

HOUSING AUTHORITY OF THE
TOWN OF SECAUCUS
Secaucus, New Jersey

FINANCIAL STATEMENTS
For the Years Ended
March 31, 2023 and 2022

HOUSING AUTHORITY OF THE TOWN OF SECAUCUS
 Secaucus, New Jersey
 COMPARATIVE FINANCIAL STATEMENTS
 FOR THE YEARS ENDED MARCH 31, 2023 AND 2022

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HOUSING AUTHORITY OF THE TOWN OF SECAUCUS
MANAGEMENT'S DISCUSSION AND ANALYSIS
March 31, 2023

As management of the Housing Authority of the Town of Secaucus, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activity of the Authority for the fiscal year ended March 31, 2023. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the Authority exceeded its liabilities as of March 31, 2023 by \$6,916,900.
- As of the close of the current fiscal year, the Authority's Proprietary Funds reported a deficit in Unrestricted Net Position of \$412,497, a decrease in the deficit of \$299,243 from March 31, 2022.
- The Authority's total cash balances as of March 31, 2023 totaled \$3,172,929 including security deposits; a decrease of \$1,489,678 from March 31, 2022.
- The Authority had intergovernmental revenue of \$4,583,329 in HUD operating grants pertaining to its housing choice voucher program for the year ended March 31, 2022.
- The Authority's capital outlays for the year totaled \$667,454. The change in Capital Assets is detailed in the section of this analysis entitled Analysis of Capital Assets.

USING THE ANNUAL REPORT

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 Comparative Statements of Net Position, Comparative Statements of Revenue, Expenses and Changes in Net Position and the Comparative Statements of Cash Flows.

The Comparative Statements of Net Position present 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.

The Comparative Statements of Revenue, Expenses and Changes in Net Position present information showing how the Authority's net position changed during the most recent two fiscal years. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the 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 Comparative Statements of Cash Flows present information showing how the Authority's cash and cash equivalents position changed during the year. The statements classify cash receipts and cash payments as resulting from operating activities, capital and related financing activities and investing activities.

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 on pages 13 through 28 of this report.

**HOUSING AUTHORITY OF THE TOWN OF SECAUCUS
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED**

March 31, 2023

Supplemental Information

The Schedule of Expenditures of Federal Awards (SEFA) is presented for purpose of additional analysis as required by Government Auditing Standards issued by the Comptroller General of the United States. The SEFA can be found on page 29 of this report. Additional supplemental information can be found on pages 30-38.

FINANCIAL ANALYSIS OF THE AUTHORITY (ENTITY WIDE)

Total Net Position increased by \$667,120. This increase is primarily due to a \$309,047 net operating revenue in the RAD program and \$270,674 net operating income in the housing choice voucher program.

The Authority's operating revenues exceeded expenses by \$513,848, and investment income totaled \$65,873 for the fiscal year ended March 31, 2023.

Total cash including security deposits decreased \$1,489,678 due primarily to the purchase of investments during the current fiscal year.

Capital Assets (net of accumulated depreciation) increased \$396,265 as capital asset acquisitions of \$667,454 were offset by \$271,189 of depreciation expense.

Accrued Pension and OPEB liabilities increased \$301,512 from March 31, 2022 to March 31, 2023. GASB 68 assets and liabilities related to pensions also reflect an increase in Deferred Outflow of Resources of \$378,852 and a decrease in Deferred Inflows of Resources of \$87,630. More information about OPEB and Pension liabilities can be found in Notes 13 and 14 respectively.

The following table summarizes the changes in Net Position between March 31, 2023 and 2022 for the Authority as a whole:

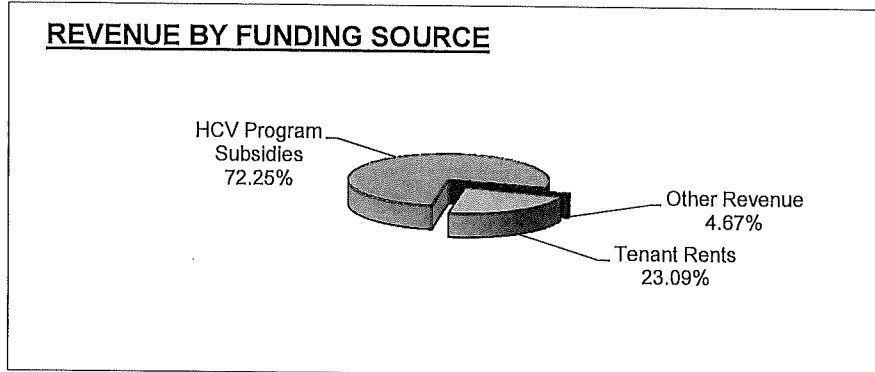
	<u>2023</u>	<u>2022</u>	<u>Variance</u>	<u>% Variance</u>
Cash & Cash Equivalents	\$ 3,172,929	\$ 4,662,607	\$ (1,489,678)	-31.95%
Other Current Assets	1,666,660	39,245	1,627,415	4146.81%
Capital Assets	8,114,976	7,718,710	396,266	5.13%
Leases Receivable	327,329	-	327,329	100.00%
Deferred Outflow of Resources	880,250	501,398	378,852	75.56%
Total Assets	<u>14,162,144</u>	<u>12,921,960</u>	<u>1,240,184</u>	<u>9.60%</u>
Current Liabilities	496,851	383,571	113,280	29.53%
Long-term Debt	2,118,212	2,171,668	(53,456)	-2.46%
Other Noncurrent Liabilities	2,991,332	2,689,716	301,616	11.21%
Total Liabilities	<u>5,606,395</u>	<u>5,244,955</u>	<u>361,440</u>	<u>6.89%</u>
Deferred Inflow of Resources	1,638,849	1,427,225	211,624	14.83%
Net Investment in Capital Assets	5,942,323	5,489,016	453,307	8.26%
Restricted Net Position	1,387,074	1,472,504	(85,430)	-5.80%
Unrestricted Net Position	(412,497)	(711,740)	299,243	-42.04%
Total Net Position	<u>\$ 6,916,900</u>	<u>\$ 6,249,780</u>	<u>\$ 667,120</u>	<u>-10.67%</u>

**HOUSING AUTHORITY OF THE TOWN OF SECAUCUS
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
March 31, 2023**

Total operating revenue increased \$589,529 (10.31%), due primarily to the increase of \$193,000 (4.90%) in HUD Operating Grants within the Housing Choice Voucher Program. Total Unit Months Leased and average housing assistance payment remained stable in 2022 as compared to 2021.

Total operating expenses increased \$447,436 (7.26%). Changes in the major expense categories are discussed below.

Operating Revenues generated by major category are detailed in the following chart:



The following table summarizes the changes in Operating Income between fiscal years 2022 and 2021 for the Authority as a whole:

	2023	2022	Variance	% Variance
Rental Revenue	\$ 1,342,059	\$ 1,320,707	\$ 21,352	1.62%
HUD Operating Grants	4,583,329	4,324,334	258,995	5.99%
Other	467,598	662,040	(194,442)	-29.37%
Total Operating Revenue	6,392,986	6,307,081	85,905	1.36%
Operating Expenses:				
Administrative	710,585	569,275	141,310	24.82%
Tenant Services	64,474	277,947	(213,473)	-76.80%
Utilities	462,305	438,759	23,546	5.37%
Maintenance	1,018,702	853,428	165,274	19.37%
General Expenses, including interest	257,913	240,960	16,953	7.04%
Housing Assistance Payments	3,093,970	2,899,462	194,508	6.71%
Depreciation	271,189	348,188	(76,999)	-22.11%
Total Operating Expenses	5,879,138	5,628,019	251,119	4.46%
Operating Income/(Loss)	513,848	679,062	(165,214)	-24.33%
Non-operating Revenue (Expenses):				
Interest and Other	65,873	20,717	45,156	217.97%
Net Income/(Loss)	579,721	699,779	(120,058)	-17.16%
Beginning Net Position	6,249,780	5,550,001	699,779	12.61%
Prior Period Adjustment	87,399	-	87,399	100.00%
Ending Net Position	\$ 6,916,900	\$ 6,249,780	\$ 667,120	10.67%

**HOUSING AUTHORITY OF THE TOWN OF SECAUCUS
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
March 31, 2023**

Housing Choice Voucher Program grant revenue increased from \$4,324,334 in 2022 to \$4,583,329 in 2023.

Other Revenues consist primarily of receipts for portability housing assistance payments, fees charged to other housing authorities for the performance of management services, charges to tenants for maintenance and other miscellaneous services; and the addition of cell phone antenna revenue. Other revenue increased by \$194,442, due primarily to the settlement of a lawsuit with HUD that resulted in the Authority receiving \$140,287 during the current fiscal year.

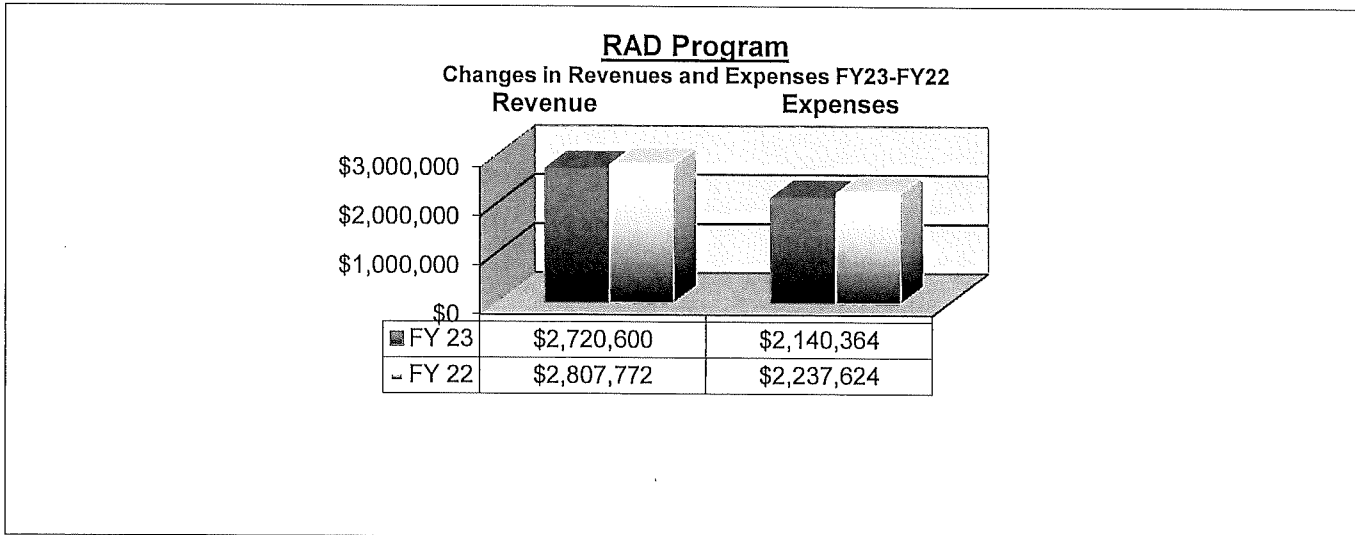
Operating expenses increased 4.46% from 2022 to 2023. Administrative expenses totaled \$710,585 in 2023 vs. \$569,275 in 2022, an increase of \$141,310, or 24.82%. This increase is mainly attributed to an increase in employee benefit costs related to the accrual for pension and OPEB.

Tenant services decreased by \$213,473 due to the expenditure of CARES Act funds in the prior fiscal year.

Maintenance expenses increased \$165,274 as the Authority continued to repair and maintain tenant living conditions and common areas.

Other expense categories were consistent with the general level of inflationary increase in the northern New Jersey area.

Changes in total income and expense attributable to the RAD program are as follows:



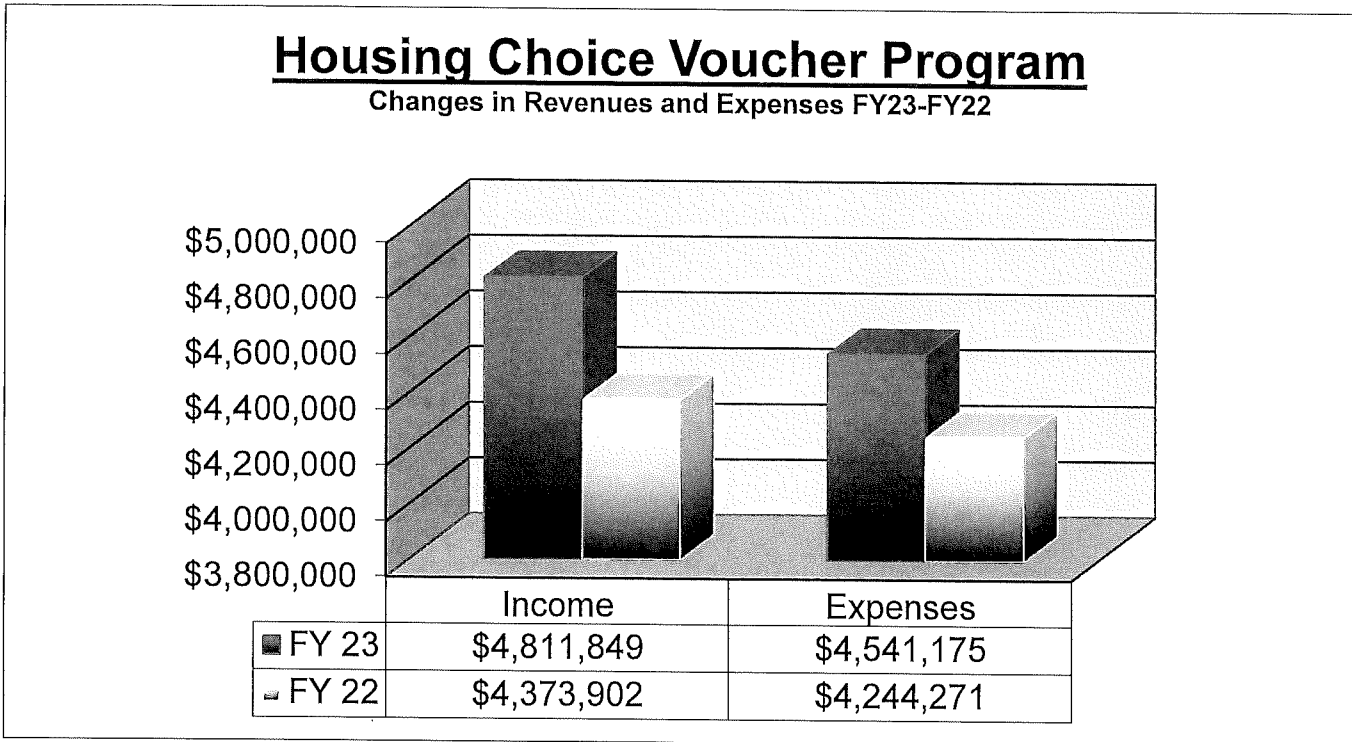
Note: Expense amounts include depreciation expense.

FYE 2023 RAD operating revenue decreased by 3.10% compared to FYE 2022.

FYE 2023 RAD operating expenses decreased by 4.35% compared to FYE 2022.

**HOUSING AUTHORITY OF THE TOWN OF SECAUCUS
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
March 31, 2023**

Changes in total income and expense attributable to the Housing Choice Voucher program are as follows:



HCV revenues increased \$437,947 (10.0%) primarily because HAP revenue increased \$314,296 and administrative revenue increased \$134,649.

Total HCV expenses increased \$296,904 (7.0%). Primarily because HAP expenses increased \$224,272 when compared to the prior fiscal year. The average HAP payment increased from \$652 in 2022 to \$688 in 2023.

**HOUSING AUTHORITY OF THE TOWN OF SECAUCUS
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
March 31, 2023**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

The following table summarizes the changes in capital assets from March 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>	<u>Incr. / Decr.</u>	<u>% Change</u>
Land	\$ 620,838	\$ 620,838	\$ -	0.00%
Buildings & Improvements	24,563,034	24,401,130	161,904	0.66%
Equipment & Furniture	1,953,691	1,878,677	75,014	3.99%
Construction in Progress	443,236	12,700	430,536	3390.05%
Total	<u>27,580,799</u>	<u>26,913,345</u>	<u>667,454</u>	<u>2.48%</u>
Accumulated Depreciation	<u>(19,465,823)</u>	<u>(19,194,635)</u>	<u>(271,188)</u>	<u>1.41%</u>
Net Capital Assets	<u>\$ 8,114,976</u>	<u>\$ 7,718,710</u>	<u>396,266</u>	<u>5.13%</u>

The increase in capital assets is due primarily to the expenditure \$667,454 for major improvements, including but not limited to, roof and elevator upgrades.

Debt:

During 2007, 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, secured by the future capital fund grants of participating housing authorities. The Authority's share of the funds from the bond pool amounted to \$1,360,000. The Housing Authority of the Town of Secaucus converted its public housing portfolio to RAD during the fiscal year ended March 31, 2017. In connection with that conversion, the Authority borrowed \$2,500,000 under a thirty year mortgage. The proceeds from that loan together with capital fund grants of \$217,714 and approximately of \$900,000 of operating reserves, were used to repay the outstanding bonds plus accrued interest totaling approx. \$943,000, provide escrow deposits for repairs and rehabilitation of approximately \$2,400,000 and pay debt issuance costs of approximately \$175,000. At March 31, 2023 and March 31, 2022 respectively, the outstanding balance of the mortgage debt was \$2,172,653 and \$2,229,694. The current portion of the mortgage was \$59,844 and \$58,026 at March 31, 2023 and March 31, 2022, respectively. The loan is payable in 360 monthly installments of \$11,120, including interest at 3.375% per annum, with the final payment due March 1, 2047.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Housing Authority of the Town of Secaucus, 700 County Avenue, Secaucus, NJ 07094, or call (201) 867-2957.



Polcari & Co.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing Authority of the Town of Secaucus
Secaucus, 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 Town of Secaucus, as of and for the years ended March 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Housing Authority of the Town of Secaucus'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 March 31, 2023 and 2022, 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 Town of Secaucus 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 Town of Secaucus'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

INDEPENDENT AUDITOR'S REPORT (Continued)

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 Town of Secaucus'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 Town of Secaucus'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 1–6 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 Town of Secaucus'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

INDEPENDENT AUDITOR'S REPORT (Continued)

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 November 28, 2023 on our consideration of the Housing Authority of the Town of Secaucus'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 Town of Secaucus'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 Town of Secaucus's internal control over financial reporting and compliance.



POLCARI & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Wayne, New Jersey
November 28, 2023

HOUSING AUTHORITY OF THE TOWN OF SECAUCUS
Secaucus, New Jersey
COMPARATIVE STATEMENTS OF NET POSITION
At March 31, 2023 and 2022

	2023	2022
<u>ASSETS AND DEFERRED OUTFLOW OF RESOURCES</u>		
<u>CURRENT ASSETS</u>		
Cash and Cash Equivalents - Unrestricted	\$ 2,415,992	\$ 3,058,532
Cash and Cash Equivalents - Restricted	627,780	1,472,504
Cash - Tenant Security Deposits	129,157	131,571
Total Cash	3,172,929	4,662,607
Investments	1,483,535	-
Accounts Receivable - HUD	126,420	11,477
Operating Lease Receivable - Current Portion	24,579	-
Prepaid Expenses and Other Current Assets	32,126	27,768
Total Current Assets	4,839,589	4,701,852
<u>FIXED ASSETS</u>		
Land	620,838	620,838
Buildings and Improvements	24,563,034	24,401,130
Furniture, Equipment and Machinery	1,953,691	1,878,677
Construction in Progress	443,236	12,700
Total Fixed Assets	27,580,799	26,913,345
Less: Accumulated Depreciation	(19,465,823)	(19,194,635)
Net Fixed Assets	8,114,976	7,718,710
Operating Lease Receivable - Noncurrent	320,901	-
Right of Use Asset - Operating Lease	6,428	-
Deferred Outflow of Resources	880,250	501,398
Total Assets and Deferred Outflow of Resources	\$ 14,162,144	\$ 12,921,960
<u>LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u>		
<u>CURRENT LIABILITIES</u>		
Accounts Payable:		
Vendors and Contractors	\$ 135,926	\$ 38,562
Accrued Payroll and Related Taxes	18,696	13,223
Security Deposits	129,157	131,130
Accounts Payable - HUD	13,729	13,729
Deferred Revenue	45	576
Current Portion of Long-Term Debt	59,844	58,026
Current Portion of Operating Lease Liability	1,025	-
Accrued Liabilities:		
Compensated Absences - Current Portion	10,980	10,974
Accrued Interest Payable	6,548	6,720
Other Accrued Liabilities	33,425	22,935
Payment in Lieu of Taxes	87,476	87,696
Total Current Liabilities	496,851	383,571
Long-Term Debt, Net of Current Portion	2,112,809	2,171,668
Operating Lease Liability, Net of Current Portion	5,403	-
Accrued Compensated Absences - Noncurrent	98,893	98,789
Accrued Pension and OPEB Liabilities	2,892,439	2,590,927
Total Non-Current Liabilities	5,109,544	4,861,384
Deferred Inflow of Resources - Pension and OPEB	1,339,595	1,427,225
Deferred Inflow of Resources - Operating Lease	299,254	-
Total Liabilities and Deferred Inflow of Resources	7,245,244	6,672,180
<u>NET POSITION</u>		
Net Investment in Capital Assets	5,942,323	5,489,016
Restricted	1,387,074	1,472,504
Unrestricted	(412,497)	(711,740)
Total Net Position	\$ 6,916,900	\$ 6,249,780

See Notes to Financial Statements.

HOUSING AUTHORITY OF THE TOWN OF SECAUCUS
 Secaucus, New Jersey
COMPARATIVE STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
 For the Years Ended March 31, 2023 and 2022

	For the Year Ended	
	2023	2022
<u>OPERATING REVENUES</u>		
Tenant Rental & Other Revenue	\$ 1,342,059	\$ 1,320,707
HUD Grants - Operating	4,583,329	4,324,334
Other	467,598	662,040
Total Operating Revenues	6,392,986	6,307,081
<u>OPERATING EXPENSES</u>		
Administration	710,585	569,275
Housing Assistance Payments	3,093,970	2,899,462
Tenant Services	64,474	277,947
Utilities	462,305	438,759
Ordinary Maintenance & Operations	1,018,702	853,428
General Expense	179,867	163,072
Depreciation and Amortization Expense	271,189	348,188
Interest Expense	78,046	77,888
Total Operating Expenses	5,879,138	5,628,019
EXCESS OF OPERATING REVENUE OVER EXPENSES	513,848	679,062
Non Operating Revenues/(Expenses):		
Lease Interest Income	10,740	-
Interest Income	55,133	20,717
Increase/(Decrease) in Net Position	579,721	699,779
Beginning Net Position	6,249,780	5,550,001
Prior Period Adjustment	87,399	-
Ending Net Position	\$ 6,916,900	\$ 6,249,780

See Notes to Financial Statements.

HOUSING AUTHORITY OF THE TOWN OF SECAUCUS
Secaucus, New Jersey
COMPARATIVE STATEMENTS OF CASH FLOWS
For the Years Ended March 31, 2023 and 2022

	For the Year Ended	
	2023	2022
<u>CASH FLOWS FORM OPERATING ACTIVITIES</u>		
Cash Received:		
From Tenants for Rental & Other Revenue	\$ 1,341,528	\$ 1,107,166
From Government Agencies for Operating Grants	4,468,386	4,312,857
From Other Operating Revenues	122,118	670,841
Cash Paid:		
To Employees for Operations	(543,620)	(1,026,416)
To Suppliers for Operations	(1,641,963)	(1,749,786)
To Landlords For Housing Assistance	<u>(3,093,970)</u>	<u>(2,891,033)</u>
Net Cash Provided by Operating Activities	652,479	423,629
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Acquisition of Property and Equipment	(667,454)	(619,423)
Repayments of Long-term Debt	<u>(57,041)</u>	<u>(55,936)</u>
Net Cash Provided/(Used) by Capital and Related Financing Activities	(724,495)	(675,359)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase/Sale of Investments	(1,483,535)	-
Investment Income	<u>65,873</u>	<u>20,717</u>
Net Cash Provided by Investing Activities	<u>(1,417,662)</u>	<u>20,717</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,489,678)	(231,013)
Cash and Equivalents at Beginning of Period	<u>4,662,607</u>	<u>4,893,620</u>
Cash and Equivalents at End of Period	<u>\$ 3,172,929</u>	<u>\$ 4,662,607</u>
Reconciliation of Operating Loss to Net Cash Used by Operations		
Operating Loss	\$ 513,848	\$ 679,062
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities		
Depreciation	271,188	348,188
Deferred Outflow of Resources	(378,852)	131,193
Deferred Inflow of Resources	211,624	(23,141)
Decrease/(Increase) in Assets		
Accounts Receivable - HUD	(114,943)	(11,477)
Accounts Receivable - Misc.	-	8,801
Prepaid Expenses and Other Current Assets	(4,358)	(2,459)
Leases Receivable	(345,480)	
Other Assets	(6,428)	-
Increase/(Decrease) in Liabilities		
Accounts Payable	97,364	(136,035)
Accrued Payroll and Related Taxes	5,473	4,863
Security Deposits	(1,973)	(581)
Compensated Absences	110	(25,623)
Accounts Payable - HUD	-	8,429
Deferred Revenue	(531)	(213,541)
Interest Payable	(172)	77
PILOT Payable	(220)	(4,676)
Other Accrued Liabilities	10,490	(5,643)
Debt Related to Leases	6,428	
Accrued Pension and OPEB Liabilities	<u>388,911</u>	<u>(333,808)</u>
Net Cash Provided by Operating Activities	<u>\$ 652,479</u>	<u>\$ 423,629</u>
Supplemental Information:		
Cash Paid For Interest	<u>\$ 78,218</u>	<u>\$ 77,811</u>

See Notes to Financial Statements.