PLEASANTVILLE HOUSING AUTHORITY

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

YEAR ENDED MARCH 31, 2016

PLEASANTVILLE HOUSING AUTHORITY
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YEAR ENDED MARCH 31, 2016

FALLON & LARSEN LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Pleasantville Housing Authority:

Report on the Financial Statements

We have audited the financial statements of the Pleasantville Housing Authority ("the Authority") as of and for the year ended March 31, 2016, and the related notes to the financial statements, which collectively comprise the Pleasantville Housing Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, 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.

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INDEPENDENT AUDITOR'S REPORT (continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Pleasantville Housing Authority ("the Authority"), as of March 31, 2016, and the respective changes in financial position and 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, schedule of pension contributions and schedule of net pension liability 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 audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Pleasantville Housing Authority's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance) is presented for purposes of additional analysis 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 financial data schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 our opinion, the Schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Pleasantville Housing Authority as of and for the year ended March 31, 2016, and have issued our report thereon dated October 21, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 21, 2016 on our consideration of the Pleasantville Housing 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 Pleasantville Housing Authority's internal control over financial reporting and compliance.

October 21, 2016
Toms River, New Jersey

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Pleasantville Housing Authority ("the Authority"), we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended March 31, 2016.

We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Special Conditions and Economic Factors

Management is not aware of any facts, decisions, or conditions that would have a significant effect on the future operation of the Authority.

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 Executive Director, Pleasantville Housing Authority, 168 North Main Street, Pleasantville, NJ 08232.

Overview of the Financial Statements

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

Statement of Net Position

Reports all financial and capital resources for the Authority. The statement is presented in the format where assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources, equals "Net Position", formerly known as net assets or equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-current".

- Net Investment in Capital Assets:

  This component of net position consists of all capital assets, 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:

  This component of net position consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Overview of the Financial Statements (continued)

Statements of Net Position (continued)

- Unrestricted Net Position:

  Consists of net position that do not meet the definition of "Net Investment in Capital Assets", or "Restricted Net Position".

Statement of Revenue, Expenses, and Change in Net Position

Reports the Authority's operating and non-operating revenue, by major sources, along with operating and non-operating expenses and capital contributions. This Statement includes operating revenues, such as rental income, operating expenses, such as administrative, utilities, and maintenance, and depreciation, and non-operating revenue and expenses, such as grant revenue, investment income and interest expense.

Statement of Cash Flows

Presents information on the effects of changes in assets and liabilities on cash during the course of the fiscal year.

Notes to the Financial Statements

Provides additional information that is essential to a full understanding of the data provided in the Authority-wide financial statements.

Our analysis of the Authority as a whole begins on the next page. The most important question asked about the Authority's finances is "Is the Authority, as a whole, better or worse off as a result of the year's activities?"

The attached analysis of entity wide net position, revenues, and expenses are provided to assist with answering the above question. This analysis includes all assets and liabilities using the accrual basis of accounting. Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenues and expenses when earned, regardless of when cash is received or paid.

Our analysis also presents the Authority's net position and changes in them. One can think of the Authority's net position as the difference between what the Authority owns (assets) to what the Authority owes (liabilities). The change in net position analysis will assist the reader with measuring the health or financial position of the Authority.

Overview of the Financial Statements (continued)

Notes to the Financial Statements (continued)

Over time, significant changes in the Authority's net position is an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Housing Authority, the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

To fully understand the financial statements of the Authority, one must start with an understanding of what the Authority actually does. The following is a brief description of the programs and services that the Authority provides for the residents of the Pleasantville Housing Authority:

Low Income Public Housing (LIPH)

The Authority has 207 units in its public housing inventory. The Authority is responsible for the management, maintenance, and utility costs for all units. The units must be maintained in accordance with HUD established housing quality standards.

An annual inspection of each unit must be performed by the Authority to assure that it meets or exceeds these standards. Each public housing building, and the units that comprise those buildings, are subject to random third party inspections as directed by HUD. In addition, the Authority must annually recertify each of the tenants' family composition and their respective household income. On an annual basis, the Authority submits a request for funding known as the Calculation of Operating Fund Subsidy.

The basic concept of the Calculation of Operating Fund Subsidy is that the Authority has a Project Expense Level (PEL). The PEL is calculated by HUD in accordance with the results of the Harvard Cost Study which was performed for HUD. HUD funds the difference between these allowable costs incurred for all units leased and the actual tenant revenue generated. Tenant rent is based on 30% of their adjusted household income. Actual funding received from HUD is made by the results of this formula calculation, subject to pro-ration in accordance with total funds actually appropriated by Congress.

Section 8 Housing Choice Vouchers (HCV)

HUD has contracted with the Authority to provide support for the Housing Choice Voucher Program. The Authority pays a housing assistance payment to landlords for low income tenants. The housing assistance payment matches the difference between the total rent that the landlord can charge, at or below a fair market rent amount supplied by HUD, and the amount that the tenant can pay based on 30% of their respective adjusted income.

For each unit that the Authority administers, HUD pays the Authority an administrative fee. The Authority is not responsible for the upkeep and maintenance of the units and properties associated with this program however, they are responsible for annually inspecting the units to assure that they meet or exceed HUD established housing quality standards.

Capital Fund Grant Program

Tenant revenues generated by the Authority are supplemented by operating subsidy from HUD. These two amounts combined are intended to cover only day-to-day routine expenses. This leaves the Authority with little funding for modernizing of the structures and/or for the completion of non-routine maintenance. The purpose of the Capital Fund Grant Program is to give funds to the Authority for improvement of the sites, to complete non-routine maintenance, and to assist with the improvement of the management of the Authority.

This grant program is awarded by HUD, by formula allocation, on an annual basis. As formal contracts are awarded from this program, funds are requisitioned from HUD to pay periodic requests from the contractors. Work completed under this grant program is temporarily charged to construction in process. When all of the funds allocated to a specific grant have been fully expended, approved by HUD, and audited, the work items are moved from construction in progress and placed into the capital assets. Depreciation begins at this point.

Community Development Block Grant (CDBG) State Program

The primary objective of the Community Development Block Grant (CDBG) State Program (State-Administered Small Cities Program) is the development of viable communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for persons of low- and moderate-income. This objective can be achieved in two ways. First, funds can only be used to assist eligible activities that fulfill one or more of three national objectives. Second, the grantee must spend at least 70 percent of its funds over a period of up to three years, as specified by the grantee in its certification, for activities that address the national objective of benefiting low- and moderate-income persons.

Resident Opportunities and Supportive Services Program (ROSS)

The purpose of the Resident Opportunities and Supportive Services Program is to programmatically address the needs of public housing residents by providing supportive services, resident empowerment activities and/or assisting residents in becoming economically self-sufficient. The primary focus of the program is on a spectrum of services for families leading to homeownership.

New Accounting Standards Adopted

The Authority adopted the provisions of GASB Statement 68, "*Accounting and Financial Reporting for Pensions*". The provisions were effective for periods beginning after June 15, 2014. As of April 1, 2015, The Authority's net position has been restated and reduced by $1,421,501 to reflect a beginning net pension liability of $1,481,243, deferred inflows of resources of $88,274 and deferred outflows of resources of $148,016.

Financial Highlights

Analysis of Net Position (Statement of Net Position)

Total Net Position as of March 31, 2015 was $18,837,788 and as of March 31, 2016 the amount was $17,829,100. This represents an overall net decrease of $1,008,688 or 5.4%.

Restricted Cash increased to $1,192,340 in FY 2016 from $949,116 in FY 2015, or by $243,224, or 25.6%. The change in the Authority's cash balance is primarily due to the Authority having spent cash relating to the Homeownership Program and utilizing social service reserves.

Capital Assets, net decreased to $15,988,265 in FY 2016 from $16,155,934 in FY 2015, or by $167,669, or 1.0%. The change in capital assets is presented in the section of this analysis entitled Analysis of Capital Assets.

Noncurrent Liabilities increased to $1,830,311 in FY 2016 from $1,635,436 in FY 2015, or by $194,875, or 11.9%. This change was a primarily due to an increase in the Authority's accrued pension liability.

Restricted Net Position decreased from $2,442,279 in FY 2015 to $1,334,939 in FY 2016, or by $1,107,340, or 45.3%. This change was primarily a result of a decrease in CDBG Revolving Homeownership program reserves of $1,271,729, which was offset by an increase in housing assistance payment reserves of $87,376 and social service reserves of $77,013.

The table below illustrates our analysis:

	2016	***2015	Increase (Decrease)	Percent Variance
Assets:				
Cash & other current assets	$ 2,514,957	$ 3,430,974	$ (916,017)	-26.7%
Restricted cash	1,192,340	949,116	243,224	25.6%
Capital assets, net	15,988,265	16,155,934	(167,669)	-1.0%
Deferred outflows of resources	300,744	148,016	152,728	103.2%
Total assets and deferred outflows of resources	19,996,306	20,684,040	(687,734)	-3.3%
Liabilities:				
Current liabilities	219,283	122,542	96,741	78.9%
Noncurrent liabilities	1,830,311	1,635,436	194,875	11.9%
Deferred inflows of resources	117,612	88,274	29,338	33.2%
Total liabilities and deferred inflows of resources	2,167,206	1,846,252	320,954	17.4%

Financial Highlights

Analysis of Net Position (Statement of Net Position) (continued)

Net position:				
Invested in capital assets	15,988,265	16,155,934	(167,669)	-1.0%
Restricted net position	1,334,939	2,442,279	(1,107,340)	-45.3%
Unrestricted net position	505,896	239,575	266,321	111.2%
Total net position	$ 17,829,100	$ 18,837,788	$ (1,008,688)	-5.4%

***** restated to reflect GASB 68 adjustment***

Analysis of Revenues

Total revenues for FY 2016 were $5,965,800 compared to $5,369,352 of total revenues for FY 2015. Comparatively, FY 2016 revenues exceeded FY 2015 revenues by $596,448, or approximately 11.11%. The primary reason for this change was an increase in HUD operating grants of $214,375 and $357,784 of other income related to property management and port in tenants to the housing choice voucher program.

	2016	2015	Increase (Decrease)	Percent Variance
Operating revenue:				
Tenant revenue	$ 605,250	$ 617,324	$ (12,074)	-1.96%
HUD operating grants	3,706,920	3,492,545	214,375	6.14%
Other income	1,555,868	1,198,084	357,784	29.86%
Total operating revenue	5,868,038	5,307,953	560,085	10.55%
Non-operating revenues (expenses):				
Investment income	41	74	(33)	-44.59%
Capital grants	97,721	61,325	36,396	59.35%
Total non-operating revenues	97,762	61,399	36,363	59.22%
Total revenues	$ 5,965,800	$ 5,369,352	$ 596,448	11.11%

Analysis of Operating Expenses

Operating Expenses for FY 2015 were $6,257,295 as compared to $6,389,679 of total operating expenses for FY 2016. This represents an increase of $132,384, or 2.12%.

Administrative expenses for FY 2015 were $759,198 as compared to $977,640 in FY 2016. This represents an increase of $218,442, or 28.77%. The major cause of the increase was due to the Authority adopting GASB 68 in FY 2016 which required an additional $33,870 of pension expense to be recorded as well as increases in CDGB and component unit administrative expenses.

Maintenance expenses for FY 2015 were $287,506 as compared to $345,870 in FY 2016. This represents an increase of $58,364 or 20.30%. The primary reasons for the increase was an increase in contract costs of $35,623 and employee benefits cost associated with the adoption of GASB 68 in the amount of $8,676.

Tenant Services expense increased $42,752 from $203,677 in FY 2015 to $246,429 in FY 2016 or 20.99%. The increase was due to the Authority utilizing more of their ROSS grant in FY 2016 than in FY 2015.

Housing Assistance Payment expense decreased from $3,429,299 in FY 2015 to $3,298,070 in FY 2016. The decrease is primarily the result of the Authority having sixty (60) less unit months under lease as well as providing housing for less portable tenants in FY 2016.

The table below illustrates our analysis:

	2016	2015	Increase (Decrease)	Percent Variance
Administrative	$ 977,640	$ 759,198	$ 218,442	28.77%
Tenant services	246,429	203,677	42,752	20.99%
Utilities	245,014	282,054	(37,040)	-13.13%
Maintenance	345,870	287,506	58,364	20.30%
Insurance	62,794	55,497	7,297	13.15%
General expense	309,560	308,533	1,027	0.33%
Extraordinary maintenance expense	6,115	21,911	(15,796)	n/a
Depreciation expenses	898,187	909,620	(11,433)	-1.26%
Housing assistance payments	3,298,070	3,429,299	(131,229)	-3.83%
Total expenses	$ 6,389,679	$ 6,257,295	$ 132,384	2.12%

ANALYSIS OF CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

Capital Assets:

	2016	2015	Increase (Decrease)	Percent Variance
Land	$ 816,442	$ 816,442	$ -	0.00%
Buildings, improvements and equip	33,255,865	32,623,068	632,797	1.94%
Construction in progress	898,859	801,138	97,721	12.20%
	34,971,166	34,240,648	730,518	2.13%
Less: accumulated depreciation	(18,982,901)	(18,084,714)	(898,187)	4.97%
Capital assets, net	$ 15,988,265	$ 16,155,934	$ (167,669)	-1.04%

As mentioned previously, work completed under the Capital Fund Grant program is temporarily charged to construction in progress. When all of the funds allocated to a specific grant have been fully expended, approved by HUD, and placed into service, the work items are moved from construction in progress and placed into the capital assets. Depreciation begins at this point.

The decrease in capital assets is the result of an annual depreciation charge of $898,187 exceeding capital purchases of $117,171 and a transfer of assets held for sale into capital assets in the amount of $613,347. The overall net decrease in fixed assets was $167,669, or 1.04%.

$97,721 of capital asset purchases were made from the Authority's Capital Fund Program with the remaining funds utilized from reserves.

Long-term Debt Activity:

The Authority has no interest bearing long term debt as of March 31, 2016.

FINANCIAL STATEMENTS

PLEASANTVILLE HOUSING AUTHORITY
STATEMENT OF NET POSITION
AS OF MARCH 31, 2016

ASSETS

Current assets:		
Cash and cash equivalents	$	2,072,580
Tenant security deposits		36,697
Accounts receivable - miscellaneous, net		22,280
Accounts receivable - HUD		114,948
Accounts receivable - tenants, net		4,648
Assets held for sale		245,639
Prepaid expenses		18,165
Total current assets		2,514,957
Non-current assets:		
Restricted cash		1,192,340
Capital assets, net		15,988,265
Total non-current Assets		17,180,605
Total assets		19,695,562

DEFERRED OUTFLOWS OF RESOURCES

State of New Jersey P.E.R.S.		300,744
Total assets and deferred outflows of resources	$	19,996,306

See accompanying notes to financial statements

PLEASANTVILLE HOUSING AUTHORITY
STATEMENT OF NET POSITION (continued)
AS OF MARCH 31, 2016

LIABILITIES

Current liabilities:		
Accounts payable	$	5,792
Accounts payable - HUD and other government		22,356
Accrued expenses		130,146
Accrued compensated absences		8,829
Tenant security deposits		36,697
Prepaid tenant rents		15,463
Total current liabilities		219,283
Non-current liabilities:		
Net pension liability		1,647,179
Family Self Sufficiency Program ("FSS") escrows		103,674
Accrued compensated absences, non current		79,458
Total non-current liabilities		1,830,311
Total liabilities		2,049,594

DEFERRED INFLOWS OF RESOURCES

State of New Jersey P.E.R.S.		117,612

NET POSITION

Net position:		
Net investment in capital assets		15,988,265
Restricted		1,334,939
Unrestricted		505,896
Total net position		17,829,100
Total liabilities, deferred inflows of resources and net position	$	19,996,306

See accompanying notes to financial statements

PLEASANTVILLE HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED MARCH 31, 2016

Operating revenues:	
Tenant revenue	$ 605,250
HUD operating grants	3,706,920
Other revenues	1,555,868
Total operating revenues	5,868,038
Operating expenses:	
Administrative	977,640
Tenant services	246,429
Utilities	245,014
Ordinary repairs and maintenance	345,870
Insurance expenses	62,794
General expenses	309,560
Extraordinary maintenance	6,115
Housing assistance payments	3,298,070
Depreciation	898,187
Total operating expenses	6,389,679
Operating loss	(521,641)
Non-operating revenues (expenses):	
Investment income	41
Loss on disposal of capital assets	(584,809)
Net non-operating revenue (expenses)	(584,768)
Loss before capital grants	(1,106,409)
Capital grants	97,721
Change in net position	(1,008,688)
Total net position, beginning of year (as restated)	18,837,788
Total net position, end of year	$ 17,829,100

See accompanying notes to financial statements

PLEASANTVILLE HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2016

Cash Flows from Operating Activities:	
Cash received from tenants and others	$ 2,294,237
Cash received from grantors	3,688,100
Cash paid to suppliers	(4,878,931)
Cash paid to employees	(448,456)
Net cash flows provided by operating activities	654,950
Cash Flows from Capital and Related Financing Activities:	
Purchase of capital assets	(117,171)
Proceeds from capital grants	97,721
Net cash flows used by capital and related financing activities	(19,450)
Cash Flows from Investing Activities:	
Interest received on investments	41
Net cash flows provided by investing activities	41
Net increase in cash	635,541
Cash and cash equivalents, beginning of year	2,666,076
Cash and cash equivalents, end of year	$ 3,301,617

Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:	
Cash and cash equivalents	$ 2,072,580
Tenant security deposits	36,697
Restricted cash	1,192,340
Cash and cash equivalents at end of year	$ 3,301,617

See accompanying notes to financial statements

PLEASANTVILLE HOUSING AUTHORITY
STATEMENT OF CASH FLOWS (continued)
FOR THE YEAR ENDED MARCH 31, 2016

Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	$	(521,641)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation		898,187
Bad debts		2,800
Changes in assets and liabilities and deferred outflows and deferred inflows of resources:		
Accounts receivable		(19,492)
Prepaid expenses		(3,595)
Assets held for sale		130,465
Deferred outflows of resources		(152,728)
Deferred inflows of resources		29,338
Accounts payable		(9,761)
Accrued expenses		106,087
Accrued compensated absences		4,476
Tenant security deposits		110
Prepaid tenant rents		747
Accrued pension liability		165,936
FSS program escrows		24,021
Net cash provided by operating activities	$	654,950

See accompanying notes to financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The Pleasantville Housing Authority ("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 Pleasantville. The Authority is responsible for operating certain low-rent housing 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 commissioners which 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 Housing Authority's Board to manage the day-to-day operations of the Authority.

The Authority maintains its accounting records by program. The following programs are operated by the Authority:

<u>Section 8 Housing Choice Voucher</u>

The Authority administers a program of rental assistance payments to private owners on behalf of eligible low-income families under Section 8 of the Housing and Urban Development Act of 1974. The program provides payments covering the difference between the maximum rental on a dwelling unit, as approved by HUD, and the amount of rent contribution by a participating family.

<u>Public and Indian Housing Program</u>

The Public and Indian Housing Program is designed to provide low-cost housing. 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.

<u>Public Housing Capital Fund</u>

The Capital Fund Program provides funds annually, via a formula, to public housing agencies for capital and management activities including modernization and development of public housing units.

<u>Resident Opportunities and Supportive Services Program (ROSS)</u>

The purpose of the Resident Opportunities and Supportive Services Program is to programmatically address the needs of public housing residents by providing supportive services, resident empowerment activities and/or assisting residents in becoming economically self-sufficient. The primary focus of the program is on a spectrum of services for families leading to homeownership.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Organization (continued)

Community Development Block Grant (CDBG) State Program

The primary objective of the Community Development Block Grant (CDBG) State Program (State-Administered Small Cities Program) is the development of viable communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for persons of low- and moderate-income. This objective can be achieved in two ways. First, funds can only be used to assist eligible activities that fulfill one or more of three national objectives. Second, the grantee must spend at least 70 percent of its funds over a period of up to three years, as specified by the grantee in its certification, for activities that address the national objective of benefiting low- and moderate-income persons.

B. 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 Pleasantville Housing 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 above criteria, this report includes the following component unit:

PV Community Development Corporation ("PVCDC") - PVCDC was incorporated in the State of New Jersey in 2010 as a non-profit 501(c)(3) corporation to create, own develop, construct and / or manage affordable housing for the residents of Pleasantville, New Jersey.

Blended Presentation - In accordance with Statement No. 61 of the GASB, the Authority's financial statements are presented utilizing the blended method because the Authority's governing body and PVCDC's governing body are substantively the same; and as such, a blended presentation of their financial statements is warranted.

Additionally, based on the application of the above criteria, the Authority's financial statements are not included in any other reporting entity's financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Accounting

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* ("Statement"). The Statement requires the financial statements to be prepared using the economic resources measurement focus and the accrual basis of accounting and requires the presentation of a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows. The Statement also requires the Authority to include a Management's Discussion and Analysis as part of the Required Supplementary Information.

The Authority has also adopted GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions.* The Statement establishes accounting and financial reporting standards for nonexchange transactions including financial or capital resources. The Authority's primary source of nonexchange revenue relates to grants and subsidies. Grants and subsidy revenue are recognized at the time eligible program expenditures occur and/or the Authority has complied with the grant and subsidy requirements.

In accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the Authority incorporates FASB and AICPA guidance into GASB authoritative literature.

On January 30, 2008, HUD issued *PIH Notice 2008-9* which requires that unused housing assistance payments ("HAP") under proprietary fund reporting should be reported as restricted net assets (position), with the associated cash and investments also being reported on HUD's Financial Data Schedule ("FDS") as restricted. Any unused administrative fees should be reported as unrestricted net assets (position), with the associated assets being reported on the FDS as unrestricted.

Both administrative fee and HAP revenue continue to be recognized under the guidelines set forth in GASB Statement No. 33. Accordingly, both the time and purpose restrictions as defined by GASB 33 are met when these funds are available and measurable, not when these funds are expended. The Housing Choice Voucher program is no longer a cost reimbursement grant, therefore the Authority recognizes unspent administrative fee and HAP revenue in the reporting period as revenue for financial statement reporting.

Any investment income earned on these funds are reflected in the net asset (position) account on which the investment income was earned. That is; investment income earned on HAP cash balances are credited to the HAP restricted net position account and investment income earned on administrative fee cash balances are credited to the unrestricted net position account.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Accounting (continued)

New Accounting Standards Adopted

The Authority adopted Statement No. 68 of the Governmental Accounting Standards Board *"Accounting and Financial Reporting for Pensions."* The Statement established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenditures associated with pension plans of State and Local Governments. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actual present value, and attribute that present value to periods of employee service. In addition, this Statement details the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions.

D. 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, amortization of leasehold improvements and contingencies. Actual results could differ significantly from these estimates.

E. Cash, Cash Equivalents and Investments

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash, Cash Equivalents and Investments (continued)

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 statement 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

Rents are due from tenants on the first day of each month. As a result, accounts receivable balances primarily consist of rents past due and vacated tenants. Also included in accounts receivable are those amounts that tenants owe the Authority as payment for committing fraud or misrepresentation.

These charges usually consist of retroactive rent and other amounts that may be determined by a formal written agreement or by a court order. 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.

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

G. Prepaid Expenses

Prepaid expenses represent amounts paid as of year-end that will benefit future operations.

H. Inter-program Receivables and Payables

Inter-program receivables/payables are current, and are the result of the use of the Public Housing Program as the common paymaster for shared costs of the Authority. Cash settlements are made periodically, and all inter-program balances net zero. In accordance with GASB Statement No. 34, interprogram receivables and payables are eliminated for financial statement purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. 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 capital assets, the cost and related accumulated depreciation is eliminated from the accounts and any related gain or loss is reflected in the Statement 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:

♦ Furniture, Fixtures and Equipment	3 - 5 Years
♦ Buildings and Improvements	15 - 40 Years

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

J. Compensated Absences

Compensated absences represent amounts to which employees are entitled to based on accumulated leave earned in accordance with the Authority's Personnel Policy. Employees may be compensated for accumulated vacation leave in the event of retirement or termination from service at the current salary. Employees may be compensated for sick leave at retirement or termination at one half of the earned sick leave at the current salary to a maximum of $5,000.

K. Prepaid Tenant Rents

The Authority's prepaid tenant rents primarily consists of the prepayment of rent by residents applicable to future periods.

L. 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 as non-operating.

M. Taxes

The Authority is a unit of local government under New Jersey law and is exempt from real estate, sales and income taxes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. 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 is also required to adopt and submit annually to the State of New Jersey, Department of Community Affairs, an Authority wide budget sixty (60) days prior to the start of the Authority's fiscal year.

O. Equity Classifications

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

<u>Net investment in capital assets</u> - 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.

<u>Restricted net position</u> - Consists of net position 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.

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

NOTE 2. CASH AND CASH EQUIVALENTS

As of March 31, 2016, the Authority had funds on deposit in checking and money market accounts.

For the fiscal year ended March 31, 2016, the carrying amount of the Authority's cash and cash equivalents (including restricted cash) were $3,264,920, and the bank balances approximated $3,375,495, respectively.

Of the bank balances, $250,000 was covered by federal depository insurance and the remaining $3,125,495 was collateralized with the pledging financial institution for the fiscal year ended March 31, 2016.

NOTE 2. CASH AND CASH EQUIVALENTS (continued)

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 March 31, 2016, the Authority's bank balances were not exposed to custodial credit risk.

NOTE 3. ACCOUNTS RECEIVABLE - HUD

HUD accounts receivable represents amounts due to the Authority for operating and capital grants which amounted to $114,948 at March 31, 2016. The Authority considers this amount fully collectible and accordingly, has made no allowance for doubtful accounts.

NOTE 4. ACCOUNTS RECEIVABLE - TENANTS, NET

Tenant accounts receivable are stated net of an allowance for doubtful accounts of $2,971 at March 31, 2016.

NOTE 5. ACCOUNTS RECEIVABLE - MISCELLANEOUS

Accounts receivable - miscellaneous consists primarily of management fees, advances to cover expenses due from developments and accrued interest. At March 31, 2016, these balances amounted to $22,280. The Authority expects to collect all miscellaneous receivables and has therefore made no allowance for doubtful accounts.

NOTE 6. ASSETS HELD FOR SALE

Assets held for sale consist of homes purchased in the Community Development Block Grant - States program for refurbishment and sales. For the year ended March 31, 2016, changes in assets held for sale consisted of the following:

	Amount
Balance at beginning of year	$ 1,574,260
Purchases	-
Transfer to capital assets	(613,347)
Sold / disposed	(715,274)
Balance at end of year	$ 245,639

NOTE 7. RESTRICTED CASH

Restricted cash consisted of the following at March 31, 2016:

Cash Category	Amount
Section 32 Home Ownership Program	$ 743,958
Social Service Fee Reserves	257,966
Housing Assistance Payment Reserves	87,376
FSS escrow	103,040
	$ 1,192,340

Section 32 Home Ownership Program proceeds are used to pay for the costs related to the sale of the homeownership units and for the purchase and renovation of future homeownership properties.

Social Service Fee Reserves are restricted as part of the Authority's Hope VI Program whereby the developer contributed funds to fund a social service coordinator position at New Hope Community.

Housing Assistance Payment reserves are restricted to pay tenant rents in the Houasng Choice Voucher program.

Family Self Sufficiency ("FSS") program escrows are restricted for use in the Housing Choice Voucher Program by FSS program participants.

NOTE 8. CAPITAL ASSETS

A summary of the changes in land, structures and equipment for the year ended March 31, 2016 were as follows:

Description	March 31, 2016	Additions	Disposals	Transfers	March 31, 2016
Non-depreciable capital assets:					
Land	$ 816,442	$ -	$ -	$ -	$ 816,442
Construction in progress	801,138	97,721	-	-	898,859
Total	1,617,580	97,721	-	-	1,715,301
Depreciable capital assets:					
Buildings and improvements	31,674,662	6,737	-	613,347	32,294,746
Furniture and equipment	948,406	12,713	-	-	961,119
Total	32,623,068	19,450	-	613,347	33,255,865
Less: accumulated depreciation	18,084,714	898,187	-	-	18,982,901
Net capital assets	$ 16,155,934	$ (781,016)	$ -	$ 613,347	$ 15,988,265

For the year ended March 31, 2016, $613,347 of "Assets available for sale" were reclassified as capital assets and included in transfers.

Depreciation expense for the year ended March 31, 2016 totaled $898,187.

NOTE 9. NON-CURRENT LIABILITIES

Non-current liabilities activity for the year ended March 31, 2016 consisted of the following:

	March 31, 2016	Additions	Retirements	March 31, 2016	Due in One Year
Accrued compensated absences	$ 83,811	$ 31,088	$ 26,612	$ 88,287	$ 8,829
Accrued pension liability	1,481,243	229,021	63,085	1,647,179	-
FSS escrows	79,653	41,812	17,791	103,674	-
	$ 163,464	$ 72,900	$ 44,403	$ 191,961	$ 8,829

NOTE 10. PENSION PLAN

A. Plan Description

The State of New Jersey, Public Employees Retirement System (PERS) is a cost-sharing multiple employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR), which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

B. Benefits

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS. The following represents the membership tiers for PERS:

1. Members who were enrolled prior to July 1, 2007
2. Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3. Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4. Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5. Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of $1/55^{th}$ of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of $1/60^{th}$ of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65.

NOTE 10. PENSION PLAN (continued)

C. Contributions

Early retirement benefits are available to tiers one and two before reaching age 60, tiers 3 and 4 before age 62 with 25 years or more of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month a member retires prior to the age at which a member can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by all active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

The local employers' contribution amounts are based on the actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of the assets.

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At March 31, 2016, the Authority reported a liability of $1,647,179 for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2014, 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 a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating local employers, actuarially determined. At June 30, 2015 the Authority's proportion was .00734 percent which was a decrease of .00057 percent from its proportion measured at July 1, 2014.

For the year ended March 31, 2016, the Authority recognized pension expense of $107,767.

NOTE 10. PENSION PLAN (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

At March 31, 2016, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ 176,894	$ -
Changes in Proportion	82,791	91,129
Differences between expected and actual experience	39,296	-
Net differences between Expected and Actual Investments	-	26,483
Net differences between Proportionate Share and actual Contribution	$ 1,763	-
Total	$ 300,744	$ 117,612

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

Year ended December 31:	Amount
2017	$ 33,884
2018	33,884
2019	33,886
2020	55,951
2021	25,527
	$ 183,132

E. Actuarial Assumptions

The total pension liability calculated utilizing a June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The total pension liability calculated utilizing a June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013.

NOTE 10. PENSION PLAN (continued)

E. Actuarial Assumptions (continued)

This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate	3.04%
Salary Increases 2012-2021	2.15-4.40%, based on age
Thereafter	3.15-5.40%, based on age
Investment rate of return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback one year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

F. Long-term expected rate of return

The long-term expected rate of return is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and the Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class includes the PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Cash	5.00%	1.04%
Core Bonds	1.75%	1.64%
Intermediate Term Bonds	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Markets	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%

NOTE 10. PENSION PLAN (continued)

G. Discount Rate

The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. The single blended discount rate was based on the long-term expected rate of return on the pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, 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 the 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 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

H. Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 4.90 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 (3.90 percent) or 1 percentage point higher (5.90 percent) than the current rate.

	1% Decrease (3.90%)	Discount Rate (4.90%)	1% Increase (5.90%)
Authority's proportionate share of the net pension liability	$ 2,047,241	$ 1,647,179	$ 1,311,769

NOTE 11. POST-RETIREMENT BENEFITS

The Authority participates in New Jersey State Health Benefits Program ("the SHBP"), which qualifies as a cost-sharing, multiple-employer plan in accordance with GASB Statement 45 "Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions" ("OPEB"). The SHBP is administered by the State of New Jersey, Department of Treasury, Division of Pension and Benefits.

Under the SHBP, retirees may continue the health benefits programs in which they are enrolled at the time of retirement, provided the retiree pays the costs of the benefits (at group rates) for themselves and their eligible dependents.

A retiree may also receive Authority-paid health benefits in accordance with labor agreements if they have twenty-five (25) or more years enrolled in the pension system.

NOTE 11. POST-RETIREMENT BENEFITS (continued)

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the SHBP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

The SHBP is established under the authority of N.J.S.A. 52:14-17.25 et seq. and regulations adopted by the State Health Benefits Commission. The required contribution rate is determined on an annual pay as you go basis. The following were the required contributions:

Year	Amount
March 31, 2014	$ 228,557
March 31, 2015	$ 216,871
March 31, 2016	$ 218,563

NOTE 12. RESTRICTED NET POSITION

Restricted net position consistes of the following at March 31, 2016:

	Amount
Revolving Homeownership Reserves	$ 989,597
Social Service Fee Reserves	257,966
Housing Assistance Payment Reserve	87,376
Total restricted net position	$ 1,334,939

Revolving homeownership reserves are restricted for the purchase, refurbishment and sales of single family homes for the benefit of low income households.

Social Service Fee Reserves are restricted as part of the Authority's Hope VI Program whereby the developer contributed funds to fund a social service coordinator position at New Hope Community.

Housing assistance payment reserves are restricted for use only in the Housing Choice Voucher Program for tenant rents.

NOTE 13. CHANGE IN ACCOUNTING PRINCIPLE

The Authority adopted the provisions of GASB Statement 68, *"Accounting and Financial Reporting for Pensions"* as amended by GASB Statement 71, "*Pension Transition for Contributions made Subsequent to the Measurement Date*." The provisions were effective for periods beginning after June 15, 2014. As of December 31, 2014, the Authority's net position has been reduced by 1,421,501 to reflect a net pension liability of $1,481,243, deferred outflows of resources of $148,016 and deferred inflows of resources of $88,274.

NOTE 14. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to 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 for the year ended March 31, 2016.

NOTE 15. 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 March 31, 2016, the Authority estimates that no material liabilities will result from such audits.

NOTE 16. 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 October 21, 2016 (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.

FALLON & LARSEN LLP
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Commissioners
Pleasantville Housing Authority:

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 Pleasantville Housing Authority ("the Authority") as of and for the year ended March 31, 2016, and the related notes to the financial statements, which collectively comprise the Pleasantville Housing Authority's basic financial statements, and have issued our report thereon dated October 21, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Pleasantville 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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Pleasantville Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Pleasantville 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.

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.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Pleasantville Housing 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 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 result 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.

October 21, 2016
Toms River, New Jersey

FALLON & LARSEN LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 04-04

To the Board of Commissioners
Pleasantville Housing Authority:

Report on Compliance for Each Major Federal Program

We have audited the compliance of the Pleasantville Housing Authority ("the Authority"), with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Pleasantville Housing Authority's major federal programs for the year ended March 31, 2016. Pleasantville Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Pleasantville Housing Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance) and the State of New Jersey OMB Circular 04-04. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Pleasantville Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 04-04 (continued)

Opinion on Each Major Federal Program

In our opinion, the Pleasantville Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2016.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

October 21, 2016
Toms River, New Jersey

PLEASANTVILLE HOUSING AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2016

Federal Grantor/Program Title	Federal CFDA Number	State Pass-through Number	Grant Period From	To	Grant Award	Fiscal Year Expenditures	Cumulative Expenditures
U.S. Department of Housing and Urban Development							
Low Rent Public Housing:							
NJ059-00000116D	14.850	N/A	1/1/16	12/31/16	$ -	$ 157,625	$ 157,625
NJ059-00000115D	14.850	N/A	1/1/15	12/31/15	614,107	488,237	614,107
NJ059-00000516D	14.850	N/A	1/1/16	12/31/16	-	35,534	35,534
NJ059-00000515D	14.850	N/A	1/1/15	12/31/15	141,309	115,617	141,309
NJ059-00000616D	14.850	N/A	1/1/16	12/31/16	-	52,921	52,921
NJ059-00000615D	14.850	N/A	1/1/15	12/31/15	201,688	162,481	201,688
Grant subtotal					957,104	1,012,415	1,203,184
Section 8 Housing Choice Voucher Program:							
NJ059-2FPH-2014	14.871	N/A	4/1/14	3/31/15	2,359,310	3,565,360	3,565,360
Public Housing Capital Fund Program:							
NJ39P059501-12	14.872	N/A	3/12/12	3/11/17	203,805	47,073	203,805
NJ39P059501-13	14.872	N/A	9/9/13	9/8/17	208,718	40,757	208,718
NJ39P059501-14	14.872	N/A	xx/xx/xx	xx/xx/xx	218,923	74,655	74,655
NJ39P059501-15	14.872	N/A	xx/xx/xx	xx/xx/xx	219,482	24,002	24,002
NJ39E059501-12 Safety	14.872	N/A	3/20/13	3/19/15	216,697	-	216,697
Grant subtotal					1,067,625	186,487	727,877
Resident Opportunities and Supportive Services:							
NJ059RPS046A012	14.870	N/A	8/31/12	2/28/16	243,000	90,163	184,247
NJ059FSH442A014	14.870	N/A	9/29/14	1/1/16	136,532	132,601	136,532
NJ059RFS172A013	14.870	N/A	1/8/14	7/8/15	69,000	23,664	69,000
Grant subtotal					448,532	246,428	389,779
					$ 4,832,571	$ 5,010,690	$ 5,886,200

PLEASANTVILLE HOUSING AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Pleasantville Housing Authority under programs of the federal government for the year ended March 31, 2016. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of operations of the Pleasantville Housing Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Pleasantville Housing Authority.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the principles contained in OMB Circular A-87, Cost Principles for State, Local and Indian Tribes, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

NOTE 3. SUBRECIPIENTS

The Authority did not pass-through any federal awards to subrecipients.

NOTE 4. NON-CASH FEDERAL ASSISTANCE

The Authority did not receive any non-cash Federal assistance for the year ended March 31, 2016.

NOTE 5. SCHEDULE OF CAPITAL FUND PROGRAM COSTS AND ADVANCES

The total amount of Capital Fund Program Costs and Advances incurred and earned by the Pleasantville Housing Authority as of and for the year ended March 31, 2016 are provided herein.

	501-12	501-12S	501-13	501-14	501-15	Totals
Budget	$ 203,805	$ 216,697	$ 208,718	$ 218,923	$ 219,482	$ 1,067,625
Advances:						
Cumulative through 4/1/15	$ 156,732	$ 206,652	$ 164,146	$ -	$ -	$ 527,530
Current Year	47,073	10,045	44,453	71,697	20,165	193,433
Cumulative through 3/31/16	203,805	216,697	208,599	71,697	20,165	720,963
Costs:						
Cumulative through 4/1/15	156,732	216,697	167,961	-	-	541,390
Current Year	47,073	-	40,757	74,655	24,002	186,487
Cumulative through 3/31/16	203,805	216,697	208,718	74,655	24,002	727,877
Excess / (Deficiency)	$ -	$ -	$ (119)	$ (2,958)	$ (3,837)	$ (6,914)

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 Pleasantville Housing Authority as of and for the year ended March 31, 2016 are provided herein.

2) Capital Fund Grant No. 501-12 with an approved funding of $203,805 has been fully drawn down and expended as per Capital Fund Grant Regulations.

3) Capital Fund Grant No. 501-12S (Safety) with an approved funding of $216,697 has been fully drawn down and expended as per Capital Fund Grant Regulations.

PLEASANTVILLE HOUSING AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
MARCH 31, 2016

I. Summary of Auditor's Results

Financial Statement Section

1.	Type of auditor's report issued:		Unmodified
2.	Internal control over financial reporting		
	a.	Material Weakness(es) identified?	No
	b.	Were reportable conditions identified not considered to be material weaknesses?	No
3.	Noncompliance material to the financial statements?		No

Federal Awards Section

1.	Dollar threshold used to distinguish Type A Programs from Type B programs:		$750,000
2.	Auditee qualified as low-risk Auditee?		Yes
3.	Type of auditor's report on compliance for major programs:		Unmodified
4.	Internal Control over compliance:		
	a.	Material weakness(es) identified?	No
	b.	Were reportable conditions identified not considered to be material weaknesses?	No
	c.	Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a))?	No
5.	Identification of major programs:		

CFDA Number	Name of Federal Program
14.850	Public and Indian Housing Program

II. Financial Statement Findings

There were no findings relating to the financial statements which are required to be reported in accordance with government auditing standards.

III. Federal Award Findings and Questioned Costs

There were no findings or questioned costs relating to federal awards.

IV. Schedule of Prior Year Federal Audit Findings

There were no prior year findings or questioned costs relating to federal awards.

PLEASANTVILLE HOUSING AUTHORITY
REQUIRED PENSION INFORMATION
MARCH 31, 2016

SCHEDULE OF AUTHORITY CONTRIBUTIONS FOR THE LAST TEN FISCAL YEARS***

	March 31, 2014	March 31, 2015	March 31, 2016
Contractually required contribution	$ 58,813	$ 60,188	$ 65,221
Contributions in relation to the contractually required contribution	58,813	60,188	65,221
(Over) / under funded	$ -	$ -	$ -
Authority's covered-employee payroll	$ 532,933	$ 561,855	$ 567,366
Contributions as a percentage of covered-employee payroll	11.04 %	10.71 %	11.50 %

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THEIR NET PENSION LIABILITY FOR THE LAST TEN FISCAL YEARS***

	March 31, 2014	March 31, 2015	March 31, 2016
Authority's proportion of the net pension liability	0.0073 %	0.0079 %	0.0073 %
Authority's proportionate share of the net pension liability	$ 1,391,953	$ 1,481,243	$ 1,647,179
Authority's covered-employee payroll	$ 532,933	$ 561,855	$ 567,366
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	261.19 %	263.63 %	290.32 %
Plan fiduciary net position as a percentage of the total pension liability	48.72 %	52.08 %	47.93 %

*** = Until a full 10 year trend is compiled the Authority is presenting information for those years that are available.

See accompanying notes to financial statements

PLEASANTVILLE HOUSING AUTHORITY

NJ059

Financial Data Schedule (FDS)

March 31, 2016

Line Item #	Account Description	Projects	14.228 Community Development Block Grants/State's Program	14.870 Resident Opportunity and Support Services	14.871 Housing Choice Vouchers	6 Component Units	Elimination	Total
	ASSETS:							
	CURRENT ASSETS:							
	Cash:							
111	Cash - unrestricted	$ 1,545,995	$ -	$ -	$ 354,940	$ 258,387	$ -	$ 2,159,322
112	Cash - restricted - modernization and development	-	743,958	-	-	-	-	743,958
113	Cash - other restricted	257,966	-	-	103,674	-	-	361,640
114	Cash - tenant security deposits	35,047	1,650	-	-	-	-	36,697
115	Cash - restricted for payment of current liabilities	-	-	-	-	-	-	-
100	Total cash	1,839,008	745,608	-	458,614	258,387	-	3,301,617
	Accounts and notes receivables:							
121	Accounts receivable - PHA projects	-	-	-	29,481	-	-	29,481
122	Accounts receivable - HUD other projects	6,914	-	8,456	70,097	-	-	85,467
124	Accounts receivable - other government	-	-	-	-	-	-	-
125	Accounts receivable - miscellaneous	21,113	-			1,167	-	22,280
126	Accounts receivable- tenants	6,150	-	-	-	-	-	6,150
126.1	Allowance for doubtful accounts - tenants	(2,971)	-	-	-	-	-	(2,971)
126.2	Allowance for doubtful accounts - other	-	-	-	-	-	-	-
127	Notes and mortgages receivable- current	-	-	-	-	-	-	-
128	Fraud recovery	1,469	-	-	-	-	-	1,469
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-	-
120	Total receivables, net of allowances for doubtful accounts	32,675	-	8,456	99,578	1,167	-	141,876
	Current investments							
131	Investments - unrestricted	-	-	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-	-	-
135	Investments - restricted for payment of current liability	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	14,640	-	-	-	3,525	-	18,165
143	Inventories	-	-	-	-	-	-	-
143.1	Allowance for obsolete inventories	-	-	-	-	-	-	-
144	Interprogram - due from	8,456	-	-	-	-	(8,456)	-
145	Assets held for sale	-	245,639	-	-	-	-	245,639
150	TOTAL CURRENT ASSETS	1,894,779	991,247	8,456	558,192	263,079	(8,456)	3,707,297
	NONCURRENT ASSETS:							
	Fixed assets:							
161	Land	503,061	313,381	-	-	-	-	816,442
162	Buildings	30,337,884	1,866,872	-	89,990	-	-	32,294,746
163	Furniture, equipment & machinery - dwellings	430,338	-	-	-	-	-	430,338
164	Furniture, equipment & machinery - administration	509,494	-	-	21,287	-	-	530,781
165	Leasehold improvements	-	-	-	-	-	-	-
166	Accumulated depreciation	(18,773,387)	(188,029)	-	(21,485)	-	-	(18,982,901)
167	Construction in Progress	898,859	-	-	-	-	-	898,859
168	Infrastructure	-	-	-	-	-	-	-
160	Total fixed assets, net of accumulated depreciation	13,906,249	1,992,224	-	89,792	-	-	15,988,265
	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	13,906,249	1,992,224	-	89,792	-	-	15,988,265
200	DEFERRED OUTFLOWS OF RESOURCES	214,400	-	-	86,344	-	-	300,744
190	**TOTAL ASSETS**	$ 16,015,428	$ 2,983,471	$ 8,456	$ 734,328	$ 263,079	$ (8,456)	$ 19,996,306

PLEASANTVILLE HOUSING AUTHORITY

NJ059

Financial Data Schedule (FDS)

March 31, 2016

Line Item #	Account Description	Projects	14.228 Community Development Block Grants/State's Program	14.870 Resident Opportunity and Support Services	14.871 Housing Choice Vouchers	6 Component Units	Elimination	Total
	LIABILITIES AND EQUITY:							
	Liabilities:							
	Current Liabilities:							
311	Bank overdraft	$ -	$ -	$ -	$ -	$ -	$ -	$ -
312	Accounts payable ≤ 90 days	-	-	-	5,792	-	-	5,792
313	Accounts payable > 90 days past due	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	74,800	-	-	3,197	-	-	77,997
322	Accrued compensated absences - current portion	6,630	-	-	2,199	-	-	8,829
324	Accrued contingency liability	-	-	-	-	-	-	-
325	Accrued interest payable	-	-	-	-	-	-	-
331	Accounts payable - HUD PHA programs	-	-	-	-	-	-	-
332	Accounts payable - PHA projects	-	-	-	-	-	-	-
333	Accounts payable - other government	22,356	-	-	-	-	-	22,356
341	Tenant security deposits	35,047	1,650	-	-	-	-	36,697
342	Deferred revenue	12,343	-	-	3,120	-	-	15,463
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	31,625	-	-	-	20,524	-	52,149
347	Interprogram - due to	-	-	8,456	-	-	(8,456)	-
310	TOTAL CURRENT LIABILITIES	182,801	1,650	8,456	14,308	20,524	(8,456)	219,283
	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	-	-	-	103,674	-	-	103,674
354	Accrued compensated absences - noncurrent	59,671	-	-	19,787	-	-	79,458
355	Loan Liability - Non Current	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-	-
357	Accrued pension and OPEB liabilities	1,174,274	-	-	472,905	-	-	1,647,179
350	TOTAL NONCURRENT LIABILITIES	1,233,945	-	-	596,366	-	-	1,830,311
300	**TOTAL LIABILITIES**	1,416,746	1,650	8,456	610,674	20,524	(8,456)	2,049,594
400	DEFERRED INFLOWS OF RESOURCES	83,846	-	-	33,766	-	-	117,612
	EQUITY:							
508.1	Invested in Capital Assets, Net of Related Debt	13,906,249	1,992,224	-	89,792	-	-	15,988,265
511.1	Restricted Net Assets	-	989,597	-	-	-	-	989,597
512.1	Unrestricted Net Assets	608,587	-	-	96	242,555	-	851,238
513	**TOTAL EQUITY**	14,514,836	2,981,821	-	89,888	242,555	-	17,829,100
600	**TOTAL LIABILITIES, DEFERRED INFLOWS AND EQUITY**	$ 16,015,428	$ 2,983,471	$ 8,456	$ 734,328	$ 263,079	$ (8,456)	$ 19,996,306
	Proof of concept	-	-	-	-	-	-	-

PLEASANTVILLE HOUSING AUTHORITY
NJ059
Financial Data Schedule (FDS)

March 31, 2016

Line Item #	Account Description	Projects	Capital	14.228 Community Development Block Grants State	14.870 Resident Opportunity and Support Services	14.871 Housing Choice Voucher	6 Component Units	Elimination	Total
	REVENUE:								
70300	Net tenant rental revenue	$ 456,740	$ -	$ -	$ -	$ -	$ 144,384	$ -	$ 601,124
70400	Tenant revenue - other	4,126	-	-	-	-	-	-	4,126
70500	Total tenant revenue	460,866	-	-	-	-	144,384	-	605,250
70600	HUD PHA grants	-	-	-	246,429	2,359,310	-	-	2,605,739
70610	Capital grants	1,012,415	88,766	-	-	-	-	-	1,101,181
70710	Management fee	-	97,721	-	-	-	-	-	97,721
70720	Asset management fee	-	-	-	-	-	-	-	-
70730	Book keeping fee	-	-	-	-	-	-	-	-
70750	Other fees	-	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	-	-	-	-	-
71100	Investment income - unrestricted	41	-	-	-	-	-	-	41
71200	Mortgage interest income	-	-	-	-	-	-	-	-
71300	Proceeds from disposition of asseets held for sale	-	-	70,498	-	-	-	-	70,498
71301	Cost of sale of assets	-	-	(151,083)	-	-	-	-	(151,083)
71400	Fraud recovery	-	-	-	-	-	-	-	-
71500	Other revenue	174,141	-	70,421	-	1,341,188	50,703	-	1,636,453
71600	Gain or loss on sale of fixed assets	-	-	(584,809)	-	-	-	-	(584,809)
72000	Investment income - restricted	-	-	-	-	-	-	-	-
70000	**TOTAL REVENUE**	1,647,463	186,487	(594,973)	246,429	3,700,498	195,087	-	5,380,991
	EXPENSES:								
	Administrative								
91100	Administrative salaries	198,344	32,233	-	-	130,022	-	-	360,599
91200	Auditing fees	7,553	-	-	-	6,413	-	-	13,966
91300	Outside management fees	-	-	-	-	-	-	-	-
91310	Book-keeping fee	-	-	-	-	-	-	-	-
91400	Advertising and marketing	-	-	-	-	-	-	-	-
91500	Employee benefit contributions- administrative	199,023	-	-	-	90,498	-	-	289,521
91600	Office expenses	44,447	-	-	-	18,282	125	-	62,854
91700	Legal expenses	15,756	-	2,828	-	11,217	995	-	30,796
91800	Travel	10,439	-	-	-	2,472	7,638	-	20,549
91810	Allocated overhead	-	-	-	-	-	-	-	-
91900	Other	60,242	20,165	54,963	-	11,264	52,721	-	199,355
92000	Asset Management Fee	-	-	-	-	-	-	-	-
	Tenant services								
92100	Tenant services - salaries	-	-	-	-	-	-	-	-
92200	Relocation costs	-	-	-	-	-	-	-	-
92300	Employee benefit contributions- tenant services	-	-	-	-	-	-	-	-
92400	Tenant services - other	-	-	-	246,429	-	-	-	246,429

PLEASANTVILLE HOUSING AUTHORITY

NJ059

Financial Data Schedule (FDS)

March 31, 2016

Line Item #	Account Description	Projects	Capital	14.228 Community Development Block Grants State	14.870 Resident Opportunity and Support Services	14.871 Housing Choice Voucher	6 Component Units	Elimination	Total
	Utilities								
93100	Water	38,001	-	723	-	-	-	-	38,724
93200	Electricity	88,364	-	1,188	-	-	-	-	89,552
93300	Gas	33,418	-	2,152	-	39	-	-	35,609
93400	Fuel	479	-	-	-	111	-	-	590
93500	Labor	-	-	-	-	-	-	-	-
93600	Sewer	65,181	-	1,251	-	-	6,372	-	72,804
93700	Employee benefit contributions- utilities	-	-	-	-	-	-	-	-
93800	Other utilities expense	7,735	-	-	-	-	-	-	7,735
	Ordinary maintenance & operation								
94100	Ordinary maintenance and operations - labor	92,333	-	-	-	-	-	-	92,333
94200	Ordinary maintenance and operations - materials & other	34,315	-	-	-	-	1,257	-	35,572
94300	Ordinary maintenance and operations - contract costs	132,524	-	305	-	-	12,598	-	145,427
94500	Employee benefit contributions- ordinary maintenance	72,538	-	-	-	-	-	-	72,538
	Protective services								
95100	Protective services - labor	-	-	-	-	-	-	-	-
95200	Protective services- other contract costs	-	-	-	-	-	-	-	-
95300	Protective services - other	-	-	-	-	-	-	-	-
95500	Employee benefit contributions- protective services	-	-	-	-	-	-	-	-
	General expenses								
96110	Property Insurance	31,684	-	-	-	-	-	-	31,684
96120	Liability Insurance	15,945	-	-	-	-	4,443	-	20,388
96130	Workmen's Comp	7,722	-	-	-	3,000	-	-	10,722
96200	Other general expenses	267,990	-	-	-	5,193	6,176	-	279,359
96210	Compensated absences	3,482	-	-	-	993	-	-	4,475
96300	Payments in lieu of taxes	22,356	-	-	-	-	570	-	22,926
96400	Bad debt - tenant rents	2,800	-	-	-	-	-	-	2,800
96500	Bad debt- mortgages	-	-	-	-	-	-	-	-
96600	Bad debt - other	-	-	-	-	-	-	-	-
96700	Interest expense	-	-	-	-	-	-	-	-
96710	Amortization of bond issue costs	-	-	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	-	-	-	-
96900	**TOTAL OPERATING EXPENSES**	1,452,671	52,398	63,410	246,429	279,504	92,895	-	2,187,307
97000	**EXCESS OPERATING REVENUE OVER OPERATING EXPENSES**	194,792	134,089	(658,383)	-	3,420,994	102,192	-	3,193,684
97100	Extraordinary maintenance	6,116	-	-	-	-	-	-	6,116
97200	Casualty losses - non capitalized	-	-	-	-	-	-	-	-
97300	Housing assistance payments	-	-	-	-	2,057,187	-	-	2,057,187
97350	HAP Portability - in	-	-	-	-	1,240,883	-	-	1,240,883
97400	Depreciation expense	829,137	-	62,676	-	6,373	-	-	898,186
97500	Fraud losses	-	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-	-
									-
90000	**TOTAL EXPENSES**	2,287,924	52,398	126,086	246,429	3,583,947	92,895	-	6,389,679

PLEASANTVILLE HOUSING AUTHORITY									
NJ059									
Financial Data Schedule (FDS)									
March 31, 2016									
Line Item #	Account Description	Projects	Capital	14.228 Community Development Block Grants State	14.870 Resident Opportunity and Support Services	14.871 Housing Choice Voucher	6 Component Units	Elimination	Total
	OTHER FINANCING SOURCES (USES)								
10010	Operating transfers in	36,368	-	-	-	-	-	(36,368)	-
10020	Operating transfers out	-	(36,368)	-	-	-	-	36,368	-
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)**	36,368	(36,368)	-	-	-	-	-	-
									-
10000	**EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES**	(604,093)	97,721	(721,059)	-	116,551	102,192	-	(1,008,688)
MEMO ACCOUNT INFORMATION:									
11020	Required annual debt principal payments	-	-	-	-	-	-	-	-
11030	Beginning equity	16,034,596	-	3,702,880	-	381,450	140,363	-	20,259,289
11040	Prior period adjustments and equity transfers	(1,013,388)	-	-	-	(408,113)	-	-	(1,421,501)
11170	Administrative fee equity	-	-	-	-	89,888	-	-	89,888
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-
		-	-	-	-	89,888	-	-	89,888
11190	Unit months available	2,484	-	-	-	2,940	132	-	5,556
11210	Number of unit months leased	2,445	-	-	-	2,777	132	-	5,354
	Equity Roll Forward Test:								
	Calculation from R/E Statement	$ 14,514,836	$ -	$ 2,981,821	$ -	$ 89,888	$ 242,555	$ -	$ 17,829,100
	B/S Line 513	$ 14,514,836	$ -	$ 2,981,821	$ -	$ 89,888	$ 242,555	$ -	$ 17,829,100
		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -