

HOUSING AUTHORITY OF THE
CITY OF HACKENSACK
Hackensack, New Jersey

FINANCIAL STATEMENTS
For the Years Ended
September 30, 2022 and 2021

HOUSING AUTHORITY OF THE CITY OF HACKENSACK
FINANCIAL STATEMENTS

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MANAGEMENT'S DISCUSSION AND ANALYSIS
At September 30, 2022

As Management of the Housing Authority of the City of Hackensack, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements as presented elsewhere in this Report.

A- Financial Highlights

- 1- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$21,543,595 (net position) as opposed to \$19,726,164 for the prior fiscal year.
- 2 – As of the close of the current fiscal year, the Authority's Proprietary Fund reported ending Unrestricted Net increase of \$1,356,940 as opposed to a net increase of \$1,261,408 in the prior fiscal year.
- 3 – The Authority's unrestricted cash and cash equivalent at September 30, 2022 was \$7,961,694 representing an increase of \$920,524 from the prior fiscal year.
- 4 – The Authority had Total Operating Revenues of \$6,602,806, and Total Operating Expenses of \$5,289,069 for the year ended September 30, 2022.
- 5 – The Authority's capital outlays for the fiscal year were \$291,444 which was funded by the RAD Rehab account.

B – Using the Annual Report

1 – Management's Discussion and Analysis

The Management's Discussion and Analysis is intended to serve as an introduction to the Authority's financial statements. The Authority's financial statements and Notes to Financial Statements included in the this Report were prepared in accordance with GAAP applicable to governmental entities in the United States of America for Proprietary Fund types.

2 – General Purpose Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business. They consist of The Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows.

The Statement of Net Position presents information on all the Authority's assets and liabilities, with the difference between the two reported as net position. Increases or decreases in net position will serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

2 – General Purpose Financial Statements

The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of unrelated cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g.; depreciation and earned but unused vacation leave).

The financial statements report on the Authority's activities. The activities are primarily supported by HUD subsidies and grants. The Authority's function is to provide decent, safe and sanitary housing to low income and special needs populations. The financial statements can be found on pages 8 through 10.

3 – Notes To Financial Statements

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The Notes to Financial Statements can be found in this Report after the financial statements.

4 – Supplemental Information

The Schedule of Proportionate Share of Pension Liability of Public Employees Retirement System, Schedule of Authority Contribution to the Public Employees Retirement System, Schedule of Changes in the Total OPEB Liability and Schedule of Contributions to the Employees State Health Benefit Plan are presented for purposes of additional analysis as required by Governmental Accounting Standards Board (GASB) 68 and 75. The Schedule of Proportionate Share of Pension Liability of Public Employees Retirement System and Schedule of Authority Contribution to the Public Employees Retirement System can be found on pages 34 and 35, respectively and the Schedule of Changes in the Total OPEB Liability and the Schedule of Contributions to the Employees State Health Benefit Plan can be found on pages 36-37 respectively. The Financial Data schedule is presented for additional analysis only. The Financial Data Schedule can be found on pages 29-33.

C – The Authority as a Whole

The Authority's Unrestricted Net Deficit decreased by \$1,773,260. The decrease was primarily caused by operating revenues of \$6,602,806 exceeding operating expenses of \$5,289,069 during the fiscal year ended September 30, 2022.

By far, the largest portion of the Authority's net position reflects Net Investment in Capital Assets (e.g., land, buildings, equipment and construction in progress). The Authority uses these capital assets to provide housing services to its tenants; consequently, these assets are not available for future spending. The unrestricted net position of the Authority is available for future use to provide program services.

MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

D – Budgetary Highlights

For the year ended September 30, 2022, individual program or grant budgets were prepared by the Authority and were approved by the Board of Commissioners. The budgets were primarily used as a management tool and have no legal stature. The budgets were prepared in accordance with the accounting procedures prescribed by the applicable funding agency.

As indicated by the excess of revenues over expenses, when adjusted by depreciation expense, the Authority's Net Position increased during the fiscal year.

E – Capital Assets and Debt Administration

As of September 30, 2022, the Authority's investment in capital assets for its Proprietary Fund was \$19,731,800 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment and construction in progress.

Additional information on the Authority's capital assets can be found in Note 4 to the Financial Statements which is included in this Report.

2 – Long Term Debt

During the fiscal year ended September 30, 2005, the Authority entered into a Capital Fund Leveraging Pool. The New Jersey Housing and Mortgage Finance Agency issued bonds and the funds were distributed to the Housing Authority. In December 2004, the Authority received \$4,217,333 to be used for capital improvements to its buildings. Further details can be found in the Note 7 to the financial statements. On July 14, 2017, the Housing Authority converted all of its housing units to HUD's Rental Assistance Demonstration Program (RAD). At the same time it entered into a \$3,150,000 term loan note. The proceeds of the note were used to repay the NJ HMFA Revenue Bonds. The remaining proceeds of the note are being used to make capital improvements to the Authority's housing units.

F – Significant Changes from FYE September 30, 2021, to September 30, 2022

Cash and other current assets increased by \$1,450,524 due to operating revenues exceeding operating expenses during the current fiscal year.

Capital Assets decreased \$524,468. The Housing Authority had fixed asset purchases of \$291,775 and incurred \$815,912 of depreciation expense during the current fiscal year.

Other Assets increased \$1,275,556 due to the required adoption of GASB 87. The Authority is the lessor of the rental of rooftop space to cell phone companies.

Deferred outflow of resources decreased \$286,935, deferred inflow of resources increased \$1,095,071 and accrued pension and OPEB liabilities decreased by \$566,944 due to the most recent pension and OPEB actuarial valuations.

Total operating expenses decreased by \$310,154. Administrative salaries and benefits increased by approximately \$125,000 and maintenance salaries and benefits increased by approximately \$175,000. There was a new hire in each department.

MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

H – Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the Authority's budget for the fiscal year ending September 30, 2023:

- 1 – The state of the economy, particularly in light of current world affairs.
- 2 – The use of the Authority's Unrestricted Net Position to fund any shortfalls rising from a possible economic downturn and reduced subsidies and grants. The Authority's Unrestricted Net Position appears sufficient to cover any shortfall.

I – Contacting the Authority's Financial Management

The financial report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, Housing Authority of the City of Hackensack, 65 First Street, Hackensack, NJ or call (201) 342-4280.

MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

Computation of Net Position are as Follows:

	<u>Year End</u> <u>9/30/2022</u>	<u>Year End</u> <u>9/30/2021</u>	<u>Variance</u>
Cash and Other Current Assets	\$ 10,406,740	\$ 8,956,216	\$ 1,450,524
Capital Assets - Net	21,070,376	21,594,844	\$ (524,468)
Other Assets	1,275,556	-	1,275,556
Deferred Outflow of Resources	<u>1,132,906</u>	<u>1,419,841</u>	<u>(286,935)</u>
Total Assets	<u>33,885,578</u>	<u>31,970,901</u>	<u>2,201,612</u>
Less: Liabilities	7,827,413	8,825,238	(997,825)
Less: Deferred Inflow of Resources	<u>4,514,570</u>	<u>3,419,499</u>	<u>1,095,071</u>
Net Position	<u>21,543,595</u>	<u>19,726,164</u>	<u>3,199,437</u>
Net Investment in Capital Assets	19,731,800	19,784,099	(52,299)
Restricted Net Position	1,345,086	1,248,616	96,470
Unrestricted Net Position	<u>466,709</u>	<u>(1,306,551)</u>	<u>1,773,260</u>
Total Net Position	<u>\$ 21,543,595</u>	<u>\$ 19,726,164</u>	<u>\$ 1,817,431</u>

Computation of Changes in Net Position are as Follows:

Revenues

Tenant Revenues	\$ 5,457,054	\$ 5,326,167	\$ 130,887
Other Revenues	<u>1,145,752</u>	<u>876,678</u>	<u>269,074</u>
Total Operating Revenues	<u>6,602,806</u>	<u>6,202,845</u>	<u>399,961</u>

Expenses

Total Operating Expenses	4,389,890	4,168,894	220,996
Extraordinary Maintenance	83,267	15,163	68,104
Depreciation Expense	<u>815,912</u>	<u>795,038</u>	<u>20,874</u>
Total Operating Expenses	<u>5,289,069</u>	<u>4,979,095</u>	<u>309,974</u>

Excess (Deficiency) of Operating Revenues over Expenses	1,313,737	1,223,750	89,987
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Non-Operating Income

Interest on Investments	<u>43,203</u>	<u>37,478</u>	<u>5,725</u>
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Excess of Revenues over Expenses	1,356,940	1,261,228	95,712
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Net Position - Prior	<u>19,726,164</u>	<u>18,464,936</u>	<u>1,261,228</u>
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Prior Period Adjustment	<u>460,491</u>	<u>-</u>	<u>460,491</u>
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Total Net Position	<u>\$ 21,543,595</u>	<u>\$ 19,726,164</u>	<u>\$ 1,817,431</u>
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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing Authority of the City of Hackensack
Hackensack, New Jersey

Report on the Audit of the Financial Statements ***Opinions***

We have audited the accompanying financial statements of Net Position, Revenue, Expenses, and Changes in Net Position, and Cash Flows of the Housing Authority of the City of Hackensack, as of and for the years ended September 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Hackensack's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the Authority as of September 30, 2022 and 2021, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Housing Authority of the City of Hackensack and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1–5 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

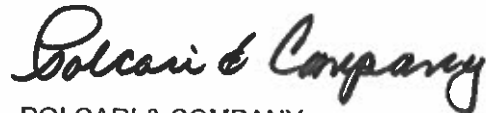
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Hackensack's basic financial statements. The accompanying schedule of expenditures of federal awards is required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* presented for purposes of additional analysis and is not a required part of the basic financial statements. The Financial Data Schedule and supporting schedules of the Authority's portion of the Public Employees Retirement Systems (PERS) and Other Post-Employment Benefits (OPEB) liabilities are presented for additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The 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, the financial data schedule, and the statement and certification of completed modernization grants 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 June 30, 2023 on our consideration of the Housing Authority of the City of Hackensack'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 solely 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 Housing Authority of the City of Hackensack'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 Housing Authority of the City of Hackensack's internal control over financial reporting and compliance.

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CERTIFIED PUBLIC ACCOUNTANTS

Wayne, New Jersey
June 30, 2023

Hackensack Housing Authority (NJ028)

HACKENSACK, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 09/30/2022

	Project Total	1 Business Activities	Subtotal	Total
70300 Net Tenant Rental Revenue		\$5,457,054	\$5,457,054	\$5,457,054
70400 Tenant Revenue - Other				
70500 Total Tenant Revenue	\$0	\$5,457,054	\$5,457,054	\$5,457,054
70600 HUD PHA Operating Grants				
70610 Capital Grants				
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue				
70800 Other Government Grants				
71100 Investment Income - Unrestricted		\$43,203	\$43,203	\$43,203
71200 Mortgage Interest Income		\$57,758	\$57,758	\$57,758
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery				
71500 Other Revenue		\$1,087,994	\$1,087,994	\$1,087,994
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted				
70000 Total Revenue	\$0	\$6,646,009	\$6,646,009	\$6,646,009
91100 Administrative Salaries		\$520,785	\$520,785	\$520,785
91200 Auditing Fees		\$17,210	\$17,210	\$17,210
91300 Management Fee				
91310 Book-keeping Fee				
91400 Advertising and Marketing				
91500 Employee Benefit contributions - Administrative		\$264,233	\$264,233	\$264,233
91600 Office Expenses		\$208,712	\$208,712	\$208,712
91700 Legal Expense		\$33,000	\$33,000	\$33,000
91800 Travel		\$5,992	\$5,992	\$5,992
91810 Allocated Overhead				
91900 Other				
91000 Total Operating - Administrative	\$0	\$1,049,932	\$1,049,932	\$1,049,932
92000 Asset Management Fee				
92100 Tenant Services - Salaries		\$109,557	\$109,557	\$109,557
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services		\$55,049	\$55,049	\$55,049
92400 Tenant Services - Other		\$73,816	\$73,816	\$73,816
92500 Total Tenant Services	\$0	\$238,422	\$238,422	\$238,422
93100 Water		\$245,372	\$245,372	\$245,372
93200 Electricity		\$371,551	\$371,551	\$371,551
93300 Gas		\$222,175	\$222,175	\$222,175
93400 Fuel				
93500 Labor		\$46,760	\$46,760	\$46,760

Hackensack Housing Authority (NJ028)
HACKENSACK, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 09/30/2022

	Project Total	1 Business Activities	Subtotal	Total
93500 Sewer		\$82,182	\$82,182	\$82,182
93700 Employee Benefit Contributions - Utilities		\$22,019	\$22,019	\$22,019
93800 Other Utilities Expense		\$12,179	\$12,179	\$12,179
93000 Total Utilities	\$0	\$1,002,238	\$1,002,238	\$1,002,238
94100 Ordinary Maintenance and Operations - Labor		\$455,623	\$455,623	\$455,623
94200 Ordinary Maintenance and Operations - Materials and Other		\$134,542	\$134,542	\$134,542
94300 Ordinary Maintenance and Operations Contracts		\$468,845	\$468,845	\$468,845
94500 Employee Benefit Contributions - Ordinary Maintenance		\$236,027	\$236,027	\$236,027
94000 Total Maintenance	\$0	\$1,295,037	\$1,295,037	\$1,295,037
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs		\$100,000	\$100,000	\$100,000
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	\$0	\$100,000	\$100,000	\$100,000
96110 Property Insurance		\$134,028	\$134,028	\$134,028
96120 Liability Insurance		\$67,014	\$67,014	\$67,014
96130 Workmen's Compensation		\$67,014	\$67,014	\$67,014
96140 All Other Insurance				
96100 Total Insurance Premiums	\$0	\$268,056	\$268,056	\$268,056
96200 Other General Expenses		\$160,776	\$160,776	\$160,776
96210 Compensated Absences				
96300 Payments in Lieu of Taxes		\$197,803	\$197,803	\$197,803
96400 Bad debt - Tenant Rents		\$12,468	\$12,468	\$12,468
96500 Bad debt - Mortgages				
96500 Bad debt - Other				
96800 Severance Expense				
96000 Total Other General Expenses	\$0	\$371,047	\$371,047	\$371,047
96710 Interest of Mortgage (or Bonds) Payable		\$65,158	\$65,158	\$65,158
96720 Interest on Notes Payable (Short and Long Term)				
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	\$0	\$65,158	\$65,158	\$65,158
96900 Total Operating Expenses	\$0	\$4,389,890	\$4,389,890	\$4,389,890
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$2,256,119	\$2,256,119	\$2,256,119
97100 Extraordinary Maintenance		\$83,267	\$83,267	\$83,267
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments				
97350 HAP Portability-In				
97400 Depreciation Expense		\$815,912	\$815,912	\$815,912
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				

Hackensack Housing Authority (NJ028)
HACKENSACK, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit Fiscal Year End: 09/30/2022

	Project Total	1 Business Activities	Subtotal	Total
97800 Dwelling Units Rent Expense				
90000 Total Expenses	\$0	\$5,289,069	\$5,289,069	\$5,289,069
10010 Operating Transfer In				
10020 Operating transfer Out				
10030 Operating Transfers from/to Primary Government				
10040 Operating Transfers from/to Component Unit				
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)				
10091 Inter Project Excess Cash Transfer In				
10092 Inter Project Excess Cash Transfer Out				
10093 Transfers between Program and Project - In				
10094 Transfers between Project and Program - Out				
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	\$1,356,940	\$1,356,940	\$1,356,940
11020 Required Annual Debt Principal Payments	\$0	\$472,169	\$472,169	\$472,169
11030 Beginning Equity	\$0	\$19,726,164	\$19,726,164	\$19,726,164
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors		\$480,491	\$480,491	\$480,491
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity				
11180 Housing Assistance Payments Equity				
11190 Unit Months Available	0	6036	6036	6036
11210 Number of Unit Months Leased	0	5999	5999	5999
11270 Excess Cash	\$0		\$0	\$0
11610 Land Purchases	\$0		\$0	\$0
11620 Building Purchases	\$0		\$0	\$0
11630 Furniture & Equipment - Dwelling Purchases	\$0		\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0		\$0	\$0
11650 Leasehold Improvements Purchases	\$0		\$0	\$0
11660 Infrastructure Purchases	\$0		\$0	\$0
13510 CFFP Debt Service Payments	\$0		\$0	\$0
13901 Replacement Housing Factor Funds	\$0		\$0	\$0

Housing Authority of the City of Hackensack
 Schedule of Proportionate Share of the Net Pension Liability
 of the Public Employees Retirement System (PERS)
 For the Year Ended September 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Housing Authority's Proportion of the Net Pension Liability	0.0116574%	0.0117058%	0.0117058%	0.0115937%	0.0114605%	0.0110748%	0.0111577%	0.0109262%
Housing Authority's Proportionate Share of the Net Pension Liability	\$ 1,380,997	\$ 1,908,917	\$ 1,908,917	\$ 2,089,017	\$ 2,256,516	\$ 2,578,032	\$ 3,304,577	\$ 2,452,713
Housing Authority's Covered Employee Payroll	1,132,725	1,015,043	1,188,034	973,708	898,917	648,688	849,012	785,173
Housing Authority's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Employee Payroll	121.92%	188.06%	160.68%	214.54%	251.03%	397.42%	389.23%	312.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	58.32%	56.30%	53.60%	92.68%	67.05%	52.08%

Housing Authority of the City of Hackensack
Schedule of Authority Contributions to the
Public Employees Retirement System (PERS)
For the Year Ended September 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 136,522	\$ 128,056	\$ 128,056	\$ 137,364	\$ 156,228	\$ 122,732	\$ 116,312	\$ 118,187
Contribution in Relation to the Contractually Required Contribution	<u>\$(136,522)</u>	<u>\$(128,056)</u>	<u>\$(128,056)</u>	<u>\$(137,364)</u>	<u>\$(156,228)</u>	<u>\$(122,732)</u>	<u>\$(116,312)</u>	<u>\$(118,187)</u>
Contribution Deficiency/(Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered Payroll	1,132,725	1,015,143	1,188,034	973,708	898,917	648,688	\$ 831,047	\$ 785,173
Contribution as a Percentage of Covered Employee Payroll	12.05%	12.61%	10.78%	14.11%	17.38%	18.92%	14.00%	15.05%

Housing Authority of the City of Hackensack
 Schedule of Changes in the Housing Authority's
 Total OPEB Liability and Related Ratios
 For the Year Ended September 30, 2022

<u>Total OPEB Liability</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Housing Authority's Proportion of the Net OPEB Liability	0.02179%	0.02207%	0.02207%	0.02057%	0.02414%
Housing Authority's Proportionate Share of the Net OPEB Liability	3,922,332	3,961,356	3,961,356	2,786,020	3,781,922
Housing Authority's Covered Employee Payroll	1,132,725	1,015,143	1,188,034	973,708	898,917
Housing Authority's Proportionate Share of the Net OPEB Liability as a Percentage of Its Covered Employee Payroll	346%	390%	333%	286%	421%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.28%	0.91%	0.91%	2.02%	2.0%

Schedule is intended to show information for ten years. Additional years will be displayed as the data becomes available.

Housing Authority of the City of Hackensack
Schedule of Authority Contributions to the
Public Employees Health Benefit Plan
For the Year Ended September 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 371,784	\$ 357,353	\$ 314,941	\$ 137,364	\$ 156,228
Contribution in Relation to the Contractually Required Contribution	\$ (371,784)	\$ (357,353)	\$ (314,941)	\$ (137,364)	(156,228)
Contribution Deficiency/(Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered Payroll	1,132,725	1,015,043	1,188,034	973,708	898,917
Contribution as a Percentage of Covered Employee Payroll	32.82%	35.21%	26.51%	14.11%	17.38%

Schedule is intended to show information for ten years. Additional years will be displayed as the data becomes available.



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

Board of Commissioners
Housing Authority of the City of Hackensack
Hackensack, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Controller General of the United States, the financial statements of the Housing Authority of the City of Hackensack as of and for the year ended September 30, 2022, and have issued our report thereon dated June 30, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Hackensack's internal control over financial reporting as a basis for designing our audit procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

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 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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, material weakness may exist that have not been identified.

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

(Continued)

Compliance

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

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.


POLCARI & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Wayne, New Jersey
June 30, 2023

HOUSING AUTHORITY OF THE CITY OF HACKENSACK
Hackensack, New Jersey
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2022

STATUS OF PRIOR AUDIT FINDINGS

The prior audit contained no findings.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Financial Statements

Type of Auditor's Report Issued:

unmodified

Internal Control over Financial Reporting:

Significant Deficiency(ies) identified

_____ yes X no

Significant Deficiency(ies) identified that are
considered to be material weakness(es)?

_____ yes X none reported

Noncompliance Material to Financial Statements Noted?

_____ yes X no