
**HOUSING AUTHORITY OF THE
CITY OF CAPE MAY
CAPE MAY, NEW JERSEY**

SUMMARY FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
SEPTEMBER 30, 2016**

INDEPENDENT AUDITOR'S REPORT ON
SUMMARY FINANCIAL STATEMENTS

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May 15, 2017

Board of Commissioners
Housing Authority of the City of Cape May
Cape May, New Jersey

Report on the Summary Financial Statements

The accompanying summary financial statements of the Housing Authority of the City of Cape May, Cape May, New Jersey, as of and for the year ended September 30, 2016 are derived from the audited basic financial statements of the Housing Authority of the City of Cape May, Cape May, New Jersey, as of and for the year ended September 30, 2016. We expressed an unmodified audit opinion on those audited financial statements in our report dated May 15, 2017.

The summary financial statements do not contain all the information required for a complete presentation under accounting principles generally accepted in the United States of America. Reading the summary financial statements, therefore, is not a substitute for reading the basic financial statements of the Housing Authority of the City of Cape May, Cape May, New Jersey.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation and fair presentation of the summary financial statements in accordance with accounting principles generally accepted in the United States of America.

Auditor's Responsibility

Our responsibility is to express an opinion about whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with auditing standards generally accepted in the United States of America. The procedures consisted principally of comparing the summary financial statements with the related information in the audited financial statements from which the summary financial statements have been derived, and evaluating whether the summary financial statements are prepared in accordance with the basis described in the second paragraph of this report.

Opinion

In our opinion, the summary financial statements of the Housing Authority of the City of Cape May, Cape May, New Jersey as of and for the year ended September 30, 2016 referred to above are consistent, in all material respects, with the basic financial statements from which they have been derived, in accordance with accounting principles generally accepted in the United States of America.

Barbacane, Thornton & Company LLP
BARBACANE, THORNTON & COMPANY LLP

SYNOPSIS OF THE HOUSING AUTHORITY OF THE CITY OF CAPE MAY AUDIT REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016, as required by N.J.S. 40A:5A-16. The Housing Authority of the City of Cape May owns 85 housing elderly and family units of low-income housing.

**HOUSING AUTHORITY OF THE CITY OF CAPE MAY
CAPE MAY, NEW JERSEY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2016**

ASSETS AND DEFERRED OUTFLOW OF RESOURCES

Cash and cash equivalents	\$ 342,490
Accounts receivable, net	6,881
Other assets	7,316
Capital assets - net	943,357
Total Assets	<u>1,300,044</u>

Deferred Outflow of Resources:
Deferred pension expense

371,666

TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES

\$ 1,671,710

LIABILITIES AND NET POSITION

Liabilities:

Accounts payable and accrued expenses

\$ 52,460

Tenant security deposits

29,070

Accrued compensated absences

15,687

Net pension liability

758,376

Total Liabilities

855,593

Net Position:

Net investment in capital assets

943,357

Unrestricted (Deficit)

(127,240)

Total Net Position

816,117

TOTAL LIABILITIES AND NET POSITION

\$ 1,671,710

**HOUSING AUTHORITY OF THE CITY OF CAPE MAY
CAPE MAY, NEW JERSEY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

OPERATING INCOME	
Tenant revenue	\$ 343,206
Government operating grants	379,587
Other income	9,965
TOTAL OPERATING INCOME	<u><u>732,758</u></u>
OPERATING EXPENSES	
Administration	272,485
Utilities	237,770
Tenant services	1,375
Ordinary maintenance and operation	287,141
Insurance expense	23,596
General expense	15,534
Depreciation expense	134,025
TOTAL OPERATING EXPENSES	<u><u>971,926</u></u>
NET OPERATING LOSS	<u>(239,168)</u>
NONOPERATING INCOME	
Interest on investments	590
TOTAL NONOPERATING INCOME	<u>590</u>
CHANGE IN NET POSITION	(238,578)
NET POSITION, OCTOBER 1	<u>1,054,695</u>
NET POSITION, SEPTEMBER 30	<u><u>\$ 816,117</u></u>

The above synopsis was prepared from the audit report of the Housing Authority of the City of Cape May for the year ended September 30, 2016.

The audit report, submitted by Barbacane, Thornton & Company LLP, Certified Public Accountants, is on file at the Authority's office at 639 Lafayette Street, Cape May, New Jersey 08204 and is available for review by the public during regular office hours, Thomas Hynes, Chairman of the Board.