>
March 31, 2016	<u>\$ 1,073,315</u>

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

March 31, 2015	\$ 283,860
Current year debt paid	<u>-</u>
March 31, 2016	<u>\$ 283,860</u>

Loan payable to the Community Preservation Corporation dated December 29, 2005 in the original amount of \$1,750,000. Principal and interest payments are due monthly at 4.87% maturing in March, 2036.

March 31, 2015	\$ 1,479,040
Current year debt paid	<u>42,199</u>
March 31, 2016	<u>\$ 1,436,841</u>

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

March 31, 2015	\$ -
Current year borrowing	<u>8,230,428</u>
March 31, 2016	<u>\$ 8,230,428</u>

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

**MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
For the Fiscal Year ended March 31, 2016**

Significant economic factors affecting the Authority are as follows:

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

Request for Information

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

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

FINANCIAL STATEMENTS

**JERSEY CITY HOUSING AUTHORITY
STATEMENT OF NET POSITION
AS OF MARCH 31, 2016**

ASSETS

Current assets:	
Cash and cash equivalents	\$ 5,525,071
Accounts receivable, net	3,389,161
Prepaid expenses and other current assets	786,813
Inventories	<u>79,719</u>
Total current assets	<u>9,780,764</u>
Non-current assets:	
Restricted cash	1,467,996
Notes receivable, long term	64,690,343
Capital assets, net	<u>90,616,430</u>
Total non-current assets	<u>156,774,769</u>
Total assets	<u>166,555,533</u>

DEFERRED OUTFLOWS OF RESOURCES

State of New Jersey P.E.R.S.	<u>3,746,450</u>
Total assets and deferred outflows of resources	<u>\$ 170,301,983</u>

See accompanying notes to financial statements.

JERSEY CITY HOUSING AUTHORITY
STATEMENT OF NET POSITION (continued)
AS OF MARCH 31, 2016

LIABILITIES

Current liabilities:	
Accounts payable	\$ 1,677,306
Accrued expenses	640,600
Accrued compensated absences, current	172,694
Tenant security deposits	396,586
Prepaid rent	2,380
Current portion of capital lease	639,947
Current portion of loans and bonds payable	863,116
Other current liabilities	<u>955,941</u>
Total current liabilities	<u>5,348,570</u>
Non-current liabilities:	
Accrued compensated absences, net of current portion	1,554,250
Capital lease, net of current portion	6,515,077
Loans and bonds payable, net of current portion	17,769,299
Net pension liability	28,291,027
Non-current liabilities - other	<u>958,927</u>
Total non-current liabilities	<u>55,088,580</u>
Total liabilities	<u>60,437,150</u>

DEFERRED INFLOWS OF RESOURCES

State of New Jersey P.E.R.S.	<u>3,432,380</u>
------------------------------	------------------

NET POSITION

Net position:	
Net investment in capital assets	73,059,419
Restricted	64,690,343
Unrestricted	<u>(31,317,309)</u>
Total net position	<u>106,432,453</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 170,301,983</u>

**JERSEY CITY HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2016**

Operating revenues:	
Tenant revenue	\$ 9,139,117
HUD operating grants	69,666,557
Other revenues	<u>2,262,975</u>
Total operating revenue	<u>81,068,649</u>
Operating expenses:	
Administrative	9,126,611
Tenant services	91,146
Utilities	4,469,812
Ordinary maintenance and operations	9,326,559
Protective services	292,980
Insurance expense	980,319
General expenses	2,754,090
Extraordinary maintenance	9,291,501
Housing assistance payments	40,921,920
Depreciation	<u>6,174,921</u>
Total operating expenses	<u>83,429,859</u>
Operating loss	<u>(2,361,210)</u>
Non-operating revenues (expenses):	
Investment income	8,708
Mortgage interest income	2,431,481
Interest expense	<u>(855,510)</u>
Net non-operating revenues	<u>1,584,679</u>
Loss before capital grants and special items	(776,531)
Capital grants	3,764,197
Special items - HUD recapture of subsidy	<u>(8,230,428)</u>
Change in net position	(5,242,762)
Net position, beginning of year, as restated	<u>111,675,215</u>
Net position, end of year	<u>\$ 106,432,453</u>

See accompanying notes to financial statements.

**JERSEY CITY HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2016**

Cash Flows from Operating Activities:	
Cash received from grantors	\$ 67,459,438
Cash received from tenants and others	11,733,451
Cash paid to employees	(8,525,723)
Cash paid to suppliers and vendors	<u>(67,400,805)</u>
Net cash flows provided by operating activities	<u>3,266,361</u>
Cash Flows from Capital and Related Financing Activities:	
Principal payments on long term debt	(520,619)
Purchases of capital assets	(3,383,818)
Principal payments on capital leases	(311,391)
Capital grant contributions	<u>3,764,197</u>
Net cash flows used by capital and related financing activities	<u>(451,631)</u>
Cash Flows from Investing Activities:	
Interest expense	(855,510)
Mortgage interest income	15,281
Investment income	<u>8,708</u>
Net cash flows used by investing activities	<u>(831,521)</u>
Net increase in cash	1,983,209
Cash and cash equivalents, beginning of year	<u>5,009,858</u>
Cash and cash equivalents, end of year	<u>\$ 6,993,067</u>

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

Cash and cash equivalents	\$ 5,525,071
Restricted cash and cash equivalents	<u>1,467,996</u>
	<u>\$ 6,993,067</u>

JERSEY CITY HOUSING AUTHORITY
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (2,361,210)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	6,174,921
Bad debt expense	452,129
Changes in assets and liabilities:	
Accounts receivable - other government	(36,677)
Accounts receivable - HUD	(2,098,852)
Accounts receivable - tenants	(106,948)
Accounts receivable - misc	(122,290)
Prepaid expenses	(29,163)
Inventory	(55,866)
Accounts payable	1,465,368
Net pension liability	(210,549)
Accrued expenses	(430,440)
Accrued compensated absences	78,528
Tenant security deposits	8,189
Deferred revenue	12,099
Other current liabilities	(15,735)
Other liabilities	<u>542,857</u>
Net cash provided by operating activities	<u>\$ 3,266,361</u>
Schedule on non-cash investing and financing activities:	
Financing of HUD repayment agreement	<u>\$ 8,230,428</u>

See accompanying notes to financial statements.

**JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

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

The Authority is governed by an appointed board of commissioners who serve multi-year terms. The governing board is essentially autonomous but responsible to the United States Department of Housing and Urban Development ("HUD") and the Division. An executive director is appointed by the Authority's board to manage the day-to-day operations of the Authority.

B. Description of Programs

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

Public and Indian Housing (Low Rent Public Housing Program)

The Public and Indian Housing program is designed to provide low-cost housing. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

Housing Choice Vouchers

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

Public Housing Capital Fund Program

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

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Description of Programs (continued)

Resident Opportunity and Supportive Services Program

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

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

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

Supportive Housing for Persons with Disabilities

The purpose of the Supportive Housing for Persons with Disabilities Program is to expand the supply of supportive housing for very low-income persons with disabilities.

Choice Neighborhoods Planning Grants

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

Shelter Plus Care Program ("SPC")

Shelter Plus Care is a program designed to provide housing and supportive services on a long-term basis for homeless persons with disabilities, (primarily those with serious mental illness, chronic problems with alcohol and/or drugs, and acquired immunodeficiency syndrome (AIDS) or related diseases) and their families who are living in places not intended for human habitation (e.g., streets) or in emergency shelters.

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

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

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Reporting Entity

In accordance with Statement No. 61 of the Government Accounting Standards Board ("GASB"), the Authority's basic financial statements include those of the Jersey City Housing Authority and any component units. Component units are legally separate, tax-exempt organizations whose majority of officials are appointed by the primary government or the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or impose specific financial burdens on, the primary government. An organization has a financial benefit or burden relationship with the primary government if any one of the following conditions exist:

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

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

D. Basis of Accounting

The Authority's financial statements are prepared in accordance with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (as amended) ("GASB 34"). GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows. GASB 34 also requires the Authority to include management's discussion and analysis as part of the required supplemental information.

The Authority's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, grant and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements.

In accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the Authority incorporates FASB and AICPA guidance into GASB authoritative literature.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting (continued)

On January 30, 2008, HUD issued *PIH Notice 2008-9* which requires housing assistance payments ("HAP") under proprietary fund be reported as restricted net assets (position), with the associated cash and investments also being reported on HUD's Financial Data Schedule ("FDS") as restricted. Any unused administrative fees should be reported as unrestricted net assets (position), with the associated assets being reported on the FDS as unrestricted.

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

Any investment income earned on these funds are reflected in the net position account on which the investment income was earned. That is; investment income earned on HAP cash balances are credited to the HAP restricted net position account and investment income earned on administrative fee cash balances are credited to the unrestricted net position account.

New Accounting Standards Adopted

The Authority adopted Statement No. 68 of the Governmental Accounting Standards Board "*Accounting and Financial Reporting for Pensions.*" The Statement established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenditures associated with pension plans of State and Local Governments. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actual present value, and attribute that present value to periods of employee service. In addition, this Statement details the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions.

E. Use of Management 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 certain reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, accrued expenses and other liabilities, depreciable lives of properties and equipment, amortization of leasehold improvements and contingencies. Actual results could differ significantly from these estimates.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash and Cash Equivalents

New Jersey Authorities are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or State of New Jersey or the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey Authorities. The Authority is required to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires governmental units to deposit public funds only in public depositories located in New Jersey, when the funds are secured in accordance with the act.

HUD requires housing authorities to invest excess funds in obligations of the United States, Certificates of Deposit or any other federally insured investment.

HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

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

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

G. Accounts Receivable

Rents are due from tenants on the first day of each month. As a result, tenants' accounts receivable balances primarily consist of rents past due and vacated tenants. Also included in accounts receivable are those amounts that tenants owe the Authority as payment for committing fraud or misrepresentation. These charges usually consist of retroactive rent and other amounts that may be determined by a formal written agreement or by a court order. An allowance for doubtful accounts is established to provide for all accounts, which may not be collected in the future for any reason. The Authority recognizes a receivable from HUD and other governmental agencies for amounts billed but not received and for amounts unbilled, but earned as of year-end.

H. Prepaid Expenses

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

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Inventory

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

J. Capital Assets

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

- Buildings 27.5 - 40 Years
- Furniture and Equipment 3 - 7 Years

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

K. Compensated Absences

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

L. Prepaid Tenant Rents

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

M. Operating Revenues and Expenses

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

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Taxes

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

O. Equity Classifications

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

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

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

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

P. Economic Dependency

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

Q. Budgets and Budgetary Accounting

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

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

NOTE 2. CASH AND CASH EQUIVALENTS

At March 31, 2016, the Authority had funds on deposit in checking accounts.

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

**JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 2. CASH AND CASH EQUIVALENTS (continued)

For the fiscal year ended March 31, 2016, the carrying amount of the Authority's cash (including restricted cash) was \$6,993,067 and the bank balances were \$7,822,967, respectively.

Cash and cash equivalents consist of the following:

<u>Cash Category</u>	<u>Amount</u>
Unrestricted	\$ 5,128,485
Tenant security deposits	396,586
Restricted	<u>1,467,996</u>
	<u>\$ 6,993,067</u>

Of the bank balances, \$1,850,000 was covered by federal depository insurance and the remaining \$5,972,967 was collateralized with the pledging financial institutions as of March 31, 2016.

<u>Depository Account</u>	<u>Amount</u>
Insured:	
FDIC	\$ 1,850,000
Collateralized:	
GUDPA	<u>5,972,967</u>
	<u>\$ 7,822,967</u>

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Authority does not have a formal policy for custodial credit risk. As of March 31, 2016, the Authority's bank balances were not exposed to custodial credit risk.

NOTE 3. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following at March 31, 2016:

<u>Description</u>	<u>Amount</u>
Accounts receivable - HUD	\$ 3,186,249
Accounts receivable - tenants, net	43,945
Accounts receivable - other government	36,677
Accounts receivable - miscellaneous	<u>122,290</u>
Total accounts receivable, net	<u>\$ 3,389,161</u>

**JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 3. ACCOUNTS RECEIVABLE, NET (continued)

Accounts receivable - HUD

Accounts receivable - HUD represents amounts due to the Authority for amounts expended under grant agreements that have not yet been reimbursed. At March 31, 2016. Accounts receivable - HUD consisted of reimbursable expenses within the following grants:

<u>Program</u>	<u>Amount</u>
Public Housing Capital Fund Program	\$ 1,808,353
Revitalization of Severely Distressed Public Housing	132,982
Resident Opportunity and Supportive Services	13,492
Shelter Plus Care	10,889
Housing Choice Voucher Program	<u>1,220,533</u>
	<u>\$ 3,186,249</u>

Accounts receivable - tenants

Accounts receivable - tenants represents amounts due for tenant rents and at March 31, 2016 are shown net of an allowance for doubtful accounts of \$157,703.

Accounts receivable - other government

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

Accounts receivable - misc.

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

NOTE 4. INVENTORY

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

**JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 5. NOTES RECEIVABLE

The Authority has utilized Hope VI and other development funds in accordance with HUD guidelines to assist the construction of numerous public housing developments through the issuance of mortgage loans. Outstanding notes receivable as of March 31, 2016 consisted of the following:

<u>Description</u>	<u>Amount</u>
<p>The Authority issued a second mortgage loan receivable from A. Harry Moore Phase I Associates, LLC in the original amount of \$2,961,966. Interest accrues at 6% annually whereby principal and interest are due in 40 years (2046). The mortgage is secured by the rental property. Amounts owed under the mortgage at March 31, 2016 include \$1,480,845 of accrued interest.</p>	<p>\$ 4,442,811</p>
<p>The Authority issued 3rd, 4th and 5th mortgage loans to A. Harry Moore Phase II Associates, L.L.C in the original amount of \$4,392,202. The 3rd and 4th mortgage loans accrue interest at 6.25% annually. The 5th mortgage loan is interest free. Principal and interest on the mortgages are due in forty years (2046 - 2048) The mortgages are secured by the rental property. Amounts owed under the mortgages at March 31, 2016 include \$2,046,779 of accrued interest.</p>	<p>6,438,981</p>
<p>The Authority has a second mortgage loan receivable from Lafayette Family Phase III Urban Renewal Associates, L.P. in the original amount of \$6,603,606. Interest accrues at 4.387% annually whereby amounts are paid from project cash flow. Principal and interest are due on December 31, 2049. The mortgage is secured by the rental property. Amounts owed under the mortgage at March 31, 2016 include \$2,144,185 of accrued interest.</p>	<p>8,747,791</p>
<p>The Authority issued a loan to Lafayette Community Limited Partnership in the original amount of \$10,146,093. The loan bore interest at an annual rate of 7% until September 1, 2002 and thereafter bears no interest. The loan matures on September 6, 2057 and is secured by the rental property. Amounts owed under the mortgage at March 31, 2016 include \$138,735 of accrued interest.</p>	<p>10,284,828</p>
<p>The Authority issued a second mortgage loan receivable from Lafayette Family Phase II Urban Renewal Associates, L.P. in the original amount of \$5,001,149. Interest accrues at 4.83% annually whereby amounts are paid from project cash flow. Principal and interest are due in April, 2047. The mortgage is secured by the rental property. Amounts owed under the mortgage at March 31, 2016 include \$3,215,938 of accrued interest, respectively.</p>	<p>8,217,087</p>

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 5 **NOTES RECEIVABLE (continued)**

<u>Description</u>	<u>Amount</u>
<p>The Authority issued 2nd, 3rd, 4th and 5th mortgage loans to Dwight Street Urban Renewal Associates, L.P. in the original amount of \$4,162,337. The 2nd and 3rd mortgage loans accrue interest at 4.5% per annum and are due in February, 2049. The 4th and 5th mortgage loans are non-interest bearing and are due in July, 2050. The mortgages are secured by rental property. Amounts owed under the mortgages at March 31, 2016 include \$1,213,646 of accrued interest.</p>	\$ 5,375,983
<p>The Authority issued 3rd, 4th, 5th and 6th mortgage loans to Lafayette Senior Living Center, L.P. in the original amount of \$1,409,681. The 4th and 5th mortgage loans accrue interest at 4.68% annually. The 3rd and 6th mortgage loans are interest free. Principal and interest on the mortgages are due on May 30, 2048. The mortgages are secured by the rental property. Amounts owed under the mortgages at March 31, 2016 include \$188,907 of accrued interest.</p>	1,598,588
<p>The Authority issued three loans to Lafayette Family Urban Renewal Associates, L.P. in the original amount of \$6,099,341. The loan accrues interest at rates of 0%, 1% and 5.02% annually and is payable out of available cash flow. The loans matures at various periods between 2047 and 2052 and is secured by the rental property. Amounts owed under the mortgages at March 31, 2016 include \$3,349,232 of accrued interest.</p>	9,448,573
<p>The Authority has a mortgage loan receivable in the amount of \$3,500,000 from AHM Housing Urban Renewal Associates, LLC. Interest accrued at 5.715% through completion of the project and is interest free subsequent to the completion date. Principal and interest are due on October 28, 2060. The mortgage is secured by the underlying property.</p>	3,500,000
<p>The Authority made a \$400,000 HOME loan to AHM Housing Urban Renewal Associates LLC. The loan bears no interest and payments are only due from available cash flow. The outstanding loan matures on October 28, 2060.</p>	400,000
<p>HOPE VI mortgage loan receivable from Glennview Townhouses Urban Renewal Associates, LP. in the original amount of \$5,000,000. The loan bears interest at 4.5%, compounded annually and matures January 1, 2051. Amounts owed under the mortgage at March 31, 2016 include \$1,235,701 of accrued interest.</p>	<u>6,235,701</u>
<p>Total notes receivable</p>	\$ <u><u>64,690,343</u></u>

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

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 6. RESTRICTED CASH

Restricted cash consists of the following at March 31, 2016:

<u>Cash Category</u>	<u>Amount</u>
State Leveraging Fund	\$ 457,860
Family Self Sufficiency ("FSS") Program escrows	287,637
Bergen Avenue project reserves	468,968
Arlington Gardens project reserves	<u>253,531</u>
	<u>\$ 1,467,996</u>

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

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

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

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

NOTE 7. CAPITAL ASSETS, NET

Capital assets consist primarily of expenditures to acquire, construct, place in operation and improve the facilities of the Authority and are stated at cost, less accumulated depreciation. The following is a summary of the changes in capital assets for the fiscal year ended March 31, 2016:

	<u>Balances at March 31, 2015</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Transfers</u>	<u>Balances at March 31, 2016</u>
<u>Non-depreciable capital assets:</u>					
Land	\$ 5,265,611	\$ -	\$ -	\$ -	\$ 5,265,611
Construction in progress	<u>10,184,052</u>	<u>3,339,194</u>	<u>-</u>	<u>-</u>	<u>13,523,246</u>
Total	<u>15,449,663</u>	<u>3,339,194</u>	<u>-</u>	<u>-</u>	<u>18,788,857</u>
<u>Depreciable capital assets:</u>					
Buildings	195,468,595	-	-	-	195,468,595
Dwelling equipment	<u>969,720</u>	<u>44,624</u>	<u>-</u>	<u>-</u>	<u>1,014,344</u>
Total	<u>196,438,315</u>	<u>44,624</u>	<u>-</u>	<u>-</u>	<u>196,482,939</u>
Total capital assets	211,887,978	3,383,818	-	-	215,271,796
Accumulated depreciation	<u>(118,480,445)</u>	<u>(6,174,921)</u>	<u>-</u>	<u>-</u>	<u>(124,655,366)</u>
Net capital assets	<u>\$ 93,407,533</u>	<u>\$ (2,791,103)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,616,430</u>

Depreciation expense for the fiscal year ended March 31, 2016 amounted to \$6,174,921.

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 8. ACCOUNTS PAYABLE

As of March 31, 2016, the Authority has a total accounts payable balance of \$1,677,306, which consisted of the following:

<u>Description</u>	<u>Amount</u>
Accounts payable - operations	\$ 1,657,346
Accounts payable - HUD	<u>19,960</u>
	<u>\$ 1,677,306</u>

NOTE 9. NON-CURRENT LIABILITIES

Bonds and Loans

<u>Description</u>	<u>Amount</u>
<p>During 2007, the Authority entered into a Capital Fund leveraging pool. The New Jersey Housing and Mortgage Finance Agency ("NJHMFA") issued tax exempt, twenty year Capital Fund Program Revenue Bonds totaling \$18,585,000. The Authority's share of funds from the bond issue pool amounted to \$10,000,000. Interest accrues at rates between 4% and 5% and is payable semi-annually on May 1st and November 1st. Repayment of the funds shall be paid solely from Capital Fund allocations received by the Authority from the Department of Housing and Urban Development.</p>	\$ 7,145,000
<p>Mortgage Loan payable to NJHMFA in connection with the development of 254 Bergen Ave. The loan with the original amount of \$1,077,250 carries an annual interest rate of 7.75%, requires monthly principal and interest payments of \$7,787, matures in September, 2022 and is secured by a first mortgage on the rental property.</p>	462,971
<p>Mortgage loan payable to the Department of Community Affairs of the State of New Jersey as part of the Balanced Housing Program in the original amount of \$1,073,315. The loan is interest free, matures in September, 2022 and is secured by a second mortgage on the property at 254 Bergen Avenue.</p>	1,073,315
<p>Mortgage loan payable to the Department of Community Affairs of the State of New Jersey from the Petroleum Overcharge Reimbursement Fund in the original amount of \$283,860. The loan is interest free, matures in September, 2022 and is secured by a third mortgage on the property at 254 Bergen Avenue.</p>	283,860

**JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 9. NON-CURRENT LIABILITIES (continued)

BONDS AND LOANS (continued)

<u>Description</u>	<u>Amount</u>
<p>Loan payable to the Community Preservation Corporation dated December 29, 2005 in the original amount of \$1,750,000 for the acquisition of the Arlington Gardens property. Principal and interest payments are due monthly in the amount of \$9,332 including interest at 4.87%. The loan matures in March, 2036 and is secured by the property located at 301-305 Randolph Ave.</p>	1,436,841
<p>The Authority entered into an agreement with the United States Department of Housing and Urban Development for the repayment of \$8,230,428 in phase-down funding overpayments. The Authority is responsible to repay the amount over 30 years in equal annual installments of \$274,348. The repayment agreement is interest free.</p>	<u>8,230,428</u>
Total bonds and loans payable	18,632,415
Less: current portion	<u>863,116</u>
Bonds and loans payable, excluding current portion	<u>\$ 17,769,299</u>

CAPITAL LEASE

<u>Description</u>	<u>Amount</u>
<p>The Authority entered into a lease purchase agreement on November 23, 2010 for energy savings equipment expiring in November, 2025. The assets recorded under the capital lease totaled \$8,500,000, and are included in capital assets on the Statements of Net Position. Under terms of the refinanced lease, monthly payments of \$67,951 including interest at 2.2397% are due through November, 2025. The assets are depreciated over the shorter of the lease term or the estimated useful life.</p>	\$ 7,155,024
Less: current portion	<u>639,947</u>
Capital lease, excluding current portion	<u>\$ 6,515,077</u>

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 9. NON-CURRENT LIABILITIES (continued)

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	1,503,063	684,675	2,187,738
2018	1,506,882	597,824	2,104,706
2019	1,558,667	548,791	2,107,458
2020	1,611,525	495,809	2,107,334
2021	1,665,508	440,451	2,105,959
2022-2026	9,990,960	1,313,088	11,304,048
2027-2031	3,284,956	243,233	3,528,189
2032-2036	1,922,398	60,782	1,983,180
2037-2041	1,371,740	-	1,371,740
2042-2046	<u>1,371,740</u>	<u>-</u>	<u>1,371,740</u>
	<u>\$ 25,787,439</u>	<u>\$ 4,384,653</u>	<u>\$ 30,172,092</u>

COMPENSATED ABSENCES

Accrued compensated absences represents the amount of accumulated leave for which employees are entitled to receive payment in accordance with the Authority's Personnel Policy.

OTHER LIABILITIES

<u>Description</u>	<u>Amount</u>
FSS Escrows	\$ 287,639
EPC Bond Funds	504,840
Construction contract retention	46,350
Homeownership escrow accounts	671,290
Utility accruals	255,045
Other miscellaneous liabilities	<u>149,704</u>
Total	1,914,868
Due within one year	<u>955,941</u>
Non-current portion	<u>\$ 958,927</u>

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 9. NON-CURRENT LIABILITIES (continued)

Long-term debt activity for the year ended March 31, 2016 consisted of the following:

Description	March 31, 2015	Increases	Decreases	March 31, 2016	Amounts due within one year
Bonds and loans	\$ 10,922,606	\$ 8,230,428	\$ (520,619)	\$ 18,632,415	\$ 863,116
Capital lease	7,466,415	-	(311,391)	7,155,024	639,947
Compensated absences	1,648,416	197,632	(119,104)	1,726,944	172,694
Net pension liability	25,521,097	3,873,878	(1,103,948)	28,291,027	-
Other liabilities	<u>1,294,055</u>	<u>2,495,105</u>	<u>(1,874,292)</u>	<u>1,914,868</u>	<u>955,941</u>
	<u>\$ 46,852,589</u>	<u>\$4,797,043</u>	<u>\$ (3,929,354)</u>	<u>\$ 57,720,278</u>	<u>\$ 2,631,698</u>

NOTE 10. PENSION PLAN

A. Plan Description

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

B. Benefits

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

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

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

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

**JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 10. PENSION PLAN (continued)

C. Contributions

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

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

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

At March 31, 2016, the Authority reported a liability of \$28,291,027 for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating local employers, actuarially determined. At June 30, 2015, the Authority's proportion was .1260 percent which was a decrease of .0103 percent from its proportion measured at July 1, 2014 (.1363).

For the year ended March 31, 2016, the Authority recognized pension expense of \$4,494,389. At March 31, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 3,038,230	\$ -
Changes in Proportion	-	2,977,515
Differences between expected and actual experience	674,925	-
Net differences between actual and projected earnings on pension plan investments	-	454,865
Net differences between Proportionate Share and actual Contribution	<u>33,295</u>	<u>-</u>
Total	<u>\$ 3,746,450</u>	<u>\$ 3,432,380</u>

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 10. PENSION PLAN (continued)

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

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended March 31:	<u>Amount</u>
2017	\$ (55,074)
2018	(55,074)
2019	(55,074)
2020	325,157
2021	<u>154,135</u>
	<u>\$ 314,070</u>

E. Actuarial Assumptions

The total pension liability calculated utilizing a June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The total pension liability calculated utilizing a June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate	3.04%
Salary Increases 2012-2021	2.15-4.40%, based on age
Thereafter	3.15-5.40%, based on age
Investment rate of return	7.90%

NOTE 11. POST-RETIREMENT BENEFITS

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

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

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

**JERSEY CITY HOUSING AUTHORITY
 NOTES TO FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED MARCH 31, 2016**

NOTE 11. POST-RETIREMENT BENEFITS (continued)

Contribution Requirements – SHBP

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

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

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

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

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

<u>Year</u>	<u>Amount</u>
2016	\$ <u>4,341,583</u>
2015	\$ <u>4,162,931</u>
2014	\$ <u>4,023,924</u>

JERSEY CITY HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 12. RESTRICTED NET POSITION

At March 31, 2016, restricted net position consists of Hope VI and development loan reserves and the related accrued interest which are restricted for public housing development upon collection of the loan and related accrued interest.

NOTE 13. CHANGE IN ACCOUNTING PRINCIPLE

The Authority adopted the provisions of GASB Statement 68, *"Accounting and Financial Reporting for Pensions"* as amended by GASB Statement 71, *"Pension Transition for Contributions made Subsequent to the Measurement Date."* The provisions were effective for periods beginning after June 15, 2014. As of March 31, 2015, the Authority's net position has been reduced by \$28,187,506 to reflect a net pension liability of \$25,521,097, deferred outflows of resources of \$802,520 and deferred inflows of resources of \$3,468,929.

NOTE 14. RISK MANAGEMENT

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

NOTE 15. CONTINGENCIES

The Authority receives financial assistance from HUD in the form of grants and subsidies. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by HUD. As a result of these audits, costs previously reimbursed could be disallowed and require payments to HUD. As of March 31, 2016, the Authority estimates that no material liabilities will result from such audits.

NOTE 16. SUBSEQUENT EVENTS

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Management evaluated the activity of the Authority through September 6, 2016 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.



**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
Jersey City Housing Authority:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Jersey City Housing Authority, as of and for the year ended March 31, 2016, and the related notes to the financial statements, which collectively comprise Jersey City Housing Authority's basic financial statements, and have issued our report thereon dated September 6, 2016.

Internal Control Over Financial Reporting

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

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

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.

**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 (continued)**

Compliance and Other Matters

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

Purpose of this Report

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

September 6, 2016
Toms River, New Jersey

Fallon & Larsen LLP



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
STATE OF NEW JERSEY OMB CIRCULAR 15-08**

Board of Commissioners
Jersey City Housing Authority:

Report on Compliance for Each Major Federal Program

We have audited the Jersey City Housing Authority's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the State of New Jersey OMB Circular 15-08 that could have a direct and material effect on each of Jersey City Housing Authority's major federal programs for the year ended March 31, 2016. Jersey City Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Jersey City Housing Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State of New Jersey OMB Circular 15-08. Those standards and the Uniform Guidance and the State of New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Jersey City Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
STATE OF NEW JERSEY OMB CIRCULAR 15-08 (continued)**

Opinion on Each Major Federal Program

In our opinion, the Jersey City Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2016.

Report on Internal Control Over Compliance

Management of Jersey City Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Jersey City Housing Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Jersey City Housing Authority's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

September 6, 2016
Toms River, New Jersey

Fallon & Larsen LLP

SUPPLEMENTAL INFORMATION

JERSEY CITY HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
YEAR ENDED MARCH 31, 2016

Federal Grantor/Program Title	Federal CFDA Number	State Pass- through Number	Grant Period		Grant Award	Fiscal Year Cash Receipts	Fiscal Year Expenditures	Cumulative - Expenditures
			From	To				
Low Rent Public Housing	14.850	N/A	1/1/15	12/31/15	<u>\$ 14,518,167</u>	<u>\$ 12,784,183</u>	<u>\$ 12,784,183</u>	<u>\$ 13,025,983</u>
Section 8 Housing Choice Voucher Program: NJ009-2FPH-2015	14.871	N/A	4/1/15	3/31/16	<u>41,370,952</u>	<u>41,370,952</u>	<u>42,035,046</u>	<u>42,035,046</u>
Lower Income HAP Section 8 Mod Rehab: NJ009SRO0001	14.249	N/A	4/1/15	3/31/16	<u>855,163</u>	<u>855,163</u>	<u>855,163</u>	<u>855,163</u>
Public Housing Capital Fund Program Grant:	14.872	N/A	4/1/15	3/31/19	<u>28,319,667</u>	<u>4,314,485</u>	<u>6,122,836</u>	<u>17,731,331</u>
Capital Fund Education and Training Fac.:	14.890	N/A	4/1/15	3/31/19	<u>998,640</u>	<u>12,750</u>	<u>12,750</u>	<u>23,274</u>
Mainstream Vouchers:	14.879	N/A	4/1/15	3/31/19	<u>1,777,237</u>	<u>1,777,237</u>	<u>1,760,647</u>	<u>1,760,647</u>
Shelter Plus Care:								
NJ0226C2F060900	14.238	N/A	4/1/15	3/31/16	197,114	192,569	197,114	197,114
NJ0288C2F061000	14.238	N/A	4/1/15	3/31/16	113,828	112,566	113,828	113,828
NJ0227C2F060900	14.238	N/A	4/1/15	3/31/16	30,202	27,677	30,202	30,202
NJ0229C2F060900	14.238	N/A	4/1/15	3/31/16	<u>100,294</u>	<u>97,738</u>	<u>100,294</u>	<u>100,294</u>
Grant Subtotal					<u>441,438</u>	<u>430,550</u>	<u>441,438</u>	<u>441,438</u>
Revitalization of Distressed Public Housing:								
NJ39URD009I101	14.866	N/A	4/16/02	12/31/16	34,140,000	2,322,801	2,455,693	33,541,102
NJ39URD009I109	14.866	N/A	9/15/10	9/30/15	<u>9,422,883</u>	<u>7,464,220</u>	<u>7,464,220</u>	<u>9,422,883</u>
Grant Subtotal					<u>43,562,883</u>	<u>9,787,021</u>	<u>9,919,913</u>	<u>42,963,985</u>
Resident Opportunity and Support Services: NJ009RPS056A014	14.870	N/A	09/02/15	09/02/18	<u>492,000</u>	<u>149,380</u>	<u>162,872</u>	<u>162,872</u>
Total					<u>\$ 130,558,910</u>	<u>\$ 69,704,484</u>	<u>\$ 72,334,201</u>	<u>\$ 117,239,092</u>

JERSEY CITY HOUSING AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED MARCH 31, 2016

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of the Jersey City Housing Authority under programs of the federal government for the year ended March 31, 2016. 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 Jersey City Housing Authority, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Jersey City Housing Authority. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. The Authority has not elected to use the ten percent de minimus indirect cost rate allowed under the uniform guidance.

NOTE 3. SUBRECIPIENTS

The Authority did not pass-through any federal awards to subrecipients.

NOTE 4. NON-CASH FEDERAL ASSISTANCE

The Authority did not receive any non-cash Federal assistance for the year ended March 31, 2016.

JERSEY CITY HOUSING AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
YEAR ENDED MARCH 31, 2016

NOTE 5. STATEMENT AND CERTIFICATION OF ACTUAL CAPITAL FUND PROGRAM COSTS AND ADVANCES - CLOSED GRANTS

Budget	\$ <u>4,791,622</u>
 <u>Advances:</u>	
Cumulative through 4/1/15	\$ 4,767,408
Current Year	<u>24,214</u>
Cumulative through 3/31/16	<u>4,791,622</u>
 <u>Costs:</u>	
Cumulative through 4/1/15	4,767,408
Current Year	<u>24,214</u>
Cumulative through 3/31/16	<u>4,791,622</u>
 Excess / (Deficiency)	 \$ <u>-</u>

NOTES TO SCHEDULE OF CAPITAL FUND PROGRAM COSTS AND ADVANCES

- 1) The total amount of Capital Fund Program Costs and Advances for closed grants incurred and earned by the Jersey City Housing Authority as of and for the year ended March 31, 2016 are provided herein.
- 2) Capital Fund Grant No. NJ39P009501-11 with an approved funding of \$4,791,622 has been fully drawn down and expended as per Capital Fund Grant Regulations.

**JERSEY CITY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2016**

I. Summary of Auditor's Results

Financial Statement Section

- | | | |
|----|---|------------|
| 1. | Type of auditor's report issued: | Unmodified |
| 2. | Internal control over financial reporting | |
| | a. Material Weakness(es) identified? | No |
| | b. Were significant deficiencies identified not considered to be material weaknesses? | No |
| 3. | Noncompliance material to the financial statements? | No |

Federal Awards Section

- | | | |
|----|---|--------------|
| 1. | Dollar threshold used to determine Type A Programs from from type B programs: | \$ 2,170,026 |
| 2. | Auditee qualified as low-risk Auditee? | Yes |
| 3. | Type of auditor's report on compliance for major programs: | Unmodified |
| 4. | Internal Control over compliance: | |
| | a. Material weakness(es) identified? | No |
| | b. Were significant deficiencies not considered to be material weaknesses? | No |
| | c. Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? | No |
| 5. | Identification of major programs: | |

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.850	Public and Indian Housing
14.866	Revitalization of Severely Distressed Public Housing

JERSEY CITY HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

II. Financial Statement Findings

There were no findings relating to the financial statements which are required to be reported in accordance with government auditing standards.

III. Federal Award Findings and Questioned Costs

None.

IV. Schedule of Prior Year Audit Findings

None.

**JERSEY CITY HOUSING AUTHORITY
REQUIRED PENSION INFORMATION
MARCH 31, 2016**

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

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

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

	March 31, <u>2014</u>	March 31, <u>2015</u>	March 31, <u>2016</u>
Authority's proportion of the net pension liability	<u>0.1465 %</u>	<u>0.1363 %</u>	<u>0.1260 %</u>
Authority's proportionate share of the net pension liability	<u>\$ 28,001,608</u>	<u>\$ 25,521,097</u>	<u>\$ 28,291,027</u>
Authority's covered-employee payroll	<u>\$ 9,483,747</u>	<u>\$ 8,805,692</u>	<u>\$ 9,411,623</u>
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered- employee payroll	<u>295.26 %</u>	<u>289.83 %</u>	<u>300.60 %</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>48.72 %</u>	<u>52.08 %</u>	<u>47.93 %</u>

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

Housing Authority of the City of Jersey City									
N.J009									
Financial Data Schedule (FDS)									
March 31, 2016									
Line Item #	Account Description	PROJECTS	HOUSING CHOICE VOUCHERS	14.890 CAPITAL FUND EDUCATION AND TRAINING COMMUNITIES	14.218 COMMUNITY DEVELOPMENT BLOCK GRANTS	14.870 RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	SECTION 8 MODERATE REHAB SINGLE ROOM OCC	MAINSTREAM VOUCHERS	14.866 REVITALIZATION OF SEVERLY DISTRESSED PUBLIC
ASSETS:									
CURRENT ASSETS:									
Cash:									
111	Cash - unrestricted	\$ 2,989,643	\$ 1,055,465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
112	Cash - restricted - modernization and developmen	457,860	287,637	-	-	-	-	-	-
113	Cash - other restricted	-	-	-	-	-	-	-	-
114	Cash - tenant security deposits	312,077	-	-	-	-	-	-	-
115	Cash - restricted for payment of current liabilities	504,838	-	-	-	-	-	-	-
100	Total cash	4,264,418	1,343,102	-	-	-	-	-	-
Accounts and notes receivables									
121	Accounts receivable - PHA project:	-	-	-	-	-	-	-	-
122	Accounts receivable - HUD other project:	1,808,353	1,220,533	-	-	13,492	-	-	132,982
124	Accounts receivable - other government	-	1,677	-	-	-	-	-	-
125	Accounts receivable - miscellaneous:	103,757	11,766	-	-	-	-	-	-
126	Accounts receivable - tenants:	193,069	-	-	-	-	-	-	-
126.1	Allowance for doubtful accounts - tenant:	(150,256)	-	-	-	-	-	-	-
126.2	Allowance for doubtful accounts - othe	-	-	-	-	-	-	-	-
127	Notes and mortgages receivable- curren	-	-	-	-	-	-	-	-
128	Fraud recovery	-	-	-	-	-	-	-	-
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for doubtful account	1,954,923	1,235,976	-	-	13,492	-	-	132,982
Current investments									
131	Investments - unrestricted	-	-	-	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-	-	-	-
135	Investments - restricted for payment of current liabilit	-	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	614,409	3,599	-	-	-	-	-	-
143	Inventories	79,719	-	-	-	-	-	-	-
143.1	Allowance for obsolete inventories:	-	-	-	-	-	-	-	-
144	Interprogram - due from	3,176,968	-	-	-	-	194,235	-	-
145	Assets held for sale	-	-	-	-	-	-	-	-
150	TOTAL CURRENT ASSETS	10,090,437	2,580,677	-	-	13,492	194,235	-	132,982
NONCURRENT ASSETS:									
Fixed assets:									
161	Land	2,896,575	-	-	-	-	-	-	-
162	Buildings	174,117,822	-	-	-	-	-	-	-
163	Furniture, equipment & machinery - dwelling	106,836	-	-	-	-	-	-	-
164	Furniture, equipment & machinery - administrator	-	137,541	-	-	-	-	-	-
165	Leasehold improvements	-	-	-	-	-	-	-	-
166	Accumulated depreciator	(109,751,811)	(57,692)	-	-	-	-	-	-
167	Construction in Progress	13,512,722	-	10,524	-	-	-	-	-
168	Infrastructure	-	-	-	-	-	-	-	-
160	Total fixed assets, net of accumulated depreciator	80,882,144	79,849	10,524	-	-	-	-	-
Other non-current assets:									
171	Notes and mortgages receivable - non-curren	64,690,343	-	-	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past du	-	-	-	-	-	-	-	-
174	Other assets	-	-	-	-	-	-	-	-
175	Undistributed debits	-	-	-	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-	-	-	-
180	TOTAL NONCURRENT ASSETS	145,572,487	79,849	10,524	-	-	-	-	-
200	DEFERRED OUTFLOWS RESOURCES	1,561,936	529,140	-	-	-	-	-	-
290	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 157,224,860	\$ 3,189,666	\$ 10,524	\$ -	\$ 13,492	\$ 194,235	\$ -	\$ 132,982

Housing Authority of the City of Jersey City									
NJ009									
Financial Data Schedule (FDS)									
March 31, 2016									
Line Item #	Account Description	PROJECTS	HOUSING CHOICE VOUCHERS	14.890 CAPITAL FUND EDUCATION AND TRAINING COMMUNITIES	14.218 COMMUNITY DEVELOPMENT BLOCK GRANTS	14.870 RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	SECTION 8 MODERATE REHAB SINGLE ROOM OCC	MAINSTREAM VOUCHERS	14.866 REVITALIZATION OF SEVERLY DISTRESSED PUBLIC
LIABILITIES AND EQUITY									
Liabilities:									
Current Liabilities:									
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts payable ≤ 90 days	1,309,417	99,374	-	-	835	-	-	132,982
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	330,678	52,054	-	-	-	-	-	-
322	Accrued compensated absences - current portion	69,198	15,365	-	-	-	-	-	-
324	Accrued contingency liability	-	-	-	-	-	-	-	-
325	Accrued interest payable	157,578	-	-	-	-	-	-	-
331	Accounts payable - HUD PHA programs	-	3,370	-	-	-	-	16,590	-
332	Accounts payable - PHA projects	-	-	-	-	-	-	-	-
333	Accounts payable - other government	-	-	-	-	-	-	-	-
341	Tenant security deposits	312,077	-	-	-	-	-	-	-
342	Unearned Revenue	2,380	-	-	-	-	-	-	-
343	Current portion of L-T debt - capital projects	1,122,128	-	-	-	-	-	-	-
344	Current portion of L-T debt - operating borrowings	274,348	-	-	-	-	-	-	-
345	Other current liabilities	571,879	93,693	-	-	-	-	-	-
346	Accrued liabilities - other	231,982	-	-	-	-	-	-	-
347	Interprogram - due to	2,430,009	810,012	-	-	12,657	-	663	-
310	TOTAL CURRENT LIABILITIES	6,811,674	1,075,868	-	-	13,492	-	17,253	132,982
NONCURRENT LIABILITIES:									
351	Long-term debt, net of current - capital project	13,177,896	-	-	-	-	-	-	-
352	Long-term debt, net of current - operating borrowing	7,956,080	-	-	-	-	-	-	-
353	Non-current liabilities- other	671,290	287,637	-	-	-	-	-	-
354	Accrued compensated absences - noncurrent	622,779	138,287	-	-	-	-	-	-
355	Loan Liability - Non Current	-	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-
357	Accrued pension and OPEB liabilities	11,794,843	3,995,757	-	-	-	-	-	-
350	TOTAL NONCURRENT LIABILITIES	34,222,888	4,421,681	-	-	-	-	-	-
300	TOTAL LIABILITIES	41,034,562	5,495,549	-	-	13,492	-	17,253	132,982
400	DEFERRED INFLOW OF RESOURCES	1,430,997	484,781	-	-	-	-	-	-
EQUITY:									
508.1	Net Investment in Capital Assets	66,582,120	79,849	10,524	-	-	-	-	-
511.1	Restricted Net Position	64,690,343	-	-	-	-	-	-	-
512.1	Unrestricted Net Position	(16,513,162)	(2,870,513)	-	-	-	194,235	(17,253)	-
513	TOTAL EQUITY	114,759,301	(2,790,664)	10,524	-	-	194,235	(17,253)	-
600	TOTAL LIABILITIES, DEFERRED INFLOWS AND EQUITY	\$ 157,224,860	\$ 3,189,666	\$ 10,524	\$ -	\$ 13,492	\$ 194,235	\$ -	\$ 132,982

Housing Authority of the City of Jersey City									
NJ009									
Financial Data Schedule (FDS)									
March 31, 2016									
Line Item #	Account Description	14181 SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES	SHELTER PLUS CARE	OTHER FEDERAL PROGRAM 1	OTHER FEDERAL PROGRAM 2	STATE/LOCAL	COCC	ELIMINATION	TOTAL
ASSETS:									
CURRENT ASSETS:									
Cash:									
111	Cash - unrestricted	\$ -	\$ -	\$ -	\$ -	\$ 537,875	\$ 40,664	\$ -	\$ 4,623,647
112	Cash - restricted - modernization and developmen	-	-	-	-	-	-	-	457,860
113	Cash - other restricted	-	-	-	-	722,499	-	-	1,010,136
114	Cash - tenant security deposits	-	-	-	-	84,509	-	-	396,586
115	Cash - restricted for payment of current liabilities	-	-	-	-	-	-	-	504,838
100	Total cash	-	-	-	-	1,344,883	40,664	-	6,993,067
Accounts and notes receivables									
121	Accounts receivable - PHA project:	-	-	-	-	-	-	-	-
122	Accounts receivable - HUD other project:	-	10,889	-	-	-	-	-	3,186,249
124	Accounts receivable - other government	-	-	-	-	35,000	-	-	36,677
125	Accounts receivable - miscellaneous:	-	-	-	-	-	6,767	-	122,290
126	Accounts receivable- tenant:	-	-	-	-	8,579	-	-	201,648
126.1	Allowance for doubtful accounts - tenant:	-	-	-	-	(7,447)	-	-	(157,703)
126.2	Allowance for doubtful accounts - othe	-	-	-	-	-	-	-	-
127	Notes and mortgages receivable- curren	-	-	-	-	-	-	-	-
128	Fraud recovery	-	-	-	-	-	-	-	-
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for doubtful account	-	10,889	-	-	36,132	6,767	-	3,389,161
Current investments									
131	Investments - unrestricted	-	-	-	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-	-	-	-
135	Investments - restricted for payment of current liability	-	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	-	-	-	-	49,983	118,822	-	786,813
143	Inventories	-	-	-	-	-	-	-	79,719
143.1	Allowance for obsolete inventories:	-	-	-	-	-	-	-	-
144	Interprogram - due from	-	-	-	-	-	460,456	(3,831,659)	-
145	Assets held for sale	-	-	-	-	-	-	-	-
150	TOTAL CURRENT ASSETS	-	10,889	-	-	1,430,998	626,709	(3,831,659)	11,248,760
NONCURRENT ASSETS:									
Fixed assets:									
161	Land	-	-	-	-	1,472,667	896,369	-	5,265,611
162	Buildings	-	-	-	-	7,699,717	13,651,056	-	195,468,595
163	Furniture, equipment & machinery - dwelling	-	-	-	-	62,475	-	-	169,311
164	Furniture, equipment & machinery - administrator	-	-	-	-	-	707,492	-	845,033
165	Leasehold improvements	-	-	-	-	-	-	-	-
166	Accumulated depreciator	-	-	-	-	(4,759,655)	(10,086,208)	-	(124,655,366)
167	Construction in Progress	-	-	-	-	-	-	-	13,523,246
168	Infrastructure	-	-	-	-	-	-	-	-
160	Total fixed assets, net of accumulated depreciator	-	-	-	-	4,475,204	5,168,709	-	90,616,430
Other non-current assets:									
171	Notes and mortgages receivable - non-curren	-	-	-	-	-	-	-	64,690,343
172	Notes and mortgages receivable-non-current - past du	-	-	-	-	-	-	-	-
174	Other assets	-	-	-	-	-	-	-	-
175	Undistributed debits	-	-	-	-	-	-	-	-
176	Investment in joint ventures	-	-	-	-	-	-	-	-
180	TOTAL NONCURRENT ASSETS	-	-	-	-	4,475,204	5,168,709	-	155,306,773
200	DEFERRED OUTFLOWS RESOURCES	-	-	-	-	200,198	1,455,176	-	3,746,450
290	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ 10,889	\$ -	\$ -	\$ 6,106,400	\$ 7,250,594	\$ (3,831,659)	\$ 170,301,983

Housing Authority of the City of Jersey City									
NJ009									
Financial Data Schedule (FDS)									
March 31, 2016									
Line Item #	Account Description	14181 SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES	SHELTER PLUS CARE	OTHER FEDERAL PROGRAM 1	OTHER FEDERAL PROGRAM 2	STATE/LOCAL	COCC	ELIMINATION	TOTAL
LIABILITIES AND EQUITY									
Liabilities:									
Current Liabilities:									
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts payable ≤ 90 days	-	-	-	-	38,863	75,875	-	1,657,346
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	-	-	-	-	11,762	88,528	-	483,022
322	Accrued compensated absences - current portion	-	-	-	-	4,378	83,753	-	172,694
324	Accrued contingency liability	-	-	-	-	-	-	-	-
325	Accrued interest payable	-	-	-	-	-	-	-	157,378
331	Accounts payable - HUD PHA program:	-	-	-	-	-	-	-	19,960
332	Accounts payable - PHA projects	-	-	-	-	-	-	-	-
333	Accounts payable - other government	-	-	-	-	-	-	-	-
341	Tenant security deposits	-	-	-	-	84,509	-	-	396,586
342	Unearned Revenue	-	-	-	-	-	-	-	2,380
343	Current portion of L-T debt - capital projects	-	-	-	-	106,587	-	-	1,228,715
344	Current portion of L-T debt - operating borrowing:	-	-	-	-	-	-	-	274,348
345	Other current liabilities	-	-	-	-	35,000	324	-	700,896
346	Accrued liabilities - other	-	-	-	-	15,215	7,848	-	255,045
347	Interprogram - due to	-	10,676	-	-	567,642	-	(3,831,659)	-
310	TOTAL CURRENT LIABILITIES	-	10,676	-	-	863,956	256,328	(3,831,659)	5,348,570
NONCURRENT LIABILITIES:									
351	Long-term debt, net of current - capital projects	-	-	-	-	3,150,400	-	-	16,328,296
352	Long-term debt, net of current - operating borrowing	-	-	-	-	-	-	-	7,956,080
353	Non-current liabilities- other	-	-	-	-	-	-	-	958,927
354	Accrued compensated absences - noncurrent	-	-	-	-	39,405	753,779	-	1,554,250
355	Loan Liability - Non Current	-	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-
357	Accrued pension and OPEB liabilities:	-	-	-	-	1,511,778	10,988,649	-	28,291,027
350	TOTAL NONCURRENT LIABILITIES	-	-	-	-	4,701,583	11,742,428	-	55,088,580
300	TOTAL LIABILITIES	-	10,676	-	-	5,565,539	11,998,756	(3,831,659)	60,437,150
400	DEFERRED INFLOW OF RESOURCES	-	-	-	-	183,415	1,333,187	-	3,432,380
EQUITY:									
508.1	Net Investment in Capital Assets	-	-	-	-	1,218,217	5,168,709	-	73,059,419
511.1	Restricted Net Position	-	-	-	-	-	-	-	64,690,343
512.1	Unrestricted Net Position	-	213	-	-	(860,771)	(11,250,058)	-	(31,317,309)
513	TOTAL EQUITY	-	213	-	-	357,446	(6,081,349)	-	106,432,453
600	TOTAL LIABILITIES, DEFERRED INFLOWS AND EQUITY	\$ -	\$ 10,889	\$ -	\$ -	\$ 6,106,400	\$ 7,250,594	\$ (3,831,659)	\$ 170,301,983

Housing Authority of the City of Jersey City										
NJ009										
Financial Data Schedule (FDS)										
March 31, 2016										
Line Item #	Account Description	OPERATING	CAPITAL	HOUSING CHOICE VOUCHERS	14 890 CAPITAL FUND EDUCATION AND TRAINING COMMUNITIES	14.218 COMMUNITY DEVELOPMENT BLOCK GRANTS	14 870 RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	SECTION 8 MODERATE REHAB SINGLE ROOM OCC	MAINSTREAM VOUCHERS	REVITALIZATION OF SEVERLY DISTRESSED PUBLIC HOUSING
REVENUE:										
70300	Net tenant rental revenue	\$ 7,869,017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70400	Tenant revenue - other	24,788	-	-	-	-	-	-	-	-
70500	Total tenant revenue	7,893,805	-	-	-	-	-	-	-	-
70600	HUD PHA grants	12,784,183	2,358,639	41,370,952	12,750	-	162,872	855,163	1,760,647	9,919,913
70610	Capital grants	-	3,764,197	-	-	-	-	-	-	-
70710	Management fee	-	-	-	-	-	-	-	-	-
70720	Asset management fee	-	-	-	-	-	-	-	-	-
70730	Book keeping fee	-	-	-	-	-	-	-	-	-
70750	Other fees	-	-	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	-	-	-	-	-	-
71100	Investment income - unrestricted	13	-	4,028	-	-	-	-	-	-
71200	Mortgage interest income	2,431,481	-	-	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-	-	-
71301	Cost of sale of assets	-	-	-	-	-	-	-	-	-
71400	Fraud recovery	30,233	-	115,840	-	-	-	-	-	-
71500	Other revenue	422,967	-	260,505	-	-	-	-	-	-
71600	Gain or loss on sale of fixed assets	-	-	-	-	-	-	-	-	-
72000	Investment income - restricted	-	-	-	-	-	-	-	-	-
70000	TOTAL REVENUE	23,562,682	6,122,836	41,751,325	12,750	-	162,872	855,163	1,760,647	9,919,913
EXPENSES:										
Administrative										
91100	Administrative salaries	721,369	-	1,400,738	-	-	96,029	-	-	-
91200	Auditing fees	10,981	-	20,892	-	-	-	-	-	-
91300	Outside management fees	1,250,350	930,395	603,565	-	-	-	22,893	45,065	1,155,312
91310	Book-keeping fee	139,320	-	348,885	-	-	-	-	-	-
91400	Advertising and marketing	-	-	-	-	-	-	-	-	-
91500	Employee benefit contributions- administrative	490,647	-	856,750	-	-	60,521	-	-	-
91600	Office expenses	40,881	-	136,162	-	-	1,771	-	-	-
91700	Legal expenses	64,143	-	15,781	-	-	-	-	-	-
91800	Travel	183	-	1,156	-	-	28	-	-	-
91810	Allocated overhead	-	-	-	-	-	-	-	-	-
91900	Other	1,262,732	85,261	143,334	-	-	1,404	85,987	121,748	49,424
92000	Asset Management Fee	1,920	-	-	-	-	-	-	-	-
Tenant services										
92100	Tenant services - salaries	29,092	-	-	-	-	-	-	-	-
92200	Relocation costs	-	6,650	-	-	-	-	-	-	-
92300	Employee benefit contributions- tenant services	19,464	-	1,685	-	-	-	-	-	-
92400	Tenant services - other	30,926	-	-	-	-	300	-	-	-
Utilities										
93100	Water	1,349,939	-	-	-	-	-	-	-	-
93200	Electricity	1,216,393	-	-	-	-	-	-	-	-
93300	Gas	916,673	-	-	-	-	-	-	-	-
93400	Fuel	349,633	-	-	-	-	-	-	-	-
93500	Labor	-	-	-	-	-	-	-	-	-
93600	Sewer	-	-	-	-	-	-	-	-	-
93700	Employee benefit contributions- utilities	-	-	-	-	-	-	-	-	-
93800	Other utilities expense	246,950	-	-	-	-	-	-	-	-

Housing Authority of the City of Jersey City										
NJ009										
Financial Data Schedule (FDS)										
March 31, 2016										
Line Item #	Account Description	OPERATING	CAPITAL	HOUSING CHOICE VOUCHERS	14.890 CAPITAL FUND EDUCATION AND TRAINING COMMUNITIES	14.218 COMMUNITY DEVELOPMENT BLOCK GRANTS	14.870 RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	SECTION 8 MODERATE REHAB SINGLE ROOM OCC	MAINSTREAM VOUCHERS	REVITALIZATION OF SEVERLY DISTRESSED PUBLIC HOUSING
	Ordinary maintenance & operation									
94100	Ordinary maintenance and operations - labor	2,740,730	-	-	-	-	-	-	-	-
94200	Ordinary maintenance and operations - materials & other	711,859	-	1,470	-	-	56	-	-	-
94300	Ordinary maintenance and operations - contract costs	2,232,259	-	-	-	-	-	-	-	-
94500	Employee benefit contributions- ordinary maintenance	1,736,172	-	5,033	-	-	-	-	-	-
	Protective services									
95100	Protective services - labor	-	-	-	-	-	-	-	-	-
95200	Protective services- other contract costs	292,980	-	-	-	-	-	-	-	-
95300	Protective services - other	-	-	-	-	-	-	-	-	-
95500	Employee benefit contributions- protective services	-	-	-	-	-	-	-	-	-
	General expenses									
96100	Insurance premiums	731,319	-	80,809	-	-	2,763	-	-	-
96200	Other general expenses	1,649,582	-	205,713	-	-	-	-	-	-
96210	Compensated absences	73,980	-	51,487	-	-	-	-	-	-
96300	Payments in lieu of taxes	-	-	-	-	-	-	-	-	-
96400	Bad debt - tenant rents	378,938	-	-	-	-	-	-	-	-
96500	Bad debt- mortgages	-	-	-	-	-	-	-	-	-
96600	Bad debt - other	-	-	-	-	-	-	-	-	-
96700	Interest expense	-	-	-	-	-	-	-	-	-
96710	Interest of mortgage (or bonds) payable	370,605	358,366	-	-	-	-	-	-	-
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	-
96730	Amortization of bond issue costs	-	-	-	-	-	-	-	-	-
96800	Severance expense	72,129	-	-	-	-	-	-	-	-
96900	TOTAL OPERATING EXPENSES	19,132,149	1,380,672	3,873,460	-	-	162,872	108,880	166,813	1,204,736
97000	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	4,430,533	4,742,164	37,877,865	12,750	-	-	746,283	1,593,834	8,715,177
97100	Extraordinary maintenance	-	213,574	-	12,750	-	-	-	-	8,715,177
97200	Casualty losses - non capitalized	-	-	-	-	-	-	-	-	-
97300	Housing assistance payments	-	-	38,161,586	-	-	-	746,283	1,611,087	-
97350	HAP Portability - in	-	-	-	-	-	-	-	-	-
97400	Depreciation expense	5,270,535	-	6,194	-	-	-	-	-	-
97500	Fraud losses	-	-	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-	-	-
90000	TOTAL EXPENSES	24,402,684	1,594,246	42,041,240	12,750	-	162,872	855,163	1,777,900	9,919,913

Housing Authority of the City of Jersey City										
NJ009										
Financial Data Schedule (FDS)										
March 31, 2016										
Line Item #	Account Description	OPERATING	CAPITAL	HOUSING CHOICE VOUCHERS	14,890 CAPITAL FUND EDUCATION AND TRAINING COMMUNITIES	14,218 COMMUNITY DEVELOPMENT BLOCK GRANTS	14,870 RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	SECTION 8 MODERATE REHAB SINGLE ROOM OCC	MAINSTREAM VOUCHERS	REVITALIZATION OF SEVERLY DISTRESSED PUBLIC HOUSING
OTHER FINANCING SOURCES (USES)										
10010	Operating transfers in	764,396	-	-	-	-	-	-	-	-
10020	Operating transfers out	-	(764,396)	-	-	-	-	-	-	-
10030	Operating transfers from/to primary government	-	-	-	-	-	-	-	-	-
10040	Operating transfers from/to component unit	-	-	-	-	-	-	-	-	-
10070	Extraordinary items, net gain/loss	-	-	-	-	-	-	-	-	-
10080	Special items (net gain/loss)	(8,230,428)	-	-	-	-	-	-	-	-
10091	Inter Project excess cash transfer in	-	-	-	-	-	-	-	-	-
10092	Inter Project excess cash transfer out	-	-	-	-	-	-	-	-	-
10093	Transfers between program and project in	-	-	-	-	-	-	-	-	-
10094	Transfers between program and project out	-	-	-	-	-	-	-	-	-
10100	TOTAL OTHER FINANCING SOURCES (USES)	(7,466,032)	(764,396)	-	-	-	-	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(8,306,034)	3,764,194	(289,915)	-	-	-	-	(17,253)	-
MEMO ACCOUNT INFORMATION:										
11020	Required annual debt principal payments	631,559	425,000	-	-	-	-	-	-	-
11030	Beginning equity	120,343,858	10,594,054	1,611,201	-	-	-	321,798	-	-
11040	Prior period adjustments and equity transfers	(11,626,247)	(10,524)	(4,111,950)	10,524	-	-	(127,563)	-	-
11170	Administrative fee equity	-	-	-	-	-	-	-	-	-
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-	-
11190	Unit months available	26,332	-	49,254	-	-	-	1,200	2,400	-
11210	Number of unit months leased	24,225	-	46,796	-	-	-	1,186	2,315	-
Equity Roll Forward Test:										
	Calculation from R/E Statement	\$ 114,759,301	\$ -	\$ (2,790,664)	\$ 10,524	\$ -	\$ -	\$ 194,235	\$ (17,253)	\$ -
	B/S Line 513	\$ 114,759,301	\$ -	\$ (2,790,664)	\$ 10,524	\$ -	\$ -	\$ 194,235	\$ (17,253)	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Housing Authority of the City of Jersey City									
NJ009									
Financial Data Schedule (FDS)									
March 31, 2016									
Line Item #	Account Description	14.181 SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES	SHELTER PLUS CARE	OTHER FEDERAL PROGRAM 1	OTHER FEDERAL PROGRAM 2	STATE/LOCAL	COCC	ELIMINATION	TOTAL
REVENUE:									
70300	Net tenant rental revenue	\$ -	\$ -	\$ -	\$ -	\$ 1,333,492	\$ -	\$ (88,180)	9,114,329
70400	Tenant revenue - other	-	-	-	-	-	-	-	24,788
70500	Total tenant revenue	-	-	-	-	1,333,492	-	(88,180)	9,139,117
70600	HUD PHA grants	-	441,438	-	-	-	-	-	69,666,557
70610	Capital grants	-	-	-	-	-	-	-	3,764,197
70710	Management fee	-	-	-	-	-	4,007,580	(4,007,580)	-
70720	Asset management fee	-	-	-	-	-	1,920	(1,920)	-
70730	Book keeping fee	-	-	-	-	-	488,205	(488,205)	-
70750	Other fees	-	-	-	-	-	1,827,023	(1,827,023)	-
70800	Other government grants	-	-	-	-	-	-	-	-
71100	Investment income - unrestricted	-	-	-	-	761	3,906	-	8,708
71200	Mortgage interest income	-	-	-	-	-	-	-	2,431,481
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-	-
71301	Cost of sale of assets	-	-	-	-	-	-	-	-
71400	Fraud recovery	-	-	-	-	16	-	-	146,089
71500	Other revenue	-	-	-	-	369,755	1,063,659	-	2,116,886
71600	Gain or loss on sale of fixed assets	-	-	-	-	-	-	-	-
72000	Investment income - restricted	-	-	-	-	-	-	-	-
70000	TOTAL REVENUE	-	441,438	-	-	1,704,024	7,392,293	(6,412,908)	87,273,035
EXPENSES:									
Administrative									
91100	Administrative salaries	-	-	-	-	70,858	1,844,553	-	4,133,547
91200	Auditing fees	-	-	-	-	15,394	2,834	-	50,101
91300	Outside management fees	-	-	-	-	-	-	(4,007,580)	-
91310	Book-keeping fee	-	-	-	-	-	-	(488,205)	-
91400	Advertising and marketing	-	-	-	-	-	-	-	-
91500	Employee benefit contributions- administrative	-	-	-	-	28,069	1,106,592	-	2,542,579
91600	Office expenses	-	-	-	-	1,834	82,235	-	262,883
91700	Legal expenses	-	-	-	-	7,741	62,165	(71,250)	78,580
91800	Travel	-	-	-	-	16	22,035	-	23,418
91810	Allocated overhead	-	-	-	-	-	-	-	-
91900	Other	-	32,666	-	-	44,315	208,632	-	2,035,503
92000	Asset Management Fee	-	-	-	-	-	-	(1,920)	-
Tenant services									
92100	Tenant services - salaries	-	-	-	-	1,882	-	-	30,974
92200	Relocation costs	-	-	-	-	-	-	-	6,650
92300	Employee benefit contributions- tenant services	-	-	-	-	662	-	-	21,811
92400	Tenant services - other	-	-	-	-	-	485	-	31,711
Utilities									
93100	Water	-	-	-	-	166,834	-	-	1,516,773
93200	Electricity	-	-	-	-	24,535	102,075	-	1,343,003
93300	Gas	-	-	-	-	75,689	2,905	-	995,267
93400	Fuel	-	-	-	-	-	-	-	349,633
93500	Labor	-	-	-	-	-	-	-	-
93600	Sewer	-	-	-	-	-	-	-	-
93700	Employee benefit contributions- utilities	-	-	-	-	-	-	-	-
93800	Other utilities expense	-	-	-	-	18,186	-	-	265,136

Housing Authority of the City of Jersey City									
NJ009									
Financial Data Schedule (FDS)									
March 31, 2016									
Line Item #	Account Description	14.181 SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES	SHELTER PLUS CARE	OTHER FEDERAL PROGRAM 1	OTHER FEDERAL PROGRAM 2	STATE/LOCAL	COCC	ELIMINATION	TOTAL
	Ordinary maintenance & operation								
94100	Ordinary maintenance and operations - labor	-	-	-	-	136,783	1,562,217	-	4,439,730
94200	Ordinary maintenance and operations - materials & other	-	-	-	-	72,442	28,371	-	814,198
94300	Ordinary maintenance and operations - contract costs	-	-	-	-	140,468	15,633	(1,755,773)	632,587
94500	Employee benefit contributions- ordinary maintenance	-	-	-	-	113,826	1,585,013	-	3,440,044
	Protective services								
95100	Protective services - labor	-	-	-	-	-	-	-	-
95200	Protective services- other contract costs	-	-	-	-	-	-	-	292,980
95300	Protective services - other	-	-	-	-	-	-	-	-
95500	Employee benefit contributions- protective services	-	-	-	-	-	-	-	-
	General expenses								
96100	Insurance premiums	-	-	-	-	77,392	88,036	-	980,319
96200	Other general expenses	-	-	-	-	7,150	1,718	-	1,864,163
96210	Compensated absences	-	-	-	-	-	72,165	-	197,632
96300	Payments in lieu of taxes	-	-	-	-	95,369	-	-	95,369
96400	Bad debt - tenant rents	-	-	-	-	73,191	-	-	452,129
96500	Bad debt- mortgages	-	-	-	-	-	-	-	-
96600	Bad debt - other	-	-	-	-	-	-	-	-
96700	Interest expense	-	-	-	-	-	-	-	-
96710	Interest of mortgage (or bonds) payable	-	-	-	-	126,539	-	-	855,510
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-
96730	Amortization of bond issue costs	-	-	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	-	72,668	-	144,797
96900	TOTAL OPERATING EXPENSES	-	32,666	-	-	1,299,175	6,860,332	(6,324,728)	27,897,027
97000	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	-	408,772	-	-	404,849	531,961	(88,180)	-
97100	Extraordinary maintenance	-	-	-	-	350,000	-	-	9,291,501
97200	Casualty losses - non capitalized	-	-	-	-	-	-	-	-
97300	Housing assistance payments	-	408,559	-	-	82,585	-	(88,180)	40,921,920
97350	HAP Portability - in	-	-	-	-	-	-	-	-
97400	Depreciation expense	-	-	-	-	211,558	686,634	-	6,174,921
97500	Fraud losses	-	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-	-
90000	TOTAL EXPENSES	-	441,225	-	-	1,943,318	7,546,966	(6,412,908)	84,285,369

Housing Authority of the City of Jersey City									
NJ009									
Financial Data Schedule (FDS)									
March 31, 2016									
Line Item #	Account Description	14.181 SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES	SHELTER PLUS CARE	OTHER FEDERAL PROGRAM 1	OTHER FEDERAL PROGRAM 2	STATE/LOCAL	COCC	ELIMINATION	TOTAL
OTHER FINANCING SOURCES (USES)									
10010	Operating transfers in	-	-	-	-	-	-	(764,396)	-
10020	Operating transfers out	-	-	-	-	-	-	764,396	-
10030	Operating transfers from/to primary government	-	-	-	-	-	-	-	-
10040	Operating transfers from/to component unit	-	-	-	-	-	-	-	-
10070	Extraordinary items, net gain/loss	-	-	-	-	-	-	-	-
10080	Special items (net gain/loss)	-	-	-	-	-	-	-	(8,230,428)
10091	Inter Project excess cash transfer in	-	-	-	-	-	-	-	-
10092	Inter Project excess cash transfer out	-	-	-	-	-	-	-	-
10093	Transfers between program and project in	-	-	-	-	-	-	-	-
10094	Transfers between program and project out	-	-	-	-	-	-	-	-
10100	TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-	(8,230,428)
10000	EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	-	213	-	-	(239,294)	(154,673)	-	(5,242,762)
MEMO ACCOUNT INFORMATION:									
11020	Required annual debt principal payments	-	-	-	-	-	-	-	1,056,559
11030	Beginning equity	-	-	-	-	2,086,908	4,904,902	-	139,862,721
11040	Prior period adjustments and equity transfers	-	-	-	-	(1,490,168)	(10,831,578)	-	(28,187,506)
11170	Administrative fee equity	-	-	-	-	-	-	-	-
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-
11190	Unit months available	-	516	-	-	1,512	-	-	81,214
11210	Number of unit months leased	-	474	-	-	1,380	-	-	76,376
Equity Roll Forward Test:									
	Calculation from R/E Statement	\$ -	\$ 213	\$ -	\$ -	\$ 357,446	\$ (6,081,349)	\$ -	\$ 106,432,453
	B/S Line 513	\$ -	\$ 213	\$ -	\$ -	\$ 357,446	\$ (6,081,349)	\$ -	\$ 106,432,453
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -