HOUSING AUTHORITY OF THE BOROUGH OF BUENA

REPORT OF AUDIT

FOR THE FISCAL YEARS ENDED MARCH 31, 2023 AND 2022

BOWMAN & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

HOUSING AUTHORITY OF THE BOROUGH OF BUENA

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HOUSING AUTHORITY OF THE BOROUGH OF BUENA

FINANCIAL SECTION

FOR THE FISCAL YEARS ENDED MARCH 31, 2023 AND 2022

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing Authority of the Borough of Buena

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of the Housing Authority of the Borough of Buena ("Authority"), a component unit of the Borough of Buena, as of and for the fiscal years ended March 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Authority, as of March 31, 2023 and 2022, and the changes in its financial position and the cash flows thereof for the fiscal years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 in compliance with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Housing Authority of the Borough of Buena, a component unit of the Borough of Buena, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements.

The accompanying supplementary 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 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2023 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Woodbury, New Jersey
November 14, 2023

BOWMAN & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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

Board of Commissioners
Housing Authority of the Borough of Buena

We have audited, 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 in compliance with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the business-type activities of the Housing Authority of the Borough of Buena ("Authority"), a component unit of the Borough of Buena, as of and for the fiscal year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's financial statements, and have issued our report thereon dated November 14, 2023.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Woodbury, New Jersey
November 14, 2023

Housing Authority of the Borough of Buena
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED
For the Fiscal Years Ended March 31, 2023 and 2022

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

FINANCIAL HIGHLIGHTS

- The assets of the Authority exceeded its liabilities as of March 31, 2023 by $1,144,897 (net position).

- The Authority's cash balance as of March 31, 2023 was $675,102 representing an increase of $57,352 from March 31, 2022. $289,110 of the balance has been designated as replacement reserves due to the conversion to RAD. $26,090 of the balance is related to tenant security deposits.

- The Authority had Housing Assistance Payment revenues of $211,704 for the fiscal year ended March 31, 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- **Statements of Net Position** - reports the Authority's current financial resources (short-term spendable resources) with capital assets and long-term debt obligations.

- **Statements of Revenue, Expenses and Changes in Net Position** - reports the Authority's operating and nonoperating revenue, by major sources, along with operating and nonoperating expenses and capital contributions.

- **Statements of Cash Flows** - reports the Authority's net cash from operating, investing, capital and noncapital related financial activities.

FINANCIAL ANALYSIS OF THE AUTHORITY (ENTITY-WIDE)

Since fiscal year 2014, the Authority has recorded the adjustment required by Government Accounting Standards Board (GASB) Statement No. 68 Accounting and Financial Reporting for Pensions as required by Generally Accepted Accounting Principles for government entities. Under the provisions of GASB 68, the Authority must include its proportionate share of the net pension liability of the Public Employees' Retirement System (PERS). The Authority was required to report $37,667 of deferred outflows of resources, $28,384 of deferred inflows of resources and the pension liability of $193,228 for the current fiscal year.

Also since fiscal year 2018, the Authority has recorded the adjustment required by Government Accounting Standards Board (GASB) Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB) as required by Generally Accepted Accounting Principles for government entities. Under the provisions of GASB 75, the Authority must include its proportionate share of the net OPEB for post-employment benefits (health insurance). The Authority was required to report $76,599 of deferred outflows of resources, $194,259 of deferred inflows of resources and the OPEB liability of $303,935 for the fiscal year ended March 31, 2023.

The following table summarizes the changes in net position between March 31, 2023, 2022 and 2021 for the Authority as a whole (entity-wide):

ENTITY-WIDE	**2023**	**2022**	**2021**
Current Assets	$ 697,858	$ 639,503	$ 526,971
Capital Assets	1,158,347	1,169,607	1,220,589
Total Assets	1,856,205	1,809,110	1,747,560
Deferred Outflows of Resources	114,266	108,237	124,795
Total Assets and Deferred Outflows	1,970,471	1,917,347	1,872,355
Current Liabilities	84,078	77,281	52,365
Noncurrent Liabilities	518,853	507,141	553,957
Total Liabilities	602,931	584,422	606,322
Deferred Inflows of Resources	222,643	258,923	263,821
Total Liabilities and Deferred Inflows	825,574	843,345	870,143
Net Investment in Capital Assets	1,158,347	1,169,607	1,220,589
Restricted Net Position	289,110	241,633	196,419
Unrestricted Net Position (Deficit)	(302,560)	(337,238)	(414,796)
Total Net Position	$ 1,144,897	$ 1,074,002	$ 1,002,212

Current assets increased by $58,355 in 2023 from 2022 due to an increase in cash of $57,352 and an increase on prepaid expenses of $2,048 offset by a decrease in receivables of $1,045.
Current assets increased by $112,532 in 2022 from 2021 due to an increase in cash of $110,723 and an increase in prepaid expenses of $5,274 offset by a decrease in receivables of $3,465.

Capital assets decreased by $11,260 in 2023 from 2022 due to an increase in improvements of $40,000 offset by depreciation of $51,260.
Capital assets decreased by $50,982 in 2022 from 2021 due to depreciation of $50,982.

Deferred Outflows of Resources increased by $6,029 in 2023 from 2022 per the required GASB 68 and GASB 75 year-end accruals.
Deferred Outflows of Resources decreased by $16,558 in 2022 from 2021 per the required GASB 68 and GASB 75 year-end accruals.

Current liabilities increased by $6,797 in 2023 from 2022 due to a increase in accounts payable of $12,362 and an increase in other current liabilities of $394 offset by a decrease in accrued expenses of $5,959.
Current liabilities increased by $24,916 in 2022 from 2021 primarily due to a increase in accounts payable of $18,056 and an increase in PILOT payable of $3,003.

Noncurrent liabilities increased by $11,712 in 2023 from the prior year primarily due to the increase in the Pension liability of $46,369 and a decrease in the OPEB liability of $37,161. Noncurrent liabilities decreased by $46,816 in 2022 from the prior year primarily due to the decrease in the Pension liability of $44,799.

Deferred inflows of Resources decreased by $36,280 in 2023 from 2022 per the required GASB 68 and GASB 75 year-end accruals.
Deferred Inflows of Resources decreased by $4,898 in 2022 form 2021 per the required GASB 68 and GASB 75 year-end accruals.

The following table summarizes the changes in revenues and expenses between March 31, 2023, 2022 and 2021 for the Authority as a whole (entity-wide):

ENTITY-WIDE	**2023**	**2022**	**2021**
Operating Revenue:			
Tenant Rental Revenue	$ 245,992	$ 236,610	$ 201,302
Housing Assistance Payments	211,704	202,931	190,202
Other Income	25,992	5,690	3,970
Total Operating Revenue	483,688	445,231	395,474
Operating Expenses:			
Administrative	117,824	108,723	116,335
Utilities	92,660	91,023	85,846
Ordinary Maintenance and Operations	110,690	82,808	110,094
General Expenses	40,425	39,961	31,645
Depreciation Expense	51,260	50,982	76,659
Total Operating Expenses	412,859	373,497	420,579
Nonoperating Revenue:			
Investment Income	66	56	48
Net Nonoperating Revenue	66	56	48
Change in Net Position	70,895	71,790	(25,057)
Net Position, Beginning	1,074,002	1,002,212	1,027,269
Net Position, Ending	$ 1,144,897	$ 1,074,002	$ 1,002,212

Comparatively, 2023 revenue increased by $38,457 from 2022 due to an increase in tenant rental revenue of $9,382, an increase in housing assistance payment revenues of $8,773 and an increase in other income of $20,302.

Comparatively, 2022 revenue increased by $49,757 from 2021 due to an increase in tenant rental revenue of $35,308, an increase in housing assistance payment revenues of $12,729 and an increase in other income of $1,720.

Interest income increased slightly in 2023 over 2022 by $10 and increased slightly in 2022 over 2021 by $8.

Administrative expenses increased by $9,101 in 2023 from 2022 primarily due to staff training of $1,200, an increase in professional fees of $3,100 and an increase in outside office help of $3,842. Administrative expenses decreased by $7,612 in 2022 from 2021 primarily due to an increase in office fees of $4,205, an increase in health benefits of $3,574 offset by a decrease in benefits of $13,533.

Utility expenses increased in 2023 from 2022 by $1,637 primarily due to an increase in gas costs. Utility expenses increased in 2022 from 2021 by $5,177 primarily due to an increase in gas costs.

Maintenance expenses increased in 2023 from 2022 by $27,882 primarily due to an increase in supplies of $8,528 and an increase in contract costs of $15,787.
Maintenance expenses decreased in 2022 from 2021 by $27,286 primarily due to a decrease in floor covering costs of $10,813, a decrease in HVAC cost of $2,700 and a decrease in materials of $5,825.

Depreciation expense increased slightly in 2023 from 2022 by $278 and decreased in 2022 from 2021 by $25,677 due to more capital assets being fully depreciated.

CAPITAL ASSETS

The following table summarizes the changes in capital assets between March 31, 2023, 2022 and 2021:

	2023	2022	2021
Land	$ 313,978	$ 313,978	$ 313,978
Buildings and Improvements	3,558,402	3,518,402	3,518,402
Equipment-Dwelling	27,302	27,302	27,302
Equipment-Nondwelling	46,236	46,236	47,072
TOTAL CAPITAL ASSETS	3,945,918	3,905,918	3,906,754
Accumulated depreciation	2,787,571	2,736,311	2,686,165
CAPITAL ASSETS, NET	$ 1,158,347	$ 1,169,607	$ 1,220,589

DEBT ADMINISTRATION

Debt:

As of March 31, 2023, the Authority had no outstanding debt.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Housing Authority of the Borough of Buena, 600 Central Avenue, Minotola, NJ 08341-1014.

HOUSING AUTHORITY OF THE BOROUGH OF BUENA
Statements of Net Position
For the Fiscal Years Ended March 31, 2023 and 2022

	2023	2022
ASSETS		
Current assets		
Unrestricted cash and cash equivalents	$ 359,902	$ 349,305
Restricted cash and cash equivalents	26,090	26,812
Replacement reserve cash	289,110	241,633
Accounts receivable	355	223
Other receivables	65	1,242
Prepaid expenses	22,336	20,288
Total current assets	697,858	639,503
Non-current assets		
Capital assets, net of accumulated depreciation	1,158,347	1,169,607
Total assets	1,856,205	1,809,110
DEFERRED OUTFLOWS OF RESOURCES		
Related to pensions	37,667	26,682
Related to OPEB	76,599	81,555
Total deferred outflows of resources	114,266	108,237
Total assets and deferred outflows of resources	$ 1,970,471	$ 1,917,347
LIABILITIES		
Current liabilities		
Accounts payable	$ 35,437	$ 23,075
Accrued expenses	1,851	7,810
Accrued compensated absences	5,422	4,797
Tenant security deposits	26,090	26,812
Due to other governments	15,278	14,549
Unearned revenue	-	238
Total current liabilities	84,078	77,281
Non-current liabilities		
Accrued compensated absences	21,690	19,186
Pension liability - contribution subsequent to measurement date	11,396	10,137
Pension liability	181,832	136,722
Other postemployment benefits	303,935	341,096
Total non-current liabilities	518,853	507,141
Total liabilities	602,931	584,422
DEFERRED INFLOWS OF RESOURCES		
Related to pensions	28,384	85,669
Related to OPEB	194,259	173,254
Total deferred inflows of resources	222,643	258,923
NET POSITION		
Net investment in capital assets	1,158,347	1,169,607
Restricted	289,110	241,633
Unrestricted (deficit)	(302,560)	(337,238)
Total net position	1,144,897	1,074,002
Total liabilities, deferred inflows of resources and net position	$ 1,970,471	$ 1,917,347

The accompanying notes are an integral part of the financial statements.

HOUSING AUTHORITY OF THE BOROUGH OF BUENA
Statements of Revenue, Expenses, and Changes in Net Position
For the Fiscal Years Ended March 31, 2023 and 2022

	2023	2022
Operating revenue		
Tenant charges	$ 245,992	$ 236,610
Housing assistance payments	211,704	202,931
Other income	25,992	5,690
Total operating revenue	483,688	445,231
Operating expenses		
Administration	117,824	108,723
Utilities	92,660	91,023
Ordinary maintenance and operations	110,690	82,808
General expenses	40,425	39,961
Depreciation expense	51,260	50,982
Total operating expenses	412,859	373,497
Operating income	70,829	71,734
Non-operating revenue:		
Interest income	66	56
Increase in net position	70,895	71,790
Net position at the beginning of the year	1,074,002	1,002,212
Net position at the end of the year	$ 1,144,897	$ 1,074,002

The accompanying notes are an integral part of the financial statements.

HOUSING AUTHORITY OF THE BOROUGH OF BUENA
Statements of Cash Flows
For the Fiscal Years Ended March 31, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Cash received from housing assistance payments	$ 211,704	$ 202,931
Cash received from tenants	244,900	243,768
Other operating cash receipts	25,992	5,690
Payments to employees	(133,360)	(119,070)
Payments for goods and services	(251,950)	(222,652)
Net cash provided by operating activities	97,286	110,667
Cash flows from capital and related financing activities		
Purchase of capital assets	(40,000)	-
Cash flows from investing activities		
Interest income received	66	56
Increase in cash and cash equivalents	57,352	110,723
Cash and cash equivalents, beginning of year	617,750	507,027
Cash and cash equivalents, end of year	$ 675,102	$ 617,750
Reconciliation of operating income to net cash provided by operating activities		
Operating income	$ 70,829	$ 71,734
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	51,260	50,982
Adjustment to actuarial pension expense	(20,223)	(25,200)
Adjustment to actuarial accounts payable amount	(1,678)	(1,339)
Adjustment to actuarial other postemployment benefits	(11,200)	(8,896)
(Increase) decrease in assets		
Accounts receivable	(132)	4,661
Other receivables	1,177	(1,196)
Prepaid expenses	(2,048)	(5,274)
Increase (decrease) in liabilities		
Accounts payable	12,362	18,056
Accrued expenses	(5,959)	1,290
Tenant security deposits	(722)	2,265
Due to other governments	729	3,003
Unearned revenue	(238)	232
Accrued compensated absences	3,129	349
Net cash provided by operating activities	$ 97,286	$ 110,667
Reconciliation of cash and cash equivalents to the statements of net position		
Cash and cash equivalents - unrestricted	$ 359,902	$ 349,305
Cash and cash equivalents - restricted	26,090	26,812
Replacement reserve	289,110	241,633
	$ 675,102	$ 617,750

The accompanying notes are an integral part of the financial statements.

Note 1: **ORGANIZATION AND ACTIVITY**

Reporting entity

The Housing Authority of the Borough of Buena (the "Authority") was created under federal and state housing laws as defined by state statute (N.J.S.A. 40A:12A-1, et seq., the "Housing Authority Act"). The Authority is governed by a Board of seven members who serve five-year terms. The governing Board is essentially autonomous but is responsible to the U.S. Department of Housing and Urban Development (HUD) and the New Jersey State Department of Community Affairs. An Executive Director is appointed by the Authority's Board to manage the day-to-day operations of the Authority. The Authority is responsible for the development, maintenance and management of affordable housing for low and moderate income families residing in the Borough of Buena, New Jersey.

As of March 31, 2023, the activities of the Authority include the ownership and/or management of the following housing projects in Buena, New Jersey:

The Rental Assistance Demonstration ("RAD") program was created to assist housing authorities with preserving and/or improving public housing properties. The RAD program allows housing authorities to leverage public housing stock and public and private debt to make these improvements in the absence of federal funding for this purpose. In addition, converting to RAD provides for a more stable funding stream. All 60 rental units have RAD project-based vouchers. The vouchers are managed by the Housing Authority of the City of Vineland.

Component unit

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in the Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity,* as amended. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit would be reported in a separate column in the financial statements to emphasize that it is legally separate from the government.

The basic, but not the only criterion for including a potential component unit within the reporting entity, is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

As of March 31, 2023, it has been determined by the Authority that no component units exist.

Note 1: **ORGANIZATION AND ACTIVITY (continued)**

Component unit (continued)

The Authority is a component unit of the Borough of Buena (the "Borough") as described in Governmental Accounting Standards Board Statement described above because the Council of the Borough of Buena appoints 6 out of the 7 commissioners to the Buena Housing Authority Board. These financial statements would be either blended or discretely presented as part of the Borough's financial statements if the Borough reported using generally accepted accounting principles applicable to governmental entities.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The financial statements of the Housing Authority of the Borough of Buena have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to enterprise funds of State and Local Governments on a going concern basis. The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Authority is a single enterprise fund and maintains its records on the accrual basis of accounting. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activities; or (ii) that are required by law or regulations that the activity's cost of providing services, including capital cost (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service). Under this method, revenues are recorded when earned and expenses are recorded when the related liability is incurred.

Basis of accounting

Basis of accounting determines when transactions are being recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

> Revenues - Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. Tenant charges are recognized as revenue when services are provided.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Basis of accounting (continued)

Non-exchange transactions, in which the Authority receives value without directly giving equal value in return, include grants, contributed capital, and donations. Revenue from grants, contributed capital, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Authority must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Authority on a reimbursement basis.

Expenses - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

Budgets and budgetary control

The Authority prepares an annual budget as required by N.J.A.C. 5:31-2. N.J.A.C. 5:31-2 requires the governing body to introduce the annual Authority budget at least 60 days prior to the end of the current fiscal year and to adopt not later than the beginning of the Authority's fiscal year. The governing body may amend the budget at any point during the fiscal year. The Authority's budget includes all operations of the Authority. Planned capital fund expenditures are included in a capital budget, which is part of the annual budget. The original budget and budget amendments must be approved by Board resolution. Budget amendments during the fiscal years ended March 31, 2023 and 2022, were not significant.

Annual budgets are prepared on the modified accrual basis of accounting. This basis differs in certain respects from the full accrual basis of accounting that the Authority utilizes for financial reporting.

The Authority's annual budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by function and nature. The total amount of appropriations constitutes the legal level of control.

Cash and cash equivalents and investments

Cash and cash equivalents include petty cash, change funds and cash in banks, and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statements of cash flows. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value, as applicable.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Cash and cash equivalents and investments (continued)

New Jersey governmental units 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 of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey governmental units. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the local unit or bonds or other obligations of the school district of which the local unit is a part or within which the school district is located, bonds or other obligations approved by the Division of Local Government Services, Department of Community Affairs for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Additionally, the Authority has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the GUDPA. In lieu of designating a depository, the cash management plan may provide that the local unit make deposits with the State of New Jersey Cash Management Fund.

Restricted assets

Certain cash of the Authority is restricted for tenant security deposits or for other specified purposes.

Prepaid expenses

Prepaid expenses recorded on the financial statements represent payments made to vendors for services that will benefit periods beyond the Authority's fiscal year-end.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Capital assets and depreciation

Land, buildings, and furniture and equipment are carried substantially at cost. All additions and betterments are charged to the capital asset accounts. The Authority has no infrastructure capital assets.

Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the capital asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Interest has been capitalized during the construction period on buildings and equipment.

Assets capitalized generally have an original cost of $2,000 or more and a useful life in excess of three years. Dwelling equipment (ranges and refrigerators) is capitalized irrespective of cost. Depreciation has been provided on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	40 years
Building improvements	10 to 20 years
Furniture and equipment	3 to 10 years

Deferred outflows and deferred inflows of resources

The statements of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the GASB standards. The Authority is required to report amounts related to the defined benefit pension plan and other postemployment benefits that are applicable to future periods as deferred outflows of resources and deferred inflows of resources. See notes 6 and 7 for more information regarding the pension plan and other postemployment benefits ("OPEB"), respectively.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Compensated absences

Employees earn vacation and sick leave in varying amounts based upon length of service in accordance with the Authority's Personnel Policy. Sick leave can accrue without limit, but accrued vacation leave cannot exceed 2 years. In the event of retirement, employees may be compensated for accumulated vacation leave based on any accumulated and unpaid annual leave at the current rate of pay under the Personnel Policy. In the event of retirement, employees or officers commencing employment after June 8, 2007 but prior to May 21, 2010, upon retirement, shall be eligible for payment for the number of unused sick days in an amount not to exceed the amount accumulated prior to May 21, 2010 or $15,000, whichever is greater. Employees or officers commencing employment on or before June 8, 2007, upon retirement, shall be eligible for payment not to exceed the amount accumulated as of June 8, 2007, or $17,500, whichever is greater.

Amounts accrued are charged to expense with a corresponding liability.

Unearned revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Unearned revenue is recorded as a liability until the revenue is measurable and the Authority is eligible to realize the assets as revenue.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions ("OPEB") - State Health Benefits Local Government Retired Employees Plan

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan (the "Plan") and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net position

In accordance with the provisions of GASB Statement No. 34 (Statement 34) of the Governmental Accounting Standards Board "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments", the Authority has classified its net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Net position (continued)

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced, by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component as the unspent amount.

Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted – This component of net position consists of net position that does not meet the definitions of “restricted” or “net investment in capital assets.” This component includes net position that may be allocated for specific purposes by the Board.

Income taxes

The Authority operates as defined by the Internal Revenue Code (“IRC”) Section 115 and is exempt from income taxes under Section 115.

Revenue

The major sources of revenue are various subsidies from the U.S. Department of Housing and Urban Development, charges to tenants, and other income as discussed below.

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Authority. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from nonexchange transactions or ancillary activities.

Tenant charges - Tenant charges consist of rental income and fees. Charges are determined and billed monthly and are recognized as revenues when assessed because they are measurable and are collectible within the current period. Amounts not received by year-end are considered to be accounts receivable, and amounts paid for the subsequent year are recorded as unearned revenue.

Housing assistance payments - Housing assistance payments consist of amounts received related to project based vouchers held by tenants. Charges are determined and billed monthly and recognized as revenues when assessed because they are measurable and are collectible within the current period. Amounts not received by year-end are considered to be accounts receivable, and amounts paid for the subsequent year are recorded as unearned revenue.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Other income - Miscellaneous income is composed primarily of miscellaneous service fees. This revenue is recorded as earned since it is measurable and available.

Use of estimates

Management of the Authority has made certain estimates and assumptions relating to the reporting of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and revenues and expenses to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results may differ from those estimates.

New accounting standards adopted

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The adoption of this Statement had no impact on the Authority's financial statements.

Statement No. 91, *Conduit Debt Obligations*. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The adoption of this Statement had no impact on the Authority's financial statements.

Statement No. 92, *Omnibus 2020.* The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during the implementation and application of certain GASB Statements. The requirements of this Statement are effective as follows:

1. The requirements related to the effective date of Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
2. The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74.
3. The requirements related to the application of Statement No. 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities.
4. The requirements related to the measurement of liabilities (and assets, if any) associated with Asset Retirement Obligations ("AROs") in a government acquisition.

The adoption of this statement had no impact on the Authority's financial statements.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

New accounting standards adopted (continued)

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.* The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution OPEB plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for IRC Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The adoption of this Statement had no impact on the financial statements.

New accounting standards to be implemented in the future

The Authority plans to implement the following pronouncements by the required implementation dates or earlier, when deemed feasible:

Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (“PPPs”). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (“APAs”). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The Statement will become effective for the Authority in the year ending March 31, 2024. Management does not expect this Statement will have an impact on the financial statements.

Statement 96, *Subscription-Based Information Technology Arrangements.* This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (“SBITAs”) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The Statement will become effective for the Authority in the year ending March 31, 2024. Management does not expect this Statement will have an impact on the financial statements.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

New accounting standards to be implemented in the future (continued)

Statement No. 99, Omnibus 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of the London Interbank Offered Rate ("LIBOR"), accounting for Supplemental Nutrition Assistance Program ("SNAP") distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective immediately. The requirements related to leases, PPPs, and SBITAs will become effective for the Authority in the fiscal year ending March 31, 2024. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 will become effective for the Authority in the fiscal year ending March 31, 2025. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement will become effective for the Authority in the fiscal year ending March 31, 2025. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the Authority in the fiscal year ending March 31, 2025. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Note 3: **CASH AND CASH EQUIVALENTS**

Custodial credit risk related to deposits – Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits might not be recovered. The Authority's formal policy regarding custodial credit risk is the same as described in Note 2 and included in its cash management plan. N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). Under the Act, the first $250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation ("FDIC"). Public funds owned by the Authority in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Authority relative to the happening of a future condition. As of March 31, 2023 and 2022, the Authority's bank balances of $250,000 and $250,000, respectively, were insured by Federal depository insurance and $424,990 and $367,550, respectively, were insured by GUDPA.

Note 4: **RESTRICTED ASSETS**

The Authority established restricted cash accounts as required by HUD to report the cash associated with holding tenant security deposits and the replacement reserve, required by RAD (see note 1). As of March 31, 2023 and 2022, the Authority's restricted cash balances are $315,200 and $268,445, respectively.

Note 5: **CAPITAL ASSETS**

The Authority's capital asset activity for the fiscal years ended March 31, 2023 and 2022, was as follows:

	Balance March 31, 2022	Additions	Reductions	Balance March 31, 2023
Capital assets not being depreciated				
Land	$ 313,978	$ -	$ -	$ 313,978
Capital assets being depreciated				
Buildings	3,518,403	40,000	-	3,558,403
Furniture & equipment – dwelling	27,302	-	-	27,302
Furniture & equipment – nondwelling	46,235	-	-	46,235
Total capital assets being depreciated	3,591,940	40,000	-	3,631,940
Total capital assets	3,905,918	40,000	-	3,945,918
Less: accumulated depreciation	2,736,311	51,260	-	2,787,571
Net capital assets	$ 1,169,607	$ (11,260)	$ -	$ 1,158,347

	Balance March 31, 2021	Additions	Reductions	Balance March 31, 2022
Capital assets not being depreciated				
Land	$ 313,978	$ -	$ -	$ 313,978
Capital assets being depreciated				
Buildings	3,518,403	-	-	3,518,403
Furniture, equipment – dwelling	27,302	-	-	27,302
Furniture & equipment – nondwelling	47,071	-	(836)	46,235
Total capital assets being depreciated	3,592,776	-	(836)	3,591,940
Total capital assets	3,906,754	-	(836)	3,905,918
Less: accumulated depreciation	2,686,165	50,982	(836)	2,736,311
Net capital assets	$ 1,220,589	$ (50,982)	$ -	$ 1,169,607

Note 6: **PENSION PLAN**

Public Employees' Retirement System

A substantial number of the Authority employees participate in the PERS, a defined benefit pension plan, which is administered by the New Jersey Division of Pensions and Benefits (“the Division”). This plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS plan's fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
https://www.state.nj.us/treasury/pensions/financial-reports.shtml

General Information about the Pension Plan

Plan Description

The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS’ designated purpose is to provide retirement, death, disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Authority, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction’s pension fund. The PERS’ Board of Trustees is primarily responsible for the administration of the PERS.

Vesting and Benefit Provisions

The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

Tier	**Definition**
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.

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

Vesting and Benefit Provisions (continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit are available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit are available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years 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 that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members 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.

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.00%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of the highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund ("BEF") to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers.

The Authority's contractually required contribution rate for the fiscal years ended March 31, 2023 and 2022, was 16.30% and 15.22% of the Authority's covered payroll, respectively. These amounts were actuarially determined as an amount that, when combined with employee contributions, are expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2022, the Authority's contractually required contribution to the pension plan for the fiscal year ended March 31, 2023, was $15,194, and was payable by April 1, 2023. Based on the PERS measurement date of June 30, 2021, the Authority's contractually required contribution to the pension plan for the fiscal year ended March 31, 2022, was $13,516, and was payable by April 1, 2022. Employee contributions to the pension plan during the fiscal years ended March 31, 2023 and 2022, were $6,993 and $6,660, respectively.

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Authority, under Chapter 133, P.L. 2001, for the fiscal year ended March 31, 2023, was 0.0012096845% of the Authority's covered payroll.

Based on the most recent PERS measurement date of June 30, 2022, the State's contractually required contribution, under Chapter 133, P.L. 2001, on behalf of the Authority, to the pension plan for the fiscal year ended March 31, 2023 was $383, and is payable by April 1, 2023.

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

Pension Liability – As of March 31, 2023, the Authority's proportionate share of the PERS net pension liability was $181,832. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. 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 employers, actuarially determined. For the June 30, 2022 measurement date, the Authority's proportion was 0.0012048708%, which was an increase of 0.0000507582% from its proportion measured as of June 30, 2021.

As of March 31, 2022, the Authority's proportionate share of the PERS net pension liability was $136,722. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. 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 employers, actuarially determined. For the June 30, 2021 measurement date, the Authority's proportion was 0.0011541126%, which was an increase of 0.0000409900% from its proportion measured as of June 30, 2020.

Pension (Benefit) Expense - For the fiscal years ended March 31, 2023 and 2022, the Authority recognized pension (benefit) expense of ($6,706) and ($13,025), respectively. These amounts were based on the plan's June 30, 2022 and 2021 measurement dates, respectively.

For the fiscal year ended March 31, 2023, the Authority has recognized as a revenue and an expenditure on-behalf payments made by the State for the State's proportionate share of the PERS pension expense, associated with the Authority, under Chapter 133, P.L. 2001, calculated by the Plan as of the June 30, 2022 measurement date. The amounts recognized as a revenue and an expenditure in the financial statements was $383.

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

Deferred Outflows of Resources and Deferred Inflows of Resources - At March 31, 2023 and 2022, the Authority had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Measurement Date June 30, 2022		Measurement Date June 30, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,312	$ 1,157	$ 2,156	$ 979
Change of assumptions	563	27,227	712	48,674
Net difference between projected and actual earnings on pension plan investments	7,526	-	-	36,016
Changes in proportion and differences between Authority contributions and proportionate share of contributions	16,870	-	13,677	-
Authority contributions subsequent to the measurement date	11,396	-	10,137	-
	$ 37,667	$ 28,384	$ 26,682	$ 85,669

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

The deferred outflows of resources related to pensions totaling $11,396 and $10,137 will be included as a reduction of the net pension liability in the years ended March 31, 2024 and 2023, respectively. These amounts are based on an estimated April 1, 2024 and April 1, 2023 contractually required contribution, prorated from the pension plans measurement date of June 30, 2022 and June 30, 2021, to the Authority's fiscal year-end of March 31, 2023 and 2022.

The Authority will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		
Year of pension plan deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
Changes of assumptions		
Year of pension plan deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Net difference between projected and actual earnings on pension plan investments		
Year of pension plan deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

	Deferred Outflow of Resources	Deferred Inflows of Resources
Changes in proportion and differences between Authority contributions and proportionate share of contributions		
Year of pension plan deferral:		
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04

Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

Fiscal Year Ending March 31,	
2024	$ (10,028)
2025	(2,757)
2026	16
2027	10,597
2028	59
	$ (2,113)

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

Actuarial Assumptions

The net pension liability was measured as of June 30, 2022 and 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 and 2020. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022 and 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	Measurement Date June 30, 2022	Measurement Date June 30, 2021
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary increases:		
Through 2026	2.75% - 6.55% Based on years of service	2.00% - 6.00% Based on years of service
Thereafter		3.00% - 7.00% Based on years of service
Investment rate of return	7.00%	7.00%
Period of actuarial experience Study upon which actuarial assumptions were based	July 1, 2018 – June 30, 2021	July 1, 2014 – June 30, 2018

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

Actuarial Assumptions (continued)

For the June 30, 2022 measurement date, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

For the June 30, 2021 measurement date, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2022 and 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2022 and 2021, are summarized in the table on the following page.

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

Actuarial Assumptions (continued)

	Measurement Date June 30, 2022		Measurement Date June 30, 2021	
Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**	**Target Allocation**	**Long-Term Expected Real Rate of Return**
U.S. Equity	27.00%	8.12%	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.38%	13.50%	8.71%
Emerging Markets Equity	5.50%	10.33%	5.50%	10.96%
Private Equity	13.00%	11.80%	13.00%	11.30%
Real Estate	8.00%	11.19%	8.00%	9.15%
Real Assets	3.00%	7.60%	3.00%	7.40%
High Yield	4.00%	4.95%	2.00%	3.75%
Private Credit	8.00%	8.10%	8.00%	7.60%
Investment Grade Credit	7.00%	3.38%	8.00%	1.68%
Cash Equivalents	4.00%	1.75%	4.00%	0.50%
U.S. Treasuries	4.00%	1.75%	5.00%	0.95%
Risk Mitigation Strategies	3.00%	4.91%	3.00%	3.35%
	100.00%		100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.54% as of the June 30, 2022 measurement date based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. 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. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

Actuarial Assumptions (continued)

Discount Rate (continued) - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.16% as of the June 30, 2021 measurement date based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. 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. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the Authority's proportionate share of the net pension liability at June 30, 2022, the pension plan's measurement date, calculated using a discount rate of 7.00%, as well as what the Authority's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability	$ 233,600	$ 181,832	$ 137,774

The following presents the Authority's proportionate share of the net pension liability at June 30, 2021, the pension plan's measurement date, calculated using a discount rate of 7.00%, as well as what the Authority's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability	$ 186,188	$ 136,722	$ 94,743

Note 6: **PENSION PLAN (continued)**

Public Employees' Retirement System (continued)

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and additions to/deductions from PERS' respective fiduciary net position have been determined on the same basis as they are reported by PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 7: **OTHER POST-RETIREMENT BENEFITS**

State Health Benefits Local Government Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided - The Authority contributes to the State Health Benefits Local Government Retired Employees Plan (the "Plan"), which is a cost-sharing multiple-employer defined benefit OPEB plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the "State"), Division of Pensions and Benefits' (the "Division") annual financial statements, which can be found at https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L 1974 and Chapter 48, P.L. 1999, local government employers electing to provide post-retirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of post-retirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

General Information about the OPEB Plan (continued)

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

Contributions - The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members.

The Authority was billed monthly by the Plan and for the fiscal years ended March 31, 2023 and 2022, the Authority paid $0. These amounts represent 0.00% of the Authority's covered payroll. During the fiscal years ended March 31, 2023 and 2022, the Authority had no retirees receiving healthcare benefits.

OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

OPEB Liability - At March 31, 2023, the Authority's proportionate share of the net OPEB liability was $303,935.

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022.

The Authority's proportion of the net OPEB liability was based on the ratio of the plan members of an individual employer to the total members of the Plan' during the measurement period July 1, 2021 through June 30, 2022. For the June 30, 2022 measurement date, the Authority's proportion was 0.001882%, which was a decrease of 0.000023% from its proportion measured as of the June 30, 2021 measurement date, as adjusted.

At March 31, 2022, the Authority's proportionate share of the net OPEB liability was $341,096.

The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021.

The Authority's proportion of the net OPEB liability was based on the ratio of the plan members of an individual employer to the total members of the Plan' during the measurement period July 1, 2020 through June 30, 2021. For the June 30, 2021 measurement date, the Authority's proportion was 0.001905%, which was a decrease of 0.000014% from its proportion measured as of the June 30, 2020 measurement date.

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

OPEB (Benefit) Expense - At March 31, 2023, the Authority's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2022 measurement date, is ($3,274). As previously mentioned, for the fiscal year ended March 31, 2023, the Authority made no contributions to the Plan.

At March 31, 2022, the Authority's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2021 measurement date, is ($2,020). As previously mentioned, for the fiscal year ended March 31, 2022, the Authority made no contributions to the Plan.

Deferred Outflows of Resources and Deferred Inflows of Resources

At March 31, 2023 and 2022, the Authority had deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	Measurement Date June 30, 2022		Measurement Date June 30, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 15,696	$ 56,337	$ 7,654	$ 71,362
Change of assumptions	40,561	103,727	49,068	60,293
Net difference between projected and actual earnings on OPEB plan investments	80	-	163	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions	20,262	34,195	24,670	41,599
	$ 76,599	$ 194,259	$ 81,555	$ 173,254

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

The Authority will amortize the other deferred outflow of resources and deferred inflows of resources related to the OPEB liability over the following number of years:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		
Year of OPEB plan deferral:		
June 30, 2018	-	8.14
June 30, 2019	-	8.05
June 30, 2020	7.87	-
June 30, 2021	-	7.82
June 30, 2022	7.82	-
Changes of assumptions		
Year of OPEB plan deferral:		
June 30, 2017	-	8.04
June 30, 2018	-	8.14
June 30, 2019	-	8.05
June 30, 2020	7.87	-
June 30, 2021	7.82	-
June 30, 2022	-	7.82
Net difference between projected and actual earnings on OPEB plan investments		
Year of OPEB plan deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions		
Year of OPEB plan deferral:		
June 30, 2017	8.04	8.04
June 30, 2018	8.14	8.14
June 30, 2019	8.05	8.05
June 30, 2020	7.87	7.87
June 30, 2021	7.82	7.82
June 30, 2022	7.82	7.82

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

Other amounts included as deferred outflows of resources and deferred inflows of resources related to the OPEB liability will be recognized in future periods as follows:

Fiscal Year Ending March 31,	
2024	$ (33,697)
2025	(33,721)
2026	(22,715)
2027	(11,044)
2028	(236)
Thereafter	(16,247)
	$ (117,660)

Actuarial Assumptions

The actuarial valuation at June 30, 2022 and 2021, used the following actuarial assumptions, applied to all periods in the measurement:

	Measurement Date June 30, 2022	Measurement Date June 30, 2021
Salary increases*		
PERS		
Initial fiscal year applied:		
Rate through 2026		2.00% - 6.00%
Rate thereafter		3.00% - 7.00%
Rate for All Future Years	2.75% - 6.55%	

Mortality:

PERS – Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021

* Salary increases are based on years of service within the respective plan

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

Actuarial Assumptions (continued)

Actuarial assumptions used in the valuation were based on the results of the PERS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of active members in both the June 30, 2022 and June 30, 2021 measurement dates are considered to participate in the Plan upon retirement.

All of the Plan's investments are in the State of New Jersey Cash Management Fund ("CMF"). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, *Certain Investments and External Investment Pools.* The CMF invests in U.S. Government and Agency Obligations, Commercial Paper, Corporate Obligations and Certificates of Deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) are the unit cost of value of $1.00. Participant shares are valued on a fair value basis. The CMF pays interest to participants on a monthly basis.

Discount Rate - The discount rate used to measure the OPEB Liability at June 30, 2022 and 2021, were 3.54% and 2.16%, respectively. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Health Care Trend Assumptions – The health care trend assumptions used is as follows:

	Annual Rate of Increase			
	Medical Trend			**Prescription Drug**
Fiscal Year Ending	**Pre-65**	**PPO Post-65**	**HMP Post-65**	**Trend**
2023	6.25%	-1.89%	-1.99%	8.00%
2024	6.00%	-6.00%	-6.15%	7.50%
2025	5.75%	6.99%	7.02%	7.00%
2026	5.50%	15.04%	15.18%	6.50%
2027	5.25%	13.00%	13.11%	6.00%
2028	5.00%	11.47%	11.56%	5.50%
2029	4.75%	10.27%	10.35%	5.00%
2030	4.50%	9.29%	9.35%	4.50%
2031	4.50%	8.50%	8.55%	4.50%
2032	4.50%	6.25%	6.27%	4.50%
2033 and later	4.50%	4.50%	4.50%	4.50%

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

Sensitivity of the net OPEB Liability to Changes in the Discount Rate

The net OPEB liability as of June 30, 2022, the plans measurement date, for the Authority calculated using a discount rate of 3.54%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Proportionate share of the net OPEB liability	$ 352,322	$ 303,935	$ 265,003

The net OPEB liability as of June 30, 2021, the plans measurement date, for the Authority calculated using a discount rate of 2.16%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Proportionate share of the net OPEB liability	$ 401,405	$ 341,096	$ 293,300

Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The Authority's proportionate share of the net OPEB Liability as of June 30, 2022, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Proportionate share of the net OPEB liability	$ 257,837	$ 303,935	$ 362,973

Note 7: **OTHER POST-RETIREMENT BENEFITS (continued)**

State Health Benefits Local Government Retired Employees Plan (continued)

Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates (continued)

The Authority's proportionate share of the net OPEB Liability as of June 30, 2021, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Proportionate share of the net OPEB liability	$ 284,589	$ 341,096	$ 414,831

OPEB Plan Fiduciary Net Position

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB (benefit) expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 8: **LONG-TERM LIABILITIES**

The following summarizes compensated absences at year-end:

	March 31, 2023	March 31, 2022
Beginning balance	$ 23,983	$ 23,634
Increase	10,709	13,729
Decrease	7,580	13,380
Ending balance	$ 27,112	$ 23,983
Current portion	$ 5,422	$ 4,797

Note 9: **MANAGEMENT AGREEMENT**

The Housing Authority of the Borough of Buena entered into an agreement to retain management services from the Housing Authority of the City of Vineland and has agreed to pay $29,500 annually and to be invoiced monthly. The Housing Authority of the City of Vineland provides management services and additional services on an as-needed basis for the Housing Authority of the Borough of Buena. The current agreement became effective as of January 1, 2017, and was effective until December 31, 2022. This agreement will renew one additional five-year term through December 31, 2027, unless written notice is received 30 days prior to expiration. The total management fees paid were $29,625 and $29,500 for the fiscal years ended March 31, 2023 and 2022, respectively.

Note 10: **RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered through a joint insurance pool as described below. Settled claims from these risks have not exceeded coverage for the past several years.

The Authority is a member of the New Jersey Public Housing Authority Joint Insurance Fund. The Fund provides its members with the following coverage:

Property and Physical Damage
General and Automobile Liability
Workers' Compensation
Public Official Liability/Employment Practices Liability

Contributions to the Fund are payable in an annual premium and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment to the Fund's obligation.

The Fund publishes its own financial report which can be obtained from:

New Jersey Public Housing Authorities Joint Insurance Fund
9 Campus Drive, Suite 16
Parsippany, New Jersey 07054-4412

Note 11: **OTHER MATTERS**

Certain claims have been filed against the organization. In the opinion of management, all matters are adequately covered by insurance or are without merit.

Note 12: **SUBSEQUENT EVENTS**

Management of the Housing Authority of the Borough of Buena has evaluated subsequent events through November 14, 2023, the date the financial statements were available to be issued.

HOUSING AUTHORITY OF THE BOROUGH OF BUENA

REQUIRED SUPPLEMENTARY INFORMATION

MARCH 31, 2023

HOUSING AUTHORITY OF THE BOROUGH OF BUENA
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Plan Years

	Measurement Date Ending June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Proportion of the net pension liability	0.0012048708%	0.0011541126%	0.0011131226%	0.0010795663%	0.0010723080%	0.0010670415%	0.0010245550%	0.0010136882%	0.0010111773%	0.0010885497%
Proportionate share of the net pension liability	$ 181,832	$ 136,722	$ 181,521	$ 194,521	$ 211,132	$ 248,390	$ 303,444	$ 227,553	$ 189,320	$ 208,043
Covered payroll (plan measurement period)	$ 93,240	$ 88,796	$ 84,576	$ 80,552	$ 76,712	$ 75,304	$ 73,924	$ 70,480	$ 69,928	$ 69,928
Proportionate share of the net pension liability as a percentage of it's covered payroll	195.02%	153.97%	214.62%	241.49%	275.23%	329.85%	410.48%	322.86%	270.74%	297.51%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

HOUSING AUTHORITY OF THE BOROUGH OF BUENA
Required Supplementary Information
Schedule of the Authority's Contributions
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years

	Fiscal Year-Ended March 31,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 15,194	$ 13,516	$ 12,177	$ 10,501	$ 10,666	$ 9,885	$ 9,102	$ 8,715	$ 8,336	$ 8,202
Contributions in relation to the contractually required contribution	(15,194)	(13,516)	(12,177)	(10,501)	(10,666)	(9,885)	(9,102)	(8,715)	(8,336)	(8,202)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's covered payroll	$ 93,240	$ 88,796	$ 84,576	$ 80,552	$ 76,712	$ 75,304	$ 73,924	$ 72,055	$ 70,066	$ 69,928
Contributions as a percentage of covered payroll	16.30%	15.22%	14.40%	13.04%	13.90%	13.13%	12.31%	12.09%	11.90%	11.73%

Note to Required Supplementary Information

Changes in benefit terms: The June 30, 2022 measurement date included three changes to the plan provisions, only one of which had an impact on the Total Pension Liability (TPL). Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

Year	Rate	Year	Rate
2022	7.00%	2017	5.00%
2021	7.00%	2016	3.98%
2020	7.00%	2015	4.90%
2019	6.28%	2014	5.39%
2018	5.66%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

Year	Rate	Year	Rate
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%
2018	7.00%		

The underlying demographic and economic assumptions were updated as a result of the Experience Study covering the period of July 1, 2018 - June 30, 2021.

HOUSING AUTHORITY OF THE BOROUGH OF BUENA
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net OPEB Liability
State Health Benefits Local Government Retired Employees Plan
Last Six Plan Years

	Measurement Date Ending June 30,					
	2022	**2021 (a)**	**2020**	**2019**	**2018**	**2017**
Authority's Proportion of the Net OPEB Liability	0.001882%	0.001895%	0.001919%	0.001788%	0.001931%	0.001906%
Authority's Proportionate Share of the Net OPEB Liability	$ 303,935	$ 342,896	$ 344,396	$ 242,204.00	$ 302,522.00	$ 389,125.00
Authority's Covered Payroll (Plan Measurement Period)	$ 89,907	$ 85,631	$ 81,558	$ 77,672	$ 76,712	$ 74,614
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	338.05%	400.43%	422.27%	311.83%	394.36%	521.52%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-0.36%	0.28%	0.91%	1.98%	1.97%	1.03%

(a) The Proportionate Share of the June 30, 2021 Net OPEB Liability was adjusted within the June 30, 2022 Plan Audit.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

HOUSING AUTHORITY OF THE BOROUGH OF BUENA
Required Supplementary Information
Schedule of the Authority's OPEB Contributions
State Health Benefits Local Government Retired Employees Plan
Last Six Fiscal Years

	Fiscal Year Ended March 31,					
	2023	**2022**	**2021**	**2020**	**2019**	**2018**
Authority's Required Contributions	$ -	$ -	$ -	$ 6,978	$ 9,168	$ 8,292
Authority's Contributions in Relation to the Required Contribution	$ -	$ -	$ -	$ (6,978)	$ (9,168)	$ (8,292)
Authority's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll (Fiscal Year)	$ 93,240	$ 88,796	$ 84,576	$ 80,552	$ 76,712	$ 75,304
Authority's Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	8.66%	11.95%	11.01%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

Note to Required Supplementary Information

Changes in Benefit Terms:
The actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022, included changes due to employers adopting and /or changing Chapter 48 provisions.

Changes in Assumptions:
The discount rate used as of the June 30 measurement date is as follows:

Year	Rate	Year	Rate
2022	3.54%	2019	3.50%
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%

The expected investment rate of return is based on guidance provided by the State. These expected rates of return are the same as the discount rates listed above.

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included changes in the trend and updated mortality improvement assumptions.

There were no changes to mortality projections.

HOUSING AUTHORITY OF THE BOROUGH OF BUENA

SUPPLEMENTARY INFORMATION

(AS REQUIRED BY U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT)

MARCH 31, 2023

Buena Housing Authority (NJ202)
MINOTOLA, NJ
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit   Fiscal Year End: 03/31/2023

	Project Total	1 Business Activities	Subtotal	Total
111 Cash - Unrestricted		$359,903	$359,903	$359,903
112 Cash - Restricted - Modernization and Development				
113 Cash - Other Restricted		$289,110	$289,110	$289,110
114 Cash - Tenant Security Deposits		$26,090	$26,090	$26,090
115 Cash - Restricted for Payment of Current Liabilities				
100 Total Cash	$0	$675,103	$675,103	$675,103
121 Accounts Receivable - PHA Projects				
122 Accounts Receivable - HUD Other Projects				
124 Accounts Receivable - Other Government				
125 Accounts Receivable - Miscellaneous		$65	$65	$65
126 Accounts Receivable - Tenants		$355	$355	$355
126.1 Allowance for Doubtful Accounts -Tenants		$0	$0	$0
126.2 Allowance for Doubtful Accounts - Other		$0	$0	$0
127 Notes, Loans, & Mortgages Receivable - Current				
128 Fraud Recovery				
128.1 Allowance for Doubtful Accounts - Fraud				
129 Accrued Interest Receivable				
120 Total Receivables, Net of Allowances for Doubtful Accounts	$0	$420	$420	$420
131 Investments - Unrestricted				
132 Investments - Restricted				
135 Investments - Restricted for Payment of Current Liability				
142 Prepaid Expenses and Other Assets		$22,335	$22,335	$22,335
143 Inventories				
143.1 Allowance for Obsolete Inventories				
144 Inter Program Due From				
145 Assets Held for Sale				
150 Total Current Assets	$0	$697,858	$697,858	$697,858
161 Land		$313,978	$313,978	$313,978
162 Buildings		$3,558,402	$3,558,402	$3,558,402
163 Furniture, Equipment & Machinery - Dwellings		$27,302	$27,302	$27,302
164 Furniture, Equipment & Machinery - Administration		$46,236	$46,236	$46,236
165 Leasehold Improvements				
166 Accumulated Depreciation		($2,787,571)	($2,787,571)	($2,787,571)
167 Construction in Progress				
168 Infrastructure				
160 Total Capital Assets, Net of Accumulated Depreciation	$0	$1,158,347	$1,158,347	$1,158,347

Buena Housing Authority (NJ202)
MINOTOLA, NJ

Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit Fiscal Year End: 03/31/2023

	Project Total	1 Business Activities	Subtotal	Total
171 Notes, Loans and Mortgages Receivable - Non-Current				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due				
173 Grants Receivable - Non Current				
174 Other Assets				
176 Investments in Joint Ventures				
180 Total Non-Current Assets	$0	$1,158,347	$1,158,347	$1,158,347
200 Deferred Outflow of Resources		$114,266	$114,266	$114,266
290 Total Assets and Deferred Outflow of Resources	$0	$1,970,471	$1,970,471	$1,970,471
311 Bank Overdraft				
312 Accounts Payable <= 90 Days		$35,437	$35,437	$35,437
313 Accounts Payable >90 Days Past Due				
321 Accrued Wage/Payroll Taxes Payable		$1,852	$1,852	$1,852
322 Accrued Compensated Absences - Current Portion		$5,422	$5,422	$5,422
324 Accrued Contingency Liability				
325 Accrued Interest Payable				
331 Accounts Payable - HUD PHA Programs				
332 Account Payable - PHA Projects				
333 Accounts Payable - Other Government		$15,278	$15,278	$15,278
341 Tenant Security Deposits		$26,090	$26,090	$26,090
342 Unearned Revenue				
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				
344 Current Portion of Long-term Debt - Operating Borrowings				
345 Other Current Liabilities				
346 Accrued Liabilities - Other				
347 Inter Program - Due To				
348 Loan Liability - Current				
310 Total Current Liabilities	$0	$84,079	$84,079	$84,079

Buena Housing Authority (NJ202)
MINOTOLA, NJ
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit | Fiscal Year End: 03/31/2023

	Project Total	1 Business Activities	Subtotal	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue				
352 Long-term Debt, Net of Current - Operating Borrowings				
353 Non-current Liabilities - Other				
354 Accrued Compensated Absences - Non Current		$21,690	$21,690	$21,690
355 Loan Liability - Non Current				
356 FASB 5 Liabilities				
357 Accrued Pension and OPEB Liabilities		$497,163	$497,163	$497,163
350 Total Non-Current Liabilities	$0	$518,853	$518,853	$518,853
300 Total Liabilities	$0	$602,932	$602,932	$602,932
400 Deferred Inflow of Resources		$222,643	$222,643	$222,643
508.4 Net Investment in Capital Assets	$0	$1,158,347	$1,158,347	$1,158,347
511.4 Restricted Net Position	$0	$289,110	$289,110	$289,110
512.4 Unrestricted Net Position	$0	($302,561)	($302,561)	($302,561)
513 Total Equity - Net Assets / Position	$0	$1,144,896	$1,144,896	$1,144,896
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$0	$1,970,471	$1,970,471	$1,970,471

Buena Housing Authority (NJ202)

MINOTOLA, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit | Fiscal Year End: 03/31/2023

	Project Total	1 Business Activities	Subtotal	Total
70300 Net Tenant Rental Revenue		$245,444	$245,444	$245,444
70400 Tenant Revenue - Other		$5,638	$5,638	$5,638
70500 Total Tenant Revenue	$0	$251,082	$251,082	$251,082
70600 HUD PHA Operating Grants		$211,704	$211,704	$211,704
70610 Capital Grants				
70710 Management Fee				
70720 Asset Management Fee				
70730 Book Keeping Fee				
70740 Front Line Service Fee				
70750 Other Fees				
70700 Total Fee Revenue				
70800 Other Government Grants				
71100 Investment Income - Unrestricted		$66	$66	$66
71200 Mortgage Interest Income				
71300 Proceeds from Disposition of Assets Held for Sale				
71310 Cost of Sale of Assets				
71400 Fraud Recovery				
71500 Other Revenue		$20,902	$20,902	$20,902
71600 Gain or Loss on Sale of Capital Assets				
72000 Investment Income - Restricted				
70000 Total Revenue	$0	$483,754	$483,754	$483,754
91100 Administrative Salaries		$36,813	$36,813	$36,813
91200 Auditing Fees		$11,900	$11,900	$11,900
91300 Management Fee		$29,625	$29,625	$29,625
91310 Book-keeping Fee				
91400 Advertising and Marketing		$1,197	$1,197	$1,197
91500 Employee Benefit contributions - Administrative		$591	$591	$591
91600 Office Expenses		$16,585	$16,585	$16,585
91700 Legal Expense		$5,000	$5,000	$5,000
91800 Travel		$1,222	$1,222	$1,222
91810 Allocated Overhead				
91900 Other		$14,892	$14,892	$14,892
91000 Total Operating - Administrative	$0	$117,825	$117,825	$117,825

Buena Housing Authority (NJ202)

MINOTOLA, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit   Fiscal Year End: 03/31/2023

	Project Total	1 Business Activities	Subtotal	Total
92000 Asset Management Fee				
92100 Tenant Services - Salaries				
92200 Relocation Costs				
92300 Employee Benefit Contributions - Tenant Services				
92400 Tenant Services - Other				
92500 Total Tenant Services	$0	$0	$0	$0
93100 Water		$15,494	$15,494	$15,494
93200 Electricity		$9,001	$9,001	$9,001
93300 Gas		$34,921	$34,921	$34,921
93400 Fuel				
93500 Labor				
93600 Sewer		$33,245	$33,245	$33,245
93700 Employee Benefit Contributions - Utilities				
93800 Other Utilities Expense				
93000 Total Utilities	$0	$92,661	$92,661	$92,661
94100 Ordinary Maintenance and Operations - Labor		$56,874	$56,874	$56,874
94200 Ordinary Maintenance and Operations - Materials and Other		$17,976	$17,976	$17,976
94300 Ordinary Maintenance and Operations Contracts		$35,817	$35,817	$35,817
94500 Employee Benefit Contributions - Ordinary Maintenance		$22	$22	$22
94000 Total Maintenance	$0	$110,689	$110,689	$110,689
95100 Protective Services - Labor				
95200 Protective Services - Other Contract Costs				
95300 Protective Services - Other				
95500 Employee Benefit Contributions - Protective Services				
95000 Total Protective Services	$0	$0	$0	$0
96110 Property Insurance		$10,875	$10,875	$10,875
96120 Liability Insurance		$4,191	$4,191	$4,191
96130 Workmen's Compensation		$774	$774	$774
96140 All Other Insurance		$6,176	$6,176	$6,176
96100 Total insurance Premiums	$0	$22,016	$22,016	$22,016
96200 Other General Expenses				
96210 Compensated Absences		$3,130	$3,130	$3,130
96300 Payments in Lieu of Taxes		$15,278	$15,278	$15,278
96400 Bad debt - Tenant Rents				
96500 Bad debt - Mortgages				
96600 Bad debt - Other				
96800 Severance Expense				
96000 Total Other General Expenses	$0	$18,408	$18,408	$18,408

Buena Housing Authority (NJ202)

MINOTOLA, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit | Fiscal Year End: 03/31/2023

	Project Total	1 Business Activities	Subtotal	Total
96710 Interest of Mortgage (or Bonds) Payable				
96720 Interest on Notes Payable (Short and Long Term)				
96730 Amortization of Bond Issue Costs				
96700 Total Interest Expense and Amortization Cost	$0	$0	$0	$0
96900 Total Operating Expenses	$0	$361,599	$361,599	$361,599
97000 Excess of Operating Revenue over Operating Expenses	$0	$122,155	$122,155	$122,155
97100 Extraordinary Maintenance				
97200 Casualty Losses - Non-capitalized				
97300 Housing Assistance Payments				
97350 HAP Portability-In				
97400 Depreciation Expense		$51,260	$51,260	$51,260
97500 Fraud Losses				
97600 Capital Outlays - Governmental Funds				
97700 Debt Principal Payment - Governmental Funds				
97800 Dwelling Units Rent Expense				
90000 Total Expenses	$0	$412,859	$412,859	$412,859
10010 Operating Transfer In				
10020 Operating transfer Out				
10030 Operating Transfers from/to Primary Government				
10040 Operating Transfers from/to Component Unit				
10050 Proceeds from Notes, Loans and Bonds				
10060 Proceeds from Property Sales				
10070 Extraordinary Items, Net Gain/Loss				
10080 Special Items (Net Gain/Loss)				
10091 Inter Project Excess Cash Transfer In				
10092 Inter Project Excess Cash Transfer Out				
10093 Transfers between Program and Project - In				
10094 Transfers between Project and Program - Out				
10100 Total Other financing Sources (Uses)	$0	$0	$0	$0

Buena Housing Authority (NJ202)

MINOTOLA, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit — Fiscal Year End: 03/31/2023

	Project Total	1 Business Activities	Subtotal	Total
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$0	$70,895	$70,895	$70,895
11020 Required Annual Debt Principal Payments	$0	$0	$0	$0
11030 Beginning Equity	$0	$1,051,589	$1,051,589	$1,051,589
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors		$22,412	$22,412	$22,412
11050 Changes in Compensated Absence Balance				
11060 Changes in Contingent Liability Balance				
11070 Changes in Unrecognized Pension Transition Liability				
11080 Changes in Special Term/Severance Benefits Liability				
11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents				
11100 Changes in Allowance for Doubtful Accounts - Other				
11170 Administrative Fee Equity				
11180 Housing Assistance Payments Equity				
11190 Unit Months Available	0	720	720	720
11210 Number of Unit Months Leased	0	709	709	709
11270 Excess Cash	$0		$0	$0
11610 Land Purchases	$0		$0	$0
11620 Building Purchases	$0		$0	$0
11630 Furniture & Equipment - Dwelling Purchases	$0		$0	$0
11640 Furniture & Equipment - Administrative Purchases	$0		$0	$0
11650 Leasehold Improvements Purchases	$0		$0	$0
11660 Infrastructure Purchases	$0		$0	$0
13510 CFFP Debt Service Payments	$0		$0	$0
13901 Replacement Housing Factor Funds	$0		$0	$0

HOUSING AUTHORITY OF THE BOROUGH OF BUENA
Schedule of Findings
For the Fiscal Year Ended March 31, 2023

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

No Current Year Findings.

HOUSING AUTHORITY OF THE BOROUGH OF BUENA
Summary Schedule of Prior Year Audit Findings
As Prepared by Management

This section identifies the status of prior year findings that are required to be reported in accordance with *Government Auditing Standards* and with the audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey.

No Prior Year Findings.

APPRECIATION

We express our appreciation for the courtesies extended and assistance rendered to us during the course of this audit.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants