

HOUSING AUTHORITY OF THE CITY OF SUMMIT

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2016

**WITH
REPORT OF INDEPENDENT AUDITORS**

**HOUSING AUTHORITY OF THE CITY OF SUMMIT
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FOR THE YEAR ENDED DECEMBER 31, 2016**

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REPORT OF INDEPENDENT AUDITORS

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the City of Summit (the "Authority") as of and for the year ended December 31, 2016, and the related notes to the 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2016, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards is presented for purpose of additional analysis by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements. The accompanying financial data schedule is also not a required part of the financial statements and is presented for the purposes of additional analysis as required by the U.S. Department of Housing and Urban Development.

The schedule of expenditures of federal awards and financial data schedule are the responsibility of management and was 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 audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the schedule of expenditures of federal awards and the financial data schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

See accountant's compilation report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2017 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Authority's internal control over financial reporting and compliance.

September 20, 2017
Toms River, New Jersey

See accountant's compilation report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

SUMMIT HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016

As Management of the Authority, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements as presented elsewhere in this report.

A - Financial Highlights

- 1- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$6,800,329 (net position) as opposed to \$6,732,548, for the prior fiscal year.
- 2 – As of the close of the current fiscal year, the Authority's proprietary fund reported ending unrestricted net position of \$1,818,105.
- 3 – The Authority's cash and cash equivalents balance at December 31, 2016 was \$1,993,965 representing a decrease of \$57,011 from the prior fiscal year.
- 4 – The Authority had total operating revenues of \$2,138,286, and total operating expenses of \$2,080,755 for the year ended December 31, 2016.
- 5 – The Authority's capital outlays for the fiscal year were \$392,406.
- 6 – The Authority's expenditures of federal awards amounted to \$630,198 for the fiscal year.

B – Using the Annual Report

1 – Management's Discussion and Analysis

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

SUMMIT HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016

B – Using the Annual Report (continued)

2 – Financial Statements

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

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

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

The Statement of Cash Flows reports the cash flows from operating, investing, capital and related financing activities.

The financial statements report on the Authority's activities. The activities are primarily supported by HUD subsidies and grants. The Authority's function is to provide decent, safe and sanitary housing to low income and special needs populations. The financial statements can be found on pages 9 through 12.

3 – Notes to Financial Statements

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

SUMMIT HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016

C – The Authority as a Whole

The Authority's net position increased during the fiscal year. The Authority's revenues are primarily subsidies and grants received from HUD. The Authority receives subsidies each month based on a pre-approved amount by HUD. Grants are drawn down based on need against a pre-authorized funding level. However, the Authority's revenues were sufficient to cover all expenses, excluding depreciation during the fiscal year.

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

D – Budgetary Highlights

For the year ended December 31, 2016, individual program or grant budgets were prepared by the Authority and were approved by the Board of Commissioners. The budgets were prepared in accordance with the accounting procedures prescribed by the applicable funding agency.

As indicated by the excess of revenues over expenses, the Authority's unrestricted net position increased during the fiscal year. The increase is indicative of the Authority operating within its budgetary limitations in total, for all its programs.

E – Capital Assets and Debt Administration

1 - Capital Assets

As of December 31, 2016, the Authority's investment in capital assets for its proprietary fund was \$4,982,224 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment and construction in progress.

The Authority spent \$392,406 on capital assets during the year ended December 31, 2016.

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

SUMMIT HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016

E – Capital Assets and Debt Administration (continued)

2 – Long Term Debt

The Authority does not have any long-term debt at this time.

F – Significant Changes from FYE December 31, 2015 to December 31, 2016

Cash and cash equivalents (including tenant security deposits) increased by \$45,051, mainly due to the Authority generating positive cash flow from operating activities.

Capital assets, net decreased by \$155,476 due to the Authority's annual depreciation expense of \$547,882 exceeding purchases of \$392,406 for the year.

Accounts payable decreased \$186,252 primarily due to the payment of previously accrued RAD expenses.

Accrued compensated absences payable decreased by \$32,151 due to Authority personnel taking more time off during the year than they earned for the year.

HUD grants increased \$20,889 primarily due to the Authority utilizing more of their Capital Fund allocation in FY 2016 than in FY 2015.

Administrative expenses decreased by \$8,320 mainly due to reductions in legal services.

Utility expenses increased \$52,603 from \$297,702 in 2015 to \$350,305 in 2016 primarily due to increases in electricity charges of \$40,513 and water charges of \$15,064.

SUMMIT HOUSING AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016

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

The following factors were considered in preparing the Authority's budget for the fiscal year ending December 31, 2017.

- 1 – The state of the economy, particularly in light of current world affairs.
- 2 – The desire for Congress to reduce the national deficit through cutbacks to federal programs.
- 3 – The use of the Authority's unrestricted net position to fund any shortfalls arising from a possible economic downturn and reduced subsidies and grants. The Authority's unrestricted net position appears sufficient to cover any shortfall.

H – 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 financial information should be addressed to the Executive Director, Summit Housing Authority, 512 Springfield Avenue, Summit, NJ 07901, or call (908) 273-6413.

FINANCIAL STATEMENTS

**HOUSING AUTHORITY OF THE CITY OF SUMMIT
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2016**

ASSETS

Current assets:	
Cash and cash equivalents	\$ 1,993,965
Accounts receivable, net	17,914
Tenant security deposits	<u>102,062</u>
Total current assets	<u>2,113,941</u>
Non-current assets:	
Capital assets, net	<u>4,982,224</u>
Total assets	<u>7,096,165</u>

LIABILITIES

Current liabilities:	
Accounts payable	78,476
Accrued compensated absences, current	4,756
Tenant security deposits	102,062
Prepaid rent	5,165
Other current liabilities	<u>62,573</u>
Total current liabilities	<u>253,032</u>
Non-current liabilities:	
Accrued compensated absences, non-current	<u>42,804</u>
Total liabilities	<u>295,836</u>

NET POSITION

Net position:	
Net investment in capital assets	4,982,224
Unrestricted	<u>1,818,105</u>
Total net position	<u>\$ 6,800,329</u>

**HOUSING AUTHORITY OF THE CITY OF SUMMIT
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2016**

Operating revenues:	
Tenant revenue	\$ 1,046,342
HUD operating grants	591,002
Other governmental grants	39,196
Other revenues	<u>461,746</u>
Total operating revenues	<u>2,138,286</u>
Operating expenses:	
Administrative	542,148
Tenant services	46,824
Utilities	350,305
Ordinary repairs and maintenance	386,078
Insurance	90,972
General	116,546
Depreciation	<u>547,882</u>
Total operating expenses	<u>2,080,755</u>
Operating income	<u>57,531</u>
Non-operating revenues (expenses):	
Investment income	<u>10,250</u>
Net non-operating revenues (expenses)	<u>10,250</u>
Change in net position	67,781
Total net position, beginning of year	<u>6,732,548</u>
Total net position, end of year	<u>\$ 6,800,329</u>

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF SUMMIT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016**

Cash Flows from Operating Activities:	
Cash received from grantors	\$ 631,036
Cash received from tenants	1,521,971
Cash paid to employees	(542,148)
Cash paid to vendors	<u>(1,183,652)</u>
Net cash flows provided by operating activities	<u>427,207</u>
Cash Flows from Capital and Related Financing Activities:	
Purchases of capital assets	<u>(392,406)</u>
Net cash flows used by capital and related financing activities	<u>(392,406)</u>
Cash Flows from Investing Activities:	
Interest received on investments	<u>10,250</u>
Net cash flows provided by investing activities	<u>10,250</u>
Net increase in cash and cash equivalents	45,051
Cash and cash equivalents, beginning of year	<u>2,050,976</u>
Cash and cash equivalents, end of year	<u>\$ 2,096,027</u>

A reconciliation of cash and cash equivalents
to the Statement of Net Position is as follows:

Cash and cash equivalents	\$ 1,993,965
Tenant security deposits	<u>102,062</u>
	<u>\$ 2,096,027</u>

See accompanying notes to financial statements.

HOUSING AUTHORITY OF THE CITY OF SUMMIT
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016

Reconciliation of operating income to net cash
provided by operating activities:

Operating income	\$ 57,531
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	547,882
Changes in operating assets and liabilities:	
Accounts receivable, net	17,585
Accounts payable	(186,252)
Accrued compensated absences	(32,151)
Tenant security deposits	(2,864)
Prepaid rent	(11,021)
Other current liabilities	<u>36,497</u>
Net cash provided by operating activities	<u>\$ 427,207</u>

See accompanying notes to financial statements.

**HOUSING AUTHORITY OF THE CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

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

The Authority is governed by a board of seven members who serve five-year terms. The governing board is essentially autonomous but is responsible to HUD and the State of New Jersey Department of Community Affairs. An executive director is appointed by the Authority's Board to manage the day-to-day operations of the Authority.

B. Basis of Accounting / Financial Statement Presentation

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Authority's financial statements are prepared in accordance with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, ("GASB 34"), as amended. GASB 34 requires the basic financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of Statements of Net Position, Statements of Revenues, Expenses and Changes in Net Position and Statements of Cash Flows. GASB 34 also requires the Authority to include Management's Discussion and Analysis as part of the Required Supplementary Information.

The Authority's primary source of non-exchange revenue relates to grants and subsidies. In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, grant and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements.

**HOUSING AUTHORITY OF THE CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Reporting Entity

In accordance with Statement No. 61 of the Government Accounting Standards Board ("GASB"), the Authority's basic financial statements include those of the Authority and any component units. Component units are legally separate, tax-exempt organizations whose majority of officials are appointed by the primary government or the organization is fiscally dependent on the primary government and there is a potential for those organizations either to provide specific financial benefits to, or impose specific financial burdens on, the primary government. An organization has a financial benefit or burden relationship with the primary government if any one of the following conditions exist:

1. The primary government (Authority) is legally entitled to or can otherwise access the organization's resources.
2. The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
3. The primary government is obligated in some manner for the debt of the organization.

Based on the application of the above criteria, this report includes all programs and activities operated by the Authority, including the following blended component unit:

The Summit Affordable Housing Corporation ("SAHC") - SAHC is a non-profit organization which was established to identify emerging housing and community development resources and to develop affordable housing in the City of Summit.

D. Description of Programs

The Authority maintains its accounting records by program. A summary of the significant programs operated by the Authority is as follows:

Public and Indian Housing Program

The Public and Indian Housing Program is designed to provide low-cost housing within the City of Summit. Under this program, HUD provides funding via an annual contributions contract. These funds, combined with the rental income received from tenants, are available solely to meet the operating expenses of the program.

Public Housing Capital Fund Program

The purpose of the Capital Fund Program is to provide another source of funding to cover the cost of physical and management improvements and rehabilitation on existing low-income housing and improving the central office facilities. Funding for this program is provided by grants from HUD.

State and Local Program

The Authority is the recipient of a Congregate Housing Services Program Grant from the State of New Jersey. The State funded grant provides selected supportive services to low-income elderly persons or adults with disabilities, residing in certain subsidized housing facilities.

**HOUSING AUTHORITY OF THE CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash and Cash Equivalents

New Jersey Authorities are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States, or the State of New Jersey, or the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey Authorities. The Authority is required to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires governmental units to deposit public funds only in public depositories located in New Jersey, when the funds are secured in accordance with the act.

HUD requires housing authorities to invest excess funds in obligations of the United States, Certificates of Deposit, or any other federally insured investment.

HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security for deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

For the Statements of Cash Flows, cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less at time of purchase.

It is the Authority's policy to maintain collateralization in accordance with state and HUD requirements.

F. Accounts Receivable, Net

Accounts receivable - tenants

Rents are due from tenants on the first day of each month. As a result, tenants accounts receivable balances primarily consist of rents past due and vacated tenants. An allowance for doubtful accounts is established to provide for all accounts, which may not be collected in the future for any reason. Collection losses on accounts receivable are charged against the allowance for doubtful accounts.

Accounts receivable - other government

The Authority recognizes a receivable from other governmental agencies for amounts billed but not received, and for amounts unbilled but earned as of year-end.

**HOUSING AUTHORITY OF THE CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Capital Assets, Net

Capital assets are stated at cost. Expenditures for repairs and maintenance are charged directly to expense as they are incurred. Expenditures determined to represent additions or betterments are capitalized. Upon the sale or retirement of fixed assets, the cost and related accumulated depreciation is eliminated from the accounts and any related gain or loss is reflected in the Statements of Revenues, Expenses and Changes in Net Position. Depreciation is calculated using the straight-line method based on the estimated useful lives of the following asset groups:

• Dwelling Equipment	3-7 Years
• Site Improvements	15 Years
• Buildings	40 Years

The Authority has established a capitalization threshold of \$1,000.

H. Impairment of Long Lived Assets

The Authority evaluates events or changes in circumstances affecting long-lived assets to determine whether an impairment of its assets has occurred. If the Authority determines that a capital asset is impaired, and that impairment is significant and other-than-temporary, then an impairment loss will be recorded in the Authority's financial statements.

I. Compensated Absences

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

Employees may be compensated for accrued vacation leave in the event of retirement or termination of service. Employees may be compensated for sick leave at retirement, at the rate of three days for every five days accumulated, payable at the salary rate earned at the time of separation. Employees may only accumulate and carry over to the following year the prior year's unused vacation. The Authority's sick leave policy, in accordance with New Jersey State law, allows employees to carry over unused sick leave without penalty.

J. Prepaid Rent

The Authority's prepaid tenant rent primarily consists of the prepayment of rent by Public and Indian Housing residents that are applicable to future periods.

HOUSING AUTHORITY OF THE CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Operating Revenues and Expenses

The Authority defines its operating revenues as income derived from charges to residents and others for services provided, as well as government subsidies and grants used for operating purposes. Operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies all other revenues and expenses as non-operating.

L. Use of Management 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 certain reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, accrued expenses and other liabilities, depreciable lives of properties and equipment, and contingencies. Actual results could differ significantly from these estimates.

M. Taxes

The Authority is funded by Federal, State, and City sources and, as such, is exempt from income taxes and Federal unemployment taxes.

N. Equity Classifications

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

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

Restricted net position - Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other resources that do not meet the definition of "restricted" or "net investment in capital assets."

**HOUSING AUTHORITY OF THE CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Economic Dependency

The Public and Indian Housing Program of the Authority is economically dependent on operating grants and subsidies from HUD. The program operates at a loss prior to receiving the grants.

P. Budgets and Budgetary Accounting

The Authority is required by contractual agreements to adopt annual, appropriated operating budgets for all its programs receiving federal expenditure awards. All budgets are prepared on a HUD basis, which is materially consistent with accounting principles generally accepted in the United States of America. All appropriations lapse at HUD's program year end or at the end of grant periods.

The Authority also submits its annual entity-wide operating and capital budget to the State of New Jersey Department of Consumer Affairs in accordance with New Jersey State Law.

NOTE 2. CASH AND CASH EQUIVALENTS

As of December 31, 2016, the Authority had funds on deposit in checking, statement savings and money market accounts. The carrying amount of the Authority's cash and cash equivalents (including restricted cash) was \$2,096,027, and the bank balance approximated \$2,106,686.

<u>Cash Category</u>	<u>Amount</u>
Unrestricted	\$ 1,993,965
Tenant security deposits	<u>102,062</u>
	<u>\$ 2,096,027</u>

Of the bank balance, \$725,539, was covered by federal depository insurance and the remaining \$1,381,147 was collateralized with the pledging financial institution as of December 31, 2016.

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Authority does not have a formal policy for custodial credit risk. As of December 31, 2016, the Authority's bank balances were not exposed to custodial credit risk.

HOUSING AUTHORITY OF THE CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 3. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following at December 31, 2016:

<u>Description</u>	<u>Amount</u>
Accounts receivable - tenants	\$ 8,397
Accounts receivable - other government	<u>9,517</u>
	<u>\$ 17,914</u>

Accounts receivable - tenants

Tenants' accounts receivable balances primarily consist of rents past due and vacated units. The balance of tenants' accounts receivable at December 31, 2016 is shown net of an allowance for doubtful accounts of \$8,302.

Accounts receivable - other governmental

As of December 31, 2016, accounts receivable - other governmental consists of receivables due from the City of Summit for operating the Affordable Housing Program and from the State of New Jersey for operating the Helping Hands Program. The Authority considers these amounts fully collectable and accordingly, have made no allowance for doubtful accounts.

NOTE 4. CAPITAL ASSETS, NET

The following is a summary of the Authority's changes in capital assets during the year ended December 31, 2016:

	December 31, <u>2015</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	December 31, <u>2016</u>
<u>Non-depreciable:</u>					
Land	\$ 1,697,896	\$ -	\$ -	\$ -	\$ 1,697,896
Construction in progress	<u>84,553</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84,553</u>
Total non-depreciable	<u>1,782,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,782,449</u>
<u>Depreciable:</u>					
Buildings	15,558,186	385,368	-	-	15,943,554
Furniture and equipment	<u>620,853</u>	<u>7,038</u>	<u>-</u>	<u>-</u>	<u>627,891</u>
Total depreciable	<u>16,179,039</u>	<u>392,406</u>	<u>-</u>	<u>-</u>	<u>16,571,445</u>
Accumulated depreciation	<u>12,823,788</u>	<u>547,882</u>	<u>-</u>	<u>-</u>	<u>13,371,670</u>
Net fixed assets	<u>\$ 5,137,700</u>	<u>\$ (155,476)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,982,224</u>

Depreciation expense for the fiscal year ended December 31, 2016 amounted to \$547,882.

HOUSING AUTHORITY OF THE CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 5. PAYMENTS IN LIEU OF TAXES (PILOT)

Under Federal, State and local law, the Authority's programs are exempt from income, property and excise taxes. However, the Authority is required to make payment in lieu of taxes ("PILOT") for the PHA Owned Program in accordance with the provisions of its Cooperation Agreement with the City. Under the Cooperation agreement, the Authority must pay the City the lesser of 10% of its net shelter rent or the approximate full real property taxes. During the fiscal year ended December 31, 2016, PILOT expense totaled \$58,900.

NOTE 6. COMPENSATED ABSENCES

The Authority uses the vesting method for the recording of compensated absences whereas benefits are accrued for which payment is probable. As of December 31, 2016, the Authority had accrued \$47,560. Compensated absence expenses are included as other general expenses in the Statements of Revenues, Expenses, and Changes in Net Position.

Compensated absences activity for the year ended December 31, 2016 consisted of the following:

	<u>2016</u>
Beginning compensated absences	\$ 79,711
Compensated absences earned	26,352
Redemption of compensated absences	<u>(58,503)</u>
Ending compensated absences	47,560
Amount due within one year	<u>4,756</u>
Ending compensated absences, non-current	<u>\$ 42,804</u>

NOTE 7. PREPAID RENTS

Prepaid rents consist of tenant rents paid in advance. At December 31, 2016, prepaid rents totaled \$5,165.

NOTE 8. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. The Authority is a member of the New Jersey Public Housing Authorities Joint Insurance Fund (JIF). The joint insurance pool is both an insured and self-administered group of housing authorities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The Joint Insurance Fund will be self-sustaining through member premiums. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage except for deductibles for the previous three years.

HOUSING AUTHORITY OF THE CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 9. PENSION PLAN AND HEALTH BENEFITS

The Authority's personnel are employees of the City of Summit (the "City"). The Authority reimburses the City for all payroll and employee benefit costs attributed to Authority personnel. Authority personnel hired before December 31, 2011 participate in the State of New Jersey Public Employees Retirement System ("PERS") and the State of New Jersey Health Benefit System ("NJSHBP") through the City. Employees hired after December 31, 2011 were not permitted by the City to enroll in the plan.

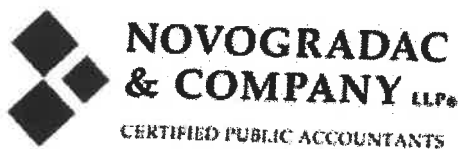
The Authority's application before the PERS and NJSHBP to be recognized as an independent entity has been accepted and will be in effect in fiscal year 2017. Accordingly, all Authority personnel will become employees of the Authority and enrolled in the PERS and NJSHBP through the Authority.

NOTE 10. CONTINGENCIES

The Authority receives financial assistance from HUD in the form of grants and subsidies. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by HUD. As a result of these audits, costs previously reimbursed could be disallowed and require payments to HUD. As of December 31, 2016, the Authority estimates that no material liabilities will result from such audits.

NOTE 11. SUBSEQUENT EVENTS

Events that occur after the financial statement date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the financial statement date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the financial statement date require disclosure in the accompanying notes to the financial statements. Management evaluated the activity of the Authority through September 20, 2017 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Housing Authority of the City of Summit (the "Authority"), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 20, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

September 20, 2017
Toms River, New Jersey

SUPPLEMENTARY INFORMATION

**HOUSING AUTHORITY OF THE CITY OF SUMMIT
SCHEDULE OF FEDERAL AWARDS, FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2016**

I. Federal Awards

For the year ended December 31, 2016, the Authority received federal funding under the following programs:

<u>Federal Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Identifying Number</u>	<u>Grant Expenditures</u>
U.S. Department of Housing and Urban Development:			
Public and Indian Housing	14.850		\$ 346,065
Public Housing Capital Fund Program	14.872		<u>244,937</u>
Total Direct Awards			<u>591,002</u>
<u>Passed through the City of Summit:</u>			
Community Development Block Grant	14.228		<u>39,196</u>
Total Pass-Through Awards			<u>39,196</u>
Total Federal Expenditures			<u>\$ 630,198</u>

II. Financial Statement Findings

None

III. Schedule of Prior Year Audit Findings

None.

HOUSING AUTHORITY OF THE CITY OF SUMMIT
SCHEDULE OF FEDERAL AWARDS, FINDINGS AND RESPONSES (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016

IV. Schedule of Capital Fund Program Costs and Advances

	<u>501-15</u>	<u>501-16</u>	<u>Total</u>
Budget	\$ <u>239,846</u>	\$ <u>250,028</u>	\$ <u>489,874</u>
<u>Advances:</u>			
Cumulative through 12/31/2015	\$ 119,923	\$ -	\$ 119,923
Current year	<u>119,923</u>	<u>125,014</u>	<u>244,937</u>
Cumulative through 12/31/2016	<u>239,846</u>	<u>125,014</u>	<u>364,860</u>
<u>Costs:</u>			
Cumulative through 12/31/2015	119,923	-	119,923
Current year	<u>119,923</u>	<u>125,014</u>	<u>244,937</u>
Cumulative through 12/31/2016	<u>239,846</u>	<u>125,014</u>	<u>364,860</u>
Excess / (Deficiency)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

NOTES TO SCHEDULE OF CAPITAL FUND PROGRAM COSTS AND ADVANCES

- 1) The total amount of Capital Fund Program Costs and Advances incurred and earned by the \$244,937 as of and for the year ended December 31, 2016 are provided herein.
- 2) Capital Fund Grant No. NJ39P017501-15 with an approved funding of \$239,846 has been fully drawn down and expended as per Capital Fund Grant Regulations.

Summit Housing Authority (NJ017)									
Summit, NJ									
Financial Data Schedule (FDS)									
December 31, 2016									
Line Item #		Account Description	PROJECT	BLENDED COMPONENT UNIT	STATE & LOCAL	TOTAL			
ASSETS:									
CURRENT ASSETS:									
Cash:									
111		Cash - unrestricted	\$ 1,862,212	\$ 83,276	\$ 48,477	\$ 1,993,965			
112		Cash - restricted - modernization and development	-	-	-	-			
113		Cash - other restricted	-	-	-	-			
114		Cash - tenant security deposits	102,062	-	-	102,062			
115		Cash - restricted for payment of current liabilities	-	-	-	-			
100		Total cash	1,964,274	83,276	48,477	2,096,027			
Accounts and notes receivables:									
121		Accounts receivable - PHA projects	-	-	-	-			
122		Accounts receivable - HUD other projects	-	-	-	-			
124		Accounts receivable - other government	-	-	9,517	9,517			
125		Accounts receivable - miscellaneous	-	-	-	-			
126		Accounts receivable - tenants	16,699	-	-	16,699			
126.1		Allowance for doubtful accounts - tenants	(8,302)	-	-	(8,302)			
126.2		Allowance for doubtful accounts - other	-	-	-	-			
127		Notes and mortgages receivable- current	-	-	-	-			
128		Fraud recovery	-	-	-	-			
128.1		Allowance for doubtful accounts - fraud	-	-	-	-			
129		Accrued interest receivable	-	-	-	-			
120		Total receivables, net of allowances for doubtful accounts	8,397	-	9,517	17,914			
Current investments									
131		Investments - unrestricted	-	-	-	-			
132		Investments - restricted	-	-	-	-			
135		Investments - restricted for payment of current liability	-	-	-	-			
142		Prepaid expenses and other assets	-	-	-	-			
143		Inventories	-	-	-	-			
143.1		Allowance for obsolete inventories	-	-	-	-			
144		Interprogram - due from	-	-	-	-			
145		Assets held for sale	-	-	-	-			
150		TOTAL CURRENT ASSETS	1,972,671	83,276	57,994	2,113,941			
NONCURRENT ASSETS:									
Fixed assets:									
161		Land	1,697,896	-	-	1,697,896			
162		Buildings	15,943,554	-	-	15,943,554			
163		Furniture, equipment & machinery - dwellings	199,712	-	-	199,712			
164		Furniture, equipment & machinery - administrator	412,350	-	15,829	428,179			
165		Leasehold improvements	-	-	-	-			
166		Accumulated depreciation	(13,355,841)	-	(15,829)	(13,371,670)			
167		Construction in Progress	84,553	-	-	84,553			
168		Infrastructure	-	-	-	-			
160		Total fixed assets, net of accumulated depreciation	4,982,224	-	-	4,982,224			
Other non-current assets:									
171		Notes and mortgages receivable - non-current	-	-	-	-			
172		Notes and mortgages receivable-non-current - past due	-	-	-	-			
174		Other assets	-	-	-	-			
175		Undistributed debits	-	-	-	-			
176		Investment in joint ventures	-	-	-	-			
180		TOTAL NONCURRENT ASSETS	4,982,224	-	-	4,982,224			
190		TOTAL ASSETS	\$ 6,954,895	\$ 83,276	\$ 57,994	\$ 7,096,165			

Summit Housing Authority (NJ017)									
Summit, NJ									
Financial Data Schedule (FDS)									
December 31, 2016									
Line Item #				Account Description	PROJECT	BLENDED COMPONENT UNIT	STATE & LOCAL		TOTAL
LIABILITIES AND EQUITY:									
Liabilities:									
Current Liabilities:									
311				Bank overdraft	\$ -	\$ -	\$ -		\$ -
312				Accounts payable ≤ 90 days	26,105	-	3,471		29,576
313				Accounts payable > 90 days past due	-	-	-		-
321				Accrued wage/payroll taxes payable	-	-	-		-
322				Accrued compensated absences - current portion	4,756	-	-		4,756
324				Accrued contingency liability	-	-	-		-
325				Accrued interest payable	-	-	-		-
331				Accounts payable - HUD PHA programs	-	-	-		-
332				Accounts payable - PHA projects	-	-	-		-
333				Accounts payable - other government	48,900	-	-		48,900
341				Tenant security deposits	102,062	-	-		102,062
342				Deferred revenue	5,165	-	-		5,165
343				Current portion of L-T debt - capital projects	-	-	-		-
344				Current portion of L-T debt - operating borrowings	-	-	-		-
345				Other current liabilities	-	-	-		-
346				Accrued liabilities - other	62,573	-	-		62,573
347				Interprogram - due to	-	-	-		-
310				TOTAL CURRENT LIABILITIES	249,561	-	3,471		253,032
NONCURRENT LIABILITIES:									
351				Long-term debt, net of current - capital projects	-	-	-		-
352				Long-term debt, net of current - operating borrowings	-	-	-		-
353				Non-current liabilities- other	-	-	-		-
354				Accrued compensated absences - noncurrent	42,804	-	-		42,804
355				Loan Liability - Non Current	-	-	-		-
356				FASB 5 Liabilities	-	-	-		-
357				Accrued pension and OPEB liabilities	-	-	-		-
350				TOTAL NONCURRENT LIABILITIES	42,804	-	-		42,804
300				TOTAL LIABILITIES	292,365	-	3,471		295,836
EQUITY:									
508.1				Invested in Capital Assets, Net of Related Debt	4,982,224	-	-		4,982,224
511.1				Restricted Net Assets	-	-	-		-
512.1				Unrestricted Net Assets	1,680,306	83,276	54,523		1,818,105
513				TOTAL EQUITY	6,662,530	83,276	54,523		6,800,329
600				TOTAL LIABILITIES AND EQUITY	\$ 6,954,895	\$ 83,276	\$ 57,994		\$ 7,096,165
Proof of concept					-	-	-		-

Summit Housing Authority (NJ017)						
Summit, NJ						
Financial Data Schedule (FDS)						
December 31, 2016						
Line Item #	Account Description	OPERATING	CAPITAL	BLENDED COMPONENT UNITS	STATE & LOCAL	TOTAL
REVENUE:						
70300	Net tenant rental revenue	\$ 1,042,310	\$ -	\$ -	\$ -	\$ 1,042,310
70400	Tenant revenue - other	4,032	-	-	-	4,032
70500	Total tenant revenue	1,046,342	-	-	-	1,046,342
70600	HUD PHA grants	346,065	244,937	-	-	591,002
70610	Capital grants	-	-	-	-	-
70710	Management fee	-	-	-	-	-
70720	Asset management fee	-	-	-	-	-
70730	Book keeping fee	-	-	-	-	-
70750	Other fees	-	-	-	-	-
70800	Other government grants	-	-	-	39,196	39,196
71100	Investment income - unrestricted	10,250	-	-	-	10,250
71200	Mortgage interest income	-	-	-	-	-
71300	Proceeds from disposition of asseets held for sale	-	-	-	-	-
71301	Cost of sale of assets	-	-	-	-	-
71400	Fraud recovery	-	-	-	-	-
71500	Other revenue	426,025	-	-	35,721	461,746
71600	Gain or loss on sale of fixed assets	-	-	-	-	-
72000	Investment income - restricted	-	-	-	-	-
70000	TOTAL REVENUE	1,828,682	244,937	-	74,917	2,148,536
EXPENSES:						
Administrative						
91100	Administrative salaries	289,219	-	-	23,398	312,617
91200	Auditing fees	8,480	-	-	-	8,480
91300	Outside management fees	-	-	-	-	-
91310	Book-keeping fee	-	-	-	-	-
91400	Advertising and marketing	-	-	-	-	-
91500	Employee benefit contributions- administrative	120,344	-	-	2,147	122,491
91600	Office expenses	79,776	-	226	-	80,002
91700	Legal expenses	16,290	-	-	-	16,290
91800	Travel	2,268	-	-	-	2,268
91810	Allocated overhead	-	-	-	-	-
91900	Other	-	-	-	-	-
	Total administrative	516,377	-	226	25,545	542,148
92000	Asset Management Fee	-	-	-	-	-
Tenant services						
92100	Tenant services - salaries	-	-	-	-	-
92200	Relocation costs	-	-	-	-	-
92300	Employee benefit contributions- tenant services	-	-	-	-	-
92400	Tenant services - other	2,721	-	-	44,103	46,824
	Total tenant services	2,721	-	-	44,103	46,824

Summit Housing Authority (NJ017)

Summit, NJ

Financial Data Schedule (FDS)

December 31, 2016

Line Item #	Account Description	OPERATING	CAPITAL	BLENDED COMPONENT UNITS	STATE & LOCAL	TOTAL
	Utilities					
93100	Water	65,787	-	-	-	65,787
93200	Electricity	186,043	-	-	-	186,043
93300	Gas	37,326	-	-	-	37,326
93400	Fuel	-	-	-	-	-
93500	Labor	12,000	-	-	-	12,000
93600	Sewer	44,655	-	-	-	44,655
93700	Employee benefit contributions- utilities	4,494	-	-	-	4,494
93800	Other utilities expense	-	-	-	-	-
	Total utilities	350,305	-	-	-	350,305
	Ordinary maintenance & operation					
94100	Ordinary maintenance and operations - labor	116,886	-	-	-	116,886
94200	Ordinary maintenance and operations - materials & other	84,647	-	-	-	84,647
94300	Ordinary maintenance and operations - contract costs	140,774	-	-	-	140,774
94500	Employee benefit contributions- ordinary maintenance	43,771	-	-	-	43,771
	Total ordinary maintenance	386,078	-	-	-	386,078
	Protective services					
95100	Protective services - labor	-	-	-	-	-
95200	Protective services- other contract costs	-	-	-	-	-
95300	Protective services - other	-	-	-	-	-
95500	Employee benefit contributions- protective services	-	-	-	-	-
	Total protective services	-	-	-	-	-
	General expenses					
96100	Insurance premiums- Property	45,486	-	-	-	45,486
96120	Liability Insurance	22,743	-	-	-	22,743
96130	Workmen's Compensation	22,743	-	-	-	22,743
96200	Other general expenses	57,646	-	-	-	57,646
96210	Compensated absences	-	-	-	-	-
96300	Payments in lieu of taxes	58,900	-	-	-	58,900
96400	Bad debt - tenant rents	-	-	-	-	-
96500	Bad debt- mortgages	-	-	-	-	-
96600	Bad debt - other	-	-	-	-	-
96700	Interest expense	-	-	-	-	-
96710	Amortization of bond issue costs	-	-	-	-	-
96800	Severance expense	-	-	-	-	-
	Total general expenses	207,518	-	-	-	207,518
96900	TOTAL OPERATING EXPENSES	1,462,999	-	226	69,648	1,532,873
97000	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	365,683	244,937	(226)	5,269	615,663
97100	Extraordinary maintenance	-	-	-	-	-
97200	Casualty losses - non capitalized	-	-	-	-	-
97300	Housing assistance payments	-	-	-	-	-
97350	HAP Portability - in	-	-	-	-	-
97400	Depreciation expense	547,882	-	-	-	547,882
97500	Fraud losses	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-
90000	TOTAL EXPENSES	2,010,881	-	226	69,648	2,080,755

Summit Housing Authority (NJ017)						
Summit, NJ						
Financial Data Schedule (FDS)						
December 31, 2016						
Line Item #	Account Description	OPERATING	CAPITAL	BLENDED COMPONENT UNITS	STATE & LOCAL	TOTAL
OTHER FINANCING SOURCES (USES)						
10010	Operating transfers in	244,937	-	-	-	244,937
10020	Operating transfers out	-	(244,937)	-	-	(244,937)
10030	Operating transfers from/to primary government	-	-	-	-	-
10040	Operating transfers from/to component unit	-	-	-	-	-
10070	Extraordinary items, net gain/loss	-	-	-	-	-
10080	Special items (net gain/loss)	-	-	-	-	-
10091	Inter Project excess cash transfer in	-	-	-	-	-
10092	Inter Project excess cash transfer out	-	-	-	-	-
10093	Transfers between program and project in	-	-	-	-	-
10094	Transfers between program and project out	-	-	-	-	-
10100	TOTAL OTHER FINANCING SOURCES (USES)	244,937	(244,937)	-	-	-
10000	EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	62,738	-	(226)	5,269	67,781
MEMO ACCOUNT INFORMATION:						
11020	Required annual debt principal payments	-	-	-	-	-
11030	Beginning equity	6,599,792	-	83,502	49,254	6,732,548
11040	Prior period adjustments and equity transfers	-	-	-	-	-
11170	Administrative fee equity	-	-	-	-	-
11180	Housing assistance payments equity	-	-	-	-	-
11190	Unit months available	2,340	-	-	-	2,340
11210	Number of unit months leased	2,330	-	-	-	2,330
Equity Roll Forward Test:						
	Calculation from R/E Statement	\$ 6,662,530	\$ -	\$ 83,276	\$ 54,523	\$ 6,800,329
	B/S Line 513	\$ 6,662,530	\$ -	\$ 83,276	\$ 54,523	\$ 6,800,329
		\$ -	\$ -	\$ -	\$ -	\$ -