

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED MARCH 31, 2025
WITH
REPORT OF INDEPENDENT AUDITORS

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
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FOR THE YEAR ENDED MARCH 31, 2025

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REPORT OF INDEPENDENT AUDITORS

To the Board of Commissioners
Housing Authority of the City of Jersey City:

Qualified Opinion

We have audited the accompanying financial statements of the Housing Authority of the City of Jersey City (the "Authority") as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the accompanying table of contents.

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of March 31, 2025, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

We were unable to obtain sufficient audit evidence for the balance of notes payable because the Authority could not provide supporting documentation for \$4,667,326 of notes payable. Therefore, we were not able to obtain sufficient appropriate audit evidence and perform required audit procedures for the amounts at which notes payable are reported in the accompanying statement of net position at March 31, 2025.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Emphasis of Matter*Correction of Errors*

As discussed in Note 15 to the financial statements, management discovered certain errors that resulted in understatements of amounts previously reported for notes receivable and overstatements of amounts previously reported for notes payable as of March 31, 2024. Accordingly, net position as of March 31, 2024 has been restated to correct these errors. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

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

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

Other Matters

Required Supplementary Information

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

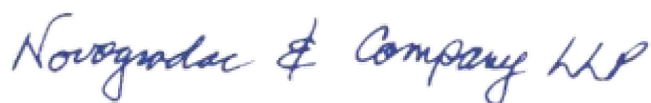
Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



December 29, 2025
Toms River, New Jersey

MANAGEMENT'S DISCUSSION AND ANALYSIS

**JERSEY CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2025**

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 year ended March 31, 2025. 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 note 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, minus liabilities, equal 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 net position that is not restricted and does not meet the definition of Net Investment in Capital Assets.

The **Statement of Revenues, Expenses, 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, operating expenses, such as administrative, utilities, maintenance, and depreciation, and non-operating revenue and expenses, such as 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.

**JERSEY CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2025
(CONTINUED)**

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 with generally accepted accounting principles. Management's discussion and analysis, schedule of the authority's proportionate share of the net pension liability, and schedule of the authority's contributions to New Jersey State and Local Retirement System are 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 U.S. Office of Management and Budget and of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Guidance Administrative Requirements, Cost Principles, and Audit Requirements for federal Awards* (Uniform Guidance).

Program Information

Low Income Public Housing: The public housing program is designed to provide low-cost housing within the City of Jersey City. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with rental income received from tenants, are available solely to meet the operating expenses of the program. The Authority owns and manages 1,847 ACC units and provides subsidy to private management companies for an additional 580 mixed finance ACC units.

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

Section 8 Housing Choice Vouchers: The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating family. The objective of the program is to assist in making tenant-based rental assistance more successful by helping increase housing choices for low-income families and assisting them in obtaining affordable housing.

Section 8 Mainstream: The Authority also administers a program of rental assistance payments to non-elderly people with disabilities (ages 18-61) to help them live independently in the community, often transitioning from institutions or homelessness, with partnerships with disability/support service agencies being key.

Emergency Housing Voucher (EHV): EHV was a temporary, pandemic-era initiative to help people experiencing homelessness, fleeing domestic violence, or other crises, allowing Public Housing Authorities (PHAs) more flexibility, like higher payment standards (up to 120% FMR) and shorter initial lease terms, to quickly house vulnerable populations before transitioning them into standard HCV rules.

**JERSEY CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2025
(CONTINUED)**

Resident Opportunity and Self-Sufficiency Program (ROSS): The purpose of ROSS is to assist residents in becoming economically self-sufficient by providing supportive services and resident empowerment opportunities. This program is consistent with HUD's goal to most effectively focus resources on "welfare to work" and on independent living for the elderly and persons with disabilities who are looking for applications which implement practical solutions within the grant term that result in improved economic self-sufficiency for public housing residents.

Family Self Sufficiency (FSS): The FSS program is administered by public housing agencies (PHAs) with the help of program coordinating committees (PCCs). Owners of a multifamily property with a Section 8 assistance contract may voluntarily have an FSS program and may pay for FSS coordinators using residual receipt accounts. The PHA/owner and an adult member of each participating family execute a Contract of Participation, generally for five years with a possible two-year extension for good cause, incorporating the specific training and services plan for the family. Participating families are provided with an interest-bearing escrow account made up of the difference of the rent the family pays when entering the program and the increased rent that would be charged as the family's earned income increased. On completion of the FSS contract, a family may claim its escrow account, if the person who signs the Contract is employed, no family member is receiving welfare assistance, and the family has met their other individual goals

State and Local (Nonfederal): The Authority owns and manages 126 non-federal units located at 300 Arlington Road and 254 Bergen Ave. These entities receive state funded housing assistance and receive separate individual audits.

Housing Opportunities for Persons with AIDS (HOPWA): HUD Exchange U.S. federal program providing housing assistance and related support to low-income individuals and families affected by HIV/AIDS, helping them find stable housing, access healthcare, and prevent homelessness through rental assistance, short-term lodging, and supportive services like case management.

Continuum of Care: The Continuum of Care Program is designed to promote community-wide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and State and local governments to quickly re-house homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

Central Office Cost Center: The Central Office Cost Center ("COCC") is mandated by HUD to account for "centralized" services and functions necessary to the Authority's operations. Funding for the COCC is in the form of fees charged to other Authority programs and activities as well as to affiliate entities. The fees charged include those specified by HUD as management fees, bookkeeping fees, asset management fees and other fees for service. HUD regulates which and how fees may be charged to HUD programs.

**JERSEY CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2025
(CONTINUED)**

Financial Position and Analysis

Table 1 compares the Authority's financial position for the years ended March 31, 2025 and 2024:

Table 1: Entity-Wide Balance Sheet Comparison

	2025	2024	Increase (Decrease)	Percent Variance
<u>Assets</u>				
Cash & cash equivalents	\$ 14,126,269	\$ 28,528,842	\$ (14,402,573)	-50.48%
Other Current Assets	6,633,534	3,560,817	3,072,717	86.29%
Noncurrent Assets	166,948,534	157,131,407	9,817,127	6.25%
Total Assets	187,708,337	189,221,066	(1,512,729)	-0.80%
Deferred Outflows of Resources	25,294,171	20,530,511	4,763,660	23.20%
<u>Liabilities</u>				
Current Liabilities	6,454,890	17,535,677	(11,080,787)	-63.19%
Noncurrent Liabilities	93,060,386	90,451,991	2,608,395	2.88%
Total Liabilities	99,515,276	107,987,668	(8,472,392)	-7.85%
Deferred Inflows of Resources	27,217,212	33,935,998	(6,718,786)	-19.80%
<u>Net Position</u>				
Net Investment in Capital Assets	64,914,878	44,405,912	20,508,966	46.19%
Restricted Net Position	1,247,125	98,968,642	(97,721,517)	-98.74%
Unrestricted Net Position	20,108,017	(75,546,643)	95,654,660	-126.62%
Total Net Position	\$ 86,270,020	\$ 67,827,911	\$ 18,442,109	27.19%

Cash & Cash Equivalents decreased by \$14,402,573 or 50.48% primarily due to the prior year receiving April 2024 Housing Assistance Payment funding in March 2024. This created an excessively high cash balance in the prior year that was offset by a deferral of inflows on the balance sheet. In April 2024, the cash was utilized to pay Housing Assistance Payment expenses, and the deferral was removed to recognize the grant income for the month.

Current Assets increased by \$3,072,717 or 86.29%. This increase is due increased receivables from HUD. The Authority improved its HAP utilization and awarded all available funds to tenants in the Housing Choice Voucher Program. The HCV program was due \$4M which was collected in subsequent months.

Noncurrent Assets increased by \$9,817,127 or 6.25%. This increase is due to a capital purchases from the Capital Fund grants and long-term non-cash interest accruals on notes receivable from affiliate entities.

Current Liabilities decreased by \$11,080,787 or 63.19%. This decrease is primarily due to the realization of deferrals on Housing Assistance Payment funding in April 2024.

Deferred Outflows increased by 4,763,660 or 23.20% while **Deferred Inflows** decreased by \$6,718,786 or 19.8%. These fluctuations are primarily due to the OPEB and Pension balances being updated with new actuarial calculations.

**JERSEY CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2025
(CONTINUED)**

Table 2 focuses on the changes in Net Position:

Table 2: Entity-Wide Income Statement Comparison

	2025	2024	Increase (Decrease)	Percent Variance
<u>Operating Revenue & Expense</u>				
Operating Revenue	\$ 113,535,877	\$ 105,082,600	\$ 8,453,277	8.04%
Operating Expenses	117,562,704	105,968,071	11,594,633	10.94%
Total Operating Income (Loss)	(4,026,827)	(885,471)	(3,141,356)	354.77%
Non-Operating Revenues & Expenses, Net	21,196,936	10,453,762	10,743,174	102.77%
Income (Loss) in Net Position	17,170,109	9,568,291	7,601,818	79.45%
Prior Period Adjustment	1,272,000	678,918	593,082	87.36%
Net Position, Beginning of year	67,827,911	57,580,702	10,247,209	17.80%
Net Position, End of year	\$ 86,270,020	\$ 67,827,911	\$ 18,442,109	27.19%

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

Table 3: Entity-Wide Revenue Comparison

	2025	2024	Increase (Decrease)	Percent Variance
<u>Operating Revenue</u>				
Tenant Revenue	\$ 11,679,868	\$ 11,569,292	\$ 110,576	0.96%
Government Operating Grants	101,742,120	91,203,904	10,538,216	11.55%
Other Income	113,889	2,309,404	(2,195,515)	-95.07%
Total Operating Income	113,535,877	105,082,600	8,453,277	8.04%
<u>Non-Operating Revenues</u>				
Interest Income	126,006	21,762	104,244	479.02%
Mortgage Interest Income	4,615,550	2,981,427	1,634,123	54.81%
Capital Contributions	10,913,347	3,915,980	6,997,367	178.69%
Actuarial change in OPEB	6,211,935	4,189,644	2,022,291	48.27%
Total Non-Operating Revenues	21,866,838	11,108,813	10,758,025	96.84%
Total Revenue	\$ 135,402,715	\$ 116,191,413	\$ 19,211,302	16.53%

**JERSEY CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2025
(CONTINUED)**

Capital Contributions increased by \$6,997,367 or 178.69% due to additional activity in the Capital Fund Grant to purchase capital assets.

Government Operating Grants increased by \$10,538,216 or 11.55% due to more assistance payments being received in the Housing Choice Voucher Program to respond to additional leasing and higher market rents.

Mortgage Interest Income increased by \$1,634,123 or 54.81% due to compound interest on balances that increase each year due to prior year interest accruals increasing the based number that earns interest.

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

Table 4: Entity-Wide Expense Comparison

	2025	2024	Increase (Decrease)	Percent Variance
Administrative	\$ 9,389,892	\$ 10,757,780	(1,367,888)	-12.72%
Tenant Services	1,183,217	1,415,955	(232,738)	-16.44%
Utilities	6,401,043	4,391,751	2,009,292	45.75%
Maintenance	11,341,967	12,689,464	(1,347,497)	-10.62%
General Expense	4,546,160	4,851,335	(305,175)	-6.29%
Depreciation Expense	5,807,284	6,076,447	(269,163)	-4.43%
Housing Assistance Payments	78,893,141	65,785,339	13,107,802	19.93%
Total Operating Expenses	\$ 117,562,704	\$ 105,968,071	11,594,633	10.94%

Utilities Expenses increased by \$2,009,292 or 45.75% primarily due to the Authority being charged higher rates for usage for gas, sewer and electric.

Maintenance Expenses decreased \$1,347,497 or 10.62% due to the prior year having excessively high HVAC repairs.

Housing Assistance Payment increased by \$13,107,802 or 19.93% due rent increases yielding higher HAP needs and efforts to utilize all funding by increased leasing.

Budgetary Analysis

For the year ended March 31, 2025, individual program or grant budgets were prepared by the Authority and were approved by the Board of Commissioners on a calendar year for comparative purposes. The budgets were primarily used as a management tool and have no legal stature. The budgets were prepared in accordance with the accounting procedures prescribed by the applicable funding agency.

**JERSEY CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2025
(CONTINUED)**

Capital Assets

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

Table 5: Summary of Entity-Wide Capital Asset Activity

	2025	2024	Increase (Decrease)	Percent Variance
Land	\$ 5,932,271	\$ 5,932,271	\$ -	0.00%
Buildings and Equipment	231,543,873	224,417,203	7,126,670	3.18%
Construction in progress	11,847,949	6,500,668	5,347,281	82.26%
	<u>249,324,093</u>	<u>236,850,142</u>	<u>12,473,951</u>	<u>5.27%</u>
Less: accumulated depreciation	<u>(178,921,339)</u>	<u>(173,114,055)</u>	<u>(5,807,284)</u>	<u>3.35%</u>
Capital Assets, Net	<u>\$ 70,402,754</u>	<u>\$ 63,736,087</u>	<u>\$ 6,666,667</u>	<u>10.46%</u>

Acquisitions are capitalized at cost and depreciated using the straight-line method of depreciation. Additional information and details can be found in the Notes to the Financial Statements.

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**JERSEY CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2025
(CONTINUED)**

Analysis of Debt Activity

The Authority's debt balances and principal payments made in the fiscal year ending March 31, 2025 are summarized below:

Capital Lease Agreement:

Balance as of March 31, 2024	\$ 11,145,447
Current Year Debt Advanced (Paid)	<u>(1,004,226)</u>
Balance as of March 31, 2025	<u><u>\$ 10,141,221</u></u>

Capital Fund Leveraging Pool:

Balance as of March 31, 2024	\$ 2,700,000
Current Year Debt Advanced (Paid)	<u>(620,000)</u>
Balance as of March 31, 2025	<u><u>\$ 2,080,000</u></u>

Mortgage Loans Webb:

Balance as of March 31, 2024	\$ 4,667,326
Current Year Debt Advanced (Paid)	<u>-</u>
Balance as of March 31, 2025	<u><u>\$ 4,667,326</u></u>

Mortgage Loans DCA Balanced Housing:

Balance as of March 31, 2024	\$ 420,849
Current Year Debt Advanced (Paid)	<u>-</u>
Balance as of March 31, 2025	<u><u>\$ 420,849</u></u>

Mortgage Loans DCA Petroleum:

Balance as of March 31, 2024	\$ 283,860
Current Year Debt Advanced (Paid)	<u>-</u>
Balance as of March 31, 2025	<u><u>\$ 283,860</u></u>

Loan Payable CPC:

Balance as of March 31, 2024	\$ 980,697
Current Year Debt Advanced (Paid)	<u>(68,094)</u>
Balance as of March 31, 2025	<u><u>\$ 912,603</u></u>

HUD Repayment Agreement:

Balance as of March 31, 2024	\$ 6,305,428
Current Year Debt Advanced (Paid)	<u>-</u>
Balance as of March 31, 2025	<u><u>\$ 6,305,428</u></u>

**JERSEY CITY HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2025
(CONTINUED)**

Significant Economic Factors Affecting the Authority

- The Department of Housing and Urban Development (HUD) has historically been underfunded to meet the subsidy needs of Public Housing Authorities (PHAs). We do not expect this trend to change. Recently reduced Administrative Fee prorations in the Housing Choice Voucher Program have a large impact on the Authority due to the large number of units funded through that program.
- Rising cost of utility rates, supplies, and other costs may impact our budgets in future years.

Request for Information

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

Jersey City Housing Authority
ATTN: Stephen Cea, Executive Director
400 U.S. Highway #1 (Marion Gardens)
Jersey City, New Jersey 07306

FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
STATEMENT OF NET POSITION
AS OF MARCH 31, 2025

ASSETS

Current assets:	
Cash and cash equivalents	\$ 4,969,601
Tenant security deposits	591,716
Accounts receivable, net	5,420,922
Lease receivable, current	256,852
Prepaid expenses	211,114
Inventories, net	<u>744,646</u>
Total current assets	<u>12,194,851</u>
Non-current assets:	
Restricted cash	8,564,952
Notes receivable	54,563,048
Accrued interest receivable	40,977,249
Lease receivable, non-current	1,005,483
Capital assets, net	<u>70,402,754</u>
Total non-current assets	<u>175,513,486</u>
Total assets	<u>187,708,337</u>

DEFERRED OUTFLOWS OF RESOURCES

State of New Jersey P.E.R.S.	351,330
Retiree Health Benefit Program	<u>24,942,841</u>
Total deferred outflows of resources	<u>25,294,171</u>
Total assets and deferred outflows of resources	<u>\$ 213,002,508</u>

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
STATEMENT OF NET POSITION (continued)
AS OF MARCH 31, 2025

LIABILITIES

Current liabilities:	
Accounts payable	\$ 587,989
Accrued expenses	539,951
Tenant security deposits	591,716
Prepaid rent	86,432
Accrued compensated absences, current	257,444
Notes payable, current	2,900,349
Accrued interest payable, current	87,906
Other current liabilities	<u>1,403,103</u>
Total current liabilities	<u>6,454,890</u>
Non-current liabilities:	
Accrued compensated absences, non-current	2,316,987
Notes payable, non-current	21,910,938
Accrued pension liability	15,089,913
Accrued OPEB liability	53,137,274
Other non-current liabilities	<u>605,274</u>
Total non-current liabilities	<u>93,060,386</u>
Total liabilities	<u>99,515,276</u>

DEFERRED INFLOWS OF RESOURCES

State of New Jersey P.E.R.S.	2,884,706
Retiree Health Benefit Program	22,893,808
Leases	<u>1,438,698</u>
Total deferred inflows of resources	<u>27,217,212</u>

NET POSITION

Net position:	
Net investment in capital assets	64,914,878
Restricted	1,247,125
Unrestricted	<u>20,108,017</u>
Total net position	<u>86,270,020</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 213,002,508</u>

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2025

Operating revenues:	
Tenant revenue	\$ 11,679,868
HUD operating grants	99,841,153
Other government grants	1,900,967
Other revenues	<u>113,889</u>
Total operating revenues	<u>113,535,877</u>
Operating expenses:	
Administrative	9,389,892
Tenant services	1,183,217
Utilities	6,401,043
Ordinary repairs and maintenance	11,341,967
Insurance	1,394,656
General expenses	3,151,504
Housing assistance payments	78,893,141
Depreciation	<u>5,807,284</u>
Total operating expenses	<u>117,562,704</u>
Operating loss	<u>(4,026,827)</u>
Non-operating revenues (expenses):	
Investment income	126,006
Mortgage interest income	4,615,550
Interest expense	(669,902)
Actuarial change in post-employment benefits	<u>6,211,935</u>
Net non-operating revenues (expenses)	<u>10,283,589</u>
Income before capital grants	6,256,762
Capital grants	<u>10,913,347</u>
Change in net position	17,170,109
Net position, beginning of year (as originally reported)	<u>67,827,911</u>
Prior period adjustment - correction of error	<u>1,272,000</u>
Net position, beginning of year (as restated)	<u>69,099,911</u>
Net position, end of year	<u>\$ 86,270,020</u>

See accompanying notes to financial statements

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025

Cash Flows from Operating Activities:	
Cash received from tenants and others	\$ 17,699,904
Cash received from grantors	92,976,046
Cash paid to employees	(10,867,897)
Cash paid to vendors and suppliers	<u>(109,994,074)</u>
Net cash used in operating activities	<u>(10,186,021)</u>
Cash Flows from Capital and Related Financing Activities:	
Principal payments of notes	(2,352,891)
Interest paid on notes	(580,439)
Proceeds from capital grants	10,913,347
Purchase of capital assets	<u>(12,473,951)</u>
Net cash used in capital and related financing activities	<u>(4,493,934)</u>
Cash Flows from Investing Activities:	
Investment income	126,006
Collection of notes receivable	21,938
Interest received on notes receivables	31,696
Interest received on lease receivables	<u>97,742</u>
Net cash provided by investing activities	<u>277,382</u>
Net decrease in cash and cash equivalents and restricted cash	(14,402,573)
Cash and cash equivalents and restricted cash, beginning of year	<u>28,528,842</u>
Cash and cash equivalents and restricted cash, end of year	\$ <u><u>14,126,269</u></u>
Reconciliation of cash and cash equivalents and restricted cash to the Statement of Net Position is as follows:	
Cash and cash equivalents	\$ 4,969,601
Tenant security deposits	591,716
Restricted cash	<u>8,564,952</u>
Cash and cash equivalents and restricted cash	\$ <u><u>14,126,269</u></u>

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

Reconciliation of operating loss to net cash
used in operating activities:

Operating loss	\$ (4,026,827)
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Adjustments to reconcile operating loss to net
cash used in operating activities:

Depreciation	5,807,284
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Changes in operating assets and liabilities:

Accounts receivable, net	(3,252,954)
Prepaid expenses	59,375
Inventories, net	(44,030)
Other assets	2,328,606
Deferred outflows of resources	(4,763,660)
Accounts payable	(3,282,285)
Accrued expenses	(1,796,925)
Tenant security deposits liability	65,752
Prepaid rent	30,194
Unearned revenues	(5,914,854)
Accrued compensated absences	318,920
Accrued pension liability	(611,645)
Accrued OPEB liability	11,482,450
Other liabilities	133,364
Deferred inflows of resources	<u>(6,718,786)</u>

Net cash used in operating activities	\$ <u><u>(10,186,021)</u></u>
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HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Housing Authority of the City of Jersey City (the "Authority") is a governmental, public organization 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 Jersey City, New Jersey (the "City"). The Authority is responsible for operating certain low-rent housing programs in the County under programs administered by the U.S. Department of Housing and Urban Development ("HUD"). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

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

B. Basis of Accounting / Financial Statement Presentation

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

The programs of the Authority are organized as separate accounting entities. Each program is accounted for by a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position (program equity), revenues, and expenses. The individual programs account for the governmental resources allocated to them for the purpose of carrying on specific programs in accordance with laws, regulations, or other restrictions, including those imposed by HUD. The programs of the Authority are combined and considered an enterprise fund. An enterprise fund is used to account for activities that are operated in a manner similar to those found in the private sector.

The Authority's enterprise fund is accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, and losses from assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Authority's financial statements are prepared in accordance with GASB 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended ("GASB 34"). GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows. GASB 34 also requires the Authority to include Management's Discussion and Analysis as part of the Required Supplementary Information.

The Authority's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB 33, *Accounting and Financial Reporting for Non-exchange Transactions* ("GASB 33"), grant and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements.

HOUSING AUTHORITY OF COOK COUNTY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

On January 30, 2008, HUD issued PIH Notice 2008-9 which requires that unused housing assistance payments ("HAP") under proprietary fund reporting should be reported as restricted net position, with the associated cash and investments also being reported as restricted. Any unused administrative fees should be reported as unrestricted net position, with the associated assets being reported on the financial data schedule as unrestricted.

Both administrative fee and HAP revenue continue to be recognized under the guidelines set forth in GASB 33. Accordingly, both the time and purpose restrictions as defined by GASB 33 are met when these funds are available and measurable, not when these funds are expended. The Section 8 Housing Choice Vouchers Program is no longer a cost reimbursement grant; therefore, the Authority recognizes unspent administrative fee and HAP revenue in the reporting period as revenue for financial statement reporting.

In accordance with 2 CFR 200.305(b)(9), any investment income earned up to \$500 on these funds may be retained by the Authority. Amounts in excess of \$500 must be remitted annually to the Department of Health and Human Services, Payment Management System.

Effective April 1, 2024, the Authority adopted GASB 101, Compensated Absences ("GASB 101"). GASB 101 establishes a more unified model for recognizing and measuring compensated absences, leading to more consistent and comparable financial reporting among government organizations. Key changes resulting from GASB 101 include updating the recognition and measurement of the liability, streamlining the approach and reporting process for consistency, and enhancing disclosures related to the leave types, measurement methods, and key assumptions. For the year ended March 31, 2025, the adoption of GASB 101 did not have a material effect on the financial statements of the Authority.

C. Reporting Entity

In accordance with GASB 61, *The Financial Reporting Entity Omnibus - An Amendment of GASB Statement No. 14 and No. 34*, the Authority's basic financial statements include those of the Authority and any component units. Component units are legally separate organizations whose majority of officials are appointed by the primary government or the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or impose specific financial burdens on, the primary government. An organization has a financial benefit or burden relationship with the primary government if any one of the following conditions exist:

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

Based upon 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.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Description of Programs

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

Public and Indian Housing Program

The Public and Indian Housing Program is designed to provide low-cost housing within the County. 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.

Public Housing Capital Fund Program

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

Section 8 Housing Choice Vouchers Program

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

Mainstream Vouchers

The purpose of the Mainstream Vouchers Program is to aid non-elderly persons with disabilities in obtaining decent, safe, and sanitary rental housing.

Emergency Housing Vouchers

The purpose of Emergency Housing Vouchers is to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability.

Family Self-Sufficiency Program

The purpose of the Family Self-Sufficiency ("FSS") Program is to promote the development of local strategies to coordinate the use of assistance under the Public Housing programs with public and private resources to enable participating families to increase earned income and financial literacy, reduce or eliminate the need for welfare assistance, and make progress toward economic independence and self-sufficiency.

Resident Opportunity and Supportive Services - Service Coordinators

The purpose of the Resident Opportunity and Supportive Services - Service Coordinators Program is to address the needs of Public Housing residents by providing service coordinator positions to coordinate supportive services, resident empowerment activities, and/or assisting residents in becoming economically self-sufficient or age-in-place.

Continuum of Care Program

The Continuum of Care Program is designed to promote a community-wide commitment to the goal of ending homelessness. Funds are utilized to quickly house homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effective utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Description of Programs (continued)

FSS Escrow Forfeiture Account

The funds of the FSS Escrow Forfeiture Account Program are to be used to support participants in good standing, to train FSS program coordinators or other eligible activities.

Housing Opportunities for Persons with AIDS

The purpose of the Housing Opportunities for Persons with AIDS Program is to provide resources and incentives to devise long-term comprehensive strategies for meeting the supportive housing needs of low-income persons and their families living with HIV/AIDS in order to promote positive health outcomes, prevent homelessness, and sustain housing stability for program beneficiaries.

State and Local Programs

Periodically, the Authority administers various grants from the State of New Jersey and the City. These activities are reported in this fund.

Central Office Cost Center

The Central Office Cost Center is mandated by HUD to account for "centralized" services and functions necessary to the Authority's operations. Funding for the Central Office Cost Center is in the form of fees charged to other Authority programs and activities as well as to affiliate entities. The fees charged include those specified by HUD as management fees, bookkeeping fees, asset management fees and other fees for service. HUD regulates which and how fees may be charged to HUD programs.

E. Use of Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, accrued expenses and net pension and OPEB liability, depreciable lives of properties and equipment, deferred inflows and outflows of resources, and contingencies. Actual results could differ significantly from these estimates.

F. Cash and Cash Equivalents

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

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.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash and Cash Equivalents (continued)

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

It is the Authority's policy to maintain collateralization in accordance with state and HUD requirements. For the Statement of Cash Flows, cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less at time of purchase.

G. Accounts Receivable, Net

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

The Authority recognizes a receivable from HUD and other governmental agencies for amounts earned and billed but not received and for amounts unbilled, but earned as of year end.

H. Allowance for Doubtful Accounts

The Authority periodically reviews all accounts receivable to determine the amount, if any, that may be uncollectable. If it is determined that an account or accounts may be uncollectable, the Authority prepares an analysis of such accounts and records an appropriate allowance against such amounts.

I. Prepaid Expenses

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

J. Notes Receivable

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

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Capital Assets, Net

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of capital assets, the cost and related accumulated depreciation are eliminated from the accounts and any related gain or loss is reflected in the Statement of Revenues, Expenses and Changes in Net Position. Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

• Buildings	15 Years
• Buildings Improvements	15 Years
• Furniture and Equipment	3 - 7 Years

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

L. Impairment of Long Lived Assets

The Authority evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Authority determines that a capital asset is impaired, and that the impairment is significant and other-than-temporary, then an impairment loss will be recorded in the Authority's financial statements. During the year ended March 31, 2025, no impairment losses were incurred.

M. Inventories, Net

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. As of March 31, 2025, inventories are shown net of an allowance for obsolescence of \$540,354.

N. Leases

The Authority will recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods.

The Authority will also recognize interest revenue on the lease receivable and an inflow of resources (rental revenue) from the deferred inflows of resources on a straight line basis over the term of the lease.

O. Inter-program Receivables and Payables

Inter-program receivables and payables are all classified as either current assets or current liabilities, and are the result of the use of a concentrated account depository as the common paymaster for most of the programs of the Authority. Cash settlements are made monthly. All inter-program balances are reconciled, and inter-program receivables and payables balances net to zero. In accordance with GASB 34, inter-program receivables and payables are eliminated for financial statement purposes. Detail balances by program are found in the Financial Data Schedule of this report.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Accounts Payable and Accrued Liabilities

The Authority recognizes a liability for goods and services received but not paid for as of year-end. It also recognizes a liability for wages and fringe benefits related to services performed at year-end but not yet paid to employees or taxing authorities.

Q. Prepaid Rent

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

R. Compensated Absences

Compensated absences are those absences for which employees will be paid in accordance with the Authority's Personnel Policy. 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 event take place.

S. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees Retirement System ("PERS") and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

T. Other Post Employment Benefits

For purposes of measuring the net Other Post Employment Benefits ("OPEB") liability, OPEB expense, and information about the net position of the Authority's single employer defined benefit plan (the "plan") and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the actuarial report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

U. Deferred Outflows of Resources and Deferred Inflows of Resources

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

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

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

V. Net Positions Classifications

Net position is classified in three components:

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

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

Unrestricted net position — All other resources that do not meet the definition of “restricted” or “net investment in capital assets.”

W. Use of Restricted Assets

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

X. Operating Revenues and Expenses

The Authority defines its operating revenues as income derived from charges to residents and others for services provided as well as government subsidies and grants used for operating purposes. The Authority receives annual operating subsidies from HUD, subject to limitations prescribed by HUD. Operating subsidies from HUD are recorded when received and are accounted for as revenue.

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

Y. Regulated Leases

The Authority is a lessor of residential dwelling units under regulated leases as defined by GASB 87 and as such recognizes rental revenue in accordance with the terms of the lease contract. The leases which are twelve months in length are regulated by HUD as to rent, unit size, household composition and tenant income. For the year ended March 31, 2025, rental revenue earned by the Authority under the aforementioned leases totaled \$11,303,887.

Z. Taxes

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

AA. Fair Value

The carrying amount of the Authority's financial instruments, including cash and cash equivalents, accounts receivable, notes receivable and certain investments closely approximates their fair value.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

BB. Budgets and Budgetary Accounting

The Authority is required by contractual agreements to adopt annual, appropriated operating budgets for all its programs receiving federal expenditure awards. All budgets are prepared on a HUD basis, which is materially consistent 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.

Pursuant to N.J.S.A 40A:5A-10 and N.J.A.C. 5:31, the Authority is also required to submit an authority wide budget for each fiscal year to the Director of the Division of Local Government Services sixty (60) days prior to the end of the fiscal year.

CC. Economic Dependency

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

NOTE 2. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

As of March 31, 2025, the Authority had funds on deposit in checking, savings, and money market accounts. The carrying amount of the Authority's cash and cash equivalents (including restricted cash) was \$14,126,269 and the bank balances approximated \$14,593,554.

<u>Cash Category</u>	<u>Amount</u>
Unrestricted	\$ 4,969,601
Tenant security deposits	591,716
Restricted	<u>8,564,952</u>
Total cash and cash equivalents and restricted cash	<u>\$ 14,126,269</u>

Of the Authority's bank balances, \$1,010,308 was covered by federal depository insurance and the remaining \$13,583,246 was collateralized by GUDPA as of March 31, 2025.

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, 2025, the Authority's bank balances were not exposed to custodial credit risk.

NOTE 3. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following as of March 31, 2025:

<u>Description</u>	<u>Amount</u>
Accounts receivable - HUD	\$ 4,585,870
Accounts receivable - tenants, net	715,244
Accounts receivable - miscellaneous, net	<u>119,808</u>
Total accounts receivable	<u>\$ 5,420,922</u>

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 3. ACCOUNTS RECEIVABLE, NET (continued)

Accounts Receivable - HUD

As of March 31, 2025, accounts receivable - HUD consisted of amounts due to the Authority for amounts expended under the Section 8 Housing Choice Vouchers and Mainstream Vouchers Programs that have not yet been reimbursed. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

Accounts Receivable - Tenants, Net

Tenant accounts receivable represents amounts owed to the Authority by tenants for outstanding rent. Tenant accounts receivable also includes fraud recovery, which represents amounts owed from tenants or other program participants who committed fraud or misrepresentation and now owe additional rent or retroactive rent. The balances are shown net of an allowance for doubtful accounts of \$1,086,637.

Accounts Receivable - Miscellaneous

Accounts receivable - miscellaneous consists of amounts owed by tenants for items such as late fees and key replacements. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

NOTE 4. RESTRICTED DEPOSITS

As of March 31, 2025, restricted deposits consisted of the following:

<u>Cash Category</u>	<u>Amount</u>
Housing assistance payment reserves	\$ 180,782
FSS escrows	605,274
Replacement reserve escrows	19,610
Debt service reserves	436,002
Insurance and tax escrows	381,008
Energy Performance Contract ("EPC") loan reserves	6,712,553
FSS forfeiture funds	229,723
Tenant security deposits	<u>591,716</u>
Total restricted deposits	<u>\$ 9,156,668</u>

Housing assistance payment reserves are restricted for use only in the Emergency Housing Vouchers Program for future housing assistance payments.

FSS escrows are restricted for use in the Section 8 Housing Choice Vouchers and Public and Indian Housing Programs by FSS program participants.

Replacement reserve escrows are restricted for repairs and replacement of the buildings and equipment.

Debt service escrows represent funds that are set aside to ensure that scheduled debt payments are made timely.

Insurance and tax escrows are restricted for payments of insurance and taxes.

EPC loan reserves represent unspent funds which are held in a restricted account until such time as the funds are expended to purchase energy efficient equipment at the Authority's public housing developments.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 4. RESTRICTED DEPOSITS (continued)

FSS forfeiture funds are used to fund eligible expenses of FSS participants in good standing.

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

NOTE 5. NOTES RECEIVABLE

Outstanding notes receivable and accrued interest receivable of the Authority as of March 31, 2025 consisted of the following:

On September 7, 2000 the Authority entered into a loan agreement with Preserve Lafayette, LP in the amount of \$9,982,037. The loan accrues interest at 4.53% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on December 31, 2054, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by a leasehold mortgage and security agreement. As of March 31, 2025, the accrued interest on the loan totaled \$-0-.

\$ 9,982,037

On December 1, 2024 the Authority entered into a loan agreement with Preserve Lafayette, LP in the amount of \$163,000. The loan accrues interest at 4.53% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on December 31, 2054, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by a leasehold mortgage. Accrued interest on the loan totaled \$-0- as of March 31, 2025.

163,000

On May 30, 2003 the Authority entered into a loan agreement with Lafayette Senior Living Center, LP in the amount of \$478,966, through the Replacement Housing Factor Funding Program. During construction the loan accrued interest at 1.00% per annum and does not currently bear any interest. The note matures on May 30, 2048, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$1,185 as of March 31, 2025.

478,966

On May 30, 2003 the Authority entered into a loan agreement with Lafayette Senior Living Center, LP in the amount of \$323,715. During construction the loan accrued interest at 1.00% per annum and does not currently bear any interest. The note matures on May 30, 2048, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$-0- as of March 31, 2025.

323,715

On January 2, 2007 the Authority entered into a loan agreement with Lafayette Senior Living Center, LP in the amount of \$282,000. The loan accrues interest at 4.68% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on May 30, 2048, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$428,284 as of March 31, 2025.

282,000

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 5. NOTES RECEIVABLE (continued)

On January 2, 2007 the Authority entered into a loan agreement with Lafayette Senior Living Center, LP in the amount of \$325,000. The loan is non-interest bearing and principal is payable only out of "Available Cash Flow" as defined in the agreement. The note matures on May 30, 2048, at which time the outstanding balance of principal shall be due and payable in full. The loan is collateralized by real estate.	325,000
On April 1, 2005 the Authority entered into a loan agreement with Lafayette Family Phase II Urban Renewal Associate, LP in the amount of \$5,001,149. The loan accrues interest at 4.83% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on March 31, 2047, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$7,571,784 as of March 31, 2025.	5,001,149
On December 15, 2005 the Authority entered into a loan agreement with Lafayette Family Urban Renewal Associates, LP in the original amount of \$6,239,341, subsequently reduced to \$5,259,341 in January 2008. The loan accrues interest at 5.02% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on April 1, 2047, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$8,061,549 as of March 31, 2025.	5,259,341
On December 15, 2005 the Authority entered into a loan agreement with Lafayette Family Urban Renewal Associates, LP in the amount of \$600,000. The loan accrues interest at 1.00% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on December 31, 2052, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$121,525 as of March 31, 2025.	600,000
On August 31, 2007 the Authority entered into a loan agreement with Lafayette Family Urban Renewal Associates, LP in the amount of \$240,000. The loan is non-interest bearing and is due in full upon maturity. The note matures on July 1, 2047 and is collateralized by real estate.	240,000
On May 30, 2007 the Authority entered into a loan agreement with A. Harry Moore Phase I Associates, LLC in the amount of \$2,961,966. The loan accrues interest at 6.00% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on May 30, 2047, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$4,528,878 as of March 31, 2025.	2,961,966

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 5. NOTES RECEIVABLE (continued)

On January 1, 2008 the Authority entered into a loan agreement with Lafayette Family Phase III Urban Renewal Associates, LP in the original amount of \$6,483,606. The loan accrues interest at 4.39% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on December 31, 2049, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$5,661,298 as of March 31, 2025. 5,503,606

On January 1, 2008 the Authority entered into a loan agreement with Lafayette Family Phase III Urban Renewal Associates, LP in the amount of \$1,100,000. The loan accrues interest at 1.00% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on December 31, 2049, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$183,138 as of March 31, 2025. 1,100,000

On June 13, 2008 the Authority entered into a loan agreement with A. Harry Moore Phase II Associates, LLC in the amount of \$3,024,202. The loan accrues interest at 6.25% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on June 30, 2048, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate and assignments of leases and rents. Accrued interest on the loan totaled \$5,345,901 as of March 31, 2025. 3,024,202

On June 13, 2008 the Authority entered into a loan agreement with A. Harry Moore Phase II Associates, LLC in the amount of \$750,000. The loan accrues interest at 6.25% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on June 30, 2048, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate and assignments of leases and rents. Accrued interest on the loan totaled \$1,266,933 as of March 31, 2025. 750,000

On June 13, 2008 the Authority entered into a loan agreement with A. Harry Moore Phase II Associates, LLC in the amount of \$585,000. The loan is non-interest bearing and is due in full upon maturity. The note matures on December 31, 2049 and is collateralized by real estate and assignments of leases and rents. 585,000

On February 26, 2009 the Authority entered into a loan agreement with Dwight Street Urban Renewal Associates, LP in the original amount of \$4,274,837. A principal payment in the amount of \$980,000 was paid from the final installment of limited partner equity during 2010 and was further reduced by \$370,000 to \$2,924,837. The loan accrues interest at 4.50% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on February 26, 2049, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$2,961,600 as of March 31, 2025. 2,924,837

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 5. NOTES RECEIVABLE (continued)

On February 26, 2009 the Authority entered into a loan agreement with Dwight Street Urban Renewal Associates, LP in the amount of \$500,000. The loan accrues interest at 5.00% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on February 26, 2049, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$393,959 as of March 31, 2025.	500,000
On February 26, 2009 the Authority entered into a loan agreement with Dwight Street Urban Renewal Associates, LP in the amount of \$531,000. The loan is non-interest bearing and is due in full upon maturity. The note matures on December 31, 2049 and is collateralized by real estate.	531,000
On December 29, 2009 the Authority entered into a loan agreement with Dwight Street Urban Renewal Associates, LP in the amount of \$206,500. The loan is non-interest bearing and is due in full upon maturity. The note matures on December 31, 2049 and is collateralized by real estate.	206,500
On January 1, 2011 the Authority entered into a loan agreement with Glennview Townhouses Urban Renewal Associates, LP in the amount of \$5,000,000. The loan accrues interest at 4.50% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on January 1, 2051, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$4,224,195 as of March 31, 2025.	5,000,000
On October 28, 2010 the Authority entered into a loan agreement with AHM Housing Urban Renewal Associates, LLC in the original amount of \$3,500,000. The loan accrues interest at 5.72% per annum from the date of the loan until completion. The loan bears no interest after the completion date. Principal is payable only out of "Available Cash Flow" as defined in the agreement and the note matures on October 28, 2060, at which time the outstanding balance of principal shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$-0- as of March 31, 2025.	3,337,394
On October 28, 2010 the Authority entered into a loan agreement with AHM Housing Urban Renewal Associates, LLC in the amount of \$400,000. The loan is non-interest bearing and is due in full upon maturity. The note matures on October 28, 2060 and is collateralized by real estate.	400,000
On December 1, 2014 the Authority entered into a loan agreement with Glennview Townhouses II Urban Renewal Associates, LP in the amount of \$1,541,099. The loan accrues interest at 1.00% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on December 1, 2064, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$162,142 as of March 31, 2025.	1,541,099

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 5. NOTES RECEIVABLE (continued)

On December 1, 2014 the Authority entered into a loan agreement with AHM Housing Urban Renewal Associates IV, LLC in the original amount of \$350,000. The loan accrues interest at 1.00% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on December 1, 2064, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$1,848 as of March 31, 2025.	288,789
On December 1, 2014 the Authority entered into a loan agreement with AHM Housing Urban Renewal Associates IV, LLC in the original amount of \$33,986. The loan accrues interest at 1.00% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on December 1, 2064, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$73 as of March 31, 2025.	27,097
On October 1, 2014 the Authority entered into a loan agreement with Montgomery Senior Living Center Urban Renewal Associates, LP in the amount of \$176,350. The loan accrues interest at 1.00% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on October 1, 2064, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$18,625 as of March 31, 2025.	176,350
On October 1, 2014 the Authority entered into a loan agreement with Montgomery Senior Living Center Urban Renewal Associates, LP in the amount of \$400,000. The loan accrues interest at 1.00% per annum. Principal and interest are payable only out of "Available Cash Flow" as defined in the agreement and the note matures on October 1, 2064, at which time the outstanding balance of principal and interest shall be due and payable in full. The loan is collateralized by real estate. Accrued interest on the loan totaled \$44,332 as of March 31, 2025.	400,000
On November 17, 2016 the Authority entered into a loan agreement with Montgomery Senior Living Center Urban Renewal Associates, LP in the amount of \$850,000. The loan is non-interest bearing and is due in full upon maturity. The note matures on July 31, 2067 and is collateralized by real estate.	850,000
On November 17, 2016 the Authority entered into a loan agreement with Montgomery Gardens Family Phase I Urban Renewal Associates, LP in the amount of \$1,575,000. The loan is non-interest bearing and is due in full upon maturity. The note matures on July 1, 2068 and is collateralized by real estate.	1,575,000
On April 23, 2018 the Authority entered into a loan agreement with the City in the amount of \$1,000,000. The loan is non-interest bearing and is due in full upon maturity. The note matures on April 23, 2038 and is secured by a mortgage lien on certain premises.	1,000,000

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 5. NOTES RECEIVABLE (continued)

On October 4, 2018 the Authority entered into a loan agreement with the City in the amount of \$800,000. The loan is non-interest bearing and is due in full upon maturity. The note matures on October 4, 2038 and is secured by a mortgage lien on certain premises.

	<u>800,000</u>
Total notes receivable	56,138,048
Allowance for uncollectible notes	<u>1,575,000</u>
Total notes receivable, net	<u>\$ 54,563,048</u>

As of March 31, 2025, the current portion of notes receivable amounted to \$-0- and accrued interest on the aforementioned notes receivable totaled \$40,977,249.

NOTE 6. LEASING ARRANGEMENTS

On November 1, 2015 the Authority entered into a lease agreement as a lessor with the City for the lease of office space within AMP002 Marion Gardens. The term of the lease is for 10 years from November 1, 2015 with a renewal option for 2 periods of 5 years each. An initial lease receivable was recorded in the amount of \$1,538,990. As of March 31, 2025, the value of the lease receivable was \$89,774. Beginning on the commencement of the lease term, annual rent shall be paid to the Authority in the amount of \$190,303.83 for the first three years, then increasing by 1.60% on each anniversary date. For the year ended March 31, 2025, the Authority received payments totaling \$227,725 on the lease. The implicit interest rate on the lease was 6.00%. The value of the deferred inflows of resources as of March 31, 2025 was \$131,354. For the year ended March 31, 2025, the Authority recognized lease revenue and interest income on the lease in the amounts of \$212,838 and \$14,887, respectively.

On March 1, 2019 the Authority entered into a lease agreement as a lessor with Greater Bergen Community Action, Inc. for the lease of office space within AMP002 Marion Gardens. The term of the lease is for 5 years from March 1, 2019 with a renewal option for 2 periods of 5 years each. An initial lease receivable was recorded in the amount of \$148,002. As of March 31, 2025, the value of the lease receivable was \$88,801. Beginning on the commencement of the lease term, annual rent shall be paid to the Authority in the amount of \$14,400 for the initial term, then increasing by 5.00% for each renewal option. For the year ended March 31, 2025, the Authority received payments totaling \$15,120 on the lease. The implicit interest rate on the lease was 6.00%. The value of the deferred inflows of resources as of March 31, 2025 was \$107,515. For the year ended March 31, 2025, the Authority recognized lease revenue and interest income on the lease in the amounts of \$8,394 and \$6,726, respectively.

On September 1, 2019 the Authority entered into a lease agreement as a lessor with Greater Bergen Community Action, Inc. for the lease of office space within AMP008 Currie Woods. The term of the lease is for 5 years from September 1, 2019 with a renewal option for 3 periods of 5 years each. An initial lease receivable was recorded in the amount of \$432,357. As of March 31, 2025, the value of the lease receivable was \$190,959. Beginning on the commencement of the lease term, annual rent shall be paid to the Authority in the amount of \$56,400 for the initial term, then increasing by 5.00% for each renewal option. For the year ended March 31, 2025, the Authority received payments totaling \$58,045 on the lease. The implicit interest rate on the lease was 6.00%. The value of the deferred inflows of resources as of March 31, 2025 was \$229,268. For the year ended March 31, 2025, the Authority recognized lease revenue and interest income on the lease in the amounts of \$42,863 and \$15,182, respectively.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 6. LEASING ARRANGEMENTS (continued)

On February 10, 2023 the Authority entered into a lease agreement as a lessor with the City's Department of Health and Human Services for the lease of office space within AMP004 Hudson Gardens. The term of the lease is for 10 years from February 10, 2023 with a renewal option for 1 period of 10 years. An initial lease receivable was recorded in the amount of \$1,139,746. As of March 31, 2025, the value of the lease receivable was \$892,801. Beginning on the commencement of the lease term, annual rent shall be paid to the Authority in the amount of \$140,030 for the first year, then increasing by 2.00% on each anniversary date. For the year ended March 31, 2025, the Authority received payments totaling \$143,307 on the lease. The implicit interest rate on the lease was 6.00%. The value of the deferred inflows of resources as of March 31, 2025 was \$970,561. For the year ended March 31, 2025, the Authority recognized lease revenue and interest income on the lease in the amounts of \$82,360 and \$60,947, respectively.

NOTE 7. CAPITAL ASSETS, NET

The following is a summary of the Authority's changes in capital assets during the year ended March 31, 2025:

Description	March 31, 2024	Additions	Dispositions	Transfers	March 31, 2025
<u>Non-depreciable:</u>					
Land	\$ 5,932,271	\$ -	\$ -	\$ -	\$ 5,932,271
Construction in progress	<u>6,500,668</u>	<u>11,389,877</u>	<u>-</u>	<u>(6,042,596)</u>	<u>11,847,949</u>
Subtotal	<u>12,432,939</u>	<u>11,389,877</u>	<u>-</u>	<u>(6,042,596)</u>	<u>17,780,220</u>
<u>Depreciable:</u>					
Buildings and improvements	216,091,103	1,071,987	-	6,042,596	223,205,686
Furniture and equipment	<u>8,326,100</u>	<u>12,087</u>	<u>-</u>	<u>-</u>	<u>8,338,187</u>
Subtotal	<u>224,417,203</u>	<u>1,084,074</u>	<u>-</u>	<u>6,042,596</u>	<u>231,543,873</u>
Less: accumulated depreciation	<u>173,114,055</u>	<u>5,807,284</u>	<u>-</u>	<u>-</u>	<u>178,921,339</u>
Net capital assets	<u>\$ 63,736,087</u>	<u>\$ 6,666,667</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,402,754</u>

Depreciation expense of the Authority for the year ended March 31, 2025 totaled \$5,807,284.

NOTE 8. ACCOUNTS PAYABLE

As of March 31, 2025, accounts payable consisted of the following:

<u>Description</u>	<u>Amount</u>
Accounts payable - vendors	\$ 580,847
Accounts payable - PHA projects	<u>7,142</u>
Total accounts payable	<u>\$ 587,989</u>

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 8. ACCOUNTS PAYABLE (continued)

Accounts Payable - Vendors

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

Accounts Payable - PHA Projects

Accounts payable - PHA projects represents amounts due to other PHAs under the portability provisions of the Section 8 Housing Choice Voucher Program.

NOTE 9. PAYMENTS IN LIEU OF TAXES

Under Federal, State and Local law, the Authority's programs are exempt from income, property and excise taxes. However, the Authority is required to make a payment in lieu of taxes ("PILOT") for Authority owned properties in accordance with the provisions of its Cooperation Agreement with the City. Under the Cooperation Agreement, the Authority must pay the City the lesser of 10% of its net shelter rent or the approximate full real property taxes. For the year ended March 31, 2025, PILOT expense for the Authority amounted to \$232,422.

NOTE 10. NOTES PAYABLE

Notes payable consisted of the following as of March 31, 2025:

<u>Description</u>	<u>Amount</u>
On November 23, 2010 the Authority entered into a Lease Purchase Agreement with Capital One Public Funding, LLC in the original amount of \$8,500,000 for the purchase of energy saving equipment. On July 29, 2022 the Authority refinanced the Lease Purchase Agreement with Signature Public Funding Corp. for an additional \$9,821,861 to make additional energy efficient improvements. The loan accrues interest at 3.982% per annum and matures on December 1, 2032. Monthly payments of principal and interest are due based on the payment schedule, as defined in the agreement, until maturity. The loan is secured by the leased equipment. As of March 31, 2025, the Authority has \$6,712,553 of unspent funds held in reserve that are restricted to purchase additional energy efficient equipment per the agreement.	\$ 10,141,221
On August 15, 2007 the Authority, through the Capital Fund Financing Program, financed the cost of the CFFP Project with the proceeds of its \$18,585,013 Capital Fund Program Revenue Bonds, Series 2007 Series A. Interest accrues at 5.00% and is payable semi-annually on May 1st and November 1st. The bonds mature on May 1, 2027. The bonds are nonrecourse and the funds shall be repaid solely from Capital Fund allocations received from HUD.	2,080,000
On December 6, 2017 the Authority entered into a Repayment Agreement with HUD for the overpayment of operating subsidies for Phase Down for Demolition Add-On Funding totaling \$8,230,427 during the period of April 1, 2003 through March 31, 2006. The repayment agreement is non-interest bearing and matures on December 31, 2047. Annual payments of \$275,000 are due until maturity.	6,305,428

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 10. NOTES PAYABLE (continued)

On September 14, 2000 the Authority entered into a mortgage agreement with the State of New Jersey Department of Community Affairs in the amount of \$1,073,315. The note is non-interest bearing and matures on September 1, 2022, at which time the balance is due in full. The note is secured by a mortgage on the property at 254 Bergen Ave. In September 2022 the Authority requested forgiveness of the outstanding balance, but as of March 31, 2025, no response has been provided. 420,849

On September 1, 2012 the Authority entered into a mortgage agreement with the State of New Jersey Department of Community Affairs in the amount of \$283,860. The note is non-interest bearing and matures on September 1, 2022, at which time the balance is due in full. The note is secured by a mortgage on the property at 254 Bergen Ave. In September 2022 the Authority requested forgiveness of the outstanding balance, but as of March 31, 2025, no response has been provided. 283,860

On December 29, 2005 the Authority entered into a mortgage agreement with The Community Preservation Corporation in the amount of \$1,750,000. The note accrues interest at 2.836% per annum and matures on March 1, 2036. Monthly payments of principal and interest are due based on the payment schedule, as defined in the agreement, until maturity. The note is secured by the property at 301-305 Randolph Ave. 912,603

The Authority entered into multiple mortgage agreements with the New Jersey Housing and Mortgage Finance Agency totaling \$2,450,577. The notes accrue interest at 1.00% per annum and require annual payments of 50% of the cash flow of the project, Webb Apartments. The notes mature in May 2039 and are secured by a mortgage on the Webb Apartments property. 2,871,428

The Authority entered into HOME loan agreement with the City totaling \$1,510,000. The note accrues interest at 4.11% per annum and matures in April 2037, at which time all unpaid principal and interest are due in full. The note is secured by the Webb Apartments property. 1,795,898

Total notes payable	24,811,287
Less: current portion	<u>2,900,349</u>

Notes payable, net of current portion	\$ <u><u>21,910,938</u></u>
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As of March 31, 2025, accrued interest payable totaled \$87,906 and interest expense for the year ended March 31, 2025 totaled \$669,902.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 10. NOTES PAYABLE (continued)

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,900,349	\$ 735,978	\$ 3,636,327
2027	2,326,547	647,509	2,974,056
2028	2,433,942	535,459	2,969,401
2029	1,792,464	454,498	2,246,962
2030	1,907,032	387,203	2,294,235
2031-2035	6,751,723	970,667	7,722,390
2036-2040	4,518,802	266,670	4,785,472
2041-2045	1,375,000	-	1,375,000
2046-2048	805,428	-	805,428
	<u>\$ 24,811,287</u>	<u>\$ 3,997,984</u>	<u>\$ 28,809,271</u>

NOTE 11. NON-CURRENT LIABILITIES

Financial activity for non-current liabilities of the Authority for the year ended March 31, 2025 consisted of the following:

	<u>March 31, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>March 31, 2025</u>	<u>Amounts due within one Year</u>
Accrued compensated absences	\$ 2,255,511	\$ 1,134,372	\$ (815,452)	\$ 2,574,431	\$ 257,444
Notes payable	27,066,980	97,197	(2,352,891)	24,811,286	2,900,349
Accrued interest payable	95,641	669,902	(677,637)	87,906	87,906
Accrued pension liability	16,684,586	256,822	(1,851,495)	15,089,913	-
Accrued OPEB liability	46,683,041	11,121,786	(4,667,553)	53,137,274	-
FSS escrows	759,174	321,468	(475,368)	605,274	-
Construction costs payable	-	1,096,530	-	1,096,530	1,096,530
Other miscellaneous liabilities	<u>780,991</u>	<u>306,573</u>	<u>(780,991)</u>	<u>306,573</u>	<u>306,573</u>
Total non-current liabilities	<u>\$ 94,325,924</u>	<u>\$ 15,004,650</u>	<u>\$ (11,621,387)</u>	<u>\$ 97,709,187</u>	<u>\$ 4,648,802</u>

NOTE 12. PENSION PLAN

A. Plan Description

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

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 12. PENSION PLAN (continued)

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. The following represents the membership tiers for PERS.

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

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

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

C. Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by all active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

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

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

At March 31, 2025, the Authority reported a liability of \$15,089,913, for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2023, and rolled forward to June 30, 2024.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 12. PENSION PLAN (continued)

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

For the year ended March 31, 2025, the Authority recognized pension benefit of \$983,028. At March 31, 2025, 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	\$ 18,746	\$ 171,689
Changes in Proportion	30,305	1,973,165
Differences between expected and actual experience	302,279	40,174
Net differences between projected and actual earnings on pension plan investments	<u>-</u>	<u>699,678</u>
Total	<u>\$ 351,330</u>	<u>\$ 2,884,706</u>

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

Year ending March 31:	<u>Amount</u>
2026	\$ (2,767,561)
2027	(1,544,746)
2028	2,158,680
2029	(386,319)
2030	<u>6,570</u>
	<u>\$ (2,533,376)</u>

E. Actuarial Assumptions

The collective total pension liability at the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following assumptions:

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

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

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 12. PENSION PLAN (continued)

E. Actuarial Assumptions (continued)

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

The actuarial adjustments used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

F. Long-Term Expected Rate of Return

The long-term expected rate of return is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and the Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class, including the PERS's target asset allocation as of June 30, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

G. Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 12. PENSION PLAN (continued)

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

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Authority's proportionate share of the net pension liability	\$ <u>20,219,564</u>	\$ <u>15,089,913</u>	\$ <u>10,959,723</u>

NOTE 13. OTHER POST EMPLOYMENT BENEFITS PLAN

A. Plan Description

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

B. Benefits

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

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

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

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 13. OTHER POST EMPLOYMENT BENEFITS PLAN (continued)

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

At March 31, 2025, the Authority reported a liability of \$53,137,274, for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of July 1, 2023, and rolled forward to June 30, 2024.

For the year ended March 31, 2025, the Authority recognized an OPEB benefit of \$5,228,907. At March 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Changes of Assumptions	\$ 8,883,546	\$ 8,820,452
Changes in Proportion	9,532,065	5,046,021
Differences between expected and actual experience	2,691,028	9,003,282
Net differences between projected and actual investment earnings on OPEB plan investments	-	24,053
Contributions paid subsequent to the measurement date	<u>3,836,202</u>	<u>-</u>
Total	<u>\$ 24,942,841</u>	<u>\$ 22,893,808</u>

The Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending March 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>Amount</u>
Year ending March 31:	
2026	\$ (950,269)
2027	(409,118)
2028	(70,305)
2029	(374,819)
2030	(238,797)
Thereafter	<u>256,139</u>
	<u>\$ (1,787,169)</u>

D. Actuarial Assumptions

The total OPEB liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following assumptions:

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

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 13. OTHER POST EMPLOYMENT BENEFITS PLAN (continued)

D. Actuarial Assumptions (continued)

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

Certain actuarial assumptions used in the July 1, 2023 valuation were based on the results of the PERS experience studies prepared for July 1, 2018 to June 30, 2021. 100% of active members are considered to participate in the SHBP upon retirement.

E. Discount Rate

The discount rate used to measure the total OPEB liability was 3.93% as of June 30, 2024. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

The following presents the Authority's proportionate share of the net OPEB liability calculated using the discount rate of 3.93%, as well as what the Authority's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.93%) or 1 percentage point higher (4.93%) than the current rate.

	1% Decrease <u>(2.93%)</u>	Discount Rate <u>(3.93%)</u>	1% Increase <u>(4.93%)</u>
Authority's proportionate share of the net OPEB liability	\$ <u>61,899,198</u>	\$ <u>53,137,274</u>	\$ <u>46,119,752</u>

G. Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 22.62% in fiscal year 2027 and decreased to 4.50% in fiscal year 2034. For HMO, the trend is increasing to 23.58% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.75% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 13. OTHER POST EMPLOYMENT BENEFITS PLAN (continued)

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

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Authority's proportionate share of the net OPEB liability	\$ <u>44,943,288</u>	\$ <u>53,137,274</u>	\$ <u>63,672,438</u>

NOTE 14. RESTRICTED NET POSITION

As of March 31, 2025, restricted net position consisted of the following:

<u>Description</u>	<u>Amount</u>
Housing assistance payments reserves	\$ 180,782
Replacement reserve escrows	19,610
Debt service reserves	436,002
Insurance and tax escrows	381,008
FSS forfeiture funds	<u>229,723</u>
Total restricted net position	<u>\$ 1,247,125</u>

Housing assistance payments reserves are restricted for use only in the Emergency Housing Vouchers Program for future housing assistance payments.

Replacement reserve escrows are restricted for repairs and replacement of the buildings and equipment.

Debt service reserves represent funds that are set aside to ensure that scheduled debt payments are made timely .

Insurance and tax escrows are restricted for payments of insurance and taxes.

FSS forfeiture funds are used to fund eligible expenses of FSS participants in good standing.

NOTE 15. CORRECTION OF ERRORS

Net position has been restated as of March 31, 2024 due to the correction of errors related to notes receivable of \$422,000 and notes payable of \$850,000. As a result of the correction, beginning net position was increased by \$1,272,000.

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO FINANCIAL STATEMENTS (continued)
MARCH 31, 2025

NOTE 16. RISK MANAGEMENT

The Authority is exposed to various risks related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance for all major programs and there have been no significant reductions in insurance coverage. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and said amount exceeds insurance coverage. Settlement amounts have not exceeded insurance coverage for the last three years.

NOTE 17. CONTINGENCIES

The Authority receives financial assistance from HUD in the form of grants and subsidies. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by HUD. As a result of these audits, costs previously reimbursed could be disallowed and require payments to HUD. As of March 31, 2025, the Authority estimates that no material liabilities will result from such audits.

NOTE 18. SUBSEQUENT EVENTS

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Subsequent events have been evaluated through December 29, 2025, which is the date the financial statements were available to be issued, and management concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Commissioners
Housing Authority of the City of Jersey City:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey the financial statements of the Housing Authority of the City of Jersey City (the "Authority"), as of and for the year ended March 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 29, 2025.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control that we consider to be material weaknesses, which are described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2025-003, 2025-004 and 2025-005.

Authority's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Novogradac & Company LLP

December 29, 2025
Toms River, New Jersey

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

To the Board of Commissioners
Housing Authority of the City of Jersey City:

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Jersey City's (the "Authority") compliance with the types of compliance requirements described in the Uniform Guidance and the State of New Jersey OMB Circular 15-08 that could have a direct and material effect on each of the Authority's major federal programs for the year ended March 31, 2025. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Opinion on Each Major Federal Program

Qualified Opinion

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion section of our report, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2025.

Basis for Qualified Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and the State of New Jersey OMB Circular 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Matter Giving Rise to Qualified Opinion on Each Major Federal Program

As described in the accompanying schedule of findings and questioned costs in items 2025-003, 2025-004 and 2025-005, the Authority did not comply with the eligibility and special tests and provisions compliance requirements of the Uniform Guidance regarding maintenance of tenant files, selection from the waiting list and unit inspections, respectively, as required by the Housing Vouchers Cluster. Compliance with such requirements is necessary, in our opinion, for the Authority to comply with the requirements of the programs.

Responsibility of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State of New Jersey OMB Circular 15-08 we:

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

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

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 the compliance requirements 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 reasonable possibility that material noncompliance with a compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Report on Internal Control Over Compliance (continued)

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-003, 2025-004 and 2025-005 to be material weaknesses.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Authority's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the compliance and internal control over compliance findings identified in our compliance audit and described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the State of New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Novogradac & Company LLP

December 29, 2025
Toms River, New Jersey

SUPPLEMENTARY INFORMATION

**HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2025**

<u>Federal Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Identifying Number</u>	<u>Grant Expenditures</u>
U.S. Department of Housing and Urban Development:			
Housing Voucher Cluster			
Section 8 Housing Choice Vouchers	14.871	N/A	\$ 72,572,145
Mainstream Vouchers	14.879	N/A	6,581,822
Emergency Housing Vouchers	14.EHV	N/A	<u>1,679,422</u>
Total Housing Voucher Cluster			80,833,389
Continuum of Care Program			666,580
Passed through the Hudson County Division of Community Development:			
Continuum of Care Program			<u>1,627,446</u>
Total Continuum of Care Program	14.267	N/A	2,294,026
Passed through the City of Jersey City:			
Housing Opportunities for Persons with AIDS	14.241	N/A	273,521
Public and Indian Housing Program	14.850	N/A	13,714,915
Public Housing Capital Fund Program	14.872	N/A	14,548,558
Resident Opportunity and Support Services - Service Coordinator	14.870	N/A	65,668
Family Self-Sufficiency Program	14.896	N/A	<u>381,500</u>
Total Expenditures of Federal Awards			<u>\$ 112,111,577</u>

See Notes to Schedule of Expenditures of Federal Awards.

**HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2025**

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Authority under programs of the federal government for the year ended March 31, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey OMB Circular 15-08. Because the Schedule presents only a selected portion of operations of the Authority, it is not intended to and does not present the net position, changes in net position or cash flows of the Authority. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of the financial statements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the principles contained in the Uniform Guidance, OMB Circular A-87 and the State of New Jersey OMB Circular 15-08, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3. INDIRECT COST RATE

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

HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

NOTE 4. SCHEDULE OF CAPITAL FUND COSTS AND ADVANCES

The total amounts of Capital Fund Program Costs and Advances incurred and earned by the Authority as of and for the year ended March 31, 2025 are provided herein:

	<u>501-20</u>	<u>501-21</u>	<u>501-22</u>	<u>501-23</u>	<u>501-24</u>	<u>501-24T</u>	<u>Totals</u>
<u>Budget</u>	\$ <u>6,947,147</u>	\$ <u>6,608,780</u>	\$ <u>7,707,451</u>	\$ <u>7,608,417</u>	\$ <u>7,844,572</u>	\$ <u>2,391,386</u>	\$ <u>39,107,753</u>
<u>Advances:</u>							
Cumulative through 3/31/2024	\$ 6,524,348	\$ 5,834,707	\$ 3,792,483	\$ 2,662,946	\$ -	\$ -	\$ 18,814,484
Current Period	<u>422,799</u>	<u>774,073</u>	<u>3,878,168</u>	<u>4,027,645</u>	<u>4,780,919</u>	<u>664,954</u>	<u>14,548,558</u>
Cumulative through 3/31/2025	<u>6,947,147</u>	<u>6,608,780</u>	<u>7,670,651</u>	<u>6,690,591</u>	<u>4,780,919</u>	<u>664,954</u>	<u>33,363,042</u>
<u>Costs:</u>							
Cumulative through 3/31/2024	6,524,348	5,834,707	3,792,483	2,662,946	-	-	18,814,484
Current Period	<u>422,799</u>	<u>774,073</u>	<u>3,878,168</u>	<u>4,027,645</u>	<u>4,780,919</u>	<u>664,954</u>	<u>14,548,558</u>
Cumulative through 3/31/2025	<u>6,947,147</u>	<u>6,608,780</u>	<u>7,670,651</u>	<u>6,690,591</u>	<u>4,780,919</u>	<u>664,954</u>	<u>33,363,042</u>
Excess / (Deficiency)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

Capital Fund Grants NJ39p009501-20 and NJ39P009501-21 with approved fundings of \$6,947,147 and \$6,608,780, respectively, have been fully drawn down and expended as per Capital Fund Grant Regulations.

**HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2025**

I. Summary of Auditors' Results

Financial Statement Section

- | | | |
|----|---|---------------|
| 1. | Type of auditors' report issued: | Qualified |
| 2. | Internal control over financial reporting | |
| a. | Material weakness(es) identified? | Yes |
| b. | Significant deficiency(ies) identified? | None Reported |
| 3. | Noncompliance material to the financial statements? | Yes |

Federal Awards Section

- | | | |
|----|--|---------------|
| 1. | Internal Control over compliance: | |
| a. | Material weakness(es) identified? | Yes |
| b. | Significant deficiency(ies) identified? | None Reported |
| 2. | Type of auditors' report on compliance for major programs: | Qualified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | Yes |
| 4. | Identification of major programs: | |

ALN

Name of Federal Program

Housing Voucher Cluster:

14.871

Section 8 Housing Choice Vouchers

14.879

Mainstream Vouchers

14.EHV

Emergency Housing Vouchers

- | | | |
|----|--|-------------|
| 5. | Dollar threshold used to distinguish between Type A and Type B Programs: | \$3,000,000 |
| 6. | Auditee qualified as low-risk Auditee? | No |

**HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025**

II. Financial Statement Findings

Finding 2025-001

Criteria: The Authority did not maintain adequate internal controls over financial reporting.

Condition: During audit testing we noted the following:

- The Authority recorded a prior period adjustment in order to correct misstatements of notes receivable, notes payable, and net position.
- Numerous adjusting journal entries were required to present the Authority's financial statements in accordance with GAAP.

Cause: A lack of internal control procedures in the finance department resulted in a material weakness in internal controls as periodic account reconciliations were not being performed in a timely manner.

Effect: The Authority was unable to close their accounting records in a timely manner and have their records ready for the audit.

Recommendation: We recommend that the Authority institute procedures whereby financial statements and general ledger accounts will be reviewed at least monthly for accuracy and reconciled to their subsidiary ledgers.

Authority's Response: The Authority agrees with the finding and is in process of assessing and modifying internal controls to avoid similar issues. The Authority will reconcile the statement of financial position and key account balances on an ongoing and periodic basis, by implementing a month-end close accounting checklist. The Authority will reconcile account balances following any large and unusual adjusting entries.

Finding 2025-002

Criteria: The Authority's approved Procurement Policy requires that procurement by non-competitive proposals (sole-source) may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, competitive purchasing, or competitive proposals, and if one of the following applies:

1. The item is available only from a single source, based on a good faith review of available sources;
2. An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the Authority, as may arise by reason of a flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any of the other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary simply to meet the emergency;
3. HUD authorizes the use of non-competitive proposals; or
4. After solicitation of a number of sources, competition is determined inadequate.

In addition, the Authority must maintain records sufficient to detail the history of procurement. These records should include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for contract price. The Authority has adopted a procurement policy that requires the Authority to meet certain conditions in order to use their sole-source procurement. The Authority must also obtain approval from the board of commissioners prior to entering into contract.

**HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025**

II. Financial Statement Findings (continued)

Finding 2025-002 (continued)

Condition: Based upon review of the Authority's vendor history report, there were nine (9) vendors who were contracted utilizing non competitive (sole source) proposals in violation of the Authority's approved Procurement Policy.

Context: As part of the vendor history report review, we selected a sample of vendors that were paid in excess of the Authority's procurement threshold during the audit period. Based on the Authority's vendor history report, there were three hundred seventy four (374) vendors paid in excess of the Authority's procurement threshold during the audit period. Of a sample size of twenty five (25) vendors, nine (9) vendors were paid in excess of their contracted amounts.

Cause: The Authority did not comply with their approved Procurement Policy which was approved by the Board of Commissioners.

Effect: The Authority's non-compliance with their Procurement Policy resulted in a material weakness in internal controls that precluded other potential bidders from qualifying for the award and thus potentially providing a better price and service to the Authority.

Recommendation: We recommend the Authority design and implement internal control procedures that will reasonably assure compliance with the Authority's Procurement Policy.

Authority's Response: Management agrees with the Auditors' finding and will implement the required safeguards to ensure that the Authority follows its approved Procurement Policy to remedy the aforementioned deficiencies.

Findings 2025-003, 2025-004 and 2025-005 listed below are also required to be reported in accordance with *Government Auditing Standards*.

III. Federal Award Findings and Questioned Costs

Finding 2025-003

Federal Agency: U.S. Department of Housing and Urban Development
Federal Program Titles: Housing Voucher Cluster - Section 8 Housing Choice Vouchers, Mainstream Vouchers, and Emergency Housing Vouchers
Federal Assistance Listing Numbers: 14.871, 14.879, and 14.EHV
Noncompliance - E. Eligibility - Tenant Files
Non Compliance Material to the Financial Statements: Yes
Material Weakness in Internal Control over Compliance for Eligibility

Criteria: Tenant Files. The PHA must do the following: As a condition of admission or continued occupancy, require the tenant and other family members to provide necessary information, documentation, and releases for the PHA to verify income eligibility (24 CFR sections 5.230, 5.609, and 982.516). These files are required to be maintained and available for examination at the time of audit.

Condition: Based upon inspection of the Authority's files and on discussion with management, there were documents that were unavailable for examination at the time of audit.

Context: There are approximately four thousand eight hundred forty six (4,846) Housing Voucher Cluster units. Of a sample size of forty eight (48) tenant files, five (5) tenants' HUD-50058 forms included income that was miscalculated during their annual reexamination.

**HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025**

III. Federal Award Findings and Questioned Costs (continued)

Finding 2025-003 (continued)

Our sample size is statistically valid.

Known Questioned Costs: \$92,856

Cause: There is a material weakness in internal controls over the compliance for the eligibility type of compliance related to the maintenance of tenant files. The Authority has not properly considered, designed, implemented, maintained and monitored a system of internal controls that reasonably assures the program is in compliance.

Effect: The Housing Voucher Cluster is in material non-compliance with the eligibility type of compliance related to the maintenance of tenant files.

Recommendation: We recommend the Authority design and implement internal control procedures that will reasonably assure compliance with the Uniform Guidance and the compliance supplement.

Authority's Response: The Authority accepts the recommendation of the auditor. The Authority will increase oversight in the Housing Voucher Cluster to ensure that established internal control policies are being followed on a timely basis.

Finding 2025-004

Federal Agency: U.S. Department of Housing and Urban Development
Federal Program Titles: Housing Voucher Cluster - Section 8 Housing Choice Vouchers, Mainstream Vouchers, and Emergency Housing Vouchers
Federal Assistance Listing Numbers: 14.871, 14.879, and 14.EHV
Noncompliance - N. Special Tests and Provisions - Selection from the Waiting List
Non Compliance Material to the Financial Statements: Yes
Material Weakness in Internal Control over Compliance for Special Tests and Provisions

Criteria: Selections from the Waiting List. The PHA must have written policies in its Section 8 Administrative Plan for selecting applicants from the waiting list and PHA documentation must show that the PHA follows these policies when selecting applicants from the waiting list. Except for as provided in 24 CFR section 982.203 (Special admission (non-waiting list), all families admitted to the program must be selected from the waiting list. "Selection" from the waiting list generally occurs when the PHA notifies a family whose name reaches the top of the waiting list to come in to verify eligibility for admission (24CFR sections 5.410, 982.54(d), and 982.201 through 982.207).

Condition: Based upon inspection of the waiting list provided to us during the time of audit, the new move-in list and discussions with management, it could not be determined with any certainty that certain new move-ins to the Housing Voucher Cluster were selected from the waiting list in an order that is in accordance with the Authority's Section 8 Administrative Plan.

Context: There were approximately three hundred fifteen (315) newly leased Housing Voucher Cluster units. Of a sample size of twenty five (25) new move-ins, nineteen (19) could not be determined to be housed in proper order from the Authority's waiting list.

Our sample size is statistically valid.

Known Questioned Costs: \$368,136

**HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025**

III. Federal Award Findings and Questioned Costs (continued)

Finding 2025-004 (continued)

Cause: There is a material weakness in internal controls over the compliance for the special tests and provisions type of compliance related to selection from the waiting list. The Authority has not properly housed applicants in compliance with program requirements.

Effect: The Housing Voucher Cluster is in material non-compliance with the special tests and provisions type of compliance related to selection from the waiting list.

Recommendation: We recommend the Authority design and implement internal control procedures that will reasonably assure compliance with the Uniform Guidance and the compliance supplement.

Authority's Response: The Authority accepts the recommendation of the auditor. The Authority will increase oversight in the Housing Voucher Cluster to ensure that established internal control policies are being followed on a timely basis.

Finding 2025-005

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Titles: Housing Voucher Cluster - Section 8 Housing Choice Vouchers, Mainstream
Vouchers and Emergency Housing Vouchers Programs

Federal Assistance Listing Number: 14.871, 14.879 and 14.EHV

Noncompliance – N. Special Tests and Provisions – Housing Quality Standards Inspections

Non Compliance Material to the Financial Statements: Yes

Material Weakness in Internal Control over Compliance for Special Tests and Provisions

Criteria: Housing Quality Standards Inspections. The PHA must inspect the unit leased to a family at least annually to determine if the unit meets the Housing Quality Standards (HQS) and the PHA must conduct quality control re-inspections. The PHA must prepare a unit inspection report (24 CFR sections 982.158(d) and 982.405(b)). For units that fail inspection the PHA must correct all life threatening HQS deficiencies within 24 hours and all other deficiencies within 30 days.

Condition: Based upon inspection of the Authority's files and on discussion with management, there were units that were not inspected within the annual inspection period.

Context: There are approximately four thousand eight hundred forty six (4,846) Housing Voucher Cluster units. Of a sample size of forty eight (48) tenant files, nine (9) annual inspections were not completed in a timely manner.

Our sample size is statistically valid.

Known Questioned Costs: \$166,632

Cause: There is a material weakness in internal controls for the Housing Voucher Cluster over the compliance for the special tests and provisions type of compliance related to HQS inspections. The Authority has not properly performed annual HQS inspections in compliance with program requirements.

Effect: The Housing Voucher Cluster is in non-compliance with the special tests and provisions type of compliance related to HQS inspections.

Recommendation: We recommend the Authority design and implement internal control procedures that will reasonably assure compliance with the Uniform Guidance and the compliance supplement.

HOUSING AUTHORITY OF COOK COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
FOR THE YEAR ENDED MARCH 31, 2025

III. Federal Award Findings and Questioned Costs (continued)

Finding 2025-005 (continued)

Authority's Response: The Authority has recognized the material weakness in the Housing Voucher Cluster and will implement internal control procedures that will ensure compliance with federal regulations.

IV. Schedule of Prior Year Federal Audit Findings

Finding 2024-001

Observation: The Authority did not have appropriate controls in place to compile and monitor the compilation of the Authority's financial statements for March 31, 2024. The result of the inaction caused a two-year delay in the issuance of the Authority's audit report in addition to impeding management's ability to assess the financial condition of the Authority.

Status: Finding has been cleared.

Finding 2024-002

Observation: Authorities that administer Housing Voucher Cluster programs are required to submit form 526871-B electronically through the Voucher Management System ("VMS") on a monthly basis as required by 24 CFR 5.801. This data is used to determine future renewal funding levels as well as monitoring and SEMAP related decisions. HUD relies on this data to determine the reasonableness of data submitted for calculating funding of the programs. Based on our audit we determined that there is a difference in excess of \$1,000,000 between what was reported in the VMS and the Financial Data Schedule. The Authority failed to reconcile this difference.

Status: Finding has been cleared.

Finding 2024-003

Observation: Authorities that administer the Public and Indian Housing Program are required to provide HUD with accurate information related to families residing in the program's units, including information on income, rent computations, and family status. This information is provided electronically via the HUD-50058 form. Based on our audit we determined that the Authority is not processing changes in head of household as prescribed by HUD regulations causing data reported to PIC to be inaccurate.

Status: Finding has been cleared.

**HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
REQUIRED PENSION INFORMATION
MARCH 31, 2025**

SCHEDULE OF AUTHORITY CONTRIBUTIONS FOR THE LAST TEN FISCAL YEARS

	March 31, <u>2016</u>	March 31, <u>2017</u>	March 31, <u>2018</u>	March 31, <u>2019</u>	March 31, <u>2020</u>	March 31, <u>2021</u>	March 31, <u>2022</u>	March 31, <u>2023</u>	March 31, <u>2024</u>	March 31, <u>2025</u>
Contractually required contribution	\$ 1,123,862	\$ 1,028,449	\$ 1,191,422	\$ 1,279,078	\$ 1,456,315	\$ 1,456,315	\$ 1,519,275	\$ 1,550,163	\$ 1,539,549	\$ 1,511,119
Contributions in relation to the contractually required contribution	<u>1,123,862</u>	<u>1,028,449</u>	<u>1,191,422</u>	<u>1,279,078</u>	<u>1,456,315</u>	<u>1,456,315</u>	<u>1,519,275</u>	<u>1,550,163</u>	<u>1,539,549</u>	<u>1,511,119</u>
(Over) / under funded	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Authority's covered-employee payroll	\$ <u>9,411,623</u>	\$ <u>9,856,186</u>	\$ <u>10,316,181</u>	\$ <u>10,559,821</u>	\$ <u>10,559,821</u>	\$ <u>10,454,848</u>	\$ <u>9,276,108</u>	\$ <u>8,599,279</u>	\$ <u>10,114,783</u>	\$ <u>12,089,677</u>
Contributions as a percentage of covered-employee payroll	<u>11.94 %</u>	<u>10.43 %</u>	<u>11.55 %</u>	<u>12.11 %</u>	<u>13.79 %</u>	<u>13.93 %</u>	<u>16.38 %</u>	<u>18.03 %</u>	<u>15.22 %</u>	<u>12.50 %</u>

See report of independent auditors.

**HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
REQUIRED PENSION INFORMATION (continued)
MARCH 31, 2025**

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

	March 31, <u>2016</u>	March 31, <u>2017</u>	March 31, <u>2018</u>	March 31, <u>2019</u>	March 31, <u>2020</u>	March 31, <u>2021</u>	March 31, <u>2022</u>	March 31, <u>2023</u>	March 31, <u>2024</u>	March 31, <u>2025</u>
Authority's proportion of the net pension liability	<u>0.1260 %</u>	<u>0.1210 %</u>	<u>0.1286 %</u>	<u>0.1286 %</u>	<u>0.1331 %</u>	<u>0.1331 %</u>	<u>0.1297 %</u>	<u>0.1229 %</u>	<u>0.1156 %</u>	<u>0.1111 %</u>
Authority's proportionate share of the net pension liability	<u>\$ 28,291,027</u>	<u>\$ 35,829,504</u>	<u>\$ 29,938,044</u>	<u>\$ 25,319,184</u>	<u>\$ 21,709,126</u>	<u>\$ 20,719,128</u>	<u>\$ 15,368,321</u>	<u>\$ 18,511,311</u>	<u>\$ 16,684,586</u>	<u>\$ 15,089,913</u>
Authority's covered-employee payroll	<u>\$ 9,411,623</u>	<u>\$ 9,856,186</u>	<u>\$ 10,316,181</u>	<u>\$ 10,559,821</u>	<u>\$ 10,559,821</u>	<u>\$ 10,454,848</u>	<u>\$ 9,276,108</u>	<u>\$ 8,599,279</u>	<u>\$ 10,114,783</u>	<u>\$ 12,089,677</u>
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>300.60 %</u>	<u>363.52 %</u>	<u>290.20 %</u>	<u>239.77 %</u>	<u>205.58 %</u>	<u>198.18 %</u>	<u>165.68 %</u>	<u>215.27 %</u>	<u>164.95 %</u>	<u>124.82 %</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>47.93 %</u>	<u>40.14 %</u>	<u>48.10 %</u>	<u>53.60 %</u>	<u>58.32 %</u>	<u>58.00 %</u>	<u>70.33 %</u>	<u>62.91 %</u>	<u>65.23 %</u>	<u>68.22 %</u>

See report of independent auditors.

**HOUSING AUTHORITY OF THE CITY OF JERSEY CITY
REQUIRED OTHER POST EMPLOYMENT BENEFITS INFORMATION
MARCH 31, 2025**

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

	March 31, <u>2018</u>	March 31, <u>2019</u>	March 31, <u>2020</u>	March 31, <u>2021</u>	March 31, <u>2022</u>	March 31, <u>2023</u>	March 31, <u>2024</u>	March 31, <u>2025</u>
Statutorily required contribution	\$ 4,839,321	\$ 4,670,337	\$ 4,530,885	\$ 4,630,700	\$ 4,189,809	\$ 3,979,313	\$ 4,098,692	\$ 4,667,553
Contributions in relation to the statutorily required contribution	<u>4,839,321</u>	<u>4,670,337</u>	<u>4,530,885</u>	<u>4,630,700</u>	<u>4,189,809</u>	<u>3,979,313</u>	<u>4,098,692</u>	<u>4,667,553</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Authority's covered-employee payroll	\$ <u>10,316,181</u>	\$ <u>10,559,821</u>	\$ <u>10,422,333</u>	\$ <u>10,454,808</u>	\$ <u>9,276,108</u>	\$ <u>8,599,279</u>	\$ <u>10,114,783</u>	\$ <u>12,089,677</u>
Contributions as a percentage of covered-employee payroll	<u>46.91 %</u>	<u>44.23 %</u>	<u>43.47 %</u>	<u>44.29 %</u>	<u>45.17 %</u>	<u>46.27 %</u>	<u>40.52 %</u>	<u>38.61 %</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
REQUIRED OTHER POST EMPLOYMENT BENEFITS INFORMATION (continued)
MARCH 31, 2025

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

	March 31, <u>2018</u>	March 31, <u>2019</u>	March 31, <u>2020</u>	March 31, <u>2021</u>	March 31, <u>2022</u>	March 31, <u>2023</u>	March 31, <u>2024</u>	March 31, <u>2025</u>
Authority's proportion of the net OPEB liability	<u>0.2593 %</u>	<u>0.2742 %</u>	<u>0.2557 %</u>	<u>0.2774 %</u>	<u>0.2672 %</u>	<u>0.2673 %</u>	<u>0.3124 %</u>	<u>0.2968 %</u>
Authority's proportionate share of the net OPEB liability	<u>\$ 52,928,545</u>	<u>\$ 42,962,410</u>	<u>\$ 34,642,993</u>	<u>\$ 49,775,290</u>	<u>\$ 48,091,096</u>	<u>\$ 43,164,962</u>	<u>\$ 46,883,731</u>	<u>\$ 53,137,274</u>
Authority's covered-employee payroll	<u>\$ 10,316,181</u>	<u>\$ 10,559,821</u>	<u>\$ 10,422,333</u>	<u>\$ 10,454,808</u>	<u>\$ 9,276,108</u>	<u>\$ 8,599,279</u>	<u>\$ 10,114,783</u>	<u>\$ 12,089,677</u>
Authority's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	<u>513.06 %</u>	<u>406.85 %</u>	<u>332.39 %</u>	<u>476.10 %</u>	<u>518.44 %</u>	<u>501.96 %</u>	<u>463.52 %</u>	<u>439.53 %</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>1.03 %</u>	<u>1.97 %</u>	<u>1.98 %</u>	<u>0.91 %</u>	<u>0.28 %</u>	<u>0.36 %</u>	<u>(0.79)%</u>	<u>0.89 %</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 (NJ009)

Jersey City, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 3/31/2025

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.EFA FSS Escrow Forfeiture Account	14.267 Continuum of Care Program
111 Cash - Unrestricted	\$873,272	\$80,746	\$326,337	\$0	\$0	\$0
112 Cash - Restricted - Modernization and Development	\$10,307	\$0	\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$7,098,033	\$0	\$473,740	\$0	\$229,723	\$0
114 Cash - Tenant Security Deposits	\$513,561	\$0	\$78,155	\$0	\$0	\$0
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0
100 Total Cash	\$8,495,173	\$80,746	\$878,232	\$0	\$229,723	\$0
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$197,791	\$0	\$0	\$0	\$0
124 Accounts Receivable - Other Government	\$0	\$0	\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$119,808	\$0	\$0	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$1,519,519	\$0	\$87,372	\$0	\$0	\$0
126.1 Allowance for Doubtful Accounts - Tenants	-\$937,002	\$0	-\$52,937	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$256,852	\$0	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$1,257	\$0	\$0	\$0	\$0
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	\$0	\$0
129 Accrued Interest Receivable	\$0	\$0	\$0	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$959,177	\$199,048	\$34,435	\$0	\$0	\$0
131 Investments - Unrestricted	\$0	\$0	\$0	\$0	\$0	\$0
132 Investments - Restricted	\$0	\$0	\$0	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$0	\$0	\$0	\$0	\$0	\$0
143 Inventories	\$1,134,193	\$0	\$132,578	\$0	\$0	\$0
143.1 Allowance for Obsolete Inventories	-\$483,677	\$0	-\$53,031	\$0	\$0	\$0
144 Inter Program Due From	\$839,120	\$0	\$0	\$0	\$118,250	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0
150 Total Current Assets	\$10,943,986	\$279,794	\$992,214	\$0	\$347,973	\$0
161 Land	\$3,563,235	\$0	\$1,472,667	\$0	\$0	\$0
162 Buildings	\$201,074,971	\$0	\$8,459,665	\$0	\$0	\$0
163 Furniture, Equipment & Machinery - Dwellings	\$7,096,823	\$0	\$0	\$0	\$0	\$0
164 Furniture, Equipment & Machinery - Administration	\$0	\$0	\$246,180	\$0	\$0	\$0
165 Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	-\$157,763,372	\$0	-\$7,076,604	\$0	\$0	\$0
167 Construction in Progress	\$11,389,877	\$0	\$458,072	\$0	\$0	\$0
168 Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$65,361,534	\$0	\$3,559,980	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current	\$94,745,780	\$0	\$1,800,000	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0	\$0
174 Other Assets	\$0	\$0	\$0	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$160,107,314	\$0	\$5,359,980	\$0	\$0	\$0
200 Deferred Outflow of Resources	\$7,738,448	\$0	\$735,528	\$0	\$0	\$0
290 Total Assets and Deferred Outflow of Resources	\$178,789,748	\$279,794	\$7,087,722	\$0	\$347,973	\$0

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 3/31/2025

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.EFA FSS Escrow Forfeiture Account	14.267 Continuum of Care Program
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$479,917	\$0	\$0	\$0	\$0	\$0
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$189,311	\$0	\$17,419	\$0	\$0	\$0
322 Accrued Compensated Absences - Current Portion	\$94,902	\$0	\$3,106	\$0	\$0	\$0
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$85,339	\$0	\$2,567	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$0	\$0
333 Accounts Payable - Other Government	\$0	\$0	\$0	\$0	\$0	\$0
341 Tenant Security Deposits	\$513,561	\$0	\$78,155	\$0	\$0	\$0
342 Unearned Revenue	\$76,179	\$0	\$10,253	\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$1,850,226	\$0	\$775,123	\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$275,000	\$0	\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$1,096,952	\$0	\$0	\$0	\$0	\$0
346 Accrued Liabilities - Other	\$295,443	\$0	\$10,708	\$0	\$0	\$0
347 Inter Program - Due To	\$0	\$51,257	\$19,307	\$0	\$0	\$0
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$4,956,830	\$51,257	\$916,638	\$0	\$0	\$0
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$15,038,318	\$0	\$842,190	\$0	\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$6,030,430	\$0	\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$32,907	\$0	\$0	\$0	\$0	\$0
354 Accrued Compensated Absences - Non Current	\$854,113	\$0	\$27,955	\$0	\$0	\$0
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$20,873,289	\$0	\$1,983,977	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$42,829,057	\$0	\$2,854,122	\$0	\$0	\$0
300 Total Liabilities	\$47,785,887	\$51,257	\$3,770,760	\$0	\$0	\$0
400 Deferred Inflow of Resources	\$9,325,326	\$0	\$749,612	\$0	\$0	\$0
508.4 Net Investment in Capital Assets	\$61,490,971	\$0	\$1,942,667	\$0	\$0	\$0
511.4 Restricted Net Position	\$362,880	\$0	\$473,740	\$0	\$229,723	\$0
512.4 Unrestricted Net Position	\$59,824,684	\$228,537	\$150,943	\$0	\$118,250	\$0
513 Total Equity - Net Assets / Position	\$121,678,535	\$228,537	\$2,567,350	\$0	\$347,973	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$178,789,748	\$279,794	\$7,087,722	\$0	\$347,973	\$0

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 3/31/2025

	8 Other Federal Program 1	21.023 Emergency Rental Assistance Program	14.870 Resident Opportunity and Supportive Services	32.001 Communications Information and Assistance and Investigation of	14.871 Housing Choice Vouchers
111 Cash - Unrestricted	\$0	\$0	\$0	\$0	\$850,913
112 Cash - Restricted - Modernization and Development	\$0	\$0	\$0	\$0	\$0
113 Cash - Other Restricted	\$0	\$0	\$0	\$0	\$572,367
114 Cash - Tenant Security Deposits	\$0	\$0	\$0	\$0	\$0
115 Cash - Restricted for Payment of Current Liabilities	\$0	\$0	\$0	\$0	\$0
100 Total Cash	\$0	\$0	\$0	\$0	\$1,423,280
121 Accounts Receivable - PHA Projects	\$0	\$0	\$0	\$0	\$0
122 Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$0	\$4,388,079
124 Accounts Receivable - Other Government	\$0	\$0	\$0	\$0	\$0
125 Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$0	\$0
126 Accounts Receivable - Tenants	\$0	\$0	\$0	\$0	\$0
126.1 Allowance for Doubtful Accounts -Tenants	\$0	\$0	\$0	\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current	\$0	\$0	\$0	\$0	\$0
128 Fraud Recovery	\$0	\$0	\$0	\$0	\$193,396
128.1 Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	-\$96,698
129 Accrued Interest Receivable	\$0	\$0	\$0	\$0	\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$0	\$0	\$4,484,777
131 Investments - Unrestricted	\$0	\$0	\$0	\$0	\$0
132 Investments - Restricted	\$0	\$0	\$0	\$0	\$0
135 Investments - Restricted for Payment of Current Liability	\$0	\$0	\$0	\$0	\$0
142 Prepaid Expenses and Other Assets	\$0	\$0	\$0	\$0	\$0
143 Inventories	\$0	\$0	\$0	\$0	\$0
143.1 Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0
144 Inter Program Due From	\$0	\$0	\$0	\$0	\$0
145 Assets Held for Sale	\$0	\$0	\$0	\$0	\$0
150 Total Current Assets	\$0	\$0	\$0	\$0	\$5,908,057
161 Land	\$0	\$0	\$0	\$0	\$0
162 Buildings	\$0	\$0	\$0	\$0	\$0
163 Furniture, Equipment & Machinery - Dwellings	\$0	\$0	\$0	\$0	\$0
164 Furniture, Equipment & Machinery - Administration	\$0	\$0	\$0	\$0	\$258,637
165 Leasehold Improvements	\$0	\$0	\$0	\$0	\$0
166 Accumulated Depreciation	\$0	\$0	\$0	\$0	-\$251,677
167 Construction in Progress	\$0	\$0	\$0	\$0	\$0
168 Infrastructure	\$0	\$0	\$0	\$0	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$6,960
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0	\$0	\$0	\$0	\$0
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	\$0	\$0	\$0	\$0	\$0
173 Grants Receivable - Non Current	\$0	\$0	\$0	\$0	\$0
174 Other Assets	\$0	\$0	\$0	\$0	\$0
176 Investments in Joint Ventures	\$0	\$0	\$0	\$0	\$0
180 Total Non-Current Assets	\$0	\$0	\$0	\$0	\$6,960
200 Deferred Outflow of Resources	\$0	\$0	\$0	\$0	\$3,606,141
290 Total Assets and Deferred Outflow of Resources	\$0	\$0	\$0	\$0	\$9,521,158

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 3/31/2025

	8 Other Federal Program 1	21.023 Emergency Rental Assistance Program	14.870 Resident Opportunity and Supportive Services	32.001 Communications Information and Assistance and Investigation of	14.871 Housing Choice Vouchers
311 Bank Overdraft	\$0	\$0	\$0	\$0	\$0
312 Accounts Payable <= 90 Days	\$0	\$0	\$0	\$0	\$47,418
313 Accounts Payable >90 Days Past Due	\$0	\$0	\$0	\$0	\$0
321 Accrued Wage/Payroll Taxes Payable	\$0	\$0	\$0	\$0	\$61,987
322 Accrued Compensated Absences - Current Portion	\$0	\$0	\$0	\$0	\$24,682
324 Accrued Contingency Liability	\$0	\$0	\$0	\$0	\$0
325 Accrued Interest Payable	\$0	\$0	\$0	\$0	\$0
331 Accounts Payable - HUD PHA Programs	\$0	\$0	\$0	\$0	\$0
332 Account Payable - PHA Projects	\$0	\$0	\$0	\$0	\$7,142
333 Accounts Payable - Other Government	\$0	\$0	\$0	\$0	\$0
341 Tenant Security Deposits	\$0	\$0	\$0	\$0	\$0
342 Unearned Revenue	\$0	\$0	\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
344 Current Portion of Long-term Debt - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
345 Other Current Liabilities	\$0	\$0	\$0	\$0	\$0
346 Accrued Liabilities - Other	\$0	\$0	\$0	\$0	\$0
347 Inter Program - Due To	\$0	\$0	\$0	\$0	\$230,048
348 Loan Liability - Current	\$0	\$0	\$0	\$0	\$0
310 Total Current Liabilities	\$0	\$0	\$0	\$0	\$371,277
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	\$0	\$0	\$0	\$0	\$0
352 Long-term Debt, Net of Current - Operating Borrowings	\$0	\$0	\$0	\$0	\$0
353 Non-current Liabilities - Other	\$0	\$0	\$0	\$0	\$572,367
354 Accrued Compensated Absences - Non Current	\$0	\$0	\$0	\$0	\$222,134
355 Loan Liability - Non Current	\$0	\$0	\$0	\$0	\$0
356 FASB 5 Liabilities	\$0	\$0	\$0	\$0	\$0
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$9,727,018
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$10,521,519
300 Total Liabilities	\$0	\$0	\$0	\$0	\$10,892,796
400 Deferred Inflow of Resources	\$0	\$0	\$0	\$0	\$3,675,193
508.4 Net Investment in Capital Assets	\$0	\$0	\$0	\$0	\$6,960
511.4 Restricted Net Position	\$0	\$0	\$0	\$0	\$0
512.4 Unrestricted Net Position	\$0	\$0	\$0	\$0	-\$5,053,791
513 Total Equity - Net Assets / Position	\$0	\$0	\$0	\$0	-\$5,046,831
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$0	\$0	\$0	\$9,521,158

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 3/31/2025

	14.EHV Emergency Housing Voucher	14.241 Housing Opportunities for Persons with AIDS	COCC	ELIM	Total
111 Cash - Unrestricted	\$0	\$273,536	\$2,564,797		\$4,969,601
112 Cash - Restricted - Modernization and Development			\$0		\$10,307
113 Cash - Other Restricted	\$180,782		\$0		\$8,554,645
114 Cash - Tenant Security Deposits			\$0		\$591,716
115 Cash - Restricted for Payment of Current Liabilities			\$0		\$0
100 Total Cash	\$180,782	\$273,536	\$2,564,797	\$0	\$14,126,269
121 Accounts Receivable - PHA Projects			\$0		\$0
122 Accounts Receivable - HUD Other Projects			\$0		\$4,585,870
124 Accounts Receivable - Other Government			\$0		\$0
125 Accounts Receivable - Miscellaneous			\$0		\$119,808
126 Accounts Receivable - Tenants			\$0		\$1,606,891
126.1 Allowance for Doubtful Accounts -Tenants			\$0		-\$989,939
126.2 Allowance for Doubtful Accounts - Other			\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current			\$0		\$256,852
128 Fraud Recovery	\$337		\$0		\$194,990
128.1 Allowance for Doubtful Accounts - Fraud	\$0		\$0		-\$96,698
129 Accrued Interest Receivable			\$0		\$0
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$337	\$0	\$0	\$0	\$5,677,774
131 Investments - Unrestricted			\$0		\$0
132 Investments - Restricted			\$0		\$0
135 Investments - Restricted for Payment of Current Liability			\$0		\$0
142 Prepaid Expenses and Other Assets			\$211,114		\$211,114
143 Inventories			\$18,229		\$1,285,000
143.1 Allowance for Obsolete Inventories			-\$3,646		-\$540,354
144 Inter Program Due From	\$182,362		\$0	-\$1,139,732	\$0
145 Assets Held for Sale			\$0		\$0
150 Total Current Assets	\$363,481	\$273,536	\$2,790,494	-\$1,139,732	\$20,759,803
161 Land			\$896,369		\$5,932,271
162 Buildings			\$13,671,050		\$223,205,686
163 Furniture, Equipment & Machinery - Dwellings			\$0		\$7,096,823
164 Furniture, Equipment & Machinery - Administration			\$736,547		\$1,241,364
165 Leasehold Improvements			\$0		\$0
166 Accumulated Depreciation			-\$13,829,686		-\$178,921,339
167 Construction in Progress			\$0		\$11,847,949
168 Infrastructure			\$0		\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$1,474,280	\$0	\$70,402,754
171 Notes, Loans and Mortgages Receivable - Non-Current			\$0		\$96,545,780
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			\$0		\$0
173 Grants Receivable - Non Current			\$0		\$0
174 Other Assets			\$0		\$0
176 Investments in Joint Ventures			\$0		\$0
180 Total Non-Current Assets	\$0	\$0	\$1,474,280	\$0	\$166,948,534
200 Deferred Outflow of Resources			\$13,214,054	\$0	\$25,294,171
290 Total Assets and Deferred Outflow of Resources	\$363,481	\$273,536	\$17,478,828	-\$1,139,732	\$213,002,508

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 3/31/2025

	14.EHV Emergency Housing Voucher	14.241 Housing Opportunities for Persons with AIDS	COCC	ELIM	Total
311 Bank Overdraft			\$0		\$0
312 Accounts Payable <= 90 Days		\$50,509	\$3,003		\$580,847
313 Accounts Payable >90 Days Past Due			\$0		\$0
321 Accrued Wage/Payroll Taxes Payable			\$271,234		\$539,951
322 Accrued Compensated Absences - Current Portion			\$134,754		\$257,444
324 Accrued Contingency Liability			\$0		\$0
325 Accrued Interest Payable			\$0		\$87,906
331 Accounts Payable - HUD PHA Programs			\$0		\$0
332 Account Payable - PHA Projects			\$0		\$7,142
333 Accounts Payable - Other Government			\$0		\$0
341 Tenant Security Deposits			\$0		\$591,716
342 Unearned Revenue			\$0		\$86,432
344 Current Portion of Long-term Debt - Operating Borrowings			\$0		\$2,625,349
344 Current Portion of Long-term Debt - Operating Borrowings			\$0		\$275,000
345 Other Current Liabilities			\$0		\$1,096,952
346 Accrued Liabilities - Other			\$0		\$306,151
347 Inter Program - Due To			\$839,120	-\$1,139,732	\$0
348 Loan Liability - Current			\$0		\$0
310 Total Current Liabilities	\$0	\$50,509	\$1,248,111	-\$1,139,732	\$6,454,890
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$0		\$15,880,508
352 Long-term Debt, Net of Current - Operating Borrowings			\$0		\$6,030,430
353 Non-current Liabilities - Other			\$0		\$605,274
354 Accrued Compensated Absences - Non Current			\$1,212,785		\$2,316,987
355 Loan Liability - Non Current			\$0		\$0
356 FASB 5 Liabilities			\$0		\$0
357 Accrued Pension and OPEB Liabilities			\$35,642,903		\$68,227,187
350 Total Non-Current Liabilities	\$0	\$0	\$36,855,688	\$0	\$93,060,386
300 Total Liabilities	\$0	\$50,509	\$38,103,799	-\$1,139,732	\$99,515,276
400 Deferred Inflow of Resources			\$13,467,081	\$0	\$27,217,212
508.4 Net Investment in Capital Assets			\$1,474,280		\$64,914,878
511.4 Restricted Net Position	\$180,782		\$0		\$1,247,125
512.4 Unrestricted Net Position	\$182,699	\$223,027	-\$35,566,332		\$20,108,017
513 Total Equity - Net Assets / Position	\$363,481	\$223,027	-\$34,092,052	\$0	\$86,270,020
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$363,481	\$273,536	\$17,478,828	-\$1,139,732	\$213,002,508

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 3/31/2025

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.EFA FSS Escrow Forfeiture Account	14.267 Continuum of Care Program
70300 Net Tenant Rental Revenue	\$10,535,933	\$0	\$804,828	\$0	\$0	\$0
70400 Tenant Revenue - Other	\$9,026	\$0	\$322,333	\$0	\$0	\$0
70500 Total Tenant Revenue	\$10,544,959	\$0	\$1,127,161	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$17,350,126	\$6,039,620	\$0	\$0	\$0	\$666,580
70610 Capital Grants	\$10,913,347					\$0
70710 Management Fee						
70720 Asset Management Fee						
70730 Book Keeping Fee						
70740 Front Line Service Fee						
70750 Other Fees						
70700 Total Fee Revenue						
70800 Other Government Grants	\$0	\$0	\$1,627,446	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$107,668	\$154	\$8,177	\$0	\$0	\$0
71200 Mortgage Interest Income	\$4,615,550	\$0	\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0	\$0	\$0	\$0
71500 Other Revenue	\$1,885,310	\$0	\$277,611	\$0	\$27,403	\$0
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0	\$0	\$0
70000 Total Revenue	\$45,416,960	\$6,039,774	\$3,040,395	\$0	\$27,403	\$666,580
91100 Administrative Salaries	\$810,264	\$0	\$105,519	\$0	\$0	\$0
91200 Auditing Fees	\$35,575	\$4,286	\$23,493	\$0	\$0	\$0
91300 Management Fee	\$2,129,038	\$55,092	\$0	\$0	\$0	\$0
91310 Book-keeping Fee	\$133,299	\$34,433	\$0	\$0	\$0	\$0
91400 Advertising and Marketing	\$0	\$0	\$0	\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$474,652	\$0	\$43,462	\$0	\$0	\$0
91600 Office Expenses	\$149,943	\$0	\$22,050	\$0	\$0	\$0
91700 Legal Expense	\$12,060	\$0	\$0	\$0	\$0	\$0
91800 Travel	\$1,017	\$0	\$0	\$0	\$0	\$0
91810 Allocated Overhead	\$0	\$0	\$0	\$0	\$0	\$0
91900 Other	\$277,431	\$0	\$39,967	\$0	\$0	\$0
91000 Total Operating - Administrative	\$4,023,279	\$93,811	\$234,491	\$0	\$0	\$0
92000 Asset Management Fee	\$79,440	\$0	\$0	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$249,588	\$20,567	\$9,280	\$0	\$0	\$36,015
92200 Relocation Costs	\$3,665	\$0	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$77,032	\$9,516	\$4,349	\$0	\$0	\$16,661
92400 Tenant Services - Other	\$76,820	\$16,148	\$0	\$0	\$0	\$0
92500 Total Tenant Services	\$407,105	\$46,231	\$13,629	\$0	\$0	\$52,676
93100 Water	\$882,317	\$0	\$88,038	\$0	\$0	\$0
93200 Electricity	\$1,168,136	\$0	\$32,207	\$0	\$0	\$0
93300 Gas	\$1,981,540	\$14,198	\$138,436	\$0	\$0	\$0
93400 Fuel	\$0	\$0	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0	\$0	\$0
93600 Sewer	\$1,038,346	\$0	\$135,697	\$0	\$0	\$0
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0	\$0	\$0
93800 Other Utilities Expense	\$688,920	\$0	\$23,340	\$0	\$0	\$0
93000 Total Utilities	\$5,759,259	\$14,198	\$417,718	\$0	\$0	\$0

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 3/31/2025

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.EFA FSS Escrow Forfeiture Account	14.267 Continuum of Care Program
94100 Ordinary Maintenance and Operations - Labor	\$3,140,286	\$0	\$263,869	\$0	\$0	\$0
94200 Ordinary Maintenance and Operations - Materials and Other	\$579,950	\$0	\$39,878	\$0	\$0	\$0
94300 Ordinary Maintenance and Operations Contracts	\$2,048,304	\$0	\$187,060	\$0	\$0	\$0
94500 Employee Benefit Contributions - Ordinary Maintenance	\$1,899,552	\$0	\$163,202	\$0	\$0	\$0
94000 Total Maintenance	\$7,668,092	\$0	\$654,009	\$0	\$0	\$0
95100 Protective Services - Labor	\$0	\$0	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$80,802	\$0	\$17,345	\$0	\$0	\$0
96120 Liability Insurance	\$308,057	\$0	\$12,743	\$0	\$0	\$0
96130 Workmen's Compensation	\$0	\$0	\$0	\$0	\$0	\$0
96140 All Other Insurance	\$18,825	\$0	\$853	\$0	\$0	\$0
96100 Total Insurance Premiums	\$407,684	\$0	\$30,941	\$0	\$0	\$0
96200 Other General Expenses	\$3,455,666	\$4,206	\$2,877	\$0	\$0	\$0
96210 Compensated Absences	\$0	\$0	\$0	\$0	\$0	\$0
96300 Payments in Lieu of Taxes	\$44,248	\$0	\$188,174	\$0	\$0	\$0
96400 Bad debt - Tenant Rents	\$370,712	\$0	\$6,678	\$0	\$0	\$0
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$3,870,626	\$4,206	\$197,729	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$638,218	\$0	\$31,684	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$638,218	\$0	\$31,684	\$0	\$0	\$0
96900 Total Operating Expenses	\$22,853,703	\$158,446	\$1,580,201	\$0	\$0	\$52,676
97000 Excess of Operating Revenue over Operating Expenses	\$22,563,257	\$5,881,328	\$1,460,194	\$0	\$27,403	\$613,904
97100 Extraordinary Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$6,423,376	\$1,625,450	\$0	\$0	\$686,712
97350 HAP Portability-In	\$0	\$0	\$0	\$0	\$0	\$0
97400 Depreciation Expense	\$5,249,504	\$0	\$277,220	\$0	\$0	\$0
97500 Fraud Losses	\$0	\$0	\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds						
97700 Debt Principal Payment - Governmental Funds						
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0	\$0	\$0
90000 Total Expenses	\$28,103,207	\$6,581,822	\$3,482,871	\$0	\$0	\$739,388

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 3/31/2025

	Project Total	14.879 Mainstream Vouchers	2 State/Local	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	14.EFA FSS Escrow Forfeiture Account	14.267 Continuum of Care Program
10010 Operating Transfer In	\$2,726,134	\$0	\$0	\$0	\$0	\$0
10020 Operating transfer Out	-\$2,726,134	\$0	\$0	\$0	\$0	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds						
10060 Proceeds from Property Sales						
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In	\$0					
10092 Inter Project Excess Cash Transfer Out	\$0					
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$17,313,753	-\$542,048	-\$442,476	\$0	\$27,403	-\$72,808
11020 Required Annual Debt Principal Payments	\$1,125,522	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$114,228,846	\$770,584	-\$696,037	\$0	\$320,570	\$72,808
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$9,864,064	\$1	\$3,705,863	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance						
11060 Changes in Contingent Liability Balance						
11070 Changes in Unrecognized Pension Transition Liability						
11080 Changes in Special Term/Severance Benefits Liability						
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents						
11100 Changes in Allowance for Doubtful Accounts - Other						
11170 Administrative Fee Equity						
11180 Housing Assistance Payments Equity						
11190 Unit Months Available	27676	4594	0	0	0	0
11210 Number of Unit Months Leased	25712	4594	0	0	0	0

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 3/31/2025

	8 Other Federal Program 1	21.023 Emergency Rental Assistance Program	14.870 Resident Opportunity and Supportive Services	32.001 Communications Information and Assistance and Investigation of	14.871 Housing Choice Vouchers
70300 Net Tenant Rental Revenue	\$0	\$0	\$0	\$0	\$0
70400 Tenant Revenue - Other	\$0	\$0	\$0	\$0	\$0
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$0	\$0	\$65,668	\$0	\$73,407,367
70610 Capital Grants	\$0	\$0	\$0	\$0	\$0
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants	\$0	\$0	\$0	\$0	\$0
71100 Investment Income - Unrestricted	\$0	\$0	\$0	\$0	\$4,895
71200 Mortgage Interest Income	\$0	\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0
71400 Fraud Recovery	\$0	\$0	\$0	\$0	\$44,622
71500 Other Revenue	\$0	\$0	\$0	\$23,827	\$747,828
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$0	\$0	\$0	\$0	\$0
70000 Total Revenue	\$0	\$0	\$65,668	\$23,827	\$74,204,712
91100 Administrative Salaries	\$0	\$0	\$0	\$0	\$1,029,040
91200 Auditing Fees	\$0	\$0	\$0	\$0	\$76,836
91300 Management Fee	\$0	\$0	\$0	\$0	\$986,273
91310 Book-keeping Fee	\$0	\$0	\$0	\$0	\$393,840
91400 Advertising and Marketing	\$0	\$0	\$0	\$0	\$0
91500 Employee Benefit contributions - Administrative	\$0	\$0	\$0	\$0	\$215,803
91600 Office Expenses	\$0	\$0	\$950	\$0	\$415,963
91700 Legal Expense	\$0	\$0	\$0	\$0	\$0
91800 Travel	\$0	\$0	\$563	\$0	\$7,642
91810 Allocated Overhead	\$0	\$0	\$0	\$0	\$0
91900 Other	\$0	\$0	\$723	\$0	\$24,748
91000 Total Operating - Administrative	\$0	\$0	\$2,236	\$0	\$3,150,145
92000 Asset Management Fee	\$0	\$0	\$0	\$0	\$0
92100 Tenant Services - Salaries	\$0	\$0	\$56,863	\$0	\$64,328
92200 Relocation Costs	\$0	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$0	\$0	\$6,554	\$0	\$35,247
92400 Tenant Services - Other	\$0	\$0	\$15	\$0	\$15,028
92500 Total Tenant Services	\$0	\$0	\$63,432	\$0	\$114,603
93100 Water	\$0	\$0	\$0	\$0	\$0
93200 Electricity	\$0	\$0	\$0	\$0	\$17,843
93300 Gas	\$0	\$0	\$0	\$0	\$65,121
93400 Fuel	\$0	\$0	\$0	\$0	\$0
93500 Labor	\$0	\$0	\$0	\$0	\$0
93600 Sewer	\$0	\$0	\$0	\$0	\$0
93700 Employee Benefit Contributions - Utilities	\$0	\$0	\$0	\$0	\$0
93800 Other Utilities Expense	\$0	\$0	\$0	\$0	\$0
93000 Total Utilities	\$0	\$0	\$0	\$0	\$82,964

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 3/31/2025

	8 Other Federal Program 1	21.023 Emergency Rental Assistance Program	14.870 Resident Opportunity and Supportive Services	32.001 Communications Information and Assistance and Investigation of	14.871 Housing Choice Vouchers
94100 Ordinary Maintenance and Operations - Labor	\$0	\$0	\$0	\$0	\$240,071
94200 Ordinary Maintenance and Operations - Materials and Other	\$0	\$0	\$0	\$0	\$0
94300 Ordinary Maintenance and Operations Contracts	\$0	\$0	\$0	\$0	\$2,289
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0	\$0	\$0	\$0	\$123,786
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$366,146
95100 Protective Services - Labor	\$0	\$0	\$0	\$0	\$0
95200 Protective Services - Other Contract Costs	\$0	\$0	\$0	\$0	\$0
95300 Protective Services - Other	\$0	\$0	\$0	\$0	\$0
95500 Employee Benefit Contributions - Protective Services	\$0	\$0	\$0	\$0	\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$0	\$0	\$0	\$0	\$0
96120 Liability Insurance	\$0	\$0	\$0	\$0	\$96,913
96130 Workmen's Compensation	\$0	\$0	\$0	\$0	\$0
96140 All Other Insurance	\$0	\$0	\$0	\$0	\$0
96100 Total Insurance Premiums	\$0	\$0	\$0	\$0	\$96,913
96200 Other General Expenses	\$0	\$0	\$0	\$0	\$261,699
96210 Compensated Absences	\$0	\$0	\$0	\$0	\$0
96300 Payments in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0
96400 Bad debt - Tenant Rents	\$0	\$0	\$0	\$0	\$0
96500 Bad debt - Mortgages	\$0	\$0	\$0	\$0	\$0
96600 Bad debt - Other	\$0	\$0	\$0	\$0	\$0
96800 Severance Expense	\$0	\$0	\$0	\$0	\$0
96000 Total Other General Expenses	\$0	\$0	\$0	\$0	\$261,699
96710 Interest of Mortgage (or Bonds) Payable	\$0	\$0	\$0	\$0	\$0
96720 Interest on Notes Payable (Short and Long Term)	\$0	\$0	\$0	\$0	\$0
96730 Amortization of Bond Issue Costs	\$0	\$0	\$0	\$0	\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$0	\$0	\$65,668	\$0	\$4,072,470
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$0	\$0	\$23,827	\$70,132,242
97100 Extraordinary Maintenance	\$0	\$0	\$0	\$0	\$0
97200 Casualty Losses - Non-capitalized	\$0	\$0	\$0	\$0	\$0
97300 Housing Assistance Payments	\$0	\$0	\$0	\$0	\$68,498,313
97350 HAP Portability-In	\$0	\$0	\$0	\$0	\$1,362
97400 Depreciation Expense	\$0	\$0	\$0	\$0	\$3,480
97500 Fraud Losses	\$0	\$0	\$0	\$0	\$0
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense	\$0	\$0	\$0	\$0	\$0
90000 Total Expenses	\$0	\$0	\$65,668	\$0	\$72,575,625

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 3/31/2025

	8 Other Federal Program 1	21.023 Emergency Rental Assistance Program	14.870 Resident Opportunity and Supportive Services	32.001 Communications Information and Assistance and Investigation of	14.871 Housing Choice Vouchers
10010 Operating Transfer In	\$0	\$0	\$0	\$0	\$0
10020 Operating transfer Out	\$0	\$0	\$0	\$0	\$0
10030 Operating Transfers from/to Primary Government	\$0	\$0	\$0	\$0	\$0
10040 Operating Transfers from/to Component Unit	\$0	\$0	\$0	\$0	\$0
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss	\$0	\$0	\$0	\$0	\$0
10080 Special Items (Net Gain/Loss)	\$0	\$0	\$0	\$0	\$0
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In	\$0	\$0	\$0	\$0	\$0
10094 Transfers between Project and Program - Out	\$0	\$0	\$0	\$0	\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	\$0	\$0	\$23,827	\$1,629,087
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$0	\$0	\$0	-\$23,827	-\$7,648,305
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$0	\$0	\$0	\$972,387
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					-\$5,046,831
11180 Housing Assistance Payments Equity					\$0
11190 Unit Months Available	0	0	0	0	54864
11210 Number of Unit Months Leased	0	0	0	0	52512

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 3/31/2025

	14.EHV Emergency Housing Voucher	14.241 Housing Opportunities for Persons with AIDS	COCC	ELIM	Total
70300 Net Tenant Rental Revenue			\$0	-\$36,874	\$11,303,887
70400 Tenant Revenue - Other			\$0		\$331,359
70500 Total Tenant Revenue	\$0	\$0	\$0	-\$36,874	\$11,635,246
70600 HUD PHA Operating Grants	\$1,930,292		\$0		\$99,841,153
70610 Capital Grants			\$0		\$10,913,347
70710 Management Fee			\$3,182,583	-\$3,182,583	\$0
70720 Asset Management Fee			\$79,440	-\$79,440	\$0
70730 Book Keeping Fee			\$583,804	-\$583,804	\$0
70740 Front Line Service Fee			\$1,188,506	-\$1,188,506	\$0
70750 Other Fees			\$0		\$0
70700 Total Fee Revenue			\$5,034,333	-\$5,034,333	\$0
70800 Other Government Grants		\$273,521	\$0		\$1,900,967
71100 Investment Income - Unrestricted	\$359	\$15	\$4,738		\$126,006
71200 Mortgage Interest Income			\$0		\$4,615,550
71300 Proceeds from Disposition of Assets Held for Sale			\$0		\$0
71310 Cost of Sale of Assets			\$0		\$0
71400 Fraud Recovery			\$0		\$44,622
71500 Other Revenue			\$3,363,845	\$0	\$6,325,824
71600 Gain or Loss on Sale of Capital Assets			\$0		\$0
72000 Investment Income - Restricted			\$0		\$0
70000 Total Revenue	\$1,930,651	\$273,536	\$8,402,916	-\$5,071,207	\$135,402,715
91100 Administrative Salaries			\$4,258,313		\$6,203,136
91200 Auditing Fees			\$20,671		\$160,861
91300 Management Fee	\$12,180			-\$3,182,583	\$0
91310 Book-keeping Fee	\$7,613			-\$569,185	\$0
91400 Advertising and Marketing			\$1,878		\$1,878
91500 Employee Benefit contributions - Administrative			\$596,558		\$1,430,475
91600 Office Expenses	\$8		\$130,479		\$719,393
91700 Legal Expense			\$11,148		\$23,208
91800 Travel			\$63,043		\$72,556
91810 Allocated Overhead					\$0
91900 Other			\$450,135	-\$14,619	\$778,385
91000 Total Operating - Administrative	\$19,801	\$0	\$5,632,225	-\$3,766,387	\$9,389,892
92000 Asset Management Fee				-\$79,440	\$0
92100 Tenant Services - Salaries			\$5,953		\$769,307
92200 Relocation Costs			\$0		\$3,665
92300 Employee Benefit Contributions - Tenant Services			\$65,581		\$278,776
92400 Tenant Services - Other	\$9,855		\$13,499		\$131,469
92500 Total Tenant Services	\$9,855	\$0	\$85,033	\$0	\$1,183,217
93100 Water			\$2,722		\$973,077
93200 Electricity			\$96,044		\$1,314,230
93300 Gas			\$28,138		\$2,227,433
93400 Fuel			\$0		\$0
93500 Labor			\$0		\$0
93600 Sewer			\$0		\$1,174,043
93700 Employee Benefit Contributions - Utilities			\$0		\$0
93800 Other Utilities Expense			\$0		\$712,260
93000 Total Utilities	\$0	\$0	\$126,904	\$0	\$6,401,043

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 3/31/2025

	14.EHV Emergency Housing Voucher	14.241 Housing Opportunities for Persons with AIDS	COCC	ELIM	Total
94100 Ordinary Maintenance and Operations - Labor			\$2,036,352		\$5,680,578
94200 Ordinary Maintenance and Operations - Materials and Other			\$26,077		\$645,905
94300 Ordinary Maintenance and Operations Contracts			\$71,090	\$0	\$2,308,743
94500 Employee Benefit Contributions - Ordinary Maintenance			\$520,201		\$2,706,741
94000 Total Maintenance	\$0	\$0	\$2,653,720	\$0	\$11,341,967
95100 Protective Services - Labor			\$0		\$0
95200 Protective Services - Other Contract Costs			\$0		\$0
95300 Protective Services - Other			\$0		\$0
95500 Employee Benefit Contributions - Protective Services			\$0		\$0
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance			\$0		\$98,147
96120 Liability Insurance			\$16,977		\$434,690
96130 Workmen's Compensation			\$826,956		\$826,956
96140 All Other Insurance			\$15,185		\$34,863
96100 Total Insurance Premiums	\$0	\$0	\$859,118	\$0	\$1,394,656
96200 Other General Expenses	\$5,473		\$277	-\$1,188,506	\$2,541,692
96210 Compensated Absences			\$0		\$0
96300 Payments in Lieu of Taxes			\$0		\$232,422
96400 Bad debt - Tenant Rents			\$0		\$377,390
96500 Bad debt - Mortgages			\$0		\$0
96600 Bad debt - Other			\$0		\$0
96800 Severance Expense			\$0		\$0
96000 Total Other General Expenses	\$5,473	\$0	\$277	-\$1,188,506	\$3,151,504
96710 Interest of Mortgage (or Bonds) Payable			\$0		\$0
96720 Interest on Notes Payable (Short and Long Term)			\$0		\$669,902
96730 Amortization of Bond Issue Costs			\$0		\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$669,902
96900 Total Operating Expenses	\$35,129	\$0	\$9,357,277	-\$5,034,333	\$33,532,181
97000 Excess of Operating Revenue over Operating Expenses	\$1,895,522	\$273,536	-\$954,361	-\$36,874	\$101,870,534
97100 Extraordinary Maintenance			\$0		\$0
97200 Casualty Losses - Non-capitalized			\$0		\$0
97300 Housing Assistance Payments	\$1,644,293	\$50,509	\$0	-\$36,874	\$78,891,779
97350 HAP Portability-In			\$0		\$1,362
97400 Depreciation Expense			\$277,080		\$5,807,284
97500 Fraud Losses			\$0		\$0
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense			\$0		\$0
90000 Total Expenses	\$1,679,422	\$50,509	\$9,634,357	-\$5,071,207	\$118,232,606

Housing Authority of the City of Jersey City (NJ009)

Jersey City, NJ

Submission Type: Audited/Single Audit

Entity Wide Revenue and Expense Summary

Fiscal Year End: 3/31/2025

	14.EHV Emergency Housing Voucher	14.241 Housing Opportunities for Persons with AIDS	COCC	ELIM	Total
10010 Operating Transfer In			\$0	-\$2,726,134	\$0
10020 Operating transfer Out			\$0	\$2,726,134	\$0
10030 Operating Transfers from/to Primary Government			\$0		\$0
10040 Operating Transfers from/to Component Unit			\$0		\$0
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss			\$0		\$0
10080 Special Items (Net Gain/Loss)			\$0		\$0
10091 Inter Project Excess Cash Transfer In					\$0
10092 Inter Project Excess Cash Transfer Out					\$0
10093 Transfers between Program and Project - In			\$0		\$0
10094 Transfers between Project and Program - Out			\$0		\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$251,229	\$223,027	-\$1,231,441	\$0	\$17,170,109
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0		\$1,125,522
11030 Beginning Equity	\$112,253	\$0	-\$39,318,425		\$67,827,911
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$1		\$6,457,814		\$1,272,000
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					-\$5,046,831
11180 Housing Assistance Payments Equity					\$0
11190 Unit Months Available	1128		0		88262
11210 Number of Unit Months Leased	1046		0		83864