



Montclair

TOWNSHIP OF MONTCLAIR
ESSEX COUNTY, NEW JERSEY
REPORT OF AUDIT
YEARS ENDED DECEMBER 31, 2019 and 2018

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PART I
REPORT ON EXAMINATION
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2019 and 2018



Independent Auditors' Report

**The Honorable Mayor and Members
of the Township Council
Township of Montclair
Montclair, New Jersey**

Report on the Financial Statements

We have audited the accompanying regulatory-basis financial statements of the various funds and the governmental fixed assets of the Township of Montclair, County of Essex, New Jersey (the "Township") which comprise the balance sheets as of and for the years ended December 31, 2019 and 2018, and the related statements of operations and changes in fund balance for the years then ended, the statements of changes in fund balance, the statements of revenues and statements of expenditures for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Township as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), as described in Note 1. Management is also responsible 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 error or fraud.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division. Those standards and requirements prescribed by the Division require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division to demonstrate compliance with the Division's regulatory basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial positions of the Township of Montclair, County of Essex, New Jersey, as of December 31, 2019 and 2018, the changes in its financial position, and, where applicable, its cash flows for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory basis financial statements referred to above present fairly, in all material respects, the respective financial position of the various funds and the governmental fixed assets of the Township of Montclair, County of Essex, New Jersey as of December 31, 2019 and 2018 and the respective results of operations and changes in fund balance for the years then ended, the statements of changes in fund balance, the statements of revenues and statements of expenditures for the year ended December 31, 2019 and the related notes to the financial statements in accordance with the financial reporting provisions of the Division, as described in Note 1 to the financial statements.

Emphasis of Matter

Subsequent Event

As discussed in Note 19 to the financial statements, on March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of the Coronavirus disease 2019 ("COVID-19"). Our opinion is not modified with respect to that matter.

Report on Supplementary Information Required by the Division in Accordance with Regulatory Basis

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Township's basic financial statements. The information included in Part II – Fund Financial Statements and Supplementary Data (collectively, the "Supplementary Information"), as listed in the table of contents, is presented for purposes of additional analysis as required by the Division and is not a required part of the regulatory-basis financial statements of the Township. Such information has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Report on Supplementary Information as Required by the Uniform Guidance and NJOMB Circular 15-08

Our audit was conducted for the purpose of forming opinions on the regulatory-basis financial statements that collectively comprise the Township's basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance as required by the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award (Uniform Guidance)*; and the schedule of expenditures of state financial assistance as required by New Jersey OMB's Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and related notes to the schedules of federal awards and state financial assistance 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, the schedule of expenditures of state financial assistance and related notes 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 auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, the schedule of expenditures of state financial assistance and related notes are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2020 on our consideration of the Township'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 Township'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 Township's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Cranford, New Jersey
July 17, 2020

David J. Gannon

David J. Gannon, CPA
Licensed Registered Municipal Accountant, No. 520

TOWNSHIP OF MONTCLAIR
CURRENT FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

A
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Regular Fund</u>			
Current Assets:			
Cash - Checking	A-4	\$ 36,747,980.45	\$ 32,508,481.09
Change Funds	A-6	855.00	855.00
		<u>36,748,835.45</u>	<u>32,509,336.09</u>
Due from State of New Jersey: (Ch. 129, P.L. 1976)	A-8	178.32	178.32
		<u>36,749,013.77</u>	<u>32,509,514.41</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-9	2,501,644.49	2,757,419.92
Tax Title Liens	A-10	250,386.58	217,475.05
Property Acquired for Taxes - Assessed Valuation	A-11	317,900.00	317,900.00
Other Liens Receivable	A-12	7,500.00	7,500.00
Other Accounts Receivable	A-13	120,644.45	116,656.31
Revenue Accounts Receivable	A-14	301,861.40	166,613.66
Interfunds Receivable	A-16	591.77	283,657.94
		<u>3,500,528.69</u>	<u>3,867,222.88</u>
Deferred Charges:			
Special Emergency Authorizations (40A:4-53)	A-18	400,000.00	600,000.00
		<u>40,649,542.46</u>	<u>36,976,737.29</u>
<u>Federal and State Grant Fund</u>			
Cash	A-4	242,960.18	
Grants Receivable	A-15	553,597.75	585,897.10
Interfunds Receivable	A-17		403,468.56
		<u>796,557.93</u>	<u>989,365.66</u>
		<u>\$ 41,446,100.39</u>	<u>\$ 37,966,102.95</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

A
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Regular Fund</u>			
Appropriated Reserves:			
Encumbered	A-3, A-19	\$ 1,353,742.06	\$ 1,031,213.44
Unencumbered	A-3, A-19	5,069,555.07	3,654,953.27
Due to State of New Jersey	A-20	25,653.00	19,909.00
Reserve for Revaluation	A-21		44,325.40
Accounts Payable	A-22	142,479.89	128,834.60
Interfunds Payable	A-25	436,098.17	403,468.56
Payment in Lieu of Taxes - Overpayments	A-23	50,660.13	43,333.23
Tax Overpayments	A-24	729,922.87	1,171,673.62
Special Improvement District Taxes Payable	A-28		2,601.06
County Taxes Payable	A-26	128,910.34	102,044.58
School Taxes Payable	A-27	10,375,203.00	9,215,790.00
Special Emergency Note Payable	A-29	400,000.00	600,000.00
Prepaid Taxes	A-30	1,223,957.28	1,006,438.12
Prepaid PILOTS	A-30	18,851.98	21,886.09
Accumulated Revenue Unappropriated	A-33	326,618.08	539,193.61
		<u>20,281,651.87</u>	<u>17,985,664.58</u>
Reserve for Receivables	Reserve	3,500,528.69	3,867,222.88
Fund Balance	A-1	16,867,361.90	15,123,849.83
		<u>40,649,542.46</u>	<u>36,976,737.29</u>
 <u>Federal and State Grant Fund</u>			
Due to Essex County	A-31	86,975.50	86,975.50
Appropriated Reserves for Federal and State Grants	A-32	652,295.43	607,713.86
Reserve for Encumbrances	A-32	52,287.00	283,009.30
Accumulated Revenue Unappropriated	A-33	5,000.00	11,667.00
		<u>796,557.93</u>	<u>989,365.66</u>
		<u>\$ 41,446,100.39</u>	<u>\$ 37,966,102.95</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2019 AND 2018

A-1

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 7,300,000.00	\$ 4,750,000.00
Miscellaneous Revenue Anticipated	A-2	17,380,721.77	17,335,065.08
Receipts from Delinquent Taxes	A-2c	2,726,373.26	2,151,501.00
Receipts from Current Taxes	A-2c	220,868,646.80	215,969,003.92
Nonbudget Revenue	A-2d	3,093,531.79	912,209.47
Other Credits to Income:			
Cancellation of Reserve for Revaluation			63,492.00
Special Deposits Canceled			339,680.50
Interfunds Receivable Liquidated	A-16	283,066.17	
Other Accounts Receivable Liquidated			21,743.58
Unexpended Balance of Appropriation Reserves	A-19	2,905,591.04	4,348,316.86
Accounts Payable Canceled	A-22	632.99	189,239.13
Cancellation of Grant Balances, Net	A-25	717.54	170,836.23
Total Income		<u>254,559,281.36</u>	<u>246,251,087.77</u>
<u>Expenditures</u>			
Budget Appropriations	A-3	88,254,285.21	84,618,440.62
Prior Year Senior Citizen Deductions			
Disallowed by Tax Collector	A-8	1,000.00	
Cancellation of Trust Fund Receivable	A-16	33,480.85	
State Tax Court Judgments	A-24	159,549.51	
County Taxes	A-26	38,210,048.72	37,057,875.51
Local School District Tax	A-27	118,260,105.00	115,941,279.00
Special Improvement District Tax	A-28	597,300.00	569,901.06
Tax Sale Premium Forfeiture Realized Twice			78,800.00
Interfund Charges			170,284.57
Total Expenditures		<u>245,515,769.29</u>	<u>238,436,580.76</u>
Excess Revenue		9,043,512.07	7,814,507.01
<u>Fund Balance</u>			
Balance, Beginning of Year	A	<u>15,123,849.83</u>	<u>12,059,342.82</u>
		24,167,361.90	19,873,849.83
Decreased by:			
Utilized as Anticipated Revenue	A-1, A-2	<u>7,300,000.00</u>	<u>4,750,000.00</u>
Balance, End of Year	A	<u>\$ 16,867,361.90</u>	<u>\$ 15,123,849.83</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	A-1	\$ 7,300,000.00	\$ 7,300,000.00	
Miscellaneous Revenue	A-1, 2a	15,964,185.73	17,380,721.77	\$ 1,416,536.04
Receipts from Delinquent Taxes	A-1, 2c,	2,550,000.00	2,726,373.26	176,373.26
		<u>25,814,185.73</u>	<u>27,407,095.03</u>	<u>1,592,909.30</u>
Sub-Total General Revenue				
Amounts to be Raised by Taxation:				
Local Tax for Municipal Purposes	A-9	55,271,041.00		
Minimum Library Tax	A-9	2,600,327.00		
Addition to Local District School Tax	A-9	7,863,391.54		
	A-2c	<u>65,734,759.54</u>	<u>67,077,009.32</u>	<u>1,342,249.78</u>
Total General Revenue	A-3	91,548,945.27	94,484,104.35	2,935,159.08
Nonbudget Revenue	A-2d		<u>3,093,531.79</u>	<u>3,093,531.79</u>
		<u>\$ 91,548,945.27</u>	<u>\$ 97,577,636.14</u>	<u>\$ 6,028,690.87</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF MISCELLANEOUS REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-2a
Sheet # 1

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>(Deficit) or Excess or</u>
<u>Miscellaneous Revenue</u>				
Licenses:				
Alcoholic Beverages	A-14	\$ 57,000.00	\$ 56,500.00	\$ (500.00)
Other Licenses	A-2b	146,000.00	128,919.75	(17,080.25)
Fees and Permits	A-2b	700,000.00	813,139.01	113,139.01
Registration/Summons Fees for Foreclosed Properties	A-14	180,000.00	112,500.00	(67,500.00)
Fines and Costs:				
Municipal Court	A-14	2,200,000.00	2,510,555.98	310,555.98
Interest and Cost on Taxes	A-14	500,000.00	732,651.69	232,651.69
Interest on Investments and Deposits	A-14	400,002.00	634,596.30	234,594.30
Energy Receipts Tax	A-14	2,967,066.00	2,967,066.00	
Uniform Construction Code Fees	A-14	1,000,000.00	1,510,220.00	510,220.00
Additional Uniform Construction Code Fees	A-14	77,000.00		(77,000.00)
Interlocal Government Services:				
Health Services - Verona, Cedar Grove	A-14	144,196.00	144,196.00	
Health Services - Nutley	A-14	43,176.00	43,176.00	
Fire Services - Glen Ridge	A-14	886,018.00	886,018.00	
School Resources Officer Board of Education	A-14	120,000.00	131,018.92	11,018.92
State and Federal Revenues Offset with				
Appropriations:				
Municipal Alliance and Alcoholism and Drug Abuse	A-25	47,510.00	47,510.00	
Municipal Alliance and Alcoholism and Drug Abuse 17-18	A-25	24,255.00	24,255.00	
Animal Shelter - FOMTAS	A-25	18,000.00	18,000.00	
FOMTAS Summer Intern	A-25	1,560.00	1,560.00	
BVP Bullet Proof Vest	A-25	6,944.00	6,944.00	
Childhood Lead Exposure Grant	A-25	122,500.00	122,500.00	
Bicycle Safety Program	A-25	12,000.00	12,000.00	
MCIA Grant	A-25	40,698.00	40,698.00	
Essex County Visiting Nurses	A-25	14,561.00	14,561.00	
Community Impact Award - Lifelong Member	A-25	3,334.00	3,334.00	
Community Impact Award - SCAC	A-25	3,333.00	3,333.00	
Historic Preservation Grant	A-25	24,999.00	24,999.00	
Distracted Driving Grant	A-25	5,500.00	5,500.00	
Recycling Tonnage Grant	A-25	39,830.85	39,830.85	
N.J. Pedestrian Safety Grant	A-25	25,000.00	25,000.00	
Click it or Ticket Enforcement Grant	A-25	5,500.00	5,500.00	
Planning in Partnership Grant	A-25	84,750.00	84,750.00	
Body Armor Replacement Fund	A-25	10,509.86	10,509.86	
Seniorama Grant	A-25	1,320.00	1,320.00	
Alcohol Education, Rehabilitation and Enforcement	A-25	2,813.11	2,813.11	
Clean Communities	A-25	75,253.30	75,253.30	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF MISCELLANEOUS REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-2a
Sheet # 2

	Ref.	Budget	Realized	(Deficit) or Excess
<u>Miscellaneous Revenue</u>				
Other Special Items:				
Capital Fund Surplus	A-14	\$ 1,415,533.03	\$ 1,415,533.03	
Cable Television Franchise Fees	A-14	580,000.00	547,180.87	\$ (32,819.13)
Section 8 - Administrative Costs	A-14	100,000.00	100,000.00	
Towing - Administrative Costs	A-14	4,000.00	3,852.00	(148.00)
Hotel and Motel Tax Revenue	A-14	22,000.00	66,068.27	44,068.27
Payment in Lieu of Taxes:				
Montclair Senior Housing Corp. (Orange Road)	A-14	97,020.00	96,878.20	(141.80)
First Montclair Housing Corp. (Walnut Street)	A-14	188,222.00	159,323.22	(28,898.78)
RTD Management Corp. (Lackawanna Plaza)	A-14	120,620.00	117,801.24	(2,818.76)
RTD Management Corp. (Union Gardens)	A-14	100,000.00	100,000.00	
United Methodist Homes (Pineridge of Montclair)	A-14	23,974.00	24,935.96	961.96
Centro Verde	A-14	1,125,000.00	1,155,262.73	30,262.73
Siena	A-14	1,000,000.00	1,111,270.53	111,270.53
11 Pine Street	A-14	278,425.75	286,095.35	7,669.60
Herod Redevelopment	A-14	120,000.00	72,988.47	(47,011.53)
55 Glenridge Avenue	A-14	3,376.00	3,237.68	(138.32)
11 Elm Street	A-14	15,981.60	15,643.10	(338.50)
Orange Road (Centro Verde) Parking Plaza	A-14	100,000.00	61,271.53	(38,728.47)
Sale of Municipal Assets	A-14	212,575.53	212,575.53	
Alarm Registration Fees	A-14	117,901.00	127,706.67	9,805.67
Penalty on Delinquent Taxes (\$10,000 and Over)	A-14	81,000.00	101,086.14	20,086.14
Reserve for Payment of Debt service	A-14	102,769.13	102,769.13	
Administrative Fees - Police Off-Duty	A-14	133,158.57	217,213.35	84,054.78
Rear Yard Refuse Collection	A-14	32,000.00	41,300.00	9,300.00
		<hr/>	<hr/>	<hr/>
Total Miscellaneous Revenue	A-1, A-2	<u>\$ 15,964,185.73</u>	<u>\$ 17,380,721.77</u>	<u>\$ 1,416,536.04</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-2b

	<u>Ref.</u>		
<u>Other Licenses</u>			
Township Clerk	A-14	\$ 50,015.00	
Health Department	A-14	<u>78,904.75</u>	
	A-2a		<u>\$ 128,919.75</u>
 <u>Other Fees and Permits</u>			
Township Clerk	A-14	\$ 129,450.00	
Health Officer	A-14	39,560.00	
Planning Board	A-14	17,585.00	
Community Services	A-14	51,816.40	
Housing and Zoning	A-14	9,560.00	
Recreation	A-14	470,554.95	
Police	A-14	9,961.66	
Collector	A-14	20.00	
Board of Adjustment	A-14	16,728.00	
Public Works	A-14	17,785.00	
Animal Shelter	A-14	28,068.00	
Construction Code	A-14	<u>22,050.00</u>	
	A-2a		<u>\$ 813,139.01</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF REALIZED REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-2c

	<u>Ref.</u>		
<u>Receipts from Delinquent Taxes</u>			
Collections of Delinquent Taxes			
2019 Collections:			
Taxes		\$ 2,668,165.35	
Tax Title Liens		38,325.83	
Tax Overpayments Applied		19,882.08	
	A-1, A-2, A-9, A-24	19,882.08	\$ 2,726,373.26
 <u>Allocation of Current Tax Collections</u>			
Collection of Current Taxes:			
2019 Collections	A-1, A-2, A-9	\$ 219,119,426.89	
2018 Collections	A-1, A-2, A-9	1,006,438.12	
Due from State of New Jersey	A-8, A-9	75,750.00	
Tax Overpayments Applied	A-10, A-24	667,031.79	
	A-1	667,031.79	\$ 220,868,646.80
 Allocated to:			
County Taxes	A-26	38,210,048.72	
Local School District Taxes	A-27	118,260,105.00	
Special Improvement District Taxes	A-28	597,300.00	
		157,067,453.72	63,801,193.08
 Plus: Appropriation for "Reserve for Uncollected Taxes"			
	A-3		3,275,816.24
 Realized for Support of Municipal Budget			
	A-2		\$ 67,077,009.32

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF NONBUDGET REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-2d

	<u>Ref.</u>	
Disability Insurance	\$	57,277.50
Workers Comp		164,212.54
Salvation Army Rent - 68N Fullerton		8,000.00
Copies		548.75
Safe & Secure		225,000.00
Vending Machine Commissions		811.20
Vacant Property Liens		20,348.31
FEMA Receipts from Prior Year Expenditures		669,984.71
Liquidation of Premium		76,000.00
Cost of Sales		8,741.80
Sale of Bid Specifications		520.00
DMV Vehicle Inspection Fines		5,906.50
Miscellaneous		30.00
2% senior vet administration fees		1,495.00
Food Handler/Health		2,575.00
Sale of Liquor License		1,050,000.00
Void Checks		125.00
MC Hotel		228,502.13
Premium on Note Sale		4,907.76
Other		567,755.59
NSF check return funds		<u>790.00</u>
	A-1, 2, 4	<u>\$ 3,093,531.79</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-3
Sheet # 1

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>		<u>Balance Canceled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT</u>						
Mayor and Council:						
Salaries and Wages	\$ 49,000.00	\$ 49,000.00	\$ 48,999.84		\$ 0.16	
Other Expenses	17,000.00	17,000.00	4,690.76	\$ 263.32	12,045.92	
Township and Manager:						
Salaries and Wages	666,870.80	666,870.80	644,076.19		22,794.61	
Other Expenses	594,075.00	594,075.00	345,570.95	113,390.04	135,114.01	
Township Clerk:						
Salaries and Wages	233,520.78	233,520.78	119,937.51		113,583.27	
Other Expenses	49,750.00	49,750.00	22,067.67		27,682.33	
Election Expenses:						
Salaries and Wages	1,400.00	1,700.00	1,598.00		102.00	
Other Expenses	19,100.00	18,800.00	18,700.00		100.00	
Township Attorney:						
Salaries and Wages	246,785.76	190,366.22	128,053.89		62,312.33	
Other Expenses	205,000.00	288,500.00	208,187.59	13,316.39	66,996.02	
Municipal Court:						
Salaries and Wages	567,215.36	567,215.36	562,265.31		4,950.05	
Other Expenses	132,800.00	132,800.00	112,994.34	4,450.98	15,354.68	
Postage:						
Other Expenses	50,000.00	55,000.00	52,859.57	204.98	1,935.45	
	<u>2,832,517.70</u>	<u>2,864,598.16</u>	<u>2,270,001.62</u>	<u>131,625.71</u>	<u>462,970.83</u>	
<u>FINANCE DEPARTMENT</u>						
Administration:						
Salaries and Wages	98,246.75	98,246.75	87,796.14		10,450.61	
Other Expenses	59,000.00	59,000.00	28,739.39	7,588.75	22,671.86	
Accounting and Treasury:						
Salaries and Wages	201,136.52	196,136.52	149,026.15		47,110.37	
Other Expenses	60,000.00	60,000.00	41,812.00	5,082.48	13,105.52	
Tax Assessor:						
Salaries and Wages	334,556.58	334,556.58	313,228.20		21,328.38	
Other Expenses:	136,550.00	169,469.54	116,146.51	6,068.88	47,254.15	
Tax Collector:						
Salaries and Wages	229,169.44	229,169.44	201,498.52		27,670.92	
Other Expenses	29,000.00	29,000.00	21,009.04	2,187.94	5,803.02	
Auditing:						
Other Expenses	40,000.00	40,000.00	40,000.00		-	
	<u>1,187,659.29</u>	<u>1,215,578.83</u>	<u>999,255.95</u>	<u>20,928.05</u>	<u>195,394.83</u>	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-3
Sheet # 2

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>		<u>Balance Canceled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>	
APPROPRIATIONS WITHIN "CAPS"						
<u>PLANNING AND COMMUNITY DEVELOPMENT</u>						
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Administration:						
Salaries and Wages	\$ 359,349.91	\$ 359,349.91	\$ 327,695.94		\$ 31,653.97	
Other Expenses	42,400.00	42,400.00	14,977.85	\$ 11,872.52	15,549.63	
Planning Board:						
Other Expenses	40,100.00	40,100.00	18,825.10	10,648.50	10,626.40	
Board of Adjustment:						
Other Expenses	14,950.00	14,950.00	6,551.09	5,455.54	2,943.37	
	<u>456,799.91</u>	<u>456,799.91</u>	<u>368,049.98</u>	<u>27,976.56</u>	<u>60,773.37</u>	
DEPARTMENT OF ADMINISTRATION AND CODE ENFORCEMENT						
Salaries and Wages	440,908.26	440,908.26	411,660.77		29,247.49	
Other Expenses	210,000.00	210,000.00	135,541.52	33,266.57	41,191.91	
	<u>650,908.26</u>	<u>650,908.26</u>	<u>547,202.29</u>	<u>33,266.57</u>	<u>70,439.40</u>	
POLICE DEPARTMENT						
Salaries and Wages	15,156,161.98	14,956,161.98	14,657,052.26		299,109.72	
ATB Service Police PD&Fire Alarm	115,000.00	115,000.00	61,967.60	9,398.00	43,634.40	
Other Expenses	540,500.00	540,500.00	301,419.67	95,971.75	143,108.58	
	<u>15,811,661.98</u>	<u>15,611,661.98</u>	<u>15,020,439.53</u>	<u>105,369.75</u>	<u>485,852.70</u>	
FIRE DEPARTMENT						
Salaries and Wages	10,333,192.00	10,033,192.00	9,227,301.87		805,890.13	
Other Expenses	380,972.00	320,972.00	208,309.30	58,229.57	54,433.13	
	<u>10,714,164.00</u>	<u>10,354,164.00</u>	<u>9,435,611.17</u>	<u>58,229.57</u>	<u>860,323.26</u>	
PUBLIC WORKS DEPARTMENT						
Community Services Administration:						
Salaries and Wages	793,736.02	793,736.02	769,985.34		23,750.68	
Other Expenses	18,000.00	18,000.00	11,461.13	472.13	6,066.74	
Engineering:						
Other Expenses	250,850.00	250,850.00	148,373.63	75,292.36	27,184.01	
Street Repairs and Maintenance:						
Salaries and Wages	397,020.72	391,020.72	367,184.25		23,836.47	
Other Expenses	35,000.00	35,000.00	24,159.99	1,475.49	9,364.52	
Storm Sewers Repairs and Maintenance						
Salaries and Wages	199,033.14	199,033.14	196,376.97		2,656.17	
Other Expenses	13,000.00	13,000.00	9,890.82	800.00	2,309.18	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-3
Sheet # 3

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>		<u>Balance Canceled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>PUBLIC WORKS DEPARTMENT</u>						
Refuse Collection and Disposal:						
Salaries and Wages	\$ 1,340,246.14	\$ 1,365,246.14	\$ 1,337,340.21		\$ 27,905.93	
Other Expenses	21,800.00	21,800.00	13,416.67	\$ 316.50	8,066.83	
Storm Clearance:						
Salaries and Wages	125,000.00	125,000.00	51,167.15		73,832.85	
Other Expenses	425,000.00	825,000.00	556,930.84	268,069.16		
Traffic:						
Salaries and Wages	226,290.34	212,290.34	166,511.32		45,779.02	
Other Expenses	10,000.00	10,000.00	3,892.65	1,088.26	5,019.09	
Central Garage Operation:						
Salaries and Wages	230,382.78	228,382.78	224,912.68		3,470.10	
Other Expenses	300,000.00	300,000.00	224,723.26	48,726.66	26,550.08	
Building Maintenance:						
Salaries and Wages	117,813.79	117,813.79	115,789.57		2,024.22	
Other Expenses	102,000.00	102,000.00	49,578.73	7,620.00	44,801.27	
Parks Maintenance:						
Salaries and Wages	416,536.34	416,536.34	394,820.27		21,716.07	
Other Expenses	145,500.00	145,500.00	121,544.14	10,108.59	13,847.27	
Shade Trees:						
Salaries and Wages	196,068.62	193,068.62	192,016.42		1,052.20	
Other Expenses	150,000.00	150,000.00	27,765.65	4,757.23	117,477.12	
	<u>5,513,277.89</u>	<u>5,913,277.89</u>	<u>5,007,841.69</u>	<u>418,726.38</u>	<u>486,709.82</u>	
<u>PARKS, RECREATION AND CULTURAL AFFAIRS DEPARTMENT</u>						
Recreation Program:						
Salaries and Wages	630,208.00	630,208.00	544,358.25		85,849.75	
Other Expenses	74,800.00	74,800.00	55,796.63	5,300.00	13,703.37	
	<u>705,008.00</u>	<u>705,008.00</u>	<u>600,154.88</u>	<u>5,300.00</u>	<u>99,553.12</u>	
<u>HEALTH AND HUMAN SERVICES DEPARTMENT</u>						
Health Services:						
Salaries and Wages	852,621.93	852,621.93	710,688.63		141,933.30	
Other Expenses	85,600.00	85,600.00	69,532.46	606.40	15,461.14	
Senior Services:						
Other Expenses	160,600.00	160,600.00	147,387.69	491.55	12,720.76	
Nursing Services:						
Salaries and Wages	167,208.58	167,208.58	127,510.46		39,698.12	
Animal Control:						
Salaries and Wages	379,534.00	394,534.00	378,100.35		16,433.65	
Other Expenses	119,200.00	104,200.00	89,712.36	1,092.32	13,395.32	
	<u>1,764,764.51</u>	<u>1,764,764.51</u>	<u>1,522,931.95</u>	<u>2,190.27</u>	<u>239,642.29</u>	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-3
Sheet # 4

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Canceled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>MISCELLANEOUS AND OTHER</u>						
Unemployment Compensation Insurance:						
Other Expenses	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00			
Refuse Tipping Fees:						
Other Expenses	1,450,000.00	1,450,000.00	1,171,824.52	\$ 144,445.37	\$ 133,730.11	
Mandatory Recycling Act:						
Salaries and Wages	852,979.93	852,979.93	852,979.93			
Other Expenses	347,020.07	347,020.07	347,020.07			
Accumulated Absences-Police	100,000.00	100,000.00	100,000.00			
Accumulated Absences-Fire	150,000.00	850,000.00	850,000.00			
Bonsal Preserve						
Other Expenses	5,000.00	5,000.00		3,000.00	2,000.00	
Montclair Early Childhood Corporation:						
Other Expenses	278,000.00	278,000.00	246,231.25	31,768.75		
Operating Lease - Ladder Truck	212,575.53	212,575.53	212,575.53			
	<u>3,495,575.53</u>	<u>4,195,575.53</u>	<u>3,880,631.30</u>	<u>179,214.12</u>	<u>135,730.11</u>	
Insurances:						
Liability Insurance	1,665,000.00	1,665,000.00	1,501,703.22	107,854.70	55,442.08	
Health Benefit Waiver	275,000.00	275,000.00	215,115.89		59,884.11	
Employee Group Insurance	6,738,500.00	6,238,500.00	5,197,924.52	123,179.69	917,395.79	
	<u>8,678,500.00</u>	<u>8,178,500.00</u>	<u>6,914,743.63</u>	<u>231,034.39</u>	<u>1,032,721.98</u>	
<u>SPECIAL PROGRAMS AND ACTIVITIES</u>						
Parks, Recreation and Cultural Affairs:						
Other Expenses						
Other Expenses	142,250.00	142,250.00	120,229.87	8,051.65	13,968.48	
	<u>142,250.00</u>	<u>142,250.00</u>	<u>120,229.87</u>	<u>8,051.65</u>	<u>13,968.48</u>	
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)						
Salaries and Wages	835,838.41	735,838.41	679,915.42		55,922.99	
Other Expenses	33,000.00	33,000.00	14,449.40	3,581.18	14,969.42	
	<u>868,838.41</u>	<u>768,838.41</u>	<u>694,364.82</u>	<u>3,581.18</u>	<u>70,892.41</u>	
<u>UNCLASSIFIED</u>						
Emergency Assistance Coalition:						
Other Expenses						
Utilities:						
Gasoline	250,000.00	250,000.00	132,325.20	33,189.46	84,485.34	
Fuel - Diesel	179,000.00	179,000.00	105,062.35	48,090.60	25,847.05	
Electricity	375,000.00	375,000.00	142,684.20	8,860.87	223,454.93	
Telephone	315,000.00	315,000.00	246,590.23	37,944.97	30,464.80	
Natural Gas	140,000.00	140,000.00	111,417.92	161.96	28,420.12	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-3
Sheet # 5

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>		<u>Balance Canceled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>UNCLASSIFIED</u>						
Utilities:						
Street Lighting	\$ 275,000.00	\$ 275,000.00	\$ 205,930.85		\$ 69,069.15	
Building Maintenance	41,000.00	41,000.00	39,694.90		1,305.10	
	<u>1,575,000.00</u>	<u>1,575,000.00</u>	<u>983,705.65</u>	<u>\$ 128,247.86</u>	<u>463,046.49</u>	
Total Operations Within CAPS	<u>54,396,925.48</u>	<u>54,396,925.48</u>	<u>48,365,164.33</u>	<u>1,353,742.06</u>	<u>4,678,019.09</u>	
Total Operations Within CAPS	<u>54,396,925.48</u>	<u>54,396,925.48</u>	<u>48,365,164.33</u>	<u>1,353,742.06</u>	<u>4,678,019.09</u>	
<u>STATUTORY EXPENDITURES</u>						
Contributions to:						
Public Employees' Retirement System of N.J.	1,511,338.78	1,511,338.78	1,511,338.78			
Social Security System (OASI)	1,328,779.58	1,328,779.58	1,152,179.95		176,599.63	
Police and Firemen's Retirement System of N.J.	6,633,841.24	6,633,841.24	6,533,841.24		100,000.00	
Pension-Montclair Redevelopment Agency	13,668.00	13,668.00	13,668.00			
Defined Contribution Retirement Plan	40,000.00	40,000.00	25,063.65		14,936.35	
Total Statutory Expenditures	<u>9,527,627.60</u>	<u>9,527,627.60</u>	<u>9,236,091.62</u>		<u>291,535.98</u>	
Total Appropriations Within "CAPS"	<u>63,924,553.08</u>	<u>63,924,553.08</u>	<u>57,601,255.95</u>	<u>1,353,742.06</u>	<u>4,969,555.07</u>	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>OTHER OPERATIONS</u>						
Maintenance of Free Public Library	<u>3,418,093.00</u>	<u>3,418,093.00</u>	<u>3,418,093.00</u>			

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-3
Sheet # 6

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>		<u>Balance Canceled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>	
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY INCREASED FEE REVENUE (N.J.A.C. 5:23-4.17)						
Other Expenses	\$ 77,000.00	\$ 77,000.00	\$ 77,000.00			
ADDITIONAL APPROPRIATIONS OFFSET BY REVENUES (N.J.S.A. 40A:4-43.3h)						
Glen Ridge Fire Contract:						
Salaries and Wages	861,018.00	861,018.00	861,018.00			
Other Expenses	25,000.00	25,000.00	25,000.00			
Interlocal Government Health Service Contract:						
Salaries and Wages	144,196.00	144,196.00	144,196.00			
Interlocal Nursing Services - Nutley						
Salaries and Wages	43,176.00	43,176.00	43,176.00			
Interlocal Nursing Services - BOE						
Salaries and Wages	120,000.00	120,000.00	120,000.00			
	<u>1,193,390.00</u>	<u>1,193,390.00</u>	<u>1,193,390.00</u>		-	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Municipal Alliance and Alcoholism and Drug Abuse 17-18	24,255.00	24,255.00	24,255.00			
Municipal Alliance and Alcoholism and Drug Abuse	47,510.00	47,510.00	47,510.00			
Seniorama Grant	1,320.00	1,320.00	1,320.00			
Animal Shelter - FOMTAS	18,000.00	18,000.00	18,000.00			
Animal Shelter - FOMTAS - Summer Intern	1,560.00	1,560.00	1,560.00			
Community Impact - Lifelong Montclair	3,334.00	3,334.00	3,334.00			
Community Impact - SCAC	3,333.00	3,333.00	3,333.00			
MCIA Grant 2020-2021	40,698.00	40,698.00	40,698.00			
Childhood Lead Exposure Grant	122,500.00	122,500.00	122,500.00			
Planning in Partnership	84,750.00	84,750.00	84,750.00			
Alcohol Education, Rehabilitation and Enforcement	2,813.11	2,813.11	2,813.11			
Essex County Visiting Nurses	14,561.00	14,561.00	14,561.00			
N.J. Pedestrian Safety Grant	25,000.00	25,000.00	25,000.00			
Distracted Driving Grant	5,500.00	5,500.00	5,500.00			
Click it or Ticket Enforcement Grant	5,500.00	5,500.00	5,500.00			
Bicycle Safety Grant	12,000.00	12,000.00	12,000.00			
Body Armor Replacement Fund	10,509.86	10,509.86	10,509.86			
Clean Communities	75,253.30	75,253.30	75,253.30			
Bulletproof Vest Program	6,944.00	6,944.00	6,944.00			
Recycling Tonnage Grant	39,830.85	39,830.85	39,830.85			
Historic Preservation Grant	24,999.00	24,999.00	24,999.00			
	<u>570,171.12</u>	<u>570,171.12</u>	<u>570,171.12</u>			

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-3
Sheet # 7

<u>Appropriation</u>	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>		<u>Balance Canceled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Unencumbered</u>	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
Total Operations Excluded from "CAPS"	\$ 5,258,654.12	\$ 5,258,654.12	\$ 5,258,654.12			
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	400,000.00	400,000.00	400,000.00			
<u>DEBT SERVICE</u>						
Payment of Bond Principal	5,780,000.00	5,780,000.00	5,780,000.00			
Payment of Bond Anticipation Notes and Capital Notes	1,700,000.00	1,700,000.00	1,700,000.00			
Interest on Bonds	1,700,000.00	1,700,000.00	1,688,976.01			\$ 11,023.99
Interest on Notes	603,345.89	603,345.89	603,345.87			0.02
Loan Repayments-Downtown Business Improvement District	32,666.67	32,666.67	32,666.67			
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	42,397.40	42,397.40	42,397.39			0.01
Environmental Trust - Principal	47,579.32	47,579.32	45,788.19			1,791.13
Environmental Trust - Interest	9,806.26	9,806.26	7,040.09			2,766.17
	<u>9,915,795.54</u>	<u>9,915,795.54</u>	<u>9,900,214.22</u>			<u>15,581.32</u>
<u>DEFERRED CHARGES</u>						
Special Emergency Authorization	200,000.00	200,000.00	200,000.00			
Payment of Unfunded Improvement Authorizations	196,043.66	196,043.66	196,043.66			
	<u>396,043.66</u>	<u>396,043.66</u>	<u>396,043.66</u>			
<u>FOR LOCAL SCHOOL DISTRICT PURPOSES</u>						
Type I School District Debt Service:						
Payment of Bond Principal	4,650,000.00	4,650,000.00	4,650,000.00			
Payment of Bond Anticipation Notes	1,100,000.00	1,100,000.00	1,100,000.00			
Interest on Bonds	2,462,625.00	2,462,625.00	2,459,362.51			3,262.49
Interest on Notes	65,457.63	65,457.63	65,457.62			0.01
	<u>8,278,082.63</u>	<u>8,278,082.63</u>	<u>8,274,820.13</u>			<u>3,262.50</u>
<u>JUDGEMENTS</u>						
	<u>100,000.00</u>	<u>100,000.00</u>			\$ 100,000.00	
Total Appropriations Excluded from "CAPS"	<u>24,348,575.95</u>	<u>24,348,575.95</u>	<u>24,229,732.13</u>		<u>100,000.00</u>	<u>18,843.82</u>
Sub-total Appropriations	88,273,129.03	88,273,129.03	81,830,988.08	\$ 1,353,742.06	5,069,555.07	18,843.82
Reserve for Uncollected Taxes	<u>3,275,816.24</u>	<u>3,275,816.24</u>	<u>3,275,816.24</u>			
Total Appropriations	<u>\$ 91,548,945.27</u>	<u>\$ 91,548,945.27</u>	<u>\$ 85,106,804.32</u>	<u>\$ 1,353,742.06</u>	<u>\$ 5,069,555.07</u>	<u>\$ 18,843.82</u>

A-3 Sheet 8

A

A

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

A-3
Sheet # 8

	<u>Ref.</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>
Adopted Budget	A-2	\$ 91,131,600.86	
Added by N.J.S.A. 40A:4-87	A-2	417,344.41	
Emergency Authorization	A-18		\$ 200,000.00
Reserve for Uncollected Taxes	A-2c	(3,275,816.24)	3,275,816.24
Cash Disbursements	A-4		80,624,263.18
Interfunds Receivable	A-16		436,553.78
Interfunds Payable	A-25		570,171.12
Canceled	A-3 Sh. 7	(18,843.82)	
	A-1	<u>\$ 88,254,285.21</u>	<u>\$ 85,106,804.32</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

B
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Assessment Trust Fund</u>			
Cash - Checking	B-2	\$ 20,460.49	\$ 31,835.69
<u>Animal Control Trust Fund</u>			
Cash - Checking	B-2	134,836.87	130,427.17
<u>General Trust Fund</u>			
Cash - General	B-2	7,629,417.95	3,584,297.80
Cash - State Unemployment Insurance	B-2	299,722.04	149,468.43
Cash - Section 8 Housing	B-2	189,548.07	344,475.58
Cash - Forfeited Assets	B-2	49,567.75	50,662.80
Due from Montclair Housing Agency	B-5		33,480.85
Due from County of Essex - Community Development Block Grant Programs	B-6	343,800.00	461,250.00
Interfunds Receivable	B-7	436,098.17	4,000,000.00
		<u>8,948,153.98</u>	<u>8,623,635.46</u>
<u>Payroll Account</u>			
Cash	B-2	380,629.98	393,554.44
		<u>\$ 9,484,081.32</u>	<u>\$ 9,179,452.76</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUSTS FUNDS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

B
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Assessment Trust Fund</u>			
Interfund Payable	B-10		\$ 21,743.58
Fund Balance	B-1	\$ 20,460.49	10,092.11
		<u>20,460.49</u>	<u>31,835.69</u>
<u>Animal Control Trust Fund</u>			
Due to State of New Jersey	B-8	10.80	5.40
Reserve for:			
Animal Shelter Expenditures	B-14	103,741.11	98,828.01
Animal Control Trust Fund Expenditures	B-16	31,084.96	31,593.76
		<u>134,836.87</u>	<u>130,427.17</u>
<u>General Trust Fund</u>			
Interfunds Payable	B-10		261,330.23
Special Deposits	B-9	7,826,200.36	7,355,860.43
Accounts Payable	B-13	4,625.00	4,135.00
Encumbrances Payable	B-9, B-13	241,900.76	
Reserve for:			
Community Development Block Grant	B-12	343,800.00	461,837.99
Section 8 Voucher Program	B-13	182,338.07	340,340.58
Police Forfeiture Expenditures	B-4	49,567.75	50,662.80
State Unemployment Trust Fund Expenditures	B-11	299,722.04	149,468.43
		<u>8,948,153.98</u>	<u>8,623,635.46</u>
<u>Payroll Account</u>			
Payroll Deductions and Other Payables	B-15	373,293.78	387,827.39
Flexible Spending Account	B-17	7,336.20	5,727.05
		<u>380,629.98</u>	<u>393,554.44</u>
		<u>\$ 9,484,081.32</u>	<u>\$ 9,179,452.76</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

STATEMENT OF FUND BALANCE
ASSESSMENT TRUST
YEAR ENDED DECEMBER 31, 2019

B-1

	<u>Ref.</u>	
Balance, December 31, 2018	B	\$ 10,092.11
Increased by:		
Cash Receipts	B-2	<u>10,368.38</u>
Balance, December 31, 2019	B	<u><u>\$ 20,460.49</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Cash - Checking	C-2	\$ 1,010,549.66	\$ 948,097.34
Grants Receivable	C-4	1,014,280.50	855,646.00
Deferred Charges to Future Taxation:			
Funded	C-5	92,702,187.00	103,250,950.77
Unfunded	C-6	49,299,560.33	38,784,057.22
		<u>\$ 144,026,577.49</u>	<u>\$ 143,838,751.33</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-17	\$ 36,000,000.00	\$ 41,780,000.00
School Serial Bonds	C-16	55,740,000.00	60,390,000.00
Environmental Infrastructure Loan Payable	C-14	260,247.33	306,035.52
Interfunds Payable	C-9	591.77	4,000,584.13
Green Acres Loans Payable	C-13	440,606.36	480,915.27
Bond Anticipation Notes	C-12	35,226,114.00	18,508,673.00
Business District Loan Payable	C-15	261,333.31	293,999.98
Encumbrances Payable	C-7	1,672,658.03	
Due to Montclair Board of Education	C-		
Improvement Authorizations:			
Funded	C-7	394,182.34	1,032,598.50
Unfunded	C-7	11,010,784.85	14,179,904.20
Capital Improvement Fund	C-8	144,322.83	63,937.83
Reserve for:			
Grants Receivable	C-10	1,014,280.50	855,646.00
Debt Service	C-11	728,021.91	153,791.93
Fund Balance	C-1	1,133,434.26	1,792,664.97
		<u>\$ 144,026,577.49</u>	<u>\$ 143,838,751.33</u>
 Bonds and Notes Authorized but Not Issued:			
General		\$ 7,277,646.50	\$ 14,842,557.47
School		6,795,849.36	5,432,875.28
	C-18	<u>\$ 14,073,495.86</u>	<u>\$ 20,275,432.75</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

C-1

	<u>Ref.</u>		
Balance, December 31, 2018	C		\$ 1,792,664.97
Increased by:			
Premium on Sale of Notes	C-2	\$ 360,352.00	
Cancellation of Funded Improvement Authorizations	C-7	<u>395,950.32</u>	
			<u>756,302.32</u>
			<u>2,548,967.29</u>
Decreased by:			
Anticipated Revenue - Current Fund	C-9		<u>1,415,533.03</u>
Balance, December 31, 2019	C		<u><u>\$ 1,133,434.26</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

D
Sheet # 1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Operating Fund</u>			
Cash	D-5	\$ 3,059,075.54	\$ 5,208,695.89
Change Fund	D-7	200.00	200.00
		<u>3,059,275.54</u>	<u>5,208,895.89</u>
 Receivables with Full Reserves:			
Consumer Accounts Receivable	D-10	319,421.02	309,644.82
		<u>319,421.02</u>	<u>309,644.82</u>
		 <u>3,378,696.56</u>	 <u>5,518,540.71</u>
 <u>Capital Fund</u>			
Cash - Checking	D-5, D-8	3,174,265.14	1,288,641.52
Loans Receivable	D-9		29,947.60
Fixed Capital	D-11	42,254,624.02	41,650,118.75
Fixed Capital - Authorized and Uncompleted	D-12	2,875,000.00	620,282.73
		<u>48,303,889.16</u>	<u>43,588,990.60</u>
		 <u>\$ 51,682,585.72</u>	 <u>\$ 49,107,531.31</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

D
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	D-4, D-13	\$ 565,773.88	\$ 665,771.41
Unencumbered	D-4, D-13	815,346.93	689,033.18
Accrued Interest on Bonds	D-14	93,697.92	103,547.92
Accrued Interest on Notes	D-15	1,106.29	5,853.76
Accrued Interest on Loans	D-16	7,989.58	10,447.92
Water Overpayments	D-17	47,237.54	40,014.71
		1,531,152.14	1,514,668.90
Reserve for Receivables		319,421.02	309,644.82
Fund Balance	D-1	1,528,123.40	3,694,226.99
		3,378,696.56	5,518,540.71
 <u>Capital Fund</u>			
Serial Bonds	D-24	6,320,000.00	7,060,000.00
N.J. Environmental Infrastructure Trust			
Loan Payable	D-23	784,641.78	990,479.69
Bond Anticipation Notes	D-22	265,510.00	1,020,510.00
Improvement Authorizations:			
Funded	D-18	1,937,520.95	465,850.95
Unfunded	D-18		70,445.77
Encumbrances Payable	D-18	410,695.62	
Capital Improvement Fund	D-19	72,256.53	72,256.53
Reserves for:			
Amortization	D-20	34,839,773.89	32,515,597.56
Deferred Amortization	D-21	2,875,000.00	567,500.00
Fund Balance	D-2	798,490.39	826,350.10
		48,303,889.16	43,588,990.60
		\$ 51,682,585.72	\$ 49,107,531.31
 Bonds and Notes Authorized but Not Issued	 D-25	 \$ 44,698.35	 \$ 115,144.12

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE - OPERATING FUND
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2019 AND 2018

D-1

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 2,812,128.83	\$ 1,846,693.81
Rents	D-3	7,239,847.02	7,928,127.98
Miscellaneous Revenue	D-3	364,503.05	285,855.53
Unexpended Balance of Appropriation Reserves	D-13	763,408.99	1,114,811.85
		<u>11,179,887.89</u>	<u>11,175,489.17</u>
 <u>Expenditures</u>			
Budgets Expenditures:			
Operating	D-4	5,531,160.90	5,717,889.00
Capital Improvements	D-4	2,650,000.00	680,743.72
Debt Service	D-4	2,031,733.82	1,810,466.29
Statutory Expenditures	D-4	320,967.93	328,763.00
		<u>10,533,862.65</u>	<u>8,537,862.01</u>
 <u>Other Debits to Income:</u>			
Miscellaneous adjustment			1,939.44
		<u>10,533,862.65</u>	<u>8,539,801.45</u>
 Excess in Revenue		 <u>646,025.24</u>	 <u>2,635,687.72</u>
 <u>Fund Balance</u>			
Balance, Beginning of Year	D	3,694,226.99	3,155,233.08
		<u>4,340,252.23</u>	<u>5,790,920.80</u>
 Decreased by:			
Utilized as Anticipated Revenue:			
Water Operating Fund Budget	D-3	2,812,128.83	1,846,693.81
Current Fund Budget			250,000.00
		<u>2,812,128.83</u>	<u>2,096,693.81</u>
 Balance, End of Year	D	 <u>\$ 1,528,123.40</u>	 <u>\$ 3,694,226.99</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF WATER CAPITAL FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

D-2

	<u>Ref.</u>		
Balance, December 31, 2018	D		\$ 826,350.10
Increased by:			
Premium on Sales of Notes	D-5		3,258.00
			829,608.10
Decreased by:			
Write-off Loan Receivable	D-9	\$ 29,947.60	
Prior Year Write Off	D-20	1,170.11	
		31,117.71	
Balance, December 31, 2019	D		\$ 798,490.39

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

D-3

Source	Ref.	Budget	Realized	(Deficit) or Excess
Fund Balance Utilized	D-1	\$ 2,812,128.83	\$ 2,812,128.83	
Rents	D-1, D-10	7,650,000.00	7,239,847.02	\$ (410,152.98)
Miscellaneous Revenue	D-1, Below	135,000.00	364,503.05	229,503.05
	D-4	\$ 10,597,128.83	\$ 10,416,478.90	\$ (180,649.93)
 <u>Analysis of Realized Revenue</u>				
Miscellaneous Revenue:				
Interest on Delinquent Rents		\$ 64,404.37		
Glen Ridge Management Fee		57,382.60		
New Service Fees		125,649.00		
Interest on Investments - Operating		56,990.74		
Interest on Investments - Capital		40,136.35		
Return Check Fees		1,119.85		
Turn-On Fee		4,907.34		
Miscellaneous		13,912.80		
	Above		\$ 364,503.05	
 Collections:				
Treasurer	D-5		\$ 364,503.05	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

D-4
Sheet # 1

Appropriation	Budget	Modified Budget	Paid or Charged	Expended		Balance Canceled
				Encumbered	Reserved Unencumbered	
<u>Operating</u>						
Salaries and Wages	\$ 1,349,560.90	\$ 1,349,560.90	\$ 1,201,283.65		\$ 148,277.25	
Other Expenses	2,051,600.00	2,051,600.00	1,215,842.20	\$ 440,534.40	395,223.40	
Purchased Water	1,800,000.00	1,800,000.00	1,775,247.45		24,752.55	
<u>Commercial</u>						
Salaries and Wages	250,000.00	250,000.00	87,515.48		162,484.52	
Other Expenses	80,000.00	80,000.00	33,694.76	6,037.50	40,267.74	
	<u>5,531,160.90</u>	<u>5,531,160.90</u>	<u>4,313,583.54</u>	<u>446,571.90</u>	<u>771,005.46</u>	
<u>Capital Improvements</u>						
Capital Improvements	2,375,000.00	2,375,000.00	2,375,000.00			
Capital Outlay	275,000.00	275,000.00	138,956.55	119,201.98	16,841.47	
	<u>2,650,000.00</u>	<u>2,650,000.00</u>	<u>2,513,956.55</u>	<u>119,201.98</u>	<u>16,841.47</u>	-
<u>Debt Service</u>						
Payment on Bond Principal	740,000.00	740,000.00	740,000.00			
Payment on Bond Anticipation Notes and Capital Notes	755,000.00	755,000.00	755,000.00			
Interest on Bonds	295,000.00	295,000.00	282,271.25			\$ 12,728.75
Interest on Notes	40,000.00	40,000.00	30,970.38			9,029.62
Environmental Trust Fund - Principal	235,000.00	235,000.00	205,837.92			29,162.08
Environmental Trust Fund - Interest	30,000.00	30,000.00	17,654.27			12,345.73
	<u>2,095,000.00</u>	<u>2,095,000.00</u>	<u>2,031,733.82</u>			<u>63,266.18</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	173,187.93	173,187.93	173,187.93			
Social Security System	110,000.00	110,000.00	82,500.00		27,500.00	
Unemployment Compensation Insurance	37,780.00	37,780.00	37,780.00			
	<u>320,967.93</u>	<u>320,967.93</u>	<u>293,467.93</u>		<u>27,500.00</u>	
	<u>\$ 10,597,128.83</u>	<u>\$ 10,597,128.83</u>	<u>\$ 9,152,741.84</u>	<u>\$ 565,773.88</u>	<u>\$ 815,346.93</u>	<u>\$ 63,266.18</u>

Ref. D-3

D-4 Sheet 2

D

D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

D-4
Sheet # 2

	<u>Ref.</u>	
Cash Disbursed	D-5	\$ 8,821,845.94
Accrued Interest on Bonds	D-14	282,271.25
Accrued Interest on Notes	D-15	30,970.38
Accrued Interest on Loans	D-16	<u>17,654.27</u>
	Sheet # 1	<u>\$ 9,152,741.84</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

E
Sheet # 1

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
<u>Operating Fund</u>			
Cash - Checking	E-5	\$ 2,356,027.21	\$ 1,385,419.85
Change Fund	E-7	200.00	200.00
		2,356,227.21	1,385,619.85
Interfund Receivable	E-9		600,000.00
		2,356,227.21	1,985,619.85
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-10	948,310.89	779,165.02
		948,310.89	779,165.02
		3,304,538.10	2,764,784.87
<u>Capital Fund</u>			
Cash	E-5, E-8	996,194.49	187,200.26
Environmental Infrastructure Loan Receivable	E-25	126,502.00	1,906,177.00
Fixed Capital	E-11	5,383,474.09	5,130,801.56
Fixed Capital Authorized and Uncompleted	E-12	2,750,000.00	2,991,750.66
		9,256,170.58	10,215,929.48
		\$ 12,560,708.68	\$ 12,980,714.35

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

E
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	E-4, E-13	\$ 38,083.28	\$ 34,245.62
Unencumbered	E-4, E-13	165,559.57	127,894.95
Accrued Interest on Loans	E-16	2,848.44	3,056.77
Accrued Interest on Notes	E-17		2,821.23
Sewer Overpayments	E-14	<u>23,157.38</u>	<u>20,965.03</u>
		229,648.67	188,983.60
Reserve for Receivables		948,310.89	779,165.02
Fund Balance	E-1	<u>2,126,578.54</u>	<u>1,796,636.25</u>
		<u>3,304,538.10</u>	<u>2,764,784.87</u>
<u>Capital Fund</u>			
Bond Anticipation Notes	E-23		491,836.00
Environmental Infrastructure Loan Payable	E-19	634,242.00	683,345.50
New Jersey Environmental Infrastructure Interim Financing Payable	E-26	1,950,000.00	2,600,000.00
Improvements Authorizations:			
Funded	E-18	784,500.00	11,001.64
Unfunded	E-18	188,855.05	1,504,994.24
Capital Improvement Fund	E-21	120,500.00	120,500.00
Encumbrances Payable	E-18	16,937.65	
Interfunds Payable	E-15		600,000.00
Reserve for:			
Amortization	E-22	4,580,173.21	4,028,992.00
Deferred Amortization	E-20	800,000.00	5,300.00
Fund Balance	E-2	<u>180,962.67</u>	<u>169,960.10</u>
		<u>9,256,170.58</u>	<u>10,215,929.48</u>
		<u>\$ 12,560,708.68</u>	<u>\$ 12,980,714.35</u>
Bonds and Notes Authorized But Not Issued	E-24	<u>\$ 2,119,058.88</u>	<u>\$ 2,913,079.65</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2019 AND 2018

E-1

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Revenues and Other Income Realized</u>			
Fund Balance Utilized	E-3	\$ 660,410.73	\$ 1,084,639.40
Sewer Charges	E-3	7,229,180.57	6,664,916.16
Sewer Flow Usage Fees - Reservoir Ridge	E-3	87,686.97	87,161.45
Sewer Connection Fee			
Miscellaneous	E-3	110,776.97	86,150.17
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-13	143,831.67	170,046.73
		8,231,886.91	8,092,913.91
 <u>Expenditures</u>			
Budget Expenditures:			
Operating	E-4	5,675,871.20	5,450,171.14
Debt Service	E-4	562,373.16	835,555.40
Statutory Expenditures	E-4	168,289.53	230,132.00
Capital Expenditures	E-4	835,000.00	32,000.00
		7,241,533.89	6,547,858.54
Excess in Revenue		990,353.02	1,545,055.37
 <u>Fund Balance</u>			
Balance, Beginning of Year	E	1,796,636.25	1,536,220.28
		2,786,989.27	3,081,275.65
 Decreased by:			
Utilized as Anticipated Revenue:			
Sewer Operating Fund Budget	Above	660,410.73	1,084,639.40
Current Fund Budget			200,000.00
		660,410.73	1,284,639.40
Balance, End of Year	E	\$ 2,126,578.54	\$ 1,796,636.25

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

E-2

	<u>Ref.</u>		
Balance, December 31, 2018	E		\$ 169,960.10
Increased by:			
Excess Funding	E-22	\$ 0.93	
Funded Improvement Authorizations Canceled	E-240,22	<u>11,001.64</u>	
			<u>11,002.57</u>
Balance, December 31, 2019	E		<u><u>\$ 180,962.67</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2019

E-3

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Utilized	E-1	\$ 660,410.73	\$ 660,410.73	
Sewer Charges	E-1, E-10	6,500,000.00	7,229,180.57	\$ 729,180.57
Sewer Flow Usage Fee	E-1, E-6	86,000.00	87,686.97	1,686.97
Sewer Connection Fees		10,000.00		(10,000.00)
Miscellaneous	E-1, Below	60,000.00	110,776.97	50,776.97
	E-4	<u>\$ 7,316,410.73</u>	<u>\$ 8,088,055.24</u>	<u>\$ 771,644.51</u>
	<u>Ref.</u>	<u>Ref.</u>		
<u>Miscellaneous Revenue</u>				
Interest on Deposits:				
Operating Fund		\$ 20,776.07		
Capital Fund		5,662.12		
	E-5	<u> </u>	\$ 26,438.19	
Interest on Delinquent Rents		54,002.78		
New Services		29,516.00		
Other		820.00		
	E-6	<u> </u>	<u>84,338.78</u>	
		Above	<u>\$ 110,776.97</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

E-4
Sheet # 1

<u>Appropriation</u>	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid</u>	<u>Expended</u>		<u>Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u> <u>Unencumbered</u>	
<u>Operating</u>						
Salaries and Wages	\$ 852,118.98	\$ 836,595.34	\$ 727,191.91		\$ 109,403.43	
Other Expenses	600,000.00	606,000.00	530,816.30	\$ 38,083.28	37,100.42	
Passaic Valley Sewer Commission	4,169,387.84	4,170,340.96	4,170,340.96			
Third River Sewer	2,802.16	2,668.72	2,668.72			
Second River Sewer	51,562.22	60,266.18	60,266.18			
	<u>5,675,871.20</u>	<u>5,675,871.20</u>	<u>5,491,284.07</u>	<u>38,083.28</u>	<u>146,503.85</u>	
<u>Capital Improvements</u>						
Capital Improvement Fund	800,000.00	800,000.00	800,000.00			
Capital Outlay	35,000.00	35,000.00	15,944.28		19,055.72	
	<u>835,000.00</u>	<u>835,000.00</u>	<u>815,944.28</u>	<u>-</u>	<u>19,055.72</u>	
<u>Debt Service</u>						
Payment on Bond Anticipation						
Notes and Capital Notes	500,000.00	500,000.00	491,836.00			\$ 8,164.00
Interest on Notes	17,250.00	17,250.00	14,393.03			2,856.97
Payment on Loan	100,000.00	100,000.00	49,714.86			50,285.14
Payment of Interest on Loan	20,000.00	20,000.00	6,429.27			13,570.73
	<u>637,250.00</u>	<u>637,250.00</u>	<u>562,373.16</u>			<u>74,876.84</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	103,401.23	103,401.23	103,401.23			
Social Security System	59,888.30	59,888.30	59,888.30			
Unemployment Compensation Insurance	5,000.00	5,000.00	5,000.00			
	<u>168,289.53</u>	<u>168,289.53</u>	<u>168,289.53</u>			
	<u>\$ 7,316,410.73</u>	<u>\$ 7,316,410.73</u>	<u>\$ 7,037,891.04</u>	<u>\$ 38,083.28</u>	<u>\$ 165,559.57</u>	<u>\$ 74,876.84</u>

Ref.

E-3

E-4

E-4 Sheet #2

E

E

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES
REGULATORY BASS
YEAR ENDED DECEMBER 31, 2019

E-4
Sheet # 2

	<u>Ref.</u>	<u>Paid or Charged</u>
Cash Disbursed	E-5	\$ 7,017,068.74
Accrued Interest on Loans	E-16	6,429.27
Accrued Interest on Notes	E-17	<u>14,393.03</u>
	Sheet # 1	<u>\$ 7,037,891.04</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

F

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
<u>Operating Fund</u>			
Cash - Checking	F-4	\$ 2,981,629.96	\$ 2,818,019.49
<u>Capital Fund</u>			
Cash	F-4	1,547,706.60	827,747.63
Fixed Capital	F-7	16,720,856.80	16,560,015.13
Fixed Capital Authorized and Uncomplete	F-8	981,000.00	535,000.00
		19,249,563.40	17,922,762.76
		\$ 22,231,193.36	\$ 20,740,782.25
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Accrued Interest on Bonds	F-10	\$ 276,526.28	\$ 285,135.53
Appropriation Reserves - Committed	F-3, F-9	218,609.37	532,842.17
Appropriation Reserves - Reserved	F-3, F-9	336,090.56	110,867.11
Fund Balance	F-1	2,150,403.75	1,889,174.68
		2,981,629.96	2,818,019.49
 <u>Capital Fund</u>			
Serial Bonds	F-6	12,455,000.00	12,910,000.00
Capital Improvement Fund	F-12	459,000.00	305,000.00
Improvement Authorization - Funded	F-14	319,854.30	266,497.63
Encumbrances Payable	F-14	106,352.30	
Reserve for Amortization	F-11	4,265,856.80	3,650,015.13
Deferred Reserve for Amortization	F-13	981,000.00	535,000.00
Reserve for Midtown Parking Deck	F-15	600,000.00	200,000.00
Reserve for Crescent Parking Deck	F-16	12,500.00	6,250.00
Fund Balance	F-1a	50,000.00	50,000.00
		19,249,563.40	17,922,762.76
		\$ 22,231,193.36	\$ 20,740,782.25

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2019 AND 2018

F-1

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>Revenues and Other Income Realized</u>			
Fund Balance Utilized	F-2	\$ 1,300,000.00	\$ 1,100,886.58
Permit Fees	F-2	1,872,829.49	1,454,861.02
Meter Fees	F-2	1,863,110.43	2,799,973.36
Transient Fees	F-2	1,529,791.45	
Miscellaneous Revenue	F-2	380,793.31	358,180.27
Appropriation Reserves Canceled	F-9	178,874.14	270,181.79
		<u>7,125,398.82</u>	<u>5,984,083.02</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operating	F-3	3,309,608.03	2,856,118.00
Capital Improvements	F-3	1,000,000.00	500,000.00
Debt Service	F-3	1,008,052.56	1,010,271.06
Statutory Expenditures	F-3	246,509.16	143,160.77
		<u>5,564,169.75</u>	<u>4,509,549.83</u>
Other Debits to Income:			
Miscellaneous Adjustments			<u>9.75</u>
Excess in Revenue		1,561,229.07	1,474,523.44
 <u>Fund Balance</u>			
Balance, Beginning of Year	F	<u>1,889,174.68</u>	<u>1,615,537.82</u>
		3,450,403.75	3,090,061.26
Decreased by:			
Utilized as Anticipated Revenue - Current Fund			100,000.00
Utilized as Anticipated Revenue	Above	<u>1,300,000.00</u>	<u>1,100,886.58</u>
Balance, End of Year	F	<u>\$ 2,150,403.75</u>	<u>\$ 1,889,174.68</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

STATEMENT OF PARKING CAPITAL FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

F-1a

	<u>Ref.</u>	
Balance, December 31, 2019 and 2018	F	<u>\$ 50,000.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2019

F-2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
<u>Source:</u>				
Fund Balance Anticipated	F-1	\$ 1,300,000.00	\$ 1,300,000.00	
Meter Fees	F-1, F-4	1,527,779.00	1,863,110.43	\$ 335,331.43
Permit Fees	F-1, F-4	1,275,000.00	1,872,829.49	597,829.49
Transient Fees	F-1, F-4	1,220,000.00	1,529,791.45	309,791.45
Miscellaneous	F-1, Below	<u>250,000.00</u>	<u>380,793.31</u>	<u>130,793.31</u>
	F-3	<u>\$ 5,572,779.00</u>	<u>\$ 6,946,524.68</u>	<u>\$ 1,373,745.68</u>
 <u>Miscellaneous Revenue</u>				
<u>Interest on Deposits:</u>				
Operating Fund		\$ 39,660.05		
Capital Fund		<u>25,021.14</u>		
	F-4		\$ 64,681.19	
ATM Fees	F-4	120.00		
Miscellaneous	F-4	20,416.00		
LCOR License Agreement	F-4	41,470.00		
Herod's Share of Debt and Maintenance	F-4	<u>254,106.12</u>		
			<u>316,112.12</u>	
	Above		<u>\$ 380,793.31</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

F-3

Appropriation	Budget	Modified Budget	Paid	Expended		Balance Canceled
				Encumbered	Reserved Unencumbered	
<u>Operating</u>						
Salaries and Wages	\$ 1,163,033.03	\$ 1,163,033.03	\$ 1,007,657.03		\$ 155,376.00	
Other Expenses	2,146,575.00	2,146,575.00	1,756,639.46	\$ 218,609.37	171,326.17	
	<u>3,309,608.03</u>	<u>3,309,608.03</u>	<u>2,764,296.49</u>	<u>218,609.37</u>	<u>326,702.17</u>	
<u>Capital Improvements</u>						
Capital Improvement Fund	600,000.00	600,000.00	600,000.00			
Reserve for Midtown Deck Improvements	400,000.00	400,000.00	400,000.00			
	<u>1,000,000.00</u>	<u>1,000,000.00</u>	<u>1,000,000.00</u>			
<u>Debt Service</u>						
Payment on Bond Principal	455,000.00	455,000.00	455,000.00			
Interest on Bonds	561,661.81	561,661.81	553,052.56			\$ 8,609.25
	<u>1,016,661.81</u>	<u>1,016,661.81</u>	<u>1,008,052.56</u>			<u>8,609.25</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	124,146.85	124,146.85	114,758.46		9,388.39	
Social Security System	86,362.31	86,362.31	86,362.31			
Unemployment Compensation Insurance	36,000.00	36,000.00	36,000.00			
	<u>246,509.16</u>	<u>246,509.16</u>	<u>237,120.77</u>	<u>-</u>	<u>9,388.39</u>	<u>-</u>
	<u>\$ 5,572,779.00</u>	<u>\$ 5,572,779.00</u>	<u>\$ 5,009,469.82</u>	<u>\$ 218,609.37</u>	<u>\$ 336,090.56</u>	<u>\$ 8,609.25</u>
<u>Ref.</u>	F-2		Below	F	F	
		Ref.				
		F-4	\$ 4,456,417.26			
		F-10	553,052.56			
			<u>\$ 5,009,469.82</u>			

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CAPITAL FIXED ASSETS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

G

	<u>2019</u>	<u>2018</u>
<u>CAPITAL FIXED ASSETS</u>		
Building and Contents	\$ 46,464,700.00	\$ 46,464,700.00
Land	50,602,800.00	50,338,800.00
Vehicles and Other Equipment	<u>24,314,767.89</u>	<u>18,057,212.00</u>
	<u>\$ 121,382,267.89</u>	<u>\$ 114,860,712.00</u>
 <u>RESERVE</u>		
Investment in Capital Fixed Assets	<u>\$ 121,382,267.89</u>	<u>\$ 114,860,712.00</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019 and 2018

1. **REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting Entity

The Township of Montclair, Essex County, New Jersey (the "Township") is organized as a Council-Manager municipality under the provisions of N.J.S.A. 40:69A-81 et seq. The Township is "governed by an elected Mayor and Council and by an appointed Municipal Manager, and by such other officers and employees as may be duly appointed. The Council shall consist of four members elected by ward and two members elected at large by voters of the municipality and shall serve for a term of four years beginning on the first day of July next following their election".

The Governmental Accounting Standards Board and subsequent Codification (collectively, "GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB statement No. 14 as amended by GASB Statement No. 61 establishes certain standards for defining and reporting on the financial reporting entity. In accordance with these standards, the reporting entity should include the primary government and those component units which are fiscally accountable to the primary government. The municipalities in the State of New Jersey do not prepare financial statements in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and thus do not comply with all of the GASB pronouncements.

The financial statements of the Township have been prepared on a basis of accounting in conformity with accounting principles and practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), which is a regulatory basis of accounting other than US GAAP. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through separate funds, which differ from the fund structure required by US GAAP.

GASB requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Township is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of taxes. The Township is not includable in any other reporting entity as a component unit.

The financial statements contained herein include only those boards, bodies, officers or commissions as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township does not include the Montclair Public Library, which is considered a component unit under US GAAP. Complete financial statements of the Library can be obtained by contacting the Treasurer of the Library.

The Township uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Township functions or activities. The Township also uses an account group, which is designed to provide accountability for certain assets that are not recorded in those funds.

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019 and 2018

1. *REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

Measurements Focus, Basis of Accounting and Basis of Presentation

The Township has the following funds and account groups:

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Assessment Trust Fund, Animal Control Trust Fund, General Trust Fund, and Payroll Trust Fund.

General Capital Fund - The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this Fund, as well as, related long-term debt accounts.

Water Utility Operating and Capital Funds - These Funds reflect revenue, expenditures, stewardship, acquisition of utility infrastructure and other capital facilities, as well as long-term debt, debt service and other related activity of the municipally-owned Water Utility.

Sewer Utility Operating and Capital Funds - These Funds reflect revenue, expenditures, stewardship, acquisition of utility infrastructure and other capital facilities, as well as long-term debt, debt service and other related activity of the municipally-owned Sewer Utility.

Parking Utility Operating and Capital Funds - These Funds reflect revenue, expenditures, stewardship, acquisition of utility infrastructure and other capital facilities, as well as long-term debt, debt service and other related activity of the municipally-owned Parking Utility.

General Fixed Assets Account Group – This account group is used to account for all general fixed assets of the Township. The Township's infrastructure is not reported in the account group.

Basis of Accounting

The Township follows the regulatory basis of accounting. Under this method of accounting, revenues, except for Federal and State Aid, are recognized when received and expenditures are recorded when incurred. The accounting principles and practices prescribed or permitted for municipalities by the Division ("regulatory basis of accounting") differ in certain respects from US GAAP applicable to local government units.

The more significant differences are as follows:

Property Taxes and Other Revenue

Property taxes and other revenue are realized when collected in cash or approved by regulation for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. US GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Grant Revenue

Federal and State grants, entitlements or shared revenue received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's budget. US GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual.

Expenditures

Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been cancelled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

Grant appropriations are charged upon budget adoption to create separate spending reserves.

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget Appropriations for interest on General Capital Long-Term Debt is raised on the cash basis; interest on Utility Debt is recorded on the accrual basis.

US GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances

As of January 1, 1986, all local units were required to maintain an encumbrance accounting system. Contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under US GAAP.

Appropriation Reserves

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under US GAAP.

Compensated Absences

Expenditures relating to obligations for unused vested accumulated sick, vacation and compensatory pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Acquired for Taxes

Property acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. US GAAP requires such property to be recorded at market value on the date of acquisition.

Interfunds Receivable and Payable

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interest Accounts Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the corresponding fund. US GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies

Materials and supplies purchased by all funds are recorded as expenditures.

Capital Fixed Assets

General:

In accordance with Accounting for Governmental Fixed Assets, as promulgated by the Division, which differs in certain respects from US GAAP, the Township has developed a capital fixed asset accounting and reporting system.

US GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available. Depreciation on utility fixed assets should also be recorded.

Fixed assets used in governmental operations (general capital fixed assets) are accounted for in the Capital Fixed Assets. Public domain ("infrastructure") general capital fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual fixed asset record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established fixed assets are valued at cost

Depreciation of assets is not recorded as an operating expense of the Township.

Utilities:

Capital acquisitions, including utility infrastructure costs of the Water, Sewer and Parking Utilities, are recorded at cost upon purchase or project completion in the Fixed Capital Accounts of the Utility. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include movable fixed assets of the Utility, but are not specifically identified and are considered as duplicated in the Capital Fixed Assets. The duplication is considered immaterial on its effect on the financial statements taken as a whole.

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018

1. **REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital.

Fixed Capital of the Utility is offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset liquidation.

The Fixed Capital Accounts reflected herein are as recorded in the records of the municipality and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only. Detailed records are not maintained.

Long-term debt - The Township's long-term debt is stated at face value. The debt is not traded and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the Township's long-term debt is provided in Notes 11 and 12 to the financial statements

Net Pension Liability and Pension Related Deferred Outflows of Resources and Deferred Inflows of Resources and Pension Expense - the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68* require governmental entities to record their distributive shares of net pension liability, deferred outflows of resources, deferred inflows of resources and total pension related expense. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these liabilities, deferrals and expenses, but do require the disclosure of these amounts. Since the Township does not follow generally accepted accounting principles, the GASBs did not result in a change in the Township's assets, liabilities and contribution requirements. Refer to Note 9 for these disclosures.

Other Post-Employment Benefits Other Than Pensions - The requirements of GASB Statement No.75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)* that is provided by other entities require governmental entities to record in their financial statements a share of the other government's net OPEB liability, deferred outflows of resources, deferred inflows of resources and total OPEB expense. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these liabilities, deferrals and expenses, but do require the disclosure of the amounts. Since the Township does not follow generally accepted accounting principles, the GASB did not result in a change in the Township's assets, liabilities and contribution requirements. However, it did result in additional note disclosures as required by the GASB. See Note 10 for these disclosures.

Use of Estimates - The preparation of financial statements requires management of the Town to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of accrued revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

Comparative Data - Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019 and 2018

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with US GAAP. The Township presents the financial statements listed in the table of contents, which are required by the Division and differ from the financial statements required by US GAAP. In addition, the Division requires the financial statements to be referenced to the supplementary schedules. This practice differs from US GAAP.

Cash and Cash Equivalents

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of Fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment management company, the Municipal Investors Service Corporation.

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey, public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds or

If the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments

New Jersey statutes permit the Township to purchase the following types of securities:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

- Local government investment pools, such as New Jersey CLASS and the New Jersey Arbitrage Rebate Management Program.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank for periods ending December 31, 2019 and 2018. At December 31, 2019 and 2018, the book value of the Township's deposits was \$60,821,827.38 and \$49,858,290, respectively.

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. The government does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute and to deposit all of its funds in banks covered by FDIC and GUDPA. At least five percent of the Township's deposits were fully collateralized by funds held by the financial institution, but not in the name of the Township. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

At December 31, 2019 and 2018 the Township had the following depository accounts. All deposits are carried at cost. \$462,375.89 and \$469,301.77 held in agency and payroll accounts for the years ended December 31, 2019 and 2018, respectively, are not covered by GUDPA.

<u>Depository Account</u>	Bank Balance	
	December 31, 2019	December 31, 2018
FDIC Insured	\$ 500,000.00	\$ 750,000.00
GUPDA Insured	59,625,026.33	50,603,243.17
	\$ 60,125,026.33	\$ 51,353,243.17

3. TAXES AND TAX TITLE LIENS RECEIVABLE

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Township, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation by each taxing district. The tax rate is determined by the board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and are calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

3. TAXES AND TAX TITLE LIENS RECEIVABLE (continued)

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000.00 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes became in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years:

Comparative Schedule of Tax Rates

	Calendar Year <u>2019</u>	Calendar Year <u>2018*</u>	Calendar Year <u>2017</u>
Tax Rate	<u>\$ 3.146</u>	<u>\$ 3.094</u>	<u>\$ 3.734</u>
Apportionment of Tax Rate:			
Municipal	\$ 0.931	\$ 0.922	\$ 0.985
County	0.523	0.509	0.623
County Open Space	0.017	0.016	0.019
School	1.675	1.647	2.107

* Revaluation

Assessed Valuation

Calendar Year	Amount
2019	\$ 7,060,027,900
2018*	7,039,825,400
2017	5,730,624,400

* Revaluation performed.

Tax Levies and Collections

Year	Tax Levy	Collections	Percentage of Collections
2019	\$ 223,456,809.38	\$ 220,868,646.80	98.84%
2018	218,984,784.86	215,969,003.92	98.62%
2017	215,463,376.00	213,143,079.44	98.92%

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

3. TAXES AND TAX TITLE LIENS RECEIVABLE (continued)

Delinquent Taxes and Tax Title Liens

This tabulation includes a comparison, expressed in percentage of the total of delinquent taxes and tax title liens at each year end, in relation to the tax levies of the last three years.

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	% of Tax Levy
2019	\$ 250,386.58	\$ 2,501,644.49	\$ 2,752,031.07	1.23%
2018	217,475.05	2,757,419.92	2,974,894.97	1.36%
2017	189,381.10	2,184,852.44	2,374,233.54	1.10%

4. SPECIAL IMPROVEMENT DISTRICT ASSESSMENTS

A Special Improvement District was established by ordinance of the Township, adopted on February 19, 2002, in accordance with the provisions of N.J.S.A. 40:56-65 et seq. for the purposes of promoting economic growth and employment within the Montclair Town Center Business District (the "District").

Properties within the geographic boundaries of the District are subject to the assessment. Tax-exempt properties and properties exclusively in residential use are excluded from the special assessment.

The assessment for the year ending December 31, 2019 and 2018 was \$597,300.00 and \$547,928.00, respectively.

5. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of properties acquired by tax title lien liquidation is carried at the current assessed valuation.

Year	Amount
2019	\$ 317,900
2018	317,900
2017	317,900

6. WATER CONSUMER ACCOUNTS RECEIVABLE

The Township maintains a Utility Fund for the billing and collection of water rents. The Township is divided into six sections for the purposes of billings which are done on a quarterly basis.

Water Utility billings and collections for the past three years are as follows:

Year	Billings	Cash Collections
2019	\$ 7,249,623.22	\$ 7,239,847.02
2018	7,703,851.78	7,928,127.98
2017	6,550,143.19	7,840,676.88

Cash collections include realization of prior year uncollected balances.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

7. SEWER RENTS RECEIVABLE

The Township maintains a Utility Fund for the billing and collection of sewer rents. The Township is divided into six sections for the purposes of billings which are done on a quarterly basis.

Sewer Utility billings and collections for the past three years are as follows:

Year	Billings	Cash Collections
2019	\$ 7,398,326.44	\$ 7,229,180.57
2018	6,590,878.34	6,664,916.16
2017	5,921,117.56	5,665,190.06

Cash collections include realization of prior year uncollected balances.

8. FUND BALANCES APPROPRIATED

	Year	Balance Dec. 31	Utilized in Budgets of Succeeding Year
Current Fund:	2019	\$ 16,867,361.90	\$ 7,950,000.00
	2018	15,123,849.83	7,300,000.00
	2017	12,059,342.82	4,750,000.00
Water Utility Operating Fund:	2019	\$ 1,528,123.40	\$ 1,400,726.32
	2018	3,694,226.99	2,812,128.83
	2017	3,155,233.08	1,846,693.81
Sewer Utility Operating Fund:	2019	\$ 2,126,578.54	\$ 620,472.47
	2018	1,796,636.25	660,410.73
	2017	1,536,220.28	1,084,639.40
Parking Utility Operating Fund:	2019	\$ 2,150,403.75	\$ 847,727.20
	2018	1,889,174.68	1,300,000.00
	2017	1,615,537.82	1,100,886.58

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018

9. PENSION PLANS

Public Employee Retirement System

The Public Employee Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PERS Plan are as follows:

Plan Membership and Contributing Employers- Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or other jurisdiction’s pension fund. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Inactive plan members or beneficiaries currently receiving benefits	178,748	174,904
Inactive plan members entitled to but not yet receiving benefits	609	589
Active plan members	<u>252,598</u>	<u>254,780</u>
Total	431,955	430,273

Contributing Employers - 1,703

Significant Legislation – For State of New Jersey contributions to PERS, Chapter 1, P.L. 2010, effective May 21, 2010, required the State to resume making actuarially recommended contributions to the pension plan on a phased-in basis over a seven-year period beginning in the fiscal year ended June

Chapter 19, P.L. 2009, effective March 17, 2009, provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State Fiscal Year 2009. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of PERS, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets

Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PERS.

For the years ended December 31, 2019 and 2018 the Township’s total payroll for all employees was \$42,790,206 and \$42,878,509, respectively. Total PERS covered payroll was \$12,425,012 and \$12,189,340 respectively. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A 43:15 and requires contributions by active members and contributing employers. State legislation has

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018

9. PENSION PLANS (continued)

modified the amount that is contributed by the State. The State’s pension contributions is based on an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year, 2019, the State’s pension contribution was less than the actuarial determined amount.

Employers’ contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. Township contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contribution requirements were calculated.

It is assumed that the Local employers will contribute 100% of their actuarially determined contribution and 100% of their Non-Contributory Group Insurance Premium Fund (NCGIPF) contribution while the State will contribute 70% of its actuarially determined contribution and 100% of its NCGIPF contribution. The 70% contribution rate is the actual total State contribution rate paid in fiscal year ending June 30, 2018 with respect to the actuarially determined contribution for the fiscal year ending June 30, 2019 for all State administered retirement systems.

In accordance with Chapter 98, P.L. 2017, PERS receives 21.02% of the proceeds of the Lottery Enterprise for a period of 30 years. Revenues received from lottery proceeds are assumed to be contributed to the System on a monthly basis.

Township payments to PERS for the years ending December 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Total Regular Billing	\$ 1,549,426	\$ 1,417,549

The Township recognizes liabilities to PERS and records expenditures for same in the fiscal period that bills become due.

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

The following represents the membership tiers for PERS:

Definition

Tier

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

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

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

9. PENSION PLANS (continued)

are available to tier 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62 and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age of his/her respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

At June 30, 2019, the PERS reported a net pension liability of \$18,143,832,135 for its Non-State Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the Township was \$29,822,358 or 0.1655098183%, which was an increase of 0.0097380283% from its proportion measured as of June 30, 2018.

The pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019.

At June 30, 2018, the PERS reported a net pension liability of \$19,689,501,539 for its Non-State Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the Township was \$30,670,688 or 0.1557717900%.

At December 31, 2019, the Township's deferred outflows of resources and deferred inflows of resources related to PERS were from the following sources, if GASB #68 was recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expended and actual experience	\$ 535,272	\$ 131,742
Changes in assumptions	2,977,872	10,351,246
Net difference between projected and actual earnings on pension plan investments		470,758
Changes in proportion and differences between Township contributions and proportionate share of contributions	3,127,174	333,807
Township contributions subsequent to the measurement date	1,609,923	
	\$ 8,250,241	\$ 11,287,553

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

9. PENSION PLANS (continued)

\$1,609,923 shown as deferred outflows of resources related to PERS resulting from Township contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense on the GAAP basis as follows, if GASB #68 was recognized:

Year ended December 31,		
2020	\$	(456,408)
2021		(1,829,939)
2022		(1,648,648)
2023		(673,886)
2024		(38,354)
Total	\$	<u>(4,647,235)</u>

Actuarial Assumptions- The total pension liability in the June 30, 2019 and June 30, 2018 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2019	2018
Inflation-Prices	2.75%	2.25%
Inflation-Wages	3.25%	2.25%
Salary Increases:		
Through 2026		1.65% - 4.15% based on age
Thereafter		2.65% - 5.15% based on age
Through all future years	3.25% - 15.25% Based on years of service	

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019 and 2018

9. PENSION PLANS (continued)

of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 and 2018 are summarized in the following table:

2019			2018		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Risk Mitigation Strategies	3.00%	4.67%	Absolute return/risk mitigation	5.00%	5.51%
Cash Equivalents	5.00%	2.00%	Cash equivalents	5.50%	1.00%
U.S. Treasuries	5.00%	2.68%	U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	4.25%	Investment grade credit	10.00%	3.78%
High Yield	2.00%	5.37%	Public high yield	2.50%	6.82%
Private Credit	6.00%	7.92%	Global diversified credit	5.00%	7.10%
Real Assets	2.50%	9.31%	Credit oriented hedge funds	1.00%	6.60%
Real Estate	7.50%	8.33%	Debt related private equity	2.00%	10.63%
U.S. Equity	28.00%	8.26%	Debt related real estate	1.00%	6.61%
Non-U.S. Developed Markets Equity	12.50%	9.00%	Private real asset	2.50%	11.83%
Emerging Market Equities	6.50%	11.37%	Equity related real estate	6.25%	9.23%
Private Equity	12.00%	10.85%	U.S. equity	30.00%	8.19%
	<u>100.00%</u>		Non-U.S. developed markets equity	11.50%	9.00%
			Emerging markets equity	6.50%	11.64%
			Buyouts/venture capital	8.25%	13.08%
				<u>100.00%</u>	

Discount Rate – The discount rate used to measure the total pension liability as of June 30, 2018 was 5.66% and as of June 30, 2019 was 6.28%. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

9. PENSION PLANS (continued)

Sensitivity of Net Pension Liability – the following presents the net pension liability of PERS calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate.

	At 1% Decrease (5.28%)	At current Discount rate (6.28%)	At 1% Increase (7.28%)
Township's proportionate share	\$ 37,670,484	\$ 29,822,358	\$ 23,209,200

Plan Fiduciary Net Position – The plan fiduciary net position for PERS including the State of New Jersey at June 30, 2019 and 2018 were \$29,847,977,666 and \$29,472,374,536, respectively. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2019 and 2018 was \$23,347,631,751 and \$22,742,071,972, respectively.

Additional Information

Collective balances at June 30, 2019 are as follows:

Collective deferred outflows of resources	\$	3,149,522,616
Collective deferred inflows of resources		7,645,087,574
Collective net pension liability - Local group		18,143,832,135

Township's Proportion 0.1655098183%

Collective Local Group pension expense for the Local Group for the measurement period ended June 30, 2019 and 2018 was \$974,471,686 and \$1,099,708,157, respectively. The average of the expected remaining service lives of all plan members is 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2019, 2018, 2017, 2016, 2015 and 2014, respectively.

State Contribution Payable Dates

State Contribution Payable Dates

Chapter 83, P.L. 2016 requires the State to make pension contributions on a quarterly basis: at least 25% by September 30, at least 50% by December 31, at least 75% by March 31, and at least 100% by June 30. As such, contributions are assumed to be made on a quarterly basis with the first contribution 15 months after the associated valuation date.

Local employer's contributions are expected to be paid on April 1st, 21 months after the associated valuation date.

Receivable Contributions

The Fiduciary Net Position (FNP), includes Local employers' contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits. The receivable contributions for the years ended June 30, 2019 and June 30, 2018 are \$1,038,892,124 and \$1,073,054,740, respectively.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

9. PENSION PLANS (continued)

Police and Firemen’s Retirement System

The Police and Firemen’s Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PFRS Plan are as follows:

Plan Membership and Contributing Employers- Substantially all full-time county and municipal police and firemen and state firemen or officer employees with police powers appointed after June 30, 1944 are enrolled in PFRS Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2019 and 2018:

	2019	2018
Inactive plan members or beneficiaries currently receiving benefits	44,567	43,755
Inactive plan members entitled to but not yet receiving benefits	42	39
Active plan members	42,295	41,517
Total	86,904	85,311

Contributing Employers - 584

Significant Legislation – For State of New Jersey contributions to PFRS, Chapter 1, P.L. 2010, effective May 21, 2010, required the State to resume making actuarially recommended contributions to the pension plan on a phased-in basis over a seven-year period beginning in the fiscal year ended June 30, 2012.

For the year ended June 30, 2019, it is assumed that the Local employers will contribute 100% of their actuarially determined contribution and 100% of their Non-Contributory Group Insurance Premium Fund (NCGIPF) contribution while the State will contribute 70% of its actuarially determined contribution and 100% of its NCGIPF contribution. The 70% contribution rate is the actual total State contribution rate paid in the fiscal year ending June 30, 2020 with respect to the actuarially determined contribution for the fiscal year ending June 30, 2020 for all State administered retirement systems.

In accordance with Chapter 98, P.L. 2017, PERS receives 1.2% of the proceeds of the Lottery Enterprise for a period of 30 years. Revenues received from lottery proceeds are assumed to be contributed to the System on a monthly basis.

Consistent with Chapter 83, P.L. 2016, it is assumed that the State will make pension contributions in equal amounts at the end of each quarter. It is assumed the Local employers’ contributions are expected to be received on April 1st, 21 months after the associated valuation date.

Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PFRS.

For the years ended December 31, 2019 and 2018, the Township’s total payroll for all employees was \$42,790,206 and \$42,878,509, respectively. Total PFRS covered payroll was \$20,785,673 and \$21,070,426, respectively. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

9. PENSION PLANS (continued)

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contributions rate increased from 8.5% of annual compensation to 10.0% in October 2011. Employer contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. Township contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated.

Township payments to PFRS for the years ending December 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Total Regular Billing	\$ 5,841,956	\$ 5,170,600

The Township recognizes liabilities to PFRS and records expenditures for same in the fiscal period that bills become due.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service.

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

At June 30, 2019, the PFRS reported a net pension liability of \$14,170,193,618 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$75,146,943 or 0.6140550376% which was an increase in 0.0165025457% from its proportion measured as of June 30, 2018. The pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

9. PENSION PLANS (continued)

At June 30, 2018, the PFRS reported a net pension liability of \$15,369,699,278 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$80,858,703 or 0.5975524919%.

At December 31, 2019, the Township's deferred outflows of resources and deferred inflows of resources related to PFRS were from the following sources; if GASB #68 was recognized:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expended and actual experience	\$ 634,337	\$ 475,769
Changes of Assumptions	2,574,944	24,286,803
Changes in Proportion	3,988,759	25,353
Net difference between projected and actual investment earnings on OPEB plan investments		1,018,217
Township contributions subsequent to the measurement date	6,202,635	
Total	\$ 13,400,675	\$ 25,806,142

\$6,202,635 shown as deferred outflows of resources related to PFRS resulting from Township contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense on the GAAP basis as follows:

Year ended December 31,	Amount
2020	\$ (2,949,840)
2021	(7,109,205)
2022	(4,986,597)
2023	(2,272,019)
2024	(1,290,441)
Total	(18,608,102)

Actuarial Assumptions- The total pension liability in the June 30, 2019 and June 30, 2018 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2019	2018
Inflation-Prices	2.75%	2.25%
Inflation-Wages	3.25%	2.25%
Salary Increases:		
Through 2026		1.65% - 4.15% based on age
Thereafter		2.65% - 5.15% based on age
Through all future years	3.25% - 15.25% Based on years of service	

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

9. PENSION PLANS (continued)

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2019 and 2018 are summarized in the following table:

2019			2018		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Risk Mitigation Strategies	3.00%	4.67%	Absolute return/risk mitigation	5.00%	5.51%
Cash Equivalents	5.00%	2.00%	Cash equivalents	5.50%	1.00%
U.S. Treasuries	5.00%	2.68%	U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	4.25%	Investment grade credit	10.00%	3.78%
High Yield	2.00%	5.37%	Public high yield	2.50%	6.82%
Private Credit	6.00%	7.92%	Global diversified credit	5.00%	7.10%
Real Assets	2.50%	9.31%	Credit oriented hedge funds	1.00%	6.60%
Real Estate	7.50%	8.33%	Debt related private equity	2.00%	10.63%
U.S. Equity	28.00%	8.26%	Debt related real estate	1.00%	6.61%
Non-U.S. Developed Markets Equity	12.50%	9.00%	Private real asset	2.50%	11.83%
Emerging Market Equities	6.50%	11.37%	Equity related real estate	6.25%	9.23%
Private Equity	12.00%	10.85%	U.S. equity	30.00%	8.19%
	<u>100.00%</u>		Non-U.S. developed markets equity	11.50%	9.00%
			Emerging markets equity	6.50%	11.64%
			Buyouts/venture capital	8.25%	13.08%
				<u>100.00%</u>	

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

9. PENSION PLANS (continued)

Discount Rate – The discount rate used to measure the total pension liability as of June 30, 2018 was 6.51% and as of June 30, 2019 was 6.85%. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2076. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2076, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of Net Pension Liability – the following presents the net pension liability of PFRS calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

	At 1% Decrease (5.85%)	At current Discount rate (6.85%)	At 1% Increase (7.85%)
Township's proportionate share	\$ 101,571,283	\$ 75,146,943	\$ 53,276,994

Plan Fiduciary Net Position – The plan fiduciary net position for PFRS at June 30, 2019 and 2018 was \$27,792,420,945 and \$27,098,556,100, respectively.

Additional Information

Collective balances at June 30, 2019 are as follows:

Collective deferred outflows of resources	\$ 1,198,936,924
Collective deferred inflows of resources	4,874,748,912
Collective net pension liability - Local group	14,170,193,618
 Township's Proportion	 0.6140550376%

Collective pension expense for the Local Group for the measurement period ended June 30, 2019 and 2018 is \$1,325,963,796, and \$1,270,762,352, respectively. The average of the expected remaining service lives of all plan members is 5.92, 5.73, 5.59, 5.58, 5.53 and 6.17 years for 2019, 2018, 2017, 2016, 2015 and 2014, respectively.

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019 and 2018

9. PENSION PLANS (continued)

State Contribution Payable Dates

Chapter 83, P.L. 2016 requires the State to make pension contributions on a quarterly basis: at least 25% by September 30, at least 50% by December 31, at least 75% by March 31, and at least 100% by June 30. As such, contributions are assumed to be made on a quarterly basis.

Local employer's contributions are expected to be paid on April 1st, 21 months after the associated valuation date.

Receivable Contributions

The Fiduciary Net Position (FNP) includes Local employers' contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits. The receivable contributions for the years ended June 30, 2019 and June 30, 2018 are \$1,105,874,849 and \$1,089,730,202, respectively.

Special Funding Situation- Under N.J.S.A 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation and state is treated as a non-employer entity. The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township as of June 30, 2019 and 2018 for police and fire is 0.6140550376% and 0.5975524919%, respectively. The non-employer contributing entities' contribution for the year ended June 30, 2019 and 2018 was \$799,512 and \$650,478, respectively. The state's proportionate share of net pension liability attributable to the Township as of June 30, 2019 and 2018 was \$11,865,845 and \$10,983,318, respectively.

Defined Contribution Retirement Plan

DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. Prudential is acting on behalf of the NJ Division of Pensions and Benefits as the record keeper and investment funds manager. Chapter 1, P.L. 2010 increased the minimum annual salary required for eligibility in the DCRP. An employee must earn an annual salary of at least \$5,000 to be eligible or to continue participation.

The Defined Contribution Retirement Plan (DCRP) is a multiple employer defined contribution plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the DCRP are as follows:

Plan Membership and Contributing Employers- Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in PFRS or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PFRS or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000 annually; and employees otherwise eligible to enroll in PFRS or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019 and 2018

9. PENSION PLANS (continued)

least \$5,000 annually. The maximum wage limit for 2018 is \$132,900 and is subject to annual adjustment. Members who earn in excess of the annual maximum wage will be enrolled in the DCRP in addition to the PERS. The minimum salary will be increased to \$8,000 for the period ended June 30, 2019. At June 30, 2019 and 2018, the membership in the DCRP, based on the information within the Division's database, was 59,270 and 57,893, respectively.

Contribution Requirement and Benefit *Provisions* - State and local government employers contribute 3% of the employee's base salary. Active members contribute 5.5% of base salary.

Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on 7.50% for PERS, 10% for PFRS and 5.5% for DCRP of employees' base wages.

10. OTHER POST-EMPLOYMENT (RETIREMENT) BENEFITS (OPEB) - OTHER THAN PENSIONS

State Health Benefit Local Government Retired Employees Plan

General Information about the OPEB Plan

Plan Description

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

Benefits Provided

The Plan provides medical and prescription drug coverage to retirees and their dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

**10. OTHER POST-EMPLOYMENT (RETIREMENT) BENEFITS (OPEB) - OTHER THAN PENSIONS
(continued)**

with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A. 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

Contributions

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.

Plan Membership and Contributing Employers:

Plan membership and contributing employers/nonemployers consisted of the following at June 30, 2019 and 2018:

	June 30, 2019	June 30, 2018
Inactive plan members or beneficiaries currently receiving benefits	29,812	27,871
Active plan members	66,213	63,032
Total	96,025	90,903
 Contributing employers	 590	 590
Contributing nonemployers	1	1

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

**10. OTHER POST-EMPLOYMENT (RETIREMENT) BENEFITS (OPEB) - OTHER THAN PENSIONS
(continued)**

Nonspecial Funding Situation - The State of New Jersey's Total OPEB Liability for nonspecial funding situation was \$8,020,352,361 and \$9,452,773,649 at June 30, 2019 and 2018, respectively. The Township of Montclair's nonspecial funding situation proportion of the Total OPEB Liability was \$30,282,377 (0.223551%) and \$37,970,242 (0.2423647%) for the years ended June 30, 2019 and June 30, 2018, respectively.

Components of Net OPEB Liability - The components of the collective net OPEB liability for Local Government Retired Employees Plan, including the State of New Jersey, is as follows:

	June 30, 2019	June 30, 2018
Total OPEB Liability	\$ 13,819,244,582	\$ 15,981,103,227
Plan Fiduciary Net Position	273,173,482	314,485,086
Net OPEB Liability	\$ 13,546,071,100	\$ 15,666,618,141
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.97%

Actuarial Assumptions and Other Inputs - The total OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The total OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. These actuarial valuations used the following actuarial assumptions, applied to all periods (2018 and 2019) in the measurement:

	June 30, 2019	June 30, 2018
Inflation	2.50%	2.50%
Salary Increases*:		
Public Employees' Retirement System (PERS)		
Rate through 2026	2.00% to 6.00%	1.65% to 8.98%
Rate thereafter	3.00% to 7.00%	2.65% to 9.98%
Police and Firemen's Retirement System (PFRS)		
Rate for all future years	3.25% to 15.25%	Not Available

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

Preretirement and postretirement mortality rates were based on the Pub-2010 Safety Headcount-Weighted mortality table with fully generational mortality improvement projections from the central year using the MP-2019 scale.

Actuarial assumptions used in the July 1, 2018 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

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

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

**10. OTHER POST-EMPLOYMENT (RETIREMENT) BENEFITS (OPEB) - OTHER THAN PENSIONS
(continued)**

Healthcare Trend 2019 Assumptions - For pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

Discount Rate - The discount rate for June 30, 2019 and 2018 was 3.50% and 3.87%, respectively. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of the State's Net OPEB Liability to Changes in the Discount Rate - The following presents the collective net OPEB liability of the participating employers as of June 30, 2019 and 2018, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	At Discount Rate	1% Increase
Total Net OPEB Liability - 2018	\$ 18,381,085,096	\$ 15,666,618,141	\$ 13,498,373,388
Total Net OPEB Liability - 2019	15,662,704,137	13,546,071,100	11,826,026,995

Sensitivity of the State's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability as of June 30, 2019 and 2018, respectively, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was 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 Rate	1% Increase
Total Net OPEB Liability - 2018	\$ 13,068,471,450	\$ 15,666,618,141	\$ 19,029,006,023
Total Net OPEB Liability - 2019	11,431,214,644	13,546,071,100	16,243,926,531

Special Funding Situation - The State of New Jersey's Total OPEB Liability for special funding situation was \$5,525,718,739 and \$6,213,844,492 at June 30, 2019 and 2018, respectively.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

**10. OTHER POST-EMPLOYMENT (RETIREMENT) BENEFITS (OPEB) - OTHER THAN PENSIONS
(continued)**

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation.

The amounts of the State's Non-employer OPEB Liability that are attributable to employees and retirees of the Township of Montclair was \$58,200,572 (314 members) and \$66,914,281 (306 members) at June 30, 2019 and 2018, respectively. These allocated liabilities represent 1.0533% and 1.0769% of the State's Total Non-employer OPEB Liability for June 30, 2019 and 2018, respectively. The OPEB expense attributed to the Township was \$771,463 and \$2,025,573 at June 30, 2019 and 2018, respectively.

11. MUNICIPAL DEBT

Summary of Municipal Debt (Excluding Current and Operating Debt and Type I School Debt):

Issued	2019	2018	2017
General			
Bonds, Notes and Loans	\$ 66,330,643.00	\$ 59,499,405.77	\$ 62,159,142.63
Water:			
Bonds, Notes and Loans	7,370,151.78	9,070,989.69	10,534,790.62
Sewer:			
Bonds, Notes and Loans	634,242.00	1,175,181.50	1,974,286.00
Parking:			
Bonds, Notes and Loans	12,455,000.00	12,910,000.00	13,350,000.00
	<u>86,790,036.78</u>	<u>82,655,576.96</u>	<u>88,018,219.25</u>
<u>Authorized but Not Issued</u>			
General:			
Bonds, Notes and Loans	7,277,646.50	14,842,557.47	10,272,755.77
Water:			
Bonds, Notes and Loans	44,698.35	115,144.12	116,542.00
Sewer:			
Bonds, Notes and Loans	2,119,058.88	2,913,079.65	2,913,079.65
	<u>9,441,403.73</u>	<u>17,870,781.24</u>	<u>13,302,377.42</u>
<u>Less: Cash on Hand</u>			
General:			
Reserve for Debt Service	27,880.46	27,880.46	1,217,118.73
Net Bonds and Notes Issued and Authorized but Not Issued	<u>\$ 96,203,560.05</u>	<u>\$ 100,498,477.74</u>	<u>\$ 100,103,477.94</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Statement and indicates a statutory net debt of 0.961%.

	Gross Debt	Deductions	Net Debt
Local School District	\$ 68,393,507.36	\$ 68,393,507.36	
Utility Debt	22,623,151.01	22,623,151.01	
General Debt	73,608,289.50	27,880.46	\$ 73,580,409.04
	<u>\$ 164,624,947.87</u>	<u>\$ 91,044,538.83</u>	<u>\$ 73,580,409.04</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

11. MUNICIPAL DEBT (continued)

Net Debt, \$73,580,409.04 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$7,655,926,934 equals 0.961%. A revised annual debt statement will be submitted.

Borrowing Power Available Under N.J.S.A. 40:A2-6 as Amended

3 1/2% of Equalized Valuation Basis	\$ 267,957,442.69
Net Debt	73,580,409.04
Remaining Borrowing Capacity	\$ 194,377,033.65

School Debt Deductions

School debt is deductible up to the extent of 4.0% of the Average Equalized Assessed Valuations of real property for the Local School District.

Calculation of "Self Liquidating Purposes" per N.J.S.A. 40A:2-45

	2019	2018
<u>Water Utility</u>		
Fund Balance and cash receipts from fees, rents or other charges	\$ 10,416,479	\$ 10,060,677
Deductions:		
Operating and maintenance cost	\$ 5,852,129	\$ 6,046,652
Debt Service	2,031,734	1,810,466
	7,883,863	7,857,118
Excess revenue	\$ 2,532,616	\$ 2,203,559
There being an excess in revenue, all such utility debt is deductible		
<u>Sewer Utility</u>		
Fund Balance and cash receipts from fees, rents or other charges	\$ 8,088,055	\$ 7,922,867
Deductions:		
Operating and maintenance cost	\$ 5,844,161	\$ 5,680,303
Debt Service	562,373	835,555
	6,406,534	6,515,858
Excess revenue	\$ 1,681,521	\$ 1,407,009
There being an excess in revenue, all such utility debt is deductible		
<u>Parking Utility</u>		
Fund Balance and cash receipts from fees, rents or other charges	\$ 6,946,525	\$ 5,713,901
Deductions:		
Operating and maintenance cost	\$ 3,556,117	\$ 2,999,279
Debt Service	1,008,053	1,010,271
	4,564,170	4,009,550
Excess revenue	\$ 2,382,355	\$ 1,704,351

There being an excess in revenue, all such utility debt is deductible

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

11. MUNICIPAL DEBT (continued)

The foregoing debt information is in agreement with the Revised Annual Debt Statement filed by the Chief Financial Officer.

As of December 31, 2019 and 2018, the Township's long-term debt is as follows:

<u>General Capital</u>	<u>2019</u>	<u>2018</u>
\$18,519,000, 2011 Bonds, due in annual installments of \$1,585,000 to \$1,665,000 through March 1, 2021, interest at rates from 3.125% to 3.375%	\$ 3,250,000	\$ 4,755,000
\$2,780,000, 2012 Pension Refunding Bonds, due in annual installments of \$415,000 to \$455,000 through April 1, 2021, interest at rates from 2.853% to 3.053%.	870,000	1,250,000
\$10,500,000, 2013 Bonds, due in annual installments of \$1,020,000 to \$1,270,000 through March 1, 2024, interest at an rate of 5.00%.	5,725,000	6,680,000
\$14,960,000, 2014 Refunding Bonds, due in annual installments of \$610,000 to \$1,915,000 through January 1, 2026, interest at an rate of 5.00%.	10,990,000	12,600,000
\$2,200,000, 2016 Refunding Bonds due in annual installments of \$730,000 through October 2021 at an interest rate of 4.00%.	1,460,000	2,190,000
\$5,305,000, 2017 Refunding Bonds due in annual installments of \$1,695,000 to \$1,830,000 through March 1, 2024, interest at rates from 3.00% to 4.00%.	5,305,000	5,305,000
\$9,000,000, 2018 Bonds, due in annual installments of \$640,000 to \$1,200,000 through April 2028, interest at rates from 4.00% to 5.00%.	8,400,000	9,000,000
	\$ 36,000,000	\$ 41,780,000

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

11. MUNICIPAL DEBT (continued)

<u>Water Utility Bonds</u>	2019	2018
\$1,065,000 2011 Bonds, due in annual installments of \$100,000 to \$165,000 through March 1, 2021, interest at rates from 3.125% to 3.375%	\$ 265,000	\$ 365,000
\$2,580,000, 2014 Refunding Bonds, due in annual installments of \$230,000 to \$260,000 through January 1, 2027, interest at an rate of 5.00%.	1,925,000	2,170,000
\$2,155,000, 2016 Refunding Bonds due in annual installments of \$235,000 to \$280,000 from October 1, 2020 through October 1, 2026 at a interest rate of 4.00%.	1,905,000	2,140,000
\$2,385,000, 2018 General Bonds due in annual installments of \$170,000 to \$305,000 from April 1, 2020 through April 1, 2028 at a interest rate of 4.00% to 5.00%.	2,225,000	2,385,000
	\$ 6,320,000	\$ 7,060,000
<u>Parking Utility Bonds</u>	2019	2018
\$1,820,000, 2014 Refunding Bonds, due in annual installments of \$65,000 to \$125,000 through January 1, 2037, interest rates from 2.860% to 4.556%.	\$ 1,590,000	\$ 1,655,000
\$12,030,000, 2014 Series A Refunding Bonds, due in annual installments of \$405,000 to \$855,000 through January 1, 2037, interest at rates from 3.375% to 5.00%.	10,865,000	11,255,000
	\$ 12,455,000	\$ 12,910,000

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

11. MUNICIPAL DEBT (continued)

		General Improvement Bonds					
		General Capital		Water Utility		Parking Utility	
Year	Total	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 9,346,874.81	\$ 5,845,000.00	\$ 1,473,295.50	\$ 750,000.00	\$ 264,556.25	\$ 470,000.00	\$ 544,023.06
2021	8,597,384.64	5,220,000.00	1,247,842.45	885,000.00	231,184.38	490,000.00	523,357.81
2022	7,955,033.66	4,985,000.00	1,023,775.00	735,000.00	196,825.00	515,000.00	499,433.66
2023	8,463,249.96	5,740,000.00	789,400.00	765,000.00	164,475.00	530,000.00	474,374.96
2024	8,388,443.76	5,950,000.00	524,100.00	770,000.00	131,400.00	565,000.00	447,943.76
2025-2029	-	8,260,000.00	579,250.00	2,415,000.00	187,000.00	3,220,000.00	1,807,758.66
2030-2034	-					3,880,000.00	1,113,336.45
2035-2037	-					2,785,000.00	211,216.30
	<u>\$ 67,209,548.24</u>	<u>\$ 36,000,000.00</u>	<u>\$ 5,637,662.95</u>	<u>\$ 6,320,000.00</u>	<u>\$ 1,175,440.63</u>	<u>\$ 12,455,000.00</u>	<u>\$ 5,621,444.66</u>

A schedule of annual debt service for principal and interest for bonded debt is as follows:

Green Acres Trust Loans Payable – General Capital Fund

The Township has three loan from the State of New Jersey, Department of Environmental Protection, at an interest rate of 0.00% to 2.00% for Project Youth Sports.

	2019	2018
<u>Project Youth Sports:</u>		
\$250,000, loan due in semi-annual installments through May 2026, interest at 2.00%.	\$ 94,314.34	\$ 107,771.65
<u>Project Youth Sports II:</u>		
\$250,000, loan due in semi-annual installments of \$6,410.26 through December 2029, interest free.	121,794.80	134,615.32
<u>Project Youth Sports III</u>		
\$273,606, loan due in semi-annual installments of \$7,015.54 through December 2035, interest free.	224,497.22	238,528.30
	<u>\$ 440,606.36</u>	<u>\$ 480,915.27</u>

The following is a schedule of annual principal and interest payments for Green Acres Trust Loans:

Year	Principal	Interest	Total
2020	\$ 40,579.42	\$ 1,817.99	\$ 42,397.41
2021	40,855.33	1,542.06	42,397.39
2022	41,136.81	1,260.59	42,397.40
2023	41,423.94	973.46	42,397.40
2024	41,716.85	680.55	42,397.40
2025	42,015.64	381.76	42,397.40
2026	34,547.54	76.96	34,624.50
2027	26,851.60		26,851.60
2028	26,851.60		26,851.60
2029	20,441.20		20,441.20
2030-2035	84,186.43		84,186.43
	-	-	-
	<u>\$ 440,606.36</u>	<u>\$ 6,733.37</u>	<u>\$ 447,339.73</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

11. MUNICIPAL DEBT (continued)

Environmental Infrastructure Loans Payable – General Capital Fund

The Township was awarded a loan in 2004 from New Jersey Environmental Infrastructure Trust in the sum of \$878,438.00. The loan portion of \$443,438.00 was issued interest free, while the trust loan portion of \$435,000.00 was issued at interest rates ranging from 3.00% to 5.00%.

	<u>2019</u>	<u>2018</u>
Payments are made semi-annually through the year 2024	\$ 260,247.33	\$ 306,035.52

The following is a schedule of annual principal and interest payments for the Environmental Infrastructure Loan – General Capital Fund:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 53,038.49	\$ 6,684.37	\$ 59,722.86
2021	52,054.25	5,245.27	57,299.52
2022	51,065.17	3,804.88	54,870.05
2023	48,607.06	2,364.36	50,971.42
2024	55,482.36	1,271.36	56,753.72
	<u>\$ 260,247.33</u>	<u>\$ 19,370.24</u>	<u>\$ 279,617.57</u>

Business District Loan Payable

The Township has taken over the repayment of a business district loan issued by the State Department of Community Affairs in the sum of \$490,000.00. The loan is interest free and payable over fifteen years. Payments are \$32,666.67 a year. The balance remaining at December 31, 2019 is \$261,333.31 and at December 31, 2018 was \$293,999.98.

Environmental Infrastructure Loans Payable – Water Utility Fund

The Township was awarded four loans from the New Jersey Environmental Infrastructure Trust. The Fund Loan portion was issued interest free, while the Trust Loan portion was issued at interest ranging from 4.00% to 5.70%.

	<u>2019</u>	<u>2018</u>
1999 Loan:		
Payments are semi-annual through the year 2019	\$ -	\$ 1,839.95
2001 Loan:		
Payments are semi-annual through the year 2021	141,824.15	215,696.38
2002 Loan:		
Payments are semi-annual through the year 2022	301,115.58	393,224.73
2010 Loan:		
Payments are semi-annual through the year 2029	341,702.05	379,718.63
	<u>\$ 784,641.78</u>	<u>\$ 990,479.69</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

11. MUNICIPAL DEBT (continued)

The following is a schedule of annual principal and interest payments for the Environmental Infrastructure Loan – Water Capital Fund:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 207,511.67	\$ 16,524.38	\$ 224,036.05
2021	210,163.49	11,443.35	221,606.84
2022	138,314.41	6,200.17	144,514.58
2023	38,016.58	3,000.00	41,016.58
2024	38,016.58	2,600.00	40,616.58
2025-2030	152,619.05	7,200.00	159,819.05
	<u>\$ 784,641.78</u>	<u>\$ 46,967.90</u>	<u>\$ 831,609.68</u>

Environmental Infrastructure Loans Payable – Sewer Utility Fund

The Township was awarded a loan from the New Jersey Environmental Infrastructure Trust. The Fund Loan portion was issued interest free, while the Trust Loan portion was issued at interest ranging from 2.00% to 5.00%. Payments are semi-annual through the year 2031. The balance at December 31, 2018 was \$683,345.50 and for December 31, 2019 is \$634,242.00.

The following is a schedule of annual debt service for principal and interest for the Environmental Infrastructure Loan – Sewer Capital Fund:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 49,103.50	\$ 6,836.26	\$ 55,939.76
2021	49,103.50	6,336.26	55,439.76
2022	49,103.50	5,836.26	54,939.76
2023	54,103.50	5,336.26	59,439.76
2024	54,103.50	4,586.26	58,689.76
2025	54,103.50	3,836.26	57,939.76
2026	54,103.50	3,086.26	57,189.76
2027	54,103.50	2,336.26	56,439.76
2028	54,103.50	1,886.26	55,989.76
2029	54,103.50	1,436.26	55,539.76
2030	54,103.50	967.50	55,071.00
2031	54,103.50	487.50	54,591.00
	<u>\$ 634,242.00</u>	<u>\$ 42,967.60</u>	<u>\$ 677,209.60</u>

Special Emergency Note

Outstanding Special Emergency Note is as follows:

	<u>Interest</u>	<u>2019</u>	<u>Interest</u>	<u>2018</u>
	<u>Rate</u>	<u>Total</u>	<u>Rate</u>	<u>Total</u>
Current Fund	2.50%	<u>\$ 400,000.00</u>	3.50%	<u>\$ 600,000.00</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

11. MUNICIPAL DEBT (continued)

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

<u>Notes</u>	<u>2019</u>		<u>2018</u>	
	<u>Rate</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>
General Capital Fund	2.50%	\$ 29,368,456.00	2.50%	\$ 16,638,455.00
Water Utility Capital Fund	2.50%	265,510.00	2.50%	1,020,510.00
Sewer Utility Capital Fund			2.50%	491,836.00
		<u>\$ 29,633,966.00</u>		<u>\$ 18,150,801.00</u>

Statutory requirements for providing sums equivalent to legally payable installments for the redemption of notes (Budget Appropriation) and permanent funding (Bond Issues) are summarized as follows:

<u>Original Notes Issued</u>	<u>Legal Installments Due</u>	<u>Permanent Funding Required as of May 1</u>
2014	2017 - 2024	2025
2015	2018 - 2025	2026
2016	2019 - 2026	2027
2017	2020 - 2027	2028

Bonds and Notes Authorized but Not Issued

There were Bonds and Notes Authorized but Not Issued in the following amounts:

	<u>Balance Dec. 31, 2019</u>	<u>Balance Dec. 31, 2018</u>
General Capital Fund		
General Improvements	<u>\$ 7,277,646.50</u>	<u>\$ 14,842,557.47</u>
Water Utility Capital Fund		
General Improvements	<u>\$ 44,698.35</u>	<u>\$ 115,144.12</u>
Sewer Utility Capital Fund		
General Improvements	<u>\$ 2,119,058.88</u>	<u>\$ 2,913,079.65</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

12. SCHOOL DEBT

The Board of Education of the Township of Montclair is a Type I School District and the members of the Board of Education are appointed by the Mayor. A Board of School Estimate approves the school district tax levy after the final budget is determined by the Board of Education. The members of the Board of School Estimate include the Mayor, two members of the local school board and two members of the governing body. School debt, authorized by the Board of School Estimate, are obligations of the Township and school debt service is raised as part of the school tax levy. School debt is reported on the balance sheet of the General Capital Fund and is detailed as follows:

	2019	2018
\$9,662,000, 2010 Bonds, final annual installment of \$460,000 due June 2020, interest at 3.250%. Bonds were Refunded in 2016.	\$ 460,000.00	\$ 890,000.00
\$21,660,000, 2011 Bonds, due in annual installments of \$1,010,000 to \$1,050,000 through March 2021, interest at 4.00%.	2,060,000.00	3,035,000.00
\$22,000,000, 2013 Bonds, due in annual installments of \$1,395,000 to \$1,960,000 through March 2028, interest at 2.50% to 5.00%.	15,080,000.00	16,405,000.00
\$11,855,000, 2014 Refunding Bonds, due in annual installments of \$940,000 to \$1,225,000 through January 2028, interest at 5.00%.	9,005,000.00	9,945,000.00
\$14,840,000, 2016 Refunding Bonds due in annual installments of \$680,000 to \$1,690,000 through October 2030, interest at 3.75% to 5.00%.	13,920,000.00	14,700,000.00
\$12,415,000, 2017 Refunding Bonds due in annual installments of \$1,070,000 to \$1,385,000 through September 2031, interest at 3.00% to 4.00%.	12,415,000.00	12,415,000.00
\$3,000,000, 2018 Bonds due in annual installments of \$250,000 to \$375,000 through April 2028, interest at 4.00% to 5.00%.	2,800,000.00	3,000,000.00
	\$ 55,740,000.00	\$ 60,390,000.00

A schedule of annual debt service for principal and interest for School Serial Bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 4,830,000	\$ 2,256,250	\$ 7,086,250
2021	4,990,000	2,047,575	7,037,575
2022	5,145,000	1,826,500	6,971,500
2023	5,280,000	1,598,700	6,878,700
2024	5,520,000	1,359,325	6,879,325
2025-2029	26,515,000	3,198,756	29,713,756
2030-2031	3,460,000	139,000	3,599,000
	\$ 55,740,000	\$ 12,426,106	\$ 68,166,106

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

12. SCHOOL DEBT (continued)

Temporary Notes

Outstanding Temporary Notes for School purposes are as follows:

<u>Notes</u>	<u>2019</u>		<u>2018</u>	
	Interest Rate		Interest Rate	
General Capital Fund	1.75%	<u>\$ 5,857,658</u>	3.50%	<u>\$ 1,870,218</u>

Bonds and Notes Authorized but Not Issued for School purposes in the following amount:

<u>Notes</u>	<u>2019</u>	<u>2018</u>
General Capital Fund	<u>\$ 6,795,849</u>	<u>\$ 5,432,875</u>

13. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2019 and 2018, interfund receivables and payable that resulted from various interfund transactions were as follows:

	<u>2019</u>		<u>2018</u>	
	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>	Due from <u>Other Funds</u>	Due to <u>Other Funds</u>
Current Fund	\$ 591.77	\$ 436,098.17	\$ 283,657.94	\$ 403,468.56
Federal and State Grant Fund			403,468.56	
Assessment Trust Fund				21,743.58
General Trust Fund	436,098.17		4,000,000.00	261,330.23
General Capital Fund		591.77		4,000,584.13
Sewer Utility Operating Fund			600,000.00	
Sewer Utility Capital Fund				600,000.00
	<u>\$ 436,689.94</u>	<u>\$ 436,689.94</u>	<u>\$ 5,287,126.50</u>	<u>\$ 5,287,126.50</u>

14. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2019 and 2018, the following deferred charges are shown on the balance sheet of the Current Fund:

	Balance <u>Dec., 2018</u>	2019 Budget <u>Appropriation</u>	Balance <u>Dec., 2019</u>	2020 Budget <u>Appropriation</u>
Current Fund:				
Special Emergency Authorization	<u>\$ 600,000</u>	<u>\$ 200,000</u>	<u>\$ 400,000</u>	<u>\$ 200,000</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

15. DEFERRED SCHOOL TAX

The Local School District Tax was raised on the school year basis and liability deferred by statute, resulting in school tax payable set forth in liabilities computed as follows;

	Balance <u>Dec. 31, 2019</u>	Balance <u>Dec. 31, 2018</u>	2019 Increase <u>(Decrease)</u>	Balance <u>Dec. 31, 2017</u>	2018 Increase <u>(Decrease)</u>
* Balance of School Tax	\$ 59,130,052	\$ 57,970,639	\$ 1,159,413	\$ 56,318,274	\$ 1,652,365
Amount Deferred	<u>48,754,849</u>	<u>48,754,849</u>	<u>-</u>	<u>48,754,849</u>	<u>-</u>
	<u>\$ 10,375,203</u>	<u>\$ 9,215,790</u>	<u>\$ 1,159,413</u>	<u>\$ 7,563,425</u>	<u>\$ 1,652,365</u>

16. RISK MANAGEMENT

The Township is a member of the Garden State Municipal Joint Insurance Fund which provides coverage for Workers Compensation, General Liability, Property and Automobile coverage.

There have been no provisions included in the financial statements for claims incurred but not reported (IBNR) for the above listed coverage's as of December 31, 2019 and 2018.

17. CONTINGENT LIABILITIES

a. Compensated Absences

The Township's policy for accrued sick and vacation benefits is summarized as follows:

Employees can only accrue one year of vacation days. Vacation must be taken within one year of accrual, unless authorized by the Township Manager.

Employees covered under the Public Employees' Retirement System can accumulate up to 225 sick days if they were employed by the Township prior to January 1, 1963, and 130 sick days for those employed after January 1, 1963. Terminal leave will be capped at \$5,000.00 for employees hired after June 1, 1994.

Employees covered under the Police and Firemen's Retirement System can accumulate unused sick days. However, any payment of unused sick days are capped at 225 sick days if they were employed by the Township prior to January 1, 1963 and 130 sick days for those employed after January 1, 1963 and payment is capped at \$18,761.00 for employees hired after July 1, 1994.

It is estimated that the \$9,803,497.00, computed internally at the 2019 salary rates would be payable to officials and employees of the Township as of December 31, 2019 for accumulated sick and vacation days. This amount was not verified by audit. The Township has set up a reserve for accumulated absences of \$1,662,762.30 as of December 31, 2019.

Provision for the above are not reflected in the financial statements of the Township.

b. Tax Appeals

As of December 31, 2019, there were tax appeals pending before the New Jersey Tax Court of an undetermined amount.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

17. CONTINGENT LIABILITIES (continued)

Judgments favorable to the taxpayers generally extend to two years following the year judged and would also subject the Township to a liability for statutory interest based upon the amount of taxes refunded from the date of payment to the date of refund (R.S. 54:3-27.2). County Taxes paid on the reductions in assessed valuations are subject to credits against the County tax levy of the year subsequent to the year in which the appeals are adjudicated.

c. Federal and State Awards

The Township participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies; therefore to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at December 31, 2019 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to noncompliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

d. Litigation

The Township is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the Township.

18. GASB 77 TAX ABATEMENTS

The Township has entered into several property tax abatement agreements in order to provide incentives to redevelop areas that are in need for improvement or to create economic growth. These agreements are authorized under various New Jersey state statutes. The following represent the Township's most significant tax abatement agreements:

<u>Entity Name</u>	<u>Pilot Billing</u>	<u>Taxes if Billed in Full</u>	<u>Abated Taxes</u>
Lackawanna - 20 Glenridge Ave	\$ 117,801.24	\$ 234,625.53	\$ 116,824.29
56 Walnut Street	159,323.22	303,736.86	144,413.64
340 Orange Road	96,878.20	271,587.89	174,709.69
Union Gardens - 40 Greenwood Ave	100,000.00	268,268.86	168,268.86
Pineridge - 60 Glen Ridge	24,935.96	199,176.41	174,240.45
DCH MAP- Orange Garage	64,496.35	332,236.48	267,740.13
11 Elm Street	15,643.10	28,276.25	12,633.15
11/15 Pine Street	301,153.00	576,164.73	275,011.73
Herod Development - 48 S Park	76,829.97	243,122.88	166,292.91
55 Glenridge Ave	3,237.68	24,730.71	21,493.03
Centro Verde	1,216,066.03	1,191,258.07	(24,807.96)
JHP Orange Rd. 2013 Urban Renewal	228,502.13	302,600.63	74,098.50
48 S Park	1,152,278.84	1,350,055.56	197,776.72
	<u>\$ 3,557,145.72</u>	<u>\$ 5,325,840.86</u>	<u>\$ 1,768,695.14</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 and 2018**

19. SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after December 31, 2019 through the date of July 17, 2020, which is the date the financial statements were available to be issued. Based on this evaluation, the Township has determined the following subsequent event has occurred which requires disclosure in the financial statements.

Subsequent to year end, the COVID-19 (coronavirus) pandemic has resulted in substantial economic volatility on a global scale. As a result, the Township's economically sensitive revenues (i.e. property taxes, water and sewer utility collections, parking fees, interest earnings, fees, state and federal aid) might be negatively impacted. Collection rates on real property taxes might be slowed as unemployment rates are expected to spike. Meanwhile, the Township's expenditures for public safety and health service functions and pension benefits (due to stock market declines) would all be expected to increase sharply. None of these factors were taken into consideration in the development of the 2020 adopted budget. Given the uncertainty around the extent and timing of the potential future spread or mitigation of the coronavirus and around the imposition or relaxation of protective measures, management cannot reasonably estimate the actual impact on the Township's financial position at this time.

PART II
SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2019 and 2018

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER
YEAR ENDED DECEMBER 31, 2019

A-4

	<u>Ref.</u>	<u>Regular Fund</u>	<u>Federal and State Grant Fund</u>
Balance, December 31, 2018	A	\$ 32,508,481.09	
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2d	\$ 3,093,531.79	
Tax Collector	A-5	225,444,754.72	
Due from State of New Jersey:			
Senior Citizens' and Veterans' Deductions	A-8	74,750.00	
Revenue Accounts Receivable	A-14	14,650,111.20	
Interfunds Receivable	A-16, A-17	285,446.12	\$ 242,960.18
Appropriation Reserves Refunds	A-19	18,823.53	
Accounts Payable	A-22	1,938.68	
Due to State of New Jersey	A-20	129,885.00	
Interfunds Payable	A-25	569,064.47	
		244,268,305.51	\$ 242,960.18
		276,776,786.60	242,960.18
Decreased by Disbursements:			
Budget Appropriations	A-3	80,624,263.18	
Interfunds Receivable	A-16	33,480.85	
Appropriation Reserves	A-19	1,799,399.20	
Accounts Payable	A-22	128,201.61	
Due to State of New Jersey	A-20	124,141.00	
Tax Overpayments Refunded	A-24	219,403.40	
Interfunds Payable	A-25	971,815.49	
County Taxes Payable	A-26	38,183,182.96	
Local School District Tax	A-27	117,100,692.00	
Special Improvement District Tax	A-28	599,901.06	
Emergency Note Payable	A-29	200,000.00	
Reserve for Revaluation	A-21	44,325.40	
		240,028,806.15	
Balance, December 31, 2019	A	\$ 36,747,980.45	\$ 242,960.18

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENT - COLLECTOR
YEAR ENDED DECEMBER 31, 2019

A-5

	<u>Ref.</u>	
Increased by Receipts:		
Taxes Receivable	A-9	\$ 221,787,592.24
Tax Title Liens	A-10	38,325.83
Revenue Accounts Receivable	A-14	1,781,097.61
Other Accounts Receivable	A-13	101,086.14
County Share of PILOT	A-22	140,541.21
Tax Overpayments - PILOT	A-23	48,285.51
Tax Overpayments	A-24	305,017.01
Prepaid Taxes	A-30	1,223,957.28
Prepaid PILOTS	A-30	18,851.89
		<hr/> 225,444,754.72
Decreased by Disbursements:		
Paid to Treasurer	A-4	<hr/> 225,444,754.72
		<hr/> \$ <hr/> <hr/>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CHANGE FUNDS
DECEMBER 31, 2019

A-6

	<u>Ref.</u>	
Balance, December 31, 2018	A	<u>\$ 855.00</u>
Balance, December 31, 2019	A	<u><u>\$ 855.00</u></u>
 <u>Analysis of Balance</u>		
Tax Collector		\$ 500.00
Municipal Court Clerk		220.00
Municipal Clerk		30.00
Building Inspector		25.00
Health Vital Statistics		80.00
		<u><u>\$ 855.00</u></u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

PETTY CASH FUNDS
DECEMBER 31, 2019

A-7

	<u>Funds Established</u>	<u>Funds Returned</u>	
Treasurer	\$ 2,750.00	\$ 2,750.00	
Recreation Department	100.00	100.00	
Municipal Clerk	200.00	200.00	
Police Department	<u>600.00</u>	<u>600.00</u>	
	<u>\$ 3,650.00</u>	<u>\$ 3,650.00</u>	
	<u>Ref.</u>	Contra	Contra

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

DUE FROM STATE OF NEW JERSEY
PER CHAPTER 129, P.L. 1976
YEAR ENDED DECEMBER 31, 2019

A-8

	<u>Ref.</u>	
Balance, December 31, 2018	A	\$ 178.32
Increased by:		
Veterans' and Senior Citizens' Deductions per Tax Billings:		
Senior Citizens		\$ 9,250.00
Veterans		66,750.00
Veterans' and Senior Citizens' Deductions Allowed by Tax Collector		
		<u>750.00</u>
		76,750.00
Less: Veterans' and Senior Citizens' Deductions Disallowed by Tax Collector		
	<u>A-2c, A-9</u>	<u>1,000.00</u>
		<u>75,750.00</u>
		<u>75,928.32</u>
Decreased by:		
Senior Citizens' Deductions Disallowed by Tax Collector - Prior Year		
	A-1	1,000.00
Collections		
	A-4	<u>74,750.00</u>
Balance, December 31, 2019	A	<u><u>\$ 178.32</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
YEAR ENDED DECEMBER 31, 2019

A-9

Year	Balance	2019 Tax Levy	Added Taxes	Collections - Cash		State of New Jersey	Canceled	Transferred to Tax Title Liens	Balance
	Dec. 31, 2018			2018	2019				Dec. 31, 2019
2017	\$ 13.36				\$ 13.36				
2018	2,757,406.56		\$ 1,000.00		2,688,034.07		\$ 36,341.87		\$ 34,030.62
	2,757,419.92		1,000.00		2,688,047.43		36,341.87		34,030.62
2019		\$ 223,456,809.38		\$ 1,006,438.12	219,786,458.68	\$ 75,750.00	95,654.43	\$ 24,894.28	2,467,613.87
	\$ 2,757,419.92	\$ 223,456,809.38	\$ -	\$ 1,006,438.12	\$ 222,474,506.11	\$ 75,750.00	\$ 168,338.17	\$ 24,894.28	\$ 2,501,644.49
<u>Ref.</u>	A	Below	Reserve	A-2c, A-30	Below	A-8	Reserve	A-10	A
		Applied from Tax Overpayments Cash Receipts		A-24	\$ 686,913.87				
				A-5	221,787,592.24				
				A-2c	\$ 222,474,506.11				

ANALYSIS OF 2019 PROPERTY TAX LEVY

<u>Tax Yield</u>			<u>Tax Levy</u>	<u>Ref.</u>	
General Property Tax	\$	222,705,525.50	Local School District Tax:		
Added and Omitted		751,283.88	Levy	A-27	\$ 118,260,105.00
			Addition to Local School District Tax (Budget)	A-2	7,863,391.54
					\$ 126,123,496.54
			County Taxes:		
			County Tax	A-26	38,210,048.72
			Special Improvement District Tax	A-28	597,300.00
			Local Tax for Municipal Purposes:		
			Budget	A-2	55,271,041.00
			Minimum Library Tax	A-2	2,600,327.00
			Additional Taxes Levied	Reserve	654,596.12
					58,525,964.12
	\$	223,456,809.38			\$ 223,456,809.38

TOWNSHIP OF MONTCLAIR
CURRENT FUND

TAX TITLE LIENS
YEAR ENDED DECEMBER 31, 2019

A-10

	<u>Ref.</u>		
Balance, December 31, 2018	A		\$ 217,475.05
Increased by:			
Transferred from Taxes Receivable	A-9	\$ 24,894.28	
Cost of Tax Sale	Reserve	<u>46,343.08</u>	
			<u>71,237.36</u>
			288,712.41
Decreased by:			
Collections	A-2c, A-5		<u>38,325.83</u>
Balance, December 31, 2019	A		<u><u>\$ 250,386.58</u></u>

PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)
DECEMBER 31, 2019

A-11

	<u>Ref.</u>		
Balance, December 31, 2018	A		<u>\$ 317,900.00</u>
Balance, December 31, 2019	A		<u><u>\$ 317,900.00</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

OTHER LIENS RECEIVABLE
DECEMBER 31, 2019

A-12

	<u>Ref.</u>	<u>Demolition</u>
Balance, December 31, 2018 and 2019	A	<u>\$ 7,500.00</u>
 <u>Analysis of Balance</u>		
	<u>Block</u> <u>Lot</u>	
	4203 13	<u>\$ 7,500.00</u>

OTHER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

A-13

	<u>Ref.</u>	
Balance, December 31, 2018	A	\$ 116,656.31
Increased by:		
Interest Penalty on Delinquent	Reserve	<u>105,074.28</u>
		221,730.59
Decreased by:		
Cash Payments	A-5,14	<u>101,086.14</u>
Balance, December 31, 2019	A	<u>\$ 120,644.45</u>
 <u>Analysis of Balance</u>		
6% Interest Penalty		\$ 105,074.28
Street Improvements		<u>15,570.17</u>
		<u>\$ 120,644.45</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

A-14
Sheet # 1

	Ref.	Balance Dec. 31, 2018	Accrued in 2019	Collections		Balance Dec. 31, 2019
				Treasurer	Collector	
Clerk:						
Licenses:						
Alcoholic Beverages	A-2a		\$ 56,500.00	\$ 56,500.00		
Other	A-2b		50,015.00	50,015.00		
Fees and Permits	A-2b		129,450.00	129,450.00		
Health Officer:						
Licenses	A-2b		78,904.75	78,904.75		
Fees and Permits	A-2b		39,560.00	39,560.00		
Animal Shelter:						
Fees and Permits	A-2b		28,068.00	28,068.00		
Public Works:						
Fees and Permits	A-2b		17,785.00	17,785.00		
Planning Board:						
Fees and Permits	A-2b		17,585.00	17,585.00		
Community Services:						
Fees and Permits	A-2b		51,816.40	51,816.40		
Housing and Zoning:						
Fees and Permits	A-2b		9,560.00	9,560.00		
Recreation and Parks:						
Fees and Permits	A-2b		470,554.95	470,554.95		
Police Department:						
Fees and Permits	A-2b		9,961.66	9,961.66		
Fire:						
Registration Fees and Penalties on Vacant Properties	A-2a		112,500.00	112,500.00		
Collector/Clerk:						
Tax Searches	A-2b		20.00		\$ 20.00	
Interest and Costs on Taxes	A-2a		732,651.69		732,651.69	
Board of Adjustment:						
Fees and Permits	A-2b		16,728.00	16,728.00		
Construction Code Official:						
Building Permits	A-2a		1,510,220.00	1,510,220.00		
Fees and Permits	A-2b		22,050.00	22,050.00		
Municipal Court:						
Fines and Costs	A-2a	\$ 163,795.61	2,622,596.48	2,510,555.98		\$ 275,836.11
Parking Meters	A-2a					
Interest on Investments and Deposits	A-2a		634,596.30	634,596.30		
Energy Receipts Tax	A-2a		2,967,066.00	2,967,066.00		

TOWNSHIP OF MONTCLAIR
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

A-14
Sheet # 2

	Ref.	Balance Dec. 31, 2018	Accrued in 2019	Collections		Balance Dec. 31, 2019
				Treasurer	Collector	
Interlocal Government Services:						
Fire Services	A-2a		\$ 886,018.00	\$ 886,018.00		
Health Contract - Verona	A-2a		79,992.00	79,992.00		
Health Contract - Nutley	A-2a		43,176.00	43,176.00		
Health Contract - Cedar Grove	A-2a		64,204.00	64,204.00		
School Resources Officer Board of Education	A-2a		131,018.92	131,018.92		
Cable Television Franchise Fee	A-2a		547,180.87	547,180.87		
Section 8 - Administrative Costs	A-2a		100,000.00	100,000.00		
Towing - Administrative Costs	A-2a		3,852.00	3,852.00		
Payments in Lieu of Taxes:						
Montclair Senior Housing Corp. (Orange Road)	A-2b		96,878.20	96,878.20		
First Montclair Housing Corp. (Walnut Street)	A-2b		159,323.22	159,323.22		
RTD Management Corp. (Lackawanna Plaza)	A-2b		117,801.24	117,801.24		
RTD Management Corp. (Union Gardens)	A-2b		100,000.00	100,000.00		
RTD Management Corp. (United Methodist Homes - Pineridge of Montclair)	A-2b		24,935.96	24,935.96		
Centro Verde	A-2b		1,155,262.73	1,155,262.73		
11 Pine Street	A-2b		286,095.35	286,095.35		
Siena	A-2b	\$ 2,818.05	1,134,477.77		\$ 1,111,270.53	\$ 26,025.29
55 Glenridge	A-2b		3,237.68	3,237.68		
Herod Redevelopment	A-2b		72,988.47	72,988.47		
11 Elm Street	A-2b		15,643.10	15,643.10		
Centro Verde - Garage	A-2b		61,271.53	61,271.53		
Capital Fund Surplus	A-2a		1,415,533.03	1,415,533.03		
Hotel Tax	A-2a		66,068.27	66,068.27		
Alarm Registration Fees	A-2a		127,706.67	127,706.67		
Rear Yard Refuse Collection	A-2a		41,300.00	41,300.00		
Reserve to Pay Debt Service	A-2a		102,769.13	102,769.13		
Penalty on Delinquent Taxes	A-2a		101,086.14		101,086.14	
Sale of Municipal Assets	A-2a		212,575.53	212,575.53		
Administrative Fees - Police Off-Duty	A-2a		217,213.35	217,213.35		
		<u>\$ 166,613.66</u>	<u>\$ 16,945,798.39</u>	<u>\$ 14,865,522.29</u>	<u>\$ 1,945,028.36</u>	<u>\$ 301,861.40</u>
	Ref.	A	Reserve	A-14 Sheet 3	A-14 Sheet 3	A

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

A-14
Sheet # 3

	<u>Ref.</u>	Collections	
		<u>Treasurer</u>	<u>Tax Collector</u>
Cash Receipts	A-4, A-5	\$ 14,650,111.20	\$ 1,781,097.61
Prepaid PILOTS	A-30		21,886.00
Sale from Municipal Assets	A-33	212,575.53	
Applied from PILOT Overpayments	A-23		40,958.61
Interfunds Payable	A-16	2,835.56	
Applied from Other Accounts Receivable	A-13		101,086.14
	Sheet # 2	\$ 14,865,522.29	\$ 1,945,028.36

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
FEDERAL AND STATE GRANT FUND

A-15

GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

	Balance 12/31/2018	Realized		Collections	Unappropriated	Canceled	Balance 12/31/2019
		Budgeted	Chapter 159				
HEALTH							
ANJEC	\$ 500.00					\$ 500.00	
Microgrid Feasibility Study	142,480.00			\$ 142,480.00			
Seniors in Transit Grant	1,450.00		\$ 1,320.00	1,320.00		1,450.00	
Let's Grow Montclair Grant	10,000.00			10,000.00			
Childhood Lead Exposure Grant	87,748.00			87,748.00			
MONTCLAIR LEAD GRANT (7/1/19-6/30/20)			122,500.00	27,632.00			\$ 94,868.00
Essex County -Visiting Nurses		\$ 14,561.00		14,561.00			
Municipal Alliance 2018-19 91st Half)	4,742.50			4,742.50			
Municipal Alliance 2018-19 (2nd Half)		24,255.00		24,255.00			
Community Impact Award - LLM		3,334.00			\$ 3,334.00		
Community Impact Award - SCAC		3,333.00			3,333.00		
Animal Shelter - FOMTAS		18,000.00				18,000.00	
Animal Shelter-Summer Intern - FOMTAS		1,560.00		1,560.00			
Municipal Alliance 2019-20			47,510.00	1,819.00			45,691.00
Planning in Partnership (Senior Services) grant			84,750.00				84,750.00
2020-21 MCIA grant R-19-203			40,698.00				40,698.00
POLICE							
Pedestrian Safety Education and Enforcement-2018-19	25,000.00			24,990.00		10.00	
Distracted Driving Grant	6,600.00					6,600.00	
Distracted Driving Grant		5,500.00		5,500.00			
National Crime Statistics Exchange Implantation Assistance	20,000.00						20,000.00
Body Armor Grant 2015	726.65						726.65
Body Armor Grant 2018		10,509.86		10,509.86			
Bulletproof Vest Partnership Grant:	5,941.85			5,941.85			
Bulletproof Vest Partnership Grant:		6,944.00					6,944.00
Bicycle Safety Grant	12,000.00			12,000.00			
2018-Drive Sober YearEnd Crackdown grant	5,500.00			5,500.00			
2019 Click It or Ticket			5,500.00	5,500.00			
2019-20 Bicycle Safety Grant			12,000.00				12,000.00
2019-20 Pedestrian Safety Grant			25,000.00				25,000.00
FIRE							
Generator Grant	192,000.00						192,000.00
Generator Grant-Additional award in 2018	16,110.00						16,110.00
DCS							
2016 Recycling Tonnage Grant rec'd in 2019		39,830.85		39,830.85			
Clean Communities Grant			75,253.30	75,253.30			
PLANNING							
Hazardous discharge	14,076.10			14,076.10			
2018-EDA Orange Road	41,022.00			26,211.90			14,810.10
Historic Preservation		24,999.00		24,820.00		179.00	
COURT							
Alcohol Education Rehab Grant			2,813.11	2,813.11			
	-						
	<u>\$ 585,897.10</u>	<u>\$ 152,826.71</u>	<u>\$ 417,344.41</u>	<u>\$ 569,064.47</u>	<u>\$ 6,667.00</u>	<u>\$ 26,739.00</u>	<u>\$ 553,597.75</u>
Ref.	A	A-17	A-17	A-17	A-33	A-17	A

TOWNSHIP OF MONTCLAIR
CURRENT FUND

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

A-16

	Ref.	<u>Total Current Fund</u>	<u>General Capital Fund</u>	<u>Assessment Trust Fund</u>	<u>General Trust Fund</u>
Balance, December 31, 2018	A	\$ 283,657.94	\$ 584.13	\$ 21,743.58	\$ 261,330.23
Increased by:					
Transferred to Interfunds Payable	A-25	436,098.17			\$ 436,098.17
Interest Earned	A-14	2,835.56	591.77		2,243.79
Advances	A-4	33,480.85			33,480.85
		<u>472,414.58</u>	<u>591.77</u>	<u> </u>	<u>471,822.81</u>
		756,072.52	1,175.90	21,743.58	733,153.04
Decreased by:					
Budget Appropriation	A-3	436,553.78			436,553.78
Account Receivable Canceled	A-1	33,480.85			33,480.85
Settlements	A-4	285,446.12	584.13	21,743.58	263,118.41
		<u>755,480.75</u>	<u>584.13</u>	<u>21,743.58</u>	<u>733,153.04</u>
Balance, December 31, 2019	A	<u>\$ 591.77</u>	<u>\$ 591.77</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Analysis of Net Credit to Fund Balance</u>					
Balance December 31, 2018		\$ 283,657.94			
Balance December 31, 2019		<u>591.77</u>			
Net Credit to Operations	A-1	<u>\$ 283,066.17</u>			

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

INTERFUNDS RECEIVABLE
FEDERAL AND STATE GRANT FUND
YEAR ENDED DECEMBER 31, 2019

A-17

	<u>Ref.</u>	<u>Current Fund</u>
Balance, December 31, 2018	A	<u>\$ 403,468.56</u>
Increased by:		
Budget Appropriation - Grants	A-32	570,171.12
Grants Received through Current Fund:		
Grants Receivable	A-15	569,064.47
Cancellation of Grants Receivable	A-15	<u>26,739.00</u>
		<u>1,165,974.59</u>
		<u>1,569,443.15</u>
Decreased by:		
Cash Receipts	A-4	242,960.18
Anticipated Revenue	A-15	570,171.12
Grants Disbursed through Current Fund	A-32	728,855.31
Cancellation of Grant Reserves	A-32	<u>27,456.54</u>
		<u>1,569,443.15</u>
Balance, December 31, 2019		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

DEFERRED CHARGES
N.J.S.A. 40A:4-55 SPECIAL EMERGENCY
YEAR ENDED DECEMBER 31, 2019

A-18

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2018</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>
2-28-16	Revaluation Program	<u>\$ 1,000,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 600,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 400,000.00</u>
	<u>Ref.</u>			A	A-3	A

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>General Government</u>						
Township Council:						
Salaries and Wages		\$ 2,099.16	\$ 2,099.16			\$ 2,099.16
Other Expenses	\$ 523.52	7,657.93	8,181.45		\$ 1,478.83	6,702.62
Township Manager:						
Salaries and Wages		179,448.47	179,448.47		978.18	178,470.29
Other Expenses	183,455.18	167,737.82	351,193.00		161,442.02	189,750.98
Township Clerk:						
Salaries and Wages		16,139.38	16,139.38			16,139.38
Other Expenses	820.09	8,888.09	9,708.18		1,351.44	8,356.74
Election Expense:						
Salaries and Wages		584.00	584.00			584.00
Other Expenses	100.00		100.00		100.00	
Township Attorney:						
Salaries and Wages		23,773.18	23,773.18			23,773.18
Other Expenses	39,696.31	60,154.09	99,850.40		75,853.45	23,996.95
Municipal Court:						
Salaries and Wages		35,237.25	35,237.25		2,920.15	32,317.10
Other Expenses	8,687.83	4,881.21	13,569.04		8,096.41	5,472.63
Postage:						
Other Expenses		5,495.63	5,495.63		124.60	5,371.03
<u>Finance Department</u>						
Administration:						
Salaries and Wages		8,050.43	8,050.43			8,050.43
Other Expenses	6,620.50	98,813.75	105,434.25		40.50	105,393.75
Accounting and Treasury:						
Salaries and Wages		37,407.91	37,407.91			37,407.91
Other Expenses	190.00	11,753.30	11,943.30		668.07	11,275.23
Assessor's Office:						
Salaries and Wages		38,106.28	28,106.28			28,106.28
Other Expenses	17,985.77	2,128.91	30,114.68		22,168.67	7,946.01
Tax Collector:						
Salaries and Wages		19,186.14	19,186.14			19,186.14
Other Expenses		7,311.82	7,311.82		75.82	7,236.00
Auditing:						
Other Expenses		7,000.00	7,000.00			7,000.00

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>Planning and Community Development</u>						
Administration:						
Salaries and Wages		\$ 20,755.68	\$ 20,755.68		\$ 604.46	\$ 20,151.22
Other Expenses	\$ 12,764.85	27,552.79	40,317.64		10,096.82	30,220.82
Planning Board:						
Other Expenses	13,933.84	10,432.07	24,365.91		1,737.13	22,628.78
Board of Adjustment:						
Other Expenses	5,899.90	2,589.99	8,489.89		3,495.79	4,994.10
<u>Administration and Code Enforcement Department</u>						
Salaries and Wages		36,279.45	36,279.45		3,127.31	33,152.14
Other Expenses	11,724.98	40,722.53	52,447.51		25,702.30	26,745.21
<u>Police Department</u>						
Salaries and Wages		455,059.06	455,059.06		43,369.30	411,689.76
Other Expenses	132,702.74	10,332.75	143,035.49		113,254.89	29,780.60
Police & Fire Alarm System	10,838.61	70,635.27	81,473.88		52,990.15	28,483.73
<u>Fire Department</u>						
Salaries and Wages		216,968.00	216,968.00		10,861.35	206,106.65
Other Expenses	69,233.24	91,067.37	160,300.61		47,418.51	112,882.10
<u>Public Works Department</u>						
Community Services Administration:						
Salaries and Wages		30,023.55	30,023.55			30,023.55
Other Expenses	687.75	7,356.41	8,044.16		168.54	7,875.62
Engineering:						
Salaries and Wages		7,228.38	7,228.38		1,600.00	5,628.38
Other Expenses	7,970.50	769.15	8,739.65		7,970.50	769.15

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>Public Works Department</u>						
Street Repairs and Maintenance:						
Salaries and Wages		\$ 7,820.26	\$ 7,820.26		\$ 6,833.90	\$ 986.36
Other Expenses	\$ 5,043.89	15,294.35	20,338.24		6,473.97	13,864.27
Sanitary and Storm Sewer Maintenance:						
Salaries and Wages		3,712.50	3,712.50		3,686.94	25.56
Other Expenses	221.57	4,009.62	4,231.19		221.57	4,009.62
Refuse Collection and Disposal:						
Salaries and Wages		24,949.95	24,949.95		24,736.36	213.59
Other Expenses	6,313.80	46,870.77	53,184.57		5,396.70	47,787.87
Storm Clearance:						
Salaries and Wages		42,104.29	42,104.29			42,104.29
Other Expenses	23,001.31	165,835.83	108,837.14		27,604.23	81,232.91
Traffic:						
Salaries and Wages		4,088.61	4,088.61		4,025.41	63.20
Other Expenses	1,244.03	6,668.83	7,912.86		660.80	7,252.06
Central Garage Operation:						
Salaries and Wages		5,862.25	5,862.25		5,764.14	98.11
Other Expenses	10,550.55	16,997.70	27,548.25		10,658.92	16,889.33
Building Maintenance:						
Salaries and Wages		2,182.53	2,182.53		2,040.71	141.82
Other Expenses	12,819.51	7,858.07	20,677.58		13,392.19	7,285.39
Parks Maintenance:						
Salaries and Wages		7,018.08	7,018.08		6,947.56	70.52
Other Expenses	14,647.78	33,468.51	48,116.29		33,167.44	14,948.85
Shade Trees:						
Salaries and Wages		3,757.74	3,757.74		3,615.43	142.31
Other Expenses		72,589.38	72,589.38		2.70	72,586.68

TOWNSHIP OF MONTCLAIR
CURRENT FUND

A-19
Sheet # 4

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>Parks, Recreation and Cultural Affairs Department</u>						
Recreation Programs:						
Salaries and Wages		\$ 26,509.98	\$ 26,509.98			\$ 26,509.98
Other Expenses	\$ 4,998.64	14,133.43	19,132.07		\$ 4,383.51	14,748.56
<u>Health and Human Services Department</u>						
Health Services:						
Salaries and Wages		143,286.64	143,286.64		1,825.54	141,461.10
Other Expenses	3,619.42	11,560.97	15,180.39		3,300.04	11,880.35
Senior Services:						
Salaries and Wages	1,362.00	40,430.91	41,792.91	\$ 14,561.00	3,323.16	53,030.75
Nursing Services:						
Salaries and Wages		35,742.76	35,742.76			35,742.76
Animal Control:						
Salaries and Wages		23,200.59	23,200.59		1,282.37	21,918.22
Other Expenses	7,923.83	26,548.40	34,472.23		14,803.30	19,668.93
<u>Miscellaneous and Other</u>						
Refuse Tipping Fees:						
Other Expenses	22,608.26	58,169.86	160,778.12		151,711.78	9,066.34
Montclair Ambulance Unit						
Other Expenses		15,000.00	15,000.00			15,000.00
Adult School						
Insurances:						
Liability	88,977.79	148,722.71	237,700.50		171,266.82	66,433.68
Health Benefit Wavier		13,524.28	13,524.28			13,524.28
Employee Group Insurance	6,025.70	148,943.03	154,968.73		82,719.67	72,249.06

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>Special Programs and Activities</u>						
Parks, Recreation and Cultural Affairs:						
Other Expenses	\$ 3,898.06	\$ 29,579.87	\$ 33,477.93		\$ 6,455.25	\$ 27,022.68
<u>Uniform Construction Code - Appropriations Offset by Dedicated Revenues</u>						
Salaries and Wages		47,148.29	47,148.29		2,065.59	45,082.70
Other Expenses	1,125.31	57,068.14	58,193.45		782.18	57,411.27
<u>Unclassified</u>						
Utilities:						
Gasoline		23,937.33	23,937.33		17,389.11	6,548.22
Fuel - Diesel	13,783.39	25,359.22	39,142.61		31,304.59	7,838.02
Electricity	121,151.64	133,517.47	244,669.11		145,349.19	99,319.92
Telephone	11,959.17	21,420.53	83,379.70		45,493.50	37,886.20
Natural Gas	26,387.79	14,094.94	50,482.73		50,482.73	
Street Lighting	119,714.39	239,566.32	309,280.71		309,280.71	
<u>Contingent</u>		3,500.00	3,500.00			3,500.00
<u>Statutory Expenditures</u>						
Social Security System (OASI)		97,557.57	97,557.57	\$ 4,262.53		101,820.10
Defined Contribution Retirement Plan		2.06	2.06			2.06
<u>Total Appropriations Within "CAPS"</u>	<u>1,031,213.44</u>	<u>3,639,241.77</u>	<u>4,670,455.21</u>	<u>18,823.53</u>	<u>1,796,143.20</u>	<u>2,893,135.54</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>Other Operations</u>						
Interlocal Nursing Services - Nutley		\$ 15,711.50	\$ 15,711.50		\$ 3,256.00	\$ 12,455.50
	-	15,711.50	15,711.50		3,256.00	12,455.50
Total Appropriations Excluded from "CAPS"	-	15,711.50	15,711.50	-	3,256.00	12,455.50
Total	\$ 1,031,213.44	\$ 3,654,953.27	\$ 4,686,166.71	\$ 18,823.53	\$ 1,799,399.20	\$ 2,905,591.04
<u>Ref.</u>	A	A		A-4	A-4	A-1

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

DUE TO STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2019

A-20

	<u>Ref.</u>	<u>Total</u>	<u>Construction Training Fees</u>	<u>Marriage Surcharge Fees</u>
Balance, December 31, 2018	A	\$ 19,909.00	\$ 18,368.00	\$ 1,541.00
Increased by:				
Collections	A-4	<u>129,885.00</u>	<u>125,460.00</u>	<u>4,425.00</u>
		149,794.00	143,828.00	5,966.00
Decreased by:				
Payments	A-4	<u>124,141.00</u>	<u>119,566.00</u>	<u>4,575.00</u>
Balance, December 31, 2019	A	<u>\$ 25,653.00</u>	<u>\$ 24,262.00</u>	<u>\$ 1,391.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

RESERVE FOR REVALUATION
YEAR ENDED DECEMBER 31, 2019

A-21

	<u>Ref.</u>	
Balance, December 31, 2018	A	\$ 44,325.40
Decreased by:		
Cash Disbursements	A-4	<u>44,325.40</u>
Balance, December 31, 2019		<u><u>\$</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2019

A-22

	<u>Ref.</u>		
Balance, December 31, 2018	A		\$ 128,834.60
Increased by:			
Due County of Essex	A-2b,5	\$ 140,541.21	
Cash Receipts	A-4	<u>1,938.68</u>	
			<u>142,479.89</u>
			271,314.49
Decreased by:			
Cash Disbursements	A-4	128,201.61	
Canceled	A-1	<u>632.99</u>	
			<u>128,834.60</u>
Balance, December 31, 2019	A		<u><u>\$ 142,479.89</u></u>
<u>Analysis of Balance</u>			
Other			\$ 1,938.68
PILOT - Due to County of Essex			<u>140,541.21</u>
			<u><u>\$ 142,479.89</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

PAYMENTS IN LIEU OF TAXES - OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2019

A-23

	<u>Ref.</u>		
Balance, December 31, 2018	A		\$ 43,333.23
Increased by:			
Cash Receipts	A-5		48,285.51
			<u>91,618.74</u>
Decreased by:			
Applied to Revenue Accounts Receivable	A-14		40,958.61
			<u>40,958.61</u>
Balance, December 31, 2019	A		<u>\$ 50,660.13</u>

TAX OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2019

A-24

Balance, December 31, 2018	A		\$ 1,171,673.62
Increased by:			
State Tax Court Judgments	A-1	\$ 159,549.51	
Cash Receipts	A-5	<u>305,017.01</u>	
			<u>464,566.52</u>
			1,636,240.14
Decreased by:			
Refunds	A-4	219,403.40	
Applied to Taxes Receivable	A-9	<u>686,913.87</u>	
			<u>906,317.27</u>
Balance, December 31, 2019	A		<u>\$ 729,922.87</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2019

A-25

	Ref.	Total	Federal and State Grant Fund	General Trust Fund
Balance, December 31, 2018	A	\$ 403,468.56	\$ 403,468.56	
Increased by:				
Budget Appropriation	A-3	570,171.12	570,171.12	
Transferred from/to Interfunds Receivable	A-16	436,098.17		\$ 436,098.17
Advances	A-4	569,064.47	569,064.47	
Cancellation of Grants Receivable	A-1	26,739.00	26,739.00	
		<u>1,602,072.76</u>	<u>1,165,974.59</u>	<u>436,098.17</u>
		<u>2,005,541.32</u>	<u>1,569,443.15</u>	<u>436,098.17</u>
Decreased by:				
Settlements	A-4	971,815.49	971,815.49	
Revenues Anticipated	A-2a	570,171.12	570,171.12	
Cancellation of Grant Reserves	A-1	27,456.54	27,456.54	
		<u>1,569,443.15</u>	<u>1,569,443.15</u>	
Balance, December 31, 2019	A	<u>\$ 436,098.17</u>	<u>\$ -</u>	<u>\$ 436,098.17</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

COUNTY TAXES
YEAR ENDED DECEMBER 31, 2019

A-26

	<u>Ref.</u>		
Balance, December 31, 2018	A		\$ 102,044.58
Increased by:			
Tax Levy		\$ 36,896,728.05	
Open Space		1,184,410.39	
Added and Omitted		<u>128,910.28</u>	
	A-1, A-2c, A-9		<u>38,210,048.72</u>
			<u>38,312,093.30</u>
Decreased by:			
Payments	A-4		<u>38,183,182.96</u>
Balance, December 31, 2019	A		<u><u>\$ 128,910.34</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

LOCAL SCHOOL DISTRICT TAX
YEAR ENDED DECEMBER 31, 2019

A-27

	<u>Ref.</u>	
Balance, December 31, 2018	Below	\$ 57,970,639.00
Increased by:		
Levy - School Year July 1, 2019 to June 30, 2020	A-1, A-2c, A-9	118,260,105.00
		<u>176,230,744.00</u>
Decreased by:		
Payments	A-4	117,100,692.00
		<u>117,100,692.00</u>
Balance, December 31, 2019:		
Deferred School Tax	Below	\$ 48,754,849.00
School Tax Payable	A	10,375,203.00
		<u>10,375,203.00</u>
		<u>\$ 59,130,052.00</u>
<u>Analysis of Deferred School Tax</u>		
Deferred School Tax December 31, 2019	Above	\$ 48,754,849.00
Deferred School Tax December 31, 2018	Above	48,754,849.00
		<u>\$ -</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

SPECIAL IMPROVEMENT DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2019

A-28

	<u>Ref.</u>	
Balance, December 31, 2018	A	\$ 2,601.06
Increased by:		
2019 Tax Levy	A-1, A-2c, A-9	<u>597,300.00</u>
		599,901.06
Decreased by:		
Payments	A-4	<u>599,901.06</u>
Balance, December 31, 2019		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

NOTE PAYABLE
YEAR ENDED DECEMBER 31, 2019

A-29

	<u>Ref.</u>	
Balance, December 31, 2018	A	\$ 600,000.00
Decreased by:		
Cash Disbursement	A-4	<u>200,000.00</u>
Balance, December 31, 2019	A	<u><u>\$ 400,000.00</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

PREPAID TAXES
YEAR ENDED DECEMBER 31, 2019

A-30

	<u>Ref.</u>		
Balance, December 31, 2018	A		\$ 1,028,324.21
Increased by:			
Cash Receipts	A-5		<u>1,242,809.17</u>
			2,271,133.38
Decreased by:			
Applied to Taxes Receivable	A-9	\$ 1,006,438.12	
Applied to PILOT	A-14	<u>21,886.00</u>	
			<u>1,028,324.12</u>
Balance, December 31, 2019	A		<u><u>\$ 1,242,809.26</u></u>
 <u>Analysis of Balance</u>			
Prepaid Taxes			\$ 1,223,957.28
Prepaid PILOTS			<u>18,851.98</u>
			<u><u>\$ 1,242,809.26</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

DUE TO ESSEX COUNTY
FEDERAL AND STATE GRANT FUND
YEAR ENDED DECEMBER 31, 2019

A-31

	<u>Ref.</u>	
Balance, December 31, 2018	A	<u>\$ 86,975.50</u>
Balance, December 31, 2019	A	<u><u>\$ 86,975.50</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
FEDERAL AND STATE GRANT FUND

APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2019

A-32
Sheet#1

	Balance Dec. 31, 2018	Transferred from Budget Appropriation	Added by NJSA 40A-4-87	Expended Cash Disbursements	Encumbered	Canceled	Balance Dec. 31, 2019
HEALTH DEPARTMENT							
Emergency Preparedness Grant - 2009	\$ 22.85			\$ 22.85			
State of N.J. Tobacco Control	5,320.53			235.00			\$ 5,085.53
2010 Mountainside Health Foundation	3,707.67			3,707.67			
2013 National	2,559.84			2,559.84			
Partners for Health - Edgemont grant	7,455.15			1,710.29			5,744.86
2014 National Association of County Health Officers	1,258.05			925.34			332.71
Div of Aging - Health Officer Grant	3,500.00						3,500.00
ANJEC - open space	294.36					\$ 294.36	
Albert Terhune	47.16					47.16	
Microgrid Feasibility Study	142,480.00			142,480.00			
Eat Better Grant	2,019.92			600.00			1,419.92
Local Food Promotion grant	5,773.88						5,773.88
NJ Healthy Corner Store	530.89						530.89
Mayors Wellness Program	2,945.22			110.47			2,834.75
PFH Lock Box Grant	3,797.00						3,797.00
Maddie's Fund - Dog	1,500.00						1,500.00
Maddie's Fund - Cat	1,000.00			930.09			69.91
Seniors in Taxis	2,167.40						2,167.40
Association of Health Officials	2,320.00						2,320.00
2018-19 PARTNERS FOR HEALTH - \$20000	11,808.02			9,601.24	\$ 555.00		1,651.78
Essex County Visiting Nurses Grant	17,261.00			14,561.00		2,700.00	
Essex County Visiting Nurses Grant		\$ 14,561.00					14,561.00
2018-19 1st Half MCIA Grant	18,332.94			17,392.34		940.60	
2018-19 MCIA 2nd half (Jan 19 - June 19)	-	24,255.00		23,581.57		673.43	
Childhood Lead Exposure Grant 2018 - first half	60,983.27			60,983.27			
Childhood Lead Exposure Grant (7/1/19 - 6/30/20)			\$ 122,500.00	41,378.47			81,121.53
2018 MONTCL INSTITUTE LIFELONG LEARNING	924.00			487.50			436.50
Community Impact Award - LLM		3,334.00		2,500.00			834.00
Community Impact Award - SCAC		3,333.00		2,500.00			833.00
Animal Shelter - FOMTAS		18,000.00		4,835.54		13,164.46	
Animal Shelter - FOMTAS - Summer Intern		1,560.00		1,560.00			
Seniorama Grant			1,320.00	1,320.00			
MCIA-Municipal Alliance grant 2019-20			47,510.00	8,460.43			39,049.57
2019 PLANNING IN PARTNERSHIP GRANT			84,750.00				84,750.00
2020-21 MCIA grant R-19-203			40,698.00				40,698.00

TOWNSHIP OF MONTCLAIR
FEDERAL AND STATE GRANT FUND

APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2019

A-32
Sheet#2

	Balance Dec. 31, 2018	Transferred from Budget Appropriation	Added by NJSA 40A-4-87	Expended Cash Disbursements	Encumbered	Canceled	Balance Dec. 31, 2019
POLICE DEPARTMENT							
2017 Body Armor Replacement Fund	\$ 3,177.20			\$ 3,177.20			
DDEF	12,093.20			6,933.02	\$ 3,275.00		\$ 1,885.18
National Crime Statistics Exchange Implantation	20,000.00				20,000.00		
2018-19 Pedestrian Safety Grant	22,525.00			22,515.00		\$ 10.00	
2018-19 Bicycle Safety Grant	11,340.00			11,340.00			
Drive Sober Grant	3,025.00			3,025.00			
Distracted Driving Grant		\$ 5,500.00		5,500.00			
Body Armor Grant		10,509.86		9,728.95			780.91
Bulletproof Vest		6,944.00		5,941.85			1,002.15
2019 Click it or Ticket			\$ 5,500.00	5,500.00			
2019-20 Pedestrian Safety grant			25,000.00	8,650.00			16,350.00
2019-20 Bicycle Safety grant			12,000.00				12,000.00
DCS							
2017 Clean Communities Grant	29,449.09						29,449.09
2014 Recycling grant rec'd in 2017	30,903.52						30,903.52
2014 Recycling grant rec'd in 2017	34,086.18						34,086.18
2018 CLEAN COMMUNITIES GRANT	67,431.69						67,431.69
2016 Recycling Tonnage rec'd in 2019		39,830.85					39,830.85
2019 Clean Communities grant			75,253.30				75,253.30
FIRE							
FEMA - Assistance to Firefighter: 2004	12,603.48						12,603.48
Essex County - Hurricane Sandy	31,946.00			31,946.00			
Generator Grant	173,000.00			164,500.00			8,500.00
Matching Funds - Generator grant	43,000.00			43,000.00			
FEMA generator additional grant	16,110.00			16,110.00			
NJEDA - Hazardous Discharge							
NJEDA - Hazardous Discharge	29.03						29.03
NJEDA - Hazardous Discharge	11,011.82				7,189.15		3,822.67
NJEDA - Hazardous Discharge	4,090.96			3,971.23			119.73
EDA-Orange Road	9,159.00					9,159.00	
2018-EDA Orange Road	41,022.00			19,754.15	21,267.85		
2019 Historic Preservation		24,999.00		24,820.00		179.00	
IT & COMMUNICATIONS							
Cable Communication Grant	5,288.53					288.53	5,000.00
Municipal Court							
Alcohol, Education and Rehab	11,422.31		2,813.11				14,235.42
	<u>\$ 890,723.16</u>	<u>\$ 152,826.71</u>	<u>\$ 417,344.41</u>	<u>\$ 728,855.31</u>	<u>\$ 52,287.00</u>	<u>\$ 27,456.54</u>	<u>\$ 652,295.43</u>
Reference	A	A-17	A-17	A-17	A	A-17	A

TOWNSHIP OF MONTCLAIR
CURRENT FUND

ACCUMULATED REVENUE UNAPPROPRIATED
YEAR ENDED DECEMBER 31, 2019

A-33

	Balance Dec. 31, 2018	Increase	Decrease	Balance Dec. 31, 2019
<u>Current Fund</u>				
Proceeds from Sale of Municipal Assets	\$ 539,193.61	\$ -	\$ 212,575.53	\$ 326,618.08
<u>Ref.</u>	A		A-2a, A-14	A
 <u>Federal and State Grant Fund</u>				
Comcast Grant	\$ 5,000.00			\$ 5,000.00
Community Impact Award - SCAC	3,334.00		3,334.00	
Donation - Albert Payson Terhune	3,333.00		3,333.00	
	\$ 11,667.00	\$ -	\$ 6,667.00	\$ 5,000.00
<u>Ref.</u>	A		A-15	A

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

CASH RECEIPTS AND DISBURSEMENTS - TREASURER
YEAR ENDED DECEMBER 31, 2019

B-2

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>Trust Fund</u>	<u>Section 8 Housing</u>	<u>Assessment Trust Fund</u>	<u>Payroll Account</u>
Balance, December 31, 2018	B	\$ 130,427.17	\$ 3,784,429.03	\$ 344,475.58	\$ 31,835.69	\$ 393,554.44
Increased by:						
Community Development Block Grants	B-6		\$ 185,015.00			
Fund Balance	B-1				\$ 10,368.38	
Interfunds Receivable	B-7		6,500,000.00			
Various Reserves and Deposits	B-9		10,586,528.62			
Section 8 Voucher Program	B-13			\$ 2,412,533.49		
State Registration Fees	B-8	\$ 1,464.40				
Interfunds Payable	B-10		5,370,661.18			
Donations for Animal Shelter	B-14	7,509.38				
Collection of Animal Control Fees	B-16	12,918.20				
Payroll Accounts	B-15					\$ 44,306,076.10
Flexible Spending Transfers	B-17					53,828.64
Police Forfeiture Receipts	B-4		7,927.91			
State Unemployment Compensation Insurance	B-11		231,283.78			
		<u>21,891.98</u>	<u>231,283.78</u>		<u>10,368.38</u>	<u>44,359,904.74</u>
		<u>152,319.15</u>	<u>22,881,416.49</u>	<u>2,412,533.49</u>	<u>42,204.07</u>	<u>44,753,459.18</u>
Decreased by:						
Interfunds Receivable	B-7		2,500,000.00			
Payments to State	B-8	1,459.00				
Various Reserves and Deposits	B-9		10,356,139.34			
Interfunds Payable	B-10		5,555,342.31		21,743.58	
Community Development Block Grants	B-12		185,603.00			
Prior Year Section 8 Accounts Payable	B			4,135.00		
Section 8 Voucher Program	B-13			2,563,326.00		
Animal Shelter Expenditures	B-14	14,255.99				
Payroll Deductions and Other Payments	B-15					44,320,609.71
Flexible Spending Payments	B-17					52,219.49
Expenditures Under R.S. 4:19-15.11	B-16	1,767.29				
Police Forfeiture Expenditures	B-4		9,022.96			
Unemployment Claims Payable	B-11		81,030.17			
		<u>17,482.28</u>	<u>81,030.17</u>	<u>2,567,461.00</u>	<u>21,743.58</u>	<u>44,372,829.20</u>
Balance, December 31, 2019	B	<u>\$ 134,836.87</u>	<u>\$ 7,978,707.74</u>	<u>\$ 189,548.07</u>	<u>\$ 20,460.49</u>	<u>\$ 380,629.98</u>
			General Trust B \$ 7,629,417.95			
			Forfeited Assets B 49,567.75			
			S.U.I B 299,722.04			
			<u>\$ 7,978,707.74</u>			

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

ANALYSIS OF ASSESSMENT CASH AND INVESTMENTS
YEAR ENDED DECEMBER 31, 2019 AND 2018

B-3

	Balance December 31, 2018	Receipts Assessments Receivable	Disbursements Other	Balance December 31, 2019
<u>General Accounts</u>				
Fund Balance	\$ 10,092.11	\$ 10,368.38		\$ 20,460.49
Current Fund Interfund	21,743.58		\$ 21,743.58	-
	<u>\$ 31,835.69</u>	<u>\$ 10,368.38</u>	<u>\$ 21,743.58</u>	<u>\$ 20,460.49</u>
Ref.	B	B-1	B-10	B

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR POLICE FORFEITURE EXPENDITURES
YEAR ENDED DECEMBER 31, 2019

B-4

	<u>Ref.</u>		
Balance, December 31, 2018	B		\$ 50,662.80
Increased by:			
Interest Earned	B-2	\$ 1,103.91	
Receipts from County of Essex	B-2	<u>6,824.00</u>	
			<u>7,927.91</u>
			58,590.71
Decreased by:			
Expenditures	B-2		<u>9,022.96</u>
Balance, December 31, 2019	B		<u><u>\$ 49,567.75</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

DUE FROM MONTCLAIR HOUSING AGENCY
YEAR ENDED DECEMBER 31, 2019

B-5

	<u>Ref.</u>	
Balance at December 31, 2018	B	\$ 33,480.85
Decreased by:		
Write-Off Balance	B-10	<u>33,480.85</u>
Balance, December 31, 2019		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

B-6

Program Year	Description	Balance Dec. 31, 2018	2019 Grants	Collections	Transfer to Capital Fund	Canceled	Balance Dec. 31, 2019
2019	Maple/Woodland Avenue Sewer Repair		\$ 196,580.00				\$ 196,580.00
2019	ADA Improvements to Pine St. & Valley Rd. Fire Stations		42,300.00				42,300.00
2019	Contra - Subrecipient Awards		95,920.00				95,920.00
2018	Woodland Avenue & Wheeler Street	\$ 112,340.00			\$ 112,340.00		
2018	Fulton & Miller Streets	89,320.00			89,320.00		
2018	Contra - Subrecipient Awards	98,340.00		\$ 98,340.00			
2017	Town - Lackawanna Plaza	137,200.00		86,675.00		\$ 50,525.00	
2017	Pedestrian Mobility Improvements	15,050.00				15,050.00	
2015	Shelter Improvements - Edgemont Park	9,000.00					9,000.00
		<u>\$ 461,250.00</u>	<u>\$ 334,800.00</u>	<u>\$ 185,015.00</u>	<u>\$ 201,660.00</u>	<u>\$ 65,575.00</u>	<u>\$ 343,800.00</u>
	<u>Ref.</u>	B	B-12	B-2	B-12	B-12	B

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

B-7

	Ref.	Total General Trust Fund	General Trust Fund	
			General Capital Fund	Current Fund
Balance, December 31, 2018	B	\$ 4,000,000.00	\$ 4,000,000.00	\$ -
Increased by:				
Advances	B-2	2,500,000.00	2,500,000.00	-
Transfer from Interfunds Payable	B-10	436,098.17		436,098.17
		<u>2,936,098.17</u>	<u>2,500,000.00</u>	<u>436,098.17</u>
		<u>6,936,098.17</u>	<u>6,500,000.00</u>	<u>436,098.17</u>
Decreased by:				
Settlements	B-2	<u>6,500,000.00</u>	<u>6,500,000.00</u>	
Balance, December 31, 2019	B	<u>\$ 436,098.17</u>	<u>\$ -</u>	<u>\$ 436,098.17</u>

TOWNSHIP OF MONTCLAIR
TRUSTS FUNDS

B-8

DUE TO STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2019

	<u>Ref.</u>	
Balance, December 31, 2018	<u>B</u>	\$ 5.40
Increased by:		
Registration Fees		\$ 1,023.00
Pilot Clinic Fund Fees		204.40
Population Control Fees		<u>237.00</u>
	B-2	<u>1,464.40</u>
		1,469.80
Decreased by:		
Payments	B-2	<u>1,459.00</u>
Balance, December 31, 2019	B	<u><u>\$ 10.80</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL TRUST FUND

B-9

SPECIAL DEPOSITS
YEAR ENDED DECEMBER 31, 2019

	Balance <u>Dec. 31, 2018</u>	<u>Adjustments</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Due from Current Fund</u>	<u>Reserve for Encumbrances</u>	<u>Balance Dec. 31, 2019</u>
Recycling Program	\$ 359,318.71		\$ 1,276,399.17	\$ 1,267,249.66		\$ 100,037.00	\$ 268,431.22
Railroad Station Projects	299,331.81			15,290.69			284,041.12
Parking Adjudication Fines	245,819.19		42,302.00				288,121.19
D.A.R.E Donations	3,147.13						3,147.13
Uniform Fire Safety Act	18,309.78		324,124.07	104,739.53		19,634.01	218,060.31
Child Fire Safety			3,212.64				3,212.64
Police Off-Duty			1,731,209.49	1,731,209.49			
Firemen Off-Duty			708.00	708.00			
Reserve for First Nite	9,959.94						9,959.94
DCS - Inspection Escrow	5,000.00						5,000.00
Planning Escrow Deposits	321,250.67		191,912.45	237,693.88		5,584.45	269,884.79
Rental Security		\$ 13,150.00	9,900.00				23,050.00
Walnut street	3,150.00	(3,150.00)					
Bellevue Avenue	9,000.00	(9,000.00)					
Mountain Avenue	1,000.00	(1,000.00)					
LEA - Penalty Account	331,614.76		515,053.95	692,508.41		54,160.30	100,000.00
Snow Removal	850,360.98			375,226.47	\$ 436,553.78		911,688.29
Collector's Redemption Account	46,118.28		2,494,675.89	2,325,570.06			215,224.11
Public Defender Application Fees	9,418.00		34,255.00	22,750.00		4,500.00	16,423.00
Recreation	40,160.22	32.00	17,740.00	10,387.85		7,250.00	40,294.37
Reserve for 4th of July	32.00	(32.00)					
Contributions - Archival Project	3,825.00		4,707.42				8,532.42
Open Space	103,231.58		1,350.73				104,582.31
Health Program	126,784.07		4,132.96	4,781.51			126,135.52
Voucher Program - COAH	798,081.56		213,388.10	42,990.35		39,500.00	928,979.31
Accumulated Absences	2,245,026.35		1,256,469.39	1,838,733.44			1,662,762.30
Premium on Tax Sales	1,525,000.00		2,467,700.00	1,666,100.00			2,326,600.00
Church Street Circle Fountain			40,000.00	20,200.00		8,650.00	11,150.00
Other	920.40	(0.01)					920.39
	<u>\$ 7,355,860.43</u>	<u>\$ (0.01)</u>	<u>\$ 10,629,241.26</u>	<u>\$ 10,356,139.34</u>	<u>\$ 436,553.78</u>	<u>\$ 239,315.76</u>	<u>\$ 7,826,200.36</u>

Ref.	B	B-12	Below	B-2	B-10	B	B
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Cash Received	B-2		\$ 10,586,528.62
Cancellation of Interfund	B-10		42,712.64
			<u>\$ 10,629,241.26</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUSTS FUNDS

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2019

B-10

		<u>General Trust Fund</u>	<u>Assessment Trust Fund</u>
	<u>Ref.</u>	<u>Current Fund</u>	<u>Current Fund</u>
Balance, December 31, 2018	B	\$ 261,330.23	\$ 21,743.58
Increased by:			
Transfer to Interfunds Receivable	B-9	436,098.17	
Cash Receipts	B-2	<u>5,370,661.18</u>	
		<u>6,068,089.58</u>	<u>21,743.58</u>
Decreased by:			
Interfund Canceled	B-9	42,712.64	
Write-Off Due to Montclair Housing	B-5	33,480.85	
Special Deposits	B-9	436,553.78	
Settlements	B-2	<u>5,555,342.31</u>	<u>21,743.58</u>
		<u>6,068,089.58</u>	<u>21,743.58</u>
Balance, December 31, 2019		<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR STATE UNEMPLOYMENT TRUST FUND EXPENDITURES
YEAR ENDED DECEMBER 31, 2019

B-11

	<u>Ref.</u>		
Balance, December 31, 2018	B		\$ 149,468.43
Increased by:			
Interest Earned	B-2	\$ 2,422.54	
Budget Appropriation	B-2	178,780.00	
Reimbursement	B-2	<u>50,081.24</u>	
			<u>231,283.78</u>
			<u>380,752.21</u>
Decreased by:			
Unemployment Claims Payable	B-2		<u>81,030.17</u>
Balance, December 31, 2019	B		<u><u>\$ 299,722.04</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT EXPENDITURES
YEAR ENDED DECEMBER 31, 2019

B-12

Program Year	Analysis of Balance	Balance Dec. 31, 2018	2019 Grants	Expenditures	Transferred to Capital Fund	Canceled	Adjustment	Balance Dec. 31, 2019
2019	Maple/Woodland Avenue Sewer Repair		\$ 196,580.00					\$ 196,580.00
2019	ADA Improvements to Pine St. & Valley Rd. Fire Stations		42,300.00					42,300.00
2019	Contra - Subrecipient Awards		95,920.00					95,920.00
2018	Woodland Avenue & Wheeler Street	\$ 112,340.00			\$ 112,340.00			
2018	Fulton & Miller Streets	89,320.00			89,320.00			
2018	Contra - Subrecipient Awards	98,340.00		\$ 98,340.00				
2017	Town - Lackawanna Plaza	137,200.00		86,675.00		\$ 50,525.00		
2017	Contra - Subrecipient Awards	587.99		588.00			\$ 0.01	
2017	Pedestrian Mobility Improvements	15,050.00				15,050.00		
2015	Shelter Improvements - Edgemont Park	9,000.00						9,000.00
		<u>\$ 461,837.99</u>	<u>\$ 334,800.00</u>	<u>\$ 185,603.00</u>	<u>\$ 201,660.00</u>	<u>\$ 65,575.00</u>	<u>\$ 0.01</u>	<u>\$ 343,800.00</u>
<u>Ref.</u>		B	B-6	B-2	B-6	B-6	B-9	B

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR SECTION 8 VOUCHER PROGRAM
YEAR ENDED DECEMBER 31, 2019

B-13

	<u>Ref.</u>		
Balance, December 31, 2018	B		\$ 340,340.58
Increased by:			
Housing and Urban Development Assistance:			
Cash Received		\$ 2,306,566.00	
Other Revenue		99,424.22	
Interest Earned		<u>6,543.27</u>	
	B-2		<u>2,412,533.49</u>
			<u>2,752,874.07</u>
Decreased by:			
Housing Assistance Payments - Includes			
HAP Portability-In	Below	2,565,911.00	
Accounts Payable - Administrative	B	<u>4,625.00</u>	
			<u>2,570,536.00</u>
Balance, December 31, 2019	B		<u><u>\$ 182,338.07</u></u>
Cash Disbursements			
Reserve for Encumbrances	B-2	\$ 2,563,326.00	
	B	<u>2,585.00</u>	
		<u><u>2,565,911.00</u></u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR ANIMAL SHELTER EXPENDITURES
YEAR ENDED DECEMBER 31, 2019

B-14

	<u>Ref.</u>		
Balance, December 31, 2018	B		\$ 98,828.01
Increased by:			
Excess Animal Control Receipts	B-16	\$ 11,659.71	
Donations	B-2	<u>7,509.38</u>	
			<u>19,169.09</u>
			117,997.10
Decreased by:			
Expenditures	B-2		<u>14,255.99</u>
Balance, December 31, 2019	B		<u><u>\$ 103,741.11</u></u>

ANALYSIS OF PAYROLL ACTIVITY
YEAR ENDED DECEMBER 31, 2019

B-15

	<u>Ref.</u>		
Balance, December 31, 2018	B		\$ 387,827.39
Increased by:			
Gross Payroll		\$ 42,790,206.27	
Employer FICA Contribution		<u>1,515,869.83</u>	
	B-2		<u>44,306,076.10</u>
			44,693,903.49
Decreased by:			
Cash Disbursements	B-2		<u>44,320,609.71</u>
Balance, December 31, 2019	B		<u><u>\$ 373,293.78</u></u>
<u>Analysis of Balance</u>			
Public Employees Retirement System			\$ 97,942.87
Police and Fire Retirement System			214,869.61
Retro Pension			11,213.78
Other			<u>49,267.52</u>
			<u><u>\$ 373,293.78</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES
YEAR ENDED DECEMBER 31, 2019

B-16

	<u>Ref.</u>		
Balance, December 31, 2018	B		\$ 31,593.76
Increased by:			
Dog License Fees Collected		\$ 11,051.40	
Late Fees		790.00	
Cat License Fees Collected		<u>1,076.80</u>	
	B-2		<u>12,918.20</u>
			<u>44,511.96</u>
Decreased by:			
Expenditures Under R.S. 4:19-15.11	B-2	1,767.29	
Transferred to Animal Shelter Reserve	B-14	<u>11,659.71</u>	
			<u>13,427.00</u>
Balance, December 31, 2019	B		<u><u>\$ 31,084.96</u></u>

FLEXIBLE SPENDING ACCOUNT
YEAR ENDED DECEMBER 31, 2019

B-17

	<u>Ref.</u>		
Balance, December 31, 2018	B		\$ 5,727.05
Increased by:			
Transferred from Payroll Agency Account	B-2		<u>53,828.64</u>
			59,555.69
Decreased by:			
Cash Disbursements	B-2		<u>52,219.49</u>
Balance, December 31, 2019	B		<u><u>\$ 7,336.20</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED DECEMBER 31, 2019

C-2

	<u>Ref.</u>		
Balance, December 31, 2018	C		\$ 948,097.34
Increased by Receipts:			
Premium on Sale of Notes and Bonds	C-1	\$ 360,352.00	
Grants Receivable	C-4	383,967.50	
Deferred Charges to Future Taxation - Unfunded	C-6	196,043.66	
Capital Improvement Fund	C-8	400,000.00	
Interfunds Payable	C-9	6,926.39	
Reserve to Pay Debt Service	C-11	676,999.11	
Bond Anticipation Notes Issued	C-12	<u>19,517,441.00</u>	
			<u>21,541,729.66</u>
			<u>22,489,827.00</u>
Increased by Disbursements:			
Interfunds Payable	C-9	5,422,451.78	
Reserve to Pay Debt Service	C-11	102,769.13	
Improvement Authorizations	C-7	<u>15,954,056.43</u>	
			<u>21,479,277.34</u>
Balance, December 31, 2019	C		<u><u>\$ 1,010,549.66</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2019

	Receipts		Disbursements		Adjustments	Transfers		Balance December 31, 2019
	Balance December 31, 2018	Bond Anticipation Notes	Other	Improvement Authorizations		Other	From	
<u>Improvement Authorizations</u>								
General Improvements:								
#06-37	\$ 8,229.13					\$ 8,229.13		
#06-78	(176.99)		\$ 176.99					
#07-19	(35,223.41)		35,223.41					
#09-52b1	(100,611.00)		100,611.00					
#10-12	(11,087.00)		11,087.00					
#10-13	(15,187.32)						\$ 15,187.32	
#10-70	(48,944.26)		48,944.26					
#11-18	(5,867.60)						5,867.60	
#11-20	(0.26)						0.26	
#11-67	329.20					329.20		
#12-26	46,336.98	\$ 150,000.00		\$ 211,403.98	\$ 2,966.92		12,100.08	
#12-27	5,560.59					8,192.59	2,632.00	
#12-31	(295.31)	40,000.00	1.00	44,947.88	5,241.99		0.20	
#12-35	(91,494.14)					504.39	91,998.53	
#12-36	(96,110.37)	290,000.00		111,753.94	9,862.84	91,998.53		
#12-40	(11,050.00)				11,050.00			
#12-41	(29,993.25)	85,000.00		19,507.96	2,892.25	38,392.04	1.00	
#12-42	(93.36)				93.36			
#13-18	(7,608.16)			6,508.34	15,730.00	1,613.50		
#13-20	(36,650.90)						36,650.90	
#13-31	134.73					134.73		
#13-43	9,065.09					9,065.09		
#13-49	979.33					979.33		
#13-74	37,552.63					37,552.63		
#14-03/14-34	198,535.36	120,000.00			1,464.84	320,000.20		
#14-04	15,927.11				(15,927.11)			
#14-05/14-27	(145,121.50)	130,000.00			(59,702.68)		74,824.18	
#14-06	(9,671.29)	70,000.00		25,679.00	(1,262.81)	36,650.90	3,264.00	
#14-09	(700.00)				700.00			
#14-22	5,632.88					5,632.88		
#14-23	60,773.09					60,773.09		
#14-25	(30,804.72)	30,000.00			804.72			
#14-26	(5,080.84)				5,080.84			
#14-35	102,908.70				(327.39)	102,581.31		
#14-36	(183,564.78)	215,000.00		11,770.95	335.73	20,000.00		
#15-09	83,957.22			87,894.00			25,171.83	\$ 21,235.05
#15-35	100,107.61			30,679.83				69,427.78

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2019

	Receipts		Disbursements			Transfers		Balance December 31, 2019	
	Balance December 31, 2018	Bond Anticipation Notes	Other	Improvement Authorizations	Other	Adjustments	From		To
<u>Improvement Authorizations</u>									
<u>General Improvements (Continued):</u>									
#16-10	\$ (6,931.34)			\$ 100,000.00		\$ 20,996.50	\$ 16,800.20	\$ (50.00)	\$ (102,785.04)
#16-11	348,704.82			13,575.26			10,375.00		324,754.56
#16-32	(2,137,802.48)	\$ 2,500,000.00		148,378.85			131,601.43		82,217.24
#17-13	(17,675.28)	300,000.00	\$ 291,904.25	416,357.12			39,215.65		118,656.20
#17-23	(301,365.15)	1,000,000.00		767,630.51			95,700.40		(164,696.06)
#17-34	(271,291.19)							320,000.00	48,708.81
#18-19	(2,026,321.70)	5,500,000.00	92,063.25	2,736,858.80			900,980.69		(72,097.94)
#19-11		4,000,000.00		5,375,220.01			341,500.09	345,000.00	(1,371,720.10)
#19-27				64,120.77			76,479.23	60,000.00	(80,600.00)
Local Improvements:									
#17-24	2,588.00						2,588.00		
#17-31	23,780.00						23,780.00		
#16-29	49,815.00						49,815.00		
#16-30	5,117.00						5,117.00		
#16-31	4,085.00						4,085.00		
School Improvements:									
#06-30	45,545.31			13,747.75			31,797.56		
#07-26	176,776.00			88,703.00			88,073.00		
#08-14	75,625.69						75,626.69	1.00	
#10-28	105,526.70						105,526.70		
#11-41	(310,428.36)	300,000.00		2,646.00					(13,074.36)
#12-32	(213,468.66)	250,000.00		154,475.30				80,488.00	(37,455.96)
#13-17/13-67	(765.37)			51,683.67					(52,449.04)
#15-24	(51,669.20)	237,440.00		18,734.03			80,489.00		86,547.77
#16-12	(141,225.50)	300,000.00		160,778.05					(2,003.55)
#18-17	(232,193.00)	2,500,000.00		2,938,882.73					(671,075.73)
#19-02				371,118.70					(371,118.70)
#19-06		1,500,000.00		1,981,000.00					(481,000.00)
Excess Funding Other Accounts								49.93	49.93
Fund Balance	1,792,663.97		360,353.00				1,415,533.03	395,950.32	1,133,434.26
Capital Improvement Fund	63,937.83		400,000.00				405,000.00	85,385.00	144,322.83
Reserve for Encumbrances								1,672,658.03	1,672,658.03
General Trust Fund	4,000,000.00				\$ 4,000,000.00				
Current Fund Interfund	584.13		6,926.39		1,422,451.78			1,415,533.03	591.77
Reserve for Debt Service	153,791.93		676,999.11		102,769.13				728,021.91
	<u>\$ 948,097.34</u>	<u>\$ 19,517,440.00</u>	<u>\$ 2,024,289.66</u>	<u>\$ 15,954,056.43</u>	<u>\$ 5,525,220.91</u>	<u>\$ -</u>	<u>\$ 4,642,713.21</u>	<u>\$ 4,642,713.21</u>	<u>\$ 1,010,549.66</u>

Ref. C

C

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

C-4

Ordinance Number	Purpose	Balance December 31, 2018	Grants	Decrease	Balance December 31, 2019
<u>Federal Grants</u>					
County of Essex:					
Community Development Block					
Grants:					
17-13	Lackawanna Plaza Valley Improvements	\$ 137,200.00		\$ 137,200.00	
18-19	Fulton & Miller, Woodland & Wheeler		\$ 201,660.00	92,063.25	\$ 109,596.75
<u>State Grants</u>					
New Jersey Dept. of Transportation:					
Various Streets					
15-09	Gates Avenue Section 3	111,377.00			111,377.00
17-13	Hillside Avenue	273,639.00		205,229.25	68,409.75
18-19	Valley Road & Church Street	333,430.00			333,430.00
19-11	Trinity & Myrtle		391,467.00		391,467.00
		<u>\$ 855,646.00</u>	<u>\$ 593,127.00</u>	<u>\$ 434,492.50</u>	<u>\$ 1,014,280.50</u>
	<u>Ref.</u>	C	C-10	Below	C
			Ref.		
	Cash Receipts		C-2	\$ 383,967.50	
	Canceled		C-10	50,525.00	
				<u>\$ 434,492.50</u>	

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED C-5
YEAR ENDED DECEMBER 31, 2019

	<u>Ref.</u>		
Balance, December 31, 2018	C		\$ 103,250,950.77
Decreased by:			
Downtown Business District Loan	C-15	\$ 32,666.67	
Green Acres Loan	C-13	40,308.91	
Infrastructure Loan	C-14	45,788.19	
School Bonds	C-16	4,650,000.00	
Municipal Bonds	C-17	<u>5,780,000.00</u>	
			<u>10,548,763.77</u>
Balance, December 31, 2019	C		<u>\$ 92,702,187.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2019

Ordinance Number	Improvements	Balance Dec. 31, 2018	2019 Authorizations	Canceled	Collections	Adjustments	Funded by Budget Appropriation	Balance Dec. 31, 2019	December 31, 2019	
									Bond Anticipation Notes	Unexpended Improvement Authorization
06-78	Preliminary Design and Planning of Day Care Facility	\$ 176.99					\$ 176.99			
07-06	Various Capital Improvements	138,352.00					8,594.00	\$ 129,758.00	\$ 129,758.00	
07-19	Acquisition of Property	35,223.41					35,223.41			
8-43	Removal and Replacement of Trees	23,934.00					2,660.00	21,274.00	21,274.00	
8-44	Various Capital Improvements	152,695.00					6,733.00	145,962.00	145,962.00	
9-11	Orange Road Redevelopment	20,221.00					698.00	19,523.00	19,523.00	
9-52b1	Improvements to Clary Anderson Arena	100,611.00					100,611.00			
10-12	Multi-purpose	30,688.00		\$ 19,600.00			11,088.00			
10-13	Traffic Calming Improvements	459,512.32	\$ 11,550.30	25,250.00			445,812.62			
10-70	Multi-purpose	48,944.26					48,944.26			
11-18	Shade Tree Improvements	5,867.86	(5,867.86)							
12-26	Paving South Mountain Avenue	646,231.00	(5,682.44)			\$ (2,966.56)	401,125.00	236,457.00	236,457.00	
12-31	Various Capital Improvements	345,041.00		992.81		(5,243.21)	206,524.98	132,280.00	132,280.00	
12-36	Various Capital Improvements	786,019.00		10,099.16		(9,862.84)	18,439.00	747,618.00	747,618.00	
12-40	Acquisition of Vehicles	445,050.00				(11,050.00)	62,000.00	372,000.00	372,000.00	
12-41	Various Capital Improvements	665,428.80		5,914.55		(2,892.25)	34,189.00	622,433.00	622,433.00	
12-42	Acquisition of Ambulance	113,097.00		1,781.64		(93.36)	15,889.00	95,333.00	95,333.00	
13-18	HVAC Upgrades - Firehouse Server	109,243.00				(15,730.00)	3,620.00	89,893.00	89,893.00	
13-20	Police Radio System	159,157.00	7,213.10	7,213.10			56,182.00	102,975.00	102,975.00	
14-03	Improvements to Union and Park Streets	137,344.59		8,090.95		(1,464.64)	7,789.00	120,000.00	120,000.00	
14-04	Various Park Improvements	392,543.00		94,677.11		15,927.11	27,134.00	286,659.00	286,659.00	
14-05	Various Road Improvements	2,074,074.00		74,824.18		(0.41)	240,763.00	1,758,486.41	1,758,486.41	
14-06	Police Radio System	857,000.00	(7,213.10)	61,649.71		1,262.81	789,400.00	789,400.00	789,400.00	
14-09	Acquisition of Vehicles	417,768.00		13,950.00		(700.00)	26,527.00	376,591.00	376,591.00	

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2019

Ordinance Number	Improvements	Balance Dec. 31, 2018	2019 Authorizations	Canceled	Applied from Reserve for Grants	Adjustments	Funded by Budget Appropriation	Balance Dec. 31, 2019	Analysis of Balance December 31, 2019		
									Bond Anticipation Notes	Expended	Unexpended Improvement Authorization
14-25	Acquisition of Trucks	\$ 1,135,898.00		\$ 57,195.28		\$ (804.72)	\$ 43,706.00	\$ 1,034,192.00	\$ 1,034,192.00		
14-26	Various Capital Improvements	420,224.00		12,519.16		(5,080.84)	17,493.00	385,131.00	385,131.00		
14-27	Various Road Improvements	1,301,500.00		23,805.50		55,756.09		1,333,450.59	1,333,450.59		
14-35	Park Improvements at Washington Field	358,250.00		108,577.39		327.79	8,948.40	241,052.00	241,052.00		
14-36	Library Improvements	239,894.00		18,258.27		(335.73)	218.00	221,082.00	221,082.00		
15-09	Various Capital Improvements	1,446,464.01				3,947.46	54,533.00	1,395,878.47	1,395,878.00		\$ 0.47
16-10	Various Capital Improvements	438,297.30				(20,996.70)		417,300.60	101,450.00	\$ 102,784.64	213,065.96
16-32	Various Road Improvements	2,854,134.40						2,854,134.40	2,500,000.00		354,134.40
17-13	Various Capital Improvements	1,709,330.00			\$ 291,904.25			1,417,425.75	1,300,000.00		117,425.75
17-23	Various Capital Improvements	3,300,500.00						3,300,500.00	2,500,000.00	164,696.06	635,803.94
17-34	Improvements to Union and Park Streets	320,000.00					10,422.00	309,578.00	309,578.00		
18-19	Various Capital Improvements	9,792,250.00			92,063.25			9,700,186.75	8,000,000.00	72,097.94	1,628,088.81
19-11	Various Capital Improvements		\$ 6,889,899.00					6,889,899.00	4,000,000.00	1,371,720.10	1,518,178.90
19-17	Various Capital Improvements		1,099,600.00					1,099,600.00		80,600.00	1,019,000.00
	<u>School</u>										
10-28	Multi-purpose	86,360.00		86,360.00							
11-41	Various School Improvements	430,229.00		117,154.64				313,074.36	300,000.00	13,074.36	
12-32	Various School Improvements	461,759.00		174,303.04				287,455.96	250,000.00	37,455.96	
13-17/13-67	Various School Improvements	665,873.28		62,718.24			550,706.00	52,449.04		52,449.04	
15-24	Various School Improvements	1,556,952.00					549,294.00	1,007,658.00	1,007,658.00		
16-12	Various School Improvements	701,920.00						701,920.00	300,000.00	2,003.55	399,916.45
18-17	Various School Improvements	3,400,000.00						3,400,000.00	2,500,000.00	671,075.73	228,924.27
19-02	Various School Improvements		4,859,950.00					4,859,950.00		371,118.70	4,488,831.30
19-06	Montclair High School Stair Tower		2,031,000.00					2,031,000.00	1,500,000.00	481,000.00	50,000.00
		<u>\$ 38,784,057.22</u>	<u>\$ 14,880,449.00</u>	<u>\$ 984,934.73</u>	<u>\$ 383,967.50</u>	<u>\$ -</u>	<u>\$ 2,996,043.66</u>	<u>\$ 49,299,560.33</u>	<u>\$ 35,226,114.00</u>	<u>\$ 3,420,076.08</u>	<u>\$ 10,653,370.25</u>
	<u>Ref.</u>	<u>C</u>	<u>C-7</u>	<u>C-7</u>	<u>C-10</u>		<u>Below</u>	<u>C</u>	<u>C-12</u>		
				<u>Ref.</u>							
	Bond Anticipation Notes Paid Down			C-12			\$ 2,800,000.00				
	Funded through budget			C-2			196,043.66				
							<u>\$ 2,996,043.66</u>				

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2019

C-7
Sheet 1

Description	Ordinance		Balance Dec. 31, 2018		2019 Authorizations	Paid or Charged	Encumbrance	Canceled	Balance Dec. 31, 2019	
	Number	Date	Amount	Funded					Unfunded	Funded
<u>General Improvements</u>										
Various Capital Improvements	06-37	06/27/06	\$ 6,260,650.00	\$ 8,229.13				\$ 8,229.13		
Various Capital Improvements	10-12	03/09/10	584,000.00		\$ 19,600.00			19,600.00		
Traffic Calming Improvements	10-13	12/28/10	1,186,000.00		25,250.00			25,250.00		
Pavement and Restoration of S.Park Plaza	11-67	11/01/11	250,000.00	329.20				329.20		
Paving of South Mountain Avenue	12-26	04/03/12	726,500.00		211,403.98	\$ 211,403.98				
Pavement and Restoration of S.Park Plaza	12-27	04/17/12	90,000.00	8,192.59				8,192.59		
Various Capital Improvements	12-31	05/01/12	404,250.00		45,940.69	44,947.88		992.81		
Various Capital Improvements	12-35	05/22/12	222,068.00	504.39				504.39		
Various Capital Improvements	12-36	05/22/12	855,750.00		121,853.10	111,753.94		10,099.16		
Various Capital Improvements	12-41	06/12/12	1,144,080.00		63,814.55	19,507.96	\$ 38,392.04	5,914.55		
Acquisition of Ambulance	12-42	06/12/12	152,500.00		1,781.64			1,781.64		
HVAC Upgrades - Firehouse Server	13-18	05/14/13	119,400.00		8,121.84	6,508.34	1,613.50			
Police Radio System	13-20	06/11/13	180,000.00		7,213.10			7,213.10		
Various Capital Improvements	13-31	07/15/13	210,000.00	134.73				134.73		
Various Street Improvements	13-43	09/03/13	350,000.00	9,065.09				9,065.09		
Various Capital Improvements	13-49	09/10/13	266,097.34	979.33				979.33		
Acquisition of Various Equipment	13-74	12/30/13	214,500.00	37,552.63				37,552.63		
Improvements to Union and Park Streets	14-03	03/04/14	1,114,197.00		8,090.95			8,090.95		
Various Park Improvements	14-04	03/04/14	425,000.00		94,677.11			94,677.11		
Various Road Improvements	14-05	03/04/14	2,363,292.00		74,824.18			74,824.18		
Police Radio System	14-06	03/04/14	950,000.00		87,328.71	25,679.00		61,649.71		
Acquisition of Vehicles	14-09	04/29/14	467,250.00		13,950.00			13,950.00		
Elevator Improvements	14-22	07/22/14	150,000.00	5,632.88				5,632.88		
Various Capital Improvements	14-23	07/22/14	147,500.00	60,773.09				60,773.09		
Acquisition of Trucks	14-25	08/12/14	1,240,000.00		57,195.28			57,195.28		
Various Capital Improvements	14-26	08/12/14	458,300.00		12,519.16			12,519.16		
Various Road Improvements	14-27	08/12/14	1,370,000.00		23,805.50			23,805.50		
Park Improvements at Washington Field	14-35	10/07/14	535,000.00		108,577.39			108,577.39		
Library Improvements	14-36	10/07/14	252,520.00		50,029.22	11,770.95	20,000.00	18,258.27		

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2019

C-7
Sheet 2

Description	Ordinance		Balance Dec. 31, 2018		2019 Authorizations	Paid	Encumbrance	Canceled	Balance Dec. 31, 2019	
	Number	Date	Amount	Funded					Unfunded	Funded
Various Capital Improvements	15-09	03/10/15	\$ 3,375,000.00		\$ 109,129.05	\$ 87,894.00				\$ 21,235.05
Various Capital Improvements	15-35	11/10/15	1,788,105.47	\$ 100,107.61		30,679.83			\$ 69,427.78	
Various Capital Improvements	16-10	04/04/16	5,872,880.00		329,915.96	100,000.00	\$ 16,800.00			213,115.96
Redevelopment Projects	16-11	05/31/16	450,000.00	348,704.82		13,575.26	10,375.00		324,754.56	
Various Capital Improvements	16-32	07/26/16	3,004,352.00		716,331.92	148,378.85	131,601.43			436,351.64
Various Capital Improvements	17-13	03/28/17	4,957,189.00		691,654.72	416,357.12	39,215.65			236,081.95
Various Capital Improvements	17-23	06/20/17	3,475,500.00		1,499,134.85	767,630.51	95,700.40			635,803.94
Edgemont Park Improvements	17-34	10/24/17	320,000.00		48,708.81	0.00				48,708.81
Various Capital Improvements	18-19	03/20/18	10,308,250.00		5,265,928.30	2,736,858.80	900,980.69			1,628,088.81
Various Capital Improvements	19-11	04/02/19				\$ 7,234,899.00	5,375,220.01			1,518,178.90
Various Capital Improvements	19-17	05/21/19				1,159,600.00	64,120.77	76,479.23		1,019,000.00
Local Improvements										
Highmont Terrace	17-24	06/14/17	10,000.00	2,588.00				\$ 2,588.00		
Valley Place	17-31	07/25/17	23,780.00	23,780.00				23,780.00		
Briar Hill Improvements	16-29	07/26/16	64,000.00	49,815.00				49,815.00		
Mountain Place Improvements	16-30	07/26/16	14,780.00	5,117.00				5,117.00		
Park Terrace Improvements	16-31	07/26/16	31,965.00	4,085.00				4,085.00		
School Improvements										
Various School Improvements	06-30	05/09/06	4,649,840.00	45,545.31		13,747.75		31,797.56		
Various School Improvements	07-26	05/08/07	4,381,520.00	176,776.00		88,703.00		88,073.00		
Various School Improvements	08-14	04/15/08	5,346,848.00	39,160.00				39,160.00		
Various School Improvements	10-28	06/22/10	2,986,360.00	105,526.70	86,360.00			191,886.70		
Various School Improvements	11-41	07/12/11	1,686,360.00		119,800.64	2,646.00		117,154.64		
Various School Improvements	12-32	05/01/12	3,053,440.00		328,778.34	154,475.30		174,303.04		
Various School Improvements	13-17/13-67	05/01/12	2,900,000.00		114,401.91	51,683.67		62,718.24		
Various School Improvements	15-24	08/04/15	2,637,440.00		105,281.80	18,734.03				86,547.77
Various School Improvements	16-12	06/21/16	2,701,920.00		560,694.50	160,778.05				399,916.45
Various School Improvements	18-17	02/20/18	3,400,000.00		3,167,807.00	2,938,882.73				228,924.27
Various School Improvements	19-02	2/19/2019				4,859,950.00	371,118.70			4,488,831.30
Various School Improvements	19-06	3/5/2019				2,031,000.00	1,981,000.00			50,000.00
			<u>\$ 1,032,598.50</u>	<u>\$ 14,179,904.20</u>	<u>\$ 15,285,449.00</u>	<u>\$ 15,954,056.43</u>	<u>\$ 1,672,658.03</u>	<u>\$ 1,466,270.05</u>	<u>\$ 394,182.34</u>	<u>\$ 11,010,784.85</u>
Reference			C	C	Below	C-2	C	Below	C	C
					Ref.					
Capital Improvement Fund					C-8	\$ 405,000.00		\$ 85,385.00		
Deferred Charges to Future Taxation - Unfunded					C-6	14,880,449.00		984,934.73		
Fund Balance					C-1			<u>395,950.32</u>		
						<u>\$ 15,285,449.00</u>		<u>\$ 1,466,270.05</u>		

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2019

C-8

	<u>Ref.</u>	
Balance, December 31, 2018	C	\$ 63,937.83
Increased by:		
Budget Appropriations	C-2	\$ 400,000.00
Improvement Authorization Canceled	C-7	<u>85,385.00</u>
		<u>485,385.00</u>
		<u>549,322.83</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-7	<u>405,000.00</u>
Balance, December 31, 2019	C	<u><u>\$ 144,322.83</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2019

C-9

	<u>Ref.</u>	<u>Total</u>	<u>General Trust</u>	<u>Current Fund</u>
Balance, December 31, 2018	C	\$ 4,000,584.13	\$ 4,000,000.00	\$ 584.13
Increased by:				
Interest	C-2	6,926.39		6,926.39
General Capital Fund Balance Anticipated	C-1	1,415,533.03		1,415,533.03
		<u>1,422,459.42</u>	<u>-</u>	<u>1,422,459.42</u>
		5,423,043.55	4,000,000.00	1,423,043.55
Decreased by:				
Settlements	C-2	5,422,451.78	4,000,000.00	1,422,451.78
Balance, December 31, 2019	C	<u>\$ 591.77</u>	<u>\$ -</u>	<u>\$ 591.77</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

RESERVE FOR GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

C-10

Ordinance Number	Purpose	Balance December 31, 2018	Grants	Decreased	Balance December 31, 2019
<u>Federal Grants</u>					
County of Essex:					
Community Development Block Grants:					
17-13	Lackawanna Plaza Valley Improvements	\$ 137,200.00		\$ 137,200.00	
19-11	Fulton & Miller, Woodland & Wheeler		\$ 201,660.00	92,063.25	\$ 109,596.75
<u>State Grants</u>					
New Jersey Department of Transportation:					
15-09	Gates Avenue	111,377.00			111,377.00
17-13	Hillside Avenue	273,639.00		205,229.25	68,409.75
18-19	Valley Road & Church Street	333,430.00			333,430.00
19-11	Trinity & Myrtle		391,467.00		391,467.00
		<u>\$ 855,646.00</u>	<u>\$ 593,127.00</u>	<u>\$ 434,492.50</u>	<u>\$ 1,014,280.50</u>
<u>Ref.</u>		C	C-4	Below	C
<u>Ref.</u>					
Deferred Charges to Future Taxation - Unfunded Canceled		C-6		\$ 383,967.50	
		C-4		<u>50,525.00</u>	
		Above		<u>\$ 434,492.50</u>	

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

RESERVE FOR PAYMENT OF DEBT SERVICE
YEAR ENDED DECEMBER 31, 2019

C-11

	<u>Ref.</u>		
Balance, December 31, 2018	C		\$ 153,791.93
Increased by:			
Premium on School BAN sale	C-2	\$ 26,945.23	
Cash Received from SDA grants	C-2	<u>650,053.88</u>	
			<u>676,999.11</u>
			830,791.04
Decreased by:			
Appropriated in the Current Fund Budget	C-2		<u>102,769.13</u>
Balance, December 31, 2019	C		<u><u>\$ 728,021.91</u></u>
 <u>Analysis of Balance</u>			
General Improvements			\$ 27,880.46
School Improvements			<u>700,141.45</u>
			<u><u>\$ 728,021.91</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2019

C-12
Sheet # 1

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2018	Increase	Decrease	Balance December 31, 2019
	<u>General</u>							
10-13	Various Capital Improvements	11-07-14	10-30-20	2.50 %	\$ 445,812.00		\$ 445,812.00	
12-26	Paving of South Mountain Avenue	11-07-14	10-30-20	2.50	487,582.00	\$ 150,000.00	401,125.00	\$ 236,457.00
12-31	Various Capital Improvements	12-14-12 11-07-14	10-30-20 10-30-20	2.50 2.50	173,543.00 125,262.00	40,000.00	173,543.00 32,982.00	132,280.00
12-36	Various Capital Improvements	11-07-14 11-05-15 11-04-16	10-30-20 10-30-20 10-30-20	2.50 2.50 2.50	291,906.00 101,151.00 83,000.00	290,000.00	11,547.00 3,849.00 3,043.00	570,359.00 97,302.00 79,957.00
12-40	Acquisition of Vehicles	11-07-14	10-30-20	2.50	434,000.00		62,000.00	372,000.00
12-41	Various Capital Improvements	11-05-15	10-30-20	2.50	571,622.00	85,000.00	34,189.00	622,433.00
12-42	Acquisition of Ambulance	11-07-14	10-30-20	2.50	111,222.00		15,889.00	95,333.00
13-18	HVAC - Firehouse Server Room	11-07-14 11-05-15 11-04-16	10-30-20 10-30-20 10-30-20	2.50 2.50 2.50	30,554.00 45,259.00 17,700.00	1.00	1,224.00 1,741.00 656.00	29,330.00 43,518.00 17,045.00
13-20/14-06	Acquisition of Police Radio System	11-07-14 11-05-15 11-04-16 10-31-19	10-30-20 10-30-20 10-30-20 10-30-20	2.50 2.50 2.50 2.50	151,157.00 720,000.00 7,400.00	70,000.00	15,792.00 40,000.00 390.00	135,365.00 680,000.00 7,010.00 70,000.00

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2019

C-12
Sheet # 2

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2018	Increase	Decrease	Balance December 31, 2019
	<u>General</u>							
14-03/17-34	Improvements to Union and Park Streets/ Edgemont Park Improvements	11-05-15	10-30-20	2.50 %	\$ 7,789.00 320,000.00	\$ 120,000.00	\$ 7,789.00 10,422.00	\$ 120,000.00 309,578.00
14-04	Various Park Improvements	11-05-15	10-30-20	2.50	313,793.00		27,134.00	286,659.00
14-05/14-27	Various Road Improvements	11-05-15 11-04-16	10-30-20 10-30-20	2.50 2.50	3,150,000.00 52,700.00	130,000.00	237,989.00 2,774.00	3,042,011.00 49,926.00
14-09	Acquisition of Vehicles	11-05-15 11-04-16	10-30-20 10-30-20	2.50 2.50	395,918.00 7,200.00		26,082.00 445.00	369,836.00 6,755.00
14-25	Acquisition of Trucks	11-05-15 11-04-16	10-30-20 10-30-20	2.50 2.50	1,007,898.00 40,000.00	30,000.00	42,102.00 1,604.00	995,796.00 38,396.00
14-26	Various Capital Improvements	11-05-15 11-04-16	10-30-20 10-30-20	2.50 2.50	344,924.00 57,700.00		15,076.00 2,417.00	329,848.00 55,283.00
14-35	Multi-Use Field Improvements	11-04-16	10-30-20	2.50	250,000.00		8,948.00	241,052.00
15-09	Various Capital Improvements	11-01-18	10-30-20	2.50	1,450,411.00		54,533.00	1,395,878.00
07-06	Various Capital Improvements	11-04-16	10-30-20	2.50	138,352.00		8,594.00	129,758.00
08-43	Various Capital Improvements	11-04-16	10-30-20	2.50	23,934.00		2,660.00	21,274.00
08-44	Various Capital Improvements	11-04-16	10-30-20	2.50	152,695.00		6,733.00	145,962.00
09-11	Various Capital Improvements	11-04-16	10-30-20	2.50	20,221.00		698.00	19,523.00
14-36	Various Library Improvements	11-04-16	10-30-20	2.50	6,300.00	215,000.00	218.00	221,082.00
16-10	Various Capital Improvements	11-04-16 11-03-17	10-30-20 10-30-20	2.50 2.50	96,500.00 4,950.00			96,500.00 4,950.00
16-32	Various Capital Improvements	10-31-19	10-30-20	2.50		2,500,000.00		2,500,000.00
17-13	Various Capital Improvements	11-03-17	10-30-20	2.50	1,000,000.00	300,000.00		1,300,000.00
17-23	Various Capital Improvements	11-01-18	10-30-20	2.50	1,500,000.00	1,000,000.00		2,500,000.00
18-19	Various Capital Improvements	11-01-18	10-30-20	2.50	2,500,000.00	5,500,000.00		8,000,000.00
19-11	Various Capital Improvements	10-31-19	10-30-20	2.50		4,000,000.00		4,000,000.00
					<u>16,638,455.00</u>	<u>14,430,001.00</u>	<u>1,700,000.00</u>	<u>29,368,456.00</u>

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2019

C-12
Sheet # 3

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2018	Increase	Decrease	Balance December 31, 2019
	<u>School</u>							
11-41	Various School Improvements	10-31-19	10-30-20	1.75 %		\$ 300,000.00		\$ 300,000.00
12-32	Various School Improvements	10-31-19	10-30-20	1.75		250,000.00		250,000.00
13-17	Various School Improvements				\$ 550,706.00		\$ 550,706.00	
15-24	Various School Improvements	11-03-17	10-30-20	1.75	312,927.00 1,006,585.00	237,440.00	312,927.00 236,367.00	1,007,658.00
16-12	Various School Improvements	10-31-19	10-30-20	1.75		300,000.00		300,000.00
18-17	Turf, Track & Field and HVAC	10-31-19	10-30-20	1.75		2,500,000.00		2,500,000.00
19-06	High School Stair Towers	10-31-19	10-30-20	1.75		1,500,000.00		1,500,000.00
					<u>1,870,218.00</u>	<u>5,087,440.00</u>	<u>1,100,000.00</u>	<u>5,857,658.00</u>
					<u>\$ 18,508,673.00</u>	<u>\$ 19,517,441.00</u>	<u>\$ 2,800,000.00</u>	<u>\$ 35,226,114.00</u>
				<u>Ref.</u>	C	C-2, C-18	C-6	C
							\$ 2,800,000.00	
						\$ 19,517,441.00		
						15,708,673.00	15,708,673.00	
						<u>\$ 35,226,114.00</u>	<u>\$ 18,508,673.00</u>	

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

GREEN ACRES TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2019

C-13

Description	Amount of Original Issue	Maturities of Loan Outstanding December 31, 2019		Interest Rate	Balance December 31, 2018	Decrease	Balance December 31, 2019
		Date	Amount				
Project Youth Sports	\$ 250,000.00	2020	\$ 13,727.81				
		2021	14,003.73				
		2022	14,285.84				
		2023	14,572.34				
		2024	14,865.25				
		2025	15,164.04				
		2026	7,695.94	2.00 %	\$ 107,771.65	\$ 13,457.31	\$ 94,314.34
Project Youth Sports II	250,000.00	2020	12,820.52	*			
		2021	12,820.52	*			
		2022	12,820.52	*			
		2023	12,820.52	*			
		2024	12,820.52	*			
		2025	12,820.52	*			
		2026	12,820.52	*			
		2027	12,820.52	*			
		2028	12,820.52	*			
		2029	6,410.12	*	134,615.32	12,820.52	121,794.80
Project Youth Sports III	273,606.00	2019-2035	14,031.08	*			
				*	238,528.30	14,031.08	224,497.22
					<u>\$ 480,915.27</u>	<u>\$ 40,308.91</u>	<u>\$ 440,606.36</u>

Ref.

C

C-5

C

* Interest Free

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2019

C-14

Description	Original Issue		Loan Maturities Outstanding December 31, 2019		Interest Rate	Balance Dec. 31, 2018	Loan Payments	Balance Dec. 31, 2019
	Date	Amount	Date	Amount				
Trust Share	10-14-04	\$ 435,000.00	8-01-2020	\$ 30,000.00	5.00 %	\$ 169,602.56	\$ 24,019.77	\$ 145,582.79
			8-01-2021	30,000.00	5.00			
			8-01-2022	30,000.00	5.00			
			8-01-2023	30,000.00	4.25			
			8-01-2024	35,000.00	4.375			
Fund Share	10-14-04	443,438.00	2-01-2020	2,369.83	*	<u>136,432.96</u>	<u>21,768.42</u>	<u>114,664.54</u>
			8-01-2020	21,831.27	*			
			2-01-2021	1,883.30	*			
			8-01-2021	21,344.74	*			
			2-01-2022	1,396.76	*			
			8-01-2022	20,858.20	*			
			2-01-2023	910.23	*			
			8-01-2023	20,371.85	*			
			2-01-2024	496.67	*			
			8-01-2024	23,201.69	*			
						<u>\$ 306,035.52</u>	<u>\$ 45,788.19</u>	<u>\$ 260,247.33</u>
<u>Ref.</u>						C	C-5	C

* Interest Free

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

N.J. BUSINESS DISTRICT
LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2019

C-15

Description	Original Issue		Loan Maturities Outstanding December 31, 2019		Interest Rate	Balance Dec. 31, 2018	Decrease	Balance Dec. 31, 2019
	Date	Amount	Date	Amount				
Loan	12-31-12	\$ 490,000.00	12-31-19/27	\$ 32,666.67	* %	<u>\$ 293,999.98</u>	<u>\$ 32,666.67</u>	<u>\$ 261,333.31</u>
					<u>Ref.</u>	C	C-5	C

* Interest Free

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND
SERIAL BONDS - SCHOOL
YEAR ENDED DECEMBER 31, 2019

C-16
Sheet # 1

Purpose	Date of Issue	Issue Amount	Maturities of Bonds Outstanding Dec. 31, 2019		Interest Rate	Balance Dec. 31, 2018	Decrease	Balance Dec. 31, 2019
			Date	Amount				
School Improvements (Refunded)	6-08-10	\$ 9,662,000.00	6-01-20	\$ 460,000.00	3.25 %	\$ 890,000.00	\$ 430,000.00	\$ 460,000.00
School Improvements	3-01-11	21,660,000.00	3-01-20	1,010,000.00	4.00			
			3-01-21	1,050,000.00	4.00	3,035,000.00	975,000.00	2,060,000.00
School Improvements	3-01-13	22,000,000.00	3-01-20	1,395,000.00	5.00			
			3-01-21	1,465,000.00	5.00			
			3-01-22	1,535,000.00	5.00			
			3-01-23	1,605,000.00	5.00			
			3-01-24	1,675,000.00	5.00			
			3-01-25	1,745,000.00	2.50			
			3-01-26	1,815,000.00	2.625			
			3-01-27	1,885,000.00	2.625			
			3-01-28	1,960,000.00	2.75	16,405,000.00	1,325,000.00	15,080,000.00
Refunding School	3-01-14	11,855,000.00	1-01-20/21	940,000.00	5.00			
			1-01-22/23	945,000.00	5.00			
			1-01-24/25	950,000.00	5.00			
			1-01-26	955,000.00	5.00			
			1-01-27	1,155,000.00	5.00			
			1-01-28	1,225,000.00	5.00	9,945,000.00	940,000.00	9,005,000.00

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

SERIAL BONDS - SCHOOL
YEAR ENDED DECEMBER 31, 2019

C-16
Sheet # 2

<u>Purpose</u>	<u>Date of Issue</u>	<u>Issue Amount</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2019</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2019</u>						
			<u>Date</u>	<u>Amount</u>										
Refunding School	9-01-16	\$ 14,840,000.00	10-01-20	\$ 775,000.00	4.00 %	\$ 14,700,000.00	\$ 780,000.00	\$ 13,920,000.00						
			10-01-21	1,260,000.00	4.00									
			10-01-22	1,295,000.00	4.00									
			10-01-23	1,320,000.00	4.00									
			10-01-24	1,445,000.00	5.00									
			10-01-25	1,490,000.00	5.00									
			10-01-26	1,605,000.00	5.00									
			10-01-27	1,640,000.00	5.00									
			10-01-28	1,690,000.00	4.00									
			10-01-29	680,000.00	3.75									
			10-01-30	720,000.00	4.00									
			Refunding School	8-20-17	12,415,000.00				9-01-22	1,070,000.00	3.00	12,415,000.00		12,415,000.00
									9-01-23	1,110,000.00	4.00			
9-01-24	1,150,000.00	4.00												
9-01-25	1,195,000.00	4.00												
9-01-26	1,235,000.00	4.00												
9-01-27	1,275,000.00	4.00												
9-01-28	1,315,000.00	4.00												
9-01-29	1,325,000.00	4.00												
9-01-30	1,355,000.00	4.00												
9-01-31	1,385,000.00	4.00												
School Improvements	9-02-18	3,000,000.00				4-01-20	250,000.00	4.00	3,000,000.00	200,000.00	2,800,000.00			
			4-01-21	275,000.00	4.00									
			4-01-22	300,000.00	4.00									
			4-01-23	300,000.00	4.00									
			4-01-24	300,000.00	4.00									
			4-01-25	325,000.00	5.00									
			4-01-26	325,000.00	5.00									
			4-01-27	350,000.00	4.00									
			4-01-28	375,000.00	4.00									
												<u>\$ 60,390,000.00</u>	<u>\$ 4,650,000.00</u>	<u>\$ 55,740,000.00</u>
<u>Ref.</u>						C	C-5	C						

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

C-17

GENERAL SERIAL BONDS
YEAR ENDED DECEMBER 31, 2019

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2019		Interest Rate	Balance Dec. 31, 2018	Decrease	Balance Dec. 31, 2019
			Date	Amount				
General Improvements	3-01-11	\$ 18,519,000.00	3-01-20	\$ 1,585,000.00	3.125 %	\$ 4,755,000.00	\$ 1,505,000.00	\$ 3,250,000.00
			3-01-21	1,665,000.00	3.375			
Pension Refunding Bonds	10-01-12	2,780,000.00	4-01-20	415,000.00	2.853	1,250,000.00	380,000.00	870,000.00
			4-01-21	455,000.00	3.053			
General Improvements	3-01-13	10,500,000.00	3-01-20	1,020,000.00	5.00	6,680,000.00	955,000.00	5,725,000.00
			3-01-21	1,080,000.00	5.00			
			3-01-22	1,145,000.00	5.00			
			3-01-23	1,210,000.00	5.00			
			3-01-24	1,270,000.00	5.00			
General Improvement Refunding Bonds	3-01-14	14,960,000.00	1-01-20	1,455,000.00	5.00	12,600,000.00	1,610,000.00	10,990,000.00
			1-01-21	610,000.00	5.00			
			1-01-22	1,405,000.00	5.00			
			1-01-23	1,910,000.00	5.00			
			1-01-24	1,910,000.00	5.00			
			1-01-25	1,915,000.00	5.00			
			1-01-26	1,785,000.00	5.00			
General Improvement Refunding Bonds	9-01-16	2,200,000.00	10-01-20/21	730,000.00	4.00	2,190,000.00	730,000.00	1,460,000.00
General Improvement Refunding Bonds	8-21-17	5,305,000.00	3-01-22	1,695,000.00	3.00	5,305,000.00		5,305,000.00
			3-01-23	1,780,000.00	4.00			
			3-01-24	1,830,000.00	4.00			
General Improvements	9-02-18	9,000,000.00	4-01-20	640,000.00	4.00	9,000,000.00	600,000.00	8,400,000.00
			4-01-21	680,000.00	4.00			
			4-01-22	740,000.00	4.00			
			4-01-23	840,000.00	4.00			
			4-01-24	940,000.00	4.00			
			4-01-25	1,040,000.00	5.00			
			4-01-26	1,140,000.00	5.00			
			4-01-27	1,180,000.00	4.00			
			4-01-28	1,200,000.00	4.00			
						Ref. C	C-8	C

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

C-18
Sheet # 1

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2019

Ordinance Number	Improvement Description	Balance Dec. 31, 2018	Authorizations/ Adjustments	Grants/ Appropriation	Notes Issued	Canceled	Balance Dec. 31, 2019
<u>General Improvements</u>							
06-78	Preliminary Design and Planning of Day Care Facility	\$ 176.79		\$ 176.79			
07-19	Acquisition of Property	35,223.41		35,223.41			
09-52b1	Improvements to Clary Anderson Arena	100,611.00		100,611.00			
10-12	Multi-Purpose	30,687.00		11,087.00		\$ 19,600.00	
10-13	Traffic Calming Improvements	13,700.32	\$ 11,549.68			25,250.00	
10-70	Multi-Purpose	48,944.26		48,944.26			
11-18	Shade Tree Improvements	5,867.60	(5,867.60)				
12-26	Paving South Mountain Arena	158,649.00	(8,649.00)		\$ 150,000.00		
12-31	Various Capital Improvements	46,236.00	(5,241.99)	1.20	40,000.00	992.81	
12-36	Various Capital Improvements	309,962.00	(9,862.84)		290,000.00	10,099.16	
12-40	Acquisition of Vehicles	11,050.00	(11,050.00)				
12-41	Various Capital Improvements	93,806.80	(2,892.25)		85,000.00	5,914.55	
12-42	Acquisition of Ambulance	1,875.00	(93.36)			1,781.64	
13-18	Upgrade to Firehouse Server	15,730.00	(15,730.00)				
13-20	Police Radio System		7,213.10			7,213.10	
14-03	Improvements to Union and Park Streets	129,555.59	(1,464.64)		120,000.00	8,090.95	
14-04	Various Park Improvements	78,750.00	15,927.11			94,677.11	
14-05	Various Road Improvements	11,834.77	62,989.41			74,824.18	
14-06	Police Radio System	137,600.00	(5,950.29)		70,000.00	61,649.71	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

C-18
Sheet # 2

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2019

Ordinance Number	Improvement Description	Balance Dec. 31, 2018	Authorizations/ Adjustments	Grants/ Appropriation	Notes Issued	Canceled	Balance Dec. 31, 2019
<u>General Improvements</u>							
14-09	Acquisition of Vehicles	\$ 14,650.00	\$ (700.00)			\$ 13,950.00	
14-25	Acquisition of Trucks	88,000.00	(804.72)		\$ 30,000.00	57,195.28	
14-26	Various Capital Improvements	17,600.00	(5,080.84)			12,519.16	
14-27	Various Road Improvements	157,092.23	(3,286.73)		130,000.00	23,805.50	
14-35	Park Improvements at Washington Field	108,250.00	327.39			108,577.39	
14-36	Library Improvements	233,594.00	(335.73)		215,000.00	18,258.27	
16-10	Various Capital Improvements	336,897.30	(20,996.70)				\$ 315,900.60
16-32	Various Capital Improvements	2,854,134.40			2,500,000.00		354,134.40
17-13	Various Capital Improvements	709,330.00		\$ 291,904.25	300,000.00		117,425.75
17-23	Various Capital Improvements	1,800,500.00			1,000,000.00		800,500.00
18-19	Various Capital Improvements	7,292,250.00		92,063.25	5,500,000.00		1,700,186.75
19-11	Various Capital Improvements		6,889,899.00		4,000,000.00		2,889,899.00
19-17	Various Capital Improvements		1,099,600.00				1,099,600.00
		<u>14,842,557.47</u>	<u>7,989,499.00</u>	<u>580,011.16</u>	<u>14,430,000.00</u>	<u>544,398.81</u>	<u>7,277,646.50</u>
<u>School Improvements</u>							
10-28	Multi-Purpose	86,360.00				86,360.00	
11-41	Various School Improvements	430,229.00			300,000.00	117,154.64	13,074.36
12-32	Various School Improvements	461,759.00			250,000.00	174,303.04	37,455.96
13-17/13-67	Various School Improvements	115,167.28				62,718.24	52,449.04
15-24	Various School Improvements	237,440.00			237,440.00		
16-12	Various School Improvements	701,920.00			300,000.00		401,920.00
18-17	Various School Improvements	3,400,000.00			2,500,000.00		900,000.00
19-02	Various School Improvements		4,859,950.00				4,859,950.00
19-06	Montclair High School Stair Tower		2,031,000.00		1,500,000.00		531,000.00
		<u>5,432,875.28</u>	<u>6,890,950.00</u>	<u>-</u>	<u>5,087,440.00</u>	<u>440,535.92</u>	<u>6,795,849.36</u>
		<u>\$ 20,275,432.75</u>	<u>\$ 14,880,449.00</u>	<u>\$ 580,011.16</u>	<u>\$ 19,517,440.00</u>	<u>\$ 984,934.73</u>	<u>\$ 14,073,495.86</u>
<u>Ref.</u>		C	C-7	C-18	C-12	C-7	C

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS - TREASURER
YEAR ENDED DECEMBER 31, 2019

D-5

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance, December 31, 2018	D	\$ 5,208,695.89	\$ 1,288,641.52
Increased by Receipts:			
Premium on Sales of Notes	D-2		\$ 3,258.00
Miscellaneous Revenue Collector	D-3 D-6	\$ 364,503.05 7,247,069.85	
Bond Anticipation Notes	D-22		265,510.00
Capital Improvement Fund	D-19		2,375,000.00
		<u>7,611,572.90</u>	<u>2,643,768.00</u>
		12,820,268.79	3,932,409.52
Decreased by Disbursements:			
Budget Appropriations	D-4	8,821,845.94	
Appropriation Reserves	D-13	591,395.60	
Accrued Interest on Bonds	D-14	292,121.25	
Accrued Interest on Notes	D-15	35,717.85	
Accrued Interest on Loans	D-16	20,112.61	
Improvement Authorizations	D-18		492,634.38
Bond Anticipation Notes	D-22		265,510.00
		<u>9,761,193.25</u>	<u>758,144.38</u>
Balance, December 31, 2019	D	<u>\$ 3,059,075.54</u>	<u>\$ 3,174,265.14</u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR
YEAR ENDED DECEMBER 31, 2019

D-6

	<u>Ref.</u>	
Increased by:		
Consumer Accounts Receivable	D-10	\$ 7,199,832.31
Water Overpayments	D-17	<u>47,237.54</u>
		<u>7,247,069.85</u>
Decreased by:		
Turnovers to Treasurer	D-5	<u>7,247,069.85</u>
		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2019

D-7

	<u>Ref.</u>	
Balance, December 31, 2018	D	<u>\$ 200.00</u>
Balance, December 31, 2019	D	<u><u>\$ 200.00</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

ANALYSIS OF CAPITAL CASH
YEAR ENDED DECEMBER 31, 2019

D-8

	Balance Dec. 31, 2018	Receipts	Disbursements	Transfers		Balance Dec. 31, 2019
		Other	Improvement Authorizations	From	To	
<u>Improvement Authorizations</u>						
General Improvements:						
#12-73	\$ (344.12)					\$ (344.12)
#14-20	(44,354.23)					(44,354.23)
#17-32	465,850.95		\$ 444,648.66	\$ 20,501.34		700.95
#19-16			47,985.72	390,194.28	\$ 2,375,000.00	1,936,820.00
<u>Other Accounts</u>						
Fund Balance	826,350.10	\$ 3,258.00		31,117.71		798,490.39
Cash on Hand	(1,170.11)				1,170.11	
Capital Improvement Fund	72,256.53	2,375,000.00		2,375,000.00		72,256.53
Encumbrance Payable					410,695.62	410,695.62
Loan Receivable	(29,947.60)				29,947.60	
	<u>\$ 1,288,641.52</u>	<u>\$ 2,378,258.00</u>	<u>\$ 492,634.38</u>	<u>\$ 2,816,813.33</u>	<u>\$ 2,816,813.33</u>	<u>\$ 3,174,265.14</u>
Ref.	D					D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

LOANS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

D-9

	<u>Ref.</u>	
Balance, December 31, 2018	D	\$ 29,947.60
Decreased by:		
Write-off Loan Receivable	D-2	<u>29,947.60</u>
Balance, December 31, 2019		<u>\$ -</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

D-10

	<u>Ref.</u>		
Balance, December 31, 2018	D		\$ 309,644.82
Increased by:			
Water Rents Levied - Net	Reserve		<u>7,249,623.22</u>
			7,559,268.04
Decreased by;			
Collections	D-6	\$ 7,199,832.31	
Overpayments Applied	D-17	<u>40,014.71</u>	
	D-1		<u>7,239,847.02</u>
Balance, December 31, 2019	D		<u><u>\$ 319,421.02</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2019

	<u>Ref.</u>		<u>D-11</u>
Balance, December 31, 2018	D		\$ 41,650,118.75
Increased by:			
Capital Outlay Expenditures	D-4, D-13	\$ 554,668.31	
Transferred from FC Authorized but Uncomplete	D-12	<u>49,836.96</u>	
			<u>604,505.27</u>
Balance, December 31, 2019	D		<u><u>\$ 42,254,624.02</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2019

D-12

Ordinance Number	Description	Balance Dec. 31, 2018	Improvement Authorizations	Decrease	Transferred to Fixed Capital	Balance Dec. 31, 2019
14-20	Various Water Utility Improvements	\$ 120,282.73		\$ 70,445.77	\$ 49,836.96	
17-32	Various Water Utility Improvements	500,000.00				\$ 500,000.00
19-16	Various Water Utility Improvements		\$ 2,375,000.00			2,375,000.00
		<u>\$ 620,282.73</u>	<u>\$ 2,375,000.00</u>	<u>\$ 70,445.77</u>	<u>\$ 49,836.96</u>	<u>\$ 2,875,000.00</u>
	<u>Re</u>	D	D-18	D-18	D-11	D

TOWNSHIP OF MONTCLAIR
WATER UTILITY

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

D-13

	Balance Dec. 31, 2018		Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>Operating</u>					
Salaries and Wages		\$ 10,738.18	\$ 10,738.18	\$ 10,233.41	\$ 504.77
Other Expenses	\$ 227,055.05	323,610.01	550,665.06	164,781.43	385,883.63
Purchased Water		2,124.00	2,124.00		2,124.00
<u>Commercial</u>					
Salaries and Wages		308,798.80	308,798.80		308,798.80
Other Expenses	669.00	43,762.19	44,431.19	669.00	43,762.19
<u>Capital Improvements</u>					
Capital Outlay	438,047.36		438,047.36	415,711.76	22,335.60
	<u>\$ 665,771.41</u>	<u>\$ 689,033.18</u>	<u>\$ 1,354,804.59</u>	<u>\$ 591,395.60</u>	<u>\$ 763,408.99</u>
<u>Ref.</u>	D	D		D-5	D-1

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2019

D-14

	<u>Ref.</u>	
Balance, December 31, 2018	D	\$ 103,547.92
Increased by:		
Budget Appropriation	D-4	<u>282,271.25</u> 385,819.17
Decreased by:		
Payments	D-5	<u>292,121.25</u>
Balance, December 31, 2019	D	<u><u>\$ 93,697.92</u></u>

Analysis of Balance

<u>Principal Outstanding Dec. 31, 2019</u>	<u>Interest Rate</u>	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
\$ 100,000.00	3.125%	9-01-19	12-31-19	4 Months	\$ 1,041.67
165,000.00	3.375%	9-01-19	12-31-19	4 Months	1,856.25
1,925,000.00	5.000%	7-01-19	12-31-19	6 Months	48,125.00
3,580,000.00	4.000%	10-01-19	12-31-19	3 Months	35,800.00
<u>550,000.00</u>	5.000%	10-01-19	12-31-19	3 Months	<u>6,875.00</u>
<u><u>\$ 6,320,000.00</u></u>					<u><u>\$ 93,697.92</u></u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

ACCRUED INTEREST ON NOTES
YEAR ENDED DECEMBER 31, 2019

D-15

	<u>Ref.</u>	
Balance, December 31, 2018	D	\$ 5,853.76
Increased by:		
Budget Appropriation	D-4	30,970.38
		<u>36,824.14</u>
Decreased by:		
Payments	D-5	35,717.85
		<u>35,717.85</u>
Balance, December 31, 2019	D	<u>\$ 1,106.29</u>

Analysis of Balance

Notes Outstanding Dec. 31, 2019	Interest Rate	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
<u>\$ 265,510.00</u>	2.50%	11-01-19	12-31-19	60 Days	<u>\$ 1,106.29</u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

ACCRUED INTEREST ON LOANS
YEAR ENDED DECEMBER 31, 2019

D-16

	<u>Ref.</u>	
Balance, December 31, 2018	D	\$ 10,447.92
Increased by:		
Budget Appropriation	D-4	17,654.27
		28,102.19
Decreased by:		
Payments	D-5	20,112.61
		20,112.61
Balance, December 31, 2019	D	\$ 7,989.58

Analysis of Balance

	<u>Principal Outstanding - Trust Dec. 31, 2019</u>	<u>Interest Rate</u>	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
			<u>From</u>	<u>To</u>		
	\$ 145,000.00	5.00%	8-01-19	12-31-19	5 Months	\$ 3,020.83
	170,000.00	4.75%	8-01-19	12-31-19	5 Months	3,364.58
	10,000.00	3.00%	8-01-19	12-31-19	5 Months	125.00
	80,000.00	4.00%	8-01-19	12-31-19	5 Months	1,333.33
	10,000.00	3.50%	8-01-19	12-31-19	5 Months	145.83
	\$ 415,000.00					\$ 7,989.58

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

WATER OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2019

D-17

	<u>Ref.</u>	
Balance, December 31, 2018	D	\$ 40,014.71
Increased by:		
Collections	D-6	<u>47,237.54</u>
		87,252.25
Decreased by:		
Applied to Revenue	D-10	<u>40,014.71</u>
Balance, December 31, 2019	D	<u><u>\$ 47,237.54</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

WATER IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2019

D-18

<u>Improvement Description</u>	<u>Ordinance</u>			<u>Balance</u> <u>Dec. 31, 2018</u>		<u>2019</u> <u>Authorizations</u>	<u>Paid</u>	<u>Encumbrances</u> <u>Payable</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2019</u>	
	<u>Number</u>	<u>Date</u>	<u>Amount</u>	<u>Funded</u>	<u>Unfunded</u>					<u>Funded</u>	<u>Unfunded</u>
Various Water System Improvements	14-20	6/17/14	\$ 1,350,000.00		\$ 70,445.77				\$ 70,445.77		
Various Water System Improvements	17-32	9/19/17	500,000.00	\$ 465,850.95			\$ 444,648.66	\$ 20,501.34		\$ 700.95	
Various Water System Improvements	19-16	4/24/19	2,375,000.00			\$ 2,375,000.00	47,985.72	390,194.28		1,936,820.00	
				<u>\$ 465,850.95</u>	<u>\$ 70,445.77</u>	<u>\$ 2,375,000.00</u>	<u>\$ 492,634.38</u>	<u>\$ 410,695.62</u>	<u>\$ 70,445.77</u>	<u>\$ 1,937,520.95</u>	<u>\$ -</u>
		<u>Reference</u>		D	D	D-12	D-5	D	D-12	D	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2019

D-19

	<u>Ref.</u>	
Balance, December 31, 2018	D	\$ 72,256.53
Increased by:		
Cash Receipt	D-5	<u>2,375,000.00</u>
		2,447,256.53
Decreased by:		
Applied to Improvement Authorizations	D-21	<u>2,375,000.00</u>
Balance, December 31, 2019	D	<u><u>\$ 72,256.53</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2019

D-20

	<u>Ref.</u>		
Balance, December 31, 2018	D		\$ 32,515,597.56
Increased by:			
Budget Appropriation:			
Capital Outlay	D-11	\$ 554,668.31	
Adjustment to Prior Year Loan	D-2	1,170.11	
Transferred from Deferred Reserve	D-21	67,500.00	
Paydown of Bond Anticipation Notes	D-22	755,000.00	
N.J. Environmental Infrastructure Trust			
Loan Paid by Operating Budget	D-23	205,837.91	
Serial Bonds Paid	D-24	740,000.00	
		<u>2,324,176.33</u>	
Balance, December 31, 2019	D		<u>\$ 34,839,773.89</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

D-21

DEFERRED RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2019

Ordinance Number	Description	Balance Dec. 31, 2018	Improvement Authorizations	To Reserve for Amortization	Balance Dec. 31, 2019
14-20	Various Water Utility Improvements	\$ 67,500.00		\$ 67,500.00	
17-32	Various Water Utility Improvements	500,000.00			\$ 500,000.00
19-16	Various Water Utility Improvements		\$ 2,375,000.00		2,375,000.00
		<u>\$ 567,500.00</u>	<u>\$ 2,375,000.00</u>	<u>\$ 67,500.00</u>	<u>\$ 2,875,000.00</u>
	<u>Ref.</u>	D	D-19	D-20	D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

D-22

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2019

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2018	Increase	Decrease	Balance Dec. 31, 2019
09-69	Various Water System Improvements	03-10-11 11-07-14			\$ 170,665.00 204,923.00		\$ 170,665.00 204,923.00	
10-73	Various Water System Improvements	11-05-15			35,498.00		35,498.00	
11-74	Various Water System Improvements	11-07-14 11-05-15	10-30-20	2.50 %	165,138.00 141,417.00	\$ 125,876.00	165,138.00 141,417.00	\$ 125,876.00
12-73	Various Water System Improvements	12-14-12 11-05-15 11-04-16	10-30-20 10-30-20	2.50 2.50	38,677.00 119,059.00 22,883.00	116,751.00 22,883.00	38,677.00 119,059.00 22,883.00	116,751.00 22,883.00
14-20	Various Water System Improvements	11-07-14 11-04-16			108,550.00 13,700.00		108,550.00 13,700.00	
					<u>\$ 1,020,510.00</u>	<u>\$ 265,510.00</u>	<u>\$ 1,020,510.00</u>	<u>\$ 265,510.00</u>
					<u>Ref.</u> D	D-5	Below	D
					Cash Disbursements	<u>Ref.</u> D-5	\$ 265,510.00	
					Paid by Budget Appropriation	D-4, D-20	<u>755,000.00</u>	
							<u>\$ 1,020,510.00</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2019

D-23

	<u>Original Issue</u>		<u>Balance December 31, 2018</u>	<u>Loan Payments</u>	<u>Balance December 31, 2019</u>
	<u>Date</u>	<u>Amount</u>			
Fund Share	11-04-99	\$ 1,245,000.00	\$ 1,839.95	\$ 1,839.95	
Trust Share	11-08-01	660,000.00	107,105.06	36,051.14	\$ 71,053.92
Fund Share	11-08-01	706,820.00	108,591.32	37,821.09	70,770.23
Trust Share	11-07-02	915,000.00	197,774.88	44,229.53	153,545.35
Fund Share	11-07-02	962,135.00	195,449.85	47,879.62	147,570.23
Trust Share	3-10-10	180,000.00	114,000.00	10,000.00	104,000.00
Fund Share	3-10-10	550,993.00	265,718.63	28,016.58	237,702.05
			<u>\$ 990,479.69</u>	<u>\$ 205,837.91</u>	<u>\$ 784,641.78</u>
	Reference		D	D-20	D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

SERIAL BONDS
YEAR ENDED DECEMBER 31, 2019

D-24

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Bonds Outstanding Dec. 31, 2019</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2019</u>
			<u>Date</u>	<u>Amount</u>				
Water Improvements	3-01-11	\$ 1,065,000.00	3-01-20 3-01-21	\$ 100,000.00 165,000.00	3.125 % 3.375	\$ 365,000.00	\$ 100,000.00	\$ 265,000.00
Water Improvements	3-01-14	2,580,000.00	1-01-20 1-01-21 1-01-22/23 1-01-24/26 1-01-27	245,000.00 260,000.00 235,000.00 240,000.00 230,000.00	5.00 5.00 5.00 5.00 5.00	2,170,000.00	245,000.00	1,925,000.00
Water Refunding	8-15-16	2,155,000.00	10-01-20 10-01-21/25 10-01-26	235,000.00 280,000.00 270,000.00	4.00 4.00 4.00	2,140,000.00	235,000.00	1,905,000.00
Water Improvements	9-02-18	2,385,000.00	4-01-20 4-01-21 4-01-22 4-01-23/24 4-01-25 4-01-26 4-01-27 4-01-28	170,000.00 180,000.00 220,000.00 250,000.00 250,000.00 300,000.00 300,000.00 305,000.00	4.00 4.00 4.00 4.00 5.00 5.00 4.00 4.00	2,385,000.00	160,000.00	2,225,000.00
						<u>\$ 7,060,000.00</u>	<u>\$ 740,000.00</u>	<u>\$ 6,320,000.00</u>
					<u>Ref.</u>	D	D-20	D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2019

D-25

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2018</u>	<u>Canceled</u>	<u>Balance December 31, 2019</u>
12-73	Various Water Improvements	\$ 344.12		\$ 344.12
14-20	Various Water Improvements	114,800.00	\$ 70,445.77	44,354.23
		<u>\$ 115,144.12</u>	<u>\$ 70,445.77</u>	<u>\$ 44,698.35</u>
<u>Ref.</u>	D		D-18	D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CASH RECEIPTS, DISBURSEMENTS
TREASURER
YEAR ENDED DECEMBER 31, 2019

E-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance, December 31, 2018	E	\$ 1,385,419.85		\$ 187,200.26
Increased by Receipts:				
Interest on Deposits	E-3	\$ 26,438.19		
Interfund Payable	E-15		\$ 200,000.00	
Collector	E-6	7,403,398.67		
Environmental Loan Receivable	E-25		1,129,675.00	
Capital Improvement Fund	E-21		800,000.00	
Interfund Receivable	E-9	<u>800,000.00</u>		
		<u>8,229,836.86</u>		<u>2,129,675.00</u>
		9,615,256.71		2,316,875.26
Decreased by Disbursements:				
Budget Appropriations	E-4	7,017,068.74		
Interfund Receivable	E-9	200,000.00		
Appropriation Reserves	E-13	18,308.90		
Accrued Interest on Notes	E-17	17,214.26		
Accrued Interest on Loans	E-16	6,637.60		
Improvements Authorizations	E-18		520,680.77	
Interfund Payable	E-15		<u>800,000.00</u>	
		<u>7,259,229.50</u>		<u>1,320,680.77</u>
Balance, December 31, 2019	E	<u><u>\$ 2,356,027.21</u></u>		<u><u>\$ 996,194.49</u></u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR
YEAR ENDED DECEMBER 31, 2019

E-6

	<u>Ref.</u>	
Increased by:		
Miscellaneous Revenue	E-3	\$ 84,338.78
Sanitary Sewer Connection Reservoir Ridge	E-3	87,686.97
Consumer Accounts Receivable	E-10	7,208,215.54
Sewer Overpayments	E-14	<u>23,157.38</u>
		<u>7,403,398.67</u>
Decreased by:		
Turnovers to Treasurer	E-5	<u>7,403,398.67</u>
		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2019

E-7

	<u>Ref.</u>	
Balance, December 31, 2018	E	<u>\$ 200.00</u>
Balance, December 31, 2019	E	<u><u>\$ 200.00</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

ANALYSIS OF CAPITAL CASH
YEAR ENDED DECEMBER 31, 2019

E-8

	Balance Dec. 31, 2018	Receipts Other	Disbursements		Transfers		Balance Dec. 31, 2019
			Improvement Authorizations	Other	From	To	
<u>Improvement Authorizations</u>							
General Improvements:							
#09-17	\$ 5,300.00				\$ 5,300.00		
#12-21	5,701.64				5,701.64		
#14-19	(124,256.18)		\$ 44,802.70				\$ (169,058.88)
#17-35	(590,006.23)	\$ 1,129,675.00	475,878.07		1,437.65		62,353.05
#19-31		800,000.00			15,500.00		784,500.00
<u>Other Accounts</u>							
Fund Balance	169,960.10					\$ 11,002.57	180,962.67
Encumbrance Payable						16,937.65	16,937.65
Excess Bond Anticipation Notes	0.93				0.93		
Capital Improvement Fund	120,500.00	800,000.00		\$ 800,000.00			120,500.00
Sewer Operating Fund Interfund	600,000.00	200,000.00		800,000.00			
	<u>\$ 187,200.26</u>	<u>\$ 2,929,675.00</u>	<u>\$ 520,680.77</u>	<u>\$ 1,600,000.00</u>	<u>\$ 27,940.22</u>	<u>\$ 27,940.22</u>	<u>\$ 996,194.49</u>
<u>Ref.</u>	E						E

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

		<u>E-9</u>
		Sewer Operating Fund
		<u>Sewer Capital</u>
	Ref.	
Balance, December 31, 2018	E	\$ 600,000.00
Increased by:		
Advances	E-5	<u>200,000.00</u>
		800,000.00
Decreased by:		
Settlements	E-5	<u>800,000.00</u>
Balance, December 31, 2019		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

E-10

	<u>Ref.</u>		
Balance, December 31, 2018	E		\$ 779,165.02
Increased by:			
Sewer Charges Levied - Net	Reserve		7,398,326.44
			8,177,491.46
Decreased by:			
Collections	E-6	\$ 7,208,215.54	
Overpayments Applied	E-14	20,965.03	
	E-3		7,229,180.57
Balance, December 31, 2019	E		\$ 948,310.89

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2019

E-11

Balance, December 31, 2018	Ref. E		\$ 5,130,801.56
Increased by:			
Capital Outlay	E-4	\$ 15,944.28	
Transfers from Fixed Capital Authorized and Uncomplete	E-12	<u>236,728.25</u>	
			<u>252,672.53</u>
Balance, December 31, 2019	E		<u><u>\$ 5,383,474.09</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2019

E-12

Ordinance Number	Description	Balance Dec. 31, 2018	2019 Authorizations	Decrease	Transferred to Fixed Capital	Balance Dec. 31, 2019
09-17	Various Sewer System Improvements	\$ 5,300.00		\$ 5,300.00		
12-21	Various Sewer System Improvements	118,081.29		118,081.29		
14-19	Various Sewer System Improvements	268,369.37		31,641.12	\$ 236,728.25	
17-35	Various Sewer System Improvements	2,600,000.00		650,000.00		\$ 1,950,000.00
19-31	Various Sewer System Improvements	<u> </u>	<u>\$ 800,000.00</u>	<u> </u>	<u> </u>	<u>800,000.00</u>
		<u>\$ 2,991,750.66</u>	<u>\$ 800,000.00</u>	<u>\$ 805,022.41</u>	<u>\$ 236,728.25</u>	<u>\$ 2,750,000.00</u>
	Ref.	E	E-18	E-18	E-11	E

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

E-13

	Balance Dec. 31, 2018		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Unencumbered			
<u>Operating:</u>					
Salary and Wages		\$ 103,126.99	\$ 103,126.99	\$ 2,930.10	\$ 100,196.89
Other Expenses	\$ 34,245.62	16,954.28	51,199.90	15,378.80	35,821.10
Second River Sewer		7,813.68	7,813.68		7,813.68
	\$ 34,245.62	\$ 127,894.95	\$ 162,140.57	\$ 18,308.90	\$ 143,831.67
<u>Ref.</u>	E	E	E	E-5	E-1

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

E-14

SEWER OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2019

	<u>Ref.</u>	
Balance, December 31, 2018	E	\$ 20,965.03
Increased by:		
Collections	E-6	<u>23,157.38</u>
		44,122.41
Decreased by:		
Applied to Sewer Rents	E-10	<u>20,965.03</u>
Balance, December 31, 2019	E	<u><u>\$ 23,157.38</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

E-15

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2019

	<u>Ref.</u>	
		<u>Sewer Capital Fund</u> <u>Sewer Operating Fund</u>
Balance, December 31, 2018	E	\$ 600,000.00
Increased by:		
Advances	E-5	200,000.00
		<u>800,000.00</u>
Decreased by:		
Settlements	E-5	800,000.00
		<u>800,000.00</u>
Balance, December 31, 2019		<u>\$ -</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

ACCRUED INTEREST ON LOANS
YEAR ENDED DECEMBER 31, 2019

E-16

	<u>Ref.</u>	
Balance, December 31, 2018	E	\$ 3,056.77
Increased by:		
Budget Appropriation	E-4	6,429.27
		9,486.04
Decreased by:		
Payments	E-5	6,637.60
		6,637.60
Balance, December 31, 2019	E	\$ 2,848.44

Analysis of Balance

Interest on Loans	Due Feb. 1,	Interest Rate	<u>Accrued</u>		Period	Amount
			<u>From</u>	<u>To</u>		
\$	90,000.00	5.00%	8/1/2019	12/31/2019	5 months	\$ 1,875.00
	30,000.00	3.00%	8/1/2019	12/31/2019	5 months	375.00
	15,000.00	3.125%	8/1/2019	12/31/2019	5 months	195.31
	15,000.00	3.20%	8/1/2019	12/31/2019	5 months	200.00
	15,000.00	3.25%	8/1/2019	12/31/2019	5 months	203.13
						\$ 2,848.44

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

ACCRUED INTEREST ON NOTES
YEAR ENDED DECEMBER 31, 2019

E-17

	<u>Ref.</u>	
Balance, December 31, 2018	E	\$ 2,821.23
Increased by:		
Budget Appropriation	E-4	<u>14,393.03</u>
		17,214.26
Decreased by:		
Payments	E-5	<u>17,214.26</u>
Balance, December 31, 2019		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY

E-18

SEWER IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2019

<u>Improvement Description</u>	<u>Number</u>	<u>Ordinance</u>		<u>Balance</u> <u>Dec. 31, 2018</u>		<u>2019</u> <u>Authorizations</u>	<u>Paid</u>	<u>Encumbrances</u> <u>Payable</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2019</u>	
		<u>Date</u>	<u>Amount</u>	<u>Funded</u>	<u>Unfunded</u>					<u>Funded</u>	<u>Unfunded</u>
Various Sewer System Improvements	09-17	4-21-09	\$ 550,000.00	\$ 5,300.00					\$ 5,300.00		
Various Sewer System Improvements	12-21	03-06-12	1,100,000.00	5,701.64	\$ 112,379.65				118,081.29		
Various Sewer System Improvements	14-19	06-17-14	445,000.00		76,443.82		\$ 44,802.70		31,641.12		
Various Sewer System Improvements	17-35	10-24-17	2,600,000.00		1,316,170.77		475,878.07	\$ 1,437.65	650,000.00		\$ 188,855.05
Various Sewer System Improvements	19-31	9-24-19	800,000.00			\$ 800,000.00		15,500.00		\$ 784,500.00	
				<u>\$ 11,001.64</u>	<u>\$ 1,504,994.24</u>	<u>\$ 800,000.00</u>	<u>\$ 520,680.77</u>	<u>\$ 16,937.65</u>	<u>\$ 805,022.41</u>	<u>\$ 784,500.00</u>	<u>\$ 188,855.05</u>
		<u>Reference</u>		E	E	E-12	E-5	E	E-12, E-24	E	E

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

ENVIRONMENTAL INFRASTRUCTURE LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2019

E-19

	<u>Ref.</u>	
Balance, December 31, 2018	E	\$ 683,345.50
Decreased by:		
Loan Payments	E-22	<u>49,103.50</u>
Balance, December 31, 2019	E	<u>\$ 634,242.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

DEFERRED RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2019

E-20

Ordinance Number	Improvement Description	Balance Dec. 31, 2018	Increase	Decrease	Balance Dec. 31, 2019
09-17	Various Sewer System Improvements	\$ 5,300.00		\$ 5,300.00	
19-31	Various Sewer System Improvements		\$ 800,000.00		\$ 800,000.00
		<u>\$ 5,300.00</u>	<u>\$ 800,000.00</u>	<u>\$ 5,300.00</u>	<u>\$ 800,000.00</u>
Ref.		E	E-21	E-2	E

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2019

E-21

	<u>Ref.</u>	
Balance, December 31, 2018	E	\$ 120,500.00
Increased by:		
Cash Receipt	E-4	800,000.00
		920,500.00
Decreased by:		
Applied to Improvement Authorization	E-20	800,000.00
		800,000.00
Balance, December 31, 2019	E	\$ 120,500.00

RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2019

E-22

	<u>Ref.</u>	
Balance, December 31, 2018	E	\$ 4,028,992.00
Increased by:		
Paydown of Bond Anticipation Notes	E-23	\$ 491,836.00
Payment of Loans	E-19	49,103.50
Capital Outlay	E-11	15,944.28
		556,883.78
		4,585,875.78
Decreased by:		
Excess Financing	E-2	0.93
Cancellation of Funded Improvement Authorization	E-2	5,701.64
		5,702.57
Balance, December 31, 2019	E	\$ 4,580,173.21

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2019

E-23

Ordinance Number	Purpose	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2018	Decrease	Balance Dec. 31, 2019
09-17	Various Sewer Improvements	3-11-10				\$ 35,551.00	\$ 35,551.00	
09-70	Various Sewer Improvements	12-16-10 11-07-14				180,483.00 33,401.00	180,483.00 33,401.00	
14-19	Various Sewer Improvements	11-05-15 11-04-16				148,101.00 94,300.00	148,101.00 94,300.00	
						<u>\$ 491,836.00</u>	<u>\$ 491,836.00</u>	<u>\$ -</u>
<u>Ref.</u>						E	E-22	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2019

E-24

Ordinance Number	Improvement Description	Balance Dec. 31, 2018	Decreased	Balance Dec. 31, 2019
12-21	Various Sewer System Improvements	\$ 112,379.65	\$ 112,379.65	
14-19	Various Sewer System Improvements	200,700.00	31,641.12	\$ 169,058.88
17-35	Various Sewer System Improvements	2,600,000.00	650,000.00	1,950,000.00
		<u>\$ 2,913,079.65</u>	<u>\$ 794,020.77</u>	<u>\$ 2,119,058.88</u>
	<u>Ref.</u>	E	Below	E
	Canceled		E-18 \$ 805,022.41	
	Fund Balance		E-2 <u>(11,001.64)</u>	
	Above		<u>\$ 794,020.77</u>	

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

ENVIRONMENTAL LOAN RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

E-25

	<u>Ref.</u>		
Balance, December 31, 2018	E		\$ 1,906,177.00
Decreased by:			
Collections	E-5	\$ 1,129,675.00	
Cancellations	E-26	<u>650,000.00</u>	
			<u>1,779,675.00</u>
Balance, December 31, 2019	E		<u>\$ 126,502.00</u>

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE
INTERIM FINANCING PAYABLE
YEAR ENDED DECEMBER 31, 2019

E-26

	<u>Ref.</u>		
Balance, December 31, 2018	E		\$ 2,600,000.00
Decreased by:			
Cancellations	E-25		<u>650,000.00</u>
Balance, December 31, 2019	E		<u>\$ 1,950,000.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION -
TREASURER
YEAR ENDED DECEMBER 31, 2019

F-4

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance, December 31, 2018	F	\$ 2,818,019.49	\$ 827,747.63
Increased by Receipts:			
Interest on Deposits	F-2	\$ 64,681.19	
Meter Fees	F-2	1,863,110.43	
Miscellaneous Revenue	F-2	316,112.12	
Permit Fees	F-2	1,872,829.49	
Transient Fees	F-2	1,529,791.45	
Capital Improvement Fund	F-12		\$ 600,000.00
Reserve for Midtown Parking Deck	F-15		400,000.00
Reserve for Crescent Parking Deck	F-16		6,250.00
		<u>5,646,524.68</u>	<u>1,006,250.00</u>
		8,464,544.17	1,833,997.63
Increased by Disbursements:			
Budget Appropriations	F-3	4,456,417.26	
Appropriation Reserves	F-9	464,835.14	
Accrued Interest on Bonds	F-10	561,661.81	
Improvement Authorizations	F-14		286,291.03
		<u>5,482,914.21</u>	<u>286,291.03</u>
Balance, December 31, 2019	F	<u>\$ 2,981,629.96</u>	<u>\$ 1,547,706.60</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

ANALYSIS OF CAPITAL CASH
DECEMBER 31, 2019 AND 2018

F-5

	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
<u>Other Accounts</u>		
Capital Improvement Fund	\$ 459,000.00	\$ 305,000.00
Fund Balance	50,000.00	50,000.00
Improvement Authorization	319,854.30	266,497.63
Encumbrances Payable	106,352.30	
Reserve for Midtown Parking Deck	600,000.00	200,000.00
Reserve for Crescent Parking Deck	12,500.00	6,250.00
	<u>\$ 1,547,706.60</u>	<u>\$ 827,747.63</u>
<u>Ref.</u>	F-4	F-4

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

SERIAL BONDS
YEAR ENDED DECEMBER 31, 2019

F-6
Sheet # 1

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding Dec. 31, 2019		Interest Rate	Balance Dec. 31, 2018	Decrease	Balance Dec. 31, 2019
			Date	Amount				
Refunding	7-1-14	\$ 12,030,000.00	1-01-20	\$ 405,000.00	4.000 %			
			1-01-21	425,000.00	5.000			
			1-01-22	445,000.00	5.000			
			1-01-23	465,000.00	5.000			
			1-01-24	495,000.00	5.000			
			1-01-25	515,000.00	5.000			
			1-01-26	535,000.00	5.000			
			1-01-27	565,000.00	5.000			
			1-01-28	585,000.00	3.375			
			1-01-29	610,000.00	3.500			
			1-01-30	630,000.00	3.625			
			1-01-31	650,000.00	3.625			
			1-01-32	680,000.00	3.750			
			1-01-33	695,000.00	3.750			
			1-01-34	735,000.00	5.000			
			1-01-35	770,000.00	5.000			
			1-01-36	805,000.00	5.000			
			1-01-37	855,000.00	5.000			

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

SERIAL BONDS
YEAR ENDED DECEMBER 31, 2019

F-6
Sheet # 2

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding Dec. 31, 2019		Interest Rate	Balance Dec. 31, 2018	Decrease	Balance Dec. 31, 2019
			Date	Amount				
Refunding	7-1-14	\$ 1,820,000.00	1-01-20	\$ 65,000.00	2.860 %			
			1-01-21	65,000.00	3.110			
			1-01-22	70,000.00	3.324			
			1-01-23	65,000.00	3.524			
			1-01-24	70,000.00	3.674			
			1-01-25	75,000.00	4.324			
			1-01-26	80,000.00	4.324			
			1-01-27	85,000.00	4.324			
			1-01-28	85,000.00	4.324			
			1-01-29	85,000.00	4.324			
			1-01-30	90,000.00	4.556			
			1-01-31	90,000.00	4.556			
			1-01-32	100,000.00	4.556			
			1-01-33	105,000.00	4.556			
			1-01-34	105,000.00	4.556			
			1-01-35	115,000.00	4.556			
			1-01-36	115,000.00	4.556			
			1-01-37	125,000.00	4.556			
						\$ 1,655,000.00	\$ 65,000.00	\$ 1,590,000.00
						\$ 12,910,000.00	\$ 455,000.00	\$ 12,455,000.00
					<u>Ref.</u>	F	F-11	F

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

FIXED CAPITAL
DECEMBER 31, 2019

F-7

	Balance Dec. 31, 2018	Increased by Capital Outlay	Balance Dec. 31, 2019
Construction of Various Parking Decks	\$ 16,560,015.13	\$ 160,841.67	\$ 16,720,856.80
<u>Ref.</u>	F	F-9, F-11	F

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
DECEMBER 31, 2019

F-8

	<u>Ref.</u>		
Balance, December 31, 2018	F		\$ 535,000.00
Increased by:			
Improvement Authorization	F-14		446,000.00
Balance, December 31, 2019	F		\$ 981,000.00
<u>Improvement Description</u>	<u>Ordinance Number</u>		
Various Parking Improvements	16-23		\$ 185,000.00
Various Parking Improvements	17-33		350,000.00
Various Parking Improvements	19-15		146,000.00
Various Parking Improvements	19-25		300,000.00
			\$ 981,000.00

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

F-9

	Balance Dec. 31, 2018		Balance After Transfers	Paid or Charged	Balance Lapsed
	Committed	Reserved			
<u>Operating</u>					
Salaries and Wages		\$ 15,651.80	\$ 15,651.80	\$ 2,803.37	\$ 12,848.43
Other Expenses	\$ 370,570.50	68,142.16	438,712.66	280,434.15	158,278.51
Midtown Park Deck Expenses		3,604.00	3,604.00		3,604.00
	<u>370,570.50</u>	<u>87,397.96</u>	<u>457,968.46</u>	<u>283,237.52</u>	<u>174,730.94</u>
<u>Capital Improvements</u>					
Capital Outlay	162,271.67	2,713.20	164,984.87	160,841.67	4,143.20
	<u>162,271.67</u>	<u>2,713.20</u>	<u>164,984.87</u>	<u>160,841.67</u>	<u>4,143.20</u>
<u>Statutory Expenditures</u>					
Social Security System		20,755.95	20,755.95	20,755.95	
	<u>\$ 532,842.17</u>	<u>\$ 110,867.11</u>	<u>\$ 643,709.28</u>	<u>\$ 464,835.14</u>	<u>\$ 178,874.14</u>
<u>Ref.</u>	F	F		F-4	F-1

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2019

F-10
Sheet # 1

	<u>Ref.</u>	
Balance, December 31, 2018	F	\$ 285,135.53
Increased by:		
Budget Appropriation	F-3	553,052.56
		838,188.09
Decreased by:		
Payments	F-4	561,661.81
		561,661.81
Balance, December 31, 2019	F	\$ 276,526.28

Analysis of Balance

Bonds Outstanding	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 405,000.00	4.000%	7/1/2019	12/31/2019	6 Months	\$ 8,100.00
3,445,000.00	5.000%	7/1/2019	12/31/2019		86,125.00
585,000.00	3.375%	7/1/2019	12/31/2019		9,871.88
610,000.00	3.500%	7/1/2019	12/31/2019		10,675.00
1,280,000.00	3.625%	7/1/2019	12/31/2019		23,200.00
1,375,000.00	3.750%	7/1/2019	12/31/2019		25,781.25
3,165,000.00	5.000%	7/1/2019	12/31/2019		79,125.00
10,865,000.00					242,878.13

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2019

F-10
Sheet # 2

Bonds Outstanding Dec. 31, 2019	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 65,000.00	2.860%	7/1/2019	12/31/2019	6 Months	\$ 929.50
65,000.00	3.110%	7/1/2019	12/31/2019		1,010.75
70,000.00	3.324%	7/1/2019	12/31/2019		1,163.40
65,000.00	3.524%	7/1/2019	12/31/2019		1,145.30
70,000.00	3.674%	7/1/2019	12/31/2019		1,285.90
410,000.00	4.324%	7/1/2019	12/31/2019		8,864.20
845,000.00	4.556%	7/1/2019	12/31/2019		19,249.10
<u>1,590,000.00</u>					<u>33,648.15</u>
<u>\$ 12,455,000.00</u>					<u>\$ 276,526.28</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2019

F-11

	<u>Ref.</u>		
Balance, December 31, 2018	F		\$ 3,650,015.13
Increased by:			
Capital Outlay	F-7	\$ 160,841.67	
Serial Bonds Paid by Operating Budget:			
Current Year	F-6	<u>455,000.00</u>	<u>615,841.67</u>
Balance, December 31, 2019	F		<u>\$ 4,265,856.80</u>

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2019

F-12

	<u>Ref.</u>		
Balance, December 31, 2018	F		\$ 305,000.00
Increased by:			
Cash Receipt	F-4		<u>600,000.00</u>
			905,000.00
Decreased by:			
Applied to Improvement Authorizations	F-13, F-14		<u>446,000.00</u>
Balance, December 31, 2019	F		<u>\$ 459,000.00</u>

DEFERRED RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2019

F-13

	<u>Ref.</u>		
Balance, December 31, 2018	F		\$ 535,000.00
Increased by:			
Improvement Authorizations	F-12		<u>446,000.00</u>
Balance, December 31, 2019	F		<u>\$ 981,000.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2019

F-14

<u>Improvement Description</u>	<u>Ordinance</u>			<u>Balance</u>	<u>2019</u>	<u>Paid</u>	<u>Encumbrances</u>	<u>Balance</u>
	<u>Number</u>	<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2018</u>	<u>Authorizations</u>		<u>Payable</u>	<u>Dec. 31, 2019</u>
				<u>Funded</u>				<u>Funded</u>
Various Parking Improvements	16-23	6-15-16	\$ 185,000.00	\$ 115,813.30		\$ 102,000.00		\$ 13,813.30
Various Parking Improvements	17-33	9-19-17	350,000.00	150,684.33		110,502.30		40,182.03
Various Parking Improvements	19-15	4-23-19	146,000.00		\$ 146,000.00	1,356.60	\$ 106,352.30	38,291.10
Various Parking Improvements	19-25	7-23-19	300,000.00		300,000.00	72,432.13		227,567.87
				<u>\$ 266,497.63</u>	<u>\$ 446,000.00</u>	<u>\$ 286,291.03</u>	<u>\$ 106,352.30</u>	<u>\$ 319,854.30</u>
			<u>Reference</u>	F	F-8	F-4	F	F

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

RESERVE FOR MIDTOWN PARKING DECK
YEAR ENDED DECEMBER 31, 2019

F-15

	<u>Ref.</u>	
Balance, December 31, 2018	F	\$ 200,000.00
Increased by:		
Cash Receipt	F-4	<u>400,000.00</u>
Balance, December 31, 2019	F	<u><u>\$ 600,000.00</u></u>

RESERVE FOR CRESCENT PARKING DECK
YEAR ENDED DECEMBER 31, 2019

F-16

	<u>Ref.</u>	
Balance, December 31, 2018	F	\$ 6,250.00
Increased by:		
Capital Contributions:		
Herod	F-4	<u>6,250.00</u>
Balance, December 31, 2019	F	<u><u>\$ 12,500.00</u></u>

PART III
REPORT ON INTERNAL CONTROL AND
OTHER MATTERS
SINGLE AUDIT ATTACHMENTS
YEARS ENDED DECEMBER 31, 2019 and 2018

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

Independent Auditors' Report

**The Honorable Mayor and Members
of the Township Council
Township of Montclair
Montclair, New Jersey**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the regulatory-basis financial statements of the Township of Montclair, Essex County, New Jersey (the "Township"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated July 17, 2020, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the financial reporting provisions of the Division.

Internal Control Over Financial Reporting

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

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

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

**The Honorable Mayor and Members
of the Township Council
Township of Montclair**
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's regulatory basis financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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.

PKF O'Connor Davies, LLP

Cranford, New Jersey
July 17, 2020

David J. Gannon

David J. Gannon, CPA
Licensed Registered Municipal Accountant, No. 520



**Report on Compliance for Each Major Federal and
State Program and Report on Internal Control Over Compliance Required by the Uniform
Guidance and NJ OMB Circular 15-08**

Independent Auditors' Report

**The Honorable Mayor and Members
of the Township Council
Township of Montclair
County of Essex
Montclair, New Jersey**

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Montclair, County of Essex, New Jersey ("Township") compliance with the types of compliance requirements described in the *OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on its major federal and state programs for the year ended December 31, 2019. The Township's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Township's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("*Uniform Guidance*") and New Jersey OMB Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards, the Uniform Guidance and New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on major federal and state programs occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal and state programs. However, our audit does not provide a legal determination of the Township's compliance.

PKF O'CONNOR DAVIES, LLP
20 Commerce Drive, Suite 301, Cranford, NJ 07016 | Tel: 908.272.6200 | Fax: 908.272.2416 | www.pkfod.com

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Opinion on Each Major Federal and State Program

In our opinion, the Township complied, in all material respects with each of the types of compliance requirements referred to above that could have a direct and material effect on its major federal and state programs for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the Township is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal and state programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal and state programs and to test and report on internal control over compliance in accordance with Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state 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 and state 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 and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purposes.

PKF O'Connor Davies, LLP
Cranford, New Jersey
July 17, 2020

David J. Gannon
David J. Gannon, CPA
Licensed Registered Municipal Accountant, No. 520

**TOWNSHIP OF MONTCLAIR
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2019**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State Program Code	Pass Through Entity Identifying Number	Pass Through to Sub-recipients	Grant Period		Revised Budget	Balance Dec. 31, 2018	Cash Receipts	Current Year Expenditures	Canceled	Balance Dec. 31, 2019	Cumulative Expenditures
					From	To							
U.S. Department of Housing and Urban Development: Passed -Through County of Essex Housing and Urban Development: Community Development Block Grant:	14.218	Not available			7-01-17	Completion	\$ 1,265,532.70	\$ 594,978.00	\$ 185,015.00	\$ 185,603.00	\$ 65,575.00	\$ 343,800.00	\$ 712,087.70
Direct Program Housing Choice Voucher Program	14.871	Not available			1-01-19	12-31-20	2,568,496.00		2,331,566.00	2,568,496.00			2,568,496.00
U.S. Department of Environmental Protection: Pass Through New Jersey Department of Environmental Protection: Capitalization Grants for Clean Water State Revolving Funds	66.458	Not available			1/1/2018	Completion	1,300,000.00	658,085.39	564,837.50	237,939.04	325,000.00	95,146.35	1,204,853.65
U.S. Department of Justice: Pass Through New Jersey Department of Law and Public Safety: Bulletproof Vest Program	16.607	Not available			7-01-19	6-30-20	6,944.00		5,941.85	5,941.85		1,002.15	5,941.85
U.S. Department of Homeland Security: Assistance to Firefighters FEMA Hurricane Sandy	97.044 97.036	Not available Not available			7-01-03 12-31-12	Completion Completion	19,300.10 31,946.00	12,603.48		31,946.00		12,603.48	6,696.62 31,946.00
Generator	97.039	Not available			7-01-15	6-30-20	192,000.00	189,110.00		180,610.00		8,500.00	192,000.00
U.S. Environmental Protection Agency: Passed Through Twp. Of Cherry Hill: Climate Showcase Communities Grant	66.041	Not available			7-01-10	Completion	57,417.22						57,417.22
U.S. Department of Agriculture: Mobile Food Stand Eat Healthy Grant	10.170 10.170	Not available Not available			7-01-15 7-01-15	Completion 6-30-20	22,831.00 10,000.00	2,019.92		600.00		1,419.92	23,096.00 8,580.08
U.S. Department of Transportation: Pass Through New Jersey Department of Transportation - Highway Safety: Click It or Ticket Drive Sober or Get Pulled Over	20.602 20.616	31000 31020			7-01-19 7-01-17	6-30-20 Completion	5,500.00 5,500.00	3,025.00	5,500.00 5,500.00	5,500.00 3,025.00			5,500.00 5,500.00
Total Federal Financial Assistance							<u>\$ 1,459,821.79</u>	<u>\$ 3,098,360.35</u>	<u>\$ 3,219,660.89</u>	<u>\$ 390,575.00</u>	<u>\$ 462,471.90</u>	<u>\$ 4,822,115.12</u>	

TOWNSHIP OF MONTCLAIR
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2019

State Funding Department or Division	Program	State Account Number	Revised Grant Award	Grant Period		Balance Dec. 31, 2018	Cash Received	Expended	Canceled	Balance Dec. 31, 2019	Cumulative Expenditures	
				From	To							
Environmental Protection	Clean Community Grant	4900-765-178910-60	70,449.09	1/01/17	12/31/20	\$ 29,449.09				\$ 29,449.09	\$ 41,000.00	
	Clean Community Grant	4900-765-178910-60	67,431.69	1/01/18	12/31/21	67,431.69				67,431.69		
	Clean Community Grant	4900-765-178910-60	75,253.30	1/01/19	12/31/22	75,253.30	\$ 75,253.30			75,253.30		
	ANJEC Space Stewartspace Grant	Not available	294.36	7/01/15	Completion	294.36			\$ 294.36			
	N.J.E.D.A. Hazardous Discharge	Not available	127,318.88	7/01/12	Completion	15,131.81	14,076.10	\$ 3,971.23		11,160.58	112,657.19	
	N.J.E.D.A. Hazardous Discharge - Orange Road	Not available	41,022.00				26,211.90	19,754.15		21,267.85	19,754.15	
	NJ Historic Preservation	487-542-320010-60	24,999.00	7/01/19	Completion		24,820.00	24,820.00	179.00		24,820.00	
	Recycling Tonnage Grant	4900-752-178840-60	30,903.52	7/01/14	Completion	30,903.52				30,903.52		
	Recycling Tonnage Grant	4900-752-178840-60	34,086.18	7/01/14	Completion	34,086.18				34,086.18		
	Recycling Tonnage Grant	4900-752-178840-60	39,830.85	7/01/2019	Completion	39,830.85	39,830.85			39,830.85		
	N.J. Environmental Infrastructure Program: Sewerage Facility Construction Grant	4200-526-99822-60	1,300,000.00	1/1/2018	Completion	658,085.39	564,837.50	237,939.04	325,000.00	95,146.35	1,204,853.66	
	Health	Municipal Alliance Grant	2000-475-995120-60	90,097.94	1/1/2018	Completion	90,097.94	30,816.50	49,434.34		40,663.60	49,434.34
Health	Tobacco Control Grant	Not available	5,940.00	1/01/10	12/31/20	5,320.53		235.00		5,085.53	854.47	
	Emergency Preparedness Grant	Not available	602.65	7/01/08	Completion	22.85		22.85			602.65	
National Association of County Health Officers	National Association of County Health Officers	Not available	2,615.29	7/01/13	Completion	1,258.05		925.34		332.71	2,282.58	
	National Association of County Health Officers	Not available	2,559.84	7/01/12	Completion	2,559.84		2,559.84			2,559.84	
	National Association of County Health Officers	Not available	2,320.00	7/01/13	Completion	2,320.00				2,320.00		
Partners for Health	Partners for Health	Not available	8,049.97	1/01/15	12/31/20	7,455.15		1,710.29		5,744.86	2,305.11	
	Partners for Health	Not available	20,000.00	1/1/2018	12/31/20	11,808.02		9,601.24	555.00	1,651.78	19,603.17	
	Partners for Health - Visiting Nurse	Not available	17,261.00	1/1/2018	Completion		14,561.00	14,561.00	2,700.00		14,561.00	
	Partners for Health - Visiting Nurse	Not available	14,561.00	1/1/2019	12/31/20					14,561.00		
Childhood Lead Exposure	Childhood Lead Exposure	Not available	184,353.00	1/1/2018	Completion	60,983.27	87,748.00	60,983.27			184,353.00	
	Childhood Lead Exposure	Not available	122,500.00	1/1/2019	12/31/20		27,632.00	41,378.47		81,121.53	41,378.47	
Board of Public Utilities	Micro Grid Feasibility Study	Not available	142,480.00			142,480.00	142,480.00	142,480.00			142,480.00	
	Division of Criminal Justice: Body Armor Fund	1020-718-066-1020-001	3,177.20	7/01/18	Completion	3,177.20		3,177.20			3,177.20	
	Body Armor Fund	1020-718-066-1020-001	10,509.86	7/01/19	6/30/20		10,509.86	9,728.95		780.91	9,728.95	
	Division of Motor Vehicles: Drunk Driving Enforcement	6400-100-078-6400	12,804.50	7/01/17	6/30/20	12,093.20		6,933.02		5,160.18	6,993.20	
	Distracted Driving	Not available	5,500.00	7/01/19	6/30/20		5,500.00	5,500.00			5,500.00	
	Division of Highway Safety: Pedestrian Safety Enforcement & Education Fund	Not available	37,995.00	7/01/17	Completion	22,525.00		22,515.00	10.00		37,995.00	
	Pedestrian Safety Enforcement & Education Fund	Not available	25,000.00	7/01/19	6/30/20		24,990.00	8,650.00		16,350.00	8,650.00	
	Bicycle Safety Grant	Not available	23,800.00	7/01/17	Completion			11,340.00			23,800.00	
	Bicycle Safety Grant	Not available	12,000.00	7/01/19	6/30/20		12,000.00			12,000.00		
	Alcohol Ed. & Rehabilitation Grant	9735-760-098-Y900-00 1-XI 00-6019	14,235.42	7/01/18	6/30/20	14,235.42	2,813.11			14,235.42	1,150.00	
	Department of Transportation	Local Aid For Various Road Projects	6320-480-078-6320	273,639.00	7/01/16	Completion		205,229.25	70,579.70	28,420.64		245,218.36
	Division on Aging	Seniorrama Grant	Not available	1,320.00	7/01/19	6/30/20		1,320.00	1,320.00			1,320.00
Health Officer Grant		Not available	3,500.00	1/1/2018	12/31/20	3,500.00				3,500.00		
						1,330,302.66	\$ 1,310,629.37	\$ 750,119.93	\$ 357,159.00	\$ 608,036.93	\$ 2,207,032.34	

See accompanying Notes to Schedule of Expenditures of Federal and State Financial Assistance.

Montclair Housing Authority (NJ086)
Montclair, NJ
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2019

	14.871 Housing Choice Vouchers	Subtotal	Total
111 Cash - Unrestricted	\$ 152,756	\$ 152,756	\$ 152,756
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted	\$ 36,792	\$ 36,792	\$ 36,792
114 Cash - Tenant Security Deposits			
115 Cash - Restricted for Payment of Current Liabilities			
100 Total Cash	\$ 189,548	\$ 189,548	\$ 189,548
121 Accounts Receivable - PHA Projects			
122 Accounts Receivable - HUD Other Projects			
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous			
126 Accounts Receivable - Tenants			
126.1 Allowance for Doubtful Accounts -Tenants			
126.2 Allowance for Doubtful Accounts - Other			
127 Notes, Loans, & Mortgages Receivable - Current			
128 Fraud Recovery			
128.1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable			
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$0
131 Investments - Unrestricted			
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets			
143 Inventories			
143.1 Allowance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$ 189,548	\$ 189,548	\$ 189,548
161 Land			
162 Buildings			
163 Furniture, Equipment & Machinery - Dwellings			
164 Furniture, Equipment & Machinery - Administration	\$30,718	\$30,718	\$30,718
165 Leasehold Improvements			
166 Accumulated Depreciation	-\$30,718	-\$30,718	-\$30,718
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$0	\$0	\$0
200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$ 189,548	\$ 189,548	\$ 189,548
311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$ 4,625	\$ 4,625	\$ 4,625
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable			
322 Accrued Compensated Absences - Current Portion			
324 Accrued Contingency Liability			
325 Accrued Interest Payable			

331	Accounts Payable - HUD PHA Programs				
332	Account Payable - PHA Projects				
333	Accounts Payable - Other Government				
341	Tenant Security Deposits				
342	Unearned Revenue				
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue				
344	Current Portion of Long-term Debt - Operating Borrowings				
345	Other Current Liabilities				
346	Accrued Liabilities - Other				
347	Inter Program - Due To				
348	Loan Liability - Current				
310	Total Current Liabilities	\$	4,625	\$	4,625
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				
355	Loan Liability - Non Current				
356	FASB 5 Liabilities				
357	Accrued Pension and OPEB Liabilities				
350	Total Non-Current Liabilities	\$0		\$0	
300	Total Liabilities	\$	4,625	\$	4,625
400	Deferred Inflow of Resources				
508.4	Net Investment in Capital Assets	\$0		\$0	
511.4	Restricted Net Position	\$	36,792	\$	36,792
512.4	Unrestricted Net Position	\$	148,131	\$	148,131
513	Total Equity - Net Assets / Position	\$	184,923	\$	184,923
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$	189,548	\$	189,548

Montclair Township
Montclair, NJ
Program Revenue and Expense Summary
Submission Type: Single Audit

Fiscal Year End December 31, 2019

	14.871 Housing Choice Vouchers	Total
70500 Total Tenant Revenue	\$ 0	\$ 0
70600 HUD PHA Operating Grants	\$ 2,306,566.00	\$ 2,306,566.00
71100 Investment Income - Unrestricted	\$ 6,734.00	\$ 6,734.00
71400 Fraud Recovery	\$ 21,208.00	\$ 21,208.00
71500 Other Revenue	\$ 67,529.00	\$ 67,529.00
72000 Investment Income - Restricted	\$ 355.00	\$ 355.00
70000 Total Revenue	\$ 2,402,392.00	\$ 2,402,392.00
91100 Administrative Salaries	\$ 187,101.00	\$ 187,101.00
91200 Auditing Fees	\$ -	\$ -
91300 Management Fee	\$ -	\$ -
91310 Book-keeping Fee	\$ -	\$ -
91400 Advertising and Marketing	\$ -	\$ -
91500 Employee Benefit contributions - Administrative	\$ -	\$ -
91600 Office Expenses	\$ 124,126.00	\$ 124,126.00
91700 Legal Expense	\$ -	\$ -
91800 Travel	\$ 2,112.00	\$ 2,112.00
91810 Allocated Overhead	\$ -	\$ -
91900 Other	\$ 18,064.00	\$ 18,064.00
91000 Total Operating - Administrative	\$ 331,403.00	\$ 331,403.00
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
93000 Total Utilities	\$ 0	\$ 0
94000 Total Maintenance	\$ 0	\$ 0
95000 Total Protective Services	\$ 0	\$ 0
96100 Total insurance Premiums	\$ 0	\$ 0
96000 Total Other General Expenses	\$ 0	\$ 0
96700 Total Interest Expense and Amortization Cost	\$ 0	\$ 0
96900 Total Operating Expenses	\$ 331,403.00	\$ 331,403.00
97000 Excess of Operating Revenue over Operating Expenses	\$ 2,070,989.00	\$ 2,070,989.00
97100 Extraordinary Maintenance	\$ -	\$ -
97200 Casualty Losses - Non-capitalized	\$ -	\$ -
97300 Housing Assistance Payments	\$ 2,179,433.00	\$ 2,179,433.00
97350 HAP Portability-In	\$ 57,660.00	\$ 57,660.00
90000 Total Expenses	\$ 2,568,496.00	\$ 2,568,496.00
10100 Total Other Financing Sources (Uses)	\$ 0	\$ 0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$ (166,104.00)	\$ (166,104.00)
11020 Required Annual Debt Principal Payments	\$ 0	\$ 0
11030 Beginning Equity	\$ 340,340.00	\$ 340,340.00
11040 Prior Period Adjustments, Equity Transfers and Correction	\$ 10,687.00	\$ 10,687.00
11170 Administrative Fee Equity	\$ 148,131.00	\$ 148,131.00
11180 Housing Assistance Payments Equity	\$ 36,792.00	\$ 36,792.00
11190 Unit Months Available	\$ 3,852.00	\$ 3,852.00
11210 Number of Unit Months Leased	\$ 2,623.00	\$ 2,623.00

TOWNSHIP OF MONTCLAIR

Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

December 31, 2019

1. **General**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal and state financial assistance programs of the Township of Montclair. The Township is defined in Note 1 to the Township's financial statements. To the extent identified, the federal and state financial assistance that passed through other governmental agencies is included on the schedules of expenditures of federal awards and state financial assistance.

2. **Basis of Accounting**

The accompanying schedule of expenditures of federal awards and state financial assistance is presented using the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is described in Note 1, Summary of Significant Accounting Policies, of the Township's financial statements. The information in the schedule of expenditures of federal awards and state financial assistance is presented in accordance with the OMB Uniform Guidance and New Jersey OMB 15-08.

3. **Relationship to Basic Regulatory-Basis Financial Statements**

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal and state financial reports.

4. **Indirect Cost Rate**

The Township has elected not to use the ten percent de minimis indirect cost rate as allowed by the Uniform Guidance.

TOWNSHIP OF MONTCLAIR

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019**

Financial Statement Section

Type of auditor's report issued: Unmodified – Regulatory Basis

Internal Control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

Noncompliance material to the financial statements noted? _____ Yes X No

Federal Awards

Dollar threshold used to distinguish between type A and B programs: \$750,000.00

Auditee qualified as low-risk auditee? X Yes _____ No

Internal Control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 200.516 of the Uniform Guidance? _____ Yes X No

Identification of major programs:

<u>Program Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.871	Section 8 Housing Choice Vouchers

TOWNSHIP OF MONTCLAIR

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019**

Financial Statements

Type of auditors' report issued on financial statements Unmodified for Regulatory Basis

Internal control over financial reporting:

- 1) Material weakness(es) identified _____ Yes X No
- 2) Significant deficiency(ies) that are not considered to be material weakness(es)? _____ Yes X None Reported

Noncompliance material to the financial statements noted? _____ Yes X No

State Financial Assistance

Internal Control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08? _____ Yes X No

Identification of major programs:

<u>State Account Number</u>	<u>Name of State Program</u>
4800-526-99822-60	Sewerage Facility Construction Grants

Dollar threshold used to distinguish between Type

A and B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes _____ No

TOWNSHIP OF MONTCLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019

Part II – Schedule of Financial Statement Findings

No financial statement findings noted that are required to be reported under *Government Auditing Standards*.

TOWNSHIP OF MONTCLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019

Part III – Schedule of Federal and State Award Findings and Questioned Costs

No instances of non-compliance were noted during our audit.

TOWNSHIP OF MONTCLAIR
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2019

Part IV – Prior Year Audit Findings

No prior year findings were noted.

PART IV
ROSTER OF OFFICIALS
COMMENTS AND RECOMMENDATIONS
YEARS ENDED DECEMBER 31, 2019 and 2018

TOWNSHIP OF MONTCLAIR

OFFICIALS IN OFFICE AND REPORT ON SURETY BONDS

The following officials were in office on December 31, 2019:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
<u>Township Council</u>		
Robert D. Jackson	Mayor	\$
Rich McMahon	Deputy Mayor	
Renee E. Baskerville, M.D	Councilor	
William L. Hurlock, Esq	Councilor	
Robert J. Russo	Councilor	
Robin Schlager	Councilor	
Sean M. Spiller	Councilor	
.		
<u>Other Officials</u>		
Timothy Stafford	Acting Township Manager	
Padmaja Rao	Chief Financial Officer	*1,000,000
Christopher Macaluso	Comptroller	*1,000,000
Juliet Lee	Deputy Municipal Clerk	
Lidia Leszcynski	Collector of Taxes, Water Rents And Sewer Charges	*1,000,000
Gary Obszarny	Director of Water & Sewer Administration	*1,000,000
George F. Librizzi	Tax Assessor	*1,000,000
Joseph Angelo, Esq	Chief Judge	*1,000,000
Donna Bennion	Court Administrator	*1,000,000
Ira Karasick	Township Attorney	

* An Employee Dishonest Bond, issued by Garden State Municipal Joint Insurance Fund, covers each employee in the amount of \$1,000,000.00 per Loss.

**TOWNSHIP OF MONTCLAIR
GENERAL COMMENTS
DECEMBER 31, 2019**

Contracts and Agreements Required to be Advertised for (N.J.S.A. 40A:11-4)

N.J.S.A. 40A:11-4, as amended, states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to N.J.S.A. 40A: 11-3, except by contract or agreement."

It is pointed out that the Township Council have the responsibility of determining whether the expenditures in any category will exceed the threshold set for the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the opinion of the Township Attorney should be sought before a commitment is made.

The bidding threshold for the period under review was \$40,000.00 in accordance with the provisions of N.J.S.A. 40A:11-3a, based on the appointment of a qualified purchasing agent.

The minutes indicate that bids were requested by public advertisement for all purchases.

Notwithstanding N.J.S.A. 40A:11-3a, P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-20.5, known as the "Pay to Play Law", provides that a municipality is prohibited from executing any contract in excess of \$17,500.00, on or after January 1, 2006, to a business entity that made certain reportable contributions to any municipal committee of a political party if a member of that party is in office as a member of the governing body of the municipality when the contract is awarded, unless proposals or qualifications are solicited through a fair and open process.

It is further noted that contracts between \$17,500.00 and the municipal bidding threshold, known as "window contracts", can be issued by resolution of the governing body without competitive bidding if a non-fair and open process is implemented which prohibits reportable contributions by the business entity. The Township did not participate in this process.

Inasmuch as the system of records did not provide for an accumulation of payments for categories of materials and supplies or related work or labor, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Purchases, Contracts or Agreements Not Required to be Advertised by N.J.S.A. 40A:11-6.1

N.J.S.A. 40A:11-6.1 states, "Except contracts which require the performance of professional services, all contracts or agreements which do not require public advertising for bids and the estimated cost or price exceeds fifteen percent of the bid threshold or \$6,000.00 at least two quotations as to the cost or price, whenever practicable, shall be solicited by the contracting agent, and the contract or agreement shall be made with and awarded to the lowest responsible bidder." No exceptions were noted.

Reference is made to the Local Public Contract Guidelines and Local Public Contract Regulations (1977) promulgated by the New Jersey Division of Local Government Services in the Department of Community Affairs.

Collection of Interest on Delinquent Taxes and Other Municipal Charges

N.J.S.A. 54:4-67, as amended, provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The Governing Body, on June 24, 1980, adopted the following resolution authorizing interest to be charged on delinquent taxes as follows:

BE IT RESOLVED by the Council of the Township of Montclair, in the County of Essex, that effective February 14, 1980, the rate of interest to be charged for delinquent real property taxes not in excess of \$1,500.00 shall be 8% per annum and until July 31, 1980, the rate of interest to be charged for delinquent real property taxes in excess of \$1,500.00 shall be 12% per annum. Commencing August 1, 1980, the rate of interest to be charged for delinquent real property taxes in excess of \$1,500.00 shall be 18% per annum. Interest shall not be charged on any delinquent real property taxes if payment of any installments due is made within the 10 calendar day following the date upon which the same became payable."

The Governing Body, on June 24, 1997, adopted the following resolution authorizing a penalty on delinquent taxes as follows:

"BE IT RESOLVED by the Council of the Township of Montclair, in the County of Essex, that the Tax Collector be and she hereby is authorized to fix and charge a penalty to every taxpayer with a delinquency in excess of \$10,000.00 at the rate of 6% of such delinquent amount in accordance with the above statute. This resolution shall take effect for such excesses occurring and commencing in the 1997 tax year."

The Governing Body, on October 4, 1988, adopted the following resolution authorizing interest to be charged on delinquent utility bills as follows:

"BE IT RESOLVED by the Council of the Township of Montclair, in the County of Essex, effective November 1, 1988, in accordance with N.J.SA 40:14B-41, there shall be a penalty of 1½% per month on the unpaid amounts imposed on all bills for water rent which remain unpaid for over 30 days from the date the bill was presented by the Water Bureau."

The Governing Body, on May 23, 2006, adopted Ordinance 6-34 authorizing interest to be charged on delinquent sewer utility bills as follows:

"All charges payable to the Township for connection to or use of the Township sewage system and all charges for connection with and use of the Township sewers and drains shall accrue interest from the time they become due at the same rate as taxes upon real estate in the Township and shall be a lien upon the premises connected until paid, and the Township shall have the same remedies for collection thereof, with interest, costs and penalties as it has by law for the collection of taxes upon real estate."

It appears from an examination of the Collector's records that interest was generally collected in accordance with the provisions of the foregoing resolutions and ordinance.

Delinquent Taxes and Tax Title Liens

Delinquent taxes, exclusive of 2019, in the sum of \$34,030.62 are summarized as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 34,030.62

A tax sale was held in 2019 and was complete, except for small remaining balances.

The following comparison is made of the number of tax title liens receivable on December 31 of the last three years:

<u>Year</u>	<u>Number of Liens</u>
2019	7
2018	7
2017	7

Recourse to all means provided by the statutes should be taken to realize or eliminate tax title liens through collection or foreclosure in order to return such property to a tax paying basis.

Corrective Action Plan

In accordance with the requirements of the Single Audit Act and regulations of the Division of Local Government Services, a Corrective Action Plan must be prepared by the Chief Financial Officer and filed with the Division within 60 days from the state the audit is received by the governing Body.

A Corrective Action Plan was prepared and filed by the Chief Financial Officer.

Status of Prior Years' Audit Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all..

Miscellaneous

A separate report summarizing collections of Dog License Fees and remittances of State Registration Fees was also prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

A statutory report on the operations of the Municipal Court was prepared as part of our examination and copies were filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Township Clerk.

A separate report on the operations of the Uniform Construction Code office was also prepared and filed with the New Jersey Division of Local Government Services.

Examination of the Free Public Library is the subject of a separate report by another auditor.

Revenue and receipts were established and verified as to sources and amounts only insofar as the local records permitted.

In verifying expenditures, computations were made on a statistical sample of claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

Individual payments of the Local School District Tax by Municipality were confirmed as received by the Secretary of the Board of Education for the year 2019.

A synopsis of this report was prepared for publication and filed with the Township Clerk.

One copy of this report was filed with the New Jersey Division of Local Government Services in the Department of Community Affairs.

Cybersecurity

As part of its overall risk management, the Township reviews security measures in place relating to its Information Technology (IT), including the use of specialized assessments. With the ever increasing challenges relating to cybersecurity, each organization determines what particular assessment or combination of assessments best fits its information security strategy. We suggest management continue to assess risks related to cybersecurity along with utilization of specialized assessments, which would also include a periodic reporting mechanism to those charged with governance.

RECOMMENDATIONS

There were no recommendations.

We shall be pleased to confer with the Mayor and Township Council on questions that might arise with respect to any matters in this report.

We would like to express our appreciation for the assistance and effort rendered by the Township officials and employees during the course of the examination.

Respectfully submitted,

PKF O'Connor Davies, LLP

Cranford, New Jersey
July 17, 2020

David J. Gannon

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