

HOUSING AUTHORITY OF THE CITY OF CAMDEN

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2018

**WITH
REPORT OF INDEPENDENT AUDITORS**

**HOUSING AUTHORITY OF THE CITY OF CAMDEN
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YEAR ENDED DECEMBER 31, 2018**

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REPORT OF INDEPENDENT AUDITORS

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the City of Camden (the "Authority") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the Authority as of December 31, 2018, 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.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 14 to the financial statements, during the year ended December 31, 2018, the Authority adopted GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension Plans*. We did not modify our opinion regarding this matter.

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 postemployment 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 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 October 11, 2019 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.

Novogradac & Company LLP

October 11, 2019
Toms River, New Jersey

MANAGEMENT'S DISCUSSION AND ANALYSIS

THE HOUSING AUTHORITY OF THE CITY OF CAMDEN
Management's Discussion and Analysis
December 31, 2018

The Housing Authority of the City of Camden (the "Authority") management discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

The Board of Commissioners and the Executive Director continue to work closely with the staff to implement cost containment measures, improve internal and external financial reporting, strengthen communication lines with all managers, and train property managers and pertinent staff in project-based budgeting, accounting & reporting.

Some reclassifications may have been made to prior year balances in order to present a clearer comparison between the financial positions and corresponding balances of the two years.

Here are some of the financial highlights for the changes in financial conditions:

- The Authority's unrestricted net position decreased by \$4,252,187 during the year ended December 31, 2018.
- The Authority's restricted cash decreased by \$419,416 during the year ended December 31, 2018. The decrease is primarily the result of decreases in restricted HAP reserves of \$278,639 and decreases in Capital Fund Revenue Bond proceeds of \$130,044.
- The Authority's current asset balance increased \$997,414 from December 31, 2017 to December 31, 2018. The change resulted from an increase in cash and cash equivalents of \$40,735, and increases in receivables of \$979,267, which was offset by tenant security deposit decreases of \$88,594.
- Operating revenues decreased by \$1,270,868 from \$32,047,349 in 2017 to \$30,776,481 in 2018. **This is primarily the result of a decrease in HUD operating grants of \$472,389, tenant revenues of \$247,899, other government grants of \$104,366, and other revenues of \$446,214.**
- Operating expenses of all Authority programs (excluding depreciation, extraordinary maintenance and housing assistance payments) increased \$4,053,595.

THE HOUSING AUTHORITY OF THE CITY OF CAMDEN
Management's Discussion and Analysis
December 31, 2018

FINANCIAL HIGHLIGHTS (continued)

- During 2018 operating revenues, \$30,776,481, net of operating expenses of \$36,452,622, provided an operating loss of \$5,676,141.
- Housing assistance payments increased \$816,325 (6%). The Authority had the same amount of unit months leased in 2018 than in 2017 and, the average payment to landlords increased by 7.1%.

AUTHORITY WIDE FINANCIAL STATEMENTS

The Authority-wide financial statements and notes thereto are designed to be corporate-like in that all business type activities are consolidated into columns that add to a total for the entire Authority.

These Statements include the Statements of Net Position, which is similar to a Balance Sheet. The Statements of Net Position reports all financial and capital resources for the Authority. The statements are presented in the format where assets plus deferred outflows of resources, minus liabilities plus deferred inflows of resources, equals "net position", formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-current".

The Authority's focus on the Statements of Net Position is the "Unrestricted Net Position" which is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority.

Net Position (formerly equity) is reported in three broad categories:

- Net Investment in Capital Assets: This component of net position 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 of net position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.
- Unrestricted Net Position: Consists of net position that do not meet the definition of "Net Investment in Capital Assets", or "Restricted Net Position".

The Authority-wide financial statements also include the Statements of Revenues, Expenses and Changes in Net Position (similar to an Income Statement). These statements include operating revenues, such as rental income, operating expenses, such as administrative, utilities, maintenance, depreciation, and non-operating revenue and expenses, such as investment income and interest expense.

THE HOUSING AUTHORITY OF THE CITY OF CAMDEN
Management's Discussion and Analysis
December 31, 2018

AUTHORITY WIDE FINANCIAL STATEMENTS (continued)

The focus of the Statements of Revenues, Expenses and Changes in Net Position is the "Change in Net Position", which is similar to Net Income or Loss.

The Statements of Cash Flows presents relevant information about the Authority's cash receipts and cash payments during the year. The Statements of Cash Flows also disclose net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

FUND FINANCIAL STATEMENTS

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than fund types. The Authority consists of exclusively enterprise funds. Enterprise funds utilize the full accrual basis of accounting. The enterprise method of accounting is similar to accounting utilized by business in the private sector. All of the activities of the Authority are reported in a single enterprise fund.

THE AUTHORITY'S PROGRAMS

Low Rent Public Housing – Under the Low Rent Public Housing Program, the Authority rents units that it owns to low-income households. The Conventional Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides operating subsidy and capital grant funding to enable the PHA to provide the housing at a rent that is based upon 30% of household income. The Conventional Public Housing Program also includes the Capital Fund Program, which is the primary funding source for physical and management improvements to the Authority's properties.

Federal Low-Income Housing Tax Credit (LIHTC) Program - Through the privately managed properties, The Housing Authority of the City of Camden administers the federal Low-Income Housing Tax Credit (LIHTC) program for housing developments in the City of Camden. The LIHTC program is contained within § 42 of the Internal Revenue Code (26 U.S.C. § 42) as a tax incentive program to stimulate investment in affordable housing. The LIHTC program provides incentives for developers to acquire rehabilitate and or build low- or mixed-income housing through the allocation of federal tax credits that can be used to reduce a project's federal taxes or sold to corporations or investor groups to raise equity for a project. The credits are purchased at a discount and represent a dollar-for-dollar reduction of tax liability. In the State of New Jersey, the LIHTC program plays a vital role in the creation and preservation of affordable rental housing by increasing the funding available to eligible projects that best meet the state's goals and requirements for affordable housing.

THE HOUSING AUTHORITY OF THE CITY OF CAMDEN
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THE AUTHORITY'S PROGRAMS (continued)

Housing Choice Voucher Program (Section 8 Program) – Under the Housing Choice Voucher Program, the Authority administers contracts with independent landlords that own the property. The Authority subsidizes the family's rent through a housing assistance payment made to the landlord. The program is administered under an Annual Contributions Contract (ACC) with HUD. HUD provides annual contributions funding to enable the Authority to structure a lease that sets the participants' rent at 30% of household income.

Capital Fund Program – Under the Capital Fund Program, the Authority receives grants from the Department of Housing and Urban Development, which are used primarily to maintain and improve the physical condition of its developments. The funds are also used to fund management improvements such as management information systems and tenant services. Included in the Capital fund Program is the HUD Choice Neighborhood Implementation Grant that supports the development of a comprehensive neighborhood revitalization plan, which focuses on directing resources to address three core goals: Housing, People and Neighborhood. To achieve these core goals, Camden communities developed for implementation a comprehensive neighborhood revitalization strategy, or Transformation Plan. The Transformation Plan is the guiding document for the revitalization of the public and/or assisted housing units while simultaneously directing the transformation of the surrounding neighborhood and positive outcomes for families.

Resident Opportunities and Self Sufficiency Program – A grant program funded by the Department of Housing and Urban Development that encourages economic self-sufficiency among the Authority's resident population.

Veterans Affairs Supportive Housing Program - The Housing Authority of the City of Camden has partnered with the Department of Veterans Affairs to offer Rental Assistance for homeless veterans. The HUD-Veterans Affairs Supportive Housing (HUD-VASH) voucher program combines HUD Housing Choice Voucher (HCV) Rental Assistance for homeless veterans with case management and clinical services provided by the Veterans Affairs (VA) at its medical centers and in the community. Visible goals of this program include addressing homelessness for veterans and ensuring needed case management services are provided by the VA to individuals to allow them to move to self-sufficiency.

Youth Build Grant – A grant program designed for the purpose of assisting at-risk youth between the ages of 16 and 24 to learn housing construction job skills and to complete their high school education.

State/Local Programs – Represents non-HUD resources developed from a variety of activities and funded by the state of New Jersey, the County of Camden or the City of Camden.

THE HOUSING AUTHORITY OF THE CITY OF CAMDEN
Management's Discussion and Analysis
December 31, 2018

STATEMENTS OF NET POSITION

The following table reflects the condensed Statements of Net Position as of December 31, 2018 and 2017:

	ASSETS			%
Account	2018	2017	Change	Change
Current assets:				
Cash and cash equivalents	\$ 6,404,006	\$ 6,363,271	\$ 40,735	1%
Tenant Security Deposits	171,251	259,845	(88,594)	(34%)
Accounts receivable, net	2,051,842	1,072,575	979,267	91%
Prepaid expenses	<u>283,165</u>	<u>217,159</u>	<u>66,006</u>	30%
 Total current assets	 <u>8,910,264</u>	 <u>7,912,850</u>	 <u>997,414</u>	 13%
 Non-current assets:				
Restricted cash	645,583	1,064,999	(419,416)	(39%)
Notes receivable	20,300,231	37,048,309	(16,748,078)	(45%)
Capital assets, net	<u>15,049,134</u>	<u>15,440,779</u>	<u>(391,645)</u>	(3%)
 Total non-current assets	 <u>35,994,948</u>	 <u>53,554,087</u>	 <u>(17,559,139)</u>	 (33%)
 Total assets	 <u>44,905,212</u>	 <u>61,466,937</u>	 <u>(16,561,725)</u>	 (27%)
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>				
New Jersey P.E.R.S.	2,151,988	3,347,465	(1,195,477)	(36%)
New Jersey S.H.B.P.	<u>1,112,058</u>	<u>-</u>	<u>1,112,058</u>	100%
 Total Assets & Deferred Outflows	 <u>\$ 48,169,258</u>	 <u>\$ 64,814,402</u>	 <u>\$ (16,645,144)</u>	 (26%)

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STATEMENTS OF NET POSITION (continued)

LIABILITIES AND NET POSITION

Account	2018	2017	Change	% Change
Current liabilities:				
Accounts payable	\$ 389,711	\$ 368,693	\$ 21,018	6%
Accrued expenses	105,412	146,654	(41,242)	(28%)
Accrued compensated absences, current	43,784	42,803	981	2%
Tenant security deposits	171,251	259,845	(88,594)	(34%)
Current portion of bonds and leases payable	375,000	365,000	10,000	3%
Prepaid tenant rents	252,214	233,893	18,321	8%
Other current liabilities	<u>99,711</u>	<u>68,225</u>	<u>31,486</u>	46%
Total current liabilities	<u>1,437,083</u>	<u>1,485,113</u>	<u>(48,030)</u>	(3%)
Non-current liabilities:				
Bonds and leases payable, non-current	2,725,000	3,095,000	(370,000)	(12%)
Accrued compensated absences, non-current	394,036	379,986	14,050	4%
Other liabilities	164,064	176,218	(12,154)	(7%)
Net pension liability	10,001,933	12,466,349	(2,464,416)	(20%)
Net OPEB liability	<u>21,329,944</u>	<u>28,410,203</u>	<u>(7,080,259)</u>	100%
Total non-current liabilities	<u>34,614,977</u>	<u>44,527,756</u>	<u>(9,912,779)</u>	(22%)
Total liabilities	<u>36,052,060</u>	<u>46,012,869</u>	<u>(9,960,809)</u>	(22%)
<u>DEFERRED INFLOWS OF RESOURCES</u>				
New Jersey P.E.R.S.	4,195,284	2,982,875	1,212,409	41%
New Jersey S.H.B.P.	<u>13,413,356</u>	<u>-</u>	<u>13,413,356</u>	100%
Total deferred inflows of resources	<u>17,608,640</u>	<u>2,982,875</u>	<u>14,625,765</u>	490%
<u>NET POSITION</u>				
Net position:				
Net Investment in capital assets	11,949,132	11,980,779	(31,647)	(0%)
Restricted net position	20,788,507	37,814,773	(17,026,266)	(45%)
Unrestricted net position	<u>(38,229,081)</u>	<u>(33,976,894)</u>	<u>(4,252,187)</u>	13%
Total net position	<u>(5,491,442)</u>	<u>15,818,658</u>	<u>(21,310,100)</u>	(135%)
Total Liabilities, deferred inflows of resources and net position	<u>\$ 48,169,258</u>	<u>\$ 64,814,402</u>	<u>\$ (16,645,144)</u>	(26%)

THE HOUSING AUTHORITY OF THE CITY OF CAMDEN
Management's Discussion and Analysis
December 31, 2018

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The following table reflects the Statements of Revenues, Expenses and Changes in Net Position for the years ended December 31, 2018 and 2017:

Account	2018	2017	Change	%
				Change
Operating Revenues:				
Tenant revenue	\$ 2,721,350	\$ 2,969,249	\$ (247,899)	(8%)
HUD operating grants	26,462,893	26,935,282	(472,389)	(2%)
Other government grants	929,784	1,034,150	(104,366)	(10%)
Other revenues	<u>662,454</u>	<u>1,108,668</u>	<u>(446,214)</u>	(40%)
Total operating revenues	<u>30,776,481</u>	<u>32,047,349</u>	<u>(1,270,868)</u>	(4%)
Operating expenses:				
Administrative	13,707,427	7,507,633	6,199,794	83%
Tenant services	1,987,293	2,746,556	(759,263)	(28%)
Utilities	2,244,335	2,504,615	(260,280)	(10%)
Ordinary repairs and maintenance	1,789,130	2,434,025	(644,895)	(26%)
Protective services	430,327	827,341	(397,014)	(48%)
Insurance and general	1,277,990	1,362,737	(84,747)	(6%)
Extraordinary maintenance	-	58,892	(58,892)	(100%)
Housing assistance payments	13,562,669	12,746,344	816,325	6%
Depreciation	<u>1,453,451</u>	<u>1,462,554</u>	<u>(9,103)</u>	(1%)
Total operating expenses	<u>36,452,622</u>	<u>31,650,697</u>	<u>4,801,925</u>	15%
Operating income (loss)	<u>(5,676,141)</u>	<u>396,652</u>	<u>(6,072,793)</u>	(1531%)
Non-operating revenues:				
Investment income	812	513,015	(512,203)	(100%)
Interest expense	(302,789)	(175,909)	(126,880)	72%
Loss on investment in leased property	(2,257,643)	(8,609,440)	6,351,797	(74%)
Bad debt expense - mortgage loans	-	(5,657,226)	5,657,226	100%
Casualty losses	<u>(722)</u>	<u>(4,977)</u>	<u>4,255</u>	(85%)
Net non-operating rev (exp)	<u>(2,560,342)</u>	<u>(13,934,537)</u>	<u>11,374,195</u>	(82%)
Loss before capital grants	(8,236,483)	(13,537,885)	5,301,402	(39%)
Capital grants	3,674,461	1,191,225	2,483,236	208%
Special items - write down of mortgage loans	<u>(16,748,078)</u>	<u>-</u>	<u>(16,748,078)</u>	(100%)
Change in net position	(21,310,100)	(12,346,660)	(8,963,440)	73%
Net position, beginning of year	<u>15,818,568</u>	<u>56,575,521</u>	<u>(40,756,953)</u>	(72%)
Change in accounting principle - adoption of GASB 75	-	<u>(28,410,203)</u>	<u>28,410,203</u>	100%
Total net position, end of year	<u>\$ (5,491,442)</u>	<u>\$ 15,818,568</u>	<u>\$ (21,310,010)</u>	(35%)

THE HOUSING AUTHORITY OF THE CITY OF CAMDEN
Management's Discussion and Analysis
December 31, 2018

MAJOR FACTORS AFFECTING THE STATEMENTS OF NET POSITION

- During 2018 capital assets, net, decreased by \$391,645, which is more fully described in the capital asset section of this report.
- Accounts receivable, net, increased \$979,267 from December 31, 2017 to December 31, 2018 primarily due to an increase in pending requests from HUD for payment of reimbursable expenditures of \$951,523, combined with an increase in reimbursements due from other miscellaneous sources of \$65,139, along with a decrease in other government receivables of \$71,166, and an increase in the allowance for doubtful accounts associated with tenant rents (\$25,545).
- The Authority's restricted cash decreased by \$419,416 at December 31, 2018. The decrease is primarily the result of decreases in restricted HAP reserves of \$278,639 and Capital Fund Revenue Bond proceeds of \$130,044.
- Notes receivable decreased \$16,748,078 as the Authority recorded an allowance toward uncollectable loan amounts.
- Short term and long-term debt decreased \$360,000 as the Authority paid down one year of principal on capital fund bonds.
- The Authority's net pension liability decreased \$2,464,416 as the State of New Jersey issued a new report updating the PERS unfunded liability to all participants. Better investment assumptions and returns resulted in a reduced net pension liability.

**MAJOR FACTORS AFFECTING THE STATEMENTS OF REVENUE,
EXPENSES AND CHANGES IN NET POSITION**

- Operating revenues decreased by \$1,270,868 from \$32,047,349 in 2017 to \$30,776,481 in 2018. This is primarily the result of a decrease in HUD operating grants of \$472,389, tenant revenues of \$247,899, other government grants of \$104,366, and other revenues of \$446,214.
- Capital grants increased by \$2,483,236 to \$3,674,461 from the year ended December 31, 2018 as reimbursements from formula grants utilized for the current year decreased.
- The decrease in utilities expense of \$260,280 from 2017 to 2018 is due to decreases in certain utility rates combined with billings received for usage incurred in prior periods.

THE HOUSING AUTHORITY OF THE CITY OF CAMDEN
Management's Discussion and Analysis
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MAJOR FACTORS AFFECTING THE STATEMENTS OF REVENUE,
EXPENSES AND CHANGES IN NET POSITION

- The variance indicating an increase of \$6,199,794 in administrative expenses from 2017 to 2018 is due, primarily to recognition of OPEB expense increases of \$6,194,963, increases of \$140,643 in salaries, increases of \$92,959 in office expenses, increases of \$11,616 in travel and decreases of \$96,673 in legal expenses and decreases of \$150,127 of other expenses.
- The decrease of \$759,263 in tenant services from 2017 is due to decreases in salaries of \$52,227, decreases in relocation costs associated with the Branch Village transition of \$245,390, decreases in employee benefit costs of \$318,485, and decreases in other costs of \$143,161.
- Housing assistance payments increased \$816,325 (6%). The Authority had the same amount of unit months leased in 2018 than in 2017, and, the average payment to landlords increased by 7.1%.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2018, the Authority had \$15,049,134 invested in capital assets as reflected in the following schedule, which represents a net decrease (addition, disposals and depreciation) of \$391,645 from the end of 2017.

Account	2018	2017	Change	%
			Change	Change
Capital Assets:				
Land	\$ 824,155	\$ 824,155	\$ -	0%
Construction in progress	3,425,296	2,363,490	1,061,806	45%
Buildings	152,425,756	152,425,756	-	0%
Furniture and equipment	<u>1,149,054</u>	<u>1,149,054</u>	-	0%
			-	
Total capital assets	157,824,261	156,762,455	1,061,806	1%
Less: Accum depreciation	<u>142,775,127</u>	<u>141,321,676</u>	<u>1,453,451</u>	1%
Capital assets, net	<u>\$ 15,049,134</u>	<u>\$ 15,440,779</u>	<u>\$ (391,645)</u>	(3%)

The Authority's net capital assets decreased \$391,645, as the Authority had capital purchases totaling \$1,061,806, which was offset by depreciation expense of \$1,453,451.

THE HOUSING AUTHORITY OF THE CITY OF CAMDEN
Management's Discussion and Analysis
December 31, 2018

Debt Outstanding

The New Jersey Housing and Mortgage Financing Agency issued \$79,860,000 Capital Fund Program Revenue Bonds, 2004 Series A in 2004. The Authority, upon approval from the Housing and Urban Development's Washington D.C. office, joined 20 other New Jersey Housing Authorities in consideration of a portion of these proceeds or \$6.9 million.

The use of these funds was site improvements within two of the HACC's developments (Kennedy Towers and Branch Village). These funds were received December 23, 2004 and have a twenty-year repayment cycle. As of December 31, 2018, \$3,100,000 is still outstanding.

The current portion of the Authority's outstanding debt payable as of December 31, 2018 is \$375,000.

ECONOMIC FACTORS

Significant economic factors affecting the Authority are as follows:

- Federal funding of the Department of Housing and Urban Development
- HUD's Project Based Budgeting, Accounting, and Reporting Requirements
- Local redevelopment plans
- Local labor supply and demand, which can affect salary and wage rates
- Local Union Agreements and the subsequent execution
- Local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income
- Inflationary pressure on utility rates, supplies and other costs

FINANCIAL CONTACT

This financial report is designed to provide our residents, the citizens of the City of Camden, New Jersey, all federal and state regulatory bodies, and any creditors with a general overview of the Authority's finances. If you have any questions regarding these financial statements or supplemental information, you may make inquiry by writing to: Housing Authority of City of Camden, 2021 Watson Street, 2nd Floor, Camden, New Jersey, 08105, Attention: Victor D. Figueroa, Executive Director.

FINANCIAL STATEMENTS

**HOUSING AUTHORITY OF THE CITY OF CAMDEN
STATEMENT OF NET POSITION
DECEMBER 31, 2018**

ASSETS

Current assets:	
Cash and cash equivalents	\$ 6,353,041
Tenant security deposits	171,251
Accounts receivable, net	2,051,842
Prepaid expenses	<u>283,165</u>
Total current assets	<u>8,859,299</u>
Non-current assets:	
Restricted cash	696,548
Notes receivable	20,300,231
Capital assets, net	<u>15,049,134</u>
Total non-current assets	<u>36,045,913</u>
Total assets	<u>44,905,212</u>

DEFERRED OUTFLOW OF RESOURCES

State of New Jersey P.E.R.S.	2,151,988
State of New Jersey S.H.B.P.	<u>1,112,058</u>
Total deferred outflow of resources	<u>3,264,046</u>
Total assets and deferred outflow of resources	<u>\$ 48,169,258</u>

See accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
STATEMENT OF NET POSITION (continued)
DECEMBER 31, 2018

LIABILITIES

Current liabilities:	
Accounts payable	\$ 389,711
Accrued expenses	105,412
Accrued compensated absences, current	43,784
Tenant security deposits	171,251
Bonds payable, current	375,000
Prepaid rent	252,214
Other current liabilities	<u>99,711</u>
Total current liabilities	<u>1,437,083</u>
Non-current liabilities:	
Accrued compensated absences, non-current	394,036
Bonds payable, non-current	2,725,000
Accrued pension liability	10,001,933
Accrued OPEB liability	21,329,944
Other non-current liabilities	<u>164,064</u>
Total non-current liabilities	<u>34,614,977</u>
Total liabilities	<u>36,052,060</u>

DEFERRED INFLOW OF RESOURCES

State of New Jersey P.E.R.S.	4,195,284
State of New Jersey S.H.B.P.	<u>13,413,356</u>
Total deferred inflow of resources	<u>17,608,640</u>

NET POSITION

Net position:	
Net investment in capital assets	11,949,134
Restricted	20,839,472
Unrestricted	<u>(38,280,048)</u>
Total net position	<u>(5,491,442)</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 48,169,258</u>

See accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2018

Operating revenues:	
Tenant revenue	\$ 2,721,350
HUD operating grants	26,613,779
Other government grants	778,898
Other revenues	<u>662,454</u>
Total operating revenues	<u>30,776,481</u>
Operating expenses:	
Administrative	13,707,427
Tenant services	1,987,293
Utilities	2,244,335
Ordinary repairs and maintenance	1,789,130
Protective services	430,327
General expenses	1,277,990
Housing assistance payments	13,562,669
Depreciation	<u>1,453,451</u>
Total operating expenses	<u>36,452,622</u>
Operating loss	<u>(5,676,141)</u>
Non-operating revenues (expenses):	
Investment income	812
Interest expense	(302,789)
Demolition costs	(2,257,643)
Casualty losses	<u>(722)</u>
Net non-operating revenues (expenses)	<u>(2,560,342)</u>
Loss before capital grants	(8,236,483)
Capital grants	3,674,461
Special items - write down of mortgage loans	<u>(16,748,078)</u>
Change in net position	<u>(21,310,100)</u>
Total net position, beginning of year	44,228,861
Change in accounting principle - adoption of GASB 75	<u>(28,410,203)</u>
Total net position, beginning of year (as restated)	<u>15,818,658</u>
Total net position, end of year	<u>\$ (5,491,442)</u>

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF CAMDEN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Cash Flows from Operating Activities:	
Cash received from tenants and others	\$ 3,506,536
Cash received from grantors	26,135,348
Cash paid to employees	(13,748,669)
Cash paid to vendors and suppliers	<u>(16,052,803)</u>
Net cash used in operating activities	<u>(159,588)</u>
Cash Flows from Capital and Related Financing Activities:	
Principal payments on bonds payable	(360,000)
Interest paid on bonds payable	(302,789)
Casualty losses	(722)
Proceeds from capital grants	3,674,461
Purchase of capital assets	(1,061,806)
Demolition costs paid	<u>(2,257,643)</u>
Net cash used in capital and related financing activities	<u>(308,499)</u>
Cash Flows from Investing Activities:	
Investment income	<u>812</u>
Net cash provided by investing activities	<u>812</u>
Net decrease in cash and cash equivalents	(467,275)
Cash and cash equivalents, beginning of year	<u>7,688,115</u>
Cash and cash equivalents, end of year	<u><u>\$ 7,220,840</u></u>
Reconciliation of cash and cash equivalents to the Statement of Net Position is as follows:	
Cash and cash equivalents	\$ 6,353,041
Tenant security deposits	171,251
Restricted cash	<u>696,548</u>
Cash and cash equivalents, end of year	<u><u>\$ 7,220,840</u></u>

See accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (5,676,141)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	1,453,451
Bad debts	86,975
Changes in operating assets, deferred outflow of resources, liabilities and deferred inflow of resources:	
Accounts receivable, net	(1,231,291)
Prepaid expenses	(66,006)
Deferred outflow of resources	83,419
Accounts payable	186,067
Accrued expenses	(41,242)
Tenant security deposits liability	(88,594)
Prepaid rent	18,321
Accrued compensated absences	15,031
Other liabilities	19,332
Accrued pension liability	(2,464,416)
Accrued OPEB liability	(7,080,259)
Deferred inflow of resources	<u>14,625,765</u>
Net cash used in operating activities	<u>\$ (159,588)</u>

See accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Housing Authority of the City of Camden (the "Authority") is a governmental, public corporation created under federal and state housing laws as defined by State statute (N.J.S.A. 4A:12A-1, et. Seq., the "Housing Authority Act") for the purpose of engaging in the development, acquisition and administrative activities of the low-income housing program and other programs with similar objectives for low and moderate income families residing in the City of Camden, New Jersey (the "City"). The Authority is responsible for operating certain low-rent housing programs in the City under programs administered by the U.S. Department of Housing and Urban Development ("HUD"). These programs provide housing for eligible families under the United States Housing Act of 1937, as amended.

The Authority is governed by 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 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 outflow of resources, liabilities, deferred inflow 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 a Management's Discussion and Analysis as part of the Required Supplemental Information.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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.

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.

The Authority adopted GASB 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"). GASB 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenditures associated with pension plans of State and Local Governments. For defined benefit pensions, GASB 68 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actual present value, and attribute that present value to periods of employee service. In addition, GASB 68 details the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions.

The Authority adopted GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension Plans* ("GASB 75"). GASB 75 established new accounting and financial reporting requirements for governments whose employees are provided with other postemployment benefits ("OPEB"), as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. For defined benefit OPEB, GASB 75 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actual present value, and attribute that present value to periods of employee service. In addition, GASB 75 details the recognition and disclosure requirements for employers with liabilities to a defined benefit OPEB plan and for employers whose employees are provided with a defined contribution OPEB.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Reporting Entity

In accordance with GASB 61, *The Financial Reporting Entity Omnibus - An Amendment of GASB Statement No. 14 and No. 34* ("GASB 61"), 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 on the application of the above criteria, this report includes the following blended component units:

- Watson Street Management and Development Corporation ("WDC") was incorporated as a nonprofit 501(c)(3) corporation in the State of New Jersey in July, 2014.
- Elba's Place LLC ("EP") was incorporated in the State of New Jersey as a limited liability company. EP operates an Adult Day Care facility and is owned and managed by WDC.
- New Hope Property Management LLC ("NH") was incorporated in the State of New Jersey as a limited liability company. NH owns a three unit affordable housing project in Camden, NJ.

Additionally, based on the application of the above criteria, the Authority's financial statements are not included in any other reporting entity's financial statements.

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 City. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Description of Programs (continued)

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.

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.

Adult Day Care Program

The Authority operates an Adult Day Care Program called Elba's Place which supports veterans, elderly and disabled populations within the community. Elba's Place combines skilled services with extensive recreational, education, behavioral counseling and group programming to offer viable options to in-home, nursing home, or assisted living care.

Public and Indian Housing Family Self-Sufficiency Program

The purpose of the Public and Indian Housing Family Self-Sufficiency Program is to programmatically address the needs of public housing residents by providing supportive services, resident empowerment activities and/or assisting residents in becoming economically self-sufficient. The primary focus of the program is on a spectrum of services for families leading to homeownership.

Neighborhood Stabilization Program

The objectives of the Neighborhood Stabilization Program are to stabilize property values, arrest neighborhood decline, assist in preventing neighborhood blight, and stabilize communities across America hardest hit by residential foreclosures and abandonment. These objectives will be achieved through the purchase and redevelopment of foreclosed and abandoned homes and residential properties that will allow those properties to turn into useful, safe and sanitary housing.

Youthbuild Program

The Youthbuild Program provides funding assistance for a wide range of multi-disciplinary activities and services to assist economically disadvantaged youth. The opportunities are designed to help disadvantaged young adults who have dropped out of high school to obtain the education and employment skills necessary to achieve economic self-efficiency and develop leadership skills and a commitment to community development in low income communities. Another important objective of the Youthbuild Program is to expand the supply of permanent affordable housing for homeless persons and members of low income and very low income families. By giving disadvantaged young adults participating in the program meaningful on-site training experiences constructing or rehabilitating housing as a community service, they are helping to meet the housing needs of homeless and low income families in their community.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Description of Programs (continued)

Adult Education State Grant Program

The Adult Education and Family Literacy State Grant program provides grants to eligible agencies to provide adult education and literacy services. These grants help adults become literate and obtain the knowledge and skills necessary for employment; obtain the educational skills necessary to become full partners in the educational development of their children; and complete a secondary school education.

Choice Neighborhood Planning Grants

The objective of the Choice Neighborhoods Planning Grants is to support the development of comprehensive neighborhood Transformation Plans. The Transformation Plan should integrate effective strategies to implement public and/or assisted housing revitalization, the coordination and design of supportive services, including educational opportunities for children, and neighborhood-level planning to improve a range of neighborhood assets. The Transformation Plan should be created as part of a collaborative planning process that involves neighborhood stakeholders and local governmental entities to build the necessary support to successfully implement the plan.

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 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 CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

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. 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.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Capital Assets, Net (continued)

Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

- | | |
|-------------------------------------|------------|
| • Buildings | 40 Years |
| • Site Improvements | 15 Years |
| • Furniture, Fixtures and Equipment | 5-10 Years |

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

K. 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 December 31, 2018, there were no impairment losses incurred.

L. 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 GAAP, 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.

M. Inter-program Receivables and Payables

Inter-program receivables and payables are current, and are the result of the use of the Public and Indian Housing Program fund as the common paymaster for shared costs of the Authority. Cash settlements are made periodically, and all inter-program balances net to zero. In accordance with GASB 34, inter-program receivables and payables are eliminated for financial statement purposes.

N. 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.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Compensated Absences

Compensated absences represent amounts to which employees are entitled based on accumulated leave earned in accordance with the Authority's Personnel Policy. Employees may be compensated for accumulated vacation leave in the event of retirement or termination from service at the current salary. Annual vacation increases based on tenure, starting at twelve days for the first year of service and increasing up to thirty days. Employees' sick leave accumulates and employees may be compensated for sick leave at retirement at a rate of 65%, but no more than \$15,000 for non-union workers and \$5,000 for union workers.

P. Prepaid Rent

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

Q. 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.

R. Other Post Employment Benefits ("OPEB")

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to the net OPEB, and OPEB expense, and information about the fiduciary net position of the State Health Benefits Plan ("SHBP") and additions to/deductions from SHBP's fiduciary net position have been determined on the same basis as they are reported by SHBP. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

S. Deferred Outflow of Resources / Deferred Inflow of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflow 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 inflow 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 CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

T. Equity Classifications

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

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

Restricted net position — Consists of 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.”

U. 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. Other contributions from HUD that are for development and modernization of capital assets are reflected separately in the accompanying financial statements as capital grants. 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.

V. 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.

W. 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 GAAP. 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 60 days prior to the end of the fiscal year.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

X. Investment in Leased Property

As part of its development activities, the Authority routinely enters into ground lease agreements. Under terms of the agreements, the Authority leases land it owns to a third party and that party owns the improvements built on the land. Typically, the lease terms range from fifty (50) to ninety-nine (99) years.

These lease agreements (land only) are recorded as operating leases and will be accounted for as follows:

The leased property will be included near property, plant and equipment but separately identified on the Authority's Statement of Net Position (if material balance exists) as "Investment in Leased Property". Since land has an indefinite useful life, no depreciation will be charged on the property.

Rent is reported as income over the lease term as it becomes receivable according to the provisions of the lease. However, if the rentals vary from the straight-line basis, the Authority will recognize the income on a straight-line basis unless another systematic and rational basis is more representative of the time pattern in which the benefit from the leased property is diminished, in which case that basis will be used.

Upon substantial completion of the development agreement, if the fair value of the property is less than its cost or carrying amount, then a loss equal to that difference will be recognized at the inception of the lease.

Y. Economic Dependency

The Section 8 Housing Choice Vouchers and Public and Indian Housing programs are economically dependent on receiving subsidies from HUD. These programs operate at a loss prior to receiving such subsidies.

Z. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority is a member of the New Jersey Public Housing Authorities Joint Insurance Fund ("JIF").

The JIF is both an insured and self-administered group of housing authorities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The JIF will be self-sustaining through member premiums. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the previous three years.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 2. CASH AND CASH EQUIVALENTS

At December 31, 2018, 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 \$7,220,840 and the bank balances approximated \$7,751,185.

<u>Cash Category</u>	<u>Amount</u>
Unrestricted	\$ 6,353,041
Tenant security deposits	171,251
Restricted	<u>696,548</u>
 Total cash and cash equivalents	 <u>\$ 7,220,840</u>

Of the bank balances, \$502,499 was covered by federal depository insurance and the remaining \$7,248,686 was collateralized with the pledging financial institution as of December 31, 2018.

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 December 31, 2018, the Authority's bank balances were not exposed to custodial credit risk.

NOTE 3. ACCOUNTS RECEIVABLE, NET

As of December 31, 2018, accounts receivable consisted of the following:

<u>Description</u>	<u>Amount</u>
Accounts receivable - HUD	\$ 1,500,720
Accounts receivable - other governments	313,787
Accounts receivable - tenants, net	73,416
Accounts receivable - miscellaneous	<u>163,919</u>
 Total accounts receivable, net	 <u>\$ 2,051,842</u>

Accounts Receivable - HUD

As of December 31, 2018, Accounts receivable - HUD consisted of amounts due from the Department of Housing and Urban Development for program grants and subsidies. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

Accounts Receivable - Other Governments

Accounts receivable - other governments represents amounts owed to the PHA by other federal agencies and state and local governments for reimbursements of grant expenditures and housing assistance payments from portable tenants. Management estimates the amounts to be fully collectible and therefore no allowance for doubtful accounts has been established.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 3. ACCOUNTS RECEIVABLE, NET (continued)

Accounts Receivable - Tenants, Net

Tenant accounts receivable represents amounts owed to the Authority by tenants for outstanding rent. The balance is shown net of an allowance for doubtful accounts of \$144,349.

Accounts Receivable - Miscellaneous

Miscellaneous receivables consist primarily of amounts due from other properties for operating subsidies, for contract fees owed and for reimbursement from private healthcare providers in the assisted living program. The balance is shown net of an allowance for doubtful accounts of \$65,755.

NOTE 4. RESTRICTED DEPOSITS

As of December 31, 2018, restricted deposits consisted of the following:

<u>Cash Category</u>	<u>Amount</u>
Housing assistance payment reserves	\$ 182,092
Family Self-Sufficiency escrows	157,307
Capital Fund Revenue Bond proceeds	2,499
Neighborhood Stabilization Program escrows	262,729
Water and Energy Savings Corporation escrows	91,921
Tenant security deposits	<u>171,251</u>
 Total restricted deposits	 <u>\$ 867,799</u>

Housing assistance payment reserves are restricted for use only in the Section 8 Housing Choice Vouchers Program for future housing assistance payments.

Family Self-Sufficiency ("FSS") Program escrows are restricted for use in the Section 8 Housing Choice Vouchers Program by FSS program participants.

Capital Fund Program Revenue Bond proceeds consist of unspent proceeds from the 2004 Series A Capital Fund Program Revenue Bonds and are restricted for certain capital improvements in accordance with the Authority's approved annual plan.

Neighborhood Stabilization Program escrows are restricted for modernization and development related to the redevelopment of abandoned or foreclosed homes or residential properties.

Water and Energy Savings Corporation escrows are restricted to provide funding for the Authority to lease equipment for water and energy renovations.

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

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 5. NOTES RECEIVABLE

The Authority has entered into several redevelopment and revitalization agreements with selected developers to provide affordable housing in accordance with the HUD guidelines. The Authority provided loans to developers for the purpose of constructing affordable housing units.

Outstanding notes receivable and accrued interest as of December 31, 2018 consisted of the following:

<u>Description</u>	<u>Amount</u>
<p>The Authority issued a mortgage loan to Chelton Terrace Urban Renewal Associates, L.P. to facilitate the construction of new buildings and building improvements. The principal balance was \$2,702,881 with interest accruing at the Wall Street Journal prime rate of 3.25%. The loan matures on August 26, 2049 and is secured by real property and any ensuing structures. Accrued interest included as part of the loan balance totaled \$1,260,619 as of December 31, 2018.</p>	\$ 3,978,660
<p>The Authority issued a mortgage loan to Roosevelt Central Urban Renewal Associates, L.P. to facilitate the construction of new buildings and building improvements. The principal balance was \$1,993,512 with interest accruing at the rate of 5.5%. The loan matures December 21, 2047 and is secured by real property and any ensuing structures. Accrued interest included as part of the loan balance totaled \$1,209,378 as of December 31, 2018.</p>	3,202,890
<p>The Authority issued a mortgage loan to Centerville Urban Renewal Associates, LLC to facilitate the construction of new buildings and building improvements. The principal balance was \$2,140,007 with interest accruing at the rate of 3.25%. The loan matures February 26, 2048 and is secured by real property. Accrued interest included as part of the loan balance totaled \$676,705 as of December 31, 2018.</p>	2,816,712
<p>The Authority issued a mortgage loan to Centerville South Urban Renewal Associates, L.P. to facilitate the construction of new buildings and building improvements. The principal balance was \$1,526,572 with interest accruing at the rate of 2.75%. The loan matures February 24, 2050 and is secured by real property and any ensuing structures. Accrued interest included as part of the loan balance totaled \$377,757 as of December 31, 2018.</p>	1,904,029

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 5. NOTES RECEIVABLE (continued)

The Authority issued a mortgage loan to Centerville Urban Renewal 12, LLC to facilitate the construction of a community center and building improvements. The principal balance was \$2,318,000 and it is a non interest bearing loan. The loan matures upon the completion of construction on the property or May 9, 2051, whichever occurs first. The loan is secured by real property and any ensuing structures. 2,318,000

The Authority issued a mortgage loan to Centerville Urban Renewal 12, LLC to facilitate the construction of new buildings and building improvements. The principal balance was \$2,345,234 with interest accruing at the rate of 3.25%. The loan matures May 9, 2048 and is secured by real property. Accrued interest included as part of the loan balance totaled \$811,482 as of December 31, 2018. 3,156,716

The Authority issued a non-interest bearing mortgage loan to Branch Housing Urban Renewal, LLC to facilitate the construction of new buildings and building improvements. The principal balance was \$11,204,894 and it is a non interest bearing loan. The loan matures September 13, 2060 and is secured by real property. 11,204,894

The Authority issued a mortgage loan to Westfield Acres Urban Renewal Associates, L.P. to facilitate the construction of new buildings and building improvements. The principal balance was \$1,444,882 with interest accruing at the rate of 3.25%. The loan matures on December 27, 2044 and is secured by real property. Accrued interest included as part of the loan balance totaled \$799,072 as of December 31, 2018. 2,243,954

The Authority issued a mortgage loan to Westfield Acres Urban Renewal Associates II, L.P. to facilitate the construction of new buildings and building improvements. The original principal balance was \$2,184,428 with interest accruing at the rate of 1%. The loan matures on December 8, 2056 and is secured by real property. Accrued interest included as part of the loan balance totaled \$263,565 as of December 31, 2018. 2,447,993

The Authority issued a mortgage loan to Westfield Acres Urban Renewal Associates III, L.P. to facilitate the construction of new buildings and building improvements. The original principal balance was \$747,729 with interest accruing at the rate of 3.25%. The loan matures on March 21, 2056 and is secured by real property. Accrued interest included as part of the loan balance totaled \$310,654 as of December 31, 2018. 1,058,383

The Authority issued a mortgage loan to Morgan Village Urban Renewal Associates, L.P. to facilitate the construction of new buildings, related parking, landscaping and infrastructure improvements. The original principal balance was \$6,580,476 with interest accruing at the rate of .05%. Accrued interest included as part of the loan balance totaled \$513,997 as of December 31, 2018. 7,094,473

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 5. NOTES RECEIVABLE (continued)

The Authority issued a mortgage loan to Branch Village Urban Renewal LLC to commence construction of a housing development known as Branch Village Mid Rise which will involve the development of fifty rental units, together with related parking, landscaping and infrastructure improvements. The total amount of the mortgage loan will be \$2,309,986. As of December 31, 2018 \$2,309,986 has been disbursed. The principal balance will accrue interest at the rate of 1%. The loan matures fifty years after the completion of construction on the property. The loan is secured by a Leasehold Mortgage and Security agreement. Accrued interest included as part of the loan balance totaled \$21,014 as of December 31, 2018.

	<u>2,331,000</u>
Total notes receivable and accrued interest	43,757,704
Allowance for uncollectable notes receivable and accrued interest	<u>(23,457,473)</u>
Total notes receivable and accrued interest	<u>\$ 20,300,231</u>

As of December 31, 2018, the current portion of notes receivable amounted to \$-0-.

NOTE 6. CAPITAL ASSETS, NET

The following is a summary of the primary government's changes in capital assets during the year ended December 31, 2018:

Description	December 31, 2017	Additions	Dispositions	Transfers	December 31, 2018
<u>Non-depreciable:</u>					
Land	\$ 824,155	\$ -	\$ -	\$ -	\$ 824,155
Construction in progress	<u>2,363,490</u>	<u>1,061,806</u>	<u>-</u>	<u>-</u>	<u>3,425,296</u>
Subtotal	<u>3,187,645</u>	<u>1,061,806</u>	<u>-</u>	<u>-</u>	<u>4,249,451</u>
<u>Depreciable:</u>					
Buildings	152,425,756	-	-	-	152,425,756
Furniture and equipment	<u>1,149,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,149,054</u>
Subtotal	<u>153,574,810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,574,810</u>
Less: accumulated depreciation	<u>141,321,676</u>	<u>1,453,451</u>	<u>-</u>	<u>-</u>	<u>142,775,127</u>
Net capital assets	<u>\$ 15,440,779</u>	<u>\$ (391,645)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,049,134</u>

Depreciation expense for the year ended December 31, 2018 totaled \$1,453,451.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 7. ACCOUNTS PAYABLE

As of December 31, 2018, accounts payable consisted of the following:

<u>Description</u>	<u>Amount</u>
Accounts payable - vendors	\$ 387,293
Accounts payable - other governments	<u>2,418</u>
Total accounts payable	<u>\$ 389,711</u>

Accounts Payable - Vendors

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

Accounts Payable - Other Governments

Accounts payable - other governments represents amounts due and payable to other federal agencies and state and local governments.

NOTE 8. LONG-TERM DEBT

During 2004, the Authority entered into a capital fund leveraging pool. The New Jersey Housing and Mortgage Finance Agency issued tax exempt, twenty year Capital Fund Program Revenue Bonds, 2004 Series A on December 23, 2004 and maturing in November, 2024. The Authority's share of the funds from the bond issue pool amounted to \$6,935,000. Interest accrues at 4.416% and is payable semi-annually with principal on May 1st and November 1st. Repayment of the funds shall be paid solely from capital fund allocations received by the Authority from HUD. Outstanding principal balance totaled \$3,100,000 as of December 31, 2018. The current portion of long-term debt totaled \$375,000.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 375,000	\$ 140,058	\$ 515,058
2020	385,000	122,788	507,788
2021	395,000	103,988	498,988
2022	415,000	84,248	499,248
2023	440,000	63,215	503,215
2024-2025	<u>1,090,000</u>	<u>59,220</u>	<u>1,149,220</u>
	<u>\$ 3,100,000</u>	<u>\$ 573,517</u>	<u>\$ 3,673,517</u>

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 9. NON-CURRENT LIABILITIES

Non-current liabilities for the year ended December 31, 2018 consisted of the following:

Description	December 31, 2017	Additions	Payments	December 31, 2018	Amounts due within one year
Capital fund revenue bonds	\$ 3,460,000	\$ -	\$ (360,000)	\$ 3,100,000	\$ 375,000
Accrued compensated absences	422,789	310,568	(295,537)	437,820	43,784
Accrued pension liability	12,466,349	-	(2,464,416)	10,001,933	-
Accrued OPEB liability	28,410,203	-	(7,080,259)	21,329,944	-
Family-Self Sufficiency escrows	165,992	-	(8,685)	157,307	-
Other liabilities	<u>78,451</u>	<u>28,017</u>	<u>-</u>	<u>106,468</u>	<u>99,711</u>
Total non-current liabilities	<u>\$ 45,003,784</u>	<u>\$ 338,585</u>	<u>\$ (10,208,897)</u>	<u>\$ 35,133,472</u>	<u>\$ 518,495</u>

NOTE 10. 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 Comprehensive Annual Financial Report, which can be found at www.nj.gov/treasury/pensions/financial-reports.shtml.

B. Benefits

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

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

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

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

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 10. PENSION PLAN (continued)

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.

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 December 31, 2018, the Authority reported a liability of \$10,001,933, for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2017, and rolled forward to June 30, 2018.

For the year ended December 31, 2018, the Authority recognized pension benefit of \$56,532. At December 31, 2018, the Authority reported deferred outflow of resources and deferred inflow of resources from the following sources.

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Changes of Assumptions	\$ 1,648,153	\$ 3,198,086
Changes in Proportion	313,099	851,806
Differences between expected and actual experience	190,736	51,573
Net differences between actual and projected earnings on pension plan investments	-	93,819
Net differences between Proportionate Share and actual Contribution	<u>-</u>	<u>-</u>
Total	<u>\$ 2,151,988</u>	<u>\$ 4,195,284</u>

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 10. PENSION PLAN (continued)

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

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

Year ending December 31:	<u>Amount</u>
2019	\$ (1,546,934)
2020	(2,334,361)
2021	(1,414,504)
2022	1,881,293
2023	<u>1,371,210</u>
	<u>\$ (2,043,296)</u>

E. Actuarial Assumptions

The collective total pension liability at the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following assumptions.

Inflation Rate	2.25%
Salary increases:	
Through 2026	1.65 - 4.15%, based on age
Thereafter	2.65 - 5.15%, based on age
Investment rate of return	7.00%

Pre-mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For state employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back one year for males and females) for service retirements and beneficiaries of former members and one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 10. PENSION PLAN (continued)

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, 2018, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related real estate	1.00%	6.61%
Debt related private equity	2.0%	10.63%
Private real estate	2.50%	11.83%
Equity related real estate	6.25%	9.23%
US equity	30.00%	8.19%
Non-US developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

G. Discount Rate

The discount rate used to measure the total pension liability was 5.66% as of June 30, 2018. 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 3.87% as of June 30, 2018 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The projection of cash flows used to determine the discount rate assumed that contributions from the plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the 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 2046 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 10. 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 5.66 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 <u>(4.66%)</u>	Discount Rate <u>(5.66%)</u>	1% Increase <u>(6.66%)</u>
Authority's proportionate share of the net pension liability	\$ <u>12,576,277</u>	\$ <u>10,001,933</u>	\$ <u>7,842,221</u>

NOTE 11. OTHER POST-RETIREMENT BENEFITS PLAN

A. Plan Description

The SHBP is a cost-sharing multiple-employer defined benefit OPEB plan administered by the State of New Jersey, Division of Pensions and Benefits (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 Comprehensive Annual 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 CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 11. OTHER POST-RETIREMENT BENEFITS PLAN (continued)

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

At December 31, 2018, the Authority reported a liability of \$21,329,944, for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2017, and rolled forward to June 30, 2018.

For the year ended December 31, 2018, the Authority recognized OPEB expense of \$5,221,041. At December 31, 2018, the Authority reported deferred outflow of resources and deferred inflow of resources from the following sources.

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Changes of Assumptions	\$ -	\$ 5,410,620
Changes in Proportion	-	3,671,997
Differences between expected and actual experience	-	4,330,739
Net differences between projected and actual investment earnings on OPEB plan investments	11,272	-
Contributions paid subsequent to the measurement date	<u>1,100,786</u>	<u>-</u>
Total	<u>\$ 1,112,058</u>	<u>\$ 13,413,356</u>

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

	<u>Amount</u>
Year ending December 31:	
2019	\$ (1,806,282)
2020	(1,806,282)
2021	(1,806,282)
2022	(1,807,788)
2023	(1,810,221)
Thereafter	<u>(3,264,443)</u>
	<u>\$ (12,301,298)</u>

D. Actuarial Assumptions

The total OPEB liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018.

**HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018**

NOTE 11. OTHER POST-RETIREMENT BENEFITS PLAN (continued)

D. Actuarial Assumptions (continued)

This actuarial valuation used the following assumptions:

Inflation Rate	2.50%
Salary increases:	
Through 2026	1.65 - 8.98%, based on age
Thereafter	2.65 - 9.98%, based on age

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

Certain actuarial assumptions used in the July 1, 2017 valuation were based on the results of the pension plans' experience studies of the State of New Jersey's defined benefit pension plans for which 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 3.87% as of June 30, 2018. 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.

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 3.87%, 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 (2.87%) or 1 percentage point higher (4.87%) than the current rate.

	1% Decrease (2.87%)	Discount Rate (3.87%)	1% Increase (4.87%)
Authority's proportionate share of the net OPEB liability	\$ <u>25,025,664</u>	\$ <u>21,329,944</u>	\$ <u>18,377,900</u>

**HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018**

NOTE 11. OTHER POST-RETIREMENT BENEFITS PLAN (continued)

G. Health Care Trend Assumptions

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

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Authority's proportionate share of the net OPEB liability	\$ <u>17,792,593</u>	\$ <u>21,329,944</u>	\$ <u>25,907,801</u>

NOTE 12. RESTRICTED NET POSITION

Restricted net position consists of the following at December 31, 2018:

<u>Description</u>	<u>Amount</u>
Housing assistance payment reserves	\$ 182,092
Capital Fund Program Revenue Bond proceeds	2,499
Neighborhood Stabilization Program escrows	262,729
Water and Energy Savings Corporation escrows	91,921
Hope VI mortgage loan reserves and accrued interest	<u>20,300,231</u>
Total restricted net position	<u>\$ 20,839,472</u>

Housing assistance payment reserves are restricted for use only in the Section 8 Housing Choice Vouchers Program for future housing assistance payments.

Capital Fund Program Revenue Bond proceeds consist of unspent proceeds from the 2004 Series A Capital Fund Program Revenue Bonds and are restricted for certain capital improvements in accordance with the Authority's approved annual plan.

Neighborhood Stabilization Program escrows are restricted for modernization and development related to the redevelopment of abandoned or foreclosed homes or residential properties.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 12. RESTRICTED NET POSITION (continued)

Water and Energy Savings Corporation escrows are restricted to provide funding for the Authority to lease equipment for water and energy renovations.

Hope VI mortgage loan reserves and accrued interest are restricted for use in the Hope VI program upon collection of the loans and the satisfaction of regulatory requirements.

NOTE 13. GROUND LEASE AGREEMENTS

As of December 31, 2018, the Authority has entered into nine ground leases with selected developers in furtherance of their redevelopment objectives. In accordance with GAAP, these leases are classified as operating leases which expire over various periods from 90 to 99 years.

The leases are summarized as follows:

<u>Development</u>	<u>Settlement Date</u>	<u>Lease Term</u>	<u>Expiration Date</u>	<u>Lease Price</u>
Chelton Terrace Phase 2	08/26/2004	99 years	08/25/2103	\$1.00
Roosevelt Manor Phase 5	12/21/2007	99 years	12/20/2106	\$1.00
Roosevelt Manor Phase 7	02/26/2008	90 years	02/26/2098	\$1.00
Roosevelt Manor Phases 9&10	07/01/2009	99 years	06/30/2108	\$1.00
Roosevelt Manor Phase 12	05/09/2008	90 years	05/09/2098	\$1.00
Branch Village Phase 2	09/13/2010	90 years	09/12/2100	\$1.00
Westfield Acres Phase 1	12/27/2001	99 years	12/27/2100	\$1.00
Baldwin's Run Phase 9	03/21/2006	99 years	03/21/2105	\$1.00
Branch Village Midrise	11/22/2016	99 years	11/30/2115	\$100.00

The Authority is the lessor of dwelling units mainly to low-income residents. The rents under the leases are determined generally by the resident's income as adjusted for eligible deductions regulated by HUD, although the resident may opt for a flat rent. Leases may be cancelled by the lessee at any time. The Authority may cancel the lease only for cause.

Revenues associated with these leases are recorded in the financial statements and schedules as "Tenant Revenue". Tenant Revenue per dwelling unit generally remains consistent from year to year, but is affected by general economic conditions which impact personal income and local job availability.

NOTE 14. CHANGE IN ACCOUNTING PRINCIPLE

During the year ended December 31, 2018, the Authority adopted GASB 75. As a result of adopting GASB 75, the Authority recorded a beginning OPEB liability and a charge to unrestricted net position as of January 1, 2018 on the Authority's statement of revenues, expenses, and changes in net position in the amount of \$28,410,203.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

NOTE 15. DEMOLITION OF BRANCH VILLAGE

During the year ended December 31, 2018, the Authority utilized funds from a Choice Neighborhood Planning Grant for the demolition of Branch Village conversion to a Section 8 platform through HUD's Rental Assistance Demonstration program. The Authority recorded demolition costs and grant revenue in the amount of \$2,257,643, related to the costs of the project.

NOTE 16. CONDENSED INFORMATION FOR THE BLENDED COMPONENT UNITS

	New Hope Property Management, LLC	Elba's Place, LLC	Watson Street Management and Development Corporation	Total
Assets:				
Current assets	\$ 13,945	\$ 518	\$ 259,444	\$ 273,907
Capital assets, net	<u>755,717</u>	<u>-</u>	<u>-</u>	<u>755,717</u>
Total assets	<u>769,662</u>	<u>518</u>	<u>259,444</u>	<u>1,029,624</u>
Liabilities:				
Current	<u>39,331</u>	<u>-</u>	<u>283,490</u>	<u>322,821</u>
Net Position (Deficit):				
Net investment in capital assets	755,717	-	-	755,717
Unrestricted (deficit)	<u>(25,386)</u>	<u>518</u>	<u>(24,046)</u>	<u>(48,914)</u>
Net position (deficit)	<u>\$ 730,331</u>	<u>\$ 518</u>	<u>\$ (24,046)</u>	<u>\$ 706,803</u>
	New Hope Property Management, LLC	Elba's Place, LLC	Watson Street Management and Development Corporation	Total
Operating revenues:				
Tenant revenue	\$ 30,621	\$ -	\$ -	\$ 30,621
Other revenues	<u>-</u>	<u>-</u>	<u>119,955</u>	<u>119,955</u>
Total operating revenues	<u>30,621</u>	<u>-</u>	<u>119,955</u>	<u>150,576</u>
Operating expenses:				
Administrative	7,690	-	100,362	108,052
Maintenance and utilities	12,306	-	-	12,306
Other	<u>24,070</u>	<u>-</u>	<u>13,430</u>	<u>37,500</u>
Total operating expenses	<u>44,066</u>	<u>-</u>	<u>113,792</u>	<u>157,858</u>
Change in net position	<u>\$ (13,445)</u>	<u>\$ -</u>	<u>\$ 6,163</u>	<u>\$ (7,282)</u>

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO FINANCIAL STATEMENTS (continued)
DECEMBER 31, 2018

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 December 31, 2018, 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. Management evaluated the activity of the Authority through October 11, 2019 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**INDEPENDENT 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 of the
Housing Authority of the City of Camden:

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 Camden (the "Authority") which comprise the statement of net position as of December 31, 2018, and the related statement of revenues, expenses and change in net position, and cash flows for the year then ended and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 11, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Novogradac & Company LLP

October 11, 2019
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 of the
Housing Authority of the City of Camden:

Report on Compliance for Each Major Federal Program

We have audited the Housing Authority of the City of Camden's (the "Authority") compliance with the types of compliance requirements described in the OMB Compliance Supplement and the State of New Jersey OMB Circular 15-08 that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2018. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, 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 December 31, 2018.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

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

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.



October 11, 2019
Toms River, New Jersey

**HOUSING AUTHORITY OF THE CITY OF CAMDEN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Federal Grantor/Program Title	Federal CFDA Number	State Pass-through Number	Grant Period From / To		Grant Award	Fiscal Year Expenditures	Cumulative Expenditures
<u>U.S. Department of Housing and Urban Development.</u>							
Housing Voucher Cluster							
Section 8 Housing Choice Vouchers Program	14.871	N/A	1/1/2018	12/31/2018	\$ <u>14,501,221</u>	\$ <u>15,586,233</u>	\$ <u>15,586,233</u>
Total Housing Voucher Cluster					14,501,221	15,586,233	15,586,233
Public and Indian Housing Program	14.850	N/A	1/1/2018	12/31/2018	10,344,102	10,344,102	10,304,102
Public Housing Capital Fund Program	14.872	N/A	4/13/2014	5/28/2020	12,486,311	2,342,438	9,315,347
Resident Opportunity and Supportive Services	14.870	N/A	2/13/2017	3/3/2020	475,150	166,619	166,619
Choice Neighborhood Implementation Grant	14.889	N/A	12/12/2016	9-30-2023	13,245,927	2,897,383	3,282,111
Family Self-Sufficiency Program	14.896	N/A	1/1/2018	12/31/2018	<u>96,569</u>	<u>36,477</u>	<u>83,160</u>
Total U.S. Department of Housing and Urban Development					<u>51,149,280</u>	<u>31,373,252</u>	<u>38,737,572</u>
<u>U.S. Department of Labor</u>							
Youthbuild	17.274	N/A	1/1/2018	12/31/2018	<u>645,468</u>	<u>645,468</u>	<u>645,468</u>
Total U.S. Department of Labor					<u>645,468</u>	<u>645,468</u>	<u>645,468</u>
<u>U.S. Department of Education</u>							
Passed through Camden County College: Adult Education - Basic Grants	84.002	N/A	1/1/2018	12/31/2018	<u>69,999</u>	<u>69,999</u>	<u>69,999</u>
Total U.S. Department of Education					<u>69,999</u>	<u>69,999</u>	<u>69,999</u>
<u>Corporation for National and Community Service</u>							
Americorp	94.006	N/A	1/1/2018	12/31/2018	<u>63,431</u>	<u>63,431</u>	<u>63,431</u>
Total Corporation for National and Community Service					<u>63,431</u>	<u>63,431</u>	<u>63,431</u>
Total Schedule of Expenditures of Federal Awards					<u>\$ 51,928,178</u>	<u>\$ 32,152,150</u>	<u>\$ 39,516,470</u>

See accompanying Notes to the Schedules of Expenditures of Federal Awards.

**HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

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 December 31, 2018. 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 minimus indirect cost rate allowed under the Uniform Guidance.

HOUSING AUTHORITY OF THE CITY OF CAMDEN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 4. SCHEDULE OF CAPITAL FUND PROGRAM 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 December 31, 2018 are provided herein.

	<u>501-14</u>	<u>501-15</u>	<u>501-16</u>	<u>501-17</u>	<u>501-17E</u>	<u>501-18</u>	<u>Total</u>
Budget	\$ <u>2,259,030</u>	\$ <u>2,233,771</u>	\$ <u>2,304,357</u>	\$ <u>2,353,698</u>	\$ <u>249,897</u>	\$ <u>3,085,558</u>	\$ <u>12,486,311</u>
<u>Advances:</u>							
Cumulative through 12/31/17	\$ 2,048,122	\$ 2,171,937	\$ 1,818,015	\$ 716,110	\$ -	\$ -	\$ 6,754,184
Current Year	<u>210,908</u>	<u>61,834</u>	<u>384,714</u>	<u>835,092</u>	<u>124,948</u>	<u>-</u>	<u>1,617,496</u>
Cumulative through 12/31/18	<u>2,259,030</u>	<u>2,233,771</u>	<u>2,202,729</u>	<u>1,551,202</u>	<u>124,948</u>	<u>-</u>	<u>8,371,680</u>
<u>Costs:</u>							
Cumulative through 12/31/17	2,048,122	2,211,043	1,997,632	716,112	-	-	6,972,909
Current Year	<u>210,908</u>	<u>22,728</u>	<u>306,725</u>	<u>931,617</u>	<u>124,948</u>	<u>745,512</u>	<u>2,342,438</u>
Cumulative through 12/31/18	<u>2,259,030</u>	<u>2,233,771</u>	<u>2,304,357</u>	<u>1,647,729</u>	<u>124,948</u>	<u>745,512</u>	<u>9,315,347</u>
Excess / (Deficiency)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(101,628)</u>	\$ <u>(96,527)</u>	\$ <u>-</u>	\$ <u>(745,512)</u>	\$ <u>(943,667)</u>

Capital Fund Grant No. NJ39P010501-14 and No. NJ39P010501-15 with approved funding of \$2,259,030 and \$2,233,771, respectively, have been fully drawn down and expended as per Capital Fund Grant Regulations.

**HOUSING AUTHORITY OF THE CITY OF CAMDEN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

I. Summary of Auditors' Results

Financial Statement Section

- | | | |
|----|---|------------|
| 1. | Type of auditors' report issued: | Unmodified |
| 2. | Internal control over financial reporting | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified? | No |
| 3. | Noncompliance material to the financial statements? | No |

Federal Awards Section

- | | | |
|----|--|--|
| 1. | Internal control over compliance: | |
| | a. Material weakness(es) identified? | No |
| | b. Significant deficiency(ies) identified? | No |
| 2. | Type of auditors' report on compliance for major programs: | Unmodified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |
| 4. | Identification of major programs: | |
| | <u>CFDA Number</u> | <u>Name of Federal Program</u> |
| | 14.850 | Public and Indian Housing Program |
| | 14.872 | Public Housing Capital Fund Program |
| | 14.889 | Choice Neighborhood Implementation Grant |
| 5. | Dollar threshold used to distinguish between Type A and Type B Programs: | \$964,565 |
| 6. | Auditee qualified as low-risk Auditee? | No |

HOUSING AUTHORITY OF THE CITY OF CAMDEN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

II. Financial Statement Findings

There were no findings relating to the financial statements which are required to be reported in accordance with *Government Auditing Standards*.

III. Federal Award Findings and Questioned Costs

There were no findings or questioned costs relating to federal awards.

IV. Schedule of Prior Year Federal Audit Findings

There were no findings or questioned costs in the prior year.

**HOUSING AUTHORITY OF THE CITY OF CAMDEN
REQUIRED PENSION INFORMATION
DECEMBER 31, 2018**

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

	December 31, <u>2014</u>	December 31, <u>2015</u>	December 31, <u>2016</u>	December 31, <u>2017</u>	December 31, <u>2018</u>
Contractually required contribution	\$ 421,854	\$ 482,245	\$ 467,546	\$ 496,114	\$ 505,279
Contributions in relation to the contractually required contribution	<u>421,854</u>	<u>482,245</u>	<u>467,546</u>	<u>496,114</u>	<u>505,279</u>
(Over) / under funded	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll	<u>\$ 5,072,004</u>	<u>\$ 4,643,731</u>	<u>\$ 4,317,787</u>	<u>\$ 4,975,856</u>	<u>\$ 4,852,825</u>
Contributions as a percentage of covered- employee payroll	<u>8.32 %</u>	<u>10.38 %</u>	<u>10.83 %</u>	<u>9.97 %</u>	<u>10.41 %</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 CAMDEN
REQUIRED PENSION INFORMATION (continued)
DECEMBER 31, 2018**

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

	December 31, <u>2014</u>	December 31, <u>2015</u>	December 31, <u>2016</u>	December 31, <u>2017</u>	December 31, <u>2018</u>
Authority's proportion of the net pension liability	<u>0.0529</u> %	<u>0.0561</u> %	<u>0.0526</u> %	<u>0.0536</u> %	<u>0.0508</u> %
Authority's proportionate share of the net pension liability	\$ <u>9,903,351</u>	\$ <u>12,591,641</u>	\$ <u>15,587,120</u>	\$ <u>12,466,349</u>	\$ <u>10,001,933</u>
Authority's covered-employee payroll	\$ <u>5,072,004</u>	\$ <u>4,643,731</u>	\$ <u>4,317,787</u>	\$ <u>4,975,856</u>	\$ <u>4,852,825</u>
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>195.26</u> %	<u>271.15</u> %	<u>361.00</u> %	<u>250.54</u> %	<u>206.11</u> %
Plan fiduciary net position as a percentage of the total pension liability	<u>52.08</u> %	<u>47.93</u> %	<u>40.14</u> %	<u>48.10</u> %	<u>53.60</u> %

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

**HOUSING AUTHORITY OF THE TOWNSHIP OF LAKEWOOD
 REQUIRED OTHER POST EMPLOYMENT BENEFITS INFORMATION
 DECEMBER 31, 2018**

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

	December 31, <u>2017</u>	December 31, <u>2018</u>
Statutorily required contribution	\$ 2,229,855	\$ 2,184,419
Contributions in relation to the statutorily required contribution	<u>2,229,855</u>	<u>2,184,419</u>
Contribution deficiency (excess)	\$ <u> -</u>	\$ <u> -</u>
Authority's covered-employee payroll	\$ <u>4,975,856</u>	\$ <u>4,852,825</u>
Contributions as a percentage of covered- employee payroll	<u>44.81</u> %	<u>45.01</u> %

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

See accompanying notes to financial statements.

HOUSING AUTHORITY OF THE TOWNSHIP OF LAKEWOOD
REQUIRED OTHER POST EMPLOYMENT BENEFITS INFORMATION (continued)
DECEMBER 31, 2018

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

	December 31, <u>2017</u>	December 31, <u>2018</u>
Authority's proportion of the net OPEB liability	<u>0.1392</u> %	<u>0.1361</u> %
Authority's proportionate share of the net OPEB liability	\$ <u>28,410,203</u>	\$ <u>21,329,944</u>
Authority's covered-employee payroll	\$ <u>4,975,856</u>	\$ <u>4,852,825</u>
Authority's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	<u>570.96</u> %	<u>439.54</u> %
Plan fiduciary net position as a percentage of the total OPEB liability	<u>1.03</u> %	<u>1.97</u> %

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

See accompanying notes to financial statements.

Housing Authority of the City of Camden									
NJ010									
Financial Data Schedule (FDS)									
December 31, 2018									
Line Item #	Account Description	PROJECTS	HOUSING CHOICE VOUCHERS	OTHER FEDERAL PROGRAM 1	BUSINESS ACTIVITIES 1	OPPORT. FOR YOUTH - YOUTHBUILD PROGRAM	PIH FAMILY SELF SUFFICIENCY PROGRAM	ADULT EDUCATION STATE GRANT PROGRAM	CHOICE NEIGHBORHOODS PLANNING GANTS
ASSETS:									
CURRENT ASSETS:									
Cash:									
111	Cash - unrestricted	\$ 5,438,024	\$ 398,606	\$ 32,241	\$ 174,641	\$ -	\$ -	\$ -	\$ -
112	Cash - restricted - modernization and developmen	2,499	-	-	-	-	-	-	-
113	Cash - other restricted	91,921	339,399	-	-	-	-	-	-
114	Cash - tenant security deposits	167,951	-	-	-	-	-	-	-
115	Cash - restricted for payment of current liability	-	-	-	-	-	-	-	-
100	Total cash	5,700,395	738,005	32,241	174,641	-	-	-	-
Accounts and notes receivables									
121	Accounts receivable - PHA projects	-	-	-	-	-	-	-	-
122	Accounts receivable - HUD other projects	943,667	-	-	-	-	-	-	463,349
124	Accounts receivable - other government	-	-	-	-	296,255	-	11,633	-
125	Accounts receivable - miscellaneous	21,171	14,678	40,834	9,611	-	-	7,133	-
126	Accounts receivable- tenants	145,285	-	-	-	-	-	-	-
126.1	Allowance for doubtful accounts - tenant	(72,692)	-	-	-	-	-	-	-
126.2	Allowance for doubtful accounts - othe	-	-	-	-	-	-	-	-
127	Notes and mortgages receivable- curren	-	-	-	-	-	-	-	-
128	Fraud recovery	-	65,821	-	-	-	-	-	-
128.1	Allowance for doubtful accounts - fraud	-	(65,821)	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for doubtful account	1,037,431	14,678	40,834	9,611	296,255	-	18,766	463,349
Current investments									
131	Investments - unrestricted	-	-	-	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-	-	-	-
135	Investments - restricted for payment of current liabilit	-	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	175,009	14,099	-	-	-	-	-	-
143	Inventories	-	-	-	-	-	-	-	-
143.1	Allowance for obsolete inventories	-	-	-	-	-	-	-	-
144	Interprogram - due from	761,628	-	-	-	-	-	-	-
145	Assets held for sale	-	-	-	-	-	-	-	-
150	TOTAL CURRENT ASSETS	7,674,463	766,782	73,075	184,252	296,255	-	18,766	463,349
NONCURRENT ASSETS:									
Fixed assets:									
161	Land	743,113	-	-	-	-	-	-	-
162	Buildings	151,696,378	-	-	-	-	-	-	-
163	Furniture, equipment & machinery - dwelling	293,634	-	-	-	-	-	-	-
164	Furniture, equipment & machinery - administrati	828,277	-	-	-	-	-	-	-
165	Leaschold improvements	-	-	-	-	-	-	-	-
166	Accumulated depreciation	(142,693,541)	-	-	-	-	-	-	-
167	Construction in Progress	3,420,308	-	-	-	488	-	-	-
168	Infrastructure	-	-	-	-	-	-	-	-
160	Total fixed assets, net of accumulated depreciatio	14,288,169	-	-	-	488	-	-	-
Other non-current assets:									
171	Notes and mortgages receivable - non-curren	20,300,231	-	-	-	-	-	-	-
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-	-	-	-
174	Other assets	-	-	-	-	-	-	-	-
175	Undistributed debits	-	-	-	-	-	-	-	-
176	Investment in joint venture:	-	-	-	-	-	-	-	-
180	TOTAL NONCURRENT ASSETS	34,588,400	-	-	-	488	-	-	-
190	TOTAL ASSETS	42,262,863	766,782	73,075	184,252	296,743	-	18,766	463,349
200	Deferred Outflows of Resources	1,449,157	435,304	-	-	-	-	-	-
Total assets and deferred outflows of resources		\$ 43,712,020	\$ 1,202,086	\$ 73,075	\$ 184,252	\$ 296,743	\$ -	\$ 18,766	\$ 463,349

Housing Authority of the City of Camden									
NJ010									
Financial Data Schedule (FDS)									
December 31, 2018									
Line Item #	Account Description	PROJECTS	HOUSING CHOICE VOUCHERS	OTHER FEDERAL PROGRAM 1	BUSINESS ACTIVITIES 1	OPPORT. FOR YOUTH - YOUTHBUILD PROGRAM	PIH FAMILY SELF SUFFICIENCY PROGRAM	ADULT EDUCATION STATE GRANT PROGRAM	CHOICE NEIGHBORHOODS PLANNING GANTS
LIABILITIES AND EQUITY:									
Liabilities:									
Current Liabilities:									
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts payable ≤ 90 days	217,870	393	-	-	1,937	-	-	-
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payabl	32,660	9,206	-	635	4,665	-	771	2,886
322	Accrued compensated absences - current portior	17,357	4,359	-	360	1,051	-	789	-
324	Accrued contingency liability	-	-	-	-	-	-	-	-
325	Accrued interest payable	22,130	-	-	-	-	-	-	-
331	Accounts payable - HUD PHA programs	-	-	-	-	-	-	-	-
332	Accounts payable - PHA projects	-	-	-	-	-	-	-	-
333	Accounts payable - other governmen	-	2,418	-	-	-	-	-	-
341	Tenant security deposits	167,951	-	-	-	-	-	-	-
342	Unearned Revenue	30,221	-	-	-	-	-	2,732	-
343	Current portion of L-T debt - capital project	375,000	-	-	-	-	-	-	-
344	Current portion of L-T debt - operating borrowing	-	-	-	-	-	-	-	-
345	Other current liabilities	-	-	-	-	-	-	-	-
346	Accrued liabilities - other	-	-	-	2,300	-	-	-	-
347	Interprogram - due to	231,236	-	-	-	279,636	-	7,375	460,463
310	TOTAL CURRENT LIABILITIES	1,094,425	16,376	-	3,295	287,289	-	11,667	463,349
NONCURRENT LIABILITIES									
351	Long-term debt, net of current - capital project	2,725,000	-	-	-	-	-	-	-
352	Long-term debt, net of current - operating borrowing	-	-	-	-	-	-	-	-
353	Non-current liabilities- other	6,757	157,307	-	-	-	-	-	-
354	Accrued compensated absences - noncurren	156,201	39,228	-	3,240	9,454	-	7,099	-
355	Loan Liability - Non Curren	-	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-
357	Accrued pension and OPEB liabilities	13,910,609	4,178,518	-	-	-	-	-	-
350	TOTAL NONCURRENT LIABILITIES	16,798,567	4,375,053	-	3,240	9,454	-	7,099	-
300	TOTAL LIABILITIES	17,892,992	4,391,429	-	6,535	296,743	-	18,766	463,349
400	Deferred Inflows of Resources	7,817,820	2,348,343	-	-	-	-	-	-
EQUITY:									
508.1	Invested in Capital Assets, Net of Related Deb	11,188,169	-	-	-	488	-	-	-
511.1	Restricted Net Assets	20,394,651	182,092	-	-	-	-	-	-
512.1	Unrestricted Net Assets	(13,581,612)	(5,719,778)	73,075	177,717	(488)	-	-	-
513	TOTAL EQUITY	18,001,208	(5,537,686)	73,075	177,717	-	-	-	-
600	TOTAL LIABILITIES AND EQUITY	\$ 43,712,020	\$ 1,202,086	\$ 73,075	\$ 184,252	\$ 296,743	\$ -	\$ 18,766	\$ 463,349

Housing Authority of the City of Camden											
NJ010											
Financial Data Schedule (FDS)											
December 31, 2018											
Line Item #	Account Description	RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	NEIGHBORHOOD STABILIZATION PROGRAM	AMERICORPS	COMPONENT UNIT BLENDED	STATE AND LOCAL	OTHER FEDERAL PROGRAM 2	COCC	ELIMINATION	TOTAL	
ASSETS:											
CURRENT ASSETS:											
Cash:											
111	Cash - unrestricted	\$ -	\$ 34,548	\$ 164	\$ 266,281	\$ 8,536	\$ -	\$ -	\$ -	\$ 6,353,041	
112	Cash - restricted - modernization and developmen	-	-	-	-	-	-	-	-	2,499	
113	Cash - other restricted	-	262,729	-	-	-	-	-	-	694,049	
114	Cash - tenant security deposits	-	-	-	3,300	-	-	-	-	171,251	
115	Cash - restricted for payment of current liabilities	-	-	-	-	-	-	-	-	-	
100	Total cash	-	297,277	164	269,581	8,536	-	-	-	7,220,840	
Accounts and notes receivables											
121	Accounts receivable - PHA projects	-	-	-	-	-	-	-	-	-	
122	Accounts receivable - HUD other projects	93,704	-	-	-	-	-	-	-	1,500,720	
124	Accounts receivable - other government	-	-	5,899	-	-	-	-	-	313,787	
125	Accounts receivable - miscellaneous	-	-	-	65,755	-	235,541	(165,049)	-	229,674	
126	Accounts receivable- tenants	-	-	-	6,659	-	-	-	-	151,944	
126.1	Allowance for doubtful accounts - tenant	-	-	-	(5,836)	-	-	-	-	(78,528)	
126.2	Allowance for doubtful accounts - othe	-	-	-	(65,755)	-	-	-	-	(65,755)	
127	Notes and mortgages receivable- current	-	-	-	-	-	-	-	-	-	
128	Fraud recovery	-	-	-	-	-	-	-	-	65,821	
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	-	-	-	(65,821)	
129	Accrued interest receivable	-	-	-	-	-	-	-	-	-	
120	Total receivables, net of allowances for doubtful account	93,704	-	5,899	823	-	-	235,541	(165,049)	2,051,842	
Current investments											
131	Investments - unrestricted	-	-	-	-	-	-	-	-	-	
132	Investments - restricted	-	-	-	-	-	-	-	-	-	
135	Investments - restricted for payment of current liabilities	-	-	-	-	-	-	-	-	-	
142	Prepaid expenses and other assets	-	-	-	3,503	-	-	90,554	-	283,165	
143	Inventories	-	-	-	-	-	-	-	-	-	
143.1	Allowance for obsolete inventories	-	-	-	-	-	-	-	-	-	
144	Interprogram - due from	-	-	-	-	-	-	314,501	(1,076,129)	-	
145	Assets held for sale	-	-	-	-	-	-	-	-	-	
150	TOTAL CURRENT ASSETS	93,704	297,277	6,063	273,907	8,536	-	640,596	(1,241,178)	9,555,847	
NONCURRENT ASSETS:											
Fixed assets:											
161	Land	-	-	-	81,042	-	-	-	-	824,155	
162	Buildings	-	-	-	729,378	-	-	-	-	152,425,756	
163	Furniture, equipment & machinery - dwelling	-	-	-	-	-	-	-	-	293,634	
164	Furniture, equipment & machinery - administration	-	-	-	-	-	-	27,143	-	855,420	
165	Leasehold improvements	-	-	-	-	-	-	-	-	-	
166	Accumulated depreciation	-	-	-	(54,703)	-	-	(26,883)	-	(142,775,127)	
167	Construction in Progress	-	4,500	-	-	-	-	-	-	3,425,296	
168	Infrastructure	-	-	-	-	-	-	-	-	-	
160	Total fixed assets, net of accumulated depreciation	-	4,500	-	755,717	-	-	260	-	15,049,134	
Other non-current assets:											
171	Notes and mortgages receivable - non-current	-	-	-	-	-	-	-	-	20,300,231	
172	Notes and mortgages receivable-non-current - past due	-	-	-	-	-	-	-	-	-	
174	Other assets	-	-	-	-	-	-	-	-	-	
175	Undistributed debits	-	-	-	-	-	-	-	-	-	
176	Investment in joint ventures	-	-	-	-	-	-	-	-	-	
180	TOTAL NONCURRENT ASSETS	-	4,500	-	755,717	-	-	260	-	35,349,365	
190	TOTAL ASSETS	93,704	301,777	6,063	1,029,624	8,536	-	640,856	(1,241,178)	44,905,212	
200	Deferred Outflows of Resources	-	-	-	-	-	-	1,379,585	-	3,264,046	
Total assets and deferred outflows of resources		\$ 93,704	\$ 301,777	\$ 6,063	\$ 1,029,624	\$ 8,536	\$ -	\$ 2,020,441	\$ (1,241,178)	\$ 48,169,258	

Housing Authority of the City of Camden											
NJ010											
Financial Data Schedule (FDS)											
December 31, 2018											
Line Item #	Account Description	RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	NEIGHBORHOOD STABILIZATION PROGRAM	AMERICORPS	COMPONENT UNIT BLENDED	STATE AND LOCAL	OTHER FEDERAL PROGRAM 2	COCC	ELIMINATION	TOTAL	
LIABILITIES AND EQUITY:											
Liabilities:											
Current Liabilities:											
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
312	Accounts payable ≤ 90 days	-	-	-	165,049	-	-	166,458	(165,049)	386,658	
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-	-	-	
321	Accrued wage/payroll taxes payable	2,348	-	-	-	1,077	-	29,669	-	83,917	
322	Accrued compensated absences - current portion	-	-	-	-	75	-	19,793	-	43,784	
324	Accrued contingency liability	-	-	-	-	-	-	-	-	-	
325	Accrued interest payable	-	-	-	-	-	-	-	-	22,130	
331	Accounts payable - HUD PHA programs	-	-	-	-	-	-	-	-	-	
332	Accounts payable - PHA projects	-	-	-	-	-	-	-	-	-	
333	Accounts payable - other government	-	-	-	-	-	-	-	-	2,418	
341	Tenant security deposits	-	-	-	3,300	-	-	-	-	171,251	
342	Unearned Revenue	-	37,000	-	154,470	-	-	27,791	-	252,214	
343	Current portion of L-T debt - capital projects	-	-	-	-	-	-	-	-	375,000	
344	Current portion of L-T debt - operating borrowing:	-	-	-	-	-	-	-	-	-	
345	Other current liabilities	-	-	-	-	-	-	97,411	-	97,411	
346	Accrued liabilities - other	-	-	-	-	-	-	-	-	2,300	
347	Interprogram - due to	91,356	-	6,063	-	-	-	-	(1,076,129)	-	
310	TOTAL CURRENT LIABILITIES	93,704	37,000	6,063	322,819	1,152	-	341,122	(1,241,178)	1,437,083	
NONCURRENT LIABILITIES											
351	Long-term debt, net of current - capital project:	-	-	-	-	-	-	-	-	2,725,000	
352	Long-term debt, net of current - operating borrowing	-	-	-	-	-	-	-	-	-	
353	Non-current liabilities- other	-	-	-	-	-	-	-	-	164,064	
354	Accrued compensated absences - noncurrent	-	-	-	-	674	-	178,140	-	394,036	
355	Loan Liability - Non Curren	-	-	-	-	-	-	-	-	-	
356	FASB 5 Liabilities	-	-	-	-	-	-	-	-	-	
357	Accrued pension and OPEB liabilities	-	-	-	-	-	-	13,242,750	-	31,331,877	
350	TOTAL NONCURRENT LIABILITIES	-	-	-	-	674	-	13,420,890	-	34,614,977	
300	TOTAL LIABILITIES	93,704	37,000	6,063	322,819	1,826	-	13,762,012	(1,241,178)	36,052,060	
400	Deferred Inflows of Resources:	-	-	-	-	-	-	7,442,477	-	17,608,640	
EQUITY:											
508.1	Invested in Capital Assets, Net of Related Deb	-	4,500	-	755,717	-	-	260	-	11,949,134	
511.1	Restricted Net Assets	-	262,729	-	-	-	-	-	-	20,839,472	
512.1	Unrestricted Net Assets	-	(2,452)	-	(48,912)	6,710	-	(19,184,308)	-	(38,280,048)	
513	TOTAL EQUITY	-	264,777	-	706,805	6,710	-	(19,184,048)	-	(5,491,442)	
600	TOTAL LIABILITIES AND EQUITY	\$ 93,704	\$ 301,777	\$ 6,063	\$ 1,029,624	\$ 8,536	\$ -	\$ 2,020,441	\$ (1,241,178)	\$ 48,169,258	

Housing Authority of the City of Camden											
NJ010											
Financial Data Schedule (FDS)											
December 31, 2018											
Line Item #	Account Description	OPERATING	CAPITAL	HOUSING CHOICE VOUCHERS	OTHER FEDERAL PROGRAM I	BUSINESS ACTIVITIES I	OPPORT. FOR YOUTH - YOUTHBUILD PROGRAM	PIH FAMILY SELF SUFFICIENCY PROGRAM	ADULT EDUCATION STATE GRANT PROGRAM	CHOICE NEIGHBORHOODS PLANNING GRANTS	
	REVENUE:										
70300	Net tenant rental revenue	\$ 2,658,024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70400	Tenant revenue - other	32,706	-	-	-	-	-	-	-	-	-
70500	Total tenant revenue	2,690,730	-	-	-	-	-	-	-	-	-
70600	HUD PHA grants	10,344,102	925,620	14,501,221	-	-	-	36,477	-	639,740	-
70610	Capital grants	-	1,416,818	-	-	-	-	-	-	2,257,643	-
70710	Management fee	-	-	-	-	-	-	-	-	-	-
70720	Asset management fee	-	-	-	-	-	-	-	-	-	-
70730	Book keeping fee	-	-	-	-	-	-	-	-	-	-
70750	Other fees	-	-	-	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	-	-	645,468	-	69,999	-	-
71100	Investment income - unrestricted	-	-	-	-	-	-	-	-	-	-
71200	Mortgage interest income	812	-	-	-	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-	-	-	-
71301	Cost of sale of assets	-	-	-	-	-	-	-	-	-	-
71400	Fraud recovery	-	-	14,412	-	-	-	-	-	-	-
71500	Other revenue	189,148	-	81,548	62,298	194,845	-	-	-	-	-
71600	Gain or loss on sale of fixed assets	-	-	-	-	-	-	-	-	-	-
72000	Investment income - restricted	-	-	-	-	-	-	-	-	-	-
70000	TOTAL REVENUE	13,224,792	2,342,438	14,597,181	62,298	194,845	645,468	36,477	69,999	2,897,383	
	EXPENSES:										
	Administrative										
91100	Administrative salaries	813,770	-	267,157	-	-	-	-	-	-	150,000
91200	Auditing fees	27,982	-	14,461	-	-	-	-	-	-	-
91300	Outside management fees	1,019,588	249,990	241,585	-	-	-	-	-	-	-
91310	Book-keeping fee	154,523	-	105,647	-	-	-	-	-	-	-
91400	Advertising and marketing	-	-	-	-	-	-	-	-	-	-
91500	Employee benefit contributions- administrative	4,222,700	-	864,400	-	-	-	-	-	-	60,808
91600	Office expenses	168,880	-	96,273	15,910	-	9,051	-	3,205	-	-
91700	Legal expenses	9,342	-	123	-	-	5,637	-	-	-	-
91800	Travel	13,268	-	11,191	1,380	-	2,458	-	-	-	-
91810	Allocated overhead	-	-	-	-	-	-	-	-	-	-
91900	Other	2,903,294	19,696	14,714	44,868	5,017	17,599	-	185	178	-
	Total administrative	9,333,347	269,686	1,615,551	62,158	5,017	34,745	-	3,390	210,986	-
92000	Asset Management Fee	189,480	-	-	-	-	-	-	-	-	-
	Tenant services										
92100	Tenant services - salaries	241,482	-	174,906	-	59,620	344,813	32,830	40,040	225,000	-
92200	Relocation costs	-	-	-	-	-	-	-	-	47,606	-
92300	Employee benefit contributions- tenant services	-	-	113,512	-	44,183	129,832	3,647	19,593	101,048	-
92400	Tenant services - other	48,744	-	-	-	218	92,253	-	2,734	55,100	-
	Total tenant services	290,226	-	288,418	-	104,021	566,898	36,477	62,367	428,754	-
	Utilities										
93100	Water	804,173	-	1,336	-	-	4,597	-	-	-	-
93200	Electricity	447,964	-	10,641	-	-	-	-	-	-	-
93300	Gas	393,512	-	2,940	-	-	-	-	-	-	-
93400	Fuel	-	-	-	-	-	-	-	-	-	-
93500	Labor	105,431	-	-	-	-	-	-	-	-	-
93600	Sewer	421,246	-	-	-	-	352	-	-	-	-
93700	Employee benefit contributions- utilities	-	-	-	-	-	-	-	-	-	-
93800	Other utilities expense	-	-	-	-	-	-	-	-	-	-
	Total utilities	2,172,326	-	14,917	-	-	4,949	-	-	-	-
	Ordinary maintenance & operation										

Housing Authority of the City of Camden										
NJ010										
Financial Data Schedule (FDS)										
December 31, 2018										
Line Item #	Account Description	OPERATING	CAPITAL	HOUSING CHOICE VOUCHERS	OTHER FEDERAL PROGRAM 1	BUSINESS ACTIVITIES 1	OPPORT. FOR YOUTH - YOUTHBUILD PROGRAM	PIH FAMILY SELF SUFFICIENCY PROGRAM	ADULT EDUCATION STATE GRANT PROGRAM	CHOICE NEIGHBORHOODS PLANNING GRANTS
94100	Ordinary maintenance and operations - labor	846,590	-	44,385	-	-	-	-	-	-
94200	Ordinary maintenance and operations - materials & other	218,929	-	234	139	-	-	-	-	-
94300	Ordinary maintenance and operations - contract costs	603,401	-	371	-	31,719	11,676	-	-	-
94500	Employee benefit contributions- ordinary maintenance	-	-	-	-	-	-	-	-	-
	Total ordinary maintenance	1,668,920	-	44,990	139	31,719	11,676	-	-	-
	Protective services									
95100	Protective services - labor	430,327	-	-	-	-	-	-	-	-
95200	Protective services- other contract costs	-	-	-	-	-	-	-	-	-
95300	Protective services - other	-	-	-	-	-	-	-	-	-
95500	Employee benefit contributions- protective services	-	-	-	-	-	-	-	-	-
	Total protective services	430,327	-	-	-	-	-	-	-	-
	General expenses									
96100	Insurance premiums	863,739	-	43,645	-	4,196	26,000	-	2,180	-
96200	Other general expenses	89,763	7,080	16,043	-	-	-	-	-	-
96210	Compensated absences	22,981	-	-	-	1,476	1,200	-	2,062	-
96300	Payments in lieu of taxes	-	-	-	-	-	-	-	-	-
96400	Bad debt - tenant rents	81,139	-	-	-	-	-	-	-	-
96500	Bad debt- mortgages	-	-	-	-	-	-	-	-	-
96600	Bad debt - other	-	-	-	-	-	-	-	-	-
96700	Interest expense	-	-	-	-	-	-	-	-	-
96710	Interest of mortgage (or bonds) payable	148,763	153,332	-	-	-	-	-	-	-
96720	Interest on Notes Payable (Short and Long Term)	694	-	-	-	-	-	-	-	-
96730	Amortization of bond issue costs	-	-	-	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	-	-	-	-	-
	Total general expenses	1,207,079	160,412	59,688	-	5,672	27,200	-	4,242	-
96900	TOTAL OPERATING EXPENSES	15,291,705	430,098	2,023,564	62,297	146,429	645,468	36,477	69,999	639,740
97000	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	(2,066,913)	1,912,340	12,573,617	1	48,416	-	-	-	2,257,643
97100	Extraordinary maintenance	-	-	-	-	-	-	-	-	2,257,643
97200	Casualty losses - non capitalized	722	-	-	-	-	-	-	-	-
97300	Housing assistance payments	-	-	13,524,885	-	-	-	-	-	-
97350	HAP Portability - in	-	-	37,784	-	-	-	-	-	-
97400	Depreciation expense	1,434,697	-	-	-	-	-	-	-	-
97500	Fraud losses	-	-	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-	-	-
90000	TOTAL EXPENSES	16,727,124	430,098	15,586,233	62,297	146,429	645,468	36,477	69,999	2,897,383

Housing Authority of the City of Camden										
NJ010										
Financial Data Schedule (FDS)										
December 31, 2018										
Line Item #	Account Description	OPERATING	CAPITAL	HOUSING CHOICE VOUCHERS	OTHER FEDERAL PROGRAM 1	BUSINESS ACTIVITIES 1	OPPORT. FOR YOUTH - YOUTHBUILD PROGRAM	PIH FAMILY SELF-SUFFICIENCY PROGRAM	ADULT EDUCATION STATE GRANT PROGRAM	CHOICE NEIGHBORHOODS PLANNING GRANTS
OTHER FINANCING SOURCES (USES)										
10010	Operating transfers in	495,522	-	-	-	-	-	-	-	-
10020	Operating transfers out	-	(495,522)	-	-	-	-	-	-	-
10030	Operating transfers from/to primary government	-	-	-	-	-	-	-	-	-
10040	Operating transfers from/to component unit	-	-	-	-	-	-	-	-	-
10070	Extraordinary items, net gain/loss	-	-	-	-	-	-	-	-	-
10080	Special items (net gain/loss)	(16,748,078)	-	-	-	-	-	-	-	-
10091	Inter Project excess cash transfer in	-	-	-	-	-	-	-	-	-
10092	Inter Project excess cash transfer out	-	-	-	-	-	-	-	-	-
10093	Transfers between program and project in	-	-	-	-	-	-	-	-	-
10094	Transfers between program and project out	-	-	-	-	-	-	-	-	-
10100	TOTAL OTHER FINANCING SOURCES (USES)	(16,252,556)	(495,522)	-	-	-	-	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(19,754,888)	1,416,818	(989,052)	1	48,416	-	-	-	-
MEMO ACCOUNT INFORMATION:										
11020	Required annual debt principal payments	-	360,000	-	-	-	-	-	-	-
11030	Beginning equity	48,952,734	-	(759,760)	73,074	129,301	-	-	-	-
11040	Prior period adjustments and equity transfers	(12,613,456)	-	(3,788,874)	-	-	-	-	-	-
11170	Administrative fee equity	-	-	(5,719,778)	-	-	-	-	-	-
11180	Housing assistance payments equity	-	-	182,092	-	-	-	-	-	-
11190	Unit months available	20,963	-	17,062	-	-	-	-	-	-
11210	Number of unit months leased	20,603	-	17,062	-	-	-	-	-	-
Equity Roll Forward Test:										
	Calculation from R/E Statement	\$ 18,001,208		\$ (5,537,686)	\$ 73,075	\$ 177,717	\$ -	\$ -	\$ -	\$ -
	B/S Line 513	\$ 18,001,208		\$ (5,537,686)	\$ 73,075	\$ 177,717	\$ -	\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Housing Authority of the City of Camden										
NJ010										
Financial Data Schedule (FDS)										
December 31, 2018										
Line Item #	Account Description	RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	AMERICORPS	COMPONENT UNIT BLENDED	NEIGHBORHOOD STABILIZATION PROGRAM	STATE AND LOCAL	OTHER FEDERAL PROGRAM 2	COCC	ELIMINATION	TOTAL
	REVENUE:									
70300	Net tenant rental revenue	\$ -	\$ -	\$ 27,619	\$ -	\$ -	\$ -	\$ -		\$ 2,685,643
70400	Tenant revenue - other	-	-	3,001	-	-	-	-	-	35,707
70500	Total tenant revenue	-	-	30,620	-	-	-	-	-	2,721,350
70600	HUD PHA grants	15,733	-	-	-	-	-	-	-	26,462,893
70610	Capital grants	-	-	-	-	-	-	-	-	3,674,461
70710	Management fee	-	-	-	-	-	-	1,511,163	(1,511,163)	-
70720	Asset management fee	-	-	-	-	-	-	189,480	(189,480)	-
70730	Book keeping fee	-	-	-	-	-	-	260,170	(260,170)	-
70750	Other fees	-	-	28,173	-	-	-	28,173	(28,173)	-
70800	Other government grants	150,886	-	-	-	63,431	-	-	-	929,784
71100	Investment income - unrestricted	-	-	-	-	-	-	-	-	-
71200	Mortgage interest income	-	-	-	-	-	-	-	-	812
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-	-	-
71301	Cost of sale of assets	-	-	-	-	-	-	-	-	-
71400	Fraud recovery	-	-	-	-	-	-	-	-	14,412
71500	Other revenue	-	-	119,955	-	-	-	248	-	648,042
71600	Gain or loss on sale of fixed assets	-	-	-	-	-	-	-	-	-
72000	Investment income - restricted	-	-	-	-	-	-	-	-	-
70000	TOTAL REVENUE	166,619	-	150,575	-	63,431	-	1,989,234	(1,988,986)	34,451,754
	EXPENSES:									
	Administrative									
91100	Administrative salaries	-	-	100,362	-	-	-	963,872	-	2,295,161
91200	Auditing fees	-	-	-	-	-	-	7,257	-	49,700
91300	Outside management fees	-	-	-	-	-	-	-	(1,511,163)	-
91310	Book-keeping fee	-	-	-	-	-	-	-	(260,170)	-
91400	Advertising and marketing	-	-	-	-	-	-	15,152	-	15,152
91500	Employee benefit contributions- administrative	-	-	7,820	-	4,717	-	2,630,406	-	7,790,851
91600	Office expenses	5,818	-	-	-	-	-	113,426	-	414,563
91700	Legal expenses	-	-	-	-	-	-	47,067	-	62,169
91800	Travel	6,115	-	-	-	70	-	54,459	-	88,941
91810	Allocated overhead	-	-	-	-	-	-	-	-	-
91900	Other	498	-	7,689	-	-	-	1,678	(28,173)	2,987,243
	Total administrative	12,431	-	115,871	-	4,787	-	3,835,317	(1,799,506)	13,703,780
92000	Asset Management Fee	-	-	-	-	-	-	-	(189,480)	-
	Tenant services									
92100	Tenant services - salaries	144,546	-	4,470	-	59,415	-	-	-	1,327,122
92200	Relocation costs	-	-	-	-	-	-	-	-	47,606
92300	Employee benefit contributions- tenant services	4,131	-	-	-	-	-	-	-	415,946
92400	Tenant services - other	400	-	-	-	732	-	85	-	200,266
	Total tenant services	149,077	-	4,470	-	60,147	-	85	-	1,990,940
	Utilities									
93100	Water	-	-	-	-	-	-	-	-	810,106
93200	Electricity	-	-	-	-	-	-	45,000	-	503,603
93300	Gas	-	-	-	-	-	-	-	-	396,452
93400	Fuel	-	-	-	-	-	-	-	-	-
93500	Labor	-	-	-	-	-	-	-	-	105,431
93600	Sewer	-	-	7,143	-	-	-	-	-	428,741
93700	Employee benefit contributions- utilities	-	-	-	-	-	-	-	-	-
93800	Other utilities expense	-	-	-	-	-	-	-	-	-
	Total utilities	-	-	7,143	-	-	-	45,000	-	2,244,335
	Ordinary maintenance & operation									

Housing Authority of the City of Camden										
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Financial Data Schedule (FDS)										
December 31, 2018										
Line Item #	Account Description	RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	AMERICORPS	COMPONENT UNIT BLENDED	NEIGHBORHOOD STABILIZATION PROGRAM	STATE AND LOCAL	OTHER FEDERAL PROGRAM 2	COCC	ELIMINATION	TOTAL
94100	Ordinary maintenance and operations - labor	-	-	-	-	-	-	4,552	-	895,527
94200	Ordinary maintenance and operations - materials & other	-	-	2,738	-	-	-	7,740	-	229,780
94300	Ordinary maintenance and operations - contract costs	-	-	2,425	-	-	-	14,231	-	663,823
94500	Employee benefit contributions- ordinary maintenance	-	-	-	-	-	-	-	-	-
	Total ordinary maintenance	-	-	5,163	-	-	-	26,523	-	1,789,130
	Protective services									
95100	Protective services - labor	-	-	-	-	-	-	-	-	430,327
95200	Protective services- other contract costs	-	-	-	-	-	-	-	-	-
95300	Protective services - other	-	-	-	-	-	-	-	-	-
95500	Employee benefit contributions- protective services	-	-	-	-	-	-	-	-	-
	Total protective services	-	-	-	-	-	-	-	-	430,327
	General expenses									
96100	Insurance premiums	5,111	-	1,140	-	-	-	72,499	-	1,018,510
96200	Other general expenses	-	-	-	-	-	-	-	-	112,886
96210	Compensated absences	-	-	-	-	-	-	31,900	-	39,619
96300	Payments in lieu of taxes	-	-	-	-	-	-	-	-	-
96400	Bad debt - tenant rents	-	-	5,836	-	-	-	-	-	86,975
96500	Bad debt- mortgages	-	-	-	-	-	-	-	-	-
96600	Bad debt - other	-	-	-	-	-	-	-	-	-
96700	Interest expense	-	-	-	-	-	-	-	-	-
96710	Interest of mortgage (or bonds) payable	-	-	-	-	-	-	-	-	302,095
96720	Interest on Notes Payable (Short and Long Term)	-	-	-	-	-	-	-	-	694
96730	Amortization of bond issue costs	-	-	-	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	-	-	-	-	-
	Total general expenses	5,111	-	6,976	-	-	-	104,399	-	1,580,779
96900	TOTAL OPERATING EXPENSES	166,619	-	139,623	-	64,934	-	4,011,324	(1,988,986)	21,739,291
97000	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	-	-	10,952	-	(1,503)	-	(2,022,090)	-	12,712,463
97100	Extraordinary maintenance	-	-	-	-	-	-	-	-	2,257,643
97200	Casualty losses - non capitalized	-	-	-	-	-	-	-	-	722
97300	Housing assistance payments	-	-	-	-	-	-	-	-	13,524,885
97350	HAP Portability - in	-	-	-	-	-	-	-	-	37,784
97400	Depreciation expense	-	-	18,234	-	-	-	520	-	1,453,451
97500	Fraud losses	-	-	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-	-	-
90000	TOTAL EXPENSES	166,619	-	157,857	-	64,934	-	4,011,844	(1,988,986)	39,013,776

Housing Authority of the City of Camden										
NJ010										
Financial Data Schedule (FDS)										
December 31, 2018										
Line Item #	Account Description	RESIDENT OPPORTUNITY AND SUPPORTIVE SERVICES	AMERICORPS	COMPONENT UNIT BLENDED	NEIGHBORHOOD STABILIZATION PROGRAM	STATE AND LOCAL	OTHER FEDERAL PROGRAM 2	COCC	ELIMINATION	TOTAL
OTHER FINANCING SOURCES (USES)										
10010	Operating transfers in	-	-	-	-	-	-	-	-	495,522
10020	Operating transfers out	-	-	-	-	-	-	-	-	(495,522)
10030	Operating transfers from/to primary government	-	-	-	-	-	-	-	-	-
10040	Operating transfers from/to component unit	-	-	-	-	-	-	-	-	-
10070	Extraordinary items, net gain/loss	-	-	-	-	-	-	-	-	-
10080	Special items (net gain/loss)	-	-	-	-	-	-	-	-	(16,748,078)
10091	Inter Project excess cash transfer in	-	-	-	-	-	-	-	-	-
10092	Inter Project excess cash transfer out	-	-	-	-	-	-	-	-	-
10093	Transfers between program and project in	-	-	-	-	-	-	-	-	-
10094	Transfers between program and project out	-	-	-	-	-	-	-	-	-
10100	TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-	-	(16,748,078)
10000	EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	-	-	(7,282)	-	(1,503)	-	(2,022,610)	-	(21,310,100)
MEMO ACCOUNT INFORMATION:										
11020	Required annual debt principal payments	-	-	-	-	-	-	-	-	360,000
11030	Beginning equity	-	-	714,087	264,777	8,213	-	(5,153,565)	-	44,228,861
11040	Prior period adjustments and equity transfers	-	-	-	-	-	-	(12,007,873)	-	(28,410,203)
11170	Administrative fee equity	-	-	-	-	-	-	-	-	(5,719,778)
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-	182,092
11190	Unit months available	-	-	36	-	-	-	-	-	38,061
11210	Number of unit months leased	-	-	36	-	-	-	-	-	37,701
Equity Roll Forward Test:										
	Calculation from R/E Statement	\$ -	\$ -	\$ 706,805	\$ 264,777	\$ 6,710	\$ -	\$ (19,184,048)	\$ -	\$ (5,491,442)
	B/S Line 513	\$ -	\$ -	\$ 706,805	\$ 264,777	\$ 6,710	\$ -	\$ (19,184,048)	\$ -	\$ (5,491,442)
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -