HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY

REPORT ON AUDIT OF FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

YEARS ENDED SEPTEMBER 30, 2018 AND 2017

TRANSMITTAL LETTER	1
INDEPENDENT AUDITOR'S REPORT	2
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
FINANCIAL SECTION	
STATEMENTS OF NET POSITION	9
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	10
STATEMENTS OF CASH FLOWS	11
NOTES TO FINANCIAL STATEMENTS	13
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	29
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS	30
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)	31
OTHER SUPPLEMENTARY INFORMATION COMBINING STATEMENT OF NET POSITION	32
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	33
FINANCIA DATA SCHEDULE	34
SCHEDULE OF ACTUAL MODERNIZATION COSTS	44
SINGLE AUDIT AND OTHER REPORTS SECTION	,
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	45
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	46
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	47
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	50
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133	52



A HUD SPONSORED PUBLIC HOUSING AGENCY

50 Brookside Avenue 🛭 Lodi, New Jersey 07644

Thomas DeSomma
Executive Director/Secretary-Treasurer
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June 6, 2019

Dear Board of Directors, US Department of Housing and Urban Development and the State of New Jersey:

On behalf of Lodi Housing Authority of Lodi, New Jersey, I respectfully submit this annual financial report for the year ended September 30, 2018. I believe the information presented is accurate in all material aspects and that all disclosures necessary to enable the reader to gain an adequate understanding of the Authority's financial position and operations have been included. The accompanying financial statements included in this annual financial report have been prepared in conformity with accounting principles generally accepted in the United States of America. Responsibility for the accuracy, completeness, and fairness of the financial statements presentation rests with the management of the Authority.

The 2018 Lodi Housing Authority Annual financial report consists of these sections:

- <u>Introductory Section</u> this includes the independent auditor's report and a management discussion and analysis of our financial report.
- <u>Financial Section</u> this includes the basic financial statements and notes and required supplementary information.
- <u>Single Audit Section</u> this includes reports from the independent auditor on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards and on compliance with requirements applicable to each major program and on internal control over compliance in accordance with Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

Lodi Housing Authority realizes that its role as a means of housing for the low income and elderly in the community and the State of New Jersey has never been more important. The Authority has four projects of their own with over 200 units for low income and elderly tenants and over 400 Section 8 participants. The following pages report and analyze the financial position of Lodi Housing Authority.

Respectfully submittee

Thomas DeSomma
Executive Director

FRANCIS J McCONNELL CERTIFIED PUBLIC ACCOUNTANT

American Institute of Certified Public Accountants Pennsylvania Institute of Certified Public Accountants 6225 Rising Sun Avenue Philadelphia, PA 19111 Voice: 215-742-3428

INDEPENDENT AUDITOR'S REPORT

Board of Directors Lodi Housing Authority Lodi, New Jersey

Report on the Financial Statements

I have audited the accompanying financial statements of Lodi Housing Authority as of and for the years ended September 30, 2018 and September 30, 2017, and the related notes to the financial statements, which collectively comprise the Lodi Housing Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Lodi Housing Authority, as of September 30, 2018 and September 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lodi Housing Authority's basic financial statements. The accompanying financial information, the combining statements of net position, activities and changes in net position and Financial Data Schedule as listed in HUD supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated June 6, 2019, on my consideration of the Lodi Housing Authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Lodi Housing Authority's internal control over financial reporting and compliance.

Francis McConnell
Francis J McConnell

Certified Public Accountant

June 6, 2019

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2018

As management of the Housing Authority of the Borough of Lodi, New Jersey we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the years ended September 30, 2018 and September 30, 2017. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

2018

- The assets and deferred outflows of the Authority were in a deficit position at the close of the most recent fiscal year by (\$1,287,410) deficit net position this was caused by the required adoption of "GASB 75" the recording of the post employment retirement liability.
- The Authority's unrestricted cash balance at September 30, 2018 was \$422,034 representing an increase of \$6,395 from September 30, 2017.
- The Authority had intergovernmental revenues of \$5,968,804 HUD operating grants for the year ended September 30, 2018.
- The Authority adopted accounting principle "GASB 75" the financial reporting for other post employment retirement benefits. This principle caused the recording of an adjustment of over \$4 million dollars and restating 2017 statements for comparability purposes.

2017 - restated

- The assets and deferred outflows of the Authority were in a deficit position at the close of the this fiscal year by \$(1,463,629)(net position)
- The Authority's unrestricted cash balance at September 30, 2017 was \$415,639 representing a decrease of \$48,585 from September 30, 2016.
- The Authority had intergovernmental revenues of \$5,703,210 HUD operating grants for the year ended September 30, 2017.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Position: may serve over time as a useful indicator of an agency's financial position. In the case of the Lodi Housing Authority was in a deficit position by \$1.3million at the close of the most recent fiscal year. The following table shows a summary of changes from the prior years

(rectated)

		(restated)
	2018	2017
Current and Other Assets	567,652	558,098
Capital Assets, net of depreciation	5,324,525	5,433,733
Total Assets	5,892,177	5,991,831
Deferred Outflows of Resources	1,182,665	1,152,540
Current Liabilities	101,219	126,859
Noncurrnt Liabilities	6,343,985	7,640,694
Total Liabilities	6,445,204	7,767,553
Deferred Inflows of Resources	1,917,048	840,447
Net Investment in Capital Assets	5,324,525	5,433,733
Restricted	26,061	34,902
Unrestricted	(6,637,996)	(6,932,264)
Net Position *	(1,287,410)	(1,463,629)
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^{*} Net position is reflective of the adoption of GASB 75, financial reporting for other post employment retirement benefits.

MANAGEMENT'S DISCUSSION AND ANALYSIS - Continued

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets The following table summarizes the changes in capital assets between fiscal years 2018 and 2017:

	2018	2017
LAND	\$ 2,600,000	\$ 2,600,000
BUILDINGS AND IMPROVEMENTS	14,726,380	14,726,380
EQUIPMENT	826,936	855,551
TOTAL CAPITAL ASSETS	18,153,316	18,181,931
ACCUMULATED DEPRECIATION	12,828,791	12,748,218
NET CAPITAL ASSETS	5,324,525	5,433,713
	20 (11 m) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	

DebtAt the end of September 30, 2018 the Authority had no outstanding debt.

Statement of Activities. The Statement of Activities shows the sources of LHA's changes in net position as they arise through its various programs and functions. A condensed Statement of Activities comparing fiscal year 2018 and 2017.

OI HOWATTON CONTRACTOR	9/30/2018	9/30/2017	Diff
tenant revenue	1,442,126	1,436,088	6,038
hud revenue	5,968,804	5,703,210	265,594
other revenue	95,546	195,517	(99,971)
total revenue	7,506,476	7,334,815	171,661
Operating expenses			-
admin	993,710	1,223,731	(230,021)
tenant services	1,016	1,000	16
utilities	473,158	478,770	(5,612)
maint	578,068	689,900	(111,832)
Security	27,265	31,781	(4,516)
hap	5,015,555	4,797,031	218,524
Other operating	141,069	137,943	3,126
Depreciation	109,208	130,939	. (21,731)
total expenses	7,339,049	7,491,095	(152,046)
Oper inc (loss)	167,427	(156,280)	323,707
Non Operating	(8,792)	(3,241)	(5,551)
Change in Net Position	176,219	(153,039)	329,258

MANAGEMENT'S DISCUSSION AND ANALYSIS – Continued

Statement of Activities - continued

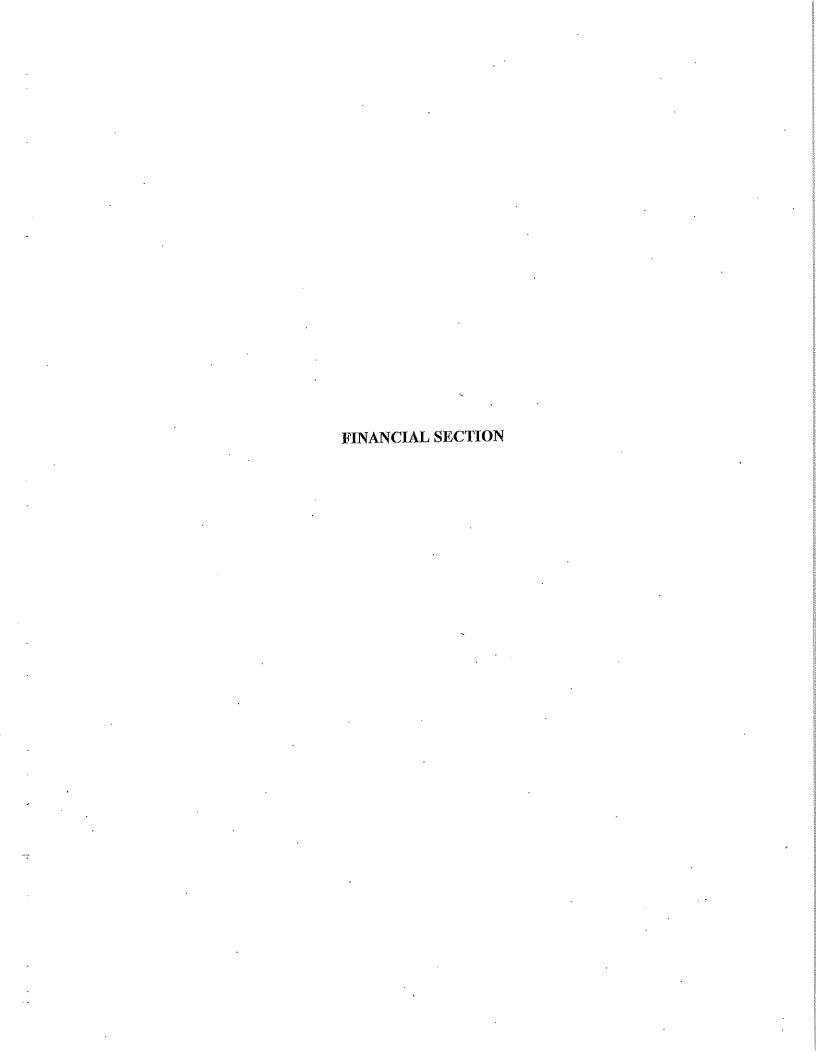
Governmental operating revenue includes the annual operating subsidies for the low rent and capital grants made available by the U.S. Housing and Urban Development ("HUD"). LHA also generated over 1.4 million in tenant revenue which helped offset LHA's administrative expenses.

Other Information

The Authority has been designated a High Performer as per the PHAS Certification and as well their SEMAP Certification.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Executive Director, Housing Authority of the Borough of Lodi, New Jersey, 50 Brookside Avenue, Lodi, New Jersey 07644, or call (973) 470-3650.



HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY STATEMENTS OF NET POSITION SEPTEMBER 30, 2018 and 2017

SEF TEMBER 30, 2018	and wor	
ASSETS.		(restated)
	2018	2017
ASSETS	•	
Current Assets	\$ 422,034	\$ 415,639
Cash and cash equivalents Restricted cash and cash equivalents	71,804	79,513
Receivables, net of allowance	22,219	15,423
Other current assets	51,595	47,523
Total Current Assets	567,652	558,098
Noncurrent assets	5 224 525	5,433,733
Capital assets, net of depreciation	5,324,525 5,324,525	5,433,733
Total Noncurrent Assets	J,324,323	2,100,700
Deferred Outflow of Resources Total Deferred Outfows of resources	1,182,665	1,152,540
		7,144,371
Total Assets and Deferred Outflow of Resources	7,074,842	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
LIABILITIES AND NET PO	SITION	
LIABILITIES:		
Current Liabilities	1,639	3,743
Accounts Payable	21,424	39,090
Accrued Liabilities	9,540	9,020
Compensated Absences	45,743	44,611
Trusts and deposits Deferred credits and other liabilities	22,873	30,395
Total Current Liabilities	101,219	126,859
Noncurrent liabilities		. 1 410
Other Liabilities	1,410 6,256,716	1,410 7,558,096
Accrued Pension and Opeb	85,859	81,188
Compensated Absences		
Total Noncurrent Liabilities	6,343,985	7,640,694
Total Liabilities	6,445,204	7,767,553
Deferred Inflowe of Resources	4 017 048	840,447_
Total Deferred Inflow of Resources	1,917,048	040,747
NET POSITION	5,324,525	5,433,733
Net Investments in capital assets Restricted Net Assets - Section 8 Housing Choice Vouchers	26,061	34,902
Unrestricted net assets (Deficit)	(6,637,996)	(6,932,264)
	(1,287,410)	(1,463,629)
Total net position	(23-0,3,20)	

Total Liabilities, Deferred Inflow of Resources, and Net Position

7,144,371

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION YEARS ENDED SEPTEMBER 30, 2018 and 2017

·	2018		(ı	(restated) 2017	
OPERATING REVENUES		_	•	1 40 6 000	
Tenant Revenue	\$	1,442,126	\$	1,436,088	
Operating grants		5,968,804		5,703,210	
Other Income		95,546		195,517 7,334,815	
Total operating revenues		7,506,476		7,334,613	
OPERATING EXPENSES					
Administrative		993,710		1,223,731	
Tenant services		1,016		1,000	
Utilities		473,158		478,770	
Maintenance		578,068		689,900	
Protective services		27,265		31,781	
General		141,069		137,943	
Housing Assistance Payments		5,015,555		4,797,031	
Depreciation Expense		109,208		130,939	
Total Operating Expenses		7,339,049		7,491,095	
NET OPERATING INCOME (LOSS)		167,427		(156,280)	
NONOPERATING REVENUES (EXPENSES)		00		2 242	
Investment Income		8,792		3,242	
Total nonoperating revenues	<u></u>	8,792		3,242	
Change in net position		176,219		(153,038)	
Total net position - beginning - restated		(1,463,629)		3,168,328	
prior Period adjustment				(4,478,919)	
Total net position - ending	\$	(1,287,410)	\$	(1,463,629)	

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY STATEMENTS OF CASH FLOWS YEARS ENDED SEPTEMBER 30, 2018 and 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES Hud operating subsidies Receipts from residents and others Other revenue received Payments to suppliers Payments to and on behalf of employees Housing Assisstance payments made	\$ 5,968,804 1,442,126 95,546 (1,242,005) (1,259,022) (5,015,555)	\$ 5,703,210 1,436,088 195,517 (1,003,900) (1,585,207) (4,797,031)
Net cash provided by (used) in operating activities	(10,106)	(51,323)
CASH FLOWS FROM INVESTING ACTIVITIES Investment Income	8,792	3,241
Net cash provided by investing activities	8,792	3,241
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,314)	(48,082)
CASH AND CASH EQUIVALENTS, OCTOBER 1	495,152	543,234
CASH AND CASH EQUIVALENTS, SEPTEMBER 30	\$ 493,838	\$ 495,152
SEPTEMBER 30, CASH AND CASH EQUIVALENTS		
Unrestricted Restricted	\$ 422,034 71,804	\$ 415,639 79,513
Total Unrestricted and Restricted	\$ 493,838	\$ 495,152

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY STATEMENTS OF CASH FLOWS YEARS ENDED SEPTEMBER 30, 2018 and 2017

	· · · · · · · · · · · · · · · · · · ·	2018	2017	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		·		
Net Operating Loss	\$	167,427	\$	(156,280)
Add back non-cash Items: Depreciation expense Bad Debt Expense		109,208 (275,508)		130,939 11,182 (63,328)
Pension Expense Decrease (Increase) in Assets Accounts Receivable Prepaid Expenses	-	6,796 4,072 11,995		11,917 (6,914) (72,484)
Increase (Decrease) in Liabilities Accounts Payable and Accrued Expenses Accrued Compensated absences other Liabilities and deferred credits		(19,770) 5,191 (7,522) (22,101)		6,598 19,040 (4,477) 21,161
Net Cash provided by operating activities	\$	(10,106)	\$	(51,323)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Program Description

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

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

Low Rent Housing Program

This program provides low-rent housing to qualified residents of the Borough of Lodi, New Jersey. All units are owned and operated by the Housing Authority and were purchased with financing arranged or provided through HUD. The operations of the program are subsidized by HUD through an Annual Contributions Contract. Operating subsidy contributions for the years ended September 30, 2018 and 2017 were \$278,131 and \$212,700 respectively, and are included in operating subsidies in the combined statement of revenues, expenses and changes in net assets.

Housing Choice Voucher Program

This program allows for existing privately-owned housing units to be used for low-income housing. This program assists low-income families and persons to find and lease a house or apartment. After inspecting the unit, Lodi HA assists the resident in negotiating a lease under HUD rules and regulations for the program. After the lease is signed, the resident pays a share of the rent according to HUD guidelines, and the remainder is subsidized by Lodi Housing Authority through HUD funding.

Lodi Housing Authority earns a fee for administering the annual contributions from HUD. This fund accounts for the revenues and expenses associated with providing administrative services.

Capital Fund Program Grants

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

(continued)

B Reporting Entity

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

C - Basis of Accounting

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

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

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

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

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

(continued),

C - Basis of Accounting - continued

Statement No. 68 – "Accounting and Financial reporting for Pensions" this standard adopted in prior years, the financial statements contain a liability which is the amount of the unfunded pension liability, referred to in the new standard as the net pension liability (NPL). The NPL is the total pension liability (TPL) less the plan's fiduciary net position (PFNP). The PFNP represents the fair value of plan assets which are available to pay the pension benefits. The NPL is measured as of a date no earlier than the end of the employer's prior fiscal year (measurement date).

Statement No. 75 – "Accounting and Financial Reporting for Postemployment Benefits other than Pensions" (GASB 75). GASB 75 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenditures associated with post employment benefits other than pensions (OPEB) of State and Local Governments.

Budgeting and Budgetary Accounting

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

D - Cash and Cash Equivalents

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

E - Accounts Receivable

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

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

F - Use of Estimates

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

(continued)

F - Capital Assets

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

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

Impairment of Capital Assets

GASB Statement No., 42, Accounting and Financial reporting for Impairment of Capital Assets and for the Insurance Recoveries, established accounting and financial reporting standards for impairment of capital assets. A capital assets is considered impaired when its service utility has declined significantly and unexpectedly. LHA is required to evaluate prominent events of changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. No such events or circumstances were encountered as of September 30, 2018 and 2017.

G - Accrued Compensated absences

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

H - Equity Classifications

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

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

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

<u>Unrestricted Net Position</u> – all other net amounts of assets that do not meet the definition of "restricted" or "net investment in capital assets".

(continued)

I - Use of Restricted Assets

When both restricted and unrestricted resources are available for a particular restricted use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as needed.

J - Operating Revenues and Expenses

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

K - Income Taxes

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

L-Economic Dependency

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

NOTE 2 – CASH AND CASH EQUIVALENTS –

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

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

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

(continued)

NOTE 2 - CASH AND CASH EQUIVALENTS - continued

As of September 30, 2018 and 2017 cash and cash equivalents consisted of the following:

ı		2018		2017
Low Rent	\$	440,065	\$	434,066
Section 8 Housing Choice		53,773		61,086
C				-
·		۹.		
		493,838		495,152
		-		
,		493,838	,	495,152
Bank Balances	\$	603,157	\$	584,717
Reconciliation of detail to statement of ne	t asse	<u>ets</u>		
Cash - unrestricted		422,034		415,639
Cash - restricted		71,804		79,513
Cush Toshiotod	\$	493,838	\$	495,152

NOTE 3 – RECEIVABLES

Accounts Receivable as of September 30, 2018 and 2017

	2018	2017
Tenant accounts receivable Due from Hud Other	\$ 3,858 203 20,692	\$ 4,266 0 13,691
Total accounts receivable Less: allowance for doubtful accounts	24,753 (2,534)	17,957 (2,534)
	\$ 22,219	\$ 15,423

(continued)

NOTE 4 – RISK MANAGEMENT

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

additions

2017

15,417,231

18,017,231

(12,619,134)

5,398,097

2018

15,583,806

18,183,806

(12,750,073)

5,433,733

transfers

disposals

FIXED ASSETS

Totals

Total capital assets

Net Capital Assets

Accumulated Depreciation:

Changes in capital assets for 2018 consisted of:

•	2017	acturions	авроваю	M MAXON PAGE	
Non-depreciable capital assets:	,				d 2 (00 000
Land	\$ 2,600,000	<u>-</u>			\$ 2,600,000
Depreciable capital assets:	4.4 770 6.400				14,726,400
Buildings and Improvements	14,726,400	•	(20.400)	-	826,916
Equipment - Admin & Dwelling	857,406		(30,490)		15,553,316
Totals	15,583,806		(30,490)		12,232,210
Total capital assets	18,183,806	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(30,490)		18,153,316
Accumulated Depreciation:	(12,750,073)	(109,208)	30,490	The second secon	(12,828,791)
Net Capital Assets	\$ 5,433,733	(109,208)			\$ 5,324,525
Changes in capital assets for 201	7 consisted of: (re	estated)			
	2016	additions	disposals	transfers	2017
Non-depreciable capital assets:					
Land	2,600,000				2,600,000
		-		,	
Depreciable capital assets:	14 561 700	164,620			14,726,400
Buildings and Improvements	14,561,780 855,451	1,955	_	-	857,406
Equipment - Admin & Dwelling	633,431	1,733			15 502 006

166,575

166,575

(130.939)

35,636

(continued)

NOTE 6 - COMPENSATED ABSENCES

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

	,	2018		2017
Beginning compensated absences Compensated absences earned	\$	90,208 61,341 (56,150)	\$	71,168 48,394 (29,354)
Compensated absences redeemed Ending compensated absences		95,399	<u> </u>	90,208
Less: current portion		9,540	,	9,020
Compensated absences, net of current position	\$	85,859	\$	81,188

NOTE 7 - ACCRUED LIABILITIES

Accrued Liabilities as of September 30, 2018 and 2017

		2018		2017	
Accrued payroll and payroll taxes Accrued utilities	\$	21,424 -	\$	20,299 18,791	
	\$	21,424	\$	39,090	

NOTE 8 - DEFERRED CREDITS AND OTHER LIABILITIES

Deferred Credits and other liabilities as of September 30, 2018 and 2017:

		2018	 2017
Prepaid rental income	\$	22,873	\$ 30,395
•	\$	22,873	\$ 30,395

(continued)

NOTE 9 – COMMITMENTS AND CONTINGENCIES

During the year ended September 30, 2018 the Authorities lease commitment, as lessor, with T-Mobile for renting space for a tower on authority grounds, was automatically renewed for an additional year. Current Year rental income was \$28,716.

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

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

NOTE 11 - PENSION PLAN

Description of Plan

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

Vesting and Benefit Provisions

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

Funding Requirements - PERS

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

The Authority's total contributions to PERS for the year ended were \$ 119,468.

(continued)

NOTE 11 - PENSION PLAN - continued

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—at September 30, 2018, the Authority reported a liability of \$2,364,854 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the authority's share of contributions to the pension plan relative to the contributions of all PERS participating employers. At June 30, 2018, the authority's collective proportion percentage was .01201073%

For the year ended the authority recognized pension expense of \$ 115,820. At September 30, 2018, the authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Hom the rone, many transfer	 Deferred Outflows of Resources		Inflows urces
Differences between expected and actual experiences	\$ 45,098 389,689	\$	12,194 756,154
Changes in assumptions Net difference between projected and actual	303,000		•
earnings on pension plan investments Changes in proportion and differneces between	- 270,798		22,182 313,638
Authority contributions and proportionate share of contributions			
Total	\$ 705,585	\$	1,104,168

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

Year Ended Sept., 30	Total
2019 2020 2021	\$ (79,717) (79,717) (79,717)
2022	(79,717)
2023	(79,715)
	\$ (398,583)

(continued)

NOTE 11 - PENSION PLAN - continued

<u>Actuarial assumptions</u> – the total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate of: 2.25%

Rates of salary increases: 1.65 - 4.15% based on age

Thereafter 2.65 - 5.15% based on age

Investment rate of return 7.00%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality tables, as appropriate, with adjustments for mortality improvements based on Scale AA.

The long-term expected rate of return on pension plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best estimate ranges of expected future real rates of return are developed for each major class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major class included in PERS's target class allocation as of June 30, 2018 are summarized in the following table:

Asset Class	Allocation	Rate of Return
Absolute return/risk mitigation	5.00%	5.51%
Cash	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
investment grade credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related rel estate	1.00%	6.61%
Private real estate	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-US developed markets equity	11.50%	9.00%
Emerging Markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

NOTE 11 - PENSION PLAN - continued

<u>Discount Rate</u> - the discount rate used to measure the total pension liability was 5.66% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018, based on the Bond Buyer

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

Pension Plan Fiduciary Net Position — detailed information about the pension plan's fiduciary net position Is available in the separately issued PERS financial report which is available on the PERS website at www.

Sensitivity of the Authority's Proportionate Share of Net Pension Liability to changes in the Discount Rate — the following represents the Authority's proportionate share of the net pension liability calculated using the discount rate of 5.66 percent, as well as what the authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.00 percent) or 1-percentage point higher (6.00 percent) than the current rate,

	1% Decrease	Discount Rate	1% Increase
	4.66%	5.66%	6.66%
Authority's proportionate share of	. ,		
the net pension liability	2,973,530	2,364,854	1,854,212

Note 12 - OPEB -(other post employment benefits)

A. Plan Description

The State Health Benefit Local Government Retired Employees Plan ("SHBP") is a cost-sharing multiple employer defined benefit OPEB plan administered by the State of New Jersey, Division of Pensions and Benefits (the "Division"). It covers employees of local government employers that have adopted a resolution to participate in the SHBP. For additional information about SHBP, please refer to the Division's Comprehensive Annual Financial Report ("CAFR"), which can be found at https://www.state.nj.us/treasury/pension/financial-reports.shtml.

NOTE 12. - OPEB (continued)

B. Benefits

SHBP provides medical and prescription drug to retirees and their covered dependents of the employers. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of services credit in a State of locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

Pursuant to Chapter 78, P.L., 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2018, the Authority reported a liability of \$3,891,862, for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2016, and rolled forward to June 30, 2017.

For the year ended September 30, 2018, the Authority recognized OPEB expense of \$129,074. At September 30, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

I	Deferred Outflows of Resources			Inflows ources
Changes in assumptions	\$ -		\$	431,964
Changes in proportions	-	:		380,896
Net differences between projected and actu	al	i t		
investment earnings on OPEB plan investments	667			,,
Authority contributions subseqent to the			. † 	
measurement date	476,413			
Total	\$ 477,080		\$	812,860

NOTE 12. - OPEB (continued)

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

Year	
Ended	
30-Sep	Total
2019	(162,443)
2020	(16,269)
2021	(16,269)
2022	(16,269)
2023	(16,269)
	\$(227,519)

D - Acturial Assumptions

The total OPEB liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following assumptions:

Inflation Rate 2.50% Salary increases:

Through 2026 1.65 - 8.98%, based on age

Thereafter 2.65 - 9.98%, based on age

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

Certain actuarial assumptions used in the July 1, 2016 valuation were based on the results of the pension plans' experience studies for which the members are eligible for coverage under the Public Employees' Retirement System ("PERS").

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

NOTE 12. - OPEB (continued)

E: Discount Rate

The discount rate used to measure the total OPEB liability was 3.58% as of June 30, 2017. This represents the municipal bond return rate chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

F: Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net OPEB liability calculated using the discount rate of 3.58%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.58%) or 1 percentage point higher (4.58%) than the current rate.

	· · · · · · · · · · · · · · · · · · ·	1% Decrease		Discount Rate	1% Increase
Authority's proportionate share of					· :
the net OPEB liability		4,590,71	1 .	3,891,862	3,337,451

G: Health Care Trend Assumptions

For pre-Medicare preferred provider organization ("PPO") and health maintenance organization ("HMO") medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5% For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

NOTE 12. - OPEB (continued)

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

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

	1% Decrease	Healthcare cost Trend rate	1% Increase
Authority's proportionate share of the net OPEB liability	3,234,251	3,891,862	4,748,147

NOTE 13 – LITIGATION

The Authority has also been involved in numerous claims against present and former tenants regarding unpaid rents and damage claims. The Authority has proceeded according to the HUD guidelines in these cases.

NOTE 14 - PRIOR PERIOD ADJUSTMENT

The Authority has restated it's opening net position for a change in accounting principle, adopting GASB 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions:

Net OPEB Liability	Y.	\$ 4,575,001
Deferred Outflows	į	<u>(\$96,081)</u>
Net Adjustment		<u>\$4,478,920</u>

NOTE 15 – SUBSEQUENT EVENTS

In preparing the financial statements, the Housing Authority has evaluated events and transactions for potential recognition or disclosure through June 6, 2019 the date the financial statements were available to be issued. No transactions were found for recognition or disclosure.

REQUIRED SUPPLEMENTARY IMFORMATION

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY **YEAR ENDED SEPTEMBER 30, 2018**

	ļ	2018	-	2017		2016		2015	
Authority's proportions of the net pension liability (asset)	0.00	0.0001201073%	0.01	0.0128148609%	0 .	0.0112592985%	0	0.0125833428%	
Authority's proportionate share of the net pension liability	€\$	2,364,854	69	2,983,095	↔	3,334,681	€9	2,824,708	
Authority's covered-employee payroll	↔	843,297	69	842,214	↔	855,930	69	1,080,289	
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll		280,43%		354,20%		389.60%		261.48%	
Plan fiduciary net position as a percentage of the total pension liability		53.60%		47.93%		59.86%	,	47.93%	

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

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY SCHEDULE OF AUTHORITY'S CONTRIBUTIONS PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY YEAR ENDED SEPTEMBER 30, 2018

		2018		2017	2016	2015
Statutorily required contributions	₩	119,468	↔	118,716	\$ 100,026	\$ 108,183
Contributions in relation to the statutorily required contributions	↔	119,468	↔	118,716	\$ 100,026	\$ 108,183
Contributions deficiency (excess)				4		
Authority's covered-employee payroll	↔	843,297	↔	842,214	\$ 855,930	\$ 1,080,289
Contributions as a percntage of covered-employee payroll		14.17%		14.10%	. 11.69%	10.01%

See accompanying independent auditor's report

Housing Authority of the Borough of Lodi Schedule of Proportionate Share of the Net OPEB Liability (Asset) For the Year Ended September 30

	2018
Employer's proportionate share of the net OPEB liability	\$3,891,862
Employer's covered payroll	S 951,153
Employer's proportionate share of the net OPEB liability as a percentage of its covered payroll	24.44%
Plan fiduciary net position as a percentage of the total OPEB liability	1.03%

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

OTHER SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY COMBINING STATEMENT OF NET POSITION AS OF SEPTEMBER 30, 2018

Totals	422,034 71,804 22,219 51,595 567,652	5,324,525	7,074,842	1,639 21,424 - 9,540 45,743 22,873	85,859 6,256,716 1,410 6,343,985 6,445,204	1,917,048	5,324,525 26,061 (6,637,996) (1,287,410)	7,074,842
Housing choice Vouchers	27,712 26,061 .18,158 -		297,320	 292 3,820 	20,935 1,178,546 1,200,891 1,200,891	343,795	26,061 (1,279,865) (1,253,804)	32.
Capital fund Program	. 1 1 1 1	1 1		1 1 1 1			1 3 1 3	
Low Rent Housing	394,322 45,743 4,061 51,595 495,721	5,324,525	6,777,522	1,347 17,604 7,214 45,743	64,924 5,078,170 5,143,094 5,237,875	1,573,253	5,324,525 (5,358,131) (33,606)	6,777,522
Others to a	ASSETS Current Assets Cash Cash Restricted cash and investments Receivables, net Due from other funds Other assets Total Current assets	NONCURRENT ASSETS Capital assets, net of depreciation Other assets Total noncurrent assets Deferred Outflows of Resources	TOTAL ASSETS and DEFERRED OUTFLOWS OF RESOURCES	LIABILITIES AND NET POSITION Current Liabilities Accounts payable Accounts Payable - other government Compensated absences Tenant security deposits Deferred credits and other liabilities	I otal current liabilities NONCURRENT LIABILITIES Compensated absences Accrued pension other liabilities Total noncurrent liabilities TOTAL LIABILITIES	Deferred Inflows of Resources	NET POSITION Net Investment in capital assets Restricted net position Unrestricted net position (deficit) TOTAL NET POSITION	TOTAL LIABILITIES AND NET POSITION

Housing Authority of the Borough of Lodi, New Jersey Combining Statement of Revenues, Expenses and changes in Net Position For the year ended September 30, 2018

	Low Rent Housing	Capital Fund Program	Housing Choice Vouchers	Totals
Operating revenue Total Tenant Revenue Operating subsidies	1,442,126	241,937	5,448,736	1,442,126 5,968,804
other revenue Total operating revenue	50,434	241,937	45,112 5,493,848	95,546 7,506,476
Operating Expenses				
Administrative expenses Tenant services	610,094 $1,016$	1 1	383,616	993,710 1,016
Utilities Maintenance	473,158	, (1 V	473,158 578,068
Protective services	27,265) 1)) ()	27,265
General Housing Assistance payments	135,256		5,813 5.015.555	141,069 5.015.555
	109,208		5 414 789	109,208
Control of the Contro	1,7 = 5,000		25. CT. 15.	71067006
Operating income (loss)	(153,569)	241,937	79,059	167,427
Nonoperating revenue (expenses) Investment Income Net nonoperating revenue	5,943	3 .	2,849	8,792 8,792
Income (Loss) before capital subsidies	(147,626)	241,937	81,908	176,219
Capital subsidies	Г	3		1
Change in net assets	(147,626)	241,937	81,908	176,219
Total net assets at beginning of year - restated	(127,917)	•	(1,335,712)	(1,463,629)
Capital contributions/transfers	241,937	(241,937)	1	ı
Prior Period adjustments	i i			ı
Total net position at end of year	(33,606)	1	(1,253,804)	(1,287,410)

LODI, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single.Audit

Fiscal Year End: 09/30/2018

авынжен кезен шезей (пейет/ чакы кезептекен вайы пайынкезынкезынкезынкезынкезынкезынкезынкез				
	. Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
numeronemententinententionententinente	**************************************	\$27,712	\$422,034	\$422,034
112 Cash - Restricted - Modernization and Development	ителеми учет петементичного менения менения петементический выполнителем в петементический в петем	Artifaldi) (III) den internativale anna den en e	ALTERNAM DESCRIPTION OF THE PROPERTY OF THE PR	Adam wasan wasilan i jihali i diasi Adista masika
paringangan managan man 113 Cash - Other Restricted	mintaninta de la lación de la compositiva della	\$26,061	метопетого \$26,061	\$26,061
indicemental properties and the second control of the second contr	### \$45,743	MATTER AND THE STATE OF THE STA	\$45,743	\$45,743
Management of the Cartest of the Cartest of Cartest Liabilities	addaejonia ja versta i presta	Signification of the state of t	A PARTIE NEED WATER A RESIDENCE OF THE R	инэммений и малиминий и мараманий и мар
100 Total Cash	\$440,065	\$53,773	\$493,838	\$493,838
121 Accounts Receivable - PHA Projects	\$203	ATTRIBUTED TO THE TAXABLE TO THE TAX	\$203	\$203
122 Accounts Receivable - HUD Other Projects				
124 Accounts Receivable - Other Government	needepartus beligikt saataat et seesta kastiikki kaikkis kahtele kastaataja mydden kii	AND PRESENTATION OF THE PROPERTY OF THE PROPER	G-benti Herrikani Karanti Kara Karanti Karanti	Anna de la completa del completa de la completa del completa de la completa del la completa de la completa del la completa de la completa de la completa del la completa de la completa del la co
125 Accounts Receivable - Miscellaneous	ATTENDED THE MENTAL MOST TO A TRESPORT OF PRINTERS AND THE PRINTERS AND TH	AND THE PROPERTY OF THE PROPER	Granj(ar)ago) nggan) interaj itarem pranem manem mila 1 1 1	Йамичичичнениемъчнатимениямичичичи
126 Accounts Receivable - Tenants	######################################	and designation of the state of	\$3,858	\$3,858
126.1 Allowance for Doubttul Accounts -Tenants		SRÅ LKINGALTURNE HAGIANTENENTONENTINERREN INSBRED I PAREET. SA SA	Vineerin in the property comments in the comment of	ов.
126.2 Allowance for Doubtful Accounts - Other		De jeden je verske de serven de	OPERANTALISMENT AND	Societation of the second of t
127 Notes, Loans, & Mortgages Receivable - Current	MANAMAN	ANT HEROH HAMBAH KUMBAH KAMBAH KAMBAH KAMBAH KAMBAN KAMBAN KAMBAN KAMBAN KAMBAN KAMBAN KAMBAN KAMBAN KAMBAN KA Tamban Kamban Kam	TO MAN ON THE WORLD WAS ARREST THE WAS ARREST TO A WAS ARREST	i destativimente instantente espaine principale del la
128 Fraud Recovery		\$20,692	\$20,692	\$20,692
128.1 Allowance for Doubtful Accounts - Fraud		-\$2,534	-\$2,534	-\$2,534
129 Accrued Interest Receivable	erik (stanstrikkish) kiristorik (stanstrik i i instantrikkish) i Daga (stanstrik i stanstrik)	and District special principal principal continues and con	Agramentariographic map propriets possesses recovered franchism for the second control of the second control o	The state of the s
120 Total Receivements, and the second secon	### ##################################	\$18,158	\$22,219	\$22,219
				Adjusted by the state of the st
131 Investments - Unrestricted		million of the control of the contro	PASSERIJENSKANTO BEGA KANDAN K	TO NOBEL MANAGEMENT ON THE SELECT OF THE SEL
132 Investments - Restricted	AND THE REAL PROPERTY OF THE P	PRIOCENING ATTRIBUTATION TO THE ATTRIBUTATION THE ATTRIBUTATION TO THE A	THE STATE OF THE S	Hering Karaban
135 Investments - Restricted for Payment of Current Liability	ANTERNATION OF THE PROPERTY OF	AND THE RESIDENCE OF THE PROPERTY OF THE PROPE	INTERNATIONAL REPORT OF THE STATE OF THE STA	der in der
142 Prepaid Expenses and Other Assets	\$29,125	A CANADA IN THE STATE OF THE ST	\$29,125	\$29,125
143 Inventories	\$22,470	ALITA OLI MATTA MA	\$22,470	\$22,470
143.1 Aliowance for Obsolete Inventories	0\$		8	
144 Inter Program Due From	MINTONINININININININININININININININININI	CONT. ON CONTROLLED TO THE CONTROLLED TO THE CONTROLLED THE CONTRO	ndinated the manufacture of the second resource resource of the second s	нараминентический применентический применентический применентический применентический применентический применен
145 Assets Held for Sale	ALL PRINCIPAL PR	Activity (1) index(1)	ryddfred resarts rit ben s with self the best saits as no fill self ses s resears to	TOTAL THE STATE OF
150 Total Current Assets	\$495,721	\$71,931	\$567,652	\$567,652
	Mineralperentinguningspryperangeringheine and Marketinguninguning	egyadata da mana mana mana mana mana mana mana	en property become beautiful party and the commentary of the party and the comments of the com	poolisis omalon estodisci becanicite ai estardom estario de estos

34

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 09/30/2018

Интеритеритерия примі (плити перетичної питоні) телей питей пите	manusadajajajajamunimanasajumanimanasajajaja	ж <i>а</i> йнан илиментик и макетик и м	Parades by Control of the Control of	омібшкішівшення шимания мана
	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
	DA KIROLIA KATURA TURIKA BIRINA KUSINI KARILIA JANDALA MARILIA JANDALA MARILIA JANDALA MARILIA JANDALA MARILIA	Charles of Manager Harden (A branch or branch) for the factor of the fac	A STATE OF THE STA	a)biteitakaa teennammammammeteennamm
To the control of the	\$2,600,000	Commence of the state of the st	\$2,600,000	\$2,600,000
162 Buildings	\$14,726,400	Orthodoxy and the major to property of the first to the state of the s	\$14,726,400	\$14,726,400
163 Furniture, Equipment & Machinery - Dwellings	\$518,833	Question consists and the section of	\$518,833	\$518,833
164 Furniture, Equipment & Machinery - Administration	\$268,135	\$39,948	\$308,083	\$308,083
165 Leasehold Improvements	OBJACKSTANDARDA PROBLEM PROBLE	THE PROPERTY OF THE PROPERTY O	i reiolita i pridistri (misera primi un i resusti mesti au mestuau puntuu puntus	TORENCE DESCRIPTION OF THE PROPERTY OF THE PRO
intercontainment teasural manufacture de la communication de la co	-\$12,788,843	-\$39,948	-\$12,828,791	_\$12,828,791
167 Construction in Progress	godine je na kratika k Kratika kratika kratik	THE STATE OF THE S	od men erekeden i ermenekî i bûska ni melekî bi terasesî başışkirişkirişkirişkirişkir	тыпинентинатическом промененти В применентина примененти В применентина примененти
numerorizationiminentaminiminentaminentiminentamine	MITTER FREE FREE FREE FREE FREE FREE FREE	ATHERTOLICANO CONTRACTOR CONTRACT	наетиминия и и и и и и и и и и и и и и и и и и	Tamaningan pagalangan pagalangan pagalangan pagalangan pagalangan pagalangan pagalangan pagalangan pagalangan p Tamaningan pagalangan pagalanga
160 Total Capital Assets, Net of Accumulated Depreciation	\$5,324,525	теления польта в С	\$5,324,525	\$5,324,525
	AND THE PROPERTY OF THE PROPER	Септительный примененти примененти преденти преденти преденти преденти преденти преденти преденти преденти пред	i maranti i edistri edholke përprëse persenterit ke primeriment	Libratoriamini mantinare di tambana di tamba
171 Notes, Loans and Mortgages Receivable - Non-Current	Frederichten printerte betrecht versche bestrechte beschen bei der	Opening the includes the modern friends of the manage of the angular line of the line of t	менти сели си скоманства сели возмателения и поста в сели в с	- Commission i coloniar pi dynikat ka waliniar by tanga pi bilaka i coloniar 1900 - Coloniar i coloniar pi dynikat ka waliniara by tanga pi bilaka i coloniari 120 - Coloniaria i
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due	THE THE PROPERTY OF THE PROPER	A CONSTRUCTOR OF A CONS	A STATE OF THE STA	i desprimentations de la constitució d La constitució de la consti
173 Grants Receivable - Non Current	and in with terms of the property property property that the base of the property of the prope	CFLEW HOTHER PROPERTY PRESENT HAZING AND AND AND THE PROPERTY INC.	A LANGER PROPERTY OF THE PROPE	такан какан ка Какан какан ка
narrownersententententententententententententente	SPACTIBILITALISASSA PROGRAMAN PARAMENTA PROGRAMA INTERNATIONAL PROGR	II. Tarasan interesta interesta interesta interesta interesta interesta interesta interesta interesta interesta Interesta interesta inte	The CONTROL OF THE CO	A CONTRACTOR OF THE CONTRACTOR
176 Investment of the State of	ine de la company de la compan	of designative designation of the contract of	Transference Medical Medical Property to the Section of the Sectio	NATIONAL MATERIAL MAT
180 Total Non-Current Assets	\$5,324,525		\$5,324,525	\$5,324,525
		A de la companya de l	Geografia de l'action de la production de l'action de	A CONTRACT AND
200 Deferred Outflow of Resources	\$957,7276	\$225,389	\$1,182,665 учеттвенниковический в 1000 в 10	\$1,182,665
	овон) (совно) (сишми мицами музим мендусуму суступу бунов В	A STATE OF THE PROPERTY OF THE	THE CONTRACTOR OF THE CONTRACT	THE STATE OF THE S
290 Total Assets and Deferred Outflow of Resources	\$6,777,522	\$297,320	\$7,074,842	\$7,074,842
теревительного применения примен	orion (whospiss) extension in the matrix references (special references presses presse	THE STATE OF THE S	A THE STATE OF THE	en de la manacatation de la
211 Accounts Payable <= 90 Days	ST 347	97990	SA 639	A A A A
отельностия польтине польтине пределение при пределение польтине польтине польтине польтине польтине польтине польтине польтине в 201 пределение развительностине в 201 пределение польтине пол	(Alia) (2) Andrewski menter me	aki)wistataiskrassedikaneksaneksaneksaneksininininininininininininininininininin	инелиментириямимимимимимимимимимимимимимимимимими	
processor instrument of the contract of the co	A17 GA	COO CO	CA LOS	injoinetaininjoinemininjoineminininininininininininininininininin
322 Accried Compensated Absences - Ourrent Portion	INVESTIGATION OF THE PROPERTY OF THE PARTY O	STATES OF THE PROPERTY OF THE	THE CONTRACTOR OF THE CONTRACT	
Personal control of the control of t	+1-7'2-A		OTO CHECKERSTANDED TO SEE STANDED TO	44,040
3 224 ACCIDENCE CONTINUED PRINCY LIADININY TO TO TO THE REPORT OF THE PROPERTY	aseo mucamementaliminga pidigian pingangangan pagangangangangangangangangangangangangan	A CALL CALL CALL CALL CALL CALL CALL CA	A THE PARTY IN THE PARTY WE WERE THE PARTY WE WERE THE PARTY OF THE PA	is terment freezigheid staadel tydaapid spreezigterspreezigterspreezigters 3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-
325 Accrued Interest Payable	THE STATE OF THE S		- Damed PRES	Tell-4 metroll
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35

LODI, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

терительного пределать превидентельного пределательного пре	AND THE PROPERTY OF THE PROPER			
	Project Total	14.871 Housing Choice Vouchers	Subtotal	· Total
331 Accounts Payable - HUD PHA Programs		CONTRACTOR OF THE PROPERTY OF	A CHARLES IN A TOTAL LANCASTE IN LANCASTE IN LANCASTE LAN	Ditaletinitationinisissa kantarianining santarianining santarianing sa
nantamentum managamentum managa	OMENIA WASHINGTON THE STATE OF		e (Zerode) jeptis V 1900 projekt (1900 projekt 1900 proje	<u>Шийн ихийн илжимсин ханан ихийн ханан ха</u>
numeronimonimonimonimonimonimonimonimonimonim	побриментинатичениямилиныминимичениями Б В В	Anderstanding of the second state of the secon	र्वे स्थापनार क्षेत्र हैं . स्थापनार क्षेत्र स्थापनार क्षेत्र क्षेत्र क्षेत्र क्षेत्र कृति हैं	menultebricksickebruskentweickeblussitwusenne
numeron menoral mental	\$45,743	Consideration of the state of t	\$45,743	\$45,743
indocentalisation in the control of	\$22,873	CITY THE WASHINGTON WITH THE WASHINGTON THE WASHING	\$22,873	######################################
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	AND THE WINDS WINDS THE STREET OF THE STREET	Section 1 (1) Section Section 1 Laborate and construction of the section 1 Laborate and construction 1 Laborate an	THE STATE OF THE S	A PARTITURE OF THE PART
parameterina propried to the control of Long-term Debt - Operating Borrowings	ANGERSTEIN IN INTERNATION OF THE STREET STREET, AND ANGEST STREET, ANGEST STREET, ANGEST STREET, ANGES STR	The second secon	TARREST CHARACTER STATE OF THE	Austriania de la composition della composition d
rentrational properties of the content of the conte	HARRY HARRING HARRY HARR	Company of the special property of the special propert	реприятильной стата и предуставлений предуставлени	терин и менитикан
proprenamental manufactures are a comparable of the proprenamental man	THE	Distriction of the second of t	And the state of t	Andrews of the state of the sta
347 Inter Program - Due To	SKALÍ ČAJÍRANSKY I KRAKAK KORÍNSKÝ KORÍNSKÝ METROPI KRAKÍM PŘÍMOM I PLÍM STALÍVA SKALÍM SKALÍM T	THE THE PROPERTY OF THE PROPER	TO CHANGE OF THE PROPERTY OF T	Довь иткраниченны пирачуливно правитильных довь и правитильных довь и правитильных довь и правитильных довь и п
paracremental production of the control of the cont	Appropries de la company de la	Distributes for inglest errespirate epociety is provided to be encountered and second contraction of the encountered and the e	A deposit of the second of the	Šákkimenskirjuskantoskimiskantokantokantokantokantokantokantokanto
310 Total Current Liabilities	\$94,781	\$6,438	\$101,219	\$101,219
	deben kanana kanana Kanana kanana kanan	i dilamini kadalah kadamini kadamini kadamini kadalah	Žiofifististinistististististististististististististi	anger Ales Darkel (Pelenker) bei der Bereichte (Pelenker) bei der Bereicht
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	PROPERTY OF THE PROPERTY OF TH	Madabiri i basisi i Nisisai i Nakisai i Nakisai i madali pandali padali i ritaishi i ritaishi i nakisaa i An	Ormani reprinter de recht (freekunde eek freek fre Freek	ANN MANAGEMENT OF THE PROPERTY
352 Long-term Debt, Net of Current - Operating Borrowings	MINITERIOR CONTRACTOR	DPARIMATENTEMENTAL PERSONAL PROPERTY PR	in recursive projection of explaints property of the contract	Target y digreen tellighest bleeskie proprinte transport en souden betreek beste de state de
353 Non-current Liabilities - Other		\$1,410	\$1,410	\$1,410
354 Accrued Compensated Absences - Non Current	\$64,924	\$20,935	\$85,859	\$85,859
355 Loan Liability - Non Current	A CANADA MARANA MARA	an Question y systems (et construction ou shades to bimose chammed et shades to bedieb to be	Gallers i bedem soda assessa sa destruita i sessa de la massessa de la constanta de masses a se se se se se se	TEACHTRANGER THE STATE OF THE S
attennentration of the party of	Philippe of the profession with the second s	Million in the simulation of the second states of the second states of the second seco	Gentlehentskeinelmen manken manten in skeinelmanten er gentlehen manten er gentlehen manten er gentlehen er g	รับการและเหตุการและเกาะเกาะเกาะเกาะเกาะเกาะเกาะเกาะเกาะเกา
357 Accrued Pension and OPEB Liabilities	\$5,078,170	\$1,178,546	\$6,256,716	\$6,256,716
350 Total Non-Current Liabilities	\$5,143,094	. \$1,200,891	\$6,343,985	\$6,343,985
под при дена при	y ome civi i hide			AND THE RESIDENCE OF THE PROPERTY OF THE PROPE
300 Total Liabilities	\$5,237,875	\$1,207,329	\$6,445,204	\$6,445,204
дення по поставлення по	Per Charles and Ch			низ ченей (
400 Deferred Inflow of Resources	\$1,573,253	\$343,795	\$1,917,048	\$1,917,048
	winceley	*		antifessed)
508.4 Net Investment in Capital Assets	\$5,324,525		\$5,324,525	\$5,324,525
511.4 Restricted Net Position	0\$	\$26,061	\$26,061	\$26,061
512.4 Unrestricted Net Position	-\$5,358,131	-\$1,279,865	-\$6,637,996	-\$6,637,996
	Kear Halfon I Middell I Middle Mittoria Market in Navi American mari persona	INTÜRINE PERKENA FEILIN FOLGEN FARRE FOR FOR INTERNATIONAL	mineral management and a second secon	orthe kulliby realbeatheanneanneanneanneannea

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Project Total 14.871 Housing Subtotal Total	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
513 Total Equity - Net Assets / Position\$1,253,804\$1,253,804\$1,253,804	-\$33,606	-\$1,253,804	-\$1,287,410	-\$1,287,410
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$6,777,522	\$297,320	\$7,074,842	\$7,074,842
	HEIDEN HEIDEN FORMEN FORMEN FORMEN FORMEN FORMEN			ATTENDATION OF STREET STREET,

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

		- 120		0.040000
	Project Total	14.871 Housing Choice Vouchers	Subtotai	- 0 ± ±
70300 Net Tenant Rental Revenue	\$1,366,581	Large and the second se	######################################	\$1,366,581
70400 Tenant Revenue - Other	\$75,545		\$75,545	\$75,545
	\$1,442,126	8	\$1,442,126	\$1,442,126
от при в при	erakaran erakaran dan dari dari dari dari dari dari dari dari	SCOTION AND AND AND AND AND AND AND AND AND AN	CHARLES HERE AND A THE STATE OF	
70600 HUD PHA Operating Grants	\$520,068	\$5,448,736	\$5,968,804	\$5,968,804
70610 Capital Grants				
70710 Management Fee			v terminet transferration of the desiration of t	
70720 Asset Management Fee	initalisti kikasini ja kana para paraka pakasa sa mana paraka kana paraka paraka paraka paraka paraka paraka p	A PARTIE OF THE PARTIE OF THE PARTIE OF THE PARTIE OF THE PARTIES	ir pri prijeraj krujacija gustak grencja krujacija krijacija krujacija krujacija krujacija krujacija krujacija	Cord al international property before the property framework to the property of the property o
T0730 Book Keeping Fee	mininthann humani mphilimban imbani lagbatang		INITI FERMENTAL BANKET PÄRKA MITANA ELI PARKET LAFORITA FORMEN KA	in i melajuka kianji i palamji aprijanja jajumja jajumja kiana kiana kiana kiana kiana kiana kiana kiana kiana
70740 Front Line Service Fee	ІЯКІІ ЧЯКІІМІ РІЧКІЯ І БІКВИ ІВ ІВКУК БІВВЯНЬ ІМВИНЬ ВИКІ ВИКІВНІКІ ВИКІВНІКІ ВИКІВНІКІ ВИКІВНІКІ ВИКІВНІКІ ВИ	Sp. Leaning in passage in the control of the contro	rejektivi kilikili kuloniki kuloniki kiloniki kuloniki kiloniki kuloniki kiloniki kuloniki kuloniki kuloniki k	ijorden en inskrijenten i kranjanja kjerijan kjerijan i kranjan i kranjan i kranjan i kranjan i kranjan i kran 1900. 1800. – I kranjan i
professionaminiminaminiminaminiminiminiminiminimi	илинияты жарынын кашынын кашынын ка	The state of the s	gakti makesto karasta okusite kestastalminan mususta suurisekko)	ijan kalekata (aleka takan) da kaleka kajaja da jaran meranara Jaran kalekata (aleka takan) da kaleka kajaja da jaran meranara Sa
70700 Total Fee Revenue	alad see aka aya ka da da da ka	CONTRACTOR	эрүүлжүү такул жаран жаран жалан бакы малын такун жаран та	THE THEOLOGICAL STREET
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70800 Other Government Grants	initia Livinal provincia p	Communities of the second control of the sec	OPE'SE PROMINCE POSMALE PARABLEZ E PER MITTER PER PROPER MENOLOGIS PER PROPER Y	And the state of t
71100 Investment Income - Unrestricted	\$5,943	\$901	\$6,844	\$6,844
71200 Mortgage Inferest Income	ATRICITAL MANTALA MATERIA ATRICITA DE PARTA ATRICITA DE PARTA DE P	A Committee of the comm	New Lower of Theory destrict values of 1976 and	A ACAD PROPERTY IN MOTOR A MEMBER OF PROPERTY ACCOUNTS IN MOTOR A PARTY.
71300 Proceeds from Disposition of Assets Held for Sale		This make the state of the stat		A THE STATE OF THE
71310 Cost of Assets	prijestivitationistedinatelevaniamen maistelitiisten juriamen prosessionistelitiisten juriamen juriame	GANTALANDA MERCANA MANANA MENANA MENA	peri lisorem mosevitieskeiteskeiteskeiteskeiteskeiteskeiteskeiteskeiteskeiteskeiteskeiteskeiteskeiteskeiteskei	NACOTER STATEMENT AND STATEMEN
71400 Fraud Recovery	A NICHARA TRABLES AND TRABLES	\$34,366	\$34,366	\$34,366
71500 Other Revenue	\$48,934	\$10,746	\$59,680	\$59,680
71600 Gain or Loss on Sale of Capital Assets	\$1,500	OD DOSEAL PROVINCIA LINEAR LINEAR LANGEST FOR BETTE LINEAR PROVINCIA PROVINCIA LINEAR PROVINCIA PROVINCIA LINEAR PROVINCIA PROVINCIA LINEAR PR	\$1,500	\$1,500
72000 Investment Income - Restricted		\$1,948	\$1,948	\$1,948
70000 Total Revenue	\$2,018,571	\$5,496,697	\$7,515,268	\$7,515,268
		an in the second		and or a second
91100 Administrative Salaries	\$355,015	\$193,624	\$548,639	\$548,639
91200 Auditing Fees	\$4,315	\$4,200	\$8,515	\$8,515
91300 Management Fee	0			
	90			

Housing Authority of the Borough of Lodi (NJ011) LODI, NJ Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

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	Project Total	- 14.871 Housing Choice Vauchers	Subtotal	Totai
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91400 Advertising and Marketing	O LANGO HONOLOGIANI DA FRANTIA FRANTIA INTERA I		A CANADA MANANA	каянынаныныныныныныныныныныныныныныныныны
91500 Employee Benefit contributions - Administrative	######################################	\$136,796	\$234,798	\$234,798
91600 Office Expenses	\$110,973	\$20,796	\$131,769	\$131,769
91700 Legal Expense	\$26,689	\$14,200	\$40,889	\$40,889
91800 Travel	OMITA DOGA TOTALIA SERVICA MANGALIA TATANTA TATANTA TATANTA TATANTA TATANTA TATANTA TATANTA TATANTA TATANTA TA	A CONTRACTOR AND A CONT	edes primes handra descriptions of the following the second secon	юй тыйп уларууны мүрий мүрийн байдай.
on control and the control of the co	номентиния и приментиния и при	A CAMPAINT AND	un prikkiskisti prijemat primsky primsky struckisji prijedajema i platnistva.	азајскаваннява устанува мувеннява превед
Jago other commencemental commencement and commencem	\$15,100	\$14,000	*\$29,100	\$29,100
91000 Total Operating - Administrative	\$610,094	\$383,616	\$993,710	\$993,710
	ANTERNATION OF THE PROPERTY OF	Participans and all the second se	per i Toliero romenti con imano co respito i lagino i pental i taliagio di	altorribajos Aissitskaidiskos ajailika seekas erosaas karasaark
92000 Asset Management Fee	G-VARIO ERVADA PERMENTAN PENNETHA PRIBATIN PRIBA	EDITALIA	je je stravje strave datima utrava strava strava strava strava strava strava	saendrasaita tamiskaiteenstartikeendalasismisissistakaita
and a supplication of the	NAMBAKKI KAKKI I AKKATA KABATA KATATA TANITA I I PATATA MATATA MA	THE CONTRACT OF THE CONTRACT O	INTERIORATION INTERIORATION INTERIORATION INTERIORATION	usirkinintrikalikakulingan kabutakulikakulikakuli
particularismente propried de la constant de la con	dajemak primcio malokika (rrestraciorasista padema karalora) privis B B B	Company of the second s	SPATELY (A) SPATELY AND	İNÎTRÎ ÎNDAĞÎ MÎNÎNÎNÎ ÎNDAÎNÎ
92300 Employee Benefit Contributions - Tenant Services	Opernoce i interpresentation de la lacementation de lacementation de la lacementation de la lacementation de lacementation de la ementation de lacementation de la lacementation	Control of the state of the sta	или иври и пон ичев ичев и и вез и и в	ритинентивентренименицивентивентивенти
92400 Tenant Services - Other	\$1,016		\$1,016	\$1,016
92500 Total Jenant Services	\$1,016		\$1,016	\$1,016
			NDILINGSKI TVANI INGINIA Į EZGYNI I FLIBATŠKYMOS (A ĮGĘNIM).	THE
93100 Water	\$75,171		\$75,171	\$75,171
93200 Electricity	\$191,110	a de la companya de l	\$191,110	\$191,110
93300 Gas	\$119,007	usemed la	\$119,007	\$119,007
93400 Fue!	\$453	The state of the s	\$453	\$453
93500 Labor .	\$70,540		\$70,540	\$70,540
93600 Sewer				
93700 Employee Benefit Contributions - Utilities	\$16,877	A THE STATE OF THE	\$16,877	\$16,877
93800 Other Utilities Expense				
	\$473,158	\$0	\$473,158	\$473,158
		And the latest the latest transport of the latest transport to the latest transport transport transport to the latest transport	INTERNATIONAL LANDSCHOOL STATEMENT OF THE STATEMENT OF TH	A CHARACHIMISTA NATIONAL AND
		MANAGEMENT AND		A THE RESIDENCE AND THE PROPERTY OF THE PROPER

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

submission iype: Audited/Single-Audit	en Principal en service de service de service de service de service de la service de service de service de ser		riscal Year End: 09/30/2018	.U/ZU18
	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
gentermentalementermente	\$300,210	BETALISE BET	\$300,210	\$300,210
94200 Ordinary Maintenance and Operations - Materials and Other	\$77,448	\$9,805	\$87,253	\$87,253
94300 Ordinary Maintenance and Operations Contracts	\$93,083		\$93,083	\$93,083
94500 Employee Benefit Contributions - Ordinary Maintenance	\$62,693		\$62,693	\$62,693
organical management of the control	353,434	\$9,805	\$543,239	\$543,239
		STOCKED STATE OF THE STATE OF T	riekala na majo kao riekajo a kritajo aktivija kari Mandel na kritajo aktivija karika	To the second of
95100 Protective Services - Labor	\$22,580	ALD DESCRIPTION OF THE PROPERTY OF THE PROPERT	######################################	\$22,580
95200 Protective Services - Other Contract Costs	A PROMISED THE STREET OF THE STREET AND A ST	A COMPANY TO SEASON TO THE SEASON THE SEASON TO THE SEASON TO THE SEASON TO THE SEASON TO THE SEASON	и силим и ком и менен и	A CONTRACTOR CONTRACTO
95300 Protective Services - Other	THE MANAGEMENT OF THE PROPERTY	en de l'anneau br>L'anneau de l'anneau de l'a	BHILLIAN) WALIER WHIN NEW WORLD BEING INION (1904)	Andream interestribers programment interestribers i
95500 Employee Benefit Contributions - Protective Services	\$4,685		\$4,685	\$4,685
95000 Total Protective Services	\$27,265	0\$	\$27,265	\$27,265
			orani verki verki korani korani korani kerani k	TOTAL CACHACIAN MATERIAL VARIETA DE LA LIBERTA DE LA CACHACIAN
96110 Property Insurance	\$54,788	STOCKED AND THE PROPERTY AND THE PROPERT	\$54,788	\$54,788
96120 Liability Insurance	\$19,317	Power between the state of the	\$19,317	\$19,317
96130 Workmen's Compensation	\$19,044	POT CHARLES AND ALCOHOLD THE PROPERTY AND AL	\$19,044	\$19,044
96140 All Other Insurance	\$13,433		\$13,433	\$13,433
96100 Total insurance Premiums	\$106,582	0\$	\$106,582	\$106,582
	्रा र्ग के व्यवस्था	acatroskoj		M ONE OIL
96200 Other General Expenses	THE PERSON NAMED IN COLUMN 1			
96210 Compensated Absences	\$18,674	-\$2,090	\$16,584	\$16,584
96300 Payments in Lieu of Taxes	THE WASHINGTON TO THE STATE OF	Control of the state of the sta	add i ferfarf i ferfarf fefdia sif effath feft an sif ees an electrical season	de grande de de de commente de
96400 Bad debt - Tenant Rents	ala ingala di salah dalah dala	CAN AND AND AND AND AND AND AND AND AND A	orny przedoko kretoro do jepolskih jesterzebionije zi klesopi reformente	мининальний применти br>В применти
ministraminaminisminisminisminisminisminisminis	Minnad Minning and Minney and Min	MINGON HARMAN MANAGAN	KRIKWARIKANIKANI WERAKI BANIKI KENGANIKANIKANIKANIKANIKANIKANIKANIKANIKANIK	enjentristatutatatutatatutatatutatatatatatatatat
96600 Bad debt - Other	NATIONALIMATERATURA PARITALI CARBANA NATIONALI LATIONALI DALI PARITALI PARI	Git i Hariban i Mariban i	rd Okki provinst prokuskra (1118) a stikere a sassa ktikera u tan	ennetarialistatetatetationistatikaidatetatikaidetatikaidetatikaidetatikaidetatikaidetatikaidetatikaidetatikaid
96800 Severance Expense	\$10,000	\$7,903	\$17,903	\$17,903
96000 Total Other General Expenses	\$28,674	\$5,813	\$34,487	\$34,487
			in in in the limit in the limit is a limit in the limit i	INGERTALIES AND THE STATE OF TH
	MINISHER WASHINGTON TO THE PROPERTY OF THE PRO	Anti Tana a mana mana manda mana anta anta anta anta anta anta ant	wighted which the matter than more than many to refer the translation to the section of the sect	. West Historia description of the second of

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Submission lype: Audited/Single Audit	DAN DER MINISTER PROGRAMMENT P	FISCAL	riscal Year End: 09/30/2018	0/2018
	Project Total	14.871 Housing Choice Vouchers	Subtotal	Et O I
96710 interest of Mortgage (or Bonds) Payable	инсичения применения применения применения применения применения применения применения применения применения п	A DESCRIPTION OF THE PROPERTY	iddir yrigidd gafaidd diafai (arail ar arail ann ar arail arail arail arail arail arail arail arail arail arai	A CONTRACT C
96720 Interest on Notes Payable (Short and Long Term)	AL NAMAN MENENGANAN MENENGEN MENENGEN MENENGEN BANKKOL BANK	UTHINISTAL MENTAL PROPERTY OF SERVICE STATES AND SERVICE SERVI	militari ke pasa i papaja na hipama apapaja da jarah da sa da da jarah da sa da jarah da jarah da jarah da jar	njerim njelinje jekiri biterën kullad kritekik nkise Kokok Kokok
grantimental control of Bond Issue Costs	jed Kijanis etnijerje jedina Heligejdeje ipilina baldeje medagin yen	Sejerishye i ketahan ki mereta kemari mendi kepada kemahan kumban tengah di ke	desart netrotro dell'estato dell'estato dell'estato dell'estato dell'estato dell'estato dell'estato dell'estat	Anter programment in the state of the state
95700 Total Interest Expense and Amortization Cost			DS .	
	The security consumptives (the property of control for the property of the security of the sec	ed figures in section of the section	postpor spekinisty kyrikusty kyrikusty prikopa postupaty na postupa postupaty na postupa postupaty na postupaty	Coolin Marie (Annie de Annie de Annie (Annie Annie
96900 Total Operating Expenses	\$1,780,223	\$399,234	\$2,179,457	\$2,179,457
	in and in the second of the se			
97000 Excess of Operating Revenue over Operating Expenses	\$238,348	\$5,097,463	\$5,335,811	\$5,335,811
		CONTROL OF		المنتقدة الموسع
97100 Extraordinary Maintenance	\$34,829	de de la composition della com	\$34,829	\$34,829
particular de la constant de la cons	TITOTAINTENNINATIONINATIONINATIONINATIONINATIONINATIONINATIONINATIONINA		aniante descriptores de la companya	Timentariorem interest interes
97300 Housing Assistance Payments	Pertraken terebat nebiaktikkiidet kialasa kalain teresi	\$5,005,498	\$5,005,498	\$5,005,498
97350 HAP Portability-In	A THE STREET AND THE PROPERTY OF THE STREET, AND THE STREET, A	\$10,057	\$10,057	\$10,057
97400 Depreciation Expense	\$109,208		\$109,208	\$109,208
97500 Fraud Losses	Notivitata varanda kariina kariika diira diira diira diira diira diira da	Örkene (tr)	rinin kirketurjetunden yarı den yarılığı den kirketiri kirketiri kirketiri kirketiri kirketiri kirketiri kirke	A desperantes des la company de la company d
97600 Capital Outlays - Governmental Funds	APPRINCIPLE OF THE PROPERTY OF	A CONTRACT AND A CONT	AND THE PROPERTY OF THE PROPER	
97700 Debt Principal Payment - Governmental Funds	Ú DÁRANTANAN MANANTANAN MANANTAN		ANNTARANING CHEMING KALINING KANING KALING KANING K	PARAMINANGTURINANGTURINANGTURINANGTURINANGTRANGTURINANGTUR
97800 Dwelling Units Rent Expense	A THE PROPERTY OF THE PROPERTY		idulisi ramaki pelideka katan mendeke melakidan kumba katan k	
90000 Total Expenses	\$1,924,260	\$5,414,789	\$7,339,049	\$7,339,049
		I alianisti se		· ·
10010 Operating Transfer In	\$241,937	anover 1	\$241,937	\$241,937
10020 Operating transfer Out.	-\$241,937		-\$241,937	-\$241,937
10030 Operating Transfers from/to Primary Government		and an analysis of the second		
10040 Operating Transfers from/to Component Unit			arad je racionista karakta karakta kalamata karakta inga karakta karakta karakta karakta karakta karakta karak	
10050 Proceeds from Notes, Loans and Bonds	No. of the state o	ak in straight of		unssite (4)
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss	The state of the s	A CONTRACT OF THE PROPERTY OF	WHITTHEFIELD WEST STREET, WEST STREET, WEST STREET, STREET, STREET, STREET, STREET, STREET, STREET, STREET, ST	CONTRACTOR OF THE CONTRACTOR O
			***************************************	***************************************

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Subilission Iype. Audiled/Jilission Audiled/Jilission		riscal	Fiscal Year End: 09/30/2018	3/20.18
	Project Total	14.871 Housing Choice Vouchers	Subtotal	Total
preparament and the control of the c	IN THE RESIDENCE OF THE PROPERTY OF THE PROPER	กรุ้งกระกำสาย การกระการกระการกระการกระการกระการกระการกระการกระการกระการกระการกระการกระการกระการกระการกระการกระก	A CONTRACTOR AND PRODUCTION OF PROPERTY OF PROPERTY OF THE PRO	иматылатилиминителицияны менериятия от отчения
10091 Inter Project Excess Cash Transfer In	erisektektektekteride territailitistektektektektektektektektektektektektekt	egicken en eine eine eine eine eine eine ein	The second state of the second	Taraka kaman k
10092 Infer Project Excess Cash Transfer Out	HIMMORIANANANANANANANANANANANANANANANANANANAN	The state of the s	д А. В Сорона комантичнами примен по определения по определения по определения по определения по определения по опред Сорона комантичности по определения по определения по определения по определения по определения по определения	накалитан шакка мененин мекенин макенин калителения и менения менения менения менения менения менения менения Статителения менения м
10093 Transfers between Program and Project - In	irkejibi da sacat da sapaka da sabaka ti kalaba da sacat	A CANADA	e de la company	rekari i i ikisati i i festi i rekesi rekesi i katisa kutisa ku i ikiski ili festi.
10094 Transfers between Project and Program - Out	AND ATTENDED REPRODUCTION OF THE STREET PROPERTY OF THE STREET PROPE	Paramonina municipal manamonina manamonina manamonina manamonina manamonina manamonina manamonina manamonina m	CONTRACTOR MATERIAL CONTRACTOR CO	наянтияния менентия менентия менентия менен м
10100 Total Other financing Sources (Uses)			\$0	**************************************
			MEETING TO STORE A CONTRACT OF STATES OF THE	
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$94,311	\$81,908	\$176,219	, \$176,219
	A CONTRACTION AND THE CONT		a fallar (friedrick) i program (friedrick) kan de fallar (friedrick) friedrick) friedrick (friedrick) friedrick	
11020 Required Annual Debt Principal Payments		\$0	CHESTOCKERSTRANDENTHEADERSTRANDENDENDENDENDENDENDENDENDENDENDENDENDEN	
11030 Beginning Equity	\$3,416,550	-\$401,260	\$3,015,290	\$3,015,290
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$3,544,467	-\$934,452	-\$4,478,919	-\$4,478,919
11050 Changes in Compensated Absence Balance			MAGNIFIKAN PROMINING MINING MINING PROMINING P	
11060 Changes in Contingent Liability Balance	Kirkininin rassiski kirassiyiri ilmisika masayara kirilinin masayara (japaya)	All Marie of creative and administrate accounts to the control of creative and control of the co	Preservi shakiri U serai di Miskali Drumiki eri femana i miskani bi kisha di Miskani.	THREATHINGS THEN THE SEAST THE PRINCE THE SEAST THE SEAS
11070 Changes in Unrecognized Pension Transition Liability			Krimin Mingriji, ingila i kantai ingila mangan m	
11080 Changes in Special Term/Severance Benefits Liability	TATER OF THE SECOND PROPERTY OF THE SECOND PR	of the state of th	A SAMPLE AND	i i i i i i i i i i i i i i i i i i i
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents			ALENY KARIKANINIKANINING NAMBANINING NAMBANINING NAMBANINING NAMBANING NAMBA	ANTAL THE REPORT OF THE PROPERTY OF THE PROPER
11100 Changes in Allowance for Doubtful Accounts - Other	Januta political			
11170 Administrative Fee Equity		-\$1,279,865	-\$1,279,865	-\$1,279,865
	i transieri de	,		
11180 Housing Assistance Payments Equity	TO THE REAL PROPERTY AND THE PROPERTY OF THE P	\$26,061	\$26,061	\$26,061
11190 Unit Months Available	2640	57.24	8364	8364
11210 Number of Unit Months Leased	2640	5561	8201	8201
11270, Excess Cash	\$200,994		\$200,994	\$200,994
11610 Land Purchases	\$0	i izwejastind	0\$	80
11620 Building Purchases	O G	THE REPORT OF THE PROPERTY OF	0\$	0\$
. 11630 Furniture & Equipment - Dwelling Purchases	9	HARRANA KARAMATAN KARAMATA		
	Historia de la companya de la compan	**************************************	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	

LODI, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

	Project Total	14.871 Housing Choice Vouchers	Subtotal Total	ıΨ
11640 Furniture & Equipment - Administrative Purchases	90			80
	\$O	4	80	
desidence	90			90
and Carabinet Ca	0\$		\$0	
13901 Replacement Housing Factor Funds	- 0\$		0\$	\$

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY SCHEDULE OF ACTUAL MODERNIZATION COST CERTIFICATES YEAR ENDED SEPTEMBER 30, 2018

PROGRAM/GRANT		NJ39P011501-17	
BUDGET - ORIGINAL FUNDS APPROVED	\$	241,937	
FUNDS DISBURSED	•	241,937	
FUNDS EXPENDED	_\$	241,937 -	
EXCESS (DEFICIENCY) OF ADVANCES DUE TO (FROM) HUD	· _\$		

THE ACTUAL MODERNIZATION COST CERTIFICATES ARE IN AGREEMENT WITH THE RECORDS OF THE HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY.

SINGLE AUDIT AND OTHER REPORTS

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED SEPTEMBER 30, 2018

Department of Housing and Urban Development	` .	CFDA <u>NUMBER</u>	FEDERAL EXPENDITURES	
Low Rent Public Housing		14,850	\$	278,131
Housing Choice Vouchers		14.871		5,448,736
Public Housing Capital Fund Program		14.872		241,937
•			, 	
Total			\$	5,968,804

LODI HOUSING AUTHORITY NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED SEPTEMBER 30, 2018

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Authority under programs of the federal government for the year ended September 30, 2018. 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 operations of the Lodi Housing Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Lodi Housing Authority.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (a) 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.
- (b). The entity did not elect to use the 10 percent de minimis indirect rate.
- © The authority was not a subrecipient of any federal awards and did not pass through any federal awards to subrecipients

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2018

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	No	
 Reportable condition(s) identified that are not considered to be material weaknesses? reported 	None	
Noncompliance material to financial statements noted?	No	
Federal Awards		
Internal control over major programs:		
Material weakness(es) identified? Note: The description of the considered.	No.	
 Reportable condition(s) identified that are not considered to be material weakness(es)? 	No	
Type of auditors' report issued on compliance for major programs: Unqualified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No	
Identification of major programs:		
<u>CFDA Number</u> <u>Name of Fede</u>	Name of Federal Program	
	Low Rent Public Housing Housing Choice Voucher	

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2018

SECTION I - SUMMARY OF AUDITORS' RESULTS - Continued

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

Yes

SEMAP Certification – the required semap indicators were verified in accordance with 24 CFR 985.3

SECTION II - FINANCIAL STATEMENT FINDINGS

There are no Financial Statement Findings for the current audit period.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no Federal Award Findings and Questioned Costs for the current period.

HOUSING AUTHORITY OF THE BOROUGH OF LODI, NEW JERSEY SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2018

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There are no open prior audit findings.

FRANCIS J McCONNELL CERTIFIED PUBLIC ACCOUNTANT

American Institute of Certified Public Accountants Pennsylvania Institute of Certified Public Accountants 6225 Rising Sun Avenue Philadelphia, PA 19111 Voice: 215-742-3428

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

Board of Directors Lodi Housing Authority Lodi, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Lodi Housing Authority, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise Lodi Housing Authority's basic financial statements, and have issued our report thereon dated June 6, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Francis J McConnell

Certified Public Accountant

Francis McConnell

June 6, 2019

FRANCIS J McCONNELL CERTIFIED PUBLIC ACCOUNTANT

American Institute of Certified Public Accountants Pennsylvania Institute of Certified Public Accountants 6225 Rising Sun Avenue Philadelphia, PA 19111 Voice: 215-742-3428

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

Board of Directors Lodi Housing authority Lodi, New Jersey

Report on Compliance for Each Major Federal Program

i have audited Lodi Housing Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lodi Housing Authority's major federal programs for the year ended September 30, 2018. Lodi Housing Authority's 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

My responsibility is to express an opinion on compliance for each of Lodi Housing Authority's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 I 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 Lodi Housing Authority's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of Lodi Housing Authority's compliance.

Opinion on Each Major Federal Program

In my opinion, Lodi Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2018.

Report on Internal Control over Compliance

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

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

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

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.

Francis McConnell
Francis J McConnell
Certified Public Accountant

June 6, 2019