

HADDON TOWNSHIP HOUSING AUTHORITY

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

YEARS ENDED DECEMBER 31, 2021 AND 2020

**HADDON TOWNSHIP HOUSING AUTHORITY
TABLE OF CONTENTS
DECEMBER 31, 2021 AND 2020**

INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
FINANCIAL SECTION	
STATEMENTS OF NET POSITION	9
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	10
STATEMENTS OF CASH FLOWS	11
NOTES TO FINANCIAL STATEMENTS	13
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	31
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS	32
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY	33
OTHER SUPPLEMENTARY INFORMATION	
COMBINING STATEMENT OF NET POSITION	34
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	35
FINANCIAL DATA SCHEDULE	36
OTHER REPORTS SECTION	
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	47
SCHEDULE OF FINDINGS OF NONCOMPLIANCE	49

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Haddon Township Housing Authority
Westmont, New Jersey

Qualified Opinion

In my opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion" paragraph, the financial statement referred to above present fairly, in all material respects, the respective financial position of the Haddon Township Housing Authority (herein called the Authority) as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Authority, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

I was unable to obtain sufficient audit evidence for the balances of the net OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and OPEB expense relating to the Authority's defined benefit OPEB plan because the plan for the year ended December 31, 2021 had not yet been audited. Accordingly, the authority's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are reported at their 2020 amounts. I was unable to obtain sufficient appropriate audit evidence for the balances of both liabilities, deferred outflows of resources, deferred inflows of resources, and expenses relating to both defined plans by other auditing procedures. Because the audited actuarial report for both plans has not been released, it is not practicable to quantify the financial effects of this matter.

Prior Period Financial Statements

The financial statements of the authority as of December 31, 2020 were audited by other auditors whose report dated March 23, 2022 expressed an unmodified opinion on those statements.

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.

Auditor's 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 auditor's report that includes our opinions. 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 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 generally accepted auditing standards, 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, the Schedule of the Authority's Proportionate Share of the Net Pension and OPEB Liability as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated September 28, 2022, on my consideration of the Housing Authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority's internal control over financial reporting and compliance.

Francis J. McConnell

Francis J. McConnell
Certified Public Accountant

September 28, 2022

HADDON TOWNSHIP HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2021

As management of the Haddon Township Housing Authority, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the years ended December 31, 2021 and December 31, 2020. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

2021

- The assets of the Authority exceeded its liabilities at the close of this fiscal year by \$383,782 (net position)
- The Authority's unrestricted cash balance at December 31, 2021 was \$789,746 representing an increase of \$40,361 from December 31, 2020.
- The Authority had intergovernmental revenues of \$ 416,981 HUD operating grants for the year ended December 31, 2021.

2020

- The assets and deferred outflows of the Authority exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$226,695 (net position)
- The Authority's unrestricted cash balance at December 31, 2020 was \$749,385 representing an increase of \$31,560 from December 31, 2019.
- The Authority had intergovernmental revenues of \$ 294,712 HUD operating grants for the year ended December 31, 2020.

MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Position: may serve over time as a useful indicator of an agency's financial position. In the case of the Haddon Township Housing Authority, assets exceed liabilities by \$383 thousand at the close of the most recent fiscal year. The following table shows a summary of changes from the prior years

	2021	2020	2019
Current and Other Assets	919,367	793,916	759,668
Capital Assets, net of depreciation	1,631,909	1,731,994	1,827,349
Total Assets	2,551,276	2,525,910	2,587,017
Deferred Outflows of Resources	322,643	390,846	89,009
Current Liabilities	150,181	162,116	160,227
Noncurrnt Liabilities	1,579,883	1,759,465	1,445,642
Total Liabilities	1,730,064	1,921,581	1,605,869
Deferred Inflows of Resources	760,103	768,480	810,029
Net Investment in Capital Assets	1,631,909	1,731,994	1,827,349
Unrestricted	(1,248,127)	(1,505,299)	(1,567,221)
Net Position	383,782	226,695	260,128

MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets The following table summarizes the changes in capital assets between fiscal years 2021, 2020 and 2019

	2021	2020	2019
LAND	\$ 170,304	\$ 170,304	\$ 170,304
BUILDINGS AND IMPROVEMENTS	4,365,389	4,365,389	4,365,389
EQUIPMENT	87,280	87,280	73,012
CONSTRUCTION IN PROGRESS	10,967	-	-
TOTAL CAPITAL ASSETS	4,633,940	4,622,973	4,608,705
ACCUMULATED DEPRECIATION	3,002,031	2,890,980	2,781,356
NET CAPITAL ASSETS	1,631,909	1,731,993	1,827,349

Debt

At the end of December 31, 2021, the Authority had no outstanding debt.

Statement of Activities. The Statement of Activities shows the sources of CHA's changes in net position as they arise through its various programs and functions. A condensed Statement of Activities comparing fiscal year 2021, 2020 and 2019.

	2021	2020	2019
Tenant Rental Revenue	\$ 474,372	\$ 441,874	\$ 418,876
Government Operating Grants	416,981	294,712	262,968
Other Revenue	45,333	65,517	63,540
Total Operating Revenue	936,686	802,103	745,384
Operating Expenses			
Administrative	189,498	250,226	242,477
Tenant Services	9,871	314	2,202
Utilities	191,502	191,409	199,431
Maintenance	217,244	203,678	182,897
COVID-19 expenditures	-	17,575	-
General expenses	72,306	68,020	66,356
Depreciation	111,051	109,624	107,785
	-	-	-
Total Operating expenses	791,472	840,846	801,148
Net Operating Income (loss)	145,214	(38,743)	(55,764)
Non Operating Revenue	-	-	-
Net Investment Income	906	2,905	3,646
Capital Grants	10,967	2,405	94,318
Total NonOperating revenue	11,873	5,310	97,964
	-	-	-
CHANGE IN NET POSITION	\$ 157,087	\$ (33,433)	\$ 42,200

MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued

Statement of Activities – continued

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

CONTACTING THE AUTHORITY’S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the Authority’s finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Executive Director, Haddon township Housing Authority, New Jersey, 20 Wynnewood Avenue, Westmont, New Jersey 08108, or call (856)854-3700

FINANCIAL SECTION

HADDON TOWNSHIP HOUSING AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31, 2021 and 2020

ASSETS

	<u>2021</u>	<u>2020</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 789,746	\$ 749,385
Cash - Tenant Security Deposits	43,555	43,961
Accounts Receivable - net	86,066	570
Total Current Assets	<u>919,367</u>	<u>793,916</u>
Noncurrent assets		
Capital assets, net of deprecation	<u>1,631,909</u>	<u>1,731,994</u>
Total Noncurrent Assets	<u>1,631,909</u>	<u>1,731,994</u>
Deferred Outflow of Resources		
Deferred Outflows - PERS	98,101	166,304
Deferred Outflows - OPEB	224,542	224,542
Total Deferred Outflows of resources	<u>322,643</u>	<u>390,846</u>
Total Assets and Deferred Outflow of Resources	<u><u>2,873,919</u></u>	<u><u>2,916,756</u></u>

LIABILITIES AND NET POSITION

LIABILITIES:

Current Liabilities		
Accounts Payable	14,989	17,453
Accounts payable - other government	28,287	49,973
Accrued Expenses	41,791	42,525
Compensated Absences	2,423	1,358
Tenant Security Deposits	43,555	43,961
Deferred revenue and other liabilities	34,160	34,160
Total Current Liabilities	<u>165,205</u>	<u>189,430</u>
Noncurrent liabilities		
Compensated absences, net of current	48,846	42,483
Deferred revenue, net of current	280,164	314,347
Accrued OPEB	861,078	861,078
Accrued Pension	374,741	514,243
Total Noncurrent Liabilities	<u>1,564,829</u>	<u>1,732,151</u>
Total Liabilities	<u>1,730,034</u>	<u>1,921,581</u>
Deferred Inflow of Resources		
Deferred Outflows - PERS	292,381	300,758
Deferred Outflows - OPEB	467,722	467,722
Total Deferred Inflow of Resources	<u>760,103</u>	<u>768,480</u>
Total liabilities and deferred inflows of resources	<u>2,490,137</u>	<u>2,690,061</u>
NET POSITION		
Net Investments in capital assets	1,631,909	1,731,994
Unrestricted net assets (Deficit)	(1,248,127)	(1,505,299)
Total net position	<u>383,782</u>	<u>226,695</u>
Total Liabilities, Deferred Inflow of Resources, and Net Position	<u><u>\$ 2,873,919</u></u>	<u><u>\$ 2,916,756</u></u>

The accompanying notes are an integral part of this statement

HADDON TOWNSHIP HOUSING AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Tenant Revenue	\$ 474,372	\$ 441,874
Operating grants	416,981	294,712
Other Income	45,333	65,517
Total operating revenues	<u>936,686</u>	<u>802,103</u>
OPERATING EXPENSES		
Administrative	189,498	250,226
Tenant services	9,871	314
Utilities	191,502	191,409
Maintenance	217,244	203,678
General	35,715	50,449
Insurance expenses	36,591	35,146
Depreciation Expense	111,051	109,624
Total Operating Expenses	<u>791,472</u>	<u>840,846</u>
NET OPERATING INCOME (LOSS)	145,214	(38,743)
NONOPERATING REVENUES (EXPENSES)		
Investment Income	906	2,905
Total nonoperating revenues	<u>906</u>	<u>2,905</u>
Income (loss) before capital grants	146,120	(35,838)
Capital Grants	<u>10,967</u>	<u>2,405</u>
Change in net position	157,087	(33,433)
Total net position - beginning	<u>226,695</u>	<u>260,128</u>
Total net position - ending	<u><u>\$ 383,782</u></u>	<u><u>\$ 226,695</u></u>

The accompanying notes are an integral part of this statement

HADDON TOWNSHIP HOUSING AUTHORITY
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Hud operating subsidies	\$ 331,485	\$ 262,869
Receipts from residents and others	474,372	443,574
Other revenue received	45,333	63,180
Payments to suppliers	(459,585)	(505,167)
Payments to and on behalf of employees	<u>(352,556)</u>	<u>(221,743)</u>
Net cash provided by (used) in operating activities	<u>39,049</u>	<u>42,713</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Capital grants received	10,967	2,405
Acquisition of capital assets	<u>(10,967)</u>	<u>(14,269)</u>
Net cash (used) in capital and related financing activities	<u>-</u>	<u>(11,864)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Investment Income	<u>906</u>	<u>2,905</u>
Net cash provided by investing activities	<u>906</u>	<u>2,905</u>
<u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	39,955	33,754
<u>CASH AND CASH EQUIVALENTS, JANUARY 1</u>	<u>793,346</u>	<u>759,592</u>
<u>CASH AND CASH EQUIVALENTS, DECEMBER 31</u>	<u><u>\$ 833,301</u></u>	<u><u>\$ 793,346</u></u>
SEPTEMBER 30, CASH AND CASH EQUIVALENTS		
Unrestricted	\$ 789,746	\$ 749,385
Restricted	43,555	43,961
Total Unrestricted and Restricted	<u><u>\$ 833,301</u></u>	<u><u>\$ 793,346</u></u>

The accompanying notes are an integral part of this statement

HADDON TOWNSHIP HOUSING AUTHORITY
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<u>RECONCILIATION OF OPERATING INCOME TO</u>		
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>		
Net Operating Income (Loss)	\$ 145,214	\$ (38,743)
Add back non-cash Items:		
Depreciation expense	111,051	109,624
Pension and OPEB Credit	(129,319)	(31,477)
bad debts	28,287	
Decrease (Increase) in Assets/Deferred outflows/inflows		
Accounts Receivable -	(85,496)	(494)
	<u>69,737</u>	<u>38,910</u>
Increase (Decrease) in Liabilities		
Accounts Payable and Accrued Expenses	3,495	6,942
Tenant security deposits	(406)	2,194
other Liabilities and deferred credits	(34,183)	(5,333)
	<u>(30,688)</u>	<u>3,803</u>
Net Cash provided by operating activities	<u>\$ 39,049</u>	<u>\$ 42,713</u>

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The accompanying notes are an integral part of this statement

**HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 30, 2021 and 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Program Description

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

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

Low Rent Housing Program

This program provides low-rent housing to qualified residents of the Township of Haddon, New Jersey. All units are owned and operated by the Housing Authority and were purchased with financing arranged or provided through HUD. The operations of the program are subsidized by HUD through an Annual Contributions Contract. Operating subsidy contributions for the years ended December 31, 2021 and 2020 were \$311,164 and \$262,869 respectively, and are included in operating grants in the combined statement of revenues, expenses and changes in net assets.

Capital Fund Program Grants

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

B Reporting Entity

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

HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020

C - Basis of Accounting

The Authority's financial statements represent the net position and results of operations of the housing authority and have been prepared in accordance with generally accepted accounting principles (GAAP) of the United States of America as applied to governmental entities.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The housing authority maintains their accounts substantially in accordance with the chart of accounts prescribed by HUD and are organized utilizing the fund accounting model. A fund is an independent entity with a self-balancing set of accounts.

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

Enterprise funds are proprietary funds used to account for business activities of special purpose governments for which a housing authority qualifies under GASB No. 34 "*Basic Financial Statements – and Management's Discussion and analysis – for State and Local Governments.*"

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting, whereby all revenues are recognized in the period in which they are earned and expenses are recognized in the period in which the liability is incurred regardless of the timing of the cash flows. All assets and deferred outflows and liabilities and deferred inflows associated with the operation of the Authority are included in the statements of net position. The statements of revenues, expenses and changes in net position present increases (revenues and capital contributions) and decreases (expenses) in total net position.

New Accounting Standards Adopted:

GASB Statement No. 84, *Fiduciary Activities*, is effective for the year ending June 30, 2021. This statement defines criteria for identifying activities that state and local governments should report as fiduciary activities and how they should be reported.

GASB Statement No. 90, *Majority Equity Interest*, is effective for the year ending June 30, 2021. This statement amends GASB Statement No. 14 and GASB Statement No. 61 and defines a majority equity interest and specifies how a majority equity interest in a legally separate organization should be reported.

HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020

C - Basis of Accounting – continued

New Accounting Standards Adopted: - continued

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, establishes accounting and reporting requirements related to the replacement of Interbank Offered Rates such as the London Interbank Offered Rate (LIBOR) for hedging derivative instruments. As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form after December 31, 2021. The requirements of this statement, except for paragraphs 11b, 13 and 14 are effective for the year ending June 30, 2021. The removal of LIBOR as an appropriate benchmark interest rate, as referenced in paragraph 11b of this statement, is effective for the year ending June 30, 2022. The requirements for leases, as referenced in paragraphs 13 and 14 of this statement, are effective for the year ending June 30, 2022

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, is effective for the year ending June 30, 2020. This statement provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

New Accounting Standards not yet adopted:

GASB Statement No. 87, *Leases*, is effective for the year ending June 30, 2022. Its objective is to improve accounting and financial reporting for leases by governments by establishing a single model for lease accounting based on the principle that leases are financing of the right to use an underlying asset. It requires recognition of certain lease assets and liabilities that were previously classified as operating.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the end of a Construction Period*, is effective for the year ending June 30, 2022. This statement suspends paragraphs 5-22 of GASB Statement No. 62 and requires that interest cost incurred before the end of a construction period be recognized as an expense. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

GASB Statement No. 91, *Conduit Debt Obligations*, is effective for the year ending June 30, 2023. This statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by users, arrangements associated with conduit debt obligations, and related note disclosures.

**HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020**

New Accounting Standards not yet adopted: - continues

GASB Statement No. 92, *Omnibus 2020*, is effective for the year ending June 30, 2022. Enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, is effective for the year ending June 30, 2023. This statement provides guidance on accounting for Subscription-Based Information Technology Arrangements (SBITA) where the government contracts for the right to use another party's software. The standards for SBITAs are based on the standards established in GASB Statements No. 87, *Leases*.

Budgeting and Budgetary Accounting

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

D – Cash and Cash Equivalents

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

E – Accounts Receivable

Rents are due from tenants on the first day of each month. An allowance for doubtful accounts is established to provide for accounts which may not be collected in the future for any reason.

The authority recognizes receivables from HUD and other governmental agencies for amounts earned and billed but not received and for amounts earned but unbilled, as of year-end.

F - Use of Estimates

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

**HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31 2021 and 2020**

G – Capital Assets

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

<u>Category</u>	<u>Useful lives (in Years)</u>
Buildings	30 - 40 years
Improvements	30 - 40 years
Furniture and Equipment	5 - 10 years
Vehicles	5 - 10 years
Computer equipment	5 - 10 years

Impairment of Capital Assets

GASB Statement No., 42, *Accounting and Financial reporting for Impairment of Capital Assets and for the Insurance Recoveries*, established accounting and financial reporting standards for impairment of capital assets. A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. The housing authority is required to evaluate prominent events of changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. No such events or circumstances were encountered as of December 31, 2021 and 2020.

H – Accrued Compensated absences

Accumulated unpaid leave time is accrued at the estimated amounts of future benefits attributable to services already rendered.

I – Equity Classifications

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

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

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

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

**HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020**

J – 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.

K - Operating Revenues and Expenses

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

L - Income Taxes

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

M – Economic Dependency

The Section 8 and Low Rent Housing Programs of the Authority are economically dependent on operating grants and subsidies from HUD.

NOTE 2 – CASH AND CASH EQUIVALENTS –

Cash consists primarily of cash in checking accounts. Cash is classified as "Unrestricted" and "Restricted" for financial presentation purposes based on HUD guidance:

- Cash – Unrestricted includes cash available for program purposes including current operations, working capital and reserves. Because the funds are not tied to a certain program or property, they are classified as unrestricted.
- Cash – Restricted includes cash to be expended for specific purposes based on the sources of the money. The housing authority's restricted cash generally includes: housing choice voucher funds and resident security deposits.

HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020

NOTE 2 – CASH AND CASH EQUIVALENTS – *continued*

All funds on deposits are FDIC insured up to \$250,000 per institution or are fully collateralized in accordance with guidance recommended by HUD.

As of December 31, 2021 and 2020 cash and cash equivalents consisted of the following:

		2021	2020
Operating Fund		789,746	749,385
Tenant Security Deposits		43,555	43,961
		-	-
		833,301	793,346
Bank Balances		\$ 841,661	\$ 798,091
<u>Reconciliation of detail to statement of net assets</u>			
		-	
Cash - unrestricted		789,746	749,385
Cash - restricted		43,555	43,961
		\$ 833,301	\$ 793,346

NOTE 3 – RECEIVABLES

Accounts Receivable as of December 31, 2021 and 2020

		2021	2020
Tenant accounts receivable		1,865	570
HUD		84,201	0
		-	-
Total accounts receivable		86,066	570
Less: allowance for doubtful accounts		-	-
		86,066	570

HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020

NOTE 4 – RISK MANAGEMENT

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

NOTE 5 - FIXED ASSETS

Changes in capital assets for 2021 consisted of:

	2020	additions	disposals	transfers	2021
Non-depreciable capital assets:					
Land	170,304	-	-		170,304
Constructio in Progress		10,967			10,967
Depreciable capital assets:					
Buildings and Improvements	4,365,389	-	-	-	4,365,389
Equipment - Admin & Dwell	87,281	-	(1)		87,280
	-	-		-	-
Totals	4,452,670	-	(1)	-	4,452,669
Total capital assets	4,622,974	10,967	(1)	-	4,633,940
Accumulated Depreciation:	(2,890,980)	(111,051)	-		(3,002,031)
Net Capital Assets	1,731,994	(100,084)	(1)		1,631,909

Changes in capital assets for 2020 consisted of:

	2019	additions	disposals	transfers	2020
Non-depreciable capital assets:					
Land	170,304	-	-		170,304
Depreciable capital assets:					
Buildings and Improvements	4,365,389	-	-	-	4,365,389
Equipment - Admin & Dwell	73,012	14,269	-		87,281
	-	-		-	-
Totals	4,438,401	14,269	-	-	4,452,670
Total capital assets	4,608,705	14,269	-		4,622,974
Accumulated Depreciation:	(2,781,356)	(109,624)	-		(2,890,980)
Net Capital Assets	1,827,349	(95,355)	-	-	1,731,994

HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020

NOTE 6 – COMPENSATED ABSENCES

Accrued compensated absences represents the amount of accumulated leave for which employees are entitled to receive payment in accordance with the authority's Personnel Policy. Compensated absences activity consisted of the following:

	2021	2020
Beginning compensated absences	\$ 43,841	\$ 37,176
Compensated absences earned	20,705	24,288
Compensated absences redeemed	(13,277)	(17,623)
Ending compensated absences	51,269	43,841
Less: current portion	2,423	1,358
Compensated absences, net of current position	\$ 48,846	\$ 42,483

7 – ACCRUED LIABILITIES

Accrued Liabilities as of December 31, 2021 and 2020

	2021	2020
Accrued payroll and payroll taxes	\$ 29,488	\$ 28,245
Accrued utilities	12,303	14,280
	\$ 41,791	\$ 42,525

NOTE 8 – DEFERRED CREDITS AND OTHER LIABILITIES

Deferred Credits and other liabilities as of December 31, 2021 and 2020:

Deferred credits and other liabilities:		
	2021	2020
Unearned Revenue	\$ 314,324	\$ 348,507
Less: Non current portion	280,164	314,347
net current portion	\$ 34,160	\$ 34,160

**HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020**

NOTE 9 – NON-CURRENT LIABILITIES

Noncurrent liabilities as of December 31, 2021 and 2020

Non - current liabilities:				
			2021	2020
Accrued Compensated absences			\$ 48,846	\$ 42,483
Accrued pension			374,741	514,243
Accrued OPEB - A			861,078	861,078
Unearned revenue			280,164	314,347
			<u>\$ 1,564,829</u>	<u>\$ 1,732,151</u>

NOTE 10 - DEFICIT NET POSITION

The unrestricted net deficit of \$ 1,248,127 and \$1,505,299 as of December 30, 2021 and 2020, respectively, includes the effect of the recognition of the deferred outflows and inflows of resources related to differences between expected and actual experience, changes in assumptions, changes in proportion, and the net difference between projected and actual investment earnings offset by the Authority's proportionate share of the net pension and OPEB liability and changes in assumptions.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

In September 2006 the housing authority received a lump sum payment				
in the amount of \$300,480 for a 20 year lease agreement and in June 2012				
the housing authority received a lump sum payment in the amount of \$421,000				
for a 22 year period. Both were for cell tower space.				
	12/31/2022	\$ 34,160		
	12/31/2023	34,160		
	12/31/2024	34,160		
	12/31/2025	34,160		
	12/31/2026	34,160		
	Thereafter	143,524		
		<u>\$ 314,324</u>		
	Current Rental Income	34,160		

HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020

NOTE 12 – Deferred Outflows/Inflows of Resources – Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Deferred outflows of resources consist of unrecognized items not yet charges to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

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

NOTE 13 – PENSION PLAN

Description of Plan

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

Vesting and Benefit Provisions

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

Funding Requirements - PERS

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

The Authority's total contributions to PERS for the year ended December 31, 2021 was \$ 37,046.

HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020

NOTE 13 – PENSION PLAN – continued

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – at December 31, 2021, the Authority reported a liability of \$ 374,741 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the authority's share of contributions to the pension plan relative to the contributions of all PERS participating employers. At June 30, 2021, the authority's collective proportion percentage was ..0031633069%

For the year ended the authority recognized pension expense of \$(42,630). At December 31, 2021, the authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

				12/31/2021		12/31/2020	
				Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Differences between expected and actual experiences				\$ 5,910	\$ 2,683	\$ 9,364	\$ 1,819
Changes in assumptions				1,952	133,410	16,683	215,318
Net difference between projected and actual earnings on pension plan investments				-	98,717	17,577	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions				-	-	-	-
				90,239	57,571	122,680	83,621
Total				\$ 98,101	\$ 292,381	\$ 166,304	\$ 300,758

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

Year Ended Dec., 31	Total
2022	\$ (38,856)
2023	\$ (38,856)
2024	\$ (38,856)
2025	\$ (38,856)
2026	\$ (38,856)
	\$ (194,280)

HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020

NOTE 13 – PENSION PLAN – continued

Actuarial assumptions – the total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation: price	2.75%
Wage	3.25%
Rates of salary increases:	
through 2026	2.00 – 6.00%
	based on years of service
Thereafter	3.00 – 7.00%
	based on years of service
Investment rate of return	7.00%

Mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality tables with an 82.2% adjustment for males and 101.4% adjustment for females., as appropriate, with adjustments for mortality improvements based on Scale AA.

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00%at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best estimate ranges of expected future real rates of return are developed for each major class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

				Target	Long-Term
				Allocation	Expected Real
					Rate of Return
Risk Mitigation Strategies				3.00%	3.40%
Cash Equivalents				4.00%	0.50%
U.S. Treasuries				5.00%	1.94%
Investment grade credit				8.00%	2.67%
Public High Yield				2.00%	5.95%
Private credit				8.00%	7.59%
Real assets				3.00%	9.73%
Real Estate				8.00%	9.56%
US Equity				27.00%	7.71%
Non-US developed markets equity				13.50%	8.57%
Emerging Markets equity				5.50%	10.23%
Private equity				13.00%	11.42%

**HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020**

NOTE 13 – PENSION PLAN – continued

Discount Rate - the discount rate used to measure the total pension liability was 6.28% as of June 30, 2021. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Authority's Proportionate Share of Net Pension Liability to changes in the Discount Rate – the following represents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.28 percent, as well as what the authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.66 percent) or 1-percentage point higher (6.66 percent) than the current rate,

	1% Decrease	Discount Rate	1% Increase
Authority's proportionate share of			
the net pension liability	654,479	374,741	405,723

Note 14 – OTHER POST EMPLOYMENT BENEFITS

The information required to present the schedule of changes in net OPEB liability was not available as of December 31, 2021 and the date of this report. The net OPEB liability and deferred inflow and outflow amounts have not changed from the prior fiscal year. The information needed in order to reflect the December 31, 2021 balances for the net OPEB liability, deferred inflows, and deferred outflows was unavailable as of the date of this report. The information contained herein remains the same from December 31, 2020.

HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020

NOTE 14. – OTHER POST EMPLOYMENT BENEFITS - (continued)

For the year ended December 31, 2021, the Authority recognized OPEB expense of \$(00,000). At December 31, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

				12/31/2021		12/31/2020	
				Deferred	Deferred	Deferred	Deferred
				Outflows	Inflows	Outflows	Inflows
Changes in assumptions				\$ 128,790	\$ 191,491	\$128,790	\$ 191,491
Changes in proportions				72,525	115,882	72,525	115,882
Net differences between projected and actual				-	-		-
investment earnings on OPEB plan investments				547		547	-
Differences between expected and actual				-		-	
experience				22,680	160,349	22,680	160,349
Total				\$ 224,542	\$ 467,722	\$224,542	\$ 467,722

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

Year		
Ended		
31-Dec		Total
2022		(48,636)
2023		(48,636)
2024		(48,636)
2025		(48,636)
2026		(48,636)
		\$ (243,180)

**HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020**

D - Actuarial Assumptions

The total OPEB liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2020. This actuarial valuation used the following assumptions:

Inflation Rate 2.50%

Salary increases:

Through 2026 2.00 to 6.00%, based on years of service

Thereafter 3.00 – 7.00%, based on years of service

Mortality:

PERS Pub-2010 General classification headcount weighted mortality with
Fully generational mortality improvement projections from the central
Year using Scale MP-2019

PFRS Pub-2010 safety classification headcount weighted mortality with
Fully generational mortality improvement projections from the central
Year using Scale MP-2019

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

100% of active members are considered to participate in the Plan upon retirement.

E: Discount Rate

The discount rate used to measure the total OPEB liability was 3.50% as of June 30, 2020. This represents the municipal bond return rate 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.

HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020

NOTE 13. – OTHER POST EMPLOYMENT BENEFITS - (continued)

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 3.50%, 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 (2.50%) or 1 percentage point higher (4.50%) than the current

		1% Decrease	Discount Rate	1% Increase
Authority's proportionate share of				
the net OPEB liability		1,017,977	861,078	736,879

G: Health Care Trend Assumptions

For pre-Medicare preferred provider organization ("PPO") and health maintenance organization ("HMO") medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 PPO and HMO medical benefits, the trend rate is 4.5% For prescription drug benefits, the initial trend rate is 7.5% decreasing to a 4.5% trend rate after eight years.

H: Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Trend Rate

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

			Healthcare cost	
		1% Decrease	Trend rate	1% Increase
Authority's proportionate share of				
the net OPEB liability		1,017,977	861,078	736,879

**HADDON TOWNSHIP HOUSING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 and 2020**

NOTE 14 – CARES ACT FUNDING

On April 28, 2020, HUD released *PIH Notice 2020-07: Implementation of Supplemental Guidance to the Federal Fiscal Year 2020 Operating Fund Appropriations*. The purpose of this notice was to provide guidance on the allocation and eligible uses of the Supplemental Public Housing Operating Funding provided pursuant to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public Law 116-136), as well as the additional flexibilities provided pursuant to the CARES Act to use previously appropriated Capital and Operating Funds to enable PHAs to prevent, prepare for, and respond to coronavirus. The Authority had remaining a Supplemental Public Housing Operating Funding appropriation of \$8,615 for public housing projects. As of December 31, 2021, the Authority has recognized \$8,615 of the grant as revenue.

NOTE 15. VULNERABILITY - IMPACT OF COVID-19

The severity of the impact of COVID-19 on the Authority's operations will depend on a number of factors, including, but not limited to, the duration and severity of the pandemic and the extent and severity of the impact on the Authority's tenants and borrowers, all of which are uncertain and cannot be predicted. The Authority's future results could be adversely impacted by delays in rent and loan payment collections. Management is unable to predict with absolute certainty the impact of COVID-19 on its financial condition, results of operations or cash flows.

NOTE 16 – SUBSEQUENT EVENTS

In preparing the financial statements, the Housing Authority has evaluated events and transactions for potential recognition or disclosure through September 28, 2022 the date the financial statements were available to be issued. The authority has found no uncertainties to be recognized.

REQUIRED SUPPLEMENTARY INFORMATION

HADDON TOWNSHIP HOUSING AUTHORITY
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY
YEARS ENDED DECEMBER 31

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Authority's proportions of the net pension liability (asset)	0.00316%	0.00315%	0.00254%	0.00314%	0.00309%	0.00305%	0.00286%	0.00277%	0.00284%
Authority's proportionate share of the net pension liability	\$ 374,741	\$ 514,243	\$ 457,767	\$ 618,194	\$ 457,767	\$ 903,464	\$ 642,030	\$ 518,541	\$ 543,216
Authority's covered-employee payroll	\$ 207,056	\$ 242,884	\$ 211,974	\$ 189,882	220,484	\$ 214,068	\$ 120,702	\$ 181,398	\$ 176,214
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	180.99%	211.72%	215.95%	325.57%	207.62%	422.05%	531.91	285.86	308.27
Plan fiduciary net position as a percentage of the total pension liability	53.60%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93	52.07	48.72

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

See accompanying independent auditor's report

HADDON TOWNSHIP HOUSING AUTHORITY
SCHEDULE OF AUTHORITY'S CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY
YEARS ENDED DECEMBER 31

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Statutorily required contributions	\$ 37,046	\$ 34,497	\$ 24,712	\$ 31,230	\$ 28,625	\$ 27,098	\$ 24,589	\$ 22,832	\$ 21,416
Contributions in relation to the statutorily required contributions	(37,046)	(34,497)	(24,712)	(31,320)	(28,625)	(27,098)	(24,589)	(22,832)	(21,416)
Contributions deficiency (excess)	-	-	-	-	-	-	-	-	-
Authority's covered-employee payroll	\$207,056	\$242,884	\$211,974	\$189,882	\$220,484	\$214,068	\$120,702	\$181,398	\$176,214
Contributions as a percentage of covered-employee payroll	17.89%	14.20%	11.66%	16.45%	12.98%	12.66%	20.37%	12.59%	12.15%

See accompanying independent auditor's report

Haddon Township Housing Authority
Schedule of Proportionate Share of the Net OPEB Liability (Asset)
For the Year Ended December 31

	2021	2020	2019	2018	2017	2016
Employer's proportionate share of the net OPEB liability	\$ 861,078 ^①	\$ 861,078	\$ 605,645	\$ 756,384	\$ 973,016	\$ 1,143,859
Employer's covered payroll	\$ 242,884	\$ 242,884	\$ 211,974	\$ 189,882	\$ 220,484	\$ 214,068
Employer's proportionate share of the net OPEB liability as a percentage of its covered payroll	354.52%	354.52%	285.72%	398.34%	441.31%	534.34%
Plan fiduciary net position as a percentage of the total opeb LIABILITY	0.91%	0.91%	1.98%	1.97%	1.03%	0.69%

① Fiscal year end 2021 will be adjusted when numbers are received from the State Health Plan

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

OTHER SUPPLEMENTARY INFORMATION

HADDON TOWNSHIP HOUSING AUTHORITY
COMBINING STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2021

	Low Rent Housing	PHC Public Housing CARES act Funding	Capital fund Program	Totals
ASSETS				
Current Assets				
Cash	789,746	-	-	789,746
Restricted cash and investments	43,555	-	-	43,555
Receivables, net	86,066	-	-	86,066
Other assets	-	-	-	-
Total Current assets	919,367	-	-	919,367
NONCURRENT ASSETS				
Capital assets, net of depreciation	1,631,909	-	-	1,631,909
Other assets	-	-	-	-
Total noncurrent assets	1,631,909	-	-	1,631,909
Deferred Outflows of Resources				
Deferred Outflows - PERS	98,101			98,101
Deferred Outflows - OPEB	224,542			224,542
Deferred Outflows of Resources	322,643			322,643
TOTAL ASSETS and DEFERRED OUTFLOWS OF RESOURCES	2,873,919		-	2,873,919
LIABILITIES AND NET POSITION				
Current Liabilities				
Accounts payable	14,989	-	-	14,989
Accrued Liabilities	41,791	-	-	41,791
Accounts Payable - other government	28,287	-	-	28,287
Compensated absences	2,423	-	-	2,423
Tenant security deposits	43,555	-	-	43,555
Deferred credits and other liabilities	34,160	-	-	34,160
Total current liabilities	165,205	-	-	165,205
NONCURRENT LIABILITIES				
Compensated absences	48,846	-	-	48,846
Accrued pension	374,741	-	-	374,741
Accrued OPEB	861,078	-	-	861,078
other liabilities	280,164	-	-	280,164
Total noncurrent liabilities	1,564,829	-	-	1,564,829
TOTAL LIABILITIES	1,730,034		-	1,730,034
Deferred Inflows of resources				
Deferred Inflows - PERS	292,381			292,381
Deferred Inflows - OPEB	467,722			467,722
Deferred Inflows of Resources	760,103			760,103
NET POSITION				
Net Investment in capital assets	1,631,909	-	-	1,631,909
Restricted net position	-	-	-	-
Unrestricted net position (deficit)	(1,248,127)	-	-	(1,248,127)
TOTAL NET POSITION	383,782		-	383,782
TOTAL LIABILITIES AND NET POSITION	2,873,919		-	2,873,919

HADDON TOWNSHIP HOUSING AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021

	Low Rent Housing	PHC Public Housing CARES act Funding	Capital Fund Program	Totals
Operating revenue				
Total Tenant Revenue	474,372		-	474,372
Operating subsidies	311,164	8,615	97,202	416,981
other revenue	45,333		-	45,333
Total operating revenue	830,869	8,615	97,202	936,686
Operating Expenses				
Administrative expenses	184,498	-	5,000	189,498
Tenant services	1,256	8,615	-	9,871
Utilities	191,502		-	191,502
Maintenance	204,243	-	13,001	217,244
General	35,715		-	35,715
Insurance Expense	36,591		-	36,591
Depreciation expense	111,051		-	111,051
Total operating expenses	764,856	8,615	18,001	791,472
Operating income (loss)	66,013	-	79,201	145,214
Nonoperating revenue (expenses)				
Investment Income	906		-	906
Net nonoperating revenue	906		-	906
Income (Loss) before capital subsidies	66,919		79,201	146,120
Capital subsidies	-		10,967	10,967
Change in net assets	66,919		90,168	157,087
Total net assets at beginning of year	226,695		-	226,695
Capital contributions/transfers	90,168		(90,168)	-
Total net position at end of year	383,782		-	383,782

Haddon Housing Authority (NJ064)
WESTMONT, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit		Fiscal Year End: 12/31/2021		
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
111 Cash - Unrestricted	\$789,746		\$789,746	\$789,746
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted				
114 Cash - Tenant Security Deposits	\$43,555		\$43,555	\$43,555
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	\$833,301	\$0	\$833,301	\$833,301
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects	\$84,201		\$84,201	\$84,201
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous				
126 Accounts Receivable - Tenants	\$1,865		\$1,865	\$1,865
126.1 Allowance for Doubtful Accounts - Tenants	\$0		\$0	\$0
126.2 Allowance for Doubtful Accounts - Other	\$0		\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable				
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$86,066	\$0	\$86,066	\$86,066
131 Investments - Unrestricted				
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				

Haddon Housing Authority (NJ064)

WESTMONT, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit		Fiscal Year End: 12/31/2021		
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
142 Prepaid Expenses and Other Assets				
143 Inventories				
143.1 Allowance for Obsolete Inventories				
144 Inter Program Due From				
145 Assets Held for Sale				
150 Total Current Assets	\$919,367	\$0	\$919,367	\$919,367
161 Land	\$170,304		\$170,304	\$170,304
162 Buildings	\$4,108,873		\$4,108,873	\$4,108,873
163 Furniture, Equipment & Machinery - Dwellings				
164 Furniture, Equipment & Machinery - Administration	\$87,280		\$87,280	\$87,280
165 Leasehold Improvements	\$256,516		\$256,516	\$256,516
166 Accumulated Depreciation	-\$3,002,031		-\$3,002,031	-\$3,002,031
167 Construction in Progress	\$10,967		\$10,967	\$10,967
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,631,909	\$0	\$1,631,909	\$1,631,909
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due				
173 Grants Receivable - Non Current				
174 Other Assets				
176 Investments in Joint Ventures				
180 Total Non-Current Assets	\$1,631,909	\$0	\$1,631,909	\$1,631,909

Haddon Housing Authority (NJ064)
WESTMONT, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit Fiscal Year End: 12/31/2021

	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
200 Deferred Outflow of Resources	\$322,643		\$322,643	\$322,643
290 Total Assets and Deferred Outflow of Resources	\$2,873,919	\$0	\$2,873,919	\$2,873,919
311 Bank Overdraft				
312 Accounts Payable <= 90 Days	\$14,989		\$14,989	\$14,989
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable	\$29,488		\$29,488	\$29,488
322 Accrued Compensated Absences - Current Portion	\$2,423		\$2,423	\$2,423
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government	\$28,287		\$28,287	\$28,287
341 Tenant Security Deposits	\$43,555		\$43,555	\$43,555
342 Unearned Revenue	\$34,160		\$34,160	\$34,160
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other	\$12,303		\$12,303	\$12,303
347 Inter Program - Due To				
348 Loan Liability - Current				

Haddon Housing Authority (NJ064)

WESTMONT, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit		Fiscal Year End: 12/31/2021		
	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
310 Total Current Liabilities	\$165,205	\$0	\$165,205	\$165,205
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other	\$280,164		\$280,164	\$280,164
354 Accrued Compensated Absences - Non Current	\$48,846		\$48,846	\$48,846
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities	\$1,235,819		\$1,235,819	\$1,235,819
350 Total Non-Current Liabilities	\$1,564,829	\$0	\$1,564,829	\$1,564,829
300 Total Liabilities	\$1,730,034	\$0	\$1,730,034	\$1,730,034
400 Deferred Inflow of Resources	\$760,103		\$760,103	\$760,103
508.4 Net Investment in Capital Assets	\$1,631,909		\$1,631,909	\$1,631,909
511.4 Restricted Net Position				
512.4 Unrestricted Net Position	-\$1,248,127	\$0	-\$1,248,127	-\$1,248,127
513 Total Equity - Net Assets / Position	\$383,782	\$0	\$383,782	\$383,782
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$2,873,919	\$0	\$2,873,919	\$2,873,919

Haddon Housing Authority (NJ064)						
WESTMONT, NJ						
Entity Wide Revenue and Expense Summary						
Submission Type:	Audited/Non Single Audit	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Fiscal Year End: 12/31/2021	
70300 Net Tenant Rental Revenue		\$456,244		\$456,244		\$456,244
70400 Tenant Revenue - Other		\$18,128		\$18,128		\$18,128
70500 Total Tenant Revenue		\$474,372	\$0	\$474,372		\$474,372
70600 HUD PHA Operating Grants		\$408,366	\$8,615	\$416,981		\$416,981
70610 Capital Grants		\$10,967		\$10,967		\$10,967
70710 Management Fee						
70720 Asset Management Fee						
70730 Book Keeping Fee						
70740 Front Line Service Fee						
70750 Other Fees						
70700 Total Fee Revenue						
70800 Other Government Grants						
71100 Investment Income - Unrestricted		\$906		\$906		\$906
71200 Mortgage Interest Income						
71300 Proceeds from Disposition of Assets Held for Sale						
71310 Cost of Sale of Assets						
71400 Fraud Recovery		\$3,919		\$3,919		\$3,919
71500 Other Revenue		\$41,414		\$41,414		\$41,414
71600 Gain or Loss on Sale of Capital Assets						
72000 Investment Income - Restricted						
70000 Total Revenue		\$939,944	\$8,615	\$948,559		\$948,559

Haddon Housing Authority (NJ064)						
WESTMONT, NJ						
Entity Wide Revenue and Expense Summary						
	Submission Type:	Audited/Non Single Audit			Fiscal Year End:	12/31/2021
			Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total
	91100 Administrative Salaries		\$142,712		\$142,712	\$142,712
	91200 Auditing Fees		\$5,200		\$5,200	\$5,200
	91300 Management Fee					
	91310 Book-keeping Fee					
	91400 Advertising and Marketing		\$144		\$144	\$144
	91500 Employee Benefit contributions - Administrative		\$21,634		\$21,634	\$21,634
	91600 Office Expenses		\$24,768		\$24,768	\$24,768
	91700 Legal Expense		\$1,683		\$1,683	\$1,683
	91800 Travel					
	91810 Allocated Overhead					
	91900 Other		\$25,228		\$25,228	\$25,228
	91000 Total Operating - Administrative		\$221,369	\$0	\$221,369	\$221,369
	92000 Asset Management Fee					
	92100 Tenant Services - Salaries					
	92200 Relocation Costs					
	92300 Employee Benefit Contributions - Tenant Services					
	92400 Tenant Services - Other		\$1,256	\$8,615	\$9,871	\$9,871
	92500 Total Tenant Services		\$1,256	\$8,615	\$9,871	\$9,871
	93100 Water		\$6,797		\$6,797	\$6,797
	93200 Electricity		\$79,527		\$79,527	\$79,527

Haddon Housing Authority (NJ064)						
WESTMONT, NJ						
Entity Wide Revenue and Expense Summary						
Submission Type:	Audited/Non Single Audit	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Fiscal Year End: 12/31/2021	
96140 All Other Insurance		\$36,591		\$36,591		\$36,591
96100 Total Insurance Premiums		\$36,591	\$0	\$36,591		\$36,591
96200 Other General Expenses		\$7,428		\$7,428		\$7,428
96210 Compensated Absences						
96300 Payments in Lieu of Taxes						
96400 Bad debt - Tenant Rents		\$28,287		\$28,287		\$28,287
96500 Bad debt - Mortgages						
96600 Bad debt - Other						
96800 Severance Expense						
96000 Total Other General Expenses		\$35,715	\$0	\$35,715		\$35,715
96710 Interest of Mortgage (or Bonds) Payable						
96720 Interest on Notes Payable (Short and Long Term)						
96730 Amortization of Bond Issue Costs						
96700 Total Interest Expense and Amortization Cost		\$0	\$0	\$0		\$0
96900 Total Operating Expenses		\$671,806	\$8,615	\$680,421		\$680,421
97000 Excess of Operating Revenue over Operating Expenses		\$268,138	\$0	\$268,138		\$268,138
97100 Extraordinary Maintenance						
97200 Casualty Losses - Non-capitalized						

Haddon Housing Authority (NJ064)						
WESTMONT, NJ						
Entity Wide Revenue and Expense Summary						
Submission Type:	Audited/Non Single Audit	Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Fiscal Year End: 12/31/2021	
97300 Housing Assistance Payments						
97350 HAP Portability-In						
97400 Depreciation Expense		\$111,051		\$111,051		\$111,051
97500 Fraud Losses						
97600 Capital Outlays - Governmental Funds						
97700 Debt Principal Payment - Governmental Funds						
97800 Dwelling Units Rent Expense						
90000 Total Expenses		\$782,857	\$8,615	\$791,472		\$791,472
10010 Operating Transfer In		\$79,201		\$79,201		\$79,201
10020 Operating transfer Out		-\$79,201		-\$79,201		-\$79,201
10030 Operating Transfers from/to Primary Government						
10040 Operating Transfers from/to Component Unit						
10050 Proceeds from Notes, Loans and Bonds						
10060 Proceeds from Property Sales						
10070 Extraordinary Items, Net Gain/Loss						
10080 Special Items (Net Gain/Loss)						
10091 Inter Project Excess Cash Transfer In						
10092 Inter Project Excess Cash Transfer Out						
10093 Transfers between Program and Project - In						
10094 Transfers between Project and Program - Out						
10100 Total Other financing Sources (Uses)		\$0	\$0	\$0		\$0

Haddon Housing Authority (NJ064)						
WESTMONT, NJ						
Entity Wide Revenue and Expense Summary						
Submission Type:	Audited/Non Single Audit	Fiscal Year End:		12/31/2021		
		Project Total	14.PHC Public Housing CARES Act Funding	Subtotal	Total	
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses		\$157,087	\$0	\$157,087	\$157,087	
11020 Required Annual Debt Principal Payments		\$0	\$0	\$0	\$0	
11030 Beginning Equity		\$226,695	\$0	\$226,695	\$226,695	
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors		\$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		1188		1188	1188	
11210 Number of Unit Months Leased		1184		1184	1184	
11270 Excess Cash		\$693,039		\$693,039	\$693,039	
11610 Land Purchases		\$0		\$0	\$0	
11620 Building Purchases		\$10,967		\$10,967	\$10,967	
11630 Furniture & Equipment - Dwelling Purchases		\$0		\$0	\$0	
11640 Furniture & Equipment - Administrative Purchases		\$0		\$0	\$0	
11650 Leasehold Improvements Purchases		\$0		\$0	\$0	
11660 Infrastructure Purchases		\$0		\$0	\$0	

Haddon Housing Authority (NJ064)									
WESTMONT, NJ									
Entity Wide Revenue and Expense Summary									
		Submission Type:	Audited/Non Single Audit			Fiscal Year End:	12/31/2021		
						14.PHC Public Housing CARES Act Funding	Subtotal	Total	
		13510 CFFP Debt Service Payments				\$0	\$0	\$0	
		13901 Replacement Housing Factor Funds				\$0	\$0	\$0	

OTHER REPORTS

FRANCIS J McCONNELL
CERTIFIED PUBLIC ACCOUNTANT

Member of American and Pennsylvania
Institutes of Certified Public Accountants

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

Independent Auditors' Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
Haddon Township Housing Authority
Westmont, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of Haddon Township Housing Authority, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Haddon Township Housing Authority's basic financial statements, and have issued our report thereon dated September 28, 2022..

Internal Control over Financial Reporting

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

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

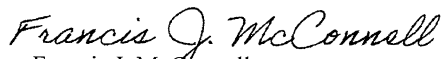
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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


Francis J. McConnell
Certified Public accountant

September 28, 2022

HADDON TOWNSHIP HOUSING AUTHORITY
SCHEDULE OF FINDINGS OF NONCOMPLIANCE
DECEMBER 31, 2021

1

FINDINGS

NONE

General comments

NONE

The Haddon Township Housing Authority

Meeting held on Wednesday, October 19, 2022 – 7:00 p.m.

RESOLUTION 2022-02 (10/19/2022)
Adopting the 2021 Annual Audit Report

WHEREAS, N.J.S.A. 40A:5A-5 requires the governing body of each local Authority to cause an annual audit of its accounts to be made; and

WHEREAS, the annual audit report for the fiscal year ended **December 31, 2021** has been completed and filed with the Haddon Township Housing Authority pursuant to N.J.S.A. 40A:5A-15; and

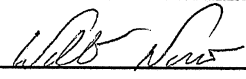
WHEREAS, N.J.S.A. 40A:5A-17 requires the governing body of each Authority, within 45 days of receipt of the annual audit, to certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report and specifically the sections of the audit titled “General Comments” and “Recommendations” and has evidenced same by group affidavit in the form prescribed by the Local Finance Board; and

WHEREAS, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the annual audit report entitled “General Comments” and “Recommendations” in accordance with N.J.S.A. 40A:5A-17.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Haddon Township Housing Authority hereby certifies to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended December 31, 2021 and specifically has reviewed the sections of the audit report entitled “General Comments” and “Recommendations” and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED that the Secretary of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid Group Affidavit, accompanied by a certified true copy of this Resolution. IT IS HEREBY CERTIFIED THAT THIS IS A TRUE COPY OF THE RESOLUTION

APPROVED AT THE MEETING HELD ON OCTOBER 19, 2022.

Secretary:  **Date:** 10/19/22 **Page 1 of 2**

THE HADDON TOWNSHIP HOUSING AUTHORITY – GROUP AFFIDAVIT FORM

PRESCRIBED BY THE NEW JERSEY LOCAL FINANCE BOARD

AUDIT REVIEW CERTIFICATE

We, the members of the Governing Body of THE HADDON TOWNSHIP HOUSING AUTHORITY, being of full age and being duly sworn according to law, upon our oath depose and say:

1. We are duly appointed/~~elected~~ (cross out one) members of THE HADDON TOWNSHIP HOUSING AUTHORITY.
2. We certify, pursuant to N.J.S.A. 40A:5A-17, that we have each reviewed the Annual Audit Report for the fiscal year ended December 31, 2021, and specifically the sections of the audit Report entitled "General Comments" and "Recommendations."

PRINT NAME:
Alma Zurich
Brian Seltzer
DOUGLAS WALLACE
Rosa Tanzi
LAWRENCE F. GASPERONE JR
Heda Burch
Mary Becker

SIGNATURE:
Alma Zurich
Brian Seltzer
DOUGLAS WALLACE
Rosa Tanzi
LAWRENCE F. GASPERONE JR
Heda Burch
Mary Becker

Sworn to and subscribed before me this 19th day of October, 2022

Eleanor Connell
Notary Public of New Jersey

ELEANOR CONNELL
Notary Public of New Jersey
My Commission Expires Feb. 6, 2027

**PROOF OF
PUBLICATION**

* * * * *

County of Camden:
State of New Jersey: SS.

BRETT AINSWORTH, of lawful
age, being duly sworn according to
law, doth depose and say that he is
the President of Ainsworth Media,
Inc., publishers of

"THE RETROSPECT"

a newspaper published in the
Borough of Collingswood, County
of Camden, State of New Jersey,
and that the notice, of which the
annexed is a true copy, was published
in said newspaper under date of

11/04/2022

and continued therein for

_____ weeks
successively thereafter, to wit:

making in all 1 publications.

Brett Ainsworth

* * * * *

**SWORN TO AND SUBSCRIBED
BEFORE ME ON THIS DATE:**

November 4, 2022

Susan Keneally Ainsworth
Notary Public of New Jersey
Commission Valid Through 10/15/2025

Susan Keneally Ainsworth

HADDON TOWNSHIP HOUSING AUTHORITY

Synopsis of the Haddon Township Housing Authority Audit Report
for the fiscal year ended December 31, 2021, as require by NJS 40A:5A-16

**HADDON TOWNSHIP HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

ASSETS:	
Cash and cash equivalents	\$833,301
Accounts Receivable, net	86,066
Capital Assets	1,631,909
	<u>2,551,276</u>
Deferred Outflows of Resources	322,643
	<u>322,643</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2,873,919

LIABILITIES AND NET POSITION	
LIABILITIES	
Accounts payable	450,660
Tenant security deposits	43,555
Accrued Pension and OPEB	<u>1,235,819</u>
	<u>1,730,034</u>
Deferred Inflows of Resources	760,103
	<u>760,103</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS	2,490,137
NET POSITION	
Net Investment in capital assets	1,631,909
Unrestricted (Deficit)	<u>(1,248,127)</u>
	<u>383,782</u>
TOTAL NET POSITION	383,782
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	2,873,919

**HADDON TOWNSHIP HOUSING AUTHORITY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021**

Tenant Revenue	\$474,372
Operating grants	416,981
Other Income	45,333
Total operating revenues	<u>936,686</u>
Administrative	189,498
Tenant services	9,871
Utilities	191,502
Maintenance	217,244
General	72,306
Depreciation Expense	<u>111,051</u>
Total Operating Expenses	<u>791,472</u>
	<u>145,214</u>
Capital grants	10,967
Investment Income	<u>906</u>
	<u>11,873</u>
Change in net position	<u>157,087</u>
Total net position - beginning	226,695
Total net position - ending	<u>\$383,782</u>

The above report was prepared from the audit report of the haddon Township Housing
Authority for the year ended December 31, 2021

The audit report submitted by Francis J. McConnell CPA, is on file at the Authority's office
at Westmont Street, Haddon, New Jersey and is available for review by the public during
regular office hours.

Walter Norris, Executive Director
11/04/2022
The Retrospect

\$95.68