

**HOUSING AUTHORITY OF THE BOROUGH OF  
COLLINGSWOOD**

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**REPORT ON AUDIT OF FINANCIAL STATEMENTS AND SUPPLEMENTAL  
DATA**

**YEAR ENDED MARCH 31, 2024**

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD  
TABLE OF CONTENTS  
AS OF MARCH 31, 2024**

|   |          |
|---|----------|
| <b>INDEPENDENT AUDITOR'S REPORT</b>   | <b>1</b> |
| <b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>   | <b>4</b> |
| <b>FINANCIAL SECTION</b>  |          |
| STATEMENTS OF NET POSITION  | 8        |
| STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  | 9        |
| STATEMENTS OF CASH FLOWS  | 10       |
| NOTES TO FINANCIAL STATEMENTS   | 12       |
| <b>REQUIRED SUPPLEMENTARY INFORMATION</b>   |          |
| SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  | 24       |
| SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS   | 25       |
| <b>OTHER SUPPLEMENTARY INFORMATION</b>  |          |
| COMBINING STATEMENT OF NET POSITION   | 26       |
| COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION   | 27       |
| FINANCIAL DATA SCHEDULE   | 28       |
| SCHEDULE OF MODERNIZATION CERTIFICATIONS  | 38       |
| <b>OTHER REPORTS SECTION</b>  |          |
| 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 <i>GOVERNMENT AUDITING STANDARDS</i> | 39       |
| SCHEDULE OF FINDINGS OF NONCOMPLIANCE   | 41       |

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**March 31, 2024**

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As management of the Housing Authority of the Borough of Collingswood 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 March 31, 2024. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 8.

**FINANCIAL HIGHLIGHTS**

**2024**

- The assets of the Authority exceeded its liabilities at the close of the fiscal year by \$1,925,710 (net position)
- The Authority's unrestricted cash balance at March 31, 2024 was \$380,701 representing an increase of \$149,520 from March 31, 2023.
- The Authority had intergovernmental revenues of \$ 441,447 HUD operating grants for the year ended March 31, 2024.

**2023**

- The assets of the Authority exceeded its liabilities at the close of the fiscal year by \$1,787,131(net position)
- The Authority's unrestricted cash balance at March 31, 2023 was \$231,181 representing a decrease of \$230,127 from March 31, 2022.
- The Authority had intergovernmental revenues of \$ 420,188 HUD operating grants for the year ended March 31, 2023.

## 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 Collingswood Housing Authority, assets exceed liabilities by \$1.92 million at the close of the most recent fiscal year. The following table shows a summary of changes from the prior years

|                                     | <u>2024</u>      | <u>2023</u>      | <u>2022</u>      |
|-------------------------------------|------------------|------------------|------------------|
| Current and Other Assets            | 1,443,322        | 798,639          | 824,083          |
| Capital Assets, net of depreciation | 1,408,577        | 1,379,185        | 1,296,674        |
| Total Assets                        | <u>2,851,899</u> | <u>2,177,824</u> | <u>2,120,757</u> |
| Deferred Outflows of Resources      | 8,142            | 21,884           | 9,983            |
| Current Liabilities                 | 199,813          | 83,279           | 95,869           |
| Noncurrnt Liabilities               | 220,572          | 284,834          | 220,459          |
| Total Liabilities                   | <u>420,385</u>   | <u>368,113</u>   | <u>316,328</u>   |
| Deferred Inflows of Resources       | 513,946          | 44,464           | 138,138          |
| Net Investment in Capital Assets    | 1,408,577        | 1,379,185        | 1,296,674        |
| Unrestricted                        | 517,133          | 407,946          | 379,600          |
| Net Position                        | <u>1,925,710</u> | <u>1,787,131</u> | <u>1,676,274</u> |

## 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 2024, 2023 and 2022

|                            | <u>2024</u>      | <u>2023</u>      | <u>2022</u>      |
|----------------------------|------------------|------------------|------------------|
| LAND                       | 309,977          | 309,977          | \$ 309,977       |
| BUILDINGS AND IMPROVEMENTS | 6,476,437        | 6,441,831        | 6,231,936        |
| EQUIPMENT                  | 126,834          | 126,834          | 126,834          |
| CONSTRUCTION IN PROGRESS   | 126,403          |                  | -                |
| TOTAL CAPITAL ASSETS       | <u>7,039,651</u> | <u>6,878,642</u> | <u>6,668,747</u> |
| ACCUMULATED DEPRECIATION   | <u>5,631,074</u> | <u>5,499,457</u> | <u>5,372,073</u> |
| NET CAPITAL ASSETS         | <u>1,408,577</u> | <u>1,379,185</u> | <u>1,296,674</u> |

### **Debt**

At the end of March31, 2024 the Authority had no outstanding debt.

**Statement of Activities.** The Statement of Activities shows the sources of CHA's changes in net position as they arise through its various programs and functions. A condensed Statement of Activities comparing fiscal year 2024, 2023 and 2022.

|                             | <u>2023</u>       | <u>2023</u>       | <u>2022</u>       |
|-----------------------------|-------------------|-------------------|-------------------|
| Tenant Rental Revenue       | \$ 518,656        | \$ 471,806        | \$ 458,674        |
| Government Operating Grants | 441,447           | 420,188           | 454,540           |
| Other Revenue               | 60,696            | 102,266           | 77,582            |
| Total Operating Revenue     | <u>1,020,799</u>  | <u>994,260</u>    | <u>990,796</u>    |
| Operating Expenses          |                   |                   |                   |
| Administrative              | 216,066           | 241,223           | 180,277           |
| Tenant Services             | 30,243            | 28,629            | 9,237             |
| Utiltites                   | 177,719           | 179,310           | 188,318           |
| Maintenance                 | 268,548           | 235,786           | 286,554           |
| Insurance Expense           | 42,495            | 41,128            | 29,746            |
| General expenses            | 35,140            | 34,451            | 27,572            |
| Depreciation                | 131,617           | 127,384           | 117,403           |
|                             |                   |                   | -                 |
| Total Operating expenses    | <u>901,828</u>    | <u>887,911</u>    | <u>839,107</u>    |
| Net Operating Income (loss) | 118,971           | 106,349           | 151,689           |
| Non Operating Revenue       |                   |                   |                   |
| Net Investment Income       | 19,608            | 4,508             | 2,373             |
|                             |                   |                   | -                 |
| Total NonOperating revenue  | <u>19,608</u>     | <u>4,508</u>      | <u>2,373</u>      |
| CHANGE IN NET POSITION      | <u>\$ 138,579</u> | <u>\$ 110,857</u> | <u>\$ 154,062</u> |

## **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”). The Authority also generated over \$500 thousand in tenant revenue which helped offset the Authority administrative expenses.

### **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 Collingswood, New Jersey, 30 Washington Avenue, Collingswood, New Jersey 08108, or call (856)854-1077.

*FRANCIS J McCONNELL*  
CERTIFIED PUBLIC ACCOUNTANT

Member of American and Pennsylvania  
Institutes of Certified Public Accountants

6225 Rising Sun Avenue  
Philadelphia, PA 19111  
Voice: 215-742-3428

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Housing Authority of the Borough of Collingswood  
Collingswood, New Jersey

**Opinions**

I have audited the accompanying financial statements of the Housing Authority of the Borough of Collingswood (the Authority) as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority, as of March 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am required to be independent of the Housing Authority of the Borough of Collingswood, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

**Responsibilities of Management for the Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, I:

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

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***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, Schedule of the authority's contributions 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 my 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 Collingswood 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 other supplementary Information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements.

The combining statement of net position, activities and changes in net position, Financial Data Schedule 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 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 November 4, 2024 on my consideration of the Collingswood 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 Collingswood Housing Authority's internal control over financial reporting and compliance.

*Francis McConnell*

Francis J. McConnell  
Certified Public Accountant

November 4, 2024

**FINANCIAL SECTION**

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**STATEMENT OF NET POSITION**  
**MARCH 31, 2024**

**ASSETS and DEFERRED OUTFLOWS**

**ASSETS**

Current Assets

|                                      |            |
|--------------------------------------|------------|
| Cash and cash equivalents            | \$ 380,701 |
| Restricted cash and cash equivalents | 43,683     |
| Investments                          | 512,619    |
| Lease Receivable                     | 452,969    |
| Other current assets                 | 53,350     |

Total Current Assets 1,443,322

Noncurrent assets

|                                     |                  |
|-------------------------------------|------------------|
| Capital assets, net of depreciation | <u>1,408,577</u> |
|-------------------------------------|------------------|

Total Noncurrent Assets 1,408,577

Deferred Outflow of Resources - Pensions

|                                      |              |
|--------------------------------------|--------------|
| Total Deferred Outflows of resources | <u>8,142</u> |
|--------------------------------------|--------------|

Total Assets and Deferred Outflow of Resources 2,860,041

**LIABILITIES, DEFERRED INFLOWS and NET POSITION**

**LIABILITIES:**

Current Liabilities

|  |                |
|--|----------------|
| Accounts Payable                       | 104,764        |
| Accounts payable - Other Government    | 34,779         |
| Trusts and deposits                    | 43,683         |
| Deferred credits and other liabilities | 16,587         |
| Total Current Liabilities              | <u>199,813</u> |

Noncurrent liabilities

|                 |                |
|-----------------|----------------|
| Accrued Pension | <u>220,572</u> |
|-----------------|----------------|

Total Noncurrent Liabilities 220,572

Total Liabilities 420,385

Deferred Inflow of Resources - Pensions

Deferred Inflow of Resources - Leases 450,874

|                                     |                |
|-------------------------------------|----------------|
| Total Deferred Inflows of Resources | <u>513,946</u> |
|-------------------------------------|----------------|

**NET POSITION**

Net Investments in capital assets 1,408,577

Unrestricted net assets 517,133

Total net position 1,925,710

Total Liabilities, Deferred Inflow of Resources, and Net Position \$ 2,860,041

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**YEAR ENDED MARCH 31, 2024**

|   |              |
|---|--------------|
| <b>OPERATING REVENUES</b>                   |              |
| Tenant Revenue                              | \$ 518,656   |
| Operating grants                            | 441,447      |
| Other Income                                | 60,696       |
| Total operating revenues                    | 1,020,799    |
| <br><b>OPERATING EXPENSES</b>               |              |
| Administrative                              | 216,066      |
| Tenant services                             | 30,243       |
| Utilities                                   | 177,719      |
| Maintenance                                 | 268,548      |
| General                                     | 35,140       |
| Insurance expenses                          | 42,495       |
| Depreciation Expense                        | 131,617      |
| Total Operating Expenses                    | 901,828      |
| NET OPERATING INCOME                        | 118,971      |
| <br><b>NONOPERATING REVENUES (EXPENSES)</b> |              |
| Investment Income                           | 19,608       |
| Total nonoperating revenues                 | 19,608       |
| Change in net position                      | 138,579      |
| Total net position - beginning              | 1,787,131    |
| Total net position - ending                 | \$ 1,925,710 |

The accompanying notes are an integral part of this statement

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED MARCH 31, 2024**

**CASH FLOWS FROM OPERATING ACTIVITIES**

|   |                |
|---|----------------|
| Hud operating subsidies                             | \$ 441,447     |
| Receipts from residents and others                  | 518,656        |
| Other revenue received                              | 60,696         |
| Payments to suppliers                               | (559,457)      |
| Payments to and on behalf of employees              | (261,146)      |
|   | <u>200,196</u> |
| Net cash provided by (used) in operating activities | <u>200,196</u> |

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

|   |                 |
|---|-----------------|
| Capital grants received                                     | -               |
| Acquisition of capital assets                               | (66,106)        |
|   | <u>(66,106)</u> |
| Net cash (used) in capital and related financing activities | <u>(66,106)</u> |

**CASH FLOWS FROM INVESTING ACTIVITIES**

|   |               |
|---|---------------|
| Investment Income                         | <u>19,608</u> |
|   | <u>19,608</u> |
| Net cash provided by investing activities | <u>19,608</u> |

**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** 153,698

**CASH AND CASH EQUIVALENTS, APRIL 1** 270,686

**CASH AND CASH EQUIVALENTS, MARCH 31** \$ 424,384

**MARCH 31, CASH AND CASH EQUIVALENTS**

|                                   |                   |
|-----------------------------------|-------------------|
| Unrestricted                      | \$ 380,701        |
| Restricted                        | 43,683            |
|                                   | <u>424,384</u>    |
| Total Unrestricted and Restricted | <u>\$ 424,384</u> |

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED MARCH 31, 2024**

**RECONCILIATION OF OPERATING INCOME TO  
NET CASH PROVIDED BY OPERATING ACTIVITIES**

|  |  |                |
|--|--|----------------|
| <b>Net Operating Income</b>                                    |  | \$ 118,971     |
| <b>Add back non-cash Items:</b>                                |  |                |
| Depreciation expense   |  | 131,617        |
| Bad Debts  |  | 361            |
| Pension Credit   |  | (145,697)      |
| <b>Decrease (Increase) in Assets/Deferred outflows/inflows</b> |  |                |
| Prepaid Expenses   |  | (21,590)       |
|  |  | 83,662         |
| <b>Increase (Decrease) in Liabilities</b>                      |  |                |
| Accounts Payable and Accrued Expenses                          |  | 116,534        |
| other Liabilities and deferred credits                         |  | -              |
|  |  | 116,534        |
| <br><b>Net Cash provided by operating activities</b>           |  | <br>\$ 200,196 |

The accompanying notes are an integral part of this statement

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2024**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Organization and Program Description**

The Housing Authority of the Borough of Collingswood, 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 Collingswood, New Jersey. All units are owned and operated by the Housing Authority. The operations of the program are subsidized by HUD through an Annual Contributions Contract. Operating subsidy contributions for the year ended March 31, 2024 was \$249,685 and is included in operating subsidies in the combined statement of revenues, expenses and changes in net position.

**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.

**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 Collingswood Housing Authority.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2024**

**C - Basis of Accounting**

The Authority 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 the Authority has decided that determination of revenue earned, costs incurred and net revenue over expense 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 – 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 related 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 (revenue and capital contributions) and decreases (expenses) in total net position.

*New Accounting Standards Adopted:*

GASB Statement No. 96, Subscription-Based Information Technology Arrangements, is effective for the year ending June 30, 2023. This statement provides guidance on accounting for Subscription-Based Information Technology Arrangements (SBITA) where the government contracts for the right to use another party’s software.

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.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2024**

**E – 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.

**F – Investments**

Investments consist of Certificates of Deposit with maturity dates in excess of three months.

**G – Capital Assets**

Capital assets include land, structures and equipment recorded at cost and are 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.

| <u>Category</u>         | <u>Useful lives (in Years)</u> |
|-------------------------|--------------------------------|
| Buildings               | 40 years                       |
| Building Improvements   | 15 years                       |
| Furniture and Equipment | 3 - 20 years                   |
| Machinery               | 3 - 20 years                   |

Long-lived assets are reviewed annually for impairment under the provisions and in accordance with GASB No. 42, *“Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries.”*

**H – Accrued Compensated absences**

In accordance with the Authority’s personnel policy, employees can accumulate sick leave with a maximum accumulation of 30 days. Unused sick days are not paid upon termination. Vacation time must be used in the year provided with no carryover to the next year, therefore, there is no accrual for compensated absences.

**I – Post Employment Benefits**

The Authority does not provide its employees with any health or post-employment benefits, therefore there is no accrual for other post employment benefits.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2024**

**J – Equity Classifications**

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

Net Investment in Capital Assets – 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.

Unrestricted Net Position – all other net amounts of assets that do not meet the definition of “restricted” or “net investment in capital assets”.

**K – 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.

**L - 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.

**M - Income Taxes**

The Authority is a New Jersey municipal authority and, as such, is exempt from income taxes and other state and local taxes. The Authority 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.

**N- 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.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2024**

**O – Economic Dependency**

The Low Rent Housing Program of the Authority is economically dependent on operating grants and subsidies from HUD.

**NOTE 2 – CASH AND INVESTMENTS**

HUD requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC/FSLIC 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 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.

It is the Authority’s policy to maintain collateralization in accordance with the requirements of HUD. Authority cash and investment balances are covered by the Federal Deposit Insurance Corporation up to \$250,000 with the balance being covered by the Governmental Unit Deposit Protection act of the State of New Jersey.

As of March 31, 2024, cash and investment balances consist of the following:

|  |            |
|--|------------|
| Operating Accounts   | 380,501    |
| Escrow Accounts  | 43,683     |
| Other  | 200        |
|  | -          |
|  | 424,384    |
|  | -          |
|  | 424,384    |
| Certificates of Deposit                                    | \$ 512,619 |
| Bank Balances  | \$ 949,343 |
| <u>Reconciliation of detail to statement of net assets</u> |            |
| Cash - unrestricted  | 380,701    |
| Cash - restricted  | 3,683      |
|  | \$ 384,384 |
| Investments  | \$ 512,619 |

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2024**

**NOTE 3 – CAPITALASSETS**

Changes in capital assets for 2024 consisted of:

|  | 2023        | additions | disposals | transfers | 2024        |
|--|-------------|-----------|-----------|-----------|-------------|
| <u>Non-depreciable capital assets:</u> |             |           |           |           |             |
| Land                                   | 309,977     | -         | -         |           | 309,977     |
| Construction in Progress               | -           | 126,403   |           | -         | 126,403     |
|  | 309,977     | -         |           | -         | 436,380     |
| <u>Depreciable capital assets:</u>     |             |           |           |           |             |
| Buildings and Improvements             | 6,441,831   | 34,606    | -         | -         | 6,476,437   |
| Equipment - Admin & Dwelling           | 126,834     | -         | -         |           | 126,834     |
| Totals                                 | 6,568,665   | 34,606    | -         | -         | 6,603,271   |
| Total capital assets                   | 6,878,642   | 34,606    |           |           | 7,039,651   |
| Accumulated Depreciation:              | (5,499,457) | (131,617) | -         |           | (5,631,074) |
| Net Capital Assets                     | 1,379,185   | (97,011)  | -         | -         | 1,408,577   |

**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.

**NOTE 5 – LEASE RECEIVABLE**

The Authority entered into a lease agreement (the "antenna lease") as a lessor. The term of the antenna lease was for five years, with an option to have five additional five year terms. The commencement date of the antenna lease was in 2019, terminating on in 2049. An initial lease receivable was recorded in the amount of \$479,054. As of March 31, 2024, the value of the lease receivable was \$452,969. At commencement of the antenna lease, base rent in the amount of \$3,336 was due on the first of each month. The implicit interest rate on the antenna lease was 3%. The value of the deferred inflows of resources as of March 31, 2024 was \$450,874. For the year ended March 31, 2024, the Authority recognized lease revenue and interest income on the antenna lease in the amounts of \$24,261 and \$15,839, respectively.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2024**

**NOTE 5 – LEASE RECEIVABLE - continued**

Annual lease payments for principal and interest for the next five years and in five year increments thereafter is as follows:

|            | principal | Interest | Total   |
|------------|-----------|----------|---------|
| 2025       | 26,883    | 13,221   | 40,104  |
| 2026       | 27,700    | 12,404   | 40,104  |
| 2027       | 28,543    | 11,561   | 40,104  |
| 2028       | 29,411    | 10,693   | 40,104  |
| 2029       | 30,306    | 9,798    | 40,104  |
| Thereafter | 310,126   | 43,166   | 353,292 |
|            | 452,969   | 100,843  | 553,812 |

**NOTE 6 – PAYABLE TO OTHER GOVERNMENT AGENCIES – (PILOT)**

The Authority is required to make a payment in lieu of taxes (PILOT) for the PHA Owned Program in accordance with the provisions of its cooperation agreement with the Borough of Collingswood, New Jersey. Under the cooperation agreements, the Authority must pay the lesser of 10% of its net shelter rent or the appropriate full real property taxes. During the fiscal year ended March 31, 2024 PILOT expense was accrued in the amounts of \$34,779 . Shown on statement of net position as payable to other government.

**NOTE 7 – Deferred Outflows/Inflows of Resources** – 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 an unamortized portion of the net difference between projected and actual earnings on pension plan investments.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2024**

**NOTE 8 – PENSION PLAN**

**Description of Plan**

The Authority participates in the Public Employees Retirement System (PERS), a cost-sharing multiple employers 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 service, 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 Authority's total contributions to PERS for the year ended were \$20,353.

**Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** – on March 31, 2024, the Authority reported a liability of \$ 220,572 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, 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. On June 30, 2023, the authority's collective proportion percentage was ...0018475258

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2024**

**NOTE 8 – PENSION PLAN - continued**

For the year ended the authority recognized pension (benefits) of (\$ 11,560). On March 31, 2024, the authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  |       | 3/31/2024            |                     |
|--|-------|----------------------|---------------------|
|  |       | Deferred<br>Outflows | Deferred<br>Inflows |
| Changes in assumptions   |       | \$ 485               | \$ 48,802           |
| Changes in proportions   |       | 1,016                | -                   |
| Net differences between projected and actual investment earnings on Pension plan investments       |       | -                    | -                   |
| Differences between expected and actual Authority contributions subsequent to the measurement date |       | 4,532                | 13,368              |
|  |       | 2,109                | 902                 |
|  |       | -                    | -                   |
|  | Total | \$ 8,142             | \$ 63,072           |

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

| Year<br>Ended<br>31-Mar | Total       |
|-------------------------|-------------|
| 2025                    | (10,986)    |
| 2026                    | (10,986)    |
| 2027                    | (10,986)    |
| 2028                    | (10,986)    |
| 2029                    | (10,986)    |
|                         | \$ (54,930) |

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED MARCH 31, 2024**

**NOTE 8 – PENSION PLAN – continued**

Actuarial assumptions – the total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                            |                           |
|----------------------------|---------------------------|
| Rate of inflation: price   | 2.75%                     |
| Wage                       | 3.25%                     |
| Rates of salary increases: |                           |
| through 2026               | 2.00 – 6.00%              |
|                            | based on years of service |
| Thereafter                 | 3.00 – 7.00%              |
|                            | based on years of service |
| Investment rate of return  | 7.00%                     |

Mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality tables with an 82.2% adjustment for males and 101.4% adjustment for females., as appropriate, with adjustments for mortality improvements based on Scale AA.

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00%on June 30, 2021) 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2024**

**NOTE 8 – PENSION PLAN – continued**

Best estimates of arithmetic rates of return for each major class included in PERS’s target asset allocation as of June 30, 2023, are summarized in the following table.

| <b>Asset Class</b>              | <b>Target Allocation</b> | <b>Expected Real Rate of Return</b> |
|---------------------------------|--------------------------|-------------------------------------|
| US Equity                       | 27.00%                   | 8.09%                               |
| Non-US developed markets equity | 13.50%                   | 8.71%                               |
| Emerging Markets equity         | 5.50%                    | 10.96%                              |
| Private Equity                  | 13.00%                   | 11.30%                              |
| Real Estate                     | 8.00%                    | 9.15%                               |
| Real assets                     | 3.00%                    | 7.40%                               |
| High Yield                      | 2.00%                    | 3.75%                               |
| Private credit                  | 8.00%                    | 7.60%                               |
| Investment grade credit         | 8.00%                    | 1.68%                               |
| Cash Equivalents                | 4.00%                    | 0.50%                               |
| U.S. Treasuries                 | 5.00%                    | 0.95%                               |
| Risk Mitigation Strategies      | 3.00%                    | 3.35%                               |

Discount Rate - the discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 3.50% as of June 30, 2020, 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 2046. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, 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.pers.nj.gov](http://www.pers.nj.gov).

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2024**

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 7.00 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 (6.006 percent) or 1-percentage point higher (8.00 percent) than the current rate,

|                                    | 1% Decrease | Discount Rate | 1% Increase |
|------------------------------------|-------------|---------------|-------------|
| Authority's proportionate share of |             |               |             |
| the net pension liability          | 303,420     | 220,572       | 154,398     |

**NOTE 9 – Defined Contribution Plan**

The Authority also participates in the “New Jersey Defined Contribution Retirement Plan” which is a Money Purchase Plan. Under the plan 5.5% of an employee’s annual base salary is automatically contributed, The State of New Jersey contributes an amount equal to three percent of employees base salary. This plan is administered by Prudential Insurance Co. The Authority’s contributions to the plan for the years ended March 31, 2024, 2023 and 2022 were \$ 1,350, \$1,275 and \$1,260, respectively.

**NOTE 10 – SUBSEQUENT EVENTS**

In preparing these financial statements, the Housing Authority has evaluated events and transactions for potential recognition or disclosure through November 4, 2024. the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY  
SCHEDULE OF AUTHORITY'S CONTRIBUTIONS  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
YEAR ENDED MARCH 31, 2024

|  | 2024    | 2023    | 2022    | 2021    | 2020    | 2019    | 2018    | 2017    | 2016    |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Statutorily required contributions                                     | 20,353  | 23,801  | 21,794  | 20,211  | 17,942  | 18,203  | 16,846  | 15,951  | 10,213  |
| Contributions in relation to the<br>statutorily required contributions | 20,353  | 23,801  | 21,794  | 20,211  | 17,942  | 18,203  | 16,846  | 15,951  | 10,213  |
| Contributions deficiency (excess)                                      | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Authority's covered-employee payroll                                   | 138,500 | 138,500 | 137,752 | 134,368 | 132,405 | 150,233 | 128,508 | 125,984 | 123,520 |
| Contributions as a percentage of<br>covered-employee payroll           | 14.70%  | 17.18%  | 15.82%  | 15.04%  | 13.55%  | 12.12%  | 13.11%  | 12.66%  | 8.27%   |

See accompanying independent auditor's report

HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY  
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
YEAR ENDED MARCH 31, 2024

|  | 2024          | 2023          | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Authority's proportions of the net pension liability (asset)   | 0.0018609596% | 0.0018609596% | 0.0018609596% | 0.0018475258% | 0.0018445461% | 0.0018300415% | 0.0018184503% | 0.0017955039% | 0.0011879286% |
| Authority's proportionate share of the net pension liability   | \$ 220,572    | \$ 284,834    | \$ 220,459    | \$ 301,283    | \$ 332,359    | \$ 360,326    | \$ 423,306    | \$ 531,777    | \$ 266,666    |
| Authority's covered-employee payroll   | \$ 138,500    | \$ 138,500    | \$ 137,752    | \$ 134,368    | \$ 132,405    | \$ 150,233    | \$ 128,508    | \$ 125,984    | \$ 123,520    |
| Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 159.26%       | 205.66%       | 160.04%       | 224.22%       | 251.02%       | 239.84%       | 329.40%       | 422.10%       | 215.89%       |
| Plan fiduciary net position as a percentage of the total pension liability                                   | 53.60%        | 53.60%        | 53.60%        | 53.60%        | 53.60%        | 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.

See accompanying independent auditor's report

**OTHER SUPPLEMENTARY INFORMATION**

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY**  
**COMBINING STATEMENT OF NET POSITION**  
**AS OF MARCH 31, 2024**

|  | Low Rent<br>Housing | Capital fund<br>Program | Totals           |
|--|---------------------|-------------------------|------------------|
| <b>ASSETS</b>  |                     |                         |                  |
| Current Assets   |                     |                         |                  |
| Cash   | 380,701             | -                       | 380,701          |
| Restricted cash and investments  | 43,683              | -                       | 43,683           |
| Investments  | 512,619             | -                       | 512,619          |
| Lease Receivable   | 452,969             | -                       | 452,969          |
| Other assets   | 53,350              | -                       | 53,350           |
| Total Current assets   | <u>1,443,322</u>    | <u>-</u>                | <u>1,443,322</u> |
| <b>NONCURRENT ASSETS</b>   |                     |                         |                  |
| Capital assets, net of depreciation                                      | 1,408,577           | -                       | 1,408,577        |
| Total noncurrent assets  | <u>1,408,577</u>    | <u>-</u>                | <u>1,408,577</u> |
| Deferred Outflows of Resources   | 8,142               | -                       | 8,142            |
| <b>TOTAL ASSETS and DEFERRED OUTFLOWS OF RESOURCES</b>                   | <u>2,860,041</u>    | <u>-</u>                | <u>2,860,041</u> |
| <b>LIABILITIES AND NET POSITION</b>                                      |                     |                         |                  |
| Current Liabilities  |                     |                         |                  |
| Accounts payable   | 93,532              | -                       | 93,532           |
| Accrued Liabilities  | 11,232              | -                       | 11,232           |
| Accounts Payable - other government                                      | 34,779              | -                       | 34,779           |
| Tenant security deposits   | 43,683              | -                       | 43,683           |
| Deferred credits and other liabilities                                   | 16,587              | -                       | 16,587           |
| Total current liabilities  | <u>199,813</u>      | <u>-</u>                | <u>199,813</u>   |
| <b>NONCURRENT LIABILITIES</b>  |                     |                         |                  |
| Accrued pension  | 220,572             | -                       | 220,572          |
| Total noncurrent liabilities   | <u>220,572</u>      | <u>-</u>                | <u>220,572</u>   |
| <b>TOTAL LIABILITIES</b>   | <u>420,385</u>      | <u>-</u>                | <u>420,385</u>   |
| Deferred Inflows of Resources - Pensions                                 | 63,072              | -                       | 63,072           |
| Deferred Inflows of Resources - Leases                                   | 450,874             | -                       | 450,874          |
| <b>NET POSITION</b>  |                     |                         |                  |
| Net Investment in capital assets   | 1,408,577           | -                       | 1,408,577        |
| Unrestricted net position  | 517,133             | -                       | 517,133          |
| <b>TOTAL NET POSITION</b>  | <u>1,925,710</u>    | <u>-</u>                | <u>1,925,710</u> |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b> | <u>2,860,041</u>    | <u>-</u>                | <u>2,860,041</u> |

**Housing Authority of the Borough of Collingswood, New Jersey**  
**Combining Statement of Revenues, Expenses and changes in Net Position**  
**For the year ended March 31, 2024**

|  | <u>Low Rent<br/>Housing</u> | <u>Capital Fund<br/>Program</u> | <u>Totals</u>           |
|--|-----------------------------|---------------------------------|-------------------------|
| Operating revenue                      |                             |                                 |                         |
| Total Tenant Revenue                   | 518,656                     | -                               | 518,656                 |
| Operating subsidies                    | 249,685                     | 191,762                         | 441,447                 |
| other revenue                          | 60,696                      | -                               | 60,696                  |
| Total operating revenue                | <u>829,037</u>              | <u>191,762</u>                  | <u>1,020,799</u>        |
| Operating Expenses                     |                             |                                 |                         |
| Administrative expenses                | 216,066                     | -                               | 216,066                 |
| Tenant services                        | 30,243                      | -                               | 30,243                  |
| Utilities                              | 177,719                     | -                               | 177,719                 |
| Maintenance                            | 268,548                     | -                               | 268,548                 |
| General                                | 35,140                      | -                               | 35,140                  |
| Insurance Expense                      | 42,495                      | -                               | 42,495                  |
| Depreciation expense                   | 131,617                     | -                               | 131,617                 |
| Total operating expenses               | <u>901,828</u>              | <u>-</u>                        | <u>901,828</u>          |
| Operating income (loss)                | <u>(72,791)</u>             | <u>191,762</u>                  | <u>118,971</u>          |
| Nonoperating revenue (expenses)        |                             |                                 |                         |
| Investment Income                      | 19,608                      | -                               | 19,608                  |
| Net nonoperating revenue               | <u>19,608</u>               | <u>-</u>                        | <u>19,608</u>           |
| Income (Loss) before capital subsidies | (53,183)                    | 191,762                         | 138,579                 |
| Capital subsidies                      | -                           | -                               | -                       |
| Change in net assets                   | <u>(53,183)</u>             | <u>191,762</u>                  | <u>138,579</u>          |
| Total net assets at beginning of year  | 1,787,131                   | -                               | 1,787,131               |
| Capital contributions/transfers        | 191,762                     | (191,762)                       | -                       |
| Total net position at end of year      | <u><u>1,925,710</u></u>     | <u><u>-</u></u>                 | <u><u>1,925,710</u></u> |

Collingswood Housing Authority (NJ079)  
 COLLINGSWOOD, NJ  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2024

|  | Project Total | Subtotal  | Total     |
|--|---------------|-----------|-----------|
| 111 Cash - Unrestricted  | \$380,701     | \$380,701 | \$380,701 |
| 112 Cash - Restricted - Modernization and Development          |               |           |           |
| 113 Cash - Other Restricted                                    | \$43,683      | \$43,683  | \$43,683  |
| 114 Cash - Tenant Security Deposits                            |               |           |           |
| 115 Cash - Restricted for Payment of Current Liabilities       | \$424,384     | \$424,384 | \$424,384 |
| 100 Total Cash   |               |           |           |
| 121 Accounts Receivable - PHA Projects                         |               |           |           |
| 122 Accounts Receivable - HUD Other Projects                   |               |           |           |
| 124 Accounts Receivable - Other Government                     |               |           |           |
| 125 Accounts Receivable - Miscellaneous                        | \$452,969     | \$452,969 | \$452,969 |
| 126 Accounts Receivable - Tenants                              |               |           |           |
| 126.1 Allowance for Doubtful Accounts - Tenants                |               |           |           |
| 126.2 Allowance for Doubtful Accounts - Other                  | \$0           | \$0       | \$0       |
| 127 Notes, Loans, & Mortgages Receivable - Current             |               |           |           |
| 128 Fraud Recovery   |               |           |           |
| 128.1 Allowance for Doubtful Accounts - Fraud                  |               |           |           |
| 129 Accrued Interest Receivable                                |               |           |           |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | \$452,969     | \$452,969 | \$452,969 |
| 131 Investments - Unrestricted                                 | \$512,619     | \$512,619 | \$512,619 |
| 132 Investments - Restricted                                   |               |           |           |
| 135 Investments - Restricted for Payment of Current Liability  |               |           |           |

Collingswood Housing Authority (NJ079)  
 COLLINGSWOOD, NJ  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2024

|   | Project Total | Subtotal     | Total        |
|---|---------------|--------------|--------------|
| 142 Prepaid Expenses and Other Assets                             | \$53,350      | \$53,350     | \$53,350     |
| 143 Inventories   |               |              |              |
| 143.1 Allowance for Obsolete Inventories                          |               |              |              |
| 144 Inter Program Due From  |               |              |              |
| 145 Assets Held for Sale  |               |              |              |
| 150 Total Current Assets  | \$1,443,322   | \$1,443,322  | \$1,443,322  |
| 161 Land  | \$309,977     | \$309,977    | \$309,977    |
| 162 Buildings   | \$6,476,437   | \$6,476,437  | \$6,476,437  |
| 163 Furniture, Equipment & Machinery - Dwellings                  | \$26,084      | \$26,084     | \$26,084     |
| 164 Furniture, Equipment & Machinery - Administration             | \$100,750     | \$100,750    | \$100,750    |
| 165 Leasehold Improvements  |               |              |              |
| 166 Accumulated Depreciation                                      | -\$5,631,074  | -\$5,631,074 | -\$5,631,074 |
| 167 Construction in Progress                                      | \$126,403     | \$126,403    | \$126,403    |
| 168 Infrastructure  |               |              |              |
| 160 Total Capital Assets, Net of Accumulated Depreciation         | \$1,408,577   | \$1,408,577  | \$1,408,577  |
| 171 Notes, Loans and Mortgages Receivable - Non-Current           |               |              |              |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due |               |              |              |
| 173 Grants Receivable - Non Current                               |               |              |              |
| 174 Other Assets  |               |              |              |
| 176 Investments in Joint Ventures                                 |               |              |              |
| 180 Total Non-Current Assets                                      | \$1,408,577   | \$1,408,577  | \$1,408,577  |

Collingswood Housing Authority (NJ079)  
 COLLINGSWOOD, NJ  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2024

|   | Project Total | Subtotal    | Total       |
|---|---------------|-------------|-------------|
| 200 Deferred Outflow of Resources   | \$8,142       | \$8,142     | \$8,142     |
| 290 Total Assets and Deferred Outflow of Resources                        | \$2,860,041   | \$2,860,041 | \$2,860,041 |
| 311 Bank Overdraft  |               |             |             |
| 312 Accounts Payable <= 90 Days   | \$93,531      | \$93,531    | \$93,531    |
| 313 Accounts Payable >90 Days Past Due                                    |               |             |             |
| 321 Accrued Wage/Payroll Taxes Payable                                    | \$1,215       | \$1,215     | \$1,215     |
| 322 Accrued Compensated Absences - Current Portion                        |               |             |             |
| 324 Accrued Contingency Liability   |               |             |             |
| 325 Accrued Interest Payable  |               |             |             |
| 331 Accounts Payable - HUD PHA Programs                                   |               |             |             |
| 332 Account Payable - PHA Projects  |               |             |             |
| 333 Accounts Payable - Other Government                                   | \$34,779      | \$34,779    | \$34,779    |
| 341 Tenant Security Deposits  | \$43,683      | \$43,683    | \$43,683    |
| 342 Unearned Revenue  | \$4,472       | \$4,472     | \$4,472     |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue |               |             |             |
| 344 Current Portion of Long-term Debt - Operating Borrowings              |               |             |             |
| 345 Other Current Liabilities   | \$12,115      | \$12,115    | \$12,115    |
| 346 Accrued Liabilities - Other   | \$10,018      | \$10,018    | \$10,018    |
| 347 Inter Program - Due To  |               |             |             |
| 348 Loan Liability - Current  |               |             |             |

Collingswood Housing Authority (NJ079)  
 COLLINGSWOOD, NJ  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2024

|  | Project Total | Subtotal    | Total       |
|--|---------------|-------------|-------------|
| 310 Total Current Liabilities  | \$199,813     | \$199,813   | \$199,813   |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue |               |             |             |
| 352 Long-term Debt, Net of Current - Operating Borrowings              |               |             |             |
| 353 Non-current Liabilities - Other                                    |               |             |             |
| 354 Accrued Compensated Absences - Non Current                         |               |             |             |
| 355 Loan Liability - Non Current                                       |               |             |             |
| 356 FASB 5 Liabilities   |               |             |             |
| 357 Accrued Pension and OPEB Liabilities                               | \$220,572     | \$220,572   | \$220,572   |
| 350 Total Non-Current Liabilities                                      | \$220,572     | \$220,572   | \$220,572   |
| 300 Total Liabilities  | \$420,385     | \$420,385   | \$420,385   |
| 400 Deferred Inflow of Resources                                       | \$513,946     | \$513,946   | \$513,946   |
| 508.4 Net Investment in Capital Assets                                 | \$1,408,577   | \$1,408,577 | \$1,408,577 |
| 511.4 Restricted Net Position  | \$0           | \$0         | \$0         |
| 512.4 Unrestricted Net Position  | \$517,133     | \$517,133   | \$517,133   |
| 513 Total Equity - Net Assets / Position                               | \$1,925,710   | \$1,925,710 | \$1,925,710 |
| 600 Total Liabilities, Deferred Inflows of Resources and Equity - Net  | \$2,860,041   | \$2,860,041 | \$2,860,041 |

Collingswood Housing Authority (NJ079)  
 COLLINGSWOOD, NJ  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2024

|   | Project Total | Subtotal    | Total       |
|---|---------------|-------------|-------------|
| 70300 Net Tenant Rental Revenue                         | \$502,383     | \$502,383   | \$502,383   |
| 70400 Tenant Revenue - Other                            | \$16,273      | \$16,273    | \$16,273    |
| 70500 Total Tenant Revenue                              | \$518,656     | \$518,656   | \$518,656   |
| 70600 HUD PHA Operating Grants                          | \$441,447     | \$441,447   | \$441,447   |
| 70610 Capital Grants                                    |               |             |             |
| 70710 Management Fee                                    |               |             |             |
| 70720 Asset Management Fee                              |               |             |             |
| 70730 Book Keeping Fee                                  |               |             |             |
| 70740 Front Line Service Fee                            |               |             |             |
| 70750 Other Fees  |               |             |             |
| 70700 Total Fee Revenue                                 |               |             |             |
| 70800 Other Government Grants                           |               |             |             |
| 71100 Investment Income - Unrestricted                  | \$19,608      | \$19,608    | \$19,608    |
| 71200 Mortgage Interest Income                          |               |             |             |
| 71300 Proceeds from Disposition of Assets Held for Sale |               |             |             |
| 71310 Cost of Sale of Assets                            |               |             |             |
| 71400 Fraud Recovery                                    |               |             |             |
| 71500 Other Revenue                                     | \$60,696      | \$60,696    | \$60,696    |
| 71600 Gain or Loss on Sale of Capital Assets            |               |             |             |
| 72000 Investment Income - Restricted                    |               |             |             |
| 70000 Total Revenue                                     | \$1,040,407   | \$1,040,407 | \$1,040,407 |

**Collingswood Housing Authority (NJ079)  
COLLINGSWOOD, NJ  
Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Non Single Audit

Fiscal Year End: 03/31/2024

|  | Project Total | Subtotal  | Total     |
|--|---------------|-----------|-----------|
| 91100 Administrative Salaries                          |               |           |           |
| 91200 Auditing Fees                                    | \$128,374     | \$128,374 | \$128,374 |
| 91300 Management Fee                                   | \$4,000       | \$4,000   | \$4,000   |
| 91310 Book-keeping Fee                                 |               |           |           |
| 91400 Advertising and Marketing                        |               |           |           |
| 91500 Employee Benefit contributions - Administrative  | \$14,420      | \$14,420  | \$14,420  |
| 91600 Office Expenses                                  | \$34,396      | \$34,396  | \$34,396  |
| 91700 Legal Expense                                    | \$15,021      | \$15,021  | \$15,021  |
| 91800 Travel   | \$3,004       | \$3,004   | \$3,004   |
| 91810 Allocated Overhead                               |               |           |           |
| 91900 Other  | \$16,850      | \$16,850  | \$16,850  |
| 91000 Total Operating - Administrative                 | \$216,065     | \$216,065 | \$216,065 |
| 92000 Asset Management Fee                             |               |           |           |
| 92100 Tenant Services - Salaries                       |               |           |           |
| 92200 Relocation Costs                                 |               |           |           |
| 92300 Employee Benefit Contributions - Tenant Services |               |           |           |
| 92400 Tenant Services - Other                          | \$30,243      | \$30,243  | \$30,243  |
| 92500 Total Tenant Services                            | \$30,243      | \$30,243  | \$30,243  |
| 93100 Water  | \$13,964      | \$13,964  | \$13,964  |
| 93200 Electricity                                      | \$70,036      | \$70,036  | \$70,036  |
| 93300 Gas  | \$21,299      | \$21,299  | \$21,299  |
| 93400 Fuel   |               |           |           |

Collingswood Housing Authority (NJ079)  
 COLLINGSWOOD, NJ  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2024

|   | Project Total | Subtotal  | Total     |
|---|---------------|-----------|-----------|
| 93500 Labor   | \$7,797       | \$7,797   | \$7,797   |
| 93600 Sewer   | \$63,936      | \$63,936  | \$63,936  |
| 93700 Employee Benefit Contributions - Utilities                | \$687         | \$687     | \$687     |
| 93800 Other Utilities Expense                                   |               |           |           |
| 93000 Total Utilities   | \$177,719     | \$177,719 | \$177,719 |
| 94100 Ordinary Maintenance and Operations - Labor               | \$70,172      | \$70,172  | \$70,172  |
| 94200 Ordinary Maintenance and Operations - Materials and Other | \$17,612      | \$17,612  | \$17,612  |
| 94300 Ordinary Maintenance and Operations Contracts             | \$149,508     | \$149,508 | \$149,508 |
| 94500 Employee Benefit Contributions - Ordinary Maintenance     | \$7,783       | \$7,783   | \$7,783   |
| 94000 Total Maintenance   | \$245,075     | \$245,075 | \$245,075 |
| 95100 Protective Services - Labor                               |               |           |           |
| 95200 Protective Services - Other Contract Costs                |               |           |           |
| 95300 Protective Services - Other                               |               |           |           |
| 95500 Employee Benefit Contributions - Protective Services      |               |           |           |
| 95000 Total Protective Services                                 | \$0           | \$0       | \$0       |
| 96110 Property Insurance  |               |           |           |
| 96120 Liability Insurance                                       |               |           |           |
| 96130 Workmen's Compensation                                    |               |           |           |
| 96140 All Other Insurance                                       | \$42,496      | \$42,496  | \$42,496  |
| 96100 Total Insurance Premiums                                  | \$42,496      | \$42,496  | \$42,496  |

Collingswood Housing Authority (NJ079)  
 COLLINGSWOOD, NJ  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2024

|   | Project Total | Subtotal  | Total     |
|---|---------------|-----------|-----------|
| 96200 Other General Expenses                              |               |           |           |
| 96210 Compensated Absences                                |               |           |           |
| 96300 Payments in Lieu of Taxes                           | \$34,779      | \$34,779  | \$34,779  |
| 96400 Bad debt - Tenant Rents                             | \$361         | \$361     | \$361     |
| 96500 Bad debt - Mortgages                                |               |           |           |
| 96600 Bad debt - Other                                    |               |           |           |
| 96800 Severance Expense                                   |               |           |           |
| 96000 Total Other General Expenses                        | \$35,140      | \$35,140  | \$35,140  |
| 96710 Interest of Mortgage (or Bonds) Payable             |               |           |           |
| 96720 Interest on Notes Payable (Short and Long Term)     |               |           |           |
| 96730 Amortization of Bond Issue Costs                    |               |           |           |
| 96700 Total Interest Expense and Amortization Cost        | \$0           | \$0       | \$0       |
| 96900 Total Operating Expenses                            | \$746,738     | \$746,738 | \$746,738 |
| 97000 Excess of Operating Revenue over Operating Expenses | \$293,669     | \$293,669 | \$293,669 |
| 97100 Extraordinary Maintenance                           |               |           |           |
| 97200 Casualty Losses - Non-capitalized                   |               |           |           |
| 97300 Housing Assistance Payments                         |               |           |           |
| 97350 HAP Portability-In                                  |               |           |           |
| 97400 Depreciation Expense                                |               |           |           |
| 97500 Fraud Losses  |               |           |           |
|   | \$23,473      | \$23,473  | \$23,473  |
|   | \$131,617     | \$131,617 | \$131,617 |

Collingswood Housing Authority (NJ079)  
 COLLINGSWOOD, NJ  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2024

|   | Project Total | Subtotal    | Total       |
|---|---------------|-------------|-------------|
| 97600 Capital Outlays - Governmental Funds                                |               |             |             |
| 97700 Debt Principal Payment - Governmental Funds                         |               |             |             |
| 97800 Dwelling Units Rent Expense   | \$901,828     | \$901,828   | \$901,828   |
| 90000 Total Expenses  |               |             |             |
| 10010 Operating Transfer In   | \$191,762     | \$191,762   | \$191,762   |
| 10020 Operating transfer Out  | -\$191,762    | -\$191,762  | -\$191,762  |
| 10030 Operating Transfers from/to Primary Government                      |               |             |             |
| 10040 Operating Transfers from/to Component Unit                          |               |             |             |
| 10050 Proceeds from Notes, Loans and Bonds                                |               |             |             |
| 10060 Proceeds from Property Sales  |               |             |             |
| 10070 Extraordinary Items, Net Gain/Loss                                  |               |             |             |
| 10080 Special Items (Net Gain/Loss)                                       |               |             |             |
| 10091 Inter Project Excess Cash Transfer In                               |               |             |             |
| 10092 Inter Project Excess Cash Transfer Out                              |               |             |             |
| 10093 Transfers between Program and Project - In                          |               |             |             |
| 10094 Transfers between Project and Program - Out                         |               |             |             |
| 10100 Total Other financing Sources (Uses)                                | \$0           | \$0         | \$0         |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses    | \$138,579     | \$138,579   | \$138,579   |
| 11020 Required Annual Debt Principal Payments                             | \$0           | \$0         | \$0         |
| 11030 Beginning Equity  | \$1,787,131   | \$1,787,131 | \$1,787,131 |
| 11040 Prior Period Adjustments, Equity Transfers and Correction of Errors |               |             |             |

Collingswood Housing Authority (NJ079)  
 COLLINGSWOOD, NJ  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit      Fiscal Year End: 03/31/2024

|   | Project Total | Subtotal    | Total       |
|---|---------------|-------------|-------------|
| 11050 Changes in Compensated Absence Balance                      |               |             |             |
| 11060 Changes in Contingent Liability Balance                     |               |             |             |
| 11070 Changes in Unrecognized Pension Transition Liability        |               |             |             |
| 11080 Changes in Special Term/Severance Benefits Liability        |               |             |             |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents |               |             |             |
| 11100 Changes in Allowance for Doubtful Accounts - Other          |               |             |             |
| 11170 Administrative Fee Equity                                   |               |             |             |
| 11180 Housing Assistance Payments Equity                          |               |             |             |
| 11190 Unit Months Available                                       | 1140          | 1140        | 1140        |
| 11210 Number of Unit Months Leased                                | 1134          | 1134        | 1134        |
| 11270 Excess Cash   | \$1,127,931   | \$1,127,931 | \$1,127,931 |
| 11610 Land Purchases  | \$0           | \$0         | \$0         |
| 11620 Building Purchases  | \$66,106      | \$66,106    | \$66,106    |
| 11630 Furniture & Equipment - Dwelling Purchases                  | \$0           | \$0         | \$0         |
| 11640 Furniture & Equipment - Administrative Purchases            | \$0           | \$0         | \$0         |
| 11650 Leasehold Improvements Purchases                            | \$0           | \$0         | \$0         |
| 11660 Infrastructure Purchases                                    | \$0           | \$0         | \$0         |
| 13510 CFFP Debt Service Payments                                  | \$0           | \$0         | \$0         |
| 13901 Replacement Housing Factor Funds                            | \$0           | \$0         | \$0         |

**HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD, NEW JERSEY  
SCHEDULE OF ACTUAL MODERNIZATION COST CERTIFICATES  
YEAR ENDED MARCH 31, 2024**

| PROGRAM/GRANT                                     | NJ39PO79501-23     |
|---|--------------------|
| BUDGET - ORIGINAL FUNDS APPROVED                  | <u>\$ 191,128</u>  |
| FUNDS DISBURSED                                   | 191,128            |
|   | -                  |
| FUNDS EXPENDED                                    | <u>\$ 191,128</u>  |
|   | -                  |
| EXCESS (DEFICIENCY) OF ADVANCES DUE TO (FROM) HUD | <u><u>\$ -</u></u> |

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

## **OTHER REPORTS**

*FRANCIS J McCONNELL*  
CERTIFIED PUBLIC ACCOUNTANT

Member of American and Pennsylvania  
Institutes of Certified Public Accountants

6225 Rising Sun Avenue  
Philadelphia, PA 19111  
Voice: 215-742-3428

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*

Board of Directors  
Collingswood Housing Authority  
Collingswood, 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 basic financial statements of Collingswood Housing Authority, as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise Collingswood Housing Authority's basic financial statements, and have issued our report thereon dated November 4, 2024..

**Internal Control over Financial Reporting**

In planning and performing my audit of the financial statements, I considered Collingswood 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 Collingswood Housing Authority's internal control. Accordingly, I do not express an opinion on the effectiveness of Collingswood 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 Collingswood 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 McConnell*

Francis J. McConnell  
Certified Public accountant

November 4, 2024

**THE HOUSING AUTHORITY OF THE BOROUGH OF COLLINGSWOOD  
SCHEDULE OF FINDINGS OF NONCOMPLIANCE  
March 31, 2024**

**FINDINGS**

NONE

**General comments**

NONE