

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Notes to Financial Statements

December 31, 2019

NOTE 18 – ACCRUED PENSION LIABILITY – CONTINUED

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.21, 5.63, 5.48, 5.57, 5.72, and 6.44 years for the 2019, 2018, 2017, 2016, 2015, and 2014 amounts, respectively.

Pension Expense

The components of allocable pension expense, which exclude pension expense related to specific liabilities of individual employers, for the plan fiscal year ending June 30, 2019, are as follows:

Service Cost	\$	22
Interest on the Total Pension Liability		65,387
Member Contributions		(15,195)
Administrative Expenses		402
Expected Investment Return Net of Investment Expenses		(40,572)
Pension Expense Related to Specific Liabilities of Individual Employers		(190)
Current Period Recognition (Amortization) of Deferred Outflows and Inflows of Resources:		
Difference Between Expected and Actual Experience		4,923
Changes of Assumptions		(15,046)
Differences Between Projected and Actual Investment Earnings on Pension Plan Investments		4,786
Total	\$	<u>4,518</u>

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Notes to Financial Statements

December 31, 2019

NOTE 19 – RESTRICTED NET POSITIONS

The Authority restricted net position account balance at December 31, 2019 is \$421,872 which consisted of the following activity:

	HCV HAP Reserve	Business Activity Reserves	Total
Balance December 31, 2018	\$ 304,613	\$ 921,548	\$ 1,226,161
Decrease During the Year	(304,613)	(499,676)	(804,289)
Increase During the Year	-	-	-
Balance December 31, 2019	\$ -	\$ 421,872	\$ 421,872

The restricted cash in the amount of \$-0- was reported under the Housing Choice Voucher Program as a HAP reserve for future use. In accordance with HUD’s PIH Notice 2007-03, the reserve fund balance may only be used to assist additional families up to the number of units under contract.

In connection with the Lakeland Bank loan (Note 16), the RAD units of the Authority are required to maintain certain replacement and capital repairs escrow accounts. In accordance with the bank loan, the restricted deposited and funded reserves are held by Lakeland Bank.

Housing Choice Voucher Program HUD Held Reserves Funds

Effective January 1, 2012, HUD was required to control the disbursement of funds in such a way that the Authority does not receive funds before they are needed, resulting in the re-establishment of HUD held program reserves to comply with the Treasury requirements. HUD held reserve is a holding account at the HUD level that maintains the excess of HAP funds that have been obligated (ABA) but undisbursed to the Authority. The excess HAP funds will remain obligated but not disbursed to the Authority. HUD will hold these funds until needed by the Authority. The amount of HUD held reserves for the Authority at December 31, 2019 was \$359,650.

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Notes to Financial Statements
December 31, 2019

NOTE 20 - UNRESTRICTED NET POSITION

The Authority's unrestricted net position account balance at December 31, 2019 is (\$1,497,862). The detail of the account balance is as follows:

	HCV ADM Reserves	Business Activity Reserves	Total
Balance December 31, 2018	\$ (19,052)	\$ (716,104)	\$ (735,156)
Increase During the Year	98,306	-	98,306
Decrease During the Year	-	(400,296)	(400,296)
Prior Period Adjustment	(147,429)	(313,287)	(460,716)
Balance December 31, 2019	\$ (68,175)	\$ (1,429,687)	\$ (1,497,862)

NOTE 21 - 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 for which the Authority purchases commercial insurance. During the year ended December 31, 2019, the Authority's risk management program, in order to deal with the above potential liabilities, purchased various insurance policies for fire, general liability, crime, auto, employee bond, worker's compensation, and public-officials errors omissions. Periodically, but not less than once annually, the Authority conducts a physical inspection of the building for the purpose of determining potential liability issues.

NOTE 22 - ANNUAL CONTRIBUTIONS BY FEDERAL AGENCIES

Annual Contributions Contracts for the Section 8 Housing Choice Voucher Program to provide for housing assistance payments to private owners of residential units on behalf of eligible low or very low income families. The programs provide for such payment with respect to existing housing covering the difference between the maximum rental on a dwelling unit, and the amount of rent contribution by the participating family and related administrative expense. HUD contributions for the Housing Choice Voucher for December 31, 2019 were in the amount of \$2,918,395.

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Notes to Financial Statements
December 31, 2019

NOTE 23 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Authority operations are concentrated in the low-income housing real estate market. In addition, the Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state, and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules, and regulations are subject to change by an act of congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

Total financial support by HUD was \$2,918,395 to the Authority which represents approximately 78% percent of the Authority's total revenue for the year ended December 31, 2019.

NOTE 24 - CONTINGENCIES

Litigation – At December 31, 2019, the Authority, from time-to time, may be involved with lawsuits arising in the ordinary course of business. In the opinion of the Authority's management, any liability resulting from such litigation would not be material in relation to the Authority's financial position and results of operations.

Grants Disallowances – The Authority participates in federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits performed by the federal government could lead to adjustments for disallowed claims, including amounts already collected, and reimbursement by the Authority for expenditures disallowed under the terms of the grant. The Authority's management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

NOTE 25 - PRIOR PERIOD ADJUSTMENTS

For year ending December 31, 2019

As of December 31, 2019 the Authority had a prior period adjustment in the amount of \$(460,716) while recording GASB #75 Net OPEB Liability opening balance as of January 1, 2019.

State of NJ OPEB Liability June 30, 2018 Liability	\$	(1,058,907)
Adoption of GASB #75 - January 1, 2019		598,191
Prior Period Adjustment - January 1, 2019	\$	<u>(460,716)</u>

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Notes to Financial Statements

December 31, 2019

NOTE 26 – SUBSEQUENT EVENTS

Coronavirus Pandemic:

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the Authority's operations. Future potential impacts may include disruptions or restrictions on our employees' ability to work or the tenant's ability to pay the required monthly rent. Operating functions that may be changed include intake, recertification's and maintenance. Changes to the operating environment may increase operating costs. Additional impacts may include the ability of tenants to continue making rental payments as a result of job loss or other pandemic related issues. The future effects of these issues are unknown.

Events that occur after the statement of net position date but before the financial statements were available to be issued, must be evaluated for recognition or disclosed. The effects of subsequent events that provide evidence about conditions that existed after the statement of net assets date required disclosure in the accompanying notes. Management has evaluated the activity of the Authority thru November 10, 2020; the date which the financial statements were available for issue 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.

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Required Supplementary Information

December 31, 2019

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS LAST TEN FISCAL YEARS

GASB #75 requires supplementary information which includes changes in the Authority's total OPEB liability along with related ratios as listed below.

<u>Total OPEB Liability</u>	<u>2018</u>	<u>2019</u>
Service Cost	\$ 4,214	\$ 41,721
Interest on Total OPEB liability	22,403	39,812
Expected Investment Return	-	(706)
Administrative Expenses	-	593
Changes in Benefits Term	-	(119)
Inflows/Outflows of Resources	-	(38,769)
Inputs	-	(253,814)
Net Difference Between Projected and Actual Investments Earning on OPEB Plan Investments	-	224
Benefit Payments	(35,959)	-
Change in Plan	-	460,716
Net Change in Total OPEB Liability	(9,342)	249,658
Total OPEB Liability, Beginning	607,533	598,191
Total OPEB Liability, Ending	\$ 598,191	\$ 847,849
Covered, Employee Payroll	\$ 177,566	\$ 195,274
Total OPEB Liability as a percentage of covered employee payroll	336.88%	434.18%

Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Required Supplementary Information
December 31, 2019

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY OF THE PUBLIC EMPLOYEE RETIREMENT SYSTEM

GASB #68 requires supplementary information which includes the Authority's share of the net pension liability along with related ratios as listed below.

The schedule below displays the Authority's proportionate share of Net Pension Liability.

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Housing Authority's proportion of the net pension liability	0.002744716%	0.00238620%	0.00321235%
Housing Authority's proportionate share of the net pension liability	\$ 494,556	\$ 469,831	\$ 747,784
Housing Authority's covered employee payroll	\$ 195,274	\$ 177,566	\$ 201,032
Housing Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	253.26%	264.60%	371.97%
Plan fiduciary net position as a percentage of the total pension liability	43.43%	53.60%	48.01%

**The amounts determined for each fiscal year were determined as of June 30.*

Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Required Supplementary Information
December 31, 2019

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY OF THE PUBLIC EMPLOYEE RETIREMENT SYSTEM

The schedule below displays the Authority's proportionate share of Net Pension Liability.

	2016	2015	2014
Housing Authority's proportion of the net pension liability	0.00323170%	0.00437881%	0.00436774%
Housing Authority's proportionate share of the net pension liability	\$ 957,138	\$ 982,955	\$ 817,760
Housing Authority's covered employee payroll	\$ 213,904	\$ 245,373	\$ 245,061
Housing Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	447.46%	400.60%	333.70%
Plan fiduciary net position as a percentage of the total pension liability	59.86%	52.07%	52.08%

**The amounts determined for each fiscal year were determined as of June 30.*

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Required Supplementary Information
December 31, 2019

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY OF THE PUBLIC EMPLOYEE RETIREMENT SYSTEM

The schedule below displays the Authority's contractually required contributions along with related ratios.

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 26,698	\$ 23,735	\$ 29,759
Contribution in relation to the contractually required contribution	(26,698)	(23,735)	(29,759)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	\$ 195,274	\$ 177,566	\$ 201,032
Contribution as a percentage of covered employee payroll	13.67%	13.37%	14.80%

**The amounts determined for each fiscal year were determined as of June 30.*

Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Required Supplementary Information
December 31, 2019

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY OF THE PUBLIC EMPLOYEE RETIREMENT SYSTEM

The schedule below displays the Authority's contractually required contributions along with related ratios.

	2016	2015	2014
Contractually required contribution	\$ 28,710	\$ 37,646	\$ 36,007
Contribution in relation to the contractually required contribution	(28,710)	(37,646)	(36,007)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	\$ 213,904	\$ 245,373	\$ 245,061
Contribution as a percentage of covered employee payroll	13.42%	15.34%	14.69%

**The amounts determined for each fiscal year were determined as of June 30.*

**HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2019**

Note 1. Presentation:

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of the Housing Authority of the Township of Weehawken is under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority of the Township of Weehawken, it is not intended to and does not present the financial position, change in net position, or cash flows of the Housing Authority of the Township of Weehawken.

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 cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

The Housing Authority of the Township of Weehawken has not elected to use the 10 percent de minimis indirect cost rate as allowable under the Uniform Guidance.

Note 4. Loans Outstanding:

Housing Authority of the Township of Weehawken has mortgage payable in the amount of \$949,479 outstanding at December 31, 2019. See Note 16 on pages 41 of this report for full detail.

Note 5. Non- Cash Federal Assistance:

The Authority did not receive any non-cash Federal assistance for the year ended December 31, 2019.

Note 6. Sub recipients:

Of the federal expenditures presented in the schedule above, the Housing Authority of the Township of Weehawken did not provide federal awards to any sub recipients.

Weehawken Housing Authority (NJ077)

WEEHAWKEN, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14,871 Housing Choice Vouchers	1 Business Activities	Subtotal	Total
111 Cash - Unrestricted		\$505,108	\$80,328	\$585,436	\$585,436
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted			\$52,075	\$52,075	\$52,075
114 Cash - Tenant Security Deposits			\$35,060	\$35,060	\$35,060
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$505,108	\$167,463	\$672,571	\$672,571
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects		\$85,662		\$85,662	\$85,662
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous		\$18,324	\$126,823	\$145,147	\$145,147
126 Accounts Receivable - Tenants			\$2,148	\$2,148	\$2,148
126.1 Allowance for Doubtful Accounts - Tenants			-\$2,113	-\$2,113	-\$2,113
126.2 Allowance for Doubtful Accounts - Other		\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$103,986	\$126,858	\$230,844	\$230,844
131 Investments - Unrestricted					
132 Investments - Restricted			\$369,797	\$369,797	\$369,797
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets			\$4,884	\$4,884	\$4,884
143 Inventories					
143.1 Allowance for Obsolete Inventories					
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$0	\$609,094	\$669,002	\$1,278,096	\$1,278,096
161 Land			\$250,000	\$250,000	\$250,000
162 Buildings			\$6,337,226	\$6,337,226	\$6,337,226
163 Furniture, Equipment & Machinery - Dwellings			\$632,350	\$632,350	\$632,350
164 Furniture, Equipment & Machinery - Administration			\$129,511	\$129,511	\$129,511
165 Leasehold Improvements					
166 Accumulated Depreciation			-\$5,637,498	-\$5,637,498	-\$5,637,498
167 Construction in Progress			\$1,780,479	\$1,780,479	\$1,780,479
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$3,492,068	\$3,492,068	\$3,492,068
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$0	\$3,492,068	\$3,492,068	\$3,492,068
200 Deferred Outflow of Resources		\$91,294	\$96,554	\$187,848	\$187,848
290 Total Assets and Deferred Outflow of Resources	\$0	\$700,388	\$4,257,624	\$4,958,012	\$4,958,012
311 Bank Overdraft					
312 Accounts Payable <= 90 Days			\$71,033	\$71,033	\$71,033
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion		\$879	\$4,803	\$5,682	\$5,682
324 Accrued Contingency Liability					
325 Accrued Interest Payable			\$2,862	\$2,862	\$2,862
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					

Weehawken Housing Authority (NJ077)

WEEHAWKEN, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14.871 Housing Choice Vouchers	1 Business Activities	Subtotal	Total
333 Accounts Payable - Other Government			\$8,944	\$8,944	\$8,944
341 Tenant Security Deposits			\$35,060	\$35,060	\$35,060
342 Unearned Revenue			\$14	\$14	\$14
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$20,782	\$20,782	\$20,782
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities					
346 Accrued Liabilities - Other			\$8,609	\$8,609	\$8,609
347 Inter Program - Due To					
348 Loan Liability - Current			\$0	\$0	\$0
310 Total Current Liabilities	\$0	\$879	\$152,107	\$152,986	\$152,986
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$928,697	\$928,697	\$928,697
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current		\$7,908	\$43,223	\$51,131	\$51,131
355 Loan Liability - Non Current			\$0	\$0	\$0
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities		\$358,084	\$984,321	\$1,342,405	\$1,342,405
350 Total Non-Current Liabilities	\$0	\$365,992	\$1,956,241	\$2,322,233	\$2,322,233
300 Total Liabilities	\$0	\$366,871	\$2,108,348	\$2,475,219	\$2,475,219
400 Deferred Inflow of Resources		\$401,692	\$614,502	\$1,016,194	\$1,016,194
508.4 Net Investment in Capital Assets			\$2,542,589	\$2,542,589	\$2,542,589
511.4 Restricted Net Position			\$421,872	\$421,872	\$421,872
512.4 Unrestricted Net Position	\$0	-\$68,175	-\$1,429,687	-\$1,497,862	-\$1,497,862
513 Total Equity - Net Assets / Position	\$0	-\$68,175	\$1,534,774	\$1,466,599	\$1,466,599
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$700,388	\$4,257,624	\$4,958,012	\$4,958,012

Weehawken Housing Authority (NJ077)
WEEHAWKEN, NJ
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14,871 Housing Choice Vouchers	1 Business Activities	Subtotal	Total
70300 Net Tenant Rental Revenue			\$800,070	\$800,070	\$800,070
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$800,070	\$800,070	\$800,070
70600 HUD PHA Operating Grants		\$2,918,395		\$2,918,395	\$2,918,395
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			\$1,492	\$1,492	\$1,492
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery		\$29,702	\$473	\$30,175	\$30,175
71500 Other Revenue			\$8,381	\$8,381	\$8,381
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted			\$6,515	\$6,515	\$6,515
70000 Total Revenue	\$0	\$2,948,097	\$816,931	\$3,765,028	\$3,765,028
91100 Administrative Salaries		\$70,167	\$93,313	\$163,480	\$163,480
91200 Auditing Fees		\$2,201	\$10,746	\$12,947	\$12,947
91300 Management Fee					
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative		\$45,475	\$43,368	\$88,843	\$88,843
91600 Office Expenses		\$38,459	\$108,796	\$147,255	\$147,255
91700 Legal Expense		\$1,500	\$4,500	\$6,000	\$6,000
91800 Travel		\$241	\$808	\$1,049	\$1,049
91810 Allocated Overhead					
91900 Other					
91000 Total Operating - Administrative	\$0	\$158,043	\$261,531	\$419,574	\$419,574
92000 Asset Management Fee					
92100 Tenant Services - Salaries			\$9,636	\$9,636	\$9,636
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services			\$4,743	\$4,743	\$4,743
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$14,379	\$14,379	\$14,379
93100 Water			\$22,441	\$22,441	\$22,441
93200 Electricity			\$88,816	\$88,816	\$88,816
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer			\$33,251	\$33,251	\$33,251
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					
93000 Total Utilities	\$0	\$0	\$144,508	\$144,508	\$144,508
94100 Ordinary Maintenance and Operations - Labor			\$44,741	\$44,741	\$44,741
94200 Ordinary Maintenance and Operations - Materials and Other			\$22,762	\$22,762	\$22,762
94300 Ordinary Maintenance and Operations Contracts	\$0		\$92,508	\$92,508	\$92,508
94500 Employee Benefit Contributions - Ordinary Maintenance			\$19,651	\$19,651	\$19,651
94000 Total Maintenance	\$0	\$0	\$179,662	\$179,662	\$179,662

Weehawken Housing Authority (NJ077)
WEEHAWKEN, NJ
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14,871 Housing Choice Vouchers	1 Business Activities	Subtotal	Total
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance			\$19,864	\$19,864	\$19,864
96120 Liability Insurance			\$9,932	\$9,932	\$9,932
96130 Workmen's Compensation		\$3,204	\$9,932	\$13,136	\$13,136
96140 All Other Insurance					
96100 Total Insurance Premiums	\$0	\$3,204	\$39,728	\$42,932	\$42,932
96200 Other General Expenses		\$51,653	\$277,649	\$329,302	\$329,302
96210 Compensated Absences		\$5,326	\$3,149	\$8,475	\$8,475
96300 Payments in Lieu of Taxes			\$16,661	\$16,661	\$16,661
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$56,979	\$297,459	\$354,438	\$354,438
96710 Interest of Mortgage (or Bonds) Payable			\$34,022	\$34,022	\$34,022
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$34,022	\$34,022	\$34,022
96900 Total Operating Expenses	\$0	\$218,226	\$971,289	\$1,189,515	\$1,189,515
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$2,729,871	-\$154,358	\$2,575,513	\$2,575,513
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments		\$2,936,178		\$2,936,178	\$2,936,178
97350 HAP Portability-In					
97400 Depreciation Expense			\$139,977	\$139,977	\$139,977
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$0	\$3,154,404	\$1,111,266	\$4,265,670	\$4,265,670
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	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$0	-\$206,307	-\$294,335	-\$500,642	-\$500,642
11020 Required Annual Debt Principal Payments	\$0	\$0	\$20,149	\$20,149	\$20,149
11030 Beginning Equity	\$0	\$285,561	\$2,142,396	\$2,427,957	\$2,427,957

Weehawken Housing Authority (NJ077)
WEEHAWKEN, NJ
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	Project Total	14,871 Housing Choice Vouchers	1 Business Activities	Subtotal	Total
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	-\$147,429	-\$313,287	-\$460,716	-\$460,716
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		-\$68,175		-\$68,175	-\$68,175
11180 Housing Assistance Payments Equity		\$0		\$0	\$0
11190 Unit Months Available	0	3000	1188	4188	4188
11210 Number of Unit Months Leased	0	2906	1149	4055	4055
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



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

Board of Commissioners
Housing Authority of the Township of Weehawken
525 Gregory Ave
Weehawken, New Jersey 07086

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the Township of Weehawken as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise Housing Authority of the Township of Weehawken basic financial statements, and have issued our report thereon dated November 10, 2020.

Internal Control over Financial Reporting

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

Hymanson, Parnes & Giampaolo

Lincroft, New Jersey

Date: November 10, 2020



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE**

Board of Commissioners
Housing Authority of the Township of Weehawken
525 Gregory Ave
Weehawken, New Jersey 07086

Report on Compliance for Each Major Federal Program

We have audited Housing Authority of the Township of Weehawken compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Housing Authority of the Township of Weehawken major federal programs for the year ended December 31, 2019. Housing Authority of the Township of Weehawken major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Housing Authority of the Township of Weehawken 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). 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 Housing Authority of the Township of Weehawken compliance with those requirements and performing such other procedures as we consider 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 Housing Authority of the Township of Weehawken compliance.

Opinion on Each Major Federal Program

In our opinion, Housing Authority of the Township of Weehawken 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, 2019.

Report on Internal Control Over Compliance

Management of Housing Authority of the Township of Weehawken 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 Housing Authority of the Township of Weehawken'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 Housing Authority of the Township of Weehawken 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. Accordingly, this report is not suitable for any other purpose.

Hymanson, Parnes & Giampaolo

Lincroft, New Jersey

Date: November 10, 2020

HOUSING AUTHORITY OF THE TOWNSHIP OF WEEHAWKEN

Schedule of Findings and Questioned Cost

Year Ended December 31, 2019

Prior Audit Findings

None reported

Summary of Auditor's Results

Financial Statements

Type of Auditor's Report Issued:

Unmodified

Internal Control over Financial Reporting:

Material Weakness (es) 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

Federal Awards

Internal Control over Major Programs:

Material Weakness (es) Identified? _____ yes X no

Significant Deficiency(ies) identified that are considered to be material weakness(es)? _____ yes X none reported

Type of audit report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section Title 2 U.S. Code of Federal Regulation Part 200, Uniform Administrative Requirements, _____ yes X no

Identification of Major Programs

CFDA#	Name of Federal Program	Amount
14.871	Section 8 Housing Choice Vouchers	\$ 2,918,395

Dollar threshold used to Distinguish between Type A and Type B Programs \$ 750,000

Auditee qualified as a low-risk auditee X yes no

FINDINGS – FINANCIAL STATEMENT AUDIT

None reported

FINDINGS AND QUESTIONED COST – MAJOR FEDERAL AWARD PROGRAM AUDIT

None reported



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Housing Authority of the Township of Weehawken
525 Gregory Ave
Weehawken, New Jersey 07086

We have performed the procedure described in the second paragraph of this report, which was agreed to by Housing Authority of the Township of Weehawken and the U.S. Department of Housing and Urban Development, Public Indian Housing-Real Estate Assessment Center (PIH-REAC), solely to assist them in determining whether the electronic submission of certain information agrees with the related hard copy documents included within the OMB Uniform Guidance reporting package. Housing Authority of the Township of Weehawken is responsible for the accuracy and completeness of the electronic submission. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of the procedure is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

We were engaged to perform an audit in accordance with the Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), by Housing Authority of the Township of Weehawken as of and for the year ended December 31, 2019, and have issued our reports thereon dated November 10, 2020. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product of that audit. Further, our opinion on the fair presentation of the supplementary information dated December 31, 2019, was expressed in relation to the basic financial statements of Housing Authority of the Township of Weehawken taken as a whole.

A copy of the reporting package required by OMB Uniform Guidance, which includes the auditor's reports, is available in its entirety from Housing Authority of the Township of Weehawken. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, PIH-REAC.

This report is intended solely for the information and use of Housing Authority of the Township of Weehawken and the U.S. Department of Housing and Urban Development, PIH-REAC, and is not intended to be and should not be used by anyone other than these specified parties.

Hymanson Parnes & Giampaolo

Lincroft, New Jersey
November 10, 2020

ATTACHMENT TO INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON
PROCEDURE

PROCEDURE	UFRS RULE INFORMATION	HARD COPY DOCUMENTS	AGREES	DOES NOT AGREE
1	Balance Sheet and Revenue and Expense (data line items 111 to 13901)	Financial Data Schedule, all CFDA's	<input checked="" type="radio"/>	<input type="radio"/>
2	Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	<input checked="" type="radio"/>	<input type="radio"/>
3	Type of opinion on FDS (data element G3100-040)	Auditor's supplemental report on FDS	<input checked="" type="radio"/>	<input type="radio"/>
4	Audit findings narrative (data element G5200-010)	Schedule of Findings and Questioned costs	<input checked="" type="radio"/>	<input type="radio"/>
5	General information (data element series G2000,G2100,G2200,G9000,G9100)	OMB Data Collection Form*	<input checked="" type="radio"/>	<input type="radio"/>
6	Financial statement report information (data element G3000-010 to G3000-050)	Schedule of Findings and Questioned costs, Part 1 and OMB Data Collection Form*	<input checked="" type="radio"/>	<input type="radio"/>
7	Federal program report information (data element G4000-020 to G4000-040)	Schedule of Findings and Questioned costs, Part 1 and OMB Data Collection Form*	<input checked="" type="radio"/>	<input type="radio"/>
8	Type of Compliance Requirement (G4200-020 & G4000-030)	OMB Data Collection Form*	<input checked="" type="radio"/>	<input type="radio"/>
9	Basic financial statements and auditor's reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)	<input checked="" type="radio"/>	<input type="radio"/>