

**NIAGARA FALLS**  
**HOUSING AUTHORITY**  
*Basic Financial Statements, Required  
Supplementary Information, Supplementary  
Information and Federal Awards Information  
for the Years Ended March 31, 2023 and 2022  
and Independent Auditors' Reports*



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### INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners  
Niagara Falls Housing Authority:

#### Report on the Audit of the Financial Statements

##### *Opinions*

We have audited the financial statements of the business-type activities of the Niagara Falls Housing Authority (the "Authority"), as of and for the 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority, as of March 31, 2023 and 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

##### *Basis for Opinions*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority 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 opinions.

##### *Responsibilities of Management for the Financial Statements*

The Authority's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

## ***Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 and other Required Supplementary Information, as listed in the table of contents, 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 opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Supplementary Information, as listed in the table of contents, the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and the Electronically Filed Financial Data Schedule ("Appendix A"), as required by the U.S. Department of Housing and Urban Development's Real Estate Assessment Center, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information, as listed in the table of contents, the Schedule of Expenditures of Federal Awards, and Appendix A are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information, as listed in the table of contents, the Schedule of Expenditures of Federal Awards, and Appendix A are fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 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.

*Drescher + Malecki LLP*  
December 12, 2023



**NIAGARA FALLS HOUSING AUTHORITY**  
**Management's Discussion and Analysis**  
**Years Ended March 31, 2023 and 2022**

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As management of the Niagara Falls Housing Authority (the "Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal years ended March 31, 2023 and 2022. This document should be read in conjunction with additional information that we have furnished in the Authority's financial statements, which follow this narrative. For comparative purposes, certain data from the prior year has been reclassified to conform with the current year presentation.

**Financial Highlights**

- The Authority's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$38,092,197 (net position) at March 31, 2023, as compared to assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources by \$37,729,538 at March 31, 2022.
- The Authority's net position increased by \$362,659 for the year ended March 31, 2023. The Authority's net position decreased by \$494,558 for the year ended March 31, 2022.
- At March 31, 2023, the Authority's net investment in capital assets totaled \$12,068,154, which includes property and equipment, net of accumulated depreciation and related debt. The remaining portion of net position of \$26,024,043 represents the unrestricted net position available to maintain the Authority's continuing obligations to citizens and creditors. At March 31, 2022, the Authority's net investment in capital assets totaled \$11,934,147, while the remaining portion of the net position totaled \$25,795,391.

**Overview of the Financial Statements**

The discussion and analysis provided here are intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements comprise two components: 1) the Authority's financial statements and 2) the notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Financial statements**—The financial statements are prepared using the accrual basis of accounting. The financial statements are organized as follows:

The *statements of net position* on page 13 present information on all of the Authority's assets, liabilities, and deferred outflows/inflows of resources, with the differences reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *statements of revenue, expenses, and changes in net position* on page 14 present information showing how the Authority's net position changed during the most recent fiscal years. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The *statements of cash flows* on pages 15-16 present the cash flow activities for the most recent reporting years and the effect that these activities had on the Authority's cash and cash equivalent balances.

The *notes to the financial statements* on pages 17-33 provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found following the financial statements section of this report.

**Other information**—In addition to the basic financial statements and the accompanying notes, this report also presents certain *required supplementary information* concerning the Authority’s net pension liability and the changes in the Authority’s total other postemployment benefits (“OPEB”) obligation. Required supplementary information and the related note to the required supplementary information can be found on pages 34-37 of this report.

Other supplementary information is presented immediately following the Required Supplementary Information in the Supplementary Information section of this report on pages 38-41.

The Federal Awards Information section presents the Authority’s Schedule of Expenditures of Federal Awards. This section can be found on pages 42-50 of this report.

Finally, the Electronically Filed Financial Data Schedule (Appendix A) can be found on pages 51-55 of this report.

### Financial Analysis

As noted earlier, net position over time may serve as useful indicator of an entity’s financial position. In the case of the Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$38,092,197 at the close of the most recent fiscal year, as compared to \$37,729,538 at the close of the fiscal year ended March 31, 2022.

Table 1, shown below, presents condensed statements of net position as of March 31, 2023, March 31, 2022 and March 31, 2021.

**Table 1—Condensed Statements of Net Position**

	March 31,	
	2023	2022
Current assets	\$ 40,245,117	\$ 39,303,070
Capital assets	<u>12,068,154</u>	<u>11,934,147</u>
Total assets	<u>52,313,271</u>	<u>51,237,217</u>
Deferred outflows of resources	<u>1,511,558</u>	<u>2,991,870</u>
Current liabilities	1,114,209	1,180,357
Noncurrent liabilities	<u>8,764,205</u>	<u>12,878,541</u>
Total liabilities	<u>9,878,414</u>	<u>14,058,898</u>
Deferred inflows of resources	<u>5,854,218</u>	<u>2,440,651</u>
Net position:		
Net investment in capital assets	12,068,154	11,934,147
Unrestricted	<u>26,024,043</u>	<u>25,795,391</u>
Total net position	<u>\$ 38,092,197</u>	<u>\$ 37,729,538</u>

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	March 31,	
	2022	2021
Current assets	\$ 39,303,070	\$ 38,806,959
Capital assets	<u>11,934,147</u>	<u>10,878,585</u>
Total assets	<u>51,237,217</u>	<u>49,685,544</u>
Deferred outflows of resources	<u>2,991,870</u>	<u>4,274,453</u>
Current liabilities	1,180,357	1,042,560
Noncurrent liabilities	<u>12,878,541</u>	<u>14,633,426</u>
Total liabilities	<u>14,058,898</u>	<u>15,675,986</u>
Deferred inflows of resources	<u>2,440,651</u>	<u>59,915</u>
Net position:		
Net investment in capital assets	11,934,147	10,878,585
Unrestricted	<u>25,795,391</u>	<u>27,345,511</u>
Total net position	<u>\$ 37,729,538</u>	<u>\$ 38,224,096</u>

For the year ended March 31, 2023 total assets increased primarily due to a recognition of a noncurrent net pension asset. Current liabilities decreased primarily due to a decrease in other current liabilities, while total liabilities decreased due to a decrease in the Authority's other postemployment benefits ("OPEB") obligation. For the year ended March 31, 2022, total assets increased primarily due an increase in capital assets related to ongoing construction projects. Current liabilities increased primarily due to a increase in unearned revenue, while total liabilities increased due to increases in the Authority's OPEB obligation and the net pension liability.

Table 2, presented below, shows the changes in net position for the years ended March 31, 2023, 2022, and 2021.

**Table 2—Condensed Statements of Changes in Net Position**

	Year Ended March 31,	
	2023	2022
Operating revenues	\$ 8,966,935	\$ 8,171,273
Operating expenses	<u>9,923,479</u>	<u>10,927,442</u>
Operating (loss)	(956,544)	(2,756,169)
Nonoperating revenues	<u>94,024</u>	<u>81,030</u>
Net (loss) before capital contribution	(862,520)	(2,675,139)
Capital contribution	<u>1,225,179</u>	<u>2,180,581</u>
Change in net position	362,659	(494,558)
Net position—beginning	<u>37,729,538</u>	<u>38,224,096</u>
Net position—ending	<u>\$ 38,092,197</u>	<u>\$ 37,729,538</u>

  

	Year Ended March 31,	
	2022	2021
Operating revenues	\$ 8,171,273	\$ 8,259,867
Operating expenses	<u>10,927,442</u>	<u>11,372,448</u>
Operating income (loss)	(2,756,169)	(3,112,581)
Nonoperating revenues	<u>81,030</u>	<u>93,890</u>
Net income (loss) before capital contribution	(2,675,139)	(3,018,691)
Capital contribution	<u>2,180,581</u>	<u>2,070,267</u>
Change in net position	(494,558)	(948,424)
Net position—beginning	<u>38,224,096</u>	<u>39,172,520</u>
Net position—ending	<u>\$ 37,729,538</u>	<u>\$ 38,224,096</u>

Operating revenues increased 9.7 percent during the current year ended March 31, 2023 due primarily to an increase in program grants/subsidies. Operating expenses decreased 9.2 percent primarily due to a decrease in the Authority’s administrative expenses as a result of the change in the Authority’s other post-employment benefits obligation and related deferred outflows and inflows of resources.

Operating revenues decreased 1.1 percent during the current year ended March 31, 2022 due primarily to a decrease in program grants/subsidies. Operating expenses decreased 3.9 percent primarily due to a decrease in the Authority’s tenant services.

A summary of operating revenues for the years ended March 31, 2023, 2022 and 2021 is presented on the following page in Table 3.

**Table 3—Summary of Operating Revenues**

	Year Ended March 31,		Increase/(Decrease)	
	2023	2022	Dollars	Percent (%)
Tenant rental revenue	\$ 2,342,609	\$ 2,281,112	\$ 61,497	2.7
Program grants/subsidies	5,814,161	5,423,758	390,403	7.2
Other income	810,165	466,403	343,762	73.7
Total operating revenues	<u>\$ 8,966,935</u>	<u>\$ 8,171,273</u>	<u>\$ 795,662</u>	9.7

	Year Ended March 31,		Increase/(Decrease)	
	2022	2021	Dollars	Percent (%)
Tenant rental revenue	\$ 2,281,112	\$ 2,276,085	\$ 5,027	0.2
Program grants/subsidies	5,423,758	5,573,833	(150,075)	(2.7)
Other income	466,403	409,949	56,454	13.8
Total operating revenues	<u>\$ 8,171,273</u>	<u>\$ 8,259,867</u>	<u>\$ (88,594)</u>	(1.1)

Program grants/subsidies represent the majority of the Authority's revenue, which represent 64.8 percent, 66.4 percent, and 67.5 percent of total operating revenues for the years ended March 31, 2023, 2022, and 2021, respectively.

A summary of operating expenses for the years ended March 31, 2023, 2022, and 2021 is presented in Table 4 below:

**Table 4—Summary of Operating Expenses**

	Year Ended March 31,		Increase/(Decrease)	
	2023	2022	Dollars	Percent (%)
Administrative	\$ 3,206,096	\$ 4,789,632	\$ (1,583,536)	(33.1)
Tenant services	573,119	617,104	(43,985)	(7.1)
Utilities	1,073,304	974,382	98,922	10.2
Maintenance and operations	2,848,873	2,440,807	408,066	16.7
General expenses	1,130,915	980,498	150,417	15.3
Depreciation	1,091,172	1,125,019	(33,847)	(3.0)
Total operating expenses	<u>\$ 9,923,479</u>	<u>\$ 10,927,442</u>	<u>\$ (1,003,963)</u>	(9.2)

	Year Ended March 31,		Increase/(Decrease)	
	2022	2021	Dollars	Percent (%)
Administrative	\$ 4,789,632	\$ 4,359,651	\$ 429,981	9.9
Tenant services	617,104	1,311,086	(693,982)	(52.9)
Utilities	974,382	924,351	50,031	5.4
Maintenance and operations	2,440,807	2,311,911	128,896	5.6
General expenses	980,498	1,065,637	(85,139)	(8.0)
Depreciation	1,125,019	1,399,812	(274,793)	(19.6)
Total operating expenses	<u>\$ 10,927,442</u>	<u>\$ 11,372,448</u>	<u>\$ (445,006)</u>	(3.9)

Administrative expenses are the largest expense of the Authority and account for 32.3 percent, 43.8 percent, and 38.3 percent of the Authority’s operating expenses for the years ended March 31, 2023, 2022, and 2021, respectively. For the years ended March 31, 2023, 2022, and 2021, the second largest operating expense was maintenance and operations, which accounted for 28.7 percent, 22.3 percent and 20.3 percent, respectively, of the Authority’s operating expenses.

A condensed version of the Authority’s statements of cash flows for the years ended March 31, 2023, 2022, and 2021 is presented in Table 5 below.

**Table 5—Summary of Cash Flow Activities**

	<u>Year Ended March 31,</u>		<u>Increase/(Decrease)</u>
	<u>2023</u>	<u>2022</u>	<u>Dollars</u>
Cash flows provided by:			
Operating activities	\$ 282,228	\$ 228,526	\$ 53,702
Investing activities	94,024	81,030	12,994
Noncapital investing activities	<u>29,518</u>	<u>8,076</u>	<u>21,442</u>
Net increase in cash and cash equivalents	405,770	317,632	88,138
Cash and cash equivalents—beginning	<u>9,707,297</u>	<u>9,389,665</u>	<u>317,632</u>
Cash and cash equivalents—ending	<u>\$ 10,113,067</u>	<u>\$ 9,707,297</u>	<u>\$ 405,770</u>
	<u>Year Ended March 31,</u>		<u>Increase/(Decrease)</u>
	<u>2022</u>	<u>2021</u>	<u>Dollars</u>
Cash flows provided by (used for):			
Operating activities	\$ 228,526	\$ (278,001)	\$ 506,527
Investing activities	81,030	93,890	(12,860)
Noncapital investing activities	<u>8,076</u>	<u>(4,234)</u>	<u>12,310</u>
Net increase (decrease) in cash and cash equivalents	317,632	(188,345)	505,977
Cash and cash equivalents—beginning	<u>9,389,665</u>	<u>9,578,010</u>	<u>(188,345)</u>
Cash and cash equivalents—ending	<u>\$ 9,707,297</u>	<u>\$ 9,389,665</u>	<u>\$ 317,632</u>

During the year ended March 31, 2023, cash flows from operating activities increased \$53,702 from the prior year primarily as the result of an increase in cash flows from program revenue and subsidies.

During the year ended March 31, 2022, cash flows from operating activities increased \$506,527 from the prior year primarily as the result of a decrease in payments related to administrative expenses.



## Capital Assets

The Authority's investment in capital assets as of March 31, 2023 amounted to \$12,068,154 (net of accumulated depreciation) as compared to \$11,934,147 as of March 31, 2021 and \$10,878,585 as of March 31, 2020. This investment includes land, construction in progress, buildings, and equipment.

Presented in Table 6 below is a comparative summary of the Authority's capital assets. Additional information on the Authority's capital assets can be found in Note 5 to the financial statements.

**Table 6—Summary of Capital Assets (Net of Accumulated Depreciation)**

	March 31,	
	2023	2022
Capital assets not being depreciated:		
Land	\$ 818,409	\$ 773,409
Construction in progress	<u>1,003,576</u>	<u>4,486,400</u>
Total capital assets, not being depreciated	<u>1,821,985</u>	<u>5,259,809</u>
Capital assets being depreciated:		
Buildings	55,896,956	51,233,953
Equipment	<u>2,271,577</u>	<u>2,271,577</u>
Total capital assets, being depreciated	58,168,533	53,505,530
Less accumulated depreciation	<u>(47,922,364)</u>	<u>(46,831,192)</u>
Total capital assets, being depreciated, net	<u>10,246,169</u>	<u>6,674,338</u>
Total capital assets, net	<u>\$ 12,068,154</u>	<u>\$ 11,934,147</u>
	March 31,	
	2022	2021
Capital assets not being depreciated:		
Land	\$ 773,409	\$ 773,409
Construction in progress	<u>4,486,400</u>	<u>2,305,819</u>
Total capital assets, not being depreciated	<u>5,259,809</u>	<u>3,079,228</u>
Capital assets being depreciated:		
Buildings	51,233,953	51,233,953
Equipment	<u>2,271,577</u>	<u>2,271,577</u>
Total capital assets, being depreciated	53,505,530	53,505,530
Less accumulated depreciation	<u>(46,831,192)</u>	<u>(45,706,173)</u>
Total capital assets, being depreciated, net	<u>6,674,338</u>	<u>7,799,357</u>
Total capital assets, net	<u>\$ 11,934,147</u>	<u>\$ 10,878,585</u>

## Long-Term Liabilities

At March 31, 2023, the Authority had long-term liabilities outstanding, including compensated absences, notes payable, other postemployment benefits (“OPEB”) obligation and net pension liability, of \$8,786,379 as compared to \$12,897,874 at March 31, 2021, and \$14,660,327 at March 31, 2020.

A summary of the Authority’s long-term outstanding debt is presented in Table 7 below:

**Table 5—Summary of Long-Term liabilities**

	March 31,		Increase/(Decrease)
	2023	2022	Dollars
Compensated absences	\$ 221,744	\$ 193,332	\$ 28,412
Notes payable	350,000	350,000	-
OPEB obligation	8,214,635	12,347,310	(4,132,675)
Net pension liability	-	7,232	(7,232)
Total	<u>\$ 8,786,379</u>	<u>\$ 12,897,874</u>	<u>\$ (4,111,495)</u>

  

	March 31,		Increase/(Decrease)
	2022	2021	Dollars
Compensated absences	\$ 193,332	\$ 269,005	\$ (75,673)
Notes payable	350,000	350,000	-
OPEB obligation	12,347,310	12,046,449	300,861
Net pension liability	7,232	1,994,873	(1,987,641)
Total	<u>\$ 12,897,874</u>	<u>\$ 14,660,327</u>	<u>\$ (1,762,453)</u>

## Economic Factors and Next Year’s Budgets and Rates

The Authority estimated the 2023 Housing and Urban Development (“HUD”) subsidy to be lower compared to 2022 due to proration by HUD to balance the federal budget.

The Authority has long recognized that, although our mission is to provide safe, affordable housing, a strong component of that success is the provision and or coordination of social services to help our residents achieve self-sufficiency and economic independence. The Grants Management area continues to seek funding to support the Authority’s programs that meet these goals.

Most of the Authority’s funding has typically come from the federal government, particularly from HUD. Over the coming year, the Grants Management area will attempt to identify, and will submit grant applications to, a more diversified group of funding sources. The following are some areas which the Authority is involved:

The Authority, in conjunction with the State University of New York, operates an Advanced Technology Training and Information Networking Lab at the Doris Jones Community Center.

The Authority was awarded a grant by the State’s Attorney for a consultant to help the Authority rehabilitate Jordan Gardens and address the long standing challenges in the Highland/Beech area. The Authority in conjunction with many of our partners have created the Highland/Beech 2023 Plan that focuses on blight elimination, improved curb appeal, single family homeownership opportunities, and

ultimately identifying commercial/retail activity among other things. Over the next few months a major focus area of the housing authority will be centered in the North End.

The Authority, in partnership with the New York State Office of Children and Family Services (“NYSOCFS”), provides a variety of educational, recreational, cultural and age-appropriate activities that allow the integration of life skills for K-12 students.

The New York State Department of Labor occupies space at the Community Center adjacent to Packard Court Community Center that provides job resource information to the public.

The Independent Health Foundation in conjunction with the Authority runs the “Good for the Neighborhood Program” featuring free health screenings, information on health insurance, health and wellness good practices, and cooking demonstrations.

The New York State Department of Health serves as an extension site and offers health and wellness information as well as assistance with soft skills, job readiness, and employment training.

The Authority also works with Heart Love and Soul and has been granted ROSS Funding from the U.S. Department of Housing and Urban Development for case management services to both the Authority’s senior and disabled populations, and also at the family sites.

The Authority also partners with the Niagara Falls School Board of Education, the City of Niagara Falls, and the Scouts of America, and many health and wellness organizations.

### **Requests for Information**

This financial report is designed to provide a general overview of the Authority’s finances for all those with an interest in the Authority’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Ms. Angela Smith (the Authority’s Interim Executive Director) in the Authority’s Administration Building at 744 10th Street, Niagara Falls, New York 14301.

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# BASIC FINANCIAL STATEMENTS



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**NIAGARA FALLS HOUSING AUTHORITY**  
**Statements of Net Position**  
**March 31, 2023 and 2022**

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 9,889,602	\$ 9,513,350
Restricted cash and cash equivalents	223,465	193,947
Receivables, net of allowance for doubtful accounts	1,233,429	1,430,753
Leases receivable	422,642	254,935
Prepaid expenses	172,545	234,793
Inventory	163,843	135,637
Total current assets	12,105,526	11,763,415
Noncurrent assets:		
Notes receivable	27,539,655	27,539,655
Net pension asset	599,936	-
Capital assets not being depreciated	1,821,985	5,259,809
Capital assets, being depreciated	10,246,169	6,674,338
Total noncurrent assets	40,207,745	39,473,802
Total assets	52,313,271	51,237,217
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows—relating to pensions	1,367,041	1,852,198
Deferred outflows—relating to OPEB	144,517	1,139,672
Total deferred outflows of resources	1,511,558	2,991,870
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	361,671	378,402
Tenant security deposits	223,465	193,947
Unearned revenue	296,152	267,524
Other current liabilities	210,747	321,151
Current portion of compensated absences	22,174	19,333
Total current liabilities	1,114,209	1,180,357
Noncurrent liabilities:		
Compensated absences	199,570	173,999
Notes payable	350,000	350,000
Other postemployment benefits obligation	8,214,635	12,347,310
Net pension liability	-	7,232
Total noncurrent liabilities	8,764,205	12,878,541
Total liabilities	9,878,414	14,058,898
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows—relating to pensions	2,068,065	2,141,750
Deferred inflows—relating to OPEB	3,363,511	43,966
Deferred inflows—relating to leases	422,642	254,935
Total deferred inflows of resources	5,854,218	2,440,651
<b>NET POSITION</b>		
Net investment in capital assets	12,068,154	11,934,147
Unrestricted	26,024,043	25,795,391
Total net position	\$ 38,092,197	\$ 37,729,538

The notes to the financial statements are an integral part of these statements.



**NIAGARA FALLS HOUSING AUTHORITY**  
**Statements of Revenue, Expenses and Changes in Net Position**  
**Years Ended March 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Operating revenues:		
Tenant rental revenue	\$ 2,342,609	\$ 2,281,112
Program grants/subsidies	5,814,161	5,423,758
Other income	<u>810,165</u>	<u>466,403</u>
Total operating revenues	<u>8,966,935</u>	<u>8,171,273</u>
Operating expenses:		
Administrative	3,206,096	4,789,632
Tenant services	573,119	617,104
Utilities	1,073,304	974,382
Maintenance and operation	2,848,873	2,440,807
General expenses	1,130,915	980,498
Depreciation	<u>1,091,172</u>	<u>1,125,019</u>
Total operating expenses	<u>9,923,479</u>	<u>10,927,442</u>
Operating (loss)	<u>(956,544)</u>	<u>(2,756,169)</u>
Nonoperating revenues:		
Interest income	<u>94,024</u>	<u>81,030</u>
Total nonoperating revenues	<u>94,024</u>	<u>81,030</u>
Net (loss) before capital contributions	(862,520)	(2,675,139)
Capital contributions	<u>1,225,179</u>	<u>2,180,581</u>
Change in net position	362,659	(494,558)
Net position—beginning	<u>37,729,538</u>	<u>38,224,096</u>
Net position—ending	<u>\$ 38,092,197</u>	<u>\$ 37,729,538</u>

The notes to the financial statements are an integral part of these statements.

**NIAGARA FALLS HOUSING AUTHORITY**  
**Statements of Cash Flows**  
**Years Ended March 31, 2023 and 2022**

	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tenant rental revenue	\$ 2,371,237	\$ 2,470,811
Program revenue and subsidies	6,011,485	5,500,452
Other income	642,458	466,403
Administrative expenses	(3,134,052)	(3,060,525)
Tenant service expenses	(573,119)	(617,104)
Utility expenses	(1,090,035)	(1,109,968)
Maintenance and operation expenses	(2,877,079)	(2,404,306)
General expenses	(1,068,667)	(1,017,237)
Net cash provided by operating activities	282,228	228,526
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	94,024	81,030
Net cash provided by investing activities	94,024	81,030
<b>CASH FLOWS FROM NONCAPITAL INVESTING ACTIVITIES</b>		
Tenants' security deposits received, net	29,518	8,076
Net cash provided by noncapital investing activities	29,518	8,076
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital contributions	1,225,179	2,180,581
Purchase of capital assets	(1,225,179)	(2,180,581)
Net cash provided by capital and related financing activities	-	-
Net change in cash and cash equivalents	405,770	317,632
Cash and cash equivalents—beginning	9,707,297	9,389,665
Cash and cash equivalents—ending	\$ 10,113,067	\$ 9,707,297

(continued)

**NIAGARA FALLS HOUSING AUTHORITY**  
**Statements of Cash Flows**  
**Years Ended March 31, 2022 and 2021**

(concluded)

	<b>2023</b>	<b>2022</b>
<b>Reconciliation of operating (loss) to net cash provided by operating activities</b>		
Operating (loss)	\$ (956,544)	\$ (2,756,169)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:		
Depreciation expense	1,091,172	1,125,019
Decrease in deferred outflows of resources	1,480,312	1,282,583
Increase in deferred inflows of resources	3,413,567	2,125,801
Changes in:		
Decrease in receivables	197,324	76,694
(Increase) in leases receivable	(167,707)	-
Decrease (increase) in prepaid expenses	62,248	(36,739)
(Increase) decrease in inventory	(28,206)	36,501
(Decrease) in accounts payable	(16,731)	(135,586)
Increase in unearned revenue	28,628	189,699
(Decrease) increase in other current liabilities	(110,404)	83,176
Increase (decrease) in compensated absences	28,412	(75,673)
(Decrease) increase in other postemployment benefits obligation	(4,132,675)	300,861
(Decrease) in net pension position	(607,168)	(1,987,641)
Net cash provided by operating activities	\$ 282,228	\$ 228,526

The notes to the financial statements are an integral part of these statements.

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**NIAGARA FALLS HOUSING AUTHORITY**  
**Notes to the Financial Statements**  
**Years Ended March 31, 2023 and 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Accounting***—The accompanying financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority’s accounting policies are described below.

***Financial Reporting Entity***—The Niagara Falls Housing Authority (the “Authority”) was created to meet the needs of the area. The Authority includes all of the programs relevant to the operation of the Authority, including Federal Public Housing Low-Rent and Comprehensive Grant Programs, Capital Grants, and Service Coordinator Programs, and its component unit, People & Possibilities, Inc.

The financial statements consist of the activities of the housing programs subsidized by the U.S. Department of Housing and Urban Development (“HUD”). A summary of each of these programs and the related contracts with HUD is provided below:

- ***Annual Contributions Contract NY-444***

Low Rent Public Housing - This type of housing consists of apartments and single-family dwellings owned and operated by the Authority. Funding is provided by tenant rent payments and subsidies provided by HUD.

Modernization - Substantially all additions to land, buildings, and equipment are accomplished through the capital fund program. This program adds to, replaces or materially upgrades deteriorated portions of the Authority’s housing units. Funding is provided through programs established by HUD.

- ***Hope IV***—The Authority entered into a 54 month contract with HUD to demolish 134 units comprising Center Court. The Authority is then to construct 282 units of mixed-income rental and homeownership units, on and off-site, implement a Community Self Sufficiency Plan and then lease and sell the new dwelling units.

The financial reporting entity includes organizations, functions, and activities over which appointed officials exercise oversight responsibility. Oversight responsibility is determined on the basis of financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

The accompanying financial statements present the Authority and its component units, entities for which the Authority is considered to be financially accountable. Blended component units are, in substance, part of the primary entity’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the entity.

***Blended Component Units***—The blended component units, presented on the following page, are legally separate entities from the Authority, but are, in substance, part of the Authority’s operations and therefore data from the units are combined with data of the Authority.

- ***People and Possibilities, Inc.***—The Authority formed People & Possibilities, Inc. as a not-for-profit corporation which was incorporated on December 11, 2001, under the New York State Not-for-Profit Corporation Law and is exempt from taxation under Section 501 (c)(3) of the Internal Revenue Code. The charitable services include Child Learning Center and Pre-K Daycare Center programs. Income and expenses from these activities are included in other income in the financial statements as a blended component unit.
- ***Center Court NF I Corp.***—The Authority formed Center Court NF I Corp., which is an administrative member in Center Court I, LLC. The entity was created to participate in the mixed finance transactions of Center Court I. Income and expenses from these activities are included in the Authority’s financial statements; however, during the years ended March 31, 2023 and 2022 there was no activity.

The activities of the Authority are accounted for similar to those often found in the private sector using the flow of economic resources measurement focus and the accrual basis of accounting. All assets, deferred outflows, liabilities, deferred inflows, net position, revenues and expenses are accounted for through a single enterprise fund with revenues recorded when earned and expenses recorded at the time liabilities are incurred.

Transactions which are capital, financing or investing related are reported as nonoperating revenues. All expenses related to operating the system are reported as operating expenses. Interest expense and financing costs are reported as nonoperating expenses.

#### **Assets, Liabilities, Deferred Outflows of Resources and Deferred Inflows of Resources**

***Cash and Cash Equivalents***—The Authority considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Authority reports no investments at March 31, 2023 or 2022; however, it is the Authority’s policy to report investments as fair value in accordance with GASB.

***Restricted Cash and Cash Equivalents***—Represents cash and cash equivalents held by the Authority for tenant security deposits.

***Receivables***—Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

***Leases***—The Authority is a lessor for noncancellable leases of buildings. The Authority recognizes a lease receivable and a deferred inflow of resources in the statement of net position at the commencement of a lease, the Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as a revenue over the life of the lease term.

***Prepaid Expenses***—Prepaid expenses consist primarily of certain payments reflecting costs applicable to future accounting periods.

**Inventory**—Inventories of supplies are stated at the lower of cost or market. Cost is determined by the first-in first-out method.

**Notes Receivable**—Represent funds advanced to Center Court I, LLC to finance the Center Court HOPE VI Revitalization and Cornerstone Townhomes, LLC.

**Capital Assets**—Property and equipment are recorded at cost or acquisition value at the date of the gift in the case of donated equipment. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Improvements are capitalized, while expenses for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statements of revenue, expenses and changes in net position. The estimated useful lives for equipment is 5 to 7 years and 15 to 40 years for buildings.

**Deferred Outflows/Inflows of Resources**—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority has two items that qualify for reporting in this category. The first item is related to pensions reported on the statement of financial position. This represents the effect of the net change in the Authority's proportion of the collective net pension asset, the difference during the measurement period between the Authority's contributions and its proportionate share of the total contribution to the pension systems not included in the pension expense, and any contributions to the pension system made subsequent to the measurement date. The second item represents the effects of the change in the Authority's proportion of the collective OPEB liability and difference during the measurement period between certain employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective OPEB liability.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has two item which qualify for reporting in this category. This item represents the effect of the net change in the Authority's proportion of the collective net pension asset and the difference during the measurement periods between the Authority's contributions and its proportionate share of total contributions to the pension systems not included in pension expense and is reported on the statement of net position. The second item is related to leases receivable and is recognized at the commencement of the Authority's lease receivable and amortized over the life of the lease.

**Unearned Revenue**—Grant awards accounted for as exchange transactions are recorded as revenue when expenses have been incurred in compliance with the grant restrictions. Amounts unspent are recorded in the statements of net position as unearned revenue. Tenant rental revenue is recognized when services are rendered. When applicable, rents received in advance are recorded as unearned revenue.

**Compensated Absences**—Authority employees are granted annual vacation leave which may be carried into a subsequent year. In the event of termination, or upon retirement, certain employees are entitled to payment for accumulated vacation leave. Financial information regarding compensated absences is included in Note 10.

**Notes Payable**—Represent a note with the Federal Home Loan Bank, subject to the terms of the Affordable Housing Program (“AHP”) recapture agreement, which requires the Authority to comply with certain affordability requirements through July 2025.

**Other Postemployment Benefits**—In addition to providing pension benefits, the Authority provides health insurance benefits for retired employees as required by the union contracts. The employees become eligible for these benefits if they reach normal retirement age while working for the Authority. More information regarding OPEB is included in Note 9.

**Pension Plan**—The Authority is mandated by New York State law to participate in the New York State Local Employees’ Retirement System. For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plan, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plan. 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. More information regarding pensions is included in Note 8.

## **Revenues and Expenses**

**Expense Allocation**—The costs of providing programs and other activities have been adequately detailed in the statement of revenue, expenses and changes in net position. Allocation of management and general expenses among program and supporting services is not considered significant to the operations of the Authority, therefore, no such allocation has been provided. All expenses incurred by the Authority are related to the Authority’s operations.

**Litigation Losses**—The Authority recognizes estimated losses related to litigation in the period in which the occasion giving rise to the loss occurred, the loss is probable and the loss is reasonably estimable.

**Income Taxes**—The Authority is not subject to federal or state income taxes, nor is it required to file federal or state income tax returns, therefore, no provision for income taxes is reflected in the financial statements.

People & Possibilities, Inc., is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code; therefore, no provision for income taxes is reflected in the financial statements. People & Possibilities, Inc. has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. People & Possibilities, Inc. discloses or recognizes income tax positions based on management’s estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. All applicable tax forms for People & Possibilities, Inc. have been filed and accepted by the Internal Revenue Service through the year ended March 31, 2022.

## **Other**

**Estimates**—The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, deferred outflows of resources, deferred inflows of resources, and disclosures of contingent assets and liabilities at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.



**Adoption of New Accounting Pronouncements**— During the year ended March 31, 2023, the Authority implemented Governmental Accounting Standards Board (“GASB”) Statements No. 87. GASB Statement No. 87 better meets the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Although the implementation of GASB Statements No. 87 did not have a material impact on the Authority’s financial position or results from operations, the implementation resulted in the Authority reporting leases receivable and deferred inflows relating to leases.

**Future Impacts of Accounting Pronouncements**—The Authority has not completed the process of evaluating the impact that will result from adopting GASB Statements No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; No. 96, *Subscription-Based Information Technology Arrangements*; and No. 99, *Omnibus 2022* effective for the year ending March 31, 2024, and No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*; and No. 101, *Compensated Absences* effective for the year ending March 31, 2025. The Authority is, therefore, unable to disclose the impact that adopting GASB Statements No. 94, 96, 99, 100 and 101 will have on its financial position and results of operations when such statements are adopted.

## 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

At March 31, 2023 and 2022, the Authority’s primary government’s financial institution cash account balances included checking accounts, money market funds, and certificates of deposits. Deposits in bank accounts and investments in the Authority and its component unit’s name in financial institutions are covered by federal depository insurance and other collateral which has been assigned to funds over the FDIC coverage at March 31, 2023 and 2022.

Cash and equivalents at March 31, 2023 and 2022 consist of the following:

	<u>March 31, 2023</u>	
	<u>Bank Amount</u>	<u>Carrying Amount</u>
FDIC insured	\$ 1,009,630	\$ 1,011,237
Uninsured:		
Collateral held by pledging bank's agent in Authority's name	9,158,800	8,974,034
People and Possibilities	<u>128,308</u>	<u>128,308</u>
Total	<u>\$ 10,296,738</u>	<u>\$ 10,113,579</u>
	<u>March 31, 2022</u>	
	<u>Bank Amount</u>	<u>Carrying Amount</u>
FDIC insured	\$ 1,000,353	\$ 1,000,375
Uninsured:		
Collateral held by pledging bank's agent in Authority's name	8,287,733	8,287,980
People and Possibilities	<u>418,942</u>	<u>418,942</u>
Total	<u>\$ 9,707,028</u>	<u>\$ 9,707,297</u>

**Custodial Credit Risk—Deposits**—Custodial credit risk is the risk that in the event of a bank failure, the Authority’s deposits may not be returned to it. As of March 31, 2023 and 2022, the Authority’s deposits were either FDIC insured or collateralized with securities held by the pledging bank’s agent in the Authority’s name, with the exception of the deposits of People and Possibilities, which are not required to be collateralized.

**Restricted Cash and Cash Equivalents**—The Authority reports monies related to tenant security deposits held as restricted cash and cash equivalents. At March 31, 2023 and 2022, this amounted to \$223,465 and \$193,947, respectively.

**Investments**—The Authority had no investments at March 31, 2023 or 2022.

**Interest Rate Risk**—In accordance with its investment policy, the Authority manages exposure by limiting the investments to low risk type investments governed by New York State statute.

### 3. RECEIVABLES

**Accounts Receivable**—The Authority has the following receivables at March 31, 2023:

	Receivables	Allowance for Doubtful Accounts	Total
Tenant accounts receivable	\$ 262,780	\$ (203,134)	\$ 59,646
Interest receivable on notes	830,678	-	830,678
Developer fees receivable	29,551	-	29,551
Grants receivable	273,513	-	273,513
Other receivables	40,041	-	40,041
Total	<u>\$ 1,436,563</u>	<u>\$ (203,134)</u>	<u>\$ 1,233,429</u>

The Authority has the following receivables at March 31, 2022:

	Receivables	Allowance for Doubtful Accounts	Total
Tenant accounts receivable	\$ 251,840	\$ (180,652)	\$ 71,188
Interest receivable on notes	750,828	-	750,828
Developer fees receivable	29,551	-	29,551
Grants receivable	557,357	-	557,357
Other receivables	21,829	-	21,829
Total	<u>\$ 1,611,405</u>	<u>\$ (180,652)</u>	<u>\$ 1,430,753</u>

**Leases Receivable**—Following the implementation of GASB Statement No. 87, *Leases*, the Authority recognizes various leases receivable including office space which is measured at the present value of the remaining leases payments expected to be received during the lease terms. The leases have maturity dates ranging from 6 to 20 years remaining. During the year ending March 31, 2023, the Authority recognized \$31,966 in lease revenue and \$12,928 in interest revenue. As of March 31, 2023, the Authority’s outstanding receivable for lease payments and deferred inflows of resources relating to leases were \$422,642, while at March 31, 2022, the Authority’s outstanding receivable for lease payments and deferred inflows of resources relating to leases were \$254,935.

#### 4. NOTES RECEIVABLE

Notes receivable at March 31, 2023 and 2022 represent funds advanced to Center Court I, LLC to finance the Center Court HOPE VI Revitalization and Cornerstone Townhomes, LLC as presented below:

	<u>2023</u>	<u>2022</u>
Bond receivable - Niagara County Industrial Development Agency (NCIDA). Repayment of principal and interest due August 1, 2043. Interest accruing at 3.94% per annum with repayment of principal pursuant to the terms of lease agreement and assignment of rents with Center Court I, LLC. The note is secured by the property of Center Court I, LLC.	\$ 1,367,740	\$ 1,367,740
Note due and payable upon completion of the project, with interest at 0.1%. Center Court I, LLC shall make annual payments from cash flows pursuant to the terms of the regulatory and operating agreement. Any remaining principal and interest will be due upon the maturity date of November 30, 2047. The note is secured by the property of Center Court I, LLC.	14,360,063	14,360,063
Note due and payable upon completion of the Project, with interest at 0.1%. Center Court II, LLC shall make annual payments from cash flows pursuant to the terms of the regulatory and operating agreement. Any remaining principal and interest will be due upon the maturity date of November 30, 2047. The note is secured by the property of Center Court II, LLC.	11,250,852	11,250,852
Demand note receivable bearing interest at 1% per annum with a balloon payment of principal and interest due in July 2025. The note is secured by the property of Center Court I, LLC.	350,000	350,000
Demand note receivable bearing interest at 1% per annum with a balloon payment of principal and interest due in December 27, 2046. The note is secured by the property of Cornerstone Townhomes LLC.	<u>211,000</u>	<u>211,000</u>
Total	<u>\$27,539,655</u>	<u>\$27,539,655</u>

Center Court I, LLC, Center Court II, LLC, and Cornerstone Townhomes LLC will make annual payments from cash flow pursuant to the terms of the regulatory and operating agreement. Any remaining principal and interest will be due upon the maturity date.

The Authority reports interest receivable on the notes receivable that is expected to be collected. At March 31, 2023 and 2022, the Authority reported interest receivable on notes of \$830,678 and \$750,828 respectively.

## 5. CAPITAL ASSETS

Capital assets activity for the years ended March 31, 2023 and March 31, 2022 is presented below:

	<u>4/1/2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>3/31/2023</u>
Capital assets, not being depreciated				
Land	\$ 773,409	\$ 45,000	\$ -	\$ 818,409
Construction in progress	<u>4,486,400</u>	<u>1,003,575</u>	<u>(4,486,399)</u>	<u>1,003,576</u>
Total capital assets, not being depreciated	<u>5,259,809</u>	<u>1,048,575</u>	<u>(4,486,399)</u>	<u>1,821,985</u>
Capital assets, being depreciated:				
Buildings	51,233,953	4,663,003	-	55,896,956
Equipment	<u>2,271,577</u>	<u>-</u>	<u>-</u>	<u>2,271,577</u>
Total capital assets, being depreciated	<u>53,505,530</u>	<u>4,663,003</u>	<u>-</u>	<u>58,168,533</u>
Less accumulated depreciation	<u>(46,831,192)</u>	<u>(1,091,172)</u>	<u>-</u>	<u>(47,922,364)</u>
Total capital assets, being depreciated, net	<u>6,674,338</u>	<u>3,571,831</u>	<u>-</u>	<u>10,246,169</u>
Total capital assets, net	<u>\$ 11,934,147</u>	<u>\$ 9,283,409</u>	<u>\$ (4,486,399)</u>	<u>\$ 16,731,157</u>

	<u>Balance</u> <u>4/1/2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>3/31/2022</u>
Capital assets, not being depreciated				
Land	\$ 773,409	\$ -	\$ -	\$ 773,409
Construction in progress	<u>2,305,819</u>	<u>2,180,581</u>	<u>-</u>	<u>4,486,400</u>
Total capital assets, not being depreciated	<u>3,079,228</u>	<u>2,180,581</u>	<u>-</u>	<u>5,259,809</u>
Capital assets, being depreciated:				
Buildings	51,233,953	-	-	51,233,953
Equipment	<u>2,271,577</u>	<u>-</u>	<u>-</u>	<u>2,271,577</u>
Total capital assets, being depreciated	<u>53,505,530</u>	<u>-</u>	<u>-</u>	<u>53,505,530</u>
Less accumulated depreciation	<u>(45,706,173)</u>	<u>(125,019)</u>	<u>-</u>	<u>(45,831,192)</u>
Total capital assets, being depreciated, net	<u>7,799,357</u>	<u>(1,125,019)</u>	<u>-</u>	<u>6,674,338</u>
Total capital assets, net	<u>\$ 10,878,585</u>	<u>\$ 1,055,562</u>	<u>\$ -</u>	<u>\$ 11,934,147</u>

## 6. TENANT SECURITY DEPOSITS

The Authority collects a security deposit from each tenant upon signing a lease. Such deposits are maintained in a separate cash account. The liability for security deposits at March 31, 2023 and 2022 amounted to \$223,465 and \$193,947, respectively.

## 7. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance, general liability, fire and extended coverage, fidelity bond, automobile, and Director and Officers liability. Settled claims resulting from these risks have not exceeded commercial insurances coverage in any of the past three fiscal years. Additionally, there have been no significant reductions in insurance coverage from the prior year.

The Authority provides unemployment insurance through direct billings from the New York State Unemployment Insurance Fund. For the years ended March 31, 2023 and 2022, the Authority paid \$0 and \$0, respectively, of benefits for unemployment claims. At March 31, 2023 and 2022, the Authority did not report any liabilities for unpaid, unasserted claims.

## 8. PENSION PLAN

### *Plan Description and Benefits Provided*

***New York State and Local Employees' Retirement System ("ERS")***—The Authority participates in the ERS (the "System"). The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Authority also participates in the Public Employees' Group Life Insurance Plan ("GLIP"), which provides death benefits in the form of life insurance. The Systems are included in the State's financial report as a pension trust fund. That report, including information with regards to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory, except for employees who joined after July 27, 1976 who contribute three percent (3.0%) of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute three percent (3.0%) to three and one half percent (3.5%) of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

**Liability/(Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**—At March 31, 2023, the Authority reported the following liability/(asset) for its proportionate share of the net pension liability/(asset) for ERS. The net pension asset was measured as of March 31 of the prior year. The total pension liability/(asset) used to calculate the net pension asset was determined by an actuarial valuation as of April 1 of two years prior, with update procedures used to roll forward the total net pension liability/(asset) to the measurement date. The Authority’s proportion of the net pension liability/(asset) was based on projections of the Authority’s long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the Authority.

Measurement date	ERS	
	March 31, 2022	March 31, 2021
Net pension liability/(asset)	\$ (599,395)	\$ 7,232
Authority's portion of the Plan's total net pension liability	0.0073390%	0.0072632%

For the years ended March 31, 2023 and March 31, 2022, the Authority recognized pension expenses of \$58,488 and \$200,811 for ERS, respectively. At March 31, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources below:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	2023	2022	2023	2022
Difference between expected and actual experiences	\$ 45,434	\$ 88,325	\$ 58,930	\$ -
Changes of assumptions	1,001,224	1,329,779	16,895	25,080
Net difference between projected and actual earnings on pension plan investments	-	-	1,964,536	2,077,530
Changes in proportion and differences between the Authority's contributions and proportionate share of contributions	66,196	86,139	27,704	39,140
Authority contributions subsequent to the measurement date	254,187	347,955	-	-
Total	<u>\$ 1,367,041</u>	<u>\$ 1,852,198</u>	<u>\$ 2,068,065</u>	<u>\$ 2,141,750</u>

Authority contributions subsequent to the measurement date will be recognized as a increase of the net pension asset in the year ending March 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending March 31,	
2024	\$ 131,459
2025	214,685
2026	506,772
2027	102,295

**Actuarial Assumptions**—The total pension liability/(asset) as of the measurement date was determined by using the actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuation used the actuarial assumptions presented below:

Measurement date	March 31, 2022
Actuarial valuation date	April 1, 2021
Interest rate	5.90%
Salary scale	4.40%
Decrement tables	April 1, 2015- April 1, 2020
Inflation rate	2.7%
Cost-of-living adjustments	1.4%

Annuitant mortality rates are based on April 1, 2015 – April 1, 2020 System’s experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-2020. The actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – April 1, 2020.

The long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of 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 each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Measurement date	Target	Long-Term Expected
	<u>Allocation</u>	<u>Real Rate of Return</u>
	<u>March 31, 2022</u>	
Asset class:		
Domestic equities	32.0 %	3.3 %
International equities	15.0	5.9
Private equity	10.0	6.5
Real estate	9.0	5.0
Opportunistic portfolio	3.0	4.1
Credit	4.0	3.8
Real Assets	3.0	5.6
Fixed income	23.0	0.0
Cash	<u>1.0</u>	(1.0)
Total	<u>100.0 %</u>	

**Discount Rate**—The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***Sensitivity of the Proportionate Share of the Net Pension Asset to the Discount Rate Assumption***—The chart below presents the Authority’s proportionate share of the net pension asset at March 31, 2023 calculated using the discount rate of 5.9%, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption.

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension liability/(asset)	\$1,544,226	(\$599,935)	(\$2,393,422)

At March 31, 2022, the Authority reported net pension liability calculated using a discount rate of 5.9% as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (4.9) or one percentage-point higher (6.9%)

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension liability	\$2,007,395	\$ 7,232	\$(1,837,386)

***Pension Plan Fiduciary Net Position***—The components of the current and prior-year net pension liabilities of the employers as of the valuation date, were as follows:

	(Dollars in Thousands)	
	ERS	ERS
Valuation date	April 1, 2021	April 1, 2020
Employers' total pension liability	\$ 223,874,888	\$ 220,680,157
Plan fiduciary net position	232,049,473	220,580,583
Employers' net pension liability	<u>\$ (8,174,585)</u>	<u>\$ 99,574</u>
System fiduciary net position as a percentage of total pension liability	103.7%	100.0%

## 9. OTHER POSTEMPLOYMENT BENEFITS (“OPEB”) OBLIGATION

***Plan Description***—The Authority provides postemployment health insurance coverage to its retired employees in accordance with the provisions of the employment contract negotiated between the Authority and its employee groups. Employees become eligible for benefits based on original hire date, completed years of service and accumulated sick days.



**Employees Covered by Benefit Terms**—At March 31, 2023, the following employees were covered by the benefit terms:

Inactive employees	32
Active employees	<u>43</u>
Total	<u>75</u>

Under GASB Statement No. 75, the total OPEB liability represents the sum of expected future benefit payments which may be attributed to past service (or “earned”), discounted to the end of the fiscal year using the current discount rate. The total OPEB liability is analogous to the Unfunded Actuarial Accrued Liability (“UAAL”) under GASB Statement No. 45.

**Total OPEB Liability**

The Authority’s total OPEB liability of \$8,214,635 was measured as of December 31, 2022, and was determined by an actuarial valuation as of that date.

**Actuarial Methods and Assumptions**—Calculations are based on the types of benefits provided under the terms of the substantive plan, the plan as understood by the employer and the plan members, at the time of the valuation and on the pattern of cost sharing between the employee and plan members. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility.

In the December 31, 2022 actuarial valuation, the Entry Age Normal Method was used. The long-term bond rate is based on the 20-year tax exempt municipal bond yield as of the measurement date, which increased from 1.84% at December 31, 2021 to 4.05% at December 31, 2022. The salary scale assumed to increase at 3.53% per year. Mortality rates were updated to rates based on the Pub-2010 Public Retirement Plans Mortality Tables, adjusted for mortality improvements with scale MP-2021 on a fully generational basis. Finally, the healthcare cost trend rate for medical has an initial rate of 5.50% and an ultimate rate of 4.00%. An inflation rate of 2.53% was assumed for developing the rate of increase in healthcare costs.

**Changes in the Total OPEB Liability**—The following table presents the change to the total OPEB liability during the fiscal years ending March 31, 2023 and 2022, by source:

	Total OPEB Liability	
	March 31,	
	2023	2022
Beginning balance	\$ 12,347,310	\$ 12,046,449
Changes for the year:		
Service cost	148,095	143,852
Interest	224,050	237,099
Differences between expected and actual experience	(743,455)	(73,277)
Changes in assumptions	(3,442,615)	328,520
Benefit payments	<u>(318,750)</u>	<u>(335,333)</u>
Net changes	<u>(4,132,675)</u>	<u>300,861</u>
Ending balance	<u>\$ 8,214,635</u>	<u>\$ 12,347,310</u>

**Sensitivity of the Total OPEB Liability to the Change in the Discount Rate and Healthcare Cost Trend Rate**—The discount rate assumption can have an impact on the total OPEB liability. The following table presents the effect a 1% change in the discount rate assumption would have on the total OPEB liability for fiscal year ending March 31, 2023.

	1% Decrease <u>(3.05%)</u>	Current Discount Rate <u>(4.05%)</u>	1% Increase <u>(5.05%)</u>
Total OPEB liability	\$ 9,397,495	\$ 8,214,635	\$ 7,251,708

The following table presents the effect a 1% change in the discount rate assumption would have on the total OPEB liability for fiscal year ending March 31, 2022.

	1% Decrease <u>(0.84%)</u>	Current Discount Rate <u>(1.84%)</u>	1% Increase <u>(2.84%)</u>
Total OPEB liability	\$ 9,397,495	\$ 8,214,635	\$ 7,251,708

Additionally, healthcare costs can be subject to considerable volatility over time. The following table presents the effect on the total OPEB liability of a 1% change in the initial (5.50%)/ultimate (4.00%) healthcare cost trend rates for fiscal year ending March 31, 2023.

	1% Decrease <u>(4.50%/3.00%)</u>	Healthcare Cost Trend Rates <u>(5.50%/4.00%)</u>	1% Increase <u>(6.50%/5.00%)</u>
Total OPEB liability	\$ 7,213,556	\$ 8,214,635	\$ 9,436,143

The following table presents the effect on the total OPEB liability of a 1% change in the initial (4.37%)/ultimate (6.10%) healthcare cost trend rates for fiscal year ending March 31, 2022.

	1% Decrease <u>(3.37%/5.10%)</u>	Healthcare Cost Trend Rates <u>(4.37%/6.10%)</u>	1% Increase <u>(5.37%/7.10%)</u>
Total OPEB liability	\$ 10,329,839	\$ 12,347,310	\$ 14,819,161

**Funding Policy**—Authorization for the Authority to pay a portion of retiree health insurance premiums was enacted through various union contracts as specified above, which were ratified by the Authority Board. The Authority recognizes the cost of providing these benefits by expensing the annual insurance premiums when invoiced by the health insurance provider. The Authority’s contributions totaled \$318,750 for the fiscal year ended March 31, 2023. For the year ended March 31, 2023, the Authority recognized OPEB expense of \$496,676. The Authority’s contributions to the OPEB plan are based on negotiated contracts with two bargaining units, as discussed in Note 12. Any amendments to the employer’s contributions are subject to the collective bargaining agreements.

***OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB***—The Authority reports deferred outflows and inflows of resources due to differences during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective net OPEB liability are required to be determined. The table on the following page presents the Authority’s deferred outflows of resources and deferred inflows of resources at March 31, 2023 and 2022.

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	2023	2022	2023	2022
Difference between expected and actual experiences	\$ -	\$ 505,176	\$ 609,419	\$ 43,966
Changes of assumptions	65,704	551,584	2,754,092	-
Benefit payments subsequent to the contribution date	78,813	82,912	-	-
Total	<u>\$ 144,517</u>	<u>\$ 1,139,672</u>	<u>\$ 3,363,511</u>	<u>\$ 43,966</u>

The Authority’s contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending March 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as shown below:

Year ending March 31,	
2024	\$ (786,165)
2025	(837,214)
2026	(837,214)
2027	837,214

## 10. LONG-TERM LIABILITIES

The Authority’s outstanding long-term liabilities include compensated absences, notes payable, other postemployment benefits (“OPEB”) obligation, and the net pension liability.

A summary of changes in the Authority’s long-term liabilities for the years ended March 31, 2023 and 2022 are presented below:

	Year Ended March 31, 2023			
	Beginning Balance	Additions	Reductions	Ending Balance
Compensated absences*	\$ 193,332	\$ 28,412	\$ -	\$ 221,744
Notes payable	350,000	-	-	350,000
OPEB obligation	12,347,310	372,145	4,504,820	8,214,635
Net pension liability*	7,232	-	7,232	-
Total	<u>\$ 12,897,874</u>	<u>\$ 400,557</u>	<u>\$ 4,512,052</u>	<u>\$ 8,786,379</u>

(\*Additons/reductions to the net pension liability and compensated absences are presented net of additions/reductions.)

	Year Ended March 31, 2022			
	Beginning Balance	Additions	Reductions	Ending Balance
Compensated absences*	\$ 269,005	\$ -	\$ 75,673	\$ 193,332
Notes payable	350,000	-	-	350,000
OPEB obligation	12,046,449	636,194	335,333	12,347,310
Net pension liability*	1,994,873	-	1,987,641	7,232
Total	<u>\$ 14,660,327</u>	<u>\$ 636,194</u>	<u>\$ 2,398,647</u>	<u>\$ 12,897,874</u>

(\*Reductions to the net pension liability and compensated absences are presented net of additions.)

**Compensated Absences**—The Authority reports a liability for compensated absences, \$221,744 at March 31, 2023. This liability represents amounts relating to accumulated unpaid sick time and vacation pay, including payroll taxes. Payments of these liabilities are dependent upon many factors (including retirement, termination, or employees leaving) and, therefore, timing of future payments of such are not readily determinable.

**Notes Payable**—Notes payable of \$350,000 represent a note with the Federal Home Loan Bank, subject to the terms of the Affordable Housing Program (“AHP”) recapture agreement which requires the Authority to comply with certain affordability requirements through July 2025. Compliance with the affordability requirements will result in the amount being deemed repaid by the Authority otherwise non-compliance will result in the entire amount due.

**OPEB Obligation**—As explained in Note 9, the Authority provides health insurance coverage for certain retirees. The long-term OPEB liability is estimated to be \$8,214,635 at March 31, 2023.

## 11. NET POSITION

The Authority’s financial statements utilize a net position presentation. Net position is categorized into net investment in capital assets, restricted and unrestricted.

**Net Investment in Capital Assets**—This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category. At March 31, 2023, the Authority’s net investment in capital assets totals \$12,068,154.

**Restricted Net Position**—This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments or entities and restrictions imposed by law through constitutional provisions or enabling legislation. At March 31, 2023, the Authority reports no restricted net position.

**Unrestricted Net Position**—This category represents the amount of net position the Authority has not restricted for any project or other purpose. The Authority reports unrestricted net position of \$26,024,043 at March 31, 2023.

## 12. LABOR RELATIONS

Employees of the Authority are represented by two bargaining units. Some individuals are governed by Authority policies and employment contracts. The AFSCME has a contract through March 31, 2027 and the CSEA has a contract through March 31, 2024.

### 13. CONTINGENCIES AND COMMITMENTS

**Contingencies**—The Authority has entered into construction contracts for modernization of projects that are funded entirely by the Federal Capital Grant programs. The Authority has pending litigation claims for which management has indicated that liabilities, if any, will be fully covered by their insurance coverage. The Authority is subject to possible examinations made by federal and state authorities who determine compliance with terms, conditions, laws and regulations governing other grants given to the Authority in the current and prior years.

**Annual Contribution Contracts**—Annual contribution contracts provide that HUD shall have the authority to audit and examine the records of public housing authorities. Accordingly, final determination of the Authority’s financing and contribution status for the annual contribution contracts is the responsibility of HUD based upon financial reports submitted by the Authority.

**Contingent Liability**—As described in Note 10, the Federal Home Loan Bank of New York (FHLB) has provided \$350,000 to the Authority as a pass-through for Unity Park LLC (the Project) to construct and operate the residential townhouse-style complex of 40 units to be rented to eligible persons. The mortgage is for fifteen years at no interest, with no scheduled payments, and will be forgiven at the end of the term (November 20, 2025). If the project does not comply with the terms of the regulatory agreement, the amount provided will be considered to be in default and the original amount provided shall be immediately due and payable.

**Concentrations**—The Authority’s operations are concentrated in the low-income real estate market in Niagara Falls, New York. In addition, the Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations and are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

### 14. SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 12, 2023, which is the date the financial statements are available for issuance, and have determined that there are no subsequent events that require disclosure under generally accepted accounting principles.

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## REQUIRED SUPPLEMENTARY INFORMATION





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**NIAGARA FALLS HOUSING AUTHORITY**  
**Schedule of the Authority's Proportionate Share of the**  
**Net Pension Liability/(Asset)—Employees' Retirement System**  
**Last Nine Fiscal Years\***

	Year Ended March 31,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Authority's proportion of the net pension liability/(asset)	0.0073390	0.0072632%	0.0075333%	0.0079134%	0.0068603%	0.006918%	0.0075448%	0.0078874%	0.0078874%
Authority's proportionate share of the net pension liability/(asset)	\$ (599,935)	\$ 7,232	\$ 1,994,873	\$ 560,887	\$ 221,412	\$ 650,027	\$ 1,210,967	\$ 266,457	\$ 356,422
Authority's covered payroll	\$ 2,375,463	\$ 2,378,050	\$ 2,475,099	\$ 2,267,323	\$ 2,206,607	\$ 2,150,690	\$ 2,480,168	\$ 2,520,179	n/a
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	(25.3%)	0.3%	80.6%	24.7%	10.2%	30.2%	48.8%	10.6%	n/a
Plan fiduciary net position as a percentage of the total pension liability	103.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%	97.2%

\*Information prior to the year ended March 31, 2015 is not available.

**NIAGARA FALLS HOUSING AUTHORITY**  
**Schedule of the Authority's Contributions—**  
**Employees' Retirement System**  
**Last Nine Fiscal Years\***

	Year Ended March 31,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 254,187	\$ 347,955	\$ 328,785	\$ 330,573	\$ 318,089	\$ 325,341	\$ 329,183	\$ 408,841	\$ 488,499
Contributions in relation to the contractually required contribution	(254,187)	(347,955)	(328,785)	(330,573)	(318,089)	(325,341)	(329,183)	(408,841)	(488,499)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	\$ 2,474,144	\$ 2,375,463	\$ 2,378,050	\$ 2,475,049	\$ 2,267,323	\$ 2,206,607	\$ 2,150,690	\$ 2,480,168	\$ 2,520,179
Contributions as a percentage of covered payroll	10.3%	14.6%	13.8%	13.4%	14.0%	14.7%	15.3%	16.5%	19.4%

\*Information prior to the year ended March 31, 2015 is not available.

**NIAGARA FALLS HOUSING AUTHORITY**  
**Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios**  
**Last Five Fiscal Years\***

	Year Ended March 31,				
	2023	2022	2021	2020	2019
<b>Total OPEB Liability</b>					
Service cost	\$ 148,095	\$ 143,852	\$ 126,275	\$ 115,923	\$ 2,800
Interest	224,050	237,099	216,901	271,560	248,631
Effect of economic/demographic gains or losses	-	-	-	(150,556)	371,030
Differences between expected and actual experience	(743,455)	(73,277)	2,525,884	-	-
Changes in assumptions	(3,442,615)	328,520	1,772,364	966,456	87,058
Benefit payments	(318,750)	(335,333)	(342,382)	(255,590)	(243,352)
Net change in total OPEB liability	(4,132,675)	300,861	4,299,042	947,793	466,167
Total OPEB liability—beginning, as restated	12,347,310	12,046,449	7,747,407	6,799,614	6,333,447
Total OPEB liability—ending	<u>\$ 8,214,635</u>	<u>\$ 12,347,310</u>	<u>\$ 12,046,449</u>	<u>\$ 7,747,407</u>	<u>\$ 6,799,614</u>
<b>Plan fiduciary net position</b>					
Contributions—employer	\$ 318,750	\$ 335,333	\$ 342,382	\$ 255,590	\$ 243,352
Benefit payments	(318,750)	(335,333)	(342,382)	(255,590)	(243,352)
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position—beginning	-	-	-	-	-
Plan fiduciary net position—ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's net OPEB liability—ending	<u>\$ 8,214,635</u>	<u>\$ 12,347,310</u>	<u>\$ 12,046,449</u>	<u>\$ 7,747,407</u>	<u>\$ 6,799,614</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 2,283,635	\$ 2,505,384	\$ 2,190,130	\$ 2,689,585	\$ 2,694,822
Authority's net OPEB liability as a percentage of covered-employee payroll	359.72%	492.8%	550.0%	288.1%	252.3%

\*Information prior to the year ended March 31, 2019 is not available.

The note to the required supplementary information is an integral part of this schedule.

**NIAGARA FALLS HOUSING AUTHORITY**  
**Note to the Required Supplementary Information**  
**Year Ended March 31, 2023**

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**1. OPEB LIABILITY**

*Changes of Assumptions*—Changes of assumptions reflect the effects of changes in the long-term bond rate, the mortality rate, and the healthcare cost trend rate. The long-term bond rate is based on the 20-year tax exempt municipal bond yield as of the measurement date, which increased from 1.84% at December 31, 2021 to 4.05% at December 31, 2022. Mortality rates were updated to rates based on the Pub-2010 Public Retirement Plans Mortality Tables, adjusted for mortality improvements with scale MP-2020 on a fully generational basis. Finally, the healthcare cost trend rate for medical has an initial rate of 5.50% and an ultimate rate of 4.00%. An inflation rate of 2.53% was assumed for developing the rate of increase in healthcare costs.

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## SUPPLEMENTARY INFORMATION





**NIAGARA FALLS HOUSING AUTHORITY**  
**Statement and Certification of Actual**  
**Capital Fund Program Costs**  
**As of March 31, 2023**

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1. Actual Capital Grant program costs are as follows:

	Public Housing Capital Fund Program NY06E011501-19
Funds approved	\$ 1,684,001
Funds expended (including retention)	1,684,001
Excess of funds approved	\$ -
Funds advanced	\$ 1,684,001
Funds expended (including retention)	1,684,001
Deficit of funds advanced	\$ -

2. The distribution of costs by projects as shown on the Actual Modernization Cost Certificates, dated March 31, 2023, submitted to HUD for approval are in agreement with the Authority's records as of March 31, 2023.
3. All Capital Fund costs have been paid and all related liabilities have been discharged through payment as of March 31, 2023.

**NIAGARA FALLS HOUSING AUTHORITY**  
**Statement of Public Housing Capital Funds**  
**Advanced with Costs—Uncompleted (2020)**  
**As of March 31, 2023**

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	Public Housing Capital Fund Program NY06P011501-20
Funds approved	\$ 1,797,165
Funds expended (including retention)	<u>1,624,391</u>
Excess of funds approved	<u>\$ 172,774</u>
Funds advanced	\$ 1,417,373
Funds expended (including retention)	<u>1,624,391</u>
Deficit of funds advanced	<u>\$ (207,018)</u>

**NIAGARA FALLS HOUSING AUTHORITY**  
**Statement of Public Housing Capital Funds**  
**Advanced with Costs—Uncompleted (2021)**  
**As of March 31, 2023**

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	Public Housing Capital Fund Program NY06P011501-21
Funds approved	\$ 1,885,666
Funds expended (including retention)	<u>1,733,644</u>
Excess of funds approved	<u>\$ 152,022</u>
Funds advanced	\$ 1,705,764
Funds expended (including retention)	<u>1,733,644</u>
Deficit of funds advanced	<u>\$ (27,880)</u>

**NIAGARA FALLS HOUSING AUTHORITY**  
**Statement of Public Housing Capital Funds**  
**Advanced with Costs—Uncompleted (2022)**  
**As of March 31, 2023**

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	Public Housing Capital Fund Program NY06P011501-21
Funds approved	\$ 2,273,131
Funds expended (including retention)	<u>27,646</u>
Excess of funds approved	<u>\$ 2,245,485</u>
Funds advanced	\$ -
Funds expended (including retention)	<u>27,646</u>
Deficit of funds advanced	<u>\$ (27,646)</u>

# FEDERAL AWARDS INFORMATION



**NIAGARA FALLS HOUSING AUTHORITY**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended March 31, 2023**

<b>Federal Grantor/Pass-through Grantor Program or Cluster Title (1a)</b>	<b>Federal Assistance Listing Number (1b)</b>	<b>Pass-Through Entity's Identifying Number (1c)</b>	<b>Passed Through to Sub- Recipients</b>	<b>Total Federal Expenditures (1d)</b>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>				
<i>Direct Programs:</i>				
Community Development Block Grant	14.218	n/a	\$ -	\$ 121,953
Public and Indian Housing - Operating Subsidy	14.850	NY-444	-	4,913,231
Capital Fund Program:				
Public Housing Capital Fund Program	14.872	NY06P011501-20	-	262,795
Public Housing Capital Fund Program	14.872	NY06P011501-21	-	1,525,468
Public Housing Capital Fund Program	14.872	NY06E011501-19	-	27,646
Total Capital Fund Program			-	1,815,909
Resident Opportunities and Self Sufficiency	14.870	NY011RPS031A014	-	63,420
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			-	6,914,513
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS (1e)</b>			<u>\$ -</u>	<u>\$ 6,914,513</u>

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

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**NIAGARA FALLS HOUSING AUTHORITY**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**Year Ended March 31, 2023**

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**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of the Niagara Falls Housing Authority (the “Authority”) under programs of the federal government for the year ended March 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (“CFR”) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a select portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority. The following notes were identified on the Schedule:

- a) Includes all federal award programs of the Authority.
- b) Source: Federal Assistance Listing Numbers, previously known as Catalog of Federal Domestic Assistance.
- c) Pass-through entity identifying numbers are presented where available.
- d) Prepared under accounting principles generally accepted in the United States of America and includes all federal award programs.
- e) A reconciliation to the basic financial statements is available.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Authority has not elected to use the 10 percent de minimis indirect cost rate as allowable under the Uniform Guidance.

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## DRESCHER & MALECKI LLP

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

To the Board of Commissioners  
Niagara Falls Housing Authority:

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, the financial statements of the business-type activities of the Niagara Falls Housing Authority (the "Authority") as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 12, 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") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

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

### **Purpose of this Report**

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

*Drescher + Malecki LLP*

December 12, 2023

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### **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Board of Commissioners  
Niagara Falls Housing Authority:

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited the Niagara Falls Housing Authority's (the "Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended March 31, 2023. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2023.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("the Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

##### ***Responsibilities of Management for Compliance***

The Authority's management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

## ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion was expressed.

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

*Drescher + Malecki LLP*  
December 12, 2023





**NIAGARA FALLS HOUSING AUTHORITY**  
**Schedule of Findings and Questioned Costs**  
**Year Ended March 31, 2023**

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**Section I. SUMMARY OF AUDITORS' RESULTS**

**Financial Statements:**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ Yes ✓ \_\_\_\_\_ No

Significant deficiency(ies) identified? \_\_\_\_\_ Yes ✓ \_\_\_\_\_ None reported

Noncompliance material to the financial statements noted? \_\_\_\_\_ Yes ✓ \_\_\_\_\_ No

**Federal Awards:**

Internal control over major federal programs:

Material weakness(es) identified? \_\_\_\_\_ Yes ✓ \_\_\_\_\_ No

Significant deficiency(ies) identified? \_\_\_\_\_ Yes ✓ \_\_\_\_\_ None reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ Yes ✓ \_\_\_\_\_ No

Identification of major federal programs:

<u>Federal Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
14.850	Public and Indian Housing - Operating Subsidy

Dollar threshold used to distinguish between Type A and Type B programs? \$ 750,000

Auditee qualified as low-risk auditee? ✓ \_\_\_\_\_ Yes \_\_\_\_\_ No

**Section II. FINANCIAL STATEMENT FINDINGS**

No findings noted.

**Section III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No findings noted.

**NIAGARA FALLS HOUSING AUTHORITY**  
**Summary Schedule of Prior Year Audit Findings**  
**Year Ended March 31, 2023**  
**(Follow-up on March 31, 2022 Findings)**

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No findings were reported.

Niagara Falls Housing Authority (NY011)  
 NIAGARA FALLS, NY  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2023

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.870 Resident Opportunity and Supportive Services	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$6,659,473		\$128,308	\$1,736,037	\$1,040,757		\$23,868	\$231,598	\$9,820,041		\$9,820,041
112 Cash - Restricted - Modernization and Development											
113 Cash - Other Restricted							\$0	\$65,763	\$65,763		\$65,763
114 Cash - Tenant Security Deposits	\$203,001						\$24,262		\$227,263		\$227,263
115 Cash - Restricted for Payment of Current Liabilities											
100 Total Cash	\$6,862,474	\$0	\$128,308	\$1,736,037	\$1,040,757	\$0	\$48,130	\$297,361	\$10,113,067	\$0	\$10,113,067
121 Accounts Receivable - PHA Projects											
122 Accounts Receivable - HUD Other Projects	\$247,676	\$39,000				\$10,968		\$14,869	\$312,513		\$312,513
124 Accounts Receivable - Other Government				\$1,041					\$1,041		\$1,041
125 Accounts Receivable - Miscellaneous	\$2,739			\$29,551					\$32,290		\$32,290
126 Accounts Receivable - Tenants	\$29,289								\$29,289		\$29,289
126.1 Allowance for Doubtful Accounts - Tenants	-\$12,382								-\$12,382		-\$12,382
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0		\$0		\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current											
128 Fraud Recovery	\$230,752								\$230,752		\$230,752
128.1 Allowance for Doubtful Accounts - Fraud	-\$190,752								-\$190,752		-\$190,752
129 Accrued Interest Receivable	\$826,595							\$4,083	\$830,678		\$830,678
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$1,133,917	\$39,000	\$0	\$30,592	\$0	\$10,968	\$0	\$18,952	\$1,233,429	\$0	\$1,233,429
131 Investments - Unrestricted											
132 Investments - Restricted											
135 Investments - Restricted for Payment of Current Liability											
142 Prepaid Expenses and Other Assets		\$107						\$172,438	\$172,545		\$172,545
143 Inventories	\$146,955							\$16,888	\$163,843		\$163,843
143.1 Allowance for Obsolete Inventories	\$0							\$0	\$0		\$0
144 Inter Program Due From	\$109,124			\$52,190				\$289,806	\$451,120	-\$451,120	\$0
145 Assets Held for Sale											
150 Total Current Assets	\$8,252,470	\$39,107	\$128,308	\$1,818,819	\$1,040,757	\$10,968	\$48,130	\$795,445	\$12,134,004	-\$451,120	\$11,682,884
161 Land	\$634,348			\$45,000			\$0	\$139,061	\$818,409		\$818,409
162 Buildings	\$16,456,629			\$14,097			\$7,501	\$229,599	\$16,707,826		\$16,707,826
163 Furniture, Equipment & Machinery - Dwellings	\$788,553								\$788,553		\$788,553
164 Furniture, Equipment & Machinery - Administration	\$758,234							\$724,790	\$1,483,024		\$1,483,024
165 Leasehold Improvements	\$35,712,205							\$3,476,928	\$39,189,131		\$39,189,131
166 Accumulated Depreciation	-\$44,172,861			\$0				-\$3,749,500	-\$47,922,361		-\$47,922,361
167 Construction in Progress	\$1,003,572						\$0		\$1,003,572		\$1,003,572
168 Infrastructure											
160 Total Capital Assets, Net of Accumulated Depreciation	\$11,180,680	\$0	\$0	\$59,097	\$0	\$0	\$7,501	\$820,876	\$12,068,154	\$0	\$12,068,154
171 Notes, Loans and Mortgages Receivable - Non-Current	\$27,401,297			\$211,000				\$350,000	\$27,962,297		\$27,962,297
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due											
173 Grants Receivable - Non Current											
174 Other Assets	\$457,031							\$142,905	\$599,936		\$599,936
176 Investments in Joint Ventures											
180 Total Non-Current Assets	\$39,039,008	\$0	\$0	\$270,097	\$0	\$0	\$7,501	\$1,313,781	\$40,630,387	\$0	\$40,630,387
200 Deferred Outflow of Resources	\$1,050,004							\$461,554	\$1,511,558		\$1,511,558

290 Total Assets and Deferred Outflow of Resources	\$48,341,482	\$39,107	\$128,308	\$2,088,916	\$1,040,757	\$10,968	\$55,631	\$2,570,780	\$54,275,949	-\$451,120	\$53,824,829
311 Bank Overdraft											
312 Accounts Payable <= 90 Days								\$361,672	\$361,672		\$361,672
313 Accounts Payable >90 Days Past Due											
321 Accrued Wage/Payroll Taxes Payable								\$58,972	\$58,972		\$58,972
322 Accrued Compensated Absences - Current Portion	\$14,630			\$686				\$6,858	\$22,174		\$22,174
324 Accrued Contingency Liability											
325 Accrued Interest Payable											
331 Accounts Payable - HUD PHA Programs											
332 Account Payable - PHA Projects											
333 Accounts Payable - Other Government	\$126,851								\$126,851		\$126,851
341 Tenant Security Deposits	\$199,202						\$24,262		\$223,464		\$223,464
342 Unearned Revenue	\$58,651			\$192,500				\$45,000	\$296,151		\$296,151
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	\$24,883							\$41	\$24,924		\$24,924
347 Inter Program - Due To	\$268,060	\$39,000	\$7,936		\$49,030	\$10,968	\$76,126		\$451,120	-\$451,120	\$0
348 Loan Liability - Current											
310 Total Current Liabilities	\$692,277	\$39,000	\$7,936	\$193,186	\$49,030	\$10,968	\$100,388	\$472,543	\$1,565,328	-\$451,120	\$1,114,208
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue							\$0	\$350,000	\$350,000		\$350,000
352 Long-term Debt, Net of Current - Operating Borrowings											
353 Non-current Liabilities - Other											
354 Accrued Compensated Absences - Non Current	\$131,681			\$6,170				\$61,719	\$199,570		\$199,570
355 Loan Liability - Non Current											
356 FASB 5 Liabilities											
357 Accrued Pension and OPEB Liabilities	\$7,393,171							\$821,464	\$8,214,635		\$8,214,635
350 Total Non-Current Liabilities	\$7,524,852	\$0	\$0	\$6,170	\$0	\$0	\$0	\$1,233,183	\$8,764,205	\$0	\$8,764,205
300 Total Liabilities	\$8,217,129	\$39,000	\$7,936	\$199,356	\$49,030	\$10,968	\$100,388	\$1,705,726	\$10,329,533	-\$451,120	\$9,878,413
400 Deferred Inflow of Resources	\$4,989,163							\$865,054	\$5,854,217		\$5,854,217
508.4 Net Investment in Capital Assets	\$11,180,680			\$59,097			\$7,501	\$820,876	\$12,068,154		\$12,068,154
511.4 Restricted Net Position											
512.4 Unrestricted Net Position	\$23,954,510	\$107	\$120,372	\$1,830,463	\$991,727	\$0	-\$52,258	-\$820,876	\$26,024,045		\$26,024,045
513 Total Equity - Net Assets / Position	\$35,135,190	\$107	\$120,372	\$1,889,560	\$991,727	\$0	-\$44,757	\$0	\$38,092,199	\$0	\$38,092,199
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$48,341,482	\$39,107	\$128,308	\$2,088,916	\$1,040,757	\$10,968	\$55,631	\$2,570,780	\$54,275,949	-\$451,120	\$53,824,829

Niagara Falls Housing Authority (NY011)  
 NIAGARA FALLS, NY  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2023

	Project Total	14.218 Community Development Block Grants/Entitlement Grants	6.1 Component Unit - Discretely Presented	1 Business Activities	14.866 Revitalization of Severely Distressed Public Housing	14.870 Resident Opportunity and Supportive Services	6.2 Component Unit - Blended	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$2,296,051						\$23,870		\$2,319,921		\$2,319,921
70400 Tenant Revenue - Other	\$22,688								\$22,688		\$22,688
70500 Total Tenant Revenue	\$2,318,739	\$0	\$0	\$0	\$0	\$0	\$23,870	\$0	\$2,342,609	\$0	\$2,342,609
70600 HUD PHA Operating Grants	\$5,460,707	\$121,953				\$63,420		\$109,857	\$5,755,937		\$5,755,937
70610 Capital Grants	\$1,158,577								\$1,158,577		\$1,158,577
70710 Management Fee								\$688,134	\$688,134	-\$688,134	\$0
70720 Asset Management Fee								\$101,760	\$101,760	-\$101,760	\$0
70730 Book Keeping Fee								\$72,820	\$72,820	-\$72,820	\$0
70740 Front Line Service Fee											
70750 Other Fees											
70700 Total Fee Revenue								\$862,714	\$862,714	-\$862,714	\$0
70800 Other Government Grants			\$27,605	\$241,779					\$269,384		\$269,384
71100 Investment Income - Unrestricted				\$1,383	\$1,150			\$11,991	\$14,524		\$14,524
71200 Mortgage Interest Income	\$79,499								\$79,499		\$79,499
71300 Proceeds from Disposition of Assets Held for Sale											
71310 Cost of Sale of Assets											
71400 Fraud Recovery											
71500 Other Revenue	\$281,305		\$2,027	\$306,300				\$75,977	\$665,609		\$665,609
71600 Gain or Loss on Sale of Capital Assets											
72000 Investment Income - Restricted											
70000 Total Revenue	\$9,298,827	\$121,953	\$29,632	\$549,462	\$1,150	\$63,420	\$23,870	\$1,060,539	\$11,148,853	-\$862,714	\$10,286,139
91100 Administrative Salaries	\$895,845	\$102,300		\$83,114		\$49,243		\$484,431	\$1,614,933		\$1,614,933
91200 Auditing Fees	\$20,240							\$5,080	\$25,320		\$25,320
91300 Management Fee	\$687,209							\$925	\$688,134	-\$688,134	\$0
91310 Book-keeping Fee	\$72,820								\$72,820	-\$72,820	\$0
91400 Advertising and Marketing											
91500 Employee Benefit Contributions - Administrative	\$163,823	\$8,639		\$23,431		\$10,935	\$1,609	\$189,856	\$398,293		\$398,293
91600 Office Expenses	\$137,699							\$50,404	\$188,103		\$188,103
91700 Legal Expense	\$41,817		\$165	\$416			\$1,425	\$19,290	\$63,113		\$63,113
91800 Travel	\$5,389							\$1,020	\$6,409		\$6,409
91810 Allocated Overhead											
91900 Other	\$660,451	\$8,279	\$28,427	\$92,864			\$10,047	\$109,857	\$909,925		\$909,925
91000 Total Operating - Administrative	\$2,685,293	\$119,218	\$28,592	\$199,825	\$0	\$60,178	\$14,006	\$859,938	\$3,967,050	-\$760,954	\$3,206,096
92000 Asset Management Fee	\$101,760								\$101,760	-\$101,760	\$0
92100 Tenant Services - Salaries	\$499,847								\$499,847		\$499,847
92200 Relocation Costs											
92300 Employee Benefit Contributions - Tenant Services	\$0								\$0		\$0
92400 Tenant Services - Other	\$68,820		\$3,547				\$905		\$73,272		\$73,272
92500 Total Tenant Services	\$568,667	\$0	\$3,547	\$0	\$0	\$0	\$905	\$0	\$573,119	\$0	\$573,119
93100 Water	\$299,481							\$1,042	\$300,523		\$300,523
93200 Electricity	\$460,674						\$872	\$10,455	\$472,001		\$472,001
93300 Gas	\$290,074						\$1,919	\$8,556	\$300,549		\$300,549
93400 Fuel											

93500 Labor												
93600 Sewer												
93700 Employee Benefit Contributions - Utilities												
93800 Other Utilities Expense							\$231			\$231		\$231
93000 Total Utilities	\$1,050,229	\$0	\$0		\$231	\$0	\$0	\$2,791	\$20,053	\$1,073,304	\$0	\$1,073,304
94100 Ordinary Maintenance and Operations - Labor	\$1,395,517							\$15,559		\$1,411,076		\$1,411,076
94200 Ordinary Maintenance and Operations - Materials and Other	\$535,724	\$6,910	\$444					\$16,507	\$17,054	\$576,639		\$576,639
94300 Ordinary Maintenance and Operations Contracts	\$641,126	\$635			\$128,109			\$13,921	\$77,367	\$861,158		\$861,158
94500 Employee Benefit Contributions - Ordinary Maintenance	\$0									\$0		\$0
94000 Total Maintenance	\$2,572,367	\$7,545	\$444		\$128,109	\$0	\$0	\$45,987	\$94,421	\$2,848,873	\$0	\$2,848,873
95100 Protective Services - Labor												
95200 Protective Services - Other Contract Costs												
95300 Protective Services - Other	\$395,369							\$4,358		\$399,727		\$399,727
95500 Employee Benefit Contributions - Protective Services												
95000 Total Protective Services	\$395,369	\$0	\$0		\$0	\$0	\$0	\$4,358	\$0	\$399,727	\$0	\$399,727
96110 Property Insurance	\$153,365								\$4,743	\$158,108		\$158,108
96120 Liability Insurance	\$116,118								\$3,498	\$119,616		\$119,616
96130 Workmen's Compensation	\$97,800				\$3,221		\$3,155		\$953	\$105,129		\$105,129
96140 All Other Insurance	\$31,746				\$21		\$87	\$580	\$11,671	\$44,105		\$44,105
96100 Total Insurance Premiums	\$399,029	\$0	\$0		\$3,242	\$0	\$3,242	\$580	\$20,865	\$426,958	\$0	\$426,958
96200 Other General Expenses	\$750				\$48,775					\$49,525		\$49,525
96210 Compensated Absences	\$23,652				\$2,462					\$26,114		\$26,114
96300 Payments in Lieu of Taxes	\$126,852								-\$1,893	\$124,959		\$124,959
96400 Bad debt - Tenant Rents	\$103,713									\$103,713		\$103,713
96500 Bad debt - Mortgages												
96600 Bad debt - Other									-\$80	-\$80		-\$80
96800 Severance Expense												
96000 Total Other General Expenses	\$254,967	\$0	\$0		\$51,237	\$0	\$0	\$0	-\$1,973	\$304,231	\$0	\$304,231
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	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$8,027,681	\$126,763	\$32,583		\$382,644	\$0	\$63,420	\$68,627	\$993,304	\$9,695,022	-\$862,714	\$8,832,308
97000 Excess of Operating Revenue over Operating Expenses	\$1,271,146	-\$4,810	-\$2,951		\$166,818	\$1,150	\$0	-\$44,757	\$67,235	\$1,453,831	\$0	\$1,453,831
97100 Extraordinary Maintenance												
97200 Casualty Losses - Non-capitalized												
97300 Housing Assistance Payments												
97350 HAP Portability-In												
97400 Depreciation Expense	\$1,009,147								\$82,023	\$1,091,170		\$1,091,170
97500 Fraud Losses												
97600 Capital Outlays - Governmental Funds												
97700 Debt Principal Payment - Governmental Funds												
97800 Dwelling Units Rent Expense												
90000 Total Expenses	\$9,036,828	\$126,763	\$32,583		\$382,644	\$0	\$63,420	\$68,627	\$1,075,327	\$10,786,192	-\$862,714	\$9,923,478
10010 Operating Transfer In	\$250,289								\$507,170	\$757,459	-\$757,459	\$0
10020 Operating transfer Out	-\$250,289									-\$757,459	\$757,459	\$0
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		\$4,917		\$133,054				\$137,971	-\$137,971		\$0
10094	Transfers between Project and Program - Out	-\$4,917			-\$63,907			-\$69,146	-\$137,970	\$137,971		\$1
10100	Total Other financing Sources (Uses)	-\$4,917	\$4,917	\$0	-\$374,116	\$0	\$0	\$438,024	\$1	\$0		\$1
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$257,082	\$107	-\$2,951	-\$207,298	-\$62,757	\$0	-\$44,757	\$423,236	\$362,662	\$0	\$362,662
11020	Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
11030	Beginning Equity	\$34,878,108	\$0	\$123,323	\$2,096,858	\$1,054,484	\$0	\$0	-\$423,236	\$37,729,537		\$37,729,537
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors											
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	9827					100		9927			9927
11210	Number of Unit Months Leased	9389					100		9489			9489
11270	Excess Cash	\$6,820,084							\$6,820,084			\$6,820,084
11610	Land Purchases	\$0						\$0	\$0			\$0
11620	Building Purchases	\$0						\$0	\$0			\$0
11630	Furniture & Equipment - Dwelling Purchases	\$0						\$0	\$0			\$0
11640	Furniture & Equipment - Administrative Purchases	\$0						\$0	\$0			\$0
11650	Leasehold Improvements Purchases	\$1,419,109						\$0	\$1,419,109			\$1,419,109
11660	Infrastructure Purchases	\$0						\$0	\$0			\$0
13510	CFFP Debt Service Payments	\$0						\$0	\$0			\$0
13901	Replacement Housing Factor Funds	\$0						\$0	\$0			\$0

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