HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD

REPORT ON AUDIT OF FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA

YEAR ENDED DECEMBER 31, 2024

HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Borough of Freehold Housing Authority
Freehold, New Jersey

Opinion

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Freehold Housing Authority (herein called the Authority) as of and for the year ended December 31 2024 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Authority, as of December 31 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, which 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency

with management's responses to our inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Freehold Housing Authority's basic financial statements. The accompanying financial information, the combining statements of net position, activities and changes in net position and Financial Data Schedule as listed in HUD supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining statements of net position, activities and changes in net position, Financial Data Schedule and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining statements of net position, activities and changes in net position, financial data schedule and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated August 26, 2025, on my consideration of the Freehold Housing Authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Freehold Housing Authority's internal control over financial reporting and compliance.

Frank McConnell

Francis J. McConnell
Certified Public Accountant

August 26, 2025

HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2024

As management of the Housing Authority of the Borough of Freehold, New Jersey we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

2024

- The Assets and deferred outflows of the Authority exceeded its assets by $367,936
- The Authority's unrestricted cash balance at December 31, 2024 was $ 550,157 representing a decrease of $111,419 from December 31, 2023.
- The Authority had intergovernmental revenues of $ 334,373 HUD operating grants for the year ended December 31, 2024.

2023

- The Assets and deferred outflows of the Authority exceeded its assets by $361,233.
- The Authority's unrestricted cash balance at December 31, 2023 was $ 661,576 representing a decrease of $19,436 from December 31, 2022.
- The Authority had intergovernmental revenues of $420,217 HUD operating grants for the year ended December 31, 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- Statement of Net Position – reports the Authority's current financial resources (short term spend able resources) with capital assets and long-term debt obligations.
- Statement of Revenues, Expenses and Changes in Fund Net Position – reports the Authority's operating and non-operating revenues, by major source along with operating and non-operating expenses and capital contributions.
- Statement of Cash Flows – reports the Authority's cash flows from operating, investing, capital and non-capital activities

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Position: may serve over time as a useful indicator of an agency's financial position. In the case of the Housing Authority of the Borough of Freehold there was a net position of $367.9 thousand at the close of the most recent fiscal year. The following table shows a summary of changes from the prior years

	2024	2023
Current and Other Assets	905,836	1,130,152
Capital Assets, net of depreciation	859,025	675,266
Total Assets	1,764,861	1,805,418
Deferred Outflows of Resources	280,481	186,802
Current Liabilities	313,438	194,320
Noncurrent Liabilities	934,042	1,003,402
Total Liabilities	1,197,722	1,197,722
Deferred Inflows of Resources	429,926	433,275
Net Investment in Capital Assets	829,025	615,266
Restricted	224	190
Unrestricted	(461,313)	(254,233)
Net Position	367,936	361,223

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets The following table summarizes the changes in capital assets between fiscal years 2024 and 2023:

	2024	2023
LAND	$ 145,000	$ 145,000
BUILDINGS AND IMPROVEMENTS	5,001,402	5,001,402
EQUIPMENT	118,757	118,757
CONSTRUCTION IN PROGRESS	266,296	-
TOTAL CAPITAL ASSETS	5,531,455	5,265,159
ACCUMULATED DEPRECIATION	4,672,430	4,589,893
NET CAPITAL ASSETS	859,025	675,266

Debt

At the end of December 31, 2024, the Authority had outstanding debt in the amount of $ 30,000 from the Authority entering into a Capital Fund Leveraging Pool in 2004.

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

	12/31/2024	12/31/2023	Diff
tenant revenue	607,672	643,154	(35,482)
Hud revenue	334,373	420,217	(85,844)
other revenue	7,575	7,710	(135)
total revenue	949,620	1,071,081	(121,461)
Operating expenses			-
Administrative	183,937	239,993	(56,056)
tenant services	-	15,772	(15,772)
utilities	214,035	191,189	22,846
Maintenance	323,891	209,908	113,983
Other operating	194,450	138,927	55,523
Depreciation	82,537	93,124	(10,587)
total expenses	998,850	888,913	109,937
			-
Operating Income	(49,230)	182,168	(231,398)
Nonoperating Income	114,948	31,391	83,557
			-
Change in Net Position	65,718	213,559	(147,841)

Statement of Activities – continued

Governmental operating revenue includes the annual operating subsidies for the low rent and capital grants made available by the U.S. Housing and Urban Development ("HUD"). The authority also generated over 600 thousand in tenant revenue which helped offset the Authority's administrative expenses.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Executive Director, Housing Authority of the Borough of Freehold, New Jersey, 107 Throckmorton Street, Freehold, New Jersey 07728.

FINANCIAL SECTION

HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD
STATEMENTS OF NET POSITION
DECEMBER 31, 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS	
Current Assets	
Cash and cash equivalents	$ 550,157
Restricted cash and cash equivalents	50,225
Accounts receivable, net	305,709
Prepaid Expenses	375
Total Current Assets	906,466
Noncurrent assets	
Capital assets, net of deprecation	859,025
Total Noncurrent Assets	859,025
Deferred Outflow of Resources	
Deferred outflows related to pensions	11,587
Deferred outflows related to OPEB	264,510
Total deferred outflows of resources	276,097
Total Assets and Deferred Outflow of Resources	2,041,588

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

LIABILITIES:	
Current Liabilities	
Accounts Payable	41,190
Accrued Liabilities	33,138
Accounts payable - Other Government	55,114
Compensated Absences	21,517
Tenant Security deposits	50,001
Deferred credits and other liabilities	1,159
Current portion of long-term debt	30,000
Total Current Liabilities	232,119
Noncurrent liabilities	
Long-term debt, net of current portion	-
Accrued Pension	254,581
Accrued OPEB	658,037
Compensated Absences - net of current	81,319
Total Noncurrent Liabilities	993,937
Total Liabilities	1,226,056
Deferred Inflows of Resources	
Deferred inflows related to pensions	19,320
Deferred inflows related to OPEB	412,012
Total Deferred Inflow of Resources	431,332
NET POSITION	
Net Investments in capital assets	829,025
Restricted Net Assets	224
Unrestricted net position (Deficit)	(445,049)
Total net position	384,200
Total Liabilities, Deferred Inflow of Resources, and Net Position	$ 2,041,588

The accompanying notes are an integral part of this statement

HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2024

OPERATING REVENUES		
Tenant Revenue	$	607,672
HUD Operating grants		334,373
Other Income		7,575
Total operating revenues		949,620
OPERATING EXPENSES		
Administrative		226,417
Utilities		214,305
Maintenance		323,882
General		194,450
Depreciation Expense		82,537
Total Operating Expenses		1,041,591
NET OPERATING INCOME (LOSS)		(91,971)
NONOPERATING REVENUES (EXPENSES)		
Capital Grants		116,129
Interest Expense		(2,468)
Investment Income		1,287
Total nonoperating revenues		114,948
Change in net position		22,977
Total net position - beginning		361,223
Total net position - ending	$	384,200

The accompanying notes are an integral part of this statement

HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Hud operating grants	$ 334,373
Receipts from residents and others	615,247
Payments to suppliers	(700,109)
Payments to and on behalf of employees	(180,709)
Net cash provided by (used) in operating activities	68,802
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Interest paid on debt	(2,468)
Principal payments on long term debt	(30,000)
Net cash (used) in capital and related financing activities	(32,468)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Capital assets	(266,296)
capital grants recived	116,129
Investment Income	1,287
Net cash provided by investing activities	(148,880)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(112,546)
CASH AND CASH EQUIVALENTS, JANUARY 1	712,928
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 600,382
DECEMBER 31, CASH AND CASH EQUIVALENTS	
Unrestricted	$ 550,157
Restricted	50,225
Total Unrestricted and Restricted	$ 600,382

The accompanying notes are an integral part of this statement

HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Net Operating Loss	$	(91,971)
Add back non-cash Items:		
Depreciation expense		82,537
bad debts		68,827
Decrease (Increase) in Assets/Deferred outflows/inflows		
Accounts Receivable		111,708
		171,101
Increase (Decrease) in Liabilities		
Accounts Payable and Accrued Expenses		(115,634)
other Liabilities and deferred credits		13,335
		(102,299)
Net Cash provided by operating activities	$	68,802

The accompanying notes are an integral part of this statement

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Program Description

The Housing Authority of the Borough of Freehold (herein referred to as the Authority) was organized under the laws of the State of New Jersey and operates under an Annual Contributions Contract (ACC) with the United States Department of Housing and Urban Development (HUD) to provide low-income housing to eligible participants under the United States Housing Act of 1937, as amended. The formation and operation of the Authority is governed by the Act, and administered by HUD under the Annual Contributions Contracts.

The Authority is governed by a board of Directors appointed locally. An Executive Director is appointed by the Authority's Board to manage the day-to-day operations of the Authority.

Low Rent Housing Program

This program provides low-rent housing to qualified residents of the Borough of Freehold, New Jersey. All units are owned and operated by the Authority and were purchased with financing arranged or provided through HUD. The operations of the program are subsidized by HUD through an Annual Contributions Contract. Operating subsidy contributions for the year ended December 31, 2024, was $334,373 and is included in operating subsidies in the combined statement of revenues, expenses and changes in net assets.

Capital Fund Program Grants

Capital fund grants are recognized as revenues in the combined statement of revenues, expenses and changes in net assets in accordance with GASB Statement No. 34. Capital grants support the development, modernization and operation of public housing developments. Operating subsidies received for the current year were $182,086.

B Reporting Entity

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity is made by applying the criteria set forth by GASB. These criteria include manifestation of oversight responsibility including financial accountability, appointment of a voting majority, imposition of will, financial benefit to or burden on primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financial accountable. Based on these criteria, there are no additional agencies which should be included in the financial statements of Freehold Housing Authority.

C - Basis of Accounting

The Authority's financial statements represent the net position and results of operations of the Authority and have been prepared in accordance with generally accepted accounting principles (GAAP) of the United States of America as applied to governmental entities.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority maintains their accounts substantially in accordance with the chart of accounts prescribed by HUD and are organized utilizing the fund accounting model. A fund is an independent entity with a self-balancing set of accounts.

The Authority accounts for its operations in a single enterprise fund. Enterprise funds account for those operations financed and operated in a manner similar to a private business or where the Authority has decided that determination of revenue earned, costs incurred and net revenue over expenses is necessary for management accountability.

Enterprise funds are proprietary funds used to account for business activities of special purpose governments for which a housing authority qualifies under GASB No. 34 *"Basic Financial Statements – and Management's Discussion and analysis – for State and Local Governments."*

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting, whereby all revenues are recognized in the period in which they are earned, and expenses are recognized in the period in which the liability is incurred regardless of the timing of the cash flows. All assets and deferred outflows and liabilities and deferred inflows associated with the operation of the Authority are included in the statements of net position. The statements of revenues, expenses and changes in net position present increases (revenues and capital contributions) and decreases (expenses) in total net position.

Budgeting and Budgetary Accounting

The Authority prepares an annual operating and capital budget for all programs in accordance with HUD requirements. The budget is formally adopted by resolution of the Authority's Board of Directors. Once adopted, the Board of Directors may amend the adopted budget when unexpected modifications are required in estimated revenues and expenses. The budget is prepared on a detailed line-item basis.

D – Cash and Cash Equivalents

The Authority considers all securities, including certificates of deposits and short-term investments, with maturities of three months or less to be cash equivalents.

E – Accounts Receivable

Rents are due from tenants on the first day of each month. An allowance for doubtful accounts is established to provide for accounts which may not be collected in the future for any reason.

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

F - Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

G – Capital Assets

Capital assets include land, structures and equipment recorded at cost and are comprised of property betterments and additions, and modernization program costs. Charges for maintenance and repairs are expensed when incurred. The authority depreciates these assets over their estimated useful lives using the straight-line method of depreciation.

Category	Useful lives (in Years)
Buildings	30 - 40 years
Improvements	30 - 40 years
Furniture and Equipment	5 - 10 years
Vehicles	5 - 10 years
Computer equipment	5 - 10 years

G – Capital Assets - continued

Impairment of Capital Assets

GASB Statement No., 42, *Accounting and Financial reporting for Impairment of Capital Assets and for Insurance Recoveries*, established accounting and financial reporting standards for impairment of capital assets. A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. The Authority is required to evaluate prominent events of changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. No such events or circumstances were encountered as of December 31, 2024.

H – Accrued Compensated absences

Accumulated unpaid leave time is accrued from the estimated amounts of future benefits attributable to services already rendered.

I – Equity Classifications

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

Net Investment in Capital Assets – consists of any capital assets, net of accumulated depreciation and reduced by any outstanding balances of loans, notes or mortgages.

Restricted Net Position - consists of the net amount of assets with constraints placed on the use either by (1) external groups such as creditors, grantors, laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

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

J - – Use of Restricted Assets

When both restricted and unrestricted resources are available for a particular restricted use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as needed.

K - Operating Revenues and Expenses

The Authority defines its operating revenues as income derived from charges to residents and others for services provided, and in the management of Authority assets. Its operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. The Authority classifies other revenues and expenses as non-operating.

L - Income Taxes

The Authority is a New Jersey municipal authority and, as such, is exempt from income taxes and other state and local taxes. The Authority believes it has not engaged in any activities for which its tax-exempt status would not be sustained under Internal Revenue Service examination or that would require filing of an income tax return for unrelated business income taxes.

M – Economic Dependency

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

NOTE 2 – CASH AND CASH EQUIVALENTS –

Cash consists primarily of cash in checking accounts. Cash is classified as "Unrestricted" and "Restricted" for financial presentation purposes based on HUD guidance:

- Cash – Unrestricted includes cash available for program purposes including current operations, working capital and reserves. Because the funds are not tied to a certain program or property, they are classified as unrestricted.
- Cash – Restricted includes cash to be expended for specific purposes based on the sources of the money. The Authority's restricted cash generally includes housing choice voucher funds and resident security deposits.

All funds on deposits are FDIC insured up to $250,000 per institution or are fully collateralized in accordance with guidance recommended by HUD.

NOTE 2 – CASH AND CASH EQUIVALENTS – continued

As of December 31, 2024, cash and cash equivalents consisted of the following:

	2024
Operaing Accounts	550,157
Tenant Security Deposits	50,001
Other restricted deposits	224
	-
	600,382
	-
	600,382
Bank Balances	$ 600,907
Reconciliation of detail to statement of net assets	
Cash - unrestricted	550,157
Cash - restricted	50,225
	$ 600,382

NOTE 3 – RECEIVABLES

Accounts Receivable as of December 31, 2024

	2024
Tenant accounts receivable	118,007
Due from Hud	275,901
Total accounts receivable	393,908
Less: allowance for doubtful accounts	(88,199)
	305,709

NOTE 4 -FIXED ASSETS

Changes in capital assets for 2024 consisted of:

	2023	additions	disposals	transfers	2024
Non-depreciable capital assets:					
Land	145,000	-	-		145,000
Construction in Progress	-	266,296		-	266,296
	145,000	-		-	411,296
Depreciable capital assets:					
Buildings and Improvements	5,001,402	-	-	-	5,001,402
Equipment - Admin & Dwelling	118,757	-	-		118,757
Totals	5,120,159	-	-	-	5,120,159
Total capital assets	5,265,159	-			5,531,455
Accumulated Depreciation:	(4,589,893)	(82,537)	-		(4,672,430)
Net Capital Assets	675,266	(82,537)	-	-	859,025

NOTE 5 – RISK MANAGEMENT

The Authority is exposed to various risks of potential liabilities, such as theft of damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In order to deal with these potential liabilities, the Authority's risk management program consisted of various insurance policies covering each of these risks. The Authority believes such coverage is sufficient to preclude any significant uninsured losses to the Authority.

NOTE 6 – COMPENSATED ABSENCES

Accrued compensated absences represent the amount of accumulated leave for which employees are entitled to receive payment in accordance with the authority's Personnel Policy. Compensated absences activity consisted of the following:

	2024
Beginning compensated absences	$ 98,673
Compensated absences earned	143,798
Compensated absences redeemed	(139,635)
Ending compensated absences	102,836
Less: current portion	21,517
Compensated absences, net of current position	$ 81,319

NOTE 7 – ACCRUED LIABILITIES

Accrued Liabilities as of December 31, 2024

	2024
Accrued payroll and payroll taxes	$ 678
Accrued utilities	32,460
	$ 33,138

NOTE 8 – DEFERRED CREDITS AND OTHER LIABILITIES

Deferred Credits and other liabilities as of December 31, 2024

	2024
Prepid Rental Income	$ 1,159
	$ 1,159

NOTE 9 – PAYABLE TO OTHER GOVERNMENT AGENCIES – (PILOT)

The Authority is required to make a payment in lieu of taxes (PILOT) for the PHA Owned Program in accordance with the provisions of its cooperation agreement with the Borough of Freehold, New Jersey. Under the cooperation agreements, the Authority must pay the lesser of 10% of its net shelter rent or the appropriate full real property taxes. During the fiscal years ended December 31, 2024, PILOT expense was accrued in the amounts of $ 55,114. Shown on statement of net position as Accounts Payable - other Government

.

Note 10 – BONDS PAYABLE

The Authority during 2004 entered into a Capital Fund Leveraging Fund. The New Jersey Housing and Mortgage Finance Agency issued tax exempt, twenty-year Capital Fund Program Revenue Bonds, 2004 Series A, on December 23, 2004. The Authority's share amounted to $400,000.

The following is a schedule of required payments for the next five years and thereafter.

Year ending December 31:

	Principal	Interest	Total
2025-2026	30,000	1,058	31,058
	30,000	1,058	31,058

11 – Deferred Outflows and Inflows of Resources – Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Deferred outflows of resources consist of unrecognized items not yet charges to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources until that time. These inflows consist of an unamortized portion of the net difference between projected and actual earnings on pension plan investments.

NOTE 12 – PENSION PLAN

Description of Plan

The Authority participates in the Public Employees Retirement System (PERS), a cost-sharing multiple employers defined benefit pension plan administered by the Division of Pensions within the Department of Treasury, State of New Jersey. It is a cost-sharing, multiple-employer defined benefit pension plan. The PERS was established on January 1, 1955, under the provisions of N.J.S.A. 43:15A. to provide coverage, including post-retirement health care, for substantially all full-time employees of the state, its counties, municipalities, school districts or public agencies, provided the employee is not a member of another state administered retirement system. Membership is mandatory for such employees.

NOTE 12 – PENSION PLAN – continued

Vesting and Benefit Provisions

The vesting and benefit provisions for the PERS are set by N.J. S.A. 43:15A and 43:3B. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined.

Funding Requirements - PERS

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994 and Chapter 115, P.L. of 1998, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Employer's contributions are actuarially determined annually by the

The Authority's total contributions to PERS for the year ended were $ 25,494.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – on December 31, 2024, the Authority reported a liability of $ 254,581 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the authority's share of contributions to the pension plan relative to the contributions of all PERS participating employers. On June 30, 2024, the authority's collective proportion percentage was .0018735663%

For the year ended the authority recognized pension expenses of $ 9,862. On December 31, 2024, the authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ 5,100	$ 678
Changes in assumptions	316	2,897
Net difference between projected and actual earnings on pension plan investments	-	11,804
	-	
Changes in proportion and differences between Authority contributions and proportionate share of contributions	6,171	3,941
Total	$ 11,587	$ 19,320

NOTE 12 – PENSION PLAN – continued

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

Year Ended Dec., 31	Total
2025	(1,547)
2026	(1,547)
2027	(1,547)
2028	(1,547)
2029	(1,547)
	$ (7,733)

Actuarial assumptions – the total pension liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00%on June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best estimate ranges of expected future real rates of return are developed for each major class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major class included in PERS's target asset allocation as of June 30, 2020, are summarized in the following table:

NOTE 12 – PENSION PLAN – continued

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

Discount Rate - the discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

NOTE 12 – PENSION PLAN – continued

Sensitivity of the Authority's Proportionate Share of Net Pension Liability to changes in the Discount Rate – the following represents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00 percent) or 1-percentage point higher (8.00 percent) than the current rate,

	1% Decrease	Discount Rate	1% Increase
Authority's proportionate share of the net pension liability	317,278	254,581	161,450

Note 13 – OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

The State Health Benefit Local Government Retired Employees Plan ("SHBP") is a cost-sharing multiple employers defined benefit OPEB plan administered by the State of New Jersey, Division of Pensions and Benefits (the "Division"). It covers employees of local government employers that have adopted a resolution to participate in the SHBP. For additional information about SHBP, please refer to the Division's Comprehensive Annual Financial Report ("CAFR"), which can be found at https://www.state.nj.us/treasury/pension/financial-reports.shtml.

B. Benefits

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

NOTE 13. – OTHER POST-EMPLOYMENT BENEFITS (continued)

C. Benefits - continued

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

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

On December 31, 2024, the Authority reported a liability of $ 658,037 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023.

For the year ended December 31, 2024, the Authority recognized OPEB expense of $(16,375). On December 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between expected & actual	$ 30,345	$ 178,701
Changes in assumptions	85,240	186,006
Changes in proportions	148,925	47,196
Net differences between projected and actual investment earnings on OPEB plan investments	-	109
	-	
Total	$ 264,510	$ 412,012

NOTE 13. – OTHER POST-EMPLOYMENT BENEFITS – (continued)

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

Year Ended Dec., 31	Total
205	(29,500)
2026	(36,680)
2027	(36,680)
2028	(36,680)
2029	(36,680)
	$(176,220)

D - Actuarial Assumptions

The total OPEB liability for the June 30, 2023, measurement date was determined by an actuarial valuation as of June 30, 2022. This actuarial valuation used the following assumptions:

Inflation Rate 2.50%
Salary increases:
Through 2026 2.00 to 6.00%, based on years of service.

Thereafter 3.00 – 7.00%, based on years of service.

Mortality:

PERS Pub-2010 General classification headcount weighted mortality with Fully generational mortality improvement projections from the central Year using Scale MP-2020

PFRS Pub-2010 safety classification headcount weighted mortality with Fully generational mortality improvement projections from the central Year using Scale MP-2020

Actuarial assumptions used in the July 1, 2022, valuation was based on the results of the PFRS and PERS experience studies prepared for July 1, 2013, to June 30, 2022 and July 1, 2014 to June 30, 2023, respectively.

100% of active members are considered to participate in the Plan upon retirement.

NOTE 13. – OTHER POST-EMPLOYMENT BENEFITS (continued)

E: Discount Rate

The discount rate used to measure the total OPEB liability was 2.21% as of June 30, 2023. This represents the municipal bond return rate chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

F: Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net OPEB liability calculated using the discount rate of 2.21%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21%) or 1 percentage point higher (3.21%) than the current rate.

	1% Decrease 1.21%	Discount Rate 2.21%	1% Increase 3.21%
Authority's proportionate share of the net pension liability	814,509	658,037	589,596

G: Health Care Trend Assumptions

For pre-Medicare preferred provider organization ("PPO") and health maintenance organization ("HMO") medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 7.5% decreasing to a 4.5% trend rate after eight years.

NOTE 13. – OTHER POST-EMPLOYMENT BENEFITS (continued)

H: Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Trend Rate

The following presents the Authority's proportionate share of the net OPEB liability calculated using the healthcare trend rate as disclosed above, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	1% Decrease	Healthcare cost Trend	1% Increase
Authority's proportionate share of the net pension liability	814,509	658,037	589,596

NOTE 14 – SUBSEQUENT EVENTS

In preparing these financial statements, the Authority has evaluated events and transactions for potential recognition or disclosure through August 26, 2025 the date the financial statements were available to be issued. The authority experienced no uncertainties or transactions that were found for recognition or disclosure.

REQUIRED SUPPLEMENTARY IMFORMATION

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's proportions of the net pension liability (asset)	0.00195%	0.00195%	0.00195%	0.00185%	0.00181%	0.00179%	0.00175%	0.00170%	0.00160%	0.00160%
Authority's proportionate share of the net pension liability	$ 276,005	$ 287,635	$ 287,635	$ 219,498	$ 295,768	$ 321,634	$ 343,639	$ 399,912	$ 472,468	$ 351,473
Authority's covered-employee payroll	$ 119,913	$ 144,660	$ 144,660	$ 140,464	$ 141,648	$ 131,252	$ 126,844	141,859	$ 109,741	$ 107,999
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	230.17%	198.84%	198.84%	156.27%	208.80%	245.05%	270.91%	281.91%	430.53%	325.44%
Plan fiduciary net position as a percentage of the total pension liability	53.60%	53.60%	53.60%	53.60%	53.60%	53.60%	53.60%	48.10%	40.14%	47.93%

See accompanying independent auditor's report

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contributions	25,468	24,035	24,035	21,699	19,841	17,363	17,360	15,915	14,172	13,461
Contributions in relation to the statutorily required contributions	25,468	24,035	24,035	21,699	19,841	17,363	17,360	15,915	14,172	13,461
Contributions deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Authority's covered-employee payroll	119,913	144,660	144,660	140,464	141,648	131,252	126,844	141,859	109,741	107,999
Contributions as a percentage of covered-employee payroll	21.24%	16.61%	16.61%	15.45%	14.01%	13.23%	13.69%	11.22%	12.91%	12.46%

-See accompanying independent auditors report-

HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
YEAR ENDED DECEMBER 31,

	2024	2023	2022	2021	2020	2019	(restated) 2018
Authority's proportionate share of the net OPEB liability	$ 658,037	$ 608,032	$ 682,192	$ 682,192	$ 688,970	$ 484,003	$ 605,045
Authority's covered-employee payroll	$ 119,913	$ 111,297	$ 140,464	$ 140,464	$ 141,648	$ 131,252	$ 126,844
Authority's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	18.22%	18.30%	20.59%	20.59%	20.56%	27.12%	20.96%
Plan fiduciary net position as a percentage of the total OPEB liability	1.04%	1.04%	1.04%	1.04%	1.04%	1.04%	1.03%

Note: GASB Statement NO 68 requires ten years of information to be presented in this table.
years for which information is available.

OTHER SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD
COMBINING STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2024

	Low Rent Public Housing	Capital fund Program	Totals
Current Assets			
Cash	550,157	-	550,157
Restricted cash and investments	50,225	-	50,225
Receivables, net	305,709	-	305,709
Other assets	375	-	375
Total Current assets	906,466	-	906,466
NONCURRENT ASSETS			
Capital assets, net of depreciation	859,025	-	859,025
Total noncurrent assets	859,025	-	859,025
Deferred Outflows of Resources - Pension	11,587		11,587
Deferred Outflows of Resources - OPEB	264,510		264,510
TOTAL ASSETS and DEFERRED OUTFLOWS OF RESOURCES	2,041,588	-	2,041,588
LIABILITIES AND NET POSITION			
Current Liabilities			
Accounts payable	41,190	-	41,190
Accrued Liabilities	33,138		33,138
Accounts Payable - other government	55,114	-	55,114
Compensated absences	21,517	-	21,517
Tenant security deposits	50,001	-	50,001
Deferred credits and other liabilities	1,159	-	1,159
Current portion of long term debt	30,000		30,000
Total current liabilities	232,119	-	232,119
NONCURRENT LIABILITIES			
	-	-	-
Accrued pension	254,581		254,581
Accrued OPEB	658,037		658,037
other liabilities	81,319	-	81,319
Total noncurrent liabilities	993,937	-	993,937
TOTAL LIABILITIES	1,226,056	-	1,226,056
Deferred Inflows of Resources - pension	19,320		19,320
Deferred Inflows of Resources -OPEB	412,012		412,012
			-
NET POSITION			
Net Investment in capital assets	829,025	-	829,025
Restricted net position	224	-	224
Unrestricted net position (deficit)	(445,049)	-	(445,049)
TOTAL NET POSITION	384,200	-	384,200
TOTAL LIABILITIES, NET POSITION and DEFERRED INFLOWS	2,041,588	-	2,041,588

HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024

	Low Rent Public Housing	Capital Fund Program	Totals
Operating revenue			
Total Tenant Revenue	607,672	-	607,672
HUD Operating subsidies	208,912	125,461	334,373
other revenue	7,575	-	7,575
Total operating revenue	824,159	125,461	949,620
Operating Expenses			
Administrative expenses	189,799	36,618	226,417
Utilities	214,305	-	214,305
Maintenance	298,201	25,681	323,882
General	97,618	-	97,618
Insurance Expense	96,832	-	96,832
Depreciation expense	82,537	-	82,537
Total operating expenses	979,292	62,299	1,041,591
Operating income (loss)	(155,133)	63,162	(91,971)
Nonoperating revenue (expenses)			
Capital Grants		116,129	116,129
Investment Income	1,287	-	1,287
Interest Expense	-	(2,468)	(2,468)
Operating Transfers	60,694	(60,694)	
Net nonoperating revenue	61,981	52,967	114,948
Change in net assets	(93,152)	116,129	22,977
Total net assets at beginning of year	361,223	-	361,223
Capital contributions/transfers	116,129	(116,129)	-
	-		
Total net position at end of year	384,200	-	384,200

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Freehold Housing Authority (NJ069)
FREEHOLD, NJ
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
111 Cash - Unrestricted	$550,157	$550,157	$550,157
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted	$224	$224	$224
114 Cash - Tenant Security Deposits	$50,001	$50,001	$50,001
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	$600,382	$600,382	$600,382
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects	$275,901	$275,901	$275,901
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous			
126 Accounts Receivable - Tenants	$118,007	$118,007	$118,007
126.1 Allowance for Doubtful Accounts -Tenants	-$88,199	-$88,199	-$88,199
126.2 Allowance for Doubtful Accounts - Other	$0	$0	$0
127 Notes, Loans, & Mortgages Receivable - Current			
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable			
120 Total Receivables, Net of Allowances for Doubtful Accounts	$305,709	$305,709	$305,709
131 Investments - Unrestricted			
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			

Freehold Housing Authority (NJ069)
FREEHOLD, NJ
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
142 Prepaid Expenses and Other Assets	$375	$375	$375
143 Inventories			
143.1 Allowance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	$906,466	$906,466	$906,466
161 Land	$145,000	$145,000	$145,000
162 Buildings	$4,180,200	$4,180,200	$4,180,200
163 Furniture, Equipment & Machinery - Dwellings			
164 Furniture, Equipment & Machinery - Administration	$118,757	$118,757	$118,757
165 Leasehold Improvements	$821,202	$821,202	$821,202
166 Accumulated Depreciation	-$4,672,430	-$4,672,430	-$4,672,430
167 Construction in Progress	$266,296	$266,296	$266,296
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	$859,025	$859,025	$859,025
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	$859,025	$859,025	$859,025

Freehold Housing Authority (NJ069)
FREEHOLD, NJ
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
200 Deferred Outflow of Resources	$276,097	$276,097	$276,097
290 Total Assets and Deferred Outflow of Resources	$2,041,588	$2,041,588	$2,041,588
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	$41,190	$41,190	$41,190
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	$678	$678	$678
322 Accrued Compensated Absences - Current Portion	$21,517	$21,517	$21,517
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government	$55,114	$55,114	$55,114
341 Tenant Security Deposits	$50,001	$50,001	$50,001
342 Unearned Revenue	$1,159	$1,159	$1,159
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	$30,000	$30,000	$30,000
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities			
346 Accrued Liabilities - Other	$32,460	$32,460	$32,460
347 Inter Program - Due To			
348 Loan Liability - Current			

Freehold Housing Authority (NJ069)
FREEHOLD, NJ
Entity Wide Balance Sheet Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
310 Total Current Liabilities	$232,119	$232,119	$232,119
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other			
354 Accrued Compensated Absences - Non Current	$81,319	$81,319	$81,319
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities	$912,618	$912,618	$912,618
350 Total Non-Current Liabilities	$993,937	$993,937	$993,937
300 Total Liabilities	$1,226,056	$1,226,056	$1,226,056
400 Deferred Inflow of Resources	$431,332	$431,332	$431,332
508.4 Net Investment in Capital Assets	$829,025	$829,025	$829,025
511.4 Restricted Net Position	$224	$224	$224
512.4 Unrestricted Net Position	-$445,049	-$445,049	-$445,049
513 Total Equity - Net Assets / Position	$384,200	$384,200	$384,200
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	$2,041,588	$2,041,588	$2,041,588

Freehold Housing Authority (NJ069)
FREEHOLD, NJ
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
70300 Net Tenant Rental Revenue	$585,113	$585,113	$585,113
70400 Tenant Revenue - Other	$22,559	$22,559	$22,559
70500 Total Tenant Revenue	$607,672	$607,672	$607,672
70600 HUD PHA Operating Grants	$334,373	$334,373	$334,373
70610 Capital Grants	$116,129	$116,129	$116,129
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	$1,265	$1,265	$1,265
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery			
71500 Other Revenue	$7,575	$7,575	$7,575
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted	$22	$22	$22
70000 Total Revenue	$1,067,036	$1,067,036	$1,067,036

Freehold Housing Authority (NJ069)
FREEHOLD, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
91100 Administrative Salaries	$125,121	$125,121	$125,121
91200 Auditing Fees	$4,200	$4,200	$4,200
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	-$18,699	-$18,699	-$18,699
91600 Office Expenses	$61,145	$61,145	$61,145
91700 Legal Expense	$18,157	$18,157	$18,157
91800 Travel	$2,037	$2,037	$2,037
91810 Allocated Overhead			
91900 Other	$34,456	$34,456	$34,456
91000 Total Operating - Administrative	$226,417	$226,417	$226,417
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	$0	$0	$0
93100 Water	$17,499	$17,499	$17,499
93200 Electricity	$73,459	$73,459	$73,459

Freehold Housing Authority (NJ069)
FREEHOLD, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
93300 Gas	$78,727	$78,727	$78,727
93400 Fuel			
93500 Labor			
93600 Sewer	$44,620	$44,620	$44,620
93700 Employee Benefit Contributions - Utilities			
93800 Other Utilities Expense			
93000 Total Utilities	$214,305	$214,305	$214,305
94100 Ordinary Maintenance and Operations - Labor	$220	$220	$220
94200 Ordinary Maintenance and Operations - Materials and Other	$8,018	$8,018	$8,018
94300 Ordinary Maintenance and Operations Contracts	$315,644	$315,644	$315,644
94500 Employee Benefit Contributions - Ordinary Maintenance			
94000 Total Maintenance	$323,882	$323,882	$323,882
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	$0	$0	$0
96110 Property Insurance			
96120 Liability Insurance			
96130 Workmen's Compensation			

Freehold Housing Authority (NJ069)
FREEHOLD, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
96140 All Other Insurance	$96,832	$96,832	$96,832
96100 Total insurance Premiums	$96,832	$96,832	$96,832
96200 Other General Expenses			
96210 Compensated Absences	$4,164	$4,164	$4,164
96300 Payments in Lieu of Taxes	$24,627	$24,627	$24,627
96400 Bad debt - Tenant Rents	$68,827	$68,827	$68,827
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	$97,618	$97,618	$97,618
96710 Interest of Mortgage (or Bonds) Payable	$2,468	$2,468	$2,468
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	$2,468	$2,468	$2,468
96900 Total Operating Expenses	$961,522	$961,522	$961,522
97000 Excess of Operating Revenue over Operating Expenses	$105,514	$105,514	$105,514
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			

Freehold Housing Authority (NJ069)
FREEHOLD, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
97300 Housing Assistance Payments			
97350 HAP Portability-In			
97400 Depreciation Expense	$82,537	$82,537	$82,537
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	$1,044,059	$1,044,059	$1,044,059
10010 Operating Transfer In	$60,694	$60,694	$60,694
10020 Operating transfer Out	-$60,694	-$60,694	-$60,694
10030 Operating Transfers from/to Primary Government			
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			
10094 Transfers between Project and Program - Out			
10100 Total Other financing Sources (Uses)	$0	$0	$0

Freehold Housing Authority (NJ069)
FREEHOLD, NJ
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$22,977	$22,977	$22,977
11020 Required Annual Debt Principal Payments	$30,000	$30,000	$30,000
11030 Beginning Equity	$361,223	$361,223	$361,223
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	$0	$0	$0
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	1008	1008	1008
11210 Number of Unit Months Leased	975	975	975
11270 Excess Cash	$597,461	$597,461	$597,461
11610 Land Purchases	$0	$0	$0
11620 Building Purchases	$0	$0	$0
11630 Furniture & Equipment - Dwelling Purchases	$0	$0	$0
11640 Furniture & Equipment - Administrative Purchases	$0	$0	$0
11650 Leasehold Improvements Purchases	$266,296	$266,296	$266,296
11660 Infrastructure Purchases	$0	$0	$0

Freehold Housing Authority (NJ069)
FREEHOLD, NJ

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Non Single Audit

Fiscal Year End: 12/31/2024

	Project Total	Subtotal	Total
13510 CFFP Debt Service Payments	$32,596	$32,596	$32,596
13901 Replacement Housing Factor Funds	$0	$0	$0

OTHER REPORTS

FRANCIS J McCONNELL
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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*

Board of Directors
Housing Authority of the Borough of Freehold
Freehold, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of Housing Authority of the Borough of Freehold, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Freehold Housing Authority's basic financial statements, and have issued our report thereon dated August 26, 2025

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Frank McConnell

Francis J. McConnell
Certified Public accountant

August 26, 2025

HOUSING AUTHORITY OF THE BOROUGH OF FREEHOLD
SCHEDULE OF FINDINGS OF NONCOMPLIANCE
December 31, 2024

FINDINGS

NONE

General comments

NONE