



# Montclair

TOWNSHIP OF MONTCLAIR  
ESSEX COUNTY, NEW JERSEY  
REPORT OF AUDIT  
YEARS ENDED DECEMBER 31, 2020 and 2019

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PART I  
REPORT ON EXAMINATION  
REGULATORY-BASIS FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2020 and 2019



## Independent Auditors' Report

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

### **Report on the Regulatory-Basis 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 December 31, 2020 and 2019, 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, 2020, and the related notes to the financial statements, which collectively comprise the Township's 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 fraud or error.

### **Auditors' 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 from 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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**The Honorable Mayor and Members  
of the Township Council  
Township of Montclair  
Montclair, New Jersey**

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**Basis for Adverse Opinions 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 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 Opinions on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinions on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2020 and 2019, the changes in its financial position, and, where applicable, its cash flows for the years then ended.

**Unmodified Opinions on Regulatory Basis of Accounting**

In our opinion, the 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 as of December 31, 2020 and 2019 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 of the various funds for the year ended December 31, 2020 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.

**Report on Supplementary Information as Required by the Division in Accordance with the 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 – Supplementary Data and Part IV – General Comments (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 financial statements. The Supplementary Information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the 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 as a whole.

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

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**Report on Supplementary Information as Required by the Uniform Guidance**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The accompanying schedule of expenditures of federal awards, program balance sheet summary, and program revenue and expenses summary 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 Awards (Uniform Guidance)*; and related notes to the schedules of federal awards, program balance sheet summary, and program revenues and expenses summary 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 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, program balance sheet summary, and program revenues and expenses summary and related notes are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 5, 2021 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 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  
August 5, 2021

*David J. Gannon*

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

TOWNSHIP OF MONTCLAIR  
CURRENT AND GRANT FUNDS

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

A  
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Current Fund</u>			
Current Assets:			
Cash - Checking	A-4	\$ 36,712,961.22	\$ 36,747,980.45
Change Funds	A-6	855.00	855.00
		<u>36,713,816.22</u>	<u>36,748,835.45</u>
Due from State of New Jersey: (Ch. 129, P.L. 1976)			178.32
		<u>36,713,816.22</u>	<u>36,749,013.77</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-9	2,645,406.66	2,501,644.49
Tax Title Liens	A-10	268,460.87	250,386.58
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	134,107.37	120,644.45
Revenue Accounts Receivable	A-14	161,797.50	301,861.40
Interfunds Receivable			591.77
		<u>3,535,172.40</u>	<u>3,500,528.69</u>
Deferred Charges:			
Special Emergency Authorizations (40A:4-55)	A-18	200,000.00	400,000.00
		<u>40,448,988.62</u>	<u>40,649,542.46</u>
<u>Grant Fund</u>			
Cash	A-4	300,023.62	242,960.18
Grants Receivable	A-15	584,450.45	553,597.75
		<u>884,474.07</u>	<u>796,557.93</u>
		<u>\$ 41,333,462.69</u>	<u>\$ 41,446,100.39</u>

TOWNSHIP OF MONTCLAIR  
CURRENT AND GRANT FUNDS

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

A  
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Current Fund</u>			
Appropriated Reserves:			
Encumbered	A-3, A-19	\$ 1,626,285.20	\$ 1,353,742.06
Unencumbered	A-3, A-19	3,965,231.27	5,069,555.07
Due to State of New Jersey	A-20	33,755.00	25,653.00
Due to State of New Jersey:			
(Ch. 129, P.L. 1976)	A-8	750.00	
Accounts Payable	A-22	525,577.79	142,479.89
Interfunds Payable	A-25	148,913.25	436,098.17
Payment in Lieu of Taxes - Overpayments	A-23	14,891.41	50,660.13
Tax Overpayments	A-24	1,304,412.76	729,922.87
County Taxes Payable	A-26	108,089.01	128,910.34
School Taxes Payable	A-27	11,557,805.00	10,375,203.00
Special Emergency Note Payable			400,000.00
Prepaid Taxes	A-30	1,717,256.28	1,223,957.28
Prepaid PILOTS	A-30	25,387.62	18,851.98
Accumulated Revenue Unappropriated	A-33	114,042.55	326,618.08
		<u>21,142,397.14</u>	<u>20,281,651.87</u>
Reserve for Receivables	Reserve	3,535,172.40	3,500,528.69
Fund Balance	A-1	15,771,419.08	16,867,361.90
		<u>40,448,988.62</u>	<u>40,649,542.46</u>
 <u>Grant Fund</u>			
Due to Essex County			86,975.50
Appropriated Reserves for Federal and State Grants	A-32	812,933.71	652,295.43
Reserve for Encumbrances	A-32	71,540.36	52,287.00
Accumulated Revenue Unappropriated			5,000.00
		<u>884,474.07</u>	<u>796,557.93</u>
		<u>\$ 41,333,462.69</u>	<u>\$ 41,446,100.39</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, 2020 AND 2019

A-1

	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 7,950,000.00	\$ 7,300,000.00
Miscellaneous Revenue Anticipated	A-2	14,862,381.01	17,380,721.77
Receipts from Delinquent Taxes	A-2c	2,494,877.96	2,726,373.26
Receipts from Current Taxes	A-2c	223,477,608.56	220,868,646.80
Nonbudget Revenue	A-2d	589,171.96	3,093,531.79
Other Credits to Income:			
Special Deposits Canceled			283,066.17
Interfunds Receivable Liquidated	A-16	591.77	
Unexpended Balance of Appropriation			
Reserves	A-19	4,854,613.09	2,905,591.04
Voided Checks	A-4	25.00	632.99
County Taxes Canceled	A-26	0.06	
Cancellation of Grant Balances,			
Net	A-17	123,240.40	717.54
Total Income		<u>254,352,509.81</u>	<u>254,559,281.36</u>
<u>Expenditures</u>			
Budget Appropriations	A-3	87,377,990.67	88,254,285.21
Prior Year Senior Citizen Deductions			
Disallowed by Tax Collector	A-8	3,750.00	1,000.00
Cancellation of Trust Fund Receivable			33,480.85
State Tax Court Judgments	A-24	124,088.75	159,549.51
County Taxes	A-26	38,641,127.89	38,210,048.72
Local School District Tax	A-27	120,625,307.00	118,260,105.00
Special Improvement District Tax	A-28	726,010.00	597,300.00
Senior and Veteran Receivable Canceled	A-8	178.32	
Total Expenditures		<u>247,498,452.63</u>	<u>245,515,769.29</u>
Excess Revenue		6,854,057.18	9,043,512.07
<u>Fund Balance</u>			
Balance, Beginning of Year	A	16,867,361.90	15,123,849.83
		<u>23,721,419.08</u>	<u>24,167,361.90</u>
Decreased by:			
Utilized as Anticipated Revenue	A-1, A-2	7,950,000.00	7,300,000.00
Balance, End of Year	A	<u>\$ 15,771,419.08</u>	<u>\$ 16,867,361.90</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

A-2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>(Deficit) or Excess</u>
Fund Balance Anticipated	A-1	\$ 7,950,000.00	\$ 7,950,000.00	
Miscellaneous Revenue	A-1, 2a	17,634,631.01	14,862,381.01	\$ (2,772,250.00)
Receipts from Delinquent Taxes	A-1, 2c,	2,200,000.00	2,494,877.96	294,877.96
		<hr/>	<hr/>	<hr/>
Sub-Total General Revenue		27,784,631.01	25,307,258.97	(2,477,372.04)
Amounts to be Raised by Taxation:				
Local Tax for Municipal Purposes	A-9	55,433,295.00		
Minimum Library Tax	A-9	2,628,769.07		
Addition to Local District School Tax	A-9	7,869,942.74		
	A-2c	<hr/>	<hr/>	<hr/>
		65,932,006.81	66,788,453.04	856,446.23
Total General Revenue	A-3	93,716,637.82	92,095,712.01	(1,620,925.81)
Nonbudget Revenue	A-2d		589,171.96	589,171.96
		<hr/>	<hr/>	<hr/>
		\$ 93,716,637.82	\$ 92,684,883.97	\$ (1,031,753.85)

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
ANALYSIS OF MISCELLANEOUS REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

A-2a  
Sheet # 1

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Miscellaneous Revenue</u>				
Licenses:				
Alcoholic Beverages	A-14	\$ 57,000.00	\$ 57,750.00	\$ 750.00
Other Licenses	A-2b	170,000.00	64,996.00	(105,004.00)
Fees and Permits	A-2b	750,000.00	393,144.90	(356,855.10)
Registration/Summons Fees for Foreclosed Properties	A-14	100,000.00	115,000.00	15,000.00
Fines and Costs:				
Municipal Court	A-14	2,400,000.00	998,257.39	(1,401,742.61)
Interest and Cost on Taxes	A-14	600,000.00	714,068.91	114,068.91
Interest on Investments and Deposits	A-14	200,000.00	101,727.44	(98,272.56)
Energy Receipts Tax	A-14	2,967,066.00	2,967,066.00	
Uniform Construction Code Fees	A-14	1,100,000.00	642,419.05	(457,580.95)
(N.J.S.A. 40A:4.45.3h and N.J.A.C. 5:23-4.17):	A-14			
Additional Uniform Construction Code Fees	A-14	77,000.00	77,000.00	
Interlocal Government Services:				
Health Services - Verona, Cedar Grove	A-14	147,640.00	147,640.00	
Health Services - Nutley	A-14	43,176.00	44,471.00	1,295.00
Fire Services - Glen Ridge	A-14	903,739.00	903,739.00	
School Resources Officer Board of Education	A-14	130,000.00	80,183.58	(49,816.42)
State and Federal Revenues Offset with				
Appropriations:				
Partner's for Health Grant	A-25	20,000.00	20,000.00	
2020 NJACCHO Grant	A-25	43,414.00	43,414.00	
Animal Shelter FOMTAS	A-25	18,000.00	18,000.00	
NEHA Subaward Agreement	A-25	2,500.00	2,500.00	
Essex County Visiting Nurses Grant	A-25	14,561.00	14,561.00	
MILL 2020 Grant	A-25	4,090.00	4,090.00	
2020 Census Grant	A-25	17,000.00	17,000.00	
Addition to 2019-20 Lead Grant	A-25	17,950.00	17,950.00	
2020 CARES Act Montclair Grant	A-25	50,000.00	50,000.00	
Childhood Lead Program Grant	A-25	127,507.00	127,507.00	
2020-2021 NJDOH GRANT	A-25	142,236.00	142,236.00	
2020 Mill Grant - Fall	A-25	5,457.50	5,457.50	
Body Armor Replacement Grant	A-25	9,732.80	9,732.80	
Bullet Proof Vest Grant	A-25	8,179.90	8,179.90	
DDEF Grant	A-25	12,428.88	12,428.88	
2017 Recycling Grant Rec'd in 2020	A-25	39,830.85	39,830.85	
2020 Clean Communities Grant	A-25	67,855.82	67,855.82	
Historic Preservation Grant	A-25	24,999.00	24,999.00	
Hazardous Discharge Site Remediation Grant	A-25	42,700.00	42,700.00	
Historic Preservation Grant (CLG grant)	A-25	23,725.00	23,725.00	
Comcast Grant	A-25	5,000.00	5,000.00	
Alcohol Ed and Rehab Grant	A-25	7,418.50	7,418.50	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
ANALYSIS OF MISCELLANEOUS REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

A-2a  
Sheet # 2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>(Deficit) or Excess</u>
<u>Miscellaneous Revenue</u>				
Other Special Items:				
Anticipated Utility Operating Surplus - Parking	A-14	\$ 500,000.00		\$ (500,000.00)
Capital Fund Surplus	A-14	564,557.26	\$ 564,557.26	
Cable Television Franchise Fees	A-14	527,047.80	527,047.80	
Section 8 - Administrative Costs	A-14	100,000.00	100,000.00	
Towing - Administrative Costs	A-14	3,800.00	1,476.00	(2,324.00)
Hotel and Motel Tax Revenue	A-14	184,000.00	109,099.56	(74,900.44)
Payment in Lieu of Taxes:				
Montclair Senior Housing Corp. (Orange Road)	A-14	96,817.19	96,817.20	0.01
First Montclair Housing Corp. (Walnut Street)	A-14	156,327.22	168,006.63	11,679.41
RTD Management Corp. (Lackawanna Plaza)	A-14	117,942.23	211,451.71	93,509.48
RTD Management Corp. (Union Gardens)	A-14	110,000.00	110,000.00	
United Methodist Homes (Pineridge of Montclair)	A-14	24,454.95	23,518.00	(936.95)
Centro Verde	A-14	1,249,328.18	1,257,346.63	8,018.45
Siena	A-14	1,155,621.70	1,109,290.07	(46,331.63)
11 Pine Street	A-14	286,095.35	326,904.50	40,809.15
Herod Redevelopment	A-14	97,390.94	97,390.96	0.02
55 Glenridge Avenue	A-14	3,306.00	3,306.68	0.68
11 Elm Street	A-14	14,608.72	16,044.00	1,435.28
Orange Road (Centro Verde) Parking Plaza	A-14	61,271.53	60,705.00	(566.53)
MC Hotel	A-14	529,789.55	484,340.88	(45,448.67)
Sale of Municipal Assets	A-14	212,575.53	212,575.53	
Alarm Registration Fees	A-14	123,789.09	105,501.50	(18,287.59)
Penalty on Delinquent Taxes (\$10,000 and Over)	A-14	101,000.00	104,367.65	3,367.65
Reserve for Payment of Debt Service	A-14	700,000.00	700,000.00	
Administrative Fees - Police Off-Duty	A-14	324,700.52	426,658.93	101,958.41
Rear Yard Refuse Collection	A-14	40,000.00	33,925.00	(6,075.00)
<b>Total Miscellaneous Revenue</b>	<b>A-1, A-2</b>	<b>\$ 17,634,631.01</b>	<b>\$ 14,862,381.01</b>	<b>\$ (2,772,250.00)</b>

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

A-2b

	<u>Ref.</u>			
<u>Other Licenses</u>				
Township Clerk	A-14	\$	23,745.00	
Health Department	A-14		<u>41,251.00</u>	
	A-2a			<u>\$ 64,996.00</u>
 <u>Other Fees and Permits</u>				
Township Clerk	A-14	\$	58,980.00	
Health Officer	A-14		23,700.00	
Planning Board	A-14		24,270.00	
Community Services	A-14		33,352.75	
Housing and Zoning	A-14		16,500.00	
Recreation	A-14		148,998.01	
Police	A-14		6,968.64	
Collector	A-14		110.00	
Board of Adjustment	A-14		12,362.50	
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>\$ 393,144.90</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, 2020

A-2c

	<u>Ref.</u>		
<u>Receipts from Delinquent Taxes</u>			
Collections of Delinquent Taxes			
2020 Collections:			
Taxes		\$ 2,488,859.07	
Tax Title Liens		<u>6,018.89</u>	
	A-1, A-2, A-9, A-10		<u>\$ 2,494,877.96</u>
 <u>Allocation of Current Tax Collections</u>			
Collection of Current Taxes:			
2020 Collections	A-1, A-2, A-9	\$ 222,184,401.28	
2019 Collections	A-1, A-2, A-9	1,223,957.28	
Due from State of New Jersey	A-8, A-9 A-1	<u>69,250.00</u>	
			\$ 223,477,608.56
 Allocated to:			
County Taxes	A-26	38,641,127.89	
Local School District Taxes	A-27	120,625,307.00	
Special Improvement District Taxes	A-28	<u>726,010.00</u>	
			<u>159,992,444.89</u>
			63,485,163.67
 Plus: Appropriation for "Reserve for Uncollected Taxes"			
	A-3		<u>3,303,289.37</u>
 Realized for Support of Municipal Budget			
	A-2		<u>\$ 66,788,453.04</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF REVENUE  
ANALYSIS OF NONBUDGET REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

A-2d

	<u>Ref.</u>		
Cigna Disability		\$ 92,501.41	
Workers Comp		143,073.63	
Salvation Army Rent (68 N Full.)		4,000.00	
FEMA		123,115.28	
MRNA- Cellular Lease (Wireless Edge)		71,685.03	
Copies		227.00	
NSF Returned Check Charge		1,845.12	
Miscellaneous		46,396.08	
Sale of Maps		6.00	
Sale of Bid Specs		3,210.00	
Special Charges (Tax Office)		21,628.53	
Cost of Sales		15,571.01	
Fee for Dumpster		375.00	
Div of Motor Veh. Inspec Fines		1,250.50	
Special Program - Food Handler		880.00	
Arena Commission		<u>63,335.17</u>	
	A-1, 2, 4		<u>\$ 589,171.96</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

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	\$ 49,100.00	\$ 49,100.00	\$ 48,693.12		\$ 406.88	
Other Expenses	17,500.00	20,000.00	18,965.50	\$ 232.67	801.83	
Township and Manager:						
Salaries and Wages	720,099.93	720,099.93	654,678.13		5,421.80	\$ 60,000.00
Other Expenses	846,470.00	696,470.00	386,295.44	116,509.03	103,665.53	90,000.00
Township Clerk:						
Salaries and Wages	202,331.47	199,331.47	122,678.32		36,653.15	40,000.00
Other Expenses	36,450.00	36,450.00	19,275.52	5,978.55	11,195.93	
Election Expenses:						
Salaries and Wages	1,700.00	2,200.00	2,115.23		84.77	
Other Expenses	74,760.00	74,760.00	39,845.42		34,914.58	
Township Attorney:						
Salaries and Wages	224,482.13	224,482.13	98,377.24		36,104.89	90,000.00
Other Expenses	250,000.00	400,000.00	219,181.74	26,107.65	154,710.61	
Municipal Court:						
Salaries and Wages	644,991.27	644,991.27	595,890.08		19,101.19	30,000.00
Other Expenses	90,000.00	90,000.00	33,362.96	2,170.19	44,466.85	10,000.00
Postage:						
Other Expenses	50,000.00	50,000.00	40,403.98	25.10	9,570.92	
	<u>3,207,884.80</u>	<u>3,207,884.80</u>	<u>2,279,762.68</u>	<u>151,023.19</u>	<u>457,098.93</u>	<u>320,000.00</u>
<u>FINANCE DEPARTMENT</u>						
Administration:						
Salaries and Wages	106,228.00	106,228.00	104,886.36		1,341.64	
Other Expenses	62,573.00	62,573.00	12,605.00	5,030.00	14,938.00	30,000.00
Accounting and Treasury:						
Salaries and Wages	211,623.57	211,623.57	135,258.29		26,365.28	50,000.00
Other Expenses	83,450.00	83,450.00	1,125.63	2,593.74	79,730.63	
Tax Assessor:						
Salaries and Wages	335,419.75	335,419.75	326,745.03		8,674.72	
Other Expenses:	204,950.00	254,950.00	157,072.48	61,372.19	36,505.33	
Tax Collector:						
Salaries and Wages	238,309.93	178,309.93	137,211.96		1,097.97	40,000.00
Other Expenses	29,000.00	39,000.00	31,131.16	130.69	7,738.15	
Auditing:						
Other Expenses	42,500.00	42,500.00	39,200.00		3,300.00	
	<u>1,314,054.25</u>	<u>1,314,054.25</u>	<u>945,235.91</u>	<u>69,126.62</u>	<u>179,691.72</u>	<u>120,000.00</u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

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>	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>PLANNING AND COMMUNITY DEVELOPMENT</u>						
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Administration:						
Salaries and Wages	\$ 362,801.15	\$ 362,801.15	\$ 339,484.73		\$ 23,316.42	
Other Expenses	42,400.00	42,400.00	10,068.07	\$ 4,758.32	27,573.61	
Planning Board:						
Other Expenses	50,100.00	50,100.00	28,704.04	7,936.15	13,459.81	
Board of Adjustment:						
Other Expenses	15,094.00	15,094.00	6,105.51	1,475.35	7,513.14	
	<u>470,395.15</u>	<u>470,395.15</u>	<u>384,362.35</u>	<u>14,169.82</u>	<u>71,862.98</u>	
<u>DEPARTMENT OF ADMINISTRATION AND CODE ENFORCEMENT</u>						
Salaries and Wages	440,190.52	410,190.52	404,206.70		5,983.82	
Other Expenses	203,000.00	233,000.00	89,081.47	42,082.43	101,836.10	
	<u>643,190.52</u>	<u>643,190.52</u>	<u>493,288.17</u>	<u>42,082.43</u>	<u>107,819.92</u>	
<u>POLICE DEPARTMENT</u>						
Salaries and Wages	15,420,819.50	14,920,819.50	14,280,350.52		140,468.98	\$ 500,000.00
ATB Service Police PD&Fire Alarm	55,000.00	55,000.00	8,557.96	10,263.34	36,178.70	
Patrol and Off-Duty Vehicles	30,000.00	30,000.00			30,000.00	
Other Expenses	508,370.00	508,370.00	237,204.52	77,465.60	193,699.88	
	<u>16,014,189.50</u>	<u>15,514,189.50</u>	<u>14,526,113.00</u>	<u>87,728.94</u>	<u>400,347.56</u>	<u>500,000.00</u>
<u>FIRE DEPARTMENT</u>						
Salaries and Wages	10,023,502.39	10,023,502.39	9,764,812.76		58,689.63	200,000.00
Other Expenses	290,600.00	290,600.00	93,107.38	63,017.00	134,475.62	
	<u>10,314,102.39</u>	<u>10,314,102.39</u>	<u>9,857,920.14</u>	<u>63,017.00</u>	<u>193,165.25</u>	<u>200,000.00</u>
<u>PUBLIC WORKS DEPARTMENT</u>						
Community Services Administration:						
Salaries and Wages	819,410.96	819,410.96	806,498.50		12,912.46	
Other Expenses	18,000.00	18,000.00	5,796.52	634.18	11,569.30	
Engineering:						
Other Expenses	250,850.00	250,850.00	124,349.87	650.13	75,850.00	50,000.00
Street Repairs and Maintenance:						
Salaries and Wages	402,930.70	402,930.70	365,846.41		17,084.29	20,000.00
Other Expenses	35,000.00	35,000.00	16,693.46	1,668.16	16,638.38	
Storm Sewers Repairs and Maintenance						
Salaries and Wages	204,893.96	204,893.96	200,669.08		4,224.88	
Other Expenses	12,850.00	12,850.00	9,632.06	382.94	2,835.00	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

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	\$ 1,375,099.27	\$ 1,375,099.27	\$ 1,268,939.86		\$ 41,159.41	\$ 65,000.00
Other Expenses	21,300.00	21,300.00	8,311.57	\$ 1,471.80	11,516.63	
Storm Clearance:						
Salaries and Wages	108,000.00	108,000.00	101,704.40		6,295.60	
Other Expenses	275,000.00	775,000.00	582,975.91	168,624.24	23,399.85	
Traffic:						
Salaries and Wages	175,221.08	175,221.08	149,915.14		25,305.94	
Other Expenses	10,000.00	10,000.00	3,049.55	311.55	6,638.90	
Central Garage Operation:						
Salaries and Wages	212,539.21	212,539.21	190,812.25		21,726.96	
Other Expenses	300,000.00	300,000.00	164,287.57	49,911.68	55,800.75	30,000.00
Building Maintenance:						
Salaries and Wages	121,218.53	121,218.53	116,892.43		4,326.10	
Other Expenses	247,389.00	247,389.00	103,439.54	64,123.26	79,826.20	
Parks Maintenance:						
Salaries and Wages	473,450.07	473,450.07	353,484.34		69,965.73	50,000.00
Other Expenses	169,500.00	169,500.00	87,814.21	27,069.82	54,615.97	
Shade Trees:						
Salaries and Wages	208,289.99	208,289.99	204,494.26		3,795.73	
Other Expenses	182,450.00	182,450.00	30,784.99	7,097.36	144,567.65	
	<u>5,623,392.77</u>	<u>6,123,392.77</u>	<u>4,896,391.92</u>	<u>321,945.12</u>	<u>690,055.73</u>	<u>215,000.00</u>
<u>PARKS, RECREATION AND CULTURAL AFFAIRS DEPARTMENT</u>						
Recreation Program:						
Salaries and Wages	605,717.58	605,717.58	419,391.04		86,326.54	100,000.00
Other Expenses	75,000.00	75,000.00	38,206.27	7,676.37	29,117.36	
	<u>680,717.58</u>	<u>680,717.58</u>	<u>457,597.31</u>	<u>7,676.37</u>	<u>115,443.90</u>	<u>100,000.00</u>
<u>HEALTH AND HUMAN SERVICES DEPARTMENT</u>						
Health Services:						
Salaries and Wages	880,715.60	880,715.60	740,969.93		39,745.67	100,000.00
Other Expenses	90,150.00	90,150.00	60,424.37	2,572.92	27,152.71	
Senior Services:						
Other Expenses	163,083.00	163,083.00	45,642.56	2,116.50	65,323.94	50,000.00
Nursing Services:						
Salaries and Wages	213,902.66	213,902.66	189,845.93		24,056.73	
Animal Control:						
Salaries and Wages	407,787.74	407,787.74	392,851.68		14,936.06	
Other Expenses	122,800.00	122,800.00	76,867.55	23,783.96	22,148.49	
	<u>1,878,439.00</u>	<u>1,878,439.00</u>	<u>1,506,602.02</u>	<u>28,473.38</u>	<u>193,363.60</u>	<u>150,000.00</u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

A-3  
Sheet # 4

<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>MISCELLANEOUS AND OTHER</u>						
Unemployment Compensation Insurance:						
Other Expenses	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00			
Refuse Tipping Fees:						
Other Expenses	1,350,000.00	1,350,000.00	1,195,363.06	\$ 110,582.10	\$ 44,054.84	
Mandatory Recycling Act:						
Salaries and Wages	859,672.05	859,672.05	810,544.50		49,127.55	
Other Expenses	490,327.95	490,327.95	309,587.85	20,740.10	160,000.00	
Accumulated Absences-Police	100,000.00	100,000.00	100,000.00			
Accumulated Absences-Fire	150,000.00	650,000.00	650,000.00			
Montclair Early Childhood Corporation:						
Other Expenses	278,000.00	278,000.00	208,500.00	69,500.00		
Operating Lease - Ladder Truck	212,575.53	212,575.53	212,575.53			
	<u>3,490,575.53</u>	<u>3,990,575.53</u>	<u>3,536,570.94</u>	<u>200,822.20</u>	<u>253,182.39</u>	
Insurances:						
Liability Insurance	1,700,000.00	1,700,000.00	1,324,801.40	35,652.96	159,545.64	\$ 180,000.00
Health Benefit Waiver	235,000.00	235,000.00	188,719.31		6,280.69	40,000.00
Employee Group Insurance	6,500,000.00	6,000,000.00	4,956,222.78	120,740.43	558,036.79	365,000.00
	<u>8,435,000.00</u>	<u>7,935,000.00</u>	<u>6,469,743.49</u>	<u>156,393.39</u>	<u>723,863.12</u>	<u>585,000.00</u>
<u>SPECIAL PROGRAMS AND ACTIVITIES</u>						
Parks, Recreation and Cultural Affairs:						
Other Expenses	146,500.00	146,500.00	44,515.95	11,968.32	90,015.73	
	<u>146,500.00</u>	<u>146,500.00</u>	<u>44,515.95</u>	<u>11,968.32</u>	<u>90,015.73</u>	
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)						
Salaries and Wages	816,767.79	816,767.79	758,714.24		8,053.55	50,000.00
Other Expenses	42,000.00	42,000.00	7,828.80	1,393.96	2,777.24	30,000.00
	<u>858,767.79</u>	<u>858,767.79</u>	<u>766,543.04</u>	<u>1,393.96</u>	<u>10,830.79</u>	<u>80,000.00</u>
<u>UNCLASSIFIED</u>						
Emergency Assistance Coalition:						
Other Expenses						
Utilities:						
Gasoline	250,000.00	250,000.00	106,299.30	50,062.77	93,637.93	
Fuel - Diesel	200,000.00	200,000.00	91,161.13		93,676.96	
Electricity	500,000.00	500,000.00	352,221.12	88,974.02	58,804.86	
Telephone	350,000.00	350,000.00	278,158.42	39,435.45	32,406.13	
Natural Gas	140,000.00	140,000.00	77,764.42	59,541.45	2,694.13	

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

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	\$ 500,000.00	\$ 500,000.00	\$ 455,366.04	\$ 14,643.63	\$ 29,990.33	
Building Maintenance	50,000.00	50,000.00	37,983.23	3,573.59	8,443.18	
	1,990,000.00	1,990,000.00	1,398,953.66	\$ 271,392.82	319,653.52	
Total Operations Within CAPS	55,067,209.28	55,067,209.28	47,563,600.58	1,427,213.56	3,806,395.14	\$ 2,270,000.00
Detail:						
Salaries	36,007,544.75	35,415,044.75	33,276,417.96		743,626.79	
Other Expenses	19,059,664.53	19,652,164.53	14,287,182.62	1,427,213.56	3,062,768.35	
	55,067,209.28	55,067,209.28	47,563,600.58	1,427,213.56	3,806,395.14	
<u>STATUTORY EXPENDITURES</u>						
Contributions to:						
Public Employees' Retirement System of N.J.	1,434,345.84	1,434,345.84	1,409,088.60		25,257.24	
Social Security System (OAS)	1,364,456.24	1,364,456.24	1,219,203.25		45,252.99	100,000.00
Police and Firemen's Retirement System of N.J.	6,576,863.72	6,576,863.72	6,576,863.72			
Pension-Montclair Redevelopment Agency	14,079.00	14,079.00	14,079.00			
Defined Contribution Retirement Plan	50,000.00	50,000.00	26,057.50		23,942.50	
Total Statutory Expenditures	9,439,744.80	9,439,744.80	9,245,292.07	-	94,452.73	100,000.00
Total Appropriations Within "CAPS"	64,506,954.08	64,506,954.08	56,808,892.65	1,427,213.56	3,900,847.87	2,370,000.00
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>OTHER OPERATIONS</u>						
Maintenance of Free Public Library	3,515,910.44	3,515,910.44	2,983,990.21		31,920.23	500,000.00
	3,515,910.44	3,515,910.44	2,983,990.21	-	31,920.23	500,000.00



TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

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	903,739.00	903,739.00	903,739.00			
Interlocal Government Health Service Contract:						
Salaries and Wages	147,640.00	147,640.00	147,640.00			
Interlocal Nursing Services - Nutley			-			
Salaries and Wages	43,176.00	43,176.00	34,802.00	\$ 8,374.00		
Interlocal Nursing Services - BOE			-			
Salaries and Wages	120,000.00	120,000.00	120,000.00			
	<u>1,214,555.00</u>	<u>1,214,555.00</u>	<u>1,206,181.00</u>	<u>8,374.00</u>		
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES	2,500.00	2,500.00	2,500.00			
Retail Food Program Grant	42,700.00	42,700.00	42,700.00			
HDSRF South end Pyramid grant	9,732.80	9,732.80	9,732.80			
Body Armor Replacement Fund	8,179.90	8,179.90	8,179.90			
Historic Preservation Grant	24,999.00	24,999.00	24,999.00			
Partners for Health grant (\$10k for 2 years)	20,000.00	20,000.00	20,000.00			
2020 NJACCHO Grant	43,414.00	43,414.00	43,414.00			
Animal Shelter FOMTAS	18,000.00	18,000.00	18,000.00			
Essex County Visiting Nurses Grant	14,561.00	14,561.00	14,561.00			
MILL 2020 Grant	4,090.00	4,090.00	4,090.00			
2020 Census Grant	17,000.00	17,000.00	17,000.00			
Addition to 2019-20 Lead Grant	17,950.00	17,950.00	17,950.00			
2020 CARES Act Montclair Grant	50,000.00	50,000.00	50,000.00			
Childhood Lead program grant	127,507.00	127,507.00	127,507.00			
2020-2021 NJDOH GRANT	142,236.00	142,236.00	142,236.00			
2020 Mill Grant - Fall	5,457.50	5,457.50	5,457.50			
DDEF Grant	12,428.88	12,428.88	12,428.88			
2017 Recycling Grant rec'd in 2020	39,830.85	39,830.85	39,830.85			
2020 Clean Communities Grant	67,855.82	67,855.82	67,855.82			
Historic Preservation grant	23,725.00	23,725.00	23,725.00			
Comcast grant	5,000.00	5,000.00	5,000.00			
Alcohol Ed and Rehab Grant	7,418.50	7,418.50	7,418.50			
	<u>704,586.25</u>	<u>704,586.25</u>	<u>704,586.25</u>	<u>-</u>	<u>-</u>	<u>-</u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

A-3  
Sheet # 7

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Canceled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
Total Operations Excluded from "CAPS"	\$ 5,512,051.69	\$ 5,512,051.69	\$ 4,971,757.46	\$ 8,374.00	\$ 31,920.23	\$ 500,000.00
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	500,000.00	500,000.00	500,000.00			
Other Capital Improvements	355,500.00	355,500.00	2,339.19	190,697.64	32,463.17	130,000.00
	<u>855,500.00</u>	<u>855,500.00</u>	<u>502,339.19</u>	<u>190,697.64</u>	<u>32,463.17</u>	<u>130,000.00</u>
<u>DEBT SERVICE</u>						
Payment of Bond Principal	5,845,000.00	5,845,000.00	5,845,000.00			
Payment of Bond Anticipation Notes and Capital Notes	2,250,000.00	2,250,000.00	2,250,000.00			
Interest on Bonds	1,475,000.00	1,475,000.00	1,475,000.00			
Interest on Notes	725,000.00	725,000.00	718,542.26			6,457.74
Loan Repayments-Downtown Business	32,666.67	32,666.67	32,666.67			
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	43,000.00	43,000.00	43,000.00			
Environmental Trust - Principal	55,000.00	55,000.00	55,000.00			
Environmental Trust - Interest	8,000.00	8,000.00	8,000.00			
	<u>10,433,666.67</u>	<u>10,433,666.67</u>	<u>10,427,208.93</u>	<u>-</u>	<u>-</u>	<u>6,457.74</u>
<u>DEFERRED CHARGES</u>						
Special Emergency Authorization	200,000.00	200,000.00	200,000.00			
Payment of Unfunded Improvement Authorizations	70,676.01	70,676.01	70,676.01			
	<u>270,676.01</u>	<u>270,676.01</u>	<u>270,676.01</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FOR LOCAL SCHOOL DISTRICT PURPOSES</u>						
Type I School District Debt Service:						
Payment of Bond Principal	4,830,000.00	4,830,000.00	4,830,000.00			
Payment of Bond Anticipation Notes	1,600,000.00	1,600,000.00	1,600,000.00			
Interest on Bonds	2,257,000.00	2,257,000.00	2,257,000.00			
Interest on Notes	147,500.00	147,500.00	118,599.96			28,900.04
	<u>8,834,500.00</u>	<u>8,834,500.00</u>	<u>8,805,599.96</u>	<u>-</u>	<u>-</u>	<u>28,900.04</u>
Total Appropriations Excluded from "CAPS"	<u>25,906,394.37</u>	<u>25,906,394.37</u>	<u>24,977,581.55</u>	<u>199,071.64</u>	<u>64,383.40</u>	<u>665,357.78</u>
Sub-total Appropriations	90,413,348.45	90,413,348.45	81,786,474.20	\$ 1,626,285.20	3,965,231.27	3,035,357.78
Reserve for Uncollected Taxes	<u>3,303,289.37</u>	<u>3,303,289.37</u>	<u>3,303,289.37</u>			
Total Appropriations	<u>\$ 93,716,637.82</u>	<u>\$ 93,716,637.82</u>	<u>\$ 85,089,763.57</u>	<u>\$ 1,626,285.20</u>	<u>\$ 3,965,231.27</u>	<u>\$ 3,035,357.78</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, 2020

A-3  
Sheet # 8

	<u>Ref.</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>
Adopted Budget	A-2	\$ 93,120,163.27	
Added by N.J.S.A. 40A:4-87	A-2	<u>596,474.55</u>	
Total Modified Budget	A-3	<u>93,716,637.82</u>	
Emergency Authorization	A-18		\$ 200,000.00
Reserve for Uncollected Taxes	A-2c	(3,303,289.37)	3,303,289.37
Cash Disbursements	A-4		80,531,887.95
Interfunds Payable	A-25		704,586.25
Accounts Payable	A-22		350,000.00
Canceled	A-3 Sh. 7	<u>(3,035,357.78)</u>	
	A-1	87,377,990.67	<u><u>\$ 85,089,763.57</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

B  
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Assessment Trust Fund</u>			
Cash - Checking	B-2	\$ 25,102.31	\$ 20,460.49
<u>Animal Control Trust Fund</u>			
Cash - Checking	B-2	142,091.30	134,836.87
<u>General Trust Fund</u>			
Cash - General	B-2	8,949,247.83	7,629,417.95
Cash - State Unemployment Insurance	B-2	425,668.01	299,722.04
Cash - Section 8 Housing	B-2	345,944.54	189,548.07
Cash - Forfeited Assets	B-2	49,473.32	49,567.75
Due from Essex County - CARES Act	B-9	1,048,956.40	
Due from County of Essex - Community Development Block Grant Programs	B-6	603,080.00	343,800.00
Interfunds Receivable		11,422,370.10	436,098.17
		<u>11,422,370.10</u>	<u>8,948,153.98</u>
<u>Payroll Account</u>			
Cash	B-2	384,329.94	380,629.98
		<u>\$ 11,973,893.65</u>	<u>\$ 9,484,081.32</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

B  
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Assessment Trust Fund</u>			
Fund Balance	B-1	\$ 25,102.31	\$ 20,460.49
		<u>25,102.31</u>	<u>20,460.49</u>
<u>Animal Control Trust Fund</u>			
Due to State of New Jersey	B-8	6.60	10.80
Reserve for:			
Animal Shelter Expenditures	B-14	114,548.50	103,741.11
Animal Control Trust Fund Expenditures	B-16	27,536.20	31,084.96
		<u>142,091.30</u>	<u>134,836.87</u>
<u>General Trust Fund</u>			
Special Deposits	B-9	9,938,299.88	7,826,200.36
Accounts Payable	B-13	5,157.35	4,625.00
Encumbrances Payable	B-9, B-12, B-13	238,681.30	241,900.76
Unearned Revenue	B-5	104,807.00	
Reserve for:			
Community Development Block Grant	B-12	433,630.00	343,800.00
Section 8 Voucher Program	B-13	226,653.24	182,338.07
Police Forfeiture Expenditures	B-4	49,473.32	49,567.75
State Unemployment Trust Fund Expenditures	B-11	425,668.01	299,722.04
		<u>11,422,370.10</u>	<u>8,948,153.98</u>
<u>Payroll Account</u>			
Payroll Deductions and Other Payables	B-15	371,495.68	373,293.78
Flexible Spending Account	B-10	12,834.26	7,336.20
		<u>384,329.94</u>	<u>380,629.98</u>
		<u>\$ 11,973,893.65</u>	<u>\$ 9,484,081.32</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

STATEMENT OF FUND BALANCE  
ASSESSMENT TRUST  
YEAR ENDED DECEMBER 31, 2020

B-1

	<u>Ref.</u>	
Balance, December 31, 2019	B	\$ 20,460.49
Increased by:		
Cash Receipts	B-2	<u>4,641.82</u>
Balance, December 31, 2020	B	<u><u>\$ 25,102.31</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

C

ASSETS AND DEFERRED CHARGES

	Ref.	<u>2020</u>	<u>2019</u>
Cash - Checking	C-2	\$ 1,034,637.49	\$ 1,010,549.66
Grants Receivable	C-4	1,037,578.50	1,014,280.50
Deferred Charges to Future Taxation:			
Funded	C-5	120,325,902.43	92,702,187.00
Unfunded	C-6	<u>16,763,379.90</u>	<u>49,299,560.33</u>
		<u>\$ 139,161,498.32</u>	<u>\$ 144,026,577.49</u>

LIABILITIES, RESERVES AND FUND BALANCE

General Serial Bonds	C-17	\$ 62,550,000.00	\$ 36,000,000.00
School Serial Bonds	C-16	56,940,000.00	55,740,000.00
Environmental Infrastructure Loan Payable	C-14	207,208.84	260,247.33
Interfunds Payable			591.77
Green Acres Loans Payable	C-13	400,026.95	440,606.36
Bond Anticipation Notes			35,226,114.00
Business District Loan Payable	C-15	228,666.64	261,333.31
Encumbrances Payable	C-7	1,525,743.33	1,672,658.03
Improvement Authorizations:			
Funded	C-7	791,844.46	394,182.34
Unfunded	C-7	14,217,879.21	11,010,784.85
Capital Improvement Fund	C-8	90,582.83	144,322.83
Reserve for:			
Grants Receivable	C-10	1,037,578.50	1,014,280.50
Debt Service	C-11	408,008.91	728,021.91
Fund Balance	C-1	<u>763,958.65</u>	<u>1,133,434.26</u>
		<u>\$ 139,161,498.32</u>	<u>\$ 144,026,577.49</u>

Bonds and Notes Authorized but Not Issued:

General		\$ 9,094,598.00	\$ 7,277,646.50
School		<u>7,668,781.90</u>	<u>6,795,849.36</u>
	C-18	<u>\$ 16,763,379.90</u>	<u>\$ 14,073,495.86</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

C-1

	<u>Ref.</u>	
Balance, December 31, 2019	C	\$ 1,133,434.26
Increased by:		
Premium on Sale of Bonds	C-2	<u>195,081.65</u>
		1,328,515.91
Decreased by:		
Anticipated Revenue - Current Fund	C-2	<u>564,557.26</u>
Balance, December 31, 2020	C	<u><u>\$ 763,958.65</u></u>

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
WATER UTILITY

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

D  
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Operating Fund</u>			
Cash	D-5	\$ 3,203,971.67	\$ 3,059,075.54
Change Fund	D-7	<u>200.00</u>	<u>200.00</u>
		3,204,171.67	3,059,275.54
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-10	<u>413,015.56</u>	<u>319,421.02</u>
		413,015.56	319,421.02
		 <u>3,617,187.23</u>	 <u>3,378,696.56</u>
<u>Capital Fund</u>			
Cash - Checking	D-5, D-8	3,593,049.67	3,174,265.14
Fixed Capital	D-11	42,345,741.42	42,254,624.02
Fixed Capital - Authorized and Uncompleted	D-12	<u>3,875,000.00</u>	<u>2,875,000.00</u>
		49,813,791.09	48,303,889.16
		 <u>\$ 53,430,978.32</u>	 <u>\$ 51,682,585.72</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

D  
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	D-4, D-13	\$ 427,702.49	\$ 565,773.88
Unencumbered	D-4, D-13	428,748.46	815,346.93
Accrued Interest on Bonds	D-14	82,481.25	93,697.92
Accrued Interest on Notes			1,106.29
Accrued Interest on Loans	D-16	5,437.50	7,989.58
Accounts Payable	D-9	250,000.00	
Water Overpayments	D-17	39,546.76	47,237.54
		1,233,916.46	1,531,152.14
Reserve for Receivables		413,015.56	319,421.02
Fund Balance	D-1	1,970,255.21	1,528,123.40
		3,617,187.23	3,378,696.56
 <u>Capital Fund</u>			
Serial Bonds	D-24	5,570,000.00	6,320,000.00
N.J. Environmental Infrastructure Trust			
Loan Payable	D-23	577,130.11	784,641.78
Bond Anticipation Notes			265,510.00
Improvement Authorizations:			
Funded	D-18	2,065,519.98	1,937,520.95
Encumbrances Payable	D-18	656,782.77	410,695.62
Capital Improvement Fund	D-19	72,256.53	72,256.53
Reserves for:			
Amortization	D-20	36,198,611.31	34,839,773.89
Deferred Amortization	D-21	3,875,000.00	2,875,000.00
Fund Balance	D-2	798,490.39	798,490.39
		49,813,791.09	48,303,889.16
		\$ 53,430,978.32	\$ 51,682,585.72
 Bonds and Notes Authorized but Not Issued			
	D-25	\$ -	\$ 44,698.35

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, 2020 AND 2019

D-1

	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 1,400,726.32	\$ 2,812,128.83
Rents	D-3	7,382,633.98	7,239,847.02
Miscellaneous Revenue	D-3	255,165.88	364,503.05
Unexpended Balance of Appropriation Reserves	D-13	717,202.76	763,408.99
Other Credits to Income:			
Void Prior Year Outstanding Check	D-5	314.00	
		<u>9,756,042.94</u>	<u>11,179,887.89</u>
 <u>Expenditures</u>			
Budgets Expenditures:			
Operating	D-4	5,036,717.75	5,531,160.90
Capital Improvements	D-4	1,050,000.00	2,650,000.00
Debt Service	D-4	1,490,861.41	2,031,733.82
Deferred Charges	D-4	44,698.35	
Statutory Expenditures	D-4	290,907.30	320,967.93
		<u>7,913,184.81</u>	<u>10,533,862.65</u>
Excess in Revenue		1,842,858.13	646,025.24
 <u>Fund Balance</u>			
Balance, Beginning of Year	D	1,528,123.40	3,694,226.99
		<u>3,370,981.53</u>	<u>4,340,252.23</u>
 Decreased by:			
Utilized as Anticipated Revenue:			
Water Operating Fund Budget	D-3	1,400,726.32	2,812,128.83
Balance, End of Year	D	<u>\$ 1,970,255.21</u>	<u>\$ 1,528,123.40</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

STATEMENT OF WATER CAPITAL FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

D-2

	<u>Ref.</u>	
Balance, December 31, 2020 and 2019	D	<u>\$ 798,490.39</u>

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

STATEMENT OF REVENUE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

D-3

<u>Source</u>	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Utilized	D-1	\$ 1,400,726.32	\$ 1,400,726.32	
Rents	D-1, D-10	6,900,000.00	7,382,633.98	\$ 482,633.98
Miscellaneous Revenue	D-1, Below	<u>135,000.00</u>	<u>255,165.88</u>	<u>120,165.88</u>
	D-4	<u>\$ 8,435,726.32</u>	<u>\$ 9,038,526.18</u>	<u>\$ 602,799.86</u>
 <u>Analysis of Realized Revenue</u>				
Miscellaneous Revenue:				
Interest on Delinquent Rents		\$ 61,767.19		
Glen Ridge Management Fee		59,104.08		
New Service Fees		124,128.00		
Interest on Investments - Operating		3,420.08		
Interest on Investments - Capital		3,393.24		
Return Check Fees		1,779.16		
Turn-On Fee		1,539.13		
Miscellaneous		<u>35.00</u>		
	Above		<u>\$ 255,165.88</u>	
 Collections:				
Treasurer	D-5		<u>\$ 255,165.88</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

D-4  
Sheet # 1

Appropriation	Budget	Modified Budget	Paid or Charged	Expended		Balance Canceled
				Encumbered	Reserved Unencumbered	
<u>Operating</u>						
Salaries and Wages	\$ 1,314,952.75	\$ 1,314,952.75	\$ 1,142,148.67		\$ 122,804.08	\$ 50,000.00
Other Expenses	1,675,050.00	1,773,161.52	1,161,981.89	\$ 402,571.80	208,607.83	
Purchased Water	1,879,165.00	1,781,053.48	1,781,053.48			
<u>Commercial</u>						
Salaries and Wages	150,000.00	150,000.00	89,266.29		60,733.71	
Other Expenses	67,550.00	67,550.00	40,989.62	130.69	26,429.69	
	<u>5,086,717.75</u>	<u>5,086,717.75</u>	<u>4,215,439.95</u>	<u>402,702.49</u>	<u>418,575.31</u>	<u>50,000.00</u>
<u>Capital Improvements</u>						
Capital Improvements	1,000,000.00	1,000,000.00	1,000,000.00			
Capital Outlay	500,000.00	500,000.00	14,826.85	25,000.00	10,173.15	450,000.00
	<u>1,500,000.00</u>	<u>1,500,000.00</u>	<u>1,014,826.85</u>	<u>25,000.00</u>	<u>10,173.15</u>	<u>450,000.00</u>
<u>Debt Service</u>						
Payment on Bond Principal	750,000.00	750,000.00	750,000.00			
Payment on Bond Anticipation Notes	265,510.00	265,510.00	265,510.00			
Interest on Bonds	264,556.25	264,556.25	253,339.59			11,216.66
Interest on Notes	6,650.00	6,650.00	5,531.46			1,118.54
Environmental Trust Fund - Principal	207,511.67	207,511.67	207,511.67			
Environmental Trust Fund - Interest	19,175.00	19,175.00	8,968.69			10,206.31
	<u>1,513,402.92</u>	<u>1,513,402.92</u>	<u>1,490,861.41</u>			<u>22,541.51</u>
<u>Deferred Charges</u>						
Unfunded Improvement Authorization Ord. #12-73/14-20	44,698.35	44,698.35	44,698.35			
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	163,940.33	163,940.33	163,940.33			
Social Security System	101,966.97	101,966.97	101,966.97			
Unemployment Compensation Insurance	25,000.00	25,000.00	25,000.00			
	<u>290,907.30</u>	<u>290,907.30</u>	<u>290,907.30</u>			
	<u>\$ 8,435,726.32</u>	<u>\$ 8,435,726.32</u>	<u>\$ 7,056,733.86</u>	<u>\$ 427,702.49</u>	<u>\$ 428,748.46</u>	<u>\$ 522,541.51</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, 2020

D-4  
Sheet # 2

	<u>Ref.</u>	
Cash Disbursed	D-5	\$ 6,788,894.12
Accrued Interest on Bonds	D-14	253,339.59
Accrued Interest on Notes	D-15	5,531.46
Accrued Interest on Loans	D-16	<u>8,968.69</u>
	Sheet # 1	<u>\$ 7,056,733.86</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

E  
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Operating Fund</u>			
Cash - Checking	E-5	\$ 2,561,070.83	\$ 2,356,027.21
Change Fund	E-7	200.00	200.00
		2,561,270.83	2,356,227.21
 Receivables with Full Reserves:			
Consumer Accounts Receivable	E-10	1,366,863.65	948,310.89
		1,366,863.65	948,310.89
		3,928,134.48	3,304,538.10
 <u>Capital Fund</u>			
Cash	E-5, E-8	1,594,428.46	996,194.49
Environmental Infrastructure Loan Receivable			126,502.00
Fixed Capital	E-11	5,383,474.09	5,383,474.09
Fixed Capital Authorized and Uncompleted	E-12	3,567,623.00	2,750,000.00
		10,545,525.55	9,256,170.58
		\$ 14,473,660.03	\$ 12,560,708.68

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

E  
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	E-4, E-13	\$ 23,473.34	\$ 38,083.28
Unencumbered	E-4, E-13	173,727.32	165,559.57
Accrued Interest on Loans	E-16	8,861.46	2,848.44
Sewer Overpayments	E-14	<u>17,476.33</u>	<u>23,157.38</u>
		223,538.45	229,648.67
Reserve for Receivables		1,366,863.65	948,310.89
Fund Balance	E-1	<u>2,337,732.38</u>	<u>2,126,578.54</u>
		<u>3,928,134.48</u>	<u>3,304,538.10</u>
<u>Capital Fund</u>			
Environmental Infrastructure Loan Payable	E-19	2,364,824.41	634,242.00
New Jersey Environmental Infrastructure Interim Financing Payable			1,950,000.00
Improvement Authorizations:			
Funded	E-18	1,194,659.03	784,500.00
Unfunded			188,855.05
Capital Improvement Fund	E-21	195,500.00	120,500.00
Encumbrances Payable	E-18	17,431.76	16,937.65
Reserve for:			
Amortization	E-22	4,836,272.68	4,580,173.21
Deferred Amortization	E-20	1,750,000.00	800,000.00
Fund Balance	E-2	<u>186,837.67</u>	<u>180,962.67</u>
		<u>10,545,525.55</u>	<u>9,256,170.58</u>
		<u>\$ 14,473,660.03</u>	<u>\$ 12,560,708.68</u>
Bonds and Notes Authorized But Not Issued	E-24	<u>\$ -</u>	<u>\$ 2,119,058.88</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, 2020 AND 2019

E-1

	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Revenues and Other Income Realized</u>			
Fund Balance Utilized	E-3	\$ 620,472.47	\$ 660,410.73
Sewer Charges	E-3	7,254,893.61	7,229,180.57
Sewer Flow Usage Fees - Reservoir Ridge	E-3	70,817.26	87,686.97
Miscellaneous	E-3	184,652.34	110,776.97
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-13	182,404.80	143,831.67
		8,313,240.48	8,231,886.91
 <u>Expenditures</u>			
Budget Expenditures:			
Operating	E-4	6,015,512.14	5,675,871.20
Debt Service	E-4	95,141.70	562,373.16
Statutory Expenditures	E-4	176,901.45	168,289.53
Capital Expenditures	E-4	1,025,000.00	835,000.00
Deferred Charges	E-4	169,058.88	
		7,481,614.17	7,241,533.89
 Excess in Revenue		 831,626.31	 990,353.02
 <u>Fund Balance</u>			
Balance, Beginning of Year	E	2,126,578.54	1,796,636.25
		2,958,204.85	2,786,989.27
 Decreased by:			
Utilized as Anticipated Revenue:			
Sewer Operating Fund Budget	Above	620,472.47	660,410.73
 Balance, End of Year	 E	 \$ 2,337,732.38	 \$ 2,126,578.54

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

E-2

	<u>Ref.</u>	
Balance, December 31, 2019	E	\$ 180,962.67
Increased by:		
Excess Funds Received from NJEIT Loan	E-26	<u>5,875.00</u>
Balance, December 31, 2020	E	<u>\$ 186,837.67</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2020

E-3

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Utilized	E-1	\$ 620,472.47	\$ 620,472.47	
Sewer Charges	E-1, E-10	6,700,000.00	7,254,893.61	\$ 554,893.61
Sewer Flow Usage Fee	E-1, E-6	86,000.00	70,817.26	(15,182.74)
Miscellaneous	E-1, Below	<u>100,000.00</u>	<u>184,652.34</u>	<u>84,652.34</u>
	E-4	<u>\$ 7,506,472.47</u>	<u>\$ 8,130,835.68</u>	<u>\$ 624,363.21</u>
	<u>Ref.</u>			
<u>Miscellaneous Revenue</u>				
Interest on Deposits:				
Operating Fund		\$ 2,075.38		
Capital Fund		<u>1,085.94</u>		
	E-5		\$ 3,161.32	
Interest on Delinquent Rents		51,297.02		
New Services		129,314.00		
Other		<u>880.00</u>		
	E-6		<u>181,491.02</u>	
		Above	<u>\$ 184,652.34</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

E-4  
Sheet # 1

Appropriation	Budget	Modified Budget	Paid	Expended		Balance Canceled
				Encumbered	Reserved Unencumbered	
<u>Operating</u>						
Salaries and Wages	\$ 912,121.61	\$ 912,121.61	\$ 824,612.96		\$ 87,508.65	
Other Expenses	633,900.00	633,900.00	535,936.27	\$ 23,473.34	74,490.39	
Passaic Valley Sewer Commission	4,399,490.53	4,399,490.53	4,399,490.53			
Third River Sewer	5,000.00	5,000.00	2,668.72		2,331.28	
Second River Sewer	65,000.00	65,000.00	55,603.00		9,397.00	
	<u>6,015,512.14</u>	<u>6,015,512.14</u>	<u>5,818,311.48</u>	<u>23,473.34</u>	<u>173,727.32</u>	
<u>Capital Improvements</u>						
Capital Improvement Fund	1,025,000.00	1,025,000.00	1,025,000.00			
<u>Debt Service</u>						
Payment on Loan	100,000.00	100,000.00	79,836.59			\$ 20,163.41
Payment of Interest on Loan	20,000.00	20,000.00	15,305.11			4,694.89
	<u>120,000.00</u>	<u>120,000.00</u>	<u>95,141.70</u>			<u>24,858.30</u>
<u>Deferred Charges</u>						
Unfunded Improvement Authorization Ord. #14-19	169,058.88	169,058.88	169,058.88			
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	109,362.28	109,362.28	109,362.28			
Social Security System	62,039.17	62,039.17	62,039.17			
Unemployment Compensation Insurance	5,500.00	5,500.00	5,500.00			
	<u>176,901.45</u>	<u>176,901.45</u>	<u>176,901.45</u>			
	<u>\$ 7,506,472.47</u>	<u>\$ 7,506,472.47</u>	<u>\$ 7,284,413.51</u>	<u>\$ 23,473.34</u>	<u>\$ 173,727.32</u>	<u>\$ 24,858.30</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, 2020

E-4  
Sheet # 2

	<u>Ref.</u>	<u>Paid or Charged</u>
Cash Disbursed	E-5	\$ 7,269,108.40
Accrued Interest on Loans	E-16	<u>15,305.11</u>
	Sheet # 1	<u><u>\$ 7,284,413.51</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

F

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Operating Fund</u>			
Cash - Checking	F-4	\$ 2,248,620.19	\$ 2,981,629.96
Interfunds Receivable	F-17	148,913.25	
		<u>2,397,533.44</u>	<u>2,981,629.96</u>
 <u>Capital Fund</u>			
Cash	F-4	1,693,213.79	1,547,706.60
Fixed Capital	F-7	16,720,856.80	16,720,856.80
Fixed Capital Authorized and Uncomplete	F-8	1,681,000.00	981,000.00
		<u>20,095,070.59</u>	<u>19,249,563.40</u>
		<u>\$ 22,492,604.03</u>	<u>\$ 22,231,193.36</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Accrued Interest on Bonds	F-10	\$ 267,496.78	\$ 276,526.28
Appropriation Reserves - Committed	F-3, F-9	542,573.21	218,609.37
Appropriation Reserves - Reserved	F-3, F-9	49,330.59	336,090.56
Fund Balance	F-1	1,538,132.86	2,150,403.75
		<u>2,397,533.44</u>	<u>2,981,629.96</u>
 <u>Capital Fund</u>			
Serial Bonds	F-6	11,985,000.00	12,455,000.00
Capital Improvement Fund	F-12	9,000.00	459,000.00
Improvement Authorization - Funded	F-14	1,001,914.83	319,854.30
Encumbrances Payable	F-14	13,548.96	106,352.30
Reserve for Amortization	F-11	4,735,856.80	4,265,856.80
Deferred Reserve for Amortization	F-13	1,681,000.00	981,000.00
Reserve for Midtown Parking Deck	F-15	600,000.00	600,000.00
Reserve for Crescent Parking Deck	F-16	18,750.00	12,500.00
Fund Balance	F-1a	50,000.00	50,000.00
		<u>20,095,070.59</u>	<u>19,249,563.40</u>
		<u>\$ 22,492,604.03</u>	<u>\$ 22,231,193.36</u>

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, 2020 AND 2019

F-1

	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Revenues and Other Income Realized</u>			
Fund Balance Utilized	F-2	\$ 847,727.20	\$ 1,300,000.00
Permit Fees	F-2	1,151,766.38	1,872,829.49
Meter Fees	F-2	801,777.51	1,863,110.43
Transient Fees	F-2	472,722.00	1,529,791.45
Miscellaneous Revenue	F-2	438,722.92	380,793.31
Appropriation Reserves Canceled	F-9	441,438.00	178,874.14
		<u>4,154,154.01</u>	<u>7,125,398.82</u>
 <u>Expenditures</u>			
Budget Appropriations:			
Operating	F-3	2,412,092.22	3,309,608.03
Capital Improvements	F-3	250,000.00	1,000,000.00
Debt Service	F-3	1,004,993.56	1,008,052.56
Statutory Expenditures	F-3	251,611.92	246,509.16
		<u>3,918,697.70</u>	<u>5,564,169.75</u>
Excess in Revenue		235,456.31	1,561,229.07
 <u>Fund Balance</u>			
Balance, Beginning of Year	F	<u>2,150,403.75</u>	<u>1,889,174.68</u>
		2,385,860.06	3,450,403.75
 Decreased by:			
Utilized as Anticipated Revenue	Above	<u>847,727.20</u>	<u>1,300,000.00</u>
Balance, End of Year	F	<u>\$ 1,538,132.86</u>	<u>\$ 2,150,403.75</u>

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

STATEMENT OF PARKING CAPITAL FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

F-1a

	<u>Ref.</u>	
Balance, December 31, 2020 and 2019	F	<u>\$ 50,000.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

STATEMENT OF REVENUE  
YEAR ENDED DECEMBER 31, 2020

F-2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>(Deficit) or Excess</u>
<u>Source:</u>				
Fund Balance Anticipated	F-1	\$ 847,727.20	\$ 847,727.20	
Meter Fees	F-1, F-4	1,800,000.00	801,777.51	\$ (998,222.49)
Permit Fees	F-1, F-4	1,800,000.00	1,151,766.38	(648,233.62)
Transient Fees	F-1, F-4	1,500,000.00	472,722.00	(1,027,278.00)
Miscellaneous	F-1, Below	300,000.00	438,722.92	138,722.92
	F-3	<u>\$ 6,247,727.20</u>	<u>\$ 3,712,716.01</u>	<u>\$ (2,535,011.19)</u>
 <u>Analysis of Miscellaneous Revenue</u>				
	F-4	Cash Received	\$ 289,809.67	
	F-17	Interfund Receivable	148,913.25	
	Below		<u>\$ 438,722.92</u>	
 <u>Miscellaneous Revenue</u>				
Interest on Deposits:				
Operating Fund		\$ 2,834.02		
Capital Fund		<u>1,683.66</u>		
			\$ 4,517.68	
ATM Fees		54.60		
Miscellaneous		21,969.24		
Allocation of PTAS Tickets		148,913.25		
LCOR License Agreement		46,930.00		
Herod's Share of Debt and Maintenance		<u>216,338.15</u>		
			<u>434,205.24</u>	
	Above		<u>\$ 438,722.92</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2020

F-3

<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	\$ 1,215,152.02	\$ 1,215,152.02	\$ 956,492.53		\$ 8,659.49	\$ 250,000.00
Other Expenses	2,266,940.20	2,266,940.20	863,695.89	\$ 542,573.21	40,671.10	820,000.00
	<u>3,482,092.22</u>	<u>3,482,092.22</u>	<u>1,820,188.42</u>	<u>542,573.21</u>	<u>49,330.59</u>	<u>1,070,000.00</u>
<u>Capital Improvements</u>						
Capital Improvement Fund	900,000.00	900,000.00	250,000.00			650,000.00
Reserve for Midtown Deck Improvements	600,000.00	600,000.00				600,000.00
	<u>1,500,000.00</u>	<u>1,500,000.00</u>	<u>250,000.00</u>			<u>1,250,000.00</u>
<u>Debt Service</u>						
Payment on Bond Principal	470,000.00	470,000.00	470,000.00			
Interest on Bonds	544,023.06	544,023.06	534,993.56			9,029.50
	<u>1,014,023.06</u>	<u>1,014,023.06</u>	<u>1,004,993.56</u>			<u>9,029.50</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	128,534.10	128,534.10	128,534.10		-	
Social Security System	87,077.82	87,077.82	87,077.82			
Unemployment Compensation Insurance	36,000.00	36,000.00	36,000.00			
	<u>251,611.92</u>	<u>251,611.92</u>	<u>251,611.92</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 6,247,727.20</u>	<u>\$ 6,247,727.20</u>	<u>\$ 3,326,793.90</u>	<u>\$ 542,573.21</u>	<u>\$ 49,330.59</u>	<u>\$ 2,329,029.50</u>
<u>Ref.</u>	F-2		Below	F	F	
		Ref.				
Cash Disbursements		F-4	\$ 2,791,800.34			
Accrued Interest on Bonds		F-10	<u>534,993.56</u>			
			<u>\$ 3,326,793.90</u>			

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GOVERNMENTAL FIXED ASSETS

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
DECEMBER 31, 2020 AND 2019

G

<u>GOVERNMENTAL FIXED ASSETS</u>	<u>2020</u>	<u>2019</u>
Building and Contents	\$ 46,464,700.00	\$ 46,464,700.00
Land	50,602,800.00	50,602,800.00
Vehicles and Other Equipment	<u>26,321,284.00</u>	<u>24,314,767.89</u>
	<u>\$ 123,388,784.00</u>	<u>\$ 121,382,267.89</u>
 <u>RESERVE</u>		
Investment in Governmental Fixed Assets	<u>\$ 123,388,784.00</u>	<u>\$ 121,382,267.89</u>

See accompanying notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS**

## TOWNSHIP OF MONTCLAIR

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020 and 2019

#### 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 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.

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 do 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, 2020 and 2019

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

##### **Measurement 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 and Measurement Focus**

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 Township's operating funds utilize a "current financial resources" measurement focus. 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, 2020 and 2019**

**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, 2020 and 2019**

**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, 2020 and 2019

#### 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. The audited financial information related to pensions is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements. Due to delays in the availability of the information needed for disclosure, the Division issued Local Finance Notice 2021-10 on May 26, 2021. To ensure the timely filing of county and municipal audits, Local Finance Board regulations allow the Division discretion to permit the most recent available audited GASB 68 financial information to be incorporated into the audited financial statements and only requires one year to be disclosed. 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 governments 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 GASBs. The audited financial information related to OPEBs is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements. Due to delays in the availability of the information needed for disclosure, the Division issued Local Finance Notice 2021-10 on May 26, 2021. To ensure the timely filing of county and municipal audits, Local Finance Board regulations allow the Division discretion to permit the most recent available audited GASB 75 financial information to be incorporated into the audited financial statements and only requires one year to be disclosed. See Note 10 for these disclosures.

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

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

**Use of Estimates** - The preparation of financial statements requires management of the Township 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 Township'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.

**2. CASH, CASH EQUIVALENTS AND INVESTMENTS**

**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.

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)**

**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.
- 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, 2020 and 2019. At December 31, 2020 and 2019, the book value of the Township's deposits was \$63,265,089.19 and \$60,821,827.38, 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, 2020 and 2019 the Township had the following depository accounts. All deposits are carried at cost. \$410,183.03 and \$462,375.89 held in agency and payroll accounts for the years ended December 31, 2020 and 2019, respectively, are not covered by GUDPA.

<u>Depository Account</u>	Bank Balance	
	December 31, 2020	December 31, 2019
	FDIC Insured	\$ 250,000.00
GUPDA Insured	63,249,049.55	59,625,026.33
	\$ 63,499,049.55	\$60,125,026.33

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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.

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**

Tax Rate	Calendar Year <u>2020</u>	Calendar Year <u>2019</u>	Calendar Year <u>2018*</u>
	<u>\$ 3.179</u>	<u>\$ 3.146</u>	<u>\$ 3.094</u>
Apportionment of			
Tax Rate:			
Municipal	\$ 0.931	\$ 0.931	\$ 0.922
County	0.527	0.523	0.509
County Open Space	0.017	0.017	0.016
School	1.704	1.675	1.647

\* Revaluation

**Assessed Valuation**

Calendar Year	Amount
2020	\$ 7,080,753,300
2019	7,060,027,900
2018*	7,039,825,400

\* Revaluation performed.

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**3. TAXES AND TAX TITLE LIENS RECEIVABLE (continued)**

**Tax Levies and Collections**

Year	Tax Levy	Collections	Percentage of Collections
2020	\$ 226,447,947.37	\$ 223,477,608.56	98.69%
2019	223,456,809.38	220,868,646.80	98.84%
2018	218,984,784.86	215,969,003.92	98.62%

**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
2020	\$ 268,460.87	\$ 2,645,406.66	\$ 2,913,867.53	1.29%
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%

**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, 2020 and 2019 was \$726,010.00 and \$597,300.00, 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
2020	\$ 317,900
2019	317,900
2018	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
2020	\$ 7,476,228.52	\$ 7,382,633.98
2019	7,249,623.22	7,239,847.02
2018	7,703,851.78	7,928,127.98

Cash collections include realization of prior year uncollected balances.

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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
2020	\$ 7,673,446.37	\$ 7,254,893.61
2019	7,398,326.44	7,229,180.57
2018	6,590,878.34	6,664,916.16

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:	2020	\$ 15,771,419.08	\$ 9,450,000.00
	2019	16,867,361.90	7,950,000.00
	2018	15,123,849.83	7,300,000.00
Water Utility Operating Fund:	2020	\$ 1,970,255.21	\$ 1,700,000.00
	2019	1,528,123.40	1,400,726.32
	2018	3,694,226.99	2,812,128.83
Sewer Utility Operating Fund:	2020	\$ 2,337,732.38	\$ 1,392,000.00
	2019	2,126,578.54	620,472.47
	2018	1,796,636.25	660,410.73
Parking Utility Operating Fund:	2020	\$ 1,538,132.86	\$ 1,500,000.00
	2019	2,150,403.75	847,727.20
	2018	1,889,174.68	1,300,000.00

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**9. PENSION PLANS**

**Public Employees' Retirement System**

The Public Employees' 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, 2020:

	<u>2020</u>
Inactive plan members or beneficiaries currently receiving benefits	182,492
Inactive plan members entitled to but not yet receiving benefits	942
Active plan members	<u>249,045</u>
Total	<u>432,479</u>

Contributing Employers - 1,691

*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 30, 2012.

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

For the year ended December 31, 2020, the Township's total payroll for all employees was \$41,805,136.00. Total PERS covered payroll was \$12,764,474.00. Due to payroll system limitations, 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 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 2020, the State's pension contribution was less than the actuarial determined amount.



TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019

9. PENSION PLANS (continued)

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.

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 year ending December 31, 2020 consisted of the following:

	2020
Total Regular Billing	\$ 1,609,931.00

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 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.

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**9. PENSION PLANS (continued)**

At June 30, 2020, the PERS reported a net pension liability of \$16,435,616,426.00 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 \$28,447,383.00 or 0.1744447884%, which was an increase of 0.0089349701% from its proportion measured as of June 30, 2019.

At December 31, 2020, 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 expected and actual experience	\$ 517,980.00	\$ 100,602.00
Changes in assumptions	922,865.00	11,911,188.00
Net difference between projected and actual earnings on pension plan investments	972,354.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	3,727,995.00	100,286.00
Township contributions subsequent to the measurement date	1,908,338.00	
	\$ 8,049,532.00	\$ 12,112,076.00

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**9. PENSION PLANS (continued)**

\$1,908,338 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,	
2021	\$ (2,243,298.00)
2022	(2,062,008.00)
2023	(1,087,245.00)
2024	(451,716.00)
2025	(126,615.00)
Total	<u>\$ (5,970,882.00)</u>

*Actuarial Assumptions-* The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions:

Inflation-Prices	<u>2020</u> 2.75%
Inflation-Wages	3.25%
Salary Increases:	
Through 2026	2.00% - 6.00% based on years of service
Thereafter	3.00% - 7.00% 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-2020.

The actuarial assumptions used in the July 1, 2019 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, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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, 2020 is summarized in the following table:

2020		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	100.00%	

*Discount Rate* – The discount rate used to measure the total pension liability as of June 30, 2020 was 7.00%. 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 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments to determine the total pension liability.

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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 (6.00%)	At current Discount rate (7.00%)	At 1% Increase (8.00%)
Township's proportionate share	\$ 35,810,509.50	\$ 28,447,383.00	\$ 22,199,569.00

*Plan Fiduciary Net Position* – The plan fiduciary net position for PERS, including the State of New Jersey, at June 30, 2020 was \$29,045,369,302. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2020 was \$22,997,176,445.

*Additional Information*

Collective balances at June 30, 2020 are as follows:

Collective deferred outflows of resources	\$ 2,347,583,337.00
Collective deferred inflows of resources	7,849,949,467.00
Collective net pension liability - Local group	16,435,616,426.00

Township's Proportion 0.1744447884%

Collective pension expense for the Local Group for the measurement period ended June 30, 2020 was \$407,705,399.00. The average of the expected remaining service lives of all plan members is 5.16, 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2020, 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 1<sup>st</sup>, 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 year ended June 30, 2020 was \$1,144,889,253.

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019

9. PENSION PLANS (continued)

**Police and Firemens' Retirement System**

The Police and Firemens' 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, 2020:

	<u>2020</u>
Inactive plan members or beneficiaries currently receiving benefits	45,537
Inactive plan members entitled to but not yet receiving benefits	65
Active plan members	<u>42,520</u>
Total	<u>88,122</u>

Contributing Employers - 582

*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.

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 1<sup>st</sup>, 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, 2020, the Township's total payroll for all employees was \$41,805,136.00. Total PFRS covered payroll was \$21,020,518.00. 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, 2020 and 2019**

**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 1<sup>st</sup> in the second fiscal period subsequent to plan year for which the contributions requirements were calculated.

Township payments to PFRS for the year ending December 31, 2020 consisted of the following:

	2020
Total Regular Billing	\$ 6,202,635.00

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, 2020, the PFRS reported a net pension liability of \$14,926,648,722.00 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 \$78,806,453.00 or 0.6098948049% which was a decrease in 0.0041602327% from its proportion measured as of June 30, 2019.

**TOWNSHIP OF MONTCLAIR**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 and 2019**

**9. PENSION PLANS (continued)**

At December 31, 2020, 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 expected and actual experience	\$ 794,503.00	\$ 282,827.00
Changes of assumptions	198,316.00	21,127,539.00
Changes in proportion	2,924,831.00	549,833.00
Net difference between projected and actual investment earnings on OPEB plan investments	4,620,791.00	
Township contributions subsequent to the measurement date	6,813,567.00	
Total	<u>\$ 15,352,008.00</u>	<u>\$ 21,960,199.00</u>

\$6,813,567.00 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
2021	\$ (6,365,223.00)
2022	(4,242,615.00)
2023	(1,528,035.00)
2024	(546,458.00)
2025	(739,427.00)
Total	<u>\$ (13,421,758.00)</u>

*Actuarial Assumptions-* The total collective pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions:

	<u>2020</u>
Inflation-Prices	2.75%
Inflation-Wages	3.25%
Salary Increases:	
Through 2026	2.00% - 6.00%
based on years of service	
Thereafter	3.00% - 7.00%
based on years of service	



**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
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**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-2020.

The actuarial assumptions used in the July 1, 2019 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, 2020) 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, 2020 are summarized in the following table:

	2020	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	100.00%	

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**9. PENSION PLANS (continued)**

*Discount Rate* – The discount rate used to measure the total pension liability as of June 30, 2020 was 7.00%. 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 78% 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. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments 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 (6.00%)	At current Discount rate (7.00%)	At 1% Increase (8.00%)
Township's proportionate share	\$ 104,796,362.00	\$ 78,806,453.00	\$ 57,219,848.00

*Plan Fiduciary Net Position* – The plan fiduciary net position for PFRS at June 30, 2020 was \$27,412,127,845.00.

*Additional Information*

Collective balances at June 30, 2020 are as follows:

Collective deferred outflows of resources	\$ 1,601,195,680.00
Collective deferred inflows of resources	4,191,274,402.00
Collective net pension liability - Local group	14,926,648,722.00
 Township's Proportion	 0.6098948049%

Collective pension expense for the Local Group for the measurement period ended June 30, 2020 is \$949,220,570.00. The average of the expected remaining service lives of all plan members is 5.90, 5.92, 5.73, 5.59, 5.58, 5.53 and 6.17 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014, respectively.

## TOWNSHIP OF MONTCLAIR

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020 and 2019

#### 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 1<sup>st</sup>, 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 year ended June 30, 2020 is \$1,194,176,430.00.

*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, 2020 for police and fire is 0.6098948049%. The non-employer contributing entities' contribution for the year ended June 30, 2020 was \$941,123. The state's proportionate share of net pension liability attributable to the Township as of June 30, 2020 was \$12,230,402.

##### 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 \$5,000.00 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, 2020 and 2019

#### 9. PENSION PLANS (continued)

least \$5,000.00 annually. At June 30, 2020, the membership in the DCRP, based on the information within the Division's database, was 60,336.

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, 2020 and 2019

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:

	<u>June 30, 2019</u>
Inactive plan members or beneficiaries currently receiving benefits	29,812
Active plan members	<u>66,213</u>
Total	<u><u>96,025</u></u>
Contributing employers	590
Contributing nonemployers	1

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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 at June 30, 2019. The Township of Montclair's nonspecial funding situation proportion of the Total OPEB Liability was \$30,282,377 (0.223551%) for the year ended June 30, 2019.

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
Total OPEB Liability	\$ 13,819,244,582
Plan Fiduciary Net Position	273,173,482
Net OPEB Liability	\$ 13,546,071,100
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%

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 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 2019 in the measurement:

	June 30, 2019
Inflation	2.50%
Salary Increases*:	
Public Employees' Retirement System (PERS)	
Rate through 2026	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 15.25%

\* 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, 2020 and 2019**

**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 was 3.50%. 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, 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 - 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, 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 - 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 at June 30, 2019.

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, 2020 and 2019**

**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) at June 30, 2019. These allocated liabilities represent 1.0533% of the State's Total Non-employer OPEB Liability for June 30, 2019. The OPEB expense attributed to the Township was \$771,463 at June 30, 2019.

**11. MUNICIPAL DEBT**

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

	2020	2019	2018
<u>Issued</u>			
General			
Bonds, Notes and Loans	\$ 63,385,902.43	\$ 66,330,643.00	\$ 59,499,405.77
Water:			
Bonds, Notes and Loans	6,147,130.11	7,370,151.78	9,070,989.69
Sewer:			
Bonds, Notes and Loans	2,364,824.41	634,242.00	1,175,181.50
Parking:			
Bonds, Notes and Loans	11,985,000.00	12,455,000.00	12,910,000.00
	<u>83,882,856.95</u>	<u>86,790,036.78</u>	<u>82,655,576.96</u>
<u>Authorized but Not Issued</u>			
General:			
Bonds, Notes and Loans	9,094,598.00	7,277,646.50	14,842,557.47
Water:			
Bonds, Notes and Loans	-	44,698.35	115,144.12
Sewer:			
Bonds, Notes and Loans	-	2,119,058.88	2,913,079.65
	<u>9,094,598.00</u>	<u>9,441,403.73</u>	<u>17,870,781.24</u>
<u>Less: Cash on Hand</u>			
General:			
Reserve for Debt Service	-	27,880.46	27,880.46
Net Bonds and Notes Issued and Authorized but Not Issued	<u>\$ 92,977,454.95</u>	<u>\$ 96,203,560.05</u>	<u>\$ 100,498,477.74</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 Debt Statement.

	Gross Debt	Deductions	Net Debt
Local School District	\$ 64,608,781.90	\$ 64,608,781.90	
Utility Debt	20,496,954.52	20,496,954.52	
General Debt	<u>72,480,500.45</u>	<u>-</u>	<u>\$ 72,480,500.45</u>
	<u>\$ 157,586,236.87</u>	<u>\$ 85,105,736.42</u>	<u>\$ 72,480,500.45</u>



**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**11. MUNICIPAL DEBT (continued)**

Net Debt, \$72,480,500.45 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$7,899,590,815.00 equals 0.918%. A revised annual debt statement will be submitted.

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

3½% of Equalized Valuation Basis	\$ 276,485,678.53
Net Debt	<u>72,480,500.45</u>
Remaining Borrowing Capacity	<u>\$ 204,005,178.08</u>

**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**

	<u>2020</u>	<u>2019</u>
<b><u>Water Utility</u></b>		
Fund Balance and cash receipts from fees, rents or other charges	\$ 9,038,526.18	\$ 10,416,478.90
Deductions:		
Operating and maintenance cost	\$ 5,372,323.40	\$ 5,852,128.83
Debt Service	<u>1,490,861.41</u>	<u>2,031,733.82</u>
	6,863,184.81	7,883,862.65
Excess revenue	<u>\$ 2,175,341.37</u>	<u>\$ 2,532,616.25</u>
There being an excess in revenue, all such utility debt is deductible		
<b><u>Sewer Utility</u></b>		
Fund Balance and cash receipts from fees, rents or other charges	\$ 8,130,835.68	\$ 8,088,055.00
Deductions:		
Operating and maintenance cost	\$ 6,361,472.47	\$ 5,844,160.73
Debt Service	<u>95,141.70</u>	<u>562,373.16</u>
	6,456,614.17	6,406,533.89
Excess revenue	<u>\$ 1,674,221.51</u>	<u>\$ 1,681,521.11</u>
There being an excess in revenue, all such utility debt is deductible		
<b><u>Parking Utility</u></b>		
Fund Balance and cash receipts from fees, rents or other charges	\$ 3,712,716.01	\$ 6,946,525.00
Deductions:		
Operating and maintenance cost	\$ 2,663,704.14	\$ 3,556,117.19
Debt Service	<u>1,004,993.56</u>	<u>1,008,052.56</u>
	3,668,697.70	4,564,169.75
Excess revenue	<u>\$ 44,018.31</u>	<u>\$ 2,382,355.25</u>
There being an excess in revenue, all such utility debt is deductible		

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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, 2020 and 2019, the Township's long-term debt is as follows:

<u>General Capital</u>	<u>2020</u>	<u>2019</u>
\$18,519,000.00 2011 Bonds, final annual installment of \$1,665,000.00 due March 1, 2021, interest at rate at 3.375%	\$ 1,665,000.00	\$ 3,250,000.00
\$2,780,000.00 2012 Pension Refunding Bonds, final annual installment of \$455,000.00 due April 1, 2021, interest at rate at 3.053%.	455,000.00	870,000.00
\$10,500,000.00 2013 Bonds, due in annual installments of \$1,080,000.00 to \$1,270,000.00 through March 1, 2024, interest at a rate of 5.00%.	4,705,000.00	5,725,000.00
\$14,960,000.00 2014 Refunding Bonds, due in annual installments of \$610,000.00 to \$1,915,000.00 through January 1, 2026, interest at a rate of 5.00%.	9,535,000.00	10,990,000.00
\$2,200,000.00 2016 Refunding Bonds, final annual installment of \$730,000.00 due October 2021 at an interest rate of 5.00%.	730,000.00	1,460,000.00
\$5,305,000.00 2017 Refunding Bonds due in annual installments of \$1,695,000.00 to \$1,830,000.00 through March 1, 2024, interest at rates from 3.00% to 4.00%.	5,305,000.00	5,305,000.00
\$9,000,000.00 2018 Bonds, due in annual installments of \$680,000.00 to \$1,200,000.00 through April 2028, interest at rates from 4.00% to 5.00%.	7,760,000.00	8,400,000.00
\$32,395,000.00 2020 Bonds, due in annual installments of \$2,200,000.00 to \$4,115,000.00 through October 2030, interest at rates from 2.00% to 3.00%.	32,395,000.00	
	<u>\$ 62,550,000.00</u>	<u>\$ 36,000,000.00</u>

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**11. MUNICIPAL DEBT (continued)**

<u>Water Utility Bonds</u>	<u>2020</u>	<u>2019</u>
\$1,065,000.00 2011 Bonds, final annual installment of \$165,000.00 due March 1, 2021, interest at 3.375%	\$ 165,000.00	\$ 265,000.00
\$2,580,000.00 2014 Refunding Bonds, due in annual installments of \$230,000.00 to \$260,000.00 through January 1, 2027, interest at a rate of 5.00%.	1,680,000.00	1,925,000.00
\$2,155,000.00 2016 Refunding Bonds due in annual installments of \$270,000.00 to \$280,000.00 from October 1, 2021 through October 1, 2026 at an interest rate of 4.00%.	1,670,000.00	1,905,000.00
\$2,385,000.00 2018 General Bonds due in annual installments of \$180,000.00 to \$305,000.00 from April 1, 2021 through April 1, 2028 at interest rates of 4.00% to 5.00%.	<u>2,055,000.00</u>	<u>2,225,000.00</u>
	<u>\$ 5,570,000.00</u>	<u>\$ 6,320,000.00</u>
<u>Parking Utility Bonds</u>	<u>2020</u>	<u>2019</u>
\$1,820,000.00 2014 Refunding Bonds, due in annual installments of \$65,000.00 to \$125,000.00 through January 1, 2037, interest rates from 3.110% to 4.556%.	\$ 1,525,000.00	\$ 1,590,000.00
\$12,030,000.00 2014 Series A Refunding Bonds, due in annual installments of \$425,000.00 to \$855,000.00 through January 1, 2037, interest at rates from 3.375% to 5.00%.	<u>10,460,000.00</u>	<u>10,865,000.00</u>
	<u>\$ 11,985,000.00</u>	<u>\$ 12,455,000.00</u>

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**11. MUNICIPAL DEBT (continued)**

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

Year	Total	General Improvement Bonds					
		General Capital		Water Utility		Parking Utility	
		Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 11,614,534.64	\$ 7,420,000.00	\$ 2,064,992.45	\$ 885,000.00	\$ 231,184.38	490,000.00	\$ 523,357.81
2022	11,108,183.66	7,365,000.00	1,796,925.00	735,000.00	196,825.00	515,000.00	499,433.66
2023	11,938,799.96	8,490,000.00	1,514,950.00	765,000.00	164,475.00	530,000.00	474,374.96
2024	11,948,993.76	8,840,000.00	1,194,650.00	770,000.00	131,400.00	565,000.00	447,943.76
2025	8,930,911.36	6,155,000.00	899,175.00	770,000.00	96,950.00	590,000.00	419,786.36
2026-2030	32,697,539.05	24,280,000.00	1,663,275.00	1,645,000.00	90,050.00	3,350,000.00	1,669,214.05
2031-2035	4,992,898.80					4,045,000.00	947,898.80
2036-2037	1,995,412.20					1,900,000.00	95,412.20
	<u>\$ 95,227,273.43</u>	<u>\$ 62,550,000.00</u>	<u>\$ 9,133,967.45</u>	<u>\$ 5,570,000.00</u>	<u>\$ 910,884.38</u>	<u>\$ 11,985,000.00</u>	<u>\$ 5,077,421.60</u>

Green Acres Trust Loans Payable – General Capital Fund

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

	<u>2020</u>	<u>2019</u>
<u>Project Youth Sports:</u> \$250,000, loan due in semi-annual installments through May 2026, interest at 2.00%.	\$ 80,586.53	\$ 94,314.34
<u>Project Youth Sports II:</u> \$250,000, loan due in semi-annual installments of \$6,410.26 through December 2029, interest free.	108,974.28	121,794.80
<u>Project Youth Sports III:</u> \$273,606, loan due in semi-annual installments of \$7,015.54 through December 2035, interest free.	210,466.14	224,497.22
	<u>\$ 400,026.95</u>	<u>\$ 440,606.36</u>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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
2026-2030	122,722.98	76.96	122,799.94
2031-2035	70,155.40		70,155.40
	<u>\$ 400,026.95</u>	<u>\$ 4,915.38</u>	<u>\$ 404,942.33</u>

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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><b>2020</b></u>	<u><b>2019</b></u>
Payments are made semi-annually through the year 2024	\$ 207,208.84	\$ 260,247.33

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>
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>\$ 207,208.84</u>	<u>\$ 12,685.87</u>	<u>\$ 219,894.71</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, 2020 is \$228,666.64 and at December 31, 2019 was \$261,333.31.

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><b>2020</b></u>	<u><b>2019</b></u>
2001 Loan:		
Payments are semi-annual through the year 2021	\$ 70,043.74	\$ 141,824.15
2002 Loan:		
Payments are semi-annual through the year 2022	203,400.90	301,115.58
2010 Loan:		
Payments are semi-annual through the year 2029	<u>303,685.47</u>	<u>341,702.05</u>
	<u>\$ 577,130.11</u>	<u>\$ 784,641.78</u>

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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>
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	37,016.58	2,200.00	39,216.58
2026-2030	<u>115,602.47</u>	<u>5,000.00</u>	<u>120,602.47</u>
	<u>\$ 577,130.11</u>	<u>\$ 30,443.52</u>	<u>\$ 607,573.63</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 2049. The balance at December 31, 2020 was \$2,364,824.41 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>
2021	\$ 105,203.13	\$ 20,240.18	\$ 125,443.31
2022	105,170.13	19,240.18	124,410.31
2023	109,768.13	18,341.50	128,109.63
2024	109,650.13	17,258.90	126,909.03
2025	109,528.13	16,181.02	125,709.15
2026-2030	551,477.65	65,735.94	617,213.59
2031-2035	358,631.65	44,439.68	403,071.33
2036-2040	310,498.15	34,756.26	345,254.41
2041-2045	330,498.15	22,450.00	352,948.15
2046-2049	<u>274,399.16</u>	<u>7,050.00</u>	<u>281,449.16</u>
	<u>\$ 2,364,824.41</u>	<u>\$ 265,693.66</u>	<u>\$ 2,630,518.07</u>

Special Emergency Note

Outstanding Special Emergency Note is as follows:

	<u>Interest Rate</u>	<u>2020 Total</u>	<u>Interest Rate</u>	<u>2019 Total</u>
Current Fund	N/A	<u>\$ -</u>	2.50%	<u>\$ 400,000.00</u>

**TOWNSHIP OF MONTCLAIR**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 and 2019**

**11. MUNICIPAL DEBT (continued)**

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

<u>Notes</u>	<u>2020</u>		<u>2019</u>	
	<u>Rate</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>
General Capital Fund		\$ -	2.50%	\$ 35,226,114.00
Water Utility Capital Fund		<u>                    </u>	2.50%	<u>265,510.00</u>
		<u>\$ -</u>		<u>\$ 35,491,624.00</u>

\* Proceeds from the sale and issuance of the 2020 General Improvement Bonds refunded \$27,118,456.00 of the Township's outstanding general capital fund bond anticipation notes. The proceeds from the bond issuance and \$2,250,000 and \$265,510 in principal reduction payments for the general capital and water capital funds, respectively from the 2020 budget paid off in full the Township's outstanding bond anticipation notes as of December 31, 2020.

Bonds and Notes Authorized but Not Issued

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

	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
General Capital Fund		
General Improvements	<u>\$ 9,094,598.00</u>	<u>\$ 7,277,646.50</u>
Water Utility Capital Fund		
General Improvements	<u>\$ -</u>	<u>\$ 44,698.35</u>
Sewer Utility Capital Fund		
General Improvements	<u>\$ -</u>	<u>\$ 2,119,058.88</u>

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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:

	2020	2019
\$9,662,000.00 2010 Bonds, final annual installment of \$460,000.00 due June 2020, interest at 3.250%. Bonds were Refunded in 2016.		\$ 460,000.00
\$21,660,000.00 2011 Bonds, final annual installment of \$1,050,000.00 due March 2021, interest at 4.00%.	\$ 1,050,000.00	2,060,000.00
\$22,000,000.00 2013 Bonds, due in annual installments of \$1,465,000.00 to \$1,960,000.00 through March 2028, interest at 2.625% to 5.00%.	13,685,000.00	15,080,000.00
\$11,855,000.00 2014 Refunding Bonds, due in annual installments of \$945,000.00 to \$1,225,000.00 through January 2028, interest at 5.00%.	8,065,000.00	9,005,000.00
\$14,840,000.00 2016 Refunding Bonds due in annual installments of \$680,000.00 to \$1,690,000.00 through October 2030, interest at 3.75% to 5.00%.	13,145,000.00	13,920,000.00
\$12,415,000.00 2017 Refunding Bonds due in annual installments of \$1,110,000.00 to \$1,385,000.00 through September 2031, interest at 4.00%.	12,415,000.00	12,415,000.00
\$3,000,000.00 2018 Bonds due in annual installments of \$275,000.00 to \$375,000.00 through April 2028, interest at 4.00% to 5.00%.	2,550,000.00	2,800,000.00
\$6,030,000.00 2020 Bonds due in annual installments of \$550,000.00 to \$655,000.00 through October 2030, interest at 2.00% to 3.00%.	6,030,000.00	
	\$ 56,940,000.00	\$ 55,740,000.00

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>
2021	\$ 5,645,000.00	\$ 2,217,475.00	\$ 7,862,475.00
2022	5,800,000.00	1,976,750.00	7,776,750.00
2023	5,900,000.00	1,729,300.00	7,629,300.00
2024	6,140,000.00	1,471,325.00	7,611,325.00
2025	6,300,000.00	1,208,262.50	7,508,262.50
2026-2030	25,770,000.00	2,401,293.75	28,171,293.75
2031	1,385,000.00	27,700.00	1,412,700.00
	\$56,940,000.00	\$ 11,032,106.25	\$67,972,106.25



**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**12. SCHOOL DEBT (continued)**

Temporary Notes

Outstanding Temporary Notes for School purposes are as follows:

<u>Notes</u>	<u>2020</u>		<u>2019</u>	
	Interest Rate		Interest Rate	
General Capital Fund	N/A	\$ -	3.50%	\$ 5,857,658.00

\* Proceeds from the sale and issuance of the 2020 School Bonds refunded \$4,257,658.00 of the Township's outstanding temporary notes. The proceeds from the bond issuance and \$1,600,000.00 in principal reduction payments from the 2020 budget paid off in full the Township's outstanding temporary notes as of December 31, 2020.

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

<u>Notes</u>	<u>2020</u>	<u>2019</u>
General Capital Fund	\$ 7,668,781.90	\$ 6,795,849.36

**13. INTERFUND RECEIVABLES AND PAYABLES**

As of December 31, 2020 and 2019, interfund receivables and payable that resulted from various interfund transactions were as follows:

	<u>2020</u>		<u>2019</u>	
	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund		\$ 148,913.25	\$ 591.77	\$ 436,098.17
General Trust Fund			436,098.17	
General Capital Fund				591.77
Parking Utility Operating Fund	\$ 148,913.25		\$ 436,689.94	\$ 436,689.94
	<u>\$ 148,913.25</u>	<u>\$ 148,913.25</u>	<u>\$ 436,689.94</u>	<u>\$ 436,689.94</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, 2020 and 2019, the following deferred charges are shown on the balance sheet of the Current Fund:

	<u>Balance Dec., 2019</u>	<u>2020 Budget Appropriation</u>	<u>Balance Dec., 2020</u>	<u>2021 Budget Appropriation</u>
Current Fund:				
Special Emergency Authorization	<u>\$ 400,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 200,000.00</u>

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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 Dec. 31, 2020	Balance Dec. 31, 2019	2020 Increase	Balance Dec. 31, 2018	2019 Increase
* Balance of School Tax	\$ 60,312,654.00	\$ 59,130,052.00	\$ 1,182,602.00	\$ 57,970,639.00	\$ 1,159,413.00
Amount Deferred	48,754,849.00	48,754,849.00		48,754,849.00	
	\$ 11,557,805.00	\$ 10,375,203.00	\$ 1,182,602.00	\$ 9,215,790.00	\$ 1,159,413.00

**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, 2020 and 2019.

**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 \$10,342,826.31, computed internally at the 2020 salary rates would be payable to officials and employees of the Township as of December 31, 2020 for accumulated sick and vacation days. This amount was not verified by audit. The Township has set up a reserve for accumulated absences of \$2,412,762.30 as of December 31, 2020.

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

b. Tax Appeals

As of December 31, 2020, there were tax appeals pending before the New Jersey Tax Court of an undetermined amount.

**TOWNSHIP OF MONTCLAIR**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 and 2019**

**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, 2020 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:

Entity Name	Pilot Billing	Taxes if Billed in Full	Abated Taxes
Lackawanna - 20 Glenridge Ave	\$ 164,696.85	\$ 237,086.64	\$ 72,389.79
56 Walnut Street	162,166.81	306,922.91	144,756.10
340 Orange Road	96,817.19	274,436.71	177,619.52
Union Gardens - 40 Greenwood Ave	110,000.00	271,082.87	161,082.87
Pineridge - 60 Glen Ridge	23,986.50	201,265.67	177,279.17
DCH MAP- Orange Garage	63,900.00	335,721.47	271,821.47
11 Elm Street	16,710.10	28,572.85	11,862.75
11/15 Pine Street	344,110.00	582,208.42	238,098.42
Herod Development - 48 S Park	102,516.78	245,673.12	143,156.34
55 Glenridge Ave	3,306.67	24,990.12	21,683.45
Centro Verde	1,293,613.99	1,203,753.78	(89,860.21)
JHP Orange Rd. 2013 Urban Renewal	634,713.52	697,513.93	62,800.41
48 S Park	1,227,752.37	1,364,216.99	136,464.62
	<u>\$ 4,244,290.78</u>	<u>\$ 5,773,445.48</u>	<u>\$ 1,529,154.70</u>

**TOWNSHIP OF MONTCLAIR**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 and 2019**

**19. SUBSEQUENT EVENTS**

The Township has evaluated subsequent events occurring after December 31, 2020 through August 5, 2021, which is the date the financial statements were available to be issued. Based on this evaluation, management has determined that no subsequent events have occurred which require disclosure in the financial statements.

PART II  
SUPPLEMENTARY INFORMATION – REGULATORY-BASIS  
YEAR ENDED DECEMBER 31, 2020

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER  
YEAR ENDED DECEMBER 31, 2020

A-4

	<u>Ref.</u>	<u>Regular Fund</u>	<u>Federal and State Grant Fund</u>
Balance, December 31, 2019	A	\$ 36,747,980.45	\$ 242,960.18
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2d	\$ 589,171.96	
Tax Collector	A-5	232,022,180.76	
Due from State of New Jersey:			
Senior Citizens' and Veterans' Deductions	A-8	66,250.00	
Voided Checks	A-1	25.00	
Revenue Accounts Receivable	A-14	9,161,550.41	
Interfunds Receivable	A-16, A-17	591.77	\$ 180,303.84
Appropriation Reserves Refunds	A-19	37,315.54	
Due to State of New Jersey	A-20	63,258.00	
Cancellations Disbursed by Grant Fund	A-1	123,240.40	
Interfunds Payable	A-25	299,859.74	
		<u>242,363,443.58</u>	<u>180,303.84</u>
		279,111,424.03	423,264.02
Decreased by Disbursements:			
Budget Appropriations	A-3	80,531,887.95	
Procurement Card Disbursements	A-21	30,484.19	
Appropriation Reserves	A-19	1,605,999.58	
Accounts Payable	A-22	111,995.70	
Due to State of New Jersey	A-20	55,156.00	
Tax Overpayments Refunded	A-24	245,230.57	
Interfunds Payable	A-25, A-17	587,044.66	123,240.40
County Taxes Payable	A-26	38,661,949.16	
Local School District Tax	A-27	119,442,705.00	
Special Improvement District Tax	A-28	726,010.00	
Special Emergency Note Payable	A-29	400,000.00	
		<u>242,398,462.81</u>	<u>123,240.40</u>
Balance, December 31, 2020	A	<u>\$ 36,712,961.22</u>	<u>\$ 300,023.62</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENT - COLLECTOR  
YEAR ENDED DECEMBER 31, 2020

A-5

	<u>Ref.</u>	
Increased by Receipts:		
Taxes Receivable	A-9	\$ 224,673,260.35
Tax Title Liens	A-10	6,018.89
Revenue Accounts Receivable	A-14	4,624,680.47
Other Accounts Receivable	A-13	104,367.65
County Share of PILOT	A-22	175,577.79
Tax Overpayments	A-24	695,631.71
Prepaid Taxes	A-30	1,717,256.28
Prepaid PILOTS	A-30	25,387.62
		232,022,180.76
Decreased by Disbursements:		
Paid to Treasurer	A-4	232,022,180.76
		\$ -

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

CHANGE FUNDS  
DECEMBER 31, 2020

A-6

	<u>Ref.</u>	
Balance, December 31, 2020 and 2019	A	<u>\$ 855.00</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>\$ 855.00</u>



TOWNSHIP OF MONTCLAIR  
CURRENT FUND

PETTY CASH FUNDS  
DECEMBER 31, 2020

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	
Department of Community Services	250.00	250.00	
Police Department	<u>600.00</u>	<u>600.00</u>	
	<u>\$ 3,900.00</u>	<u>\$ 3,900.00</u>	
	<u>Ref.</u>	Contra	Contra

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

DUE FROM/(TO) STATE OF NEW JERSEY  
PER CHAPTER 129, P.L. 1976  
YEAR ENDED DECEMBER 31, 2020

A-8

	<u>Ref.</u>		
Balance, December 31, 2019	A		\$ 178.32
Increased by:			
Veterans' and Senior Citizens' Deductions			
per Tax Billings:			
Senior Citizens		\$ 6,000.00	
Veterans		61,750.00	
Veterans' and Senior Citizens' Deductions			
Allowed by Tax Collector		<u>1,500.00</u>	
		69,250.00	
	A-2c, A-9		<u>69,250.00</u>
			<u>69,428.32</u>
Decreased by:			
Senior Citizens' Deductions Disallowed			
by Tax Collector - Prior Year	A-1	3,750.00	
Cancellations	A-1	178.32	
Collections	A-4	<u>66,250.00</u>	
			<u>70,178.32</u>
Balance, December 31, 2020	A		<u>\$ (750.00)</u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
YEAR ENDED DECEMBER 31, 2020

A-9

Year	Balance	2020 Tax Levy	Added Taxes	Collections - Cash		State of New Jersey	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2020
	Dec. 31, 2019			2019	2020				
2018	\$ 34,030.62				\$ 34,030.62				
2019	2,467,613.87		\$ 3,750.00		2,454,828.45				\$ 16,535.42
	2,501,644.49		3,750.00		2,488,859.07				16,535.42
2020		\$ 226,447,947.37		\$ 1,223,957.28	222,184,401.28	\$ 69,250.00	317,374.39	\$ 24,093.18	2,628,871.24
	\$ 2,501,644.49	\$ 226,447,947.37	\$ -	\$ 1,223,957.28	\$ 224,673,260.35	\$ 69,250.00	\$ 317,374.39	\$ 24,093.18	\$ 2,645,406.66
<u>Ref.</u>	A	Below	Reserve	A-2c, A-30	A-2c, A-5	A-8	Reserve	A-10	A

ANALYSIS OF 2020 PROPERTY TAX LEVY

<u>Tax Yield</u>		<u>Tax Levy</u>	<u>Ref.</u>	
General Property Tax	\$ 225,816,362.69	Local School District Tax:		
Added and Omitted	631,584.68	Levy	A-27	\$ 120,625,307.00
		Addition to Local School District Tax (Budget)	A-2	7,869,942.74
				\$ 128,495,249.74
		County Taxes:		
		County Tax	A-26	38,641,127.89
		Special Improvement District Tax	A-28	726,010.00
		Local Tax for Municipal Purposes:		
		Budget	A-2	55,433,295.00
		Minimum Library Tax	A-2	2,628,769.07
		Additional Taxes Levied	Reserve	523,495.67
				58,585,559.74
	\$ 226,447,947.37			\$ 226,447,947.37

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

TAX TITLE LIENS  
YEAR ENDED DECEMBER 31, 2020

A-10

	<u>Ref.</u>	
Balance, December 31, 2019	A	\$ 250,386.58
Increased by:		
Transferred from Taxes Receivable	A-9	<u>24,093.18</u>
		274,479.76
Decreased by:		
Collections	A-2c, A-5	<u>6,018.89</u>
Balance, December 31, 2020	A	<u><u>\$ 268,460.87</u></u>

PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)  
DECEMBER 31, 2020

A-11

	<u>Ref.</u>	
Balance, December 31, 2020 and 2019	A	<u><u>\$ 317,900.00</u></u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

OTHER LIENS RECEIVABLE  
DECEMBER 31, 2020

A-12

	<u>Ref.</u>	<u>Demolition</u>
Balance, December 31, 2020 and 2019	A	<u>\$ 7,500.00</u>
Analysis of Balance		
	<u>Block</u> <u>Lot</u>	
	4203          13	<u>\$ 7,500.00</u>

OTHER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020

A-13

	<u>Ref.</u>	
Balance, December 31, 2019	A	\$ 120,644.45
Increased by:		
Interest Penalty on Delinquent	Reserve	<u>117,830.57</u>
		238,475.02
Decreased by:		
Cash Payments	A-14	<u>104,367.65</u>
Balance, December 31, 2020	A	<u>\$ 134,107.37</u>
<u>Analysis of Balance</u>		
6% Interest Penalty		\$ 117,830.57
Street Improvements		<u>16,276.80</u>
		<u>\$ 134,107.37</u>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020

A-14  
Sheet # 1

	Ref.	Balance	Accrued	Collections		Balance
		Dec. 31, 2019	in 2020	Treasurer	Collector	Dec. 31, 2020
Clerk:						
Licenses:						
Alcoholic Beverages	A-2a		\$ 57,750.00	\$ 57,750.00		
Other	A-2b		23,745.00	23,745.00		
Fees and Permits	A-2b		58,980.00	58,980.00		
Health Officer:						
Licenses	A-2b		41,251.00	41,251.00		
Fees and Permits	A-2b		23,700.00	23,700.00		
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		24,270.00	24,270.00		
Community Services:						
Fees and Permits	A-2b		33,352.75	33,352.75		
Housing and Zoning:						
Fees and Permits	A-2b		16,500.00	16,500.00		
Recreation and Parks:						
Fees and Permits	A-2b		148,998.01	148,998.01		
Police Department:						
Fees and Permits	A-2b		6,968.64	6,968.64		
Fire:						
Registration Fees and Penalties on Vacant Properties	A-2a		115,000.00	115,000.00		
Collector/Clerk:						
Tax Searches	A-2b		110.00		\$ 110.00	
Interest and Costs on Taxes	A-2a		714,068.91		714,068.91	
Board of Adjustment:						
Fees and Permits	A-2b		12,362.50	12,362.50		
Construction Code Official:						
Building Permits	A-2a		719,419.05	719,419.05		
Fees and Permits	A-2b		22,050.00	22,050.00		
Municipal Court:						
Fines and Costs	A-2a	\$ 275,836.11	809,102.34	998,257.39		\$ 86,681.06
Parking Meters	A-2a					
Interest on Investments and Deposits	A-2a		101,727.44	101,727.44		
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, 2020

A-14  
Sheet # 2

	Ref.	Balance Dec. 31, 2019	Accrued in 2020	Collections		Balance Dec. 31, 2020
				Treasurer	Collector	
Interlocal Government Services:						
Fire Services	A-2a		\$ 903,739.00	\$ 903,739.00		
Health Contract - Verona	A-2a		81,192.00	81,192.00		
Health Contract - Nutley	A-2a		44,471.00	44,471.00		
Health Contract - Cedar Grove	A-2a		66,448.00	66,448.00		
School Resources Officer Board of Education	A-2a		80,183.58	80,183.58		
Cable Television Franchise Fee	A-2a		527,047.80	527,047.80		
Section 8 - Administrative Costs	A-2a		100,000.00	100,000.00		
Towing - Administrative Costs	A-2a		1,476.00	1,476.00		
Payments in Lieu of Taxes:						
Montclair Senior Housing Corp. (Orange Road)	A-2b		96,817.20		\$ 96,817.20	
First Montclair Housing Corp. (Walnut Street)	A-2b		168,006.63		168,006.63	
RTD Management Corp. (Lackawanna Plaza)	A-2b		211,451.71		211,451.71	
RTD Management Corp. (Union Gardens)	A-2b		110,000.00		110,000.00	
RTD Management Corp. (United Methodist Homes - Pineridge of Montclair)	A-2b		23,518.00		23,518.00	
Centro Verde	A-2b		1,257,346.63		1,257,346.63	
11 Pine Street	A-2b		326,904.50		326,904.50	
Siena	A-2b	\$ 26,025.29	1,158,381.22		1,109,290.07	\$ 75,116.44
55 Glenridge	A-2b		3,306.68		3,306.68	
Herod Redevelopment	A-2b		97,390.96		97,390.96	
11 Elm Street	A-2b		16,044.00		16,044.00	
Centro Verde - Garage	A-2b		60,705.00		60,705.00	
HP Orange 2013 (Hotel)	A-2b		484,340.88		484,340.88	
Capital Fund Surplus	A-2a		564,557.26	564,557.26		
Hotel Tax	A-2a		109,099.56	109,099.56		
Alarm Registration Fees	A-2a		105,501.50	105,501.50		
Rear Yard Refuse Collection	A-2a		33,925.00	33,925.00		
Reserve to Pay Debt Service	A-2a		700,000.00	700,000.00		
Penalty on Delinquent Taxes	A-2a		104,367.65		104,367.65	
Sale of Municipal Assets	A-2a		212,575.53	212,575.53		
Administrative Fees - Police Off-Duty	A-2a		426,658.93	426,658.93		
		<u>\$ 301,861.40</u>	<u>\$ 14,017,730.86</u>	<u>\$ 9,374,125.94</u>	<u>\$ 4,783,668.82</u>	<u>\$ 161,797.50</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, 2020

A-14  
Sheet # 3

	<u>Ref.</u>	Collections	
		Treasurer	Tax Collector
Cash Receipts	A-4, A-5	\$ 9,161,550.41	\$ 4,624,680.47
Prepaid PILOTS	A-30		18,851.98
Sale from Municipal Assets	A-33	212,575.53	
Applied from PILOT Overpayments	A-23		35,768.72
Applied from Other Accounts Receivable	A-13		104,367.65
		\$ 9,374,125.94	\$ 4,783,668.82
	Sheet # 2		

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
CURRENT FUND

GRANTS RECEIVABLE  
GRANT FUND  
YEAR ENDED DECEMBER 31, 2020

A-15

	Balance December 31, 2019	Realized		Collections	Canceled	Balance December 31, 2020
		Budgeted	Chapter 159			
<b>HEALTH</b>						
MONTCLAIR LEAD GRANT (7/1/19-6/30/20)	\$ 94,868.00			\$ 94,868.00		
Municipal Alliance 2019-20	45,691.00			25,715.82		\$ 19,975.18
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
Partner's for Health Grant		\$ 20,000.00		10,000.00		10,000.00
2020 NJACCHO Grant			\$ 43,414.00	43,414.00		
Animal Shelter FOMTAS			18,000.00	4,500.00		13,500.00
NEHA Subaward agreement		2,500.00			\$ 2,500.00	
Essex County Visiting Nurses Grant			14,561.00	10,920.00		3,641.00
MILL 2020 Grant			4,090.00	4,090.00		
2020 Census Grant			17,000.00	17,000.00		
Addition to 2019-20 Lead Grant			17,950.00			17,950.00
2020 CARES Act Montclair Grant			50,000.00			50,000.00
Childhood Lead program grant			127,507.00			127,507.00
2020-2021 NJDOH GRANT			142,236.00			142,236.00
2020 Mill Grant - Fall			5,457.50	5,457.50		
<b>POLICE</b>						
National Crime Statistics Exchange Implantation Assistance Progra	20,000.00					20,000.00
Body Armor Grant 2015	726.65					726.65
Bulletproof Vest Partnership Grant:	6,944.00			6,944.00		
2019-20 Bicycle Safety Grant	12,000.00			12,000.00		
2019-20 Pedestrian Safety Grant	25,000.00			24,990.00	10.00	
Body Armor Replacement Grant		9,732.80		9,732.80		
Bulletproof vest grant		8,179.90		3,437.28		4,742.62
DDEF Grant			12,428.88	12,428.88		
<b>FIRE</b>						
Generator Grant	192,000.00			192,000.00		
Generator Grant-Additional award in 2018	16,110.00			16,110.00		
<b>DCS</b>						
2017 Recycling Grant rec'd in 2020			39,830.85	39,830.85		
2020 Clean Communities Grant			67,855.82	67,855.82		
<b>PLANNING</b>						
2018-EDA Orange Road	14,810.10			10,179.97	4,630.13	
Historic Preservation grant		24,999.00				24,999.00
Hazardous Discharge Site Remediation grant		42,700.00		42,700.00		
Historic Preservation grant (CLG grant)			23,725.00			23,725.00
<b>IT</b>						
Comcast grant			5,000.00	5,000.00		
<b>MUNICIPAL COURT</b>						
Alcohol Ed and Rehab Grant			7,418.50	7,418.50		
	<u>\$ 553,597.75</u>	<u>\$ 108,111.70</u>	<u>\$ 596,474.55</u>	<u>\$ 666,593.42</u>	<u>\$ 7,140.13</u>	<u>\$ 584,450.45</u>

Ref. A A-17 A-17 A-17 A-17 A-17 A

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020

A-16

	<u>Ref.</u>	<u>Total Current Fund</u>	<u>General Capital Fund</u>
Balance, December 31, 2019	A	<u>\$ 591.77</u>	<u>\$ 591.77</u>
Decreased by:			
Settlements	A-4	<u>591.77</u>	<u>591.77</u>
		<u>591.77</u>	<u>591.77</u>
Balance, December 31, 2020	A	<u>\$ -</u>	<u>\$ -</u>
 <u>Analysis of Net Credit to Fund Balance</u>			
Balance December 31, 2019		\$ 591.77	
Balance December 31, 2020		<u>-</u>	
Net Credit to Operations	A-1	<u>\$ 591.77</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

INTERFUNDS RECEIVABLE  
GRANT FUND  
YEAR ENDED DECEMBER 31, 2020

A-17

	<u>Ref.</u>		<u>Current Fund</u>
Balance, December 31, 2019	A		\$ -
Increased by:			
Budget Appropriation - Grants	A-32		704,586.25
Cash Disbursed	A-4		123,240.40
Grants Received through Current Fund:			
Grants Receivable	A-15		666,593.42
			<u>1,494,420.07</u>
			<u>1,494,420.07</u>
Decreased by:			
Cash Receipts	A-4		180,303.84
Anticipated Revenue	A-15		704,586.25
Canceled:			
Grant Receivables	A-15	\$ (7,140.13)	
Due to Essex County	A-31	86,975.50	
Appropriated Reserves	A-32	38,405.03	
Unappropriated Reserve	A-33	<u>5,000.00</u>	
	A-1		123,240.40
Grants Disbursed through Current Fund			
Appropriated Grants	A-32		486,289.58
			<u>1,494,420.07</u>
Balance, December 31, 2020			<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, 2020

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, 2019</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2020</u>
2-28-16	Revaluation Program	<u>\$ 1,000,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 400,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ 200,000.00</u>
	<u>Ref.</u>			A	A-3	A

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>General Government</u>						
Township Council:						
Salaries and Wages		\$ 0.16	\$ 0.16			\$ 0.16
Other Expenses	\$ 263.32	12,045.92	12,309.24		\$ 448.22	11,861.02
Township Manager:						
Salaries and Wages		22,794.61	22,794.61		15,419.12	7,375.49
Other Expenses	113,390.04	135,114.01	248,504.05		118,521.45	129,982.60
Township Clerk:						
Salaries and Wages		113,583.27	63,583.27		2,624.01	60,959.26
Other Expenses		27,682.33	27,682.33		3,595.03	24,087.30
Election Expense:						
Salaries and Wages		102.00	102.00			102.00
Other Expenses		100.00	100.00			100.00
Township Attorney:						
Salaries and Wages		62,312.33	62,312.33		2,706.00	59,606.33
Other Expenses	13,316.39	66,996.02	80,312.41		64,603.08	15,709.33
Municipal Court:						
Salaries and Wages		4,950.05	4,950.05		4,950.05	
Other Expenses	4,450.98	15,354.68	19,805.66	\$ 6,844.97	4,244.25	22,406.38
Postage:						
Other Expenses	204.98	1,935.45	2,140.43	6,793.56	224.25	8,709.74
<u>Finance Department</u>						
Administration:						
Salaries and Wages		10,450.61	10,450.61		10,450.61	
Other Expenses	7,588.75	22,671.86	30,260.61		7,964.67	22,295.94
Accounting and Treasury:						
Salaries and Wages		47,110.37	47,110.37		5,496.93	41,613.44
Other Expenses	5,082.48	13,105.52	18,188.00		5,542.57	12,645.43
Assessor's Office:						
Salaries and Wages		21,328.38	21,328.38		3,000.02	18,328.36
Other Expenses	6,068.88	47,254.15	53,323.03		52,336.16	986.87
Tax Collector:						
Salaries and Wages		27,670.92	27,670.92		4,251.34	23,419.58
Other Expenses	2,187.94	5,803.02	7,990.96		2,020.50	5,970.46

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>Planning and Community Development</u>						
Administration:						
Salaries and Wages		\$ 31,653.97	\$ 31,653.97		\$ 2,889.90	\$ 28,764.07
Other Expenses	\$ 11,872.52	15,549.63	27,422.15		4,138.30	23,283.85
Planning Board:						
Other Expenses	10,648.50	10,626.40	21,274.90		5,229.00	16,045.90
Board of Adjustment:						
Other Expenses	5,455.54	2,943.37	8,398.91		2,960.64	5,438.27
<u>Administration and Code Enforcement</u>						
<u>Department</u>						
Salaries and Wages		29,247.49	29,247.49		4,495.99	24,751.50
Other Expenses	33,266.57	41,191.91	74,458.48		28,688.34	45,770.14
<u>Police Department</u>						
Salaries and Wages	-	299,109.72	299,109.72		57,570.88	241,538.84
Other Expenses	95,971.75	143,108.58	239,080.33	\$ 1,867.37	95,329.38	145,618.32
Police & Fire Alarm System	9,398.00	43,634.40	53,032.40		17,104.75	35,927.65
<u>Fire Department</u>						
Salaries and Wages	-	805,890.13	805,890.13		17,644.27	788,245.86
Other Expenses	58,229.57	54,433.13	112,662.70		49,114.66	63,548.04
<u>Public Works Department</u>						
Community Services Administration:						
Salaries and Wages		23,750.68	23,750.68		5,189.04	18,561.64
Other Expenses	472.13	6,066.74	6,538.87	88.41	621.40	6,005.88
Engineering:						
Other Expenses	75,292.36	27,184.01	102,476.37		94,071.36	8,405.01

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>Public Works Department</u>						
Street Repairs and Maintenance:						
Salaries and Wages		\$ 23,836.47	\$ 23,836.47		\$ 6,394.02	\$ 17,442.45
Other Expenses	\$ 1,475.49	9,364.52	10,840.01		1,250.16	9,589.85
Sanitary and Storm Sewer Maintenance:						
Salaries and Wages		2,656.17	7,656.17		3,632.89	4,023.28
Other Expenses	800.00	2,309.18	3,109.18			3,109.18
Refuse Collection and Disposal:						
Salaries and Wages		27,905.93	57,905.93		28,264.22	29,641.71
Other Expenses	316.50	8,066.83	8,383.33		150.00	8,233.33
Storm Clearance:						
Salaries and Wages		73,832.85	73,832.85			73,832.85
Other Expenses	268,069.16		268,069.16		54,282.25	213,786.91
Traffic:						
Salaries and Wages		45,779.02	45,779.02		2,560.85	43,218.17
Other Expenses	1,088.26	5,019.09	6,107.35		923.33	5,184.02
Central Garage Operation:						
Salaries and Wages		3,470.10	8,470.10		3,976.02	4,494.08
Other Expenses	48,726.66	26,550.08	75,276.74		22,642.56	52,634.18
Building Maintenance:						
Salaries and Wages		2,024.22	7,024.22		2,132.56	4,891.66
Other Expenses	7,620.00	44,801.27	52,421.27		11,564.48	40,856.79
Parks Maintenance:						
Salaries and Wages		21,716.07	21,716.07		6,179.51	15,536.56
Other Expenses	10,108.59	13,847.27	23,955.86		13,887.11	10,068.75
Shade Trees:						
Salaries and Wages		1,052.20	6,052.20		4,041.03	2,011.17
Other Expenses	4,757.23	117,477.12	122,234.35		782.02	121,452.33

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>Parks, Recreation and Cultural Affairs Department</u>						
Recreation Programs:						
Salaries and Wages		\$ 85,849.75	\$ 85,849.75		\$ 1,312.45	\$ 84,537.30
Other Expenses	\$ 5,300.00	13,703.37	19,003.37	\$ 33.99	1,508.11	17,529.25
<u>Health and Human Services Department</u>						
Health Services:						
Salaries and Wages	-	141,933.30	141,933.30	14,561.00	12,225.99	144,268.31
Other Expenses	606.40	20,026.02	20,632.42		9,038.29	11,594.13
Senior Services:						
Other Expenses	491.55	8,155.88	8,647.43		1,722.55	6,924.88
Nursing Services:						
Salaries and Wages		39,698.12	39,698.12		6,225.84	33,472.28
Animal Control:						
Salaries and Wages		16,433.65	16,433.65		4,481.20	11,952.45
Other Expenses	1,092.32	13,395.32	14,487.64	199.00	11,752.85	2,933.79
<u>Miscellaneous and Other</u>						
Refuse Tipping Fees:						
Other Expenses	144,445.37	133,730.11	278,175.48		104,430.89	173,744.59
Bonsal Preserve:						
Other Expenses	3,000.00	2,000.00	5,000.00		3,000.00	2,000.00
Montclair Early Childhood Corporation:						
Other Expenses	31,768.75		31,768.75		31,768.75	
Insurances:						
Liability	107,854.70	55,442.08	163,296.78		82,274.17	81,022.61
Health Benefit Waiver		59,884.11	59,884.11			59,884.11
Employee Group Insurance	123,179.69	917,395.79	1,040,575.48		102,836.96	937,738.52



TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>Special Programs and Activities</u>						
Parks, Recreation and Cultural Affairs:						
Other Expenses	\$ 8,051.65	\$ 13,968.48	\$ 22,020.13		\$ 8,051.65	\$ 13,968.48
Uniform Construction Code - Appropriations Offset <u>by Dedicated Revenues</u>						
Salaries and Wages	-	55,922.99	55,922.99		7,916.63	48,006.36
Other Expenses	3,581.18	14,969.42	18,550.60	\$ 121.27	4,036.82	14,635.05
<u>Unclassified</u>						
Utilities:						
Gasoline	33,189.46	84,485.34	117,674.80		9,296.37	108,378.43
Fuel - Diesel	48,090.60	25,847.05	73,937.65		9,449.40	64,488.25
Electricity	8,860.87	223,454.93	232,315.80		77,768.79	154,547.01
Telephone	37,944.97	30,464.80	68,409.77	2,613.95	70,473.34	550.38
Natural Gas	161.96	28,420.12	28,582.08		22,563.29	6,018.79
Street Lighting		69,069.15	69,069.15		42,195.71	26,873.44
Building Maintenance		1,305.10	1,305.10			1,305.10
<u>Statutory Expenditures</u>						
Police and Firemen's Retirement System of N.J.		100,000.00	100,000.00		81,422.54	18,577.46
Social Security System (OASI)		176,599.63	176,599.63	936.02	8,610.43	168,925.22
Defined Contribution Retirement Plan		14,936.35	14,936.35		512.41	14,423.94
<b>Total Appropriations Within "CAPS"</b>	<b>1,353,742.06</b>	<b>4,969,555.07</b>	<b>6,323,297.13</b>	<b>34,059.54</b>	<b>1,570,984.61</b>	<b>4,786,372.06</b>

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Refunds	Paid or Charged	Balance Lapsed
	Encumbered	Reserved				
<u>Other Operations</u>		\$ 100,000.00	\$ 100,000.00		\$ 31,758.97	\$ 68,241.03
Judgments				\$ 3,256.00	3,256.00	
Interlocal Nursing Service - Nutley						
	-	100,000.00	100,000.00	3,256.00	35,014.97	68,241.03
Total Appropriations Excluded from "CAPS"	-	100,000.00	100,000.00	3,256.00	35,014.97	68,241.03
Total	\$ 1,353,742.06	\$ 5,069,555.07	\$ 6,423,297.13	\$ 37,315.54	\$ 1,605,999.58	\$ 4,854,613.09
<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, 2020

A-20

	<u>Ref.</u>	<u>Total</u>	<u>Construction Training Fees</u>	<u>Marriage Surcharge Fees</u>
Balance, December 31, 2019	A	\$ 25,653.00	\$ 24,262.00	\$ 1,391.00
Increased by:				
Collections	A-4	<u>63,258.00</u>	<u>59,083.00</u>	<u>4,175.00</u>
		88,911.00	83,345.00	5,566.00
Decreased by:				
Payments	A-4	<u>55,156.00</u>	<u>51,006.00</u>	<u>4,150.00</u>
Balance, December 31, 2020	A	<u><u>\$ 33,755.00</u></u>	<u><u>\$ 32,339.00</u></u>	<u><u>\$ 1,416.00</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

DUE TO PROCUREMENT CARD  
YEAR ENDED DECEMBER 31, 2020

A-21

	<u>Ref.</u>	
Balance, December 31, 2019	A	\$ -
Increased by:		
Transfers from Accounts Payable	A-22	30,484.19
Decreased by:		
Cash Disbursements	A-4	<u>30,484.19</u>
Balance, December 31, 2020		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

ACCOUNTS PAYABLE  
YEAR ENDED DECEMBER 31, 2020

A-22

	<u>Ref.</u>		
Balance, December 31, 2019	A		\$ 142,479.89
Increased by:			
Due County of Essex	A-5	\$ 175,577.79	
Budget Appropriations	A-3	<u>350,000.00</u>	
			<u>525,577.79</u>
			668,057.68
Decreased by:			
Cash Disbursements	A-4	111,995.70	
Balance Transferred to Procurement Card	A-21	<u>30,484.19</u>	
			<u>142,479.89</u>
Balance, December 31, 2020	A		<u>\$ 525,577.79</u>
<u>Analysis of Balance</u>			
PILOT - Due to County of Essex			\$ 175,577.79
Due to Litigation Matters			<u>350,000.00</u>
Above			<u>\$ 525,577.79</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

PAYMENTS IN LIEU OF TAXES - OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2020

A-23

	<u>Ref.</u>	
Balance, December 31, 2019	A	\$ 50,660.13
Decreased by:		
Applied to Revenue Accounts Receivable	A-14	<u>35,768.72</u>
Balance, December 31, 2020	A	<u>\$ 14,891.41</u>

TAX OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2020

A-24

Balance, December 31, 2019	A			\$ 729,922.87
Increased by:				
Cash Receipts	A-5	\$ 695,631.71		
Prior Year Overpayment Balances	A-1	<u>124,088.75</u>		
				<u>819,720.46</u>
				1,549,643.33
Decreased by:				
Cash Disbursed	A-4			<u>245,230.57</u>
Balance, December 31, 2020	A			<u>\$ 1,304,412.76</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

INTERFUNDS PAYABLE  
YEAR ENDED DECEMBER 31, 2020

A-25

	<u>Ref.</u>	<u>Total</u>	<u>Federal and State Grant Fund</u>	<u>Parking Utility Operating Fund</u>	<u>General Trust Fund</u>
Balance, December 31, 2019	A	\$ 436,098.17	\$ -	\$ -	\$ 436,098.17
Increased by:					
Budget Appropriation	A-3	704,586.25	704,586.25		
Advances	A-4	299,859.74		148,913.25	150,946.49
		<u>1,004,445.99</u>	<u>704,586.25</u>	<u>148,913.25</u>	<u>150,946.49</u>
		1,440,544.16	704,586.25	148,913.25	587,044.66
Decreased by:					
Settlements	A-4	587,044.66			587,044.66
Revenues Anticipated	A-2a	704,586.25	704,586.25		
		<u>1,291,630.91</u>	<u>704,586.25</u>	<u>-</u>	<u>587,044.66</u>
Balance, December 31, 2020	A	<u>\$ 148,913.25</u>	<u>\$ -</u>	<u>\$ 148,913.25</u>	<u>\$ -</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

COUNTY TAXES  
YEAR ENDED DECEMBER 31, 2020

A-26

	<u>Ref.</u>		
Balance, December 31, 2019	A		\$ 128,910.34
Increased by:			
Tax Levy		\$ 37,337,478.02	
Open Space		1,195,560.86	
Added and Omitted		108,089.01	
	A-1, A-2c, A-9	38,641,127.89	38,641,127.89
			38,770,038.23
Decreased by:			
Payments	A-4	38,661,949.16	
Canceled	A-1	0.06	
		38,661,949.22	38,661,949.22
Balance, December 31, 2020	A		\$ 108,089.01

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
CURRENT FUND

LOCAL SCHOOL DISTRICT TAX  
YEAR ENDED DECEMBER 31, 2020

A-27

	<u>Ref.</u>	
Balance, December 31, 2019	Below	\$ 59,130,052.00
Increased by:		
Levy - School Year July 1, 2020 to June 30, 2021	A-1, A-2c, A-9	120,625,307.00
		<u>179,755,359.00</u>
Decreased by:		
Payments	A-4	<u>119,442,705.00</u>
Balance, December 31, 2020:		
Deferred School Tax	Below	\$ 48,754,849.00
School Tax Payable	A	<u>11,557,805.00</u>
		<u>\$ 60,312,654.00</u>
<u>Analysis of Deferred School Tax</u>		
Deferred School Tax December 31, 2020	Above	\$ 48,754,849.00
Deferred School Tax December 31, 2019	Above	<u>48,754,849.00</u>
		<u>\$ -</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

SPECIAL IMPROVEMENT DISTRICT TAXES PAYABLE  
YEAR ENDED DECEMBER 31, 2020

A-28

	<u>Ref.</u>	
Balance, December 31, 2019	A	\$ -
Increased by:		
2020 Tax Levy	A-1, A-2c, A-9	<u>726,010.00</u> 726,010.00
Decreased by:		
Payments	A-4	<u>726,010.00</u>
Balance, December 31, 2020		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

SPECIAL EMERGENCY NOTE PAYABLE  
YEAR ENDED DECEMBER 31, 2020

A-29

	<u>Ref.</u>	
Balance, December 31, 2019	A	\$ 400,000.00
Decreased by:		
Cash Disbursement	A-4	<u>400,000.00</u>
Balance, December 31, 2020	A	<u>\$ -</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

PREPAID TAXES  
YEAR ENDED DECEMBER 31, 2020

A-30

	<u>Ref.</u>		
Balance, December 31, 2019	A		\$ 1,242,809.26
Increased by:			
Cash Receipts	A-5		1,742,643.90
			<u>2,985,453.16</u>
Decreased by:			
Applied to Taxes Receivable	A-9	\$ 1,223,957.28	
Applied to PILOT	A-14	<u>18,851.98</u>	
			<u>1,242,809.26</u>
Balance, December 31, 2020	A		<u>\$ 1,742,643.90</u>
 <u>Analysis of Balance</u>			
Prepaid Taxes			\$ 1,717,256.28
Prepaid PILOTS			<u>25,387.62</u>
			<u>\$ 1,742,643.90</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

DUE TO ESSEX COUNTY  
GRANT FUND  
YEAR ENDED DECEMBER 31, 2020

A-31

	<u>Ref.</u>	
Balance, December 31, 2019	A	\$ 86,975.50
Decreased by:		
Write-off Due to Essex County	A-17	<u>86,975.50</u>
Balance, December 31, 2020	A	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATED RESERVES  
GRANT FUND  
YEAR ENDED DECEMBER 31, 2020

A-32  
Sheet#1

	Balance Dec. 31, 2019	Transferred from PY Encumbrance	Transferred from Budget Appropriation	Added by NJSA 40A-4-87	Expended Cash Disbursements	Encumbered	Canceled	Balance Dec. 31, 2020
<b>HEALTH DEPARTMENT</b>								
State of N.J. Tobacco Control	\$ 5,085.53							\$ 5,085.53
Partners for Health - Edgemont grant	5,744.86				\$ 2,994.50			2,750.36
2014 National Association of County Health Officers	332.71				127.78	\$ 165.00		39.93
Div. of Aging - Health Officer Grant	3,500.00							3,500.00
Eat Better Grant	1,419.92							1,419.92
Local Food Promotion grant	5,773.88					4,642.70		1,131.18
NJ Healthy Corner Store	530.89				291.39			239.50
Mayors Wellness Program	2,834.75							2,834.75
PFH Lock Box Grant	3,797.00				2,197.05	1,300.00		299.95
Maddie's Fund-Dog	1,500.00					1,254.16		245.84
Maddie's Fund- Cat	69.91					69.91		
Seniors in Taxis	2,167.40				1,267.44	45.00		854.96
Association of Health Officials	2,320.00							2,320.00
2018-19 PARTNERS FOR HEALTH - \$20000	1,651.78	\$ 555.00			1,625.98			580.80
Essex County Visiting Nurses Grant	14,561.00				14,561.00			
Childhood Lead Exposure Grant (7/1/19 - 6/30/20)	81,121.53			\$ 17,950.00	83,791.47	901.45		14,378.61
2018 MONTCL INSTITUTE LIFELONG LEARNING	436.50				424.88			11.62
Community Impact Award - LLM	834.00							834.00
Community Impact Award - SCAC	833.00							833.00
MCI-Municipal Alliance grant 2019-20	39,049.57				13,741.44	2,497.50		22,810.63
2019 PLANNING IN PARTNERSHIP GRANT	84,750.00							84,750.00
2020-21 MCI grant R-19-203	40,698.00							40,698.00
2020-21 PARTNERS FOR HEALTH - \$20,000.00			\$ 20,000.00					20,000.00
Animal Shelter - FOMTAS				18,000.00	6,272.88			11,727.12
Essex County Visiting Nurses Grant				14,561.00	14,561.00			
NEHA Subaward Agreement 2/1/20-6/30/20			2,500.00				\$ 2,500.00	
MILL2020 grant				4,090.00	3,235.00			855.00
2020 NJACCHO GRANT				43,414.00	12,299.00			31,115.00
2020 Census Grant				17,000.00				17,000.00
2020 Cares Act Montclair Grant				50,000.00	32,084.00	17,916.00		
MILL Grant - 2020 Fall				5,457.50				5,457.50
2020-21 CHILDHOOD LEAD PROGRAM GRANT				127,507.00	70.99	10,118.00		117,318.01
2020 - 2021 NJDOH GRANT				142,236.00		29,980.57		112,255.43

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

APPROPRIATED RESERVES  
GRANT FUND  
YEAR ENDED DECEMBER 31, 2020

A-32  
Sheet#2

	Balance Dec. 31, 2019	Transferred from PY Encumbrance	Transferred from Budget Appropriation	Added by NJSA 40A-4-87	Expended Cash Disbursements	Encumbered	Canceled	Balance Dec. 31, 2020
<b><u>POLICE DEPARTMENT</u></b>								
DDEF	\$ 1,885.18	\$ 3,275.00			\$ 5,160.18			
National Crime Statistics Exchange Impl		20,000.00			20,000.00			
Body Armor Grant	780.91				780.91			
Bullet Proof Vest	1,002.15				1,002.15			
2019-20 Pedestrian Safety grant	16,350.00				16,350.00			
2019-20 Bicycle Safety grant	12,000.00				12,000.00			
Body Armor Replacement			\$ 9,732.80		5,632.37	\$ 1,068.88		\$ 3,031.55
Bullet Proof Vest			8,179.90		5,411.13			2,768.77
DDEF				\$ 12,428.88	5,779.00	751.75		5,898.13
<b><u>DCS</u></b>								
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			
2020 Clean Communities grant				67,855.82				67,855.82
2017 Recycling Grant Rec'd in 2020				39,830.85				39,830.85
<b><u>FIRE</u></b>								
FEMA - Assistance to Firefighter: 2004	12,603.48							12,603.48
Generator Grant	8,500.00						\$ 8,500.00	
<b><u>PLANNING</u></b>								
NJEDA - Hazardous Discharge	29.03						29.03	
NJEDA - Hazardous Discharge	11,011.82						11,011.82	
NJEDA - Hazardous Discharge	119.73						119.73	
2018-EDA Orange Road	(7,189.15)	28,457.00			5,023.40		16,244.45	
Historic Preservation Grant			24,999.00					24,999.00
Hazardous Discharge Site Remediation			42,700.00		42,470.56	229.44		
Historic Preservation CLG grant				23,725.00				23,725.00
<b><u>IT &amp; COMMUNICATIONS</u></b>								
Comcast Grant	5,000.00			5,000.00	5,000.00			5,000.00
<b><u>Municipal Court</u></b>								
Alcohol, Education and Rehab	14,235.42			7,418.50		600.00		21,053.92
	<u>\$ 652,295.43</u>	<u>\$ 52,287.00</u>	<u>\$ 108,111.70</u>	<u>\$ 596,474.55</u>	<u>\$ 486,289.58</u>	<u>\$ 71,540.36</u>	<u>\$ 38,405.03</u>	<u>\$ 812,933.71</u>
Reference	A	A	A-17	A-17	A-17	A	A-17	A

TOWNSHIP OF MONTCLAIR  
CURRENT FUND

ACCUMULATED REVENUE UNAPPROPRIATED  
YEAR ENDED DECEMBER 31, 2020

A-33

	Balance Dec. 31, 2019	Increase	Decrease	Balance Dec. 31, 2020
<b><u>Current Fund</u></b>				
Proceeds from Sale of Municipal Assets	\$ 326,618.08	\$ -	\$ 212,575.53	\$ 114,042.55
<u>Ref.</u>	A		A-2a, A-14	A
<b><u>Grant Fund</u></b>				
Comcast Grant	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -
<u>Ref.</u>	A		A-17	A

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

CASH RECEIPTS AND DISBURSEMENTS - TREASURER  
YEAR ENDED DECEMBER 31, 2020

B-2

	Ref.	Animal Control Trust Fund	Trust Fund	Section 8 Housing	Assessment Trust Fund	Payroll Account
Balance, December 31, 2019	B	\$ 134,836.87	\$ 7,978,707.74	\$ 189,548.07	\$ 20,460.49	\$ 380,629.98
Increased by:						
Community Development Block Grants Fund Balance	B-6		\$ 95,920.00			
Interfunds Receivable	B-7		3,587,044.66		\$ 4,641.82	
Various Reserves and Deposits	B-9		7,698,314.72			
Section 8 Voucher Program	B-13			\$ 2,831,895.47		
CAREs Act	B-5			104,807.00		
State Registration Fees	B-8	\$ 1,505.40				
Donations for Animal Shelter	B-14	7,258.00				
Collection of Animal Control Fees	B-16	13,143.60				
Payroll Accounts	B-15					\$ 43,298,791.29
Flexible Spending Transfers	B-10					42,992.66
Police Forfeiture Receipts	B-4		1,419.53			
State Unemployment Compensation Insurance	B-11		161,964.76			
		<u>21,907.00</u>	<u>11,544,663.67</u>	<u>2,936,702.47</u>	<u>4,641.82</u>	<u>43,341,783.95</u>
		<u>156,743.87</u>	<u>19,523,371.41</u>	<u>3,126,250.54</u>	<u>25,102.31</u>	<u>43,722,413.93</u>
Decreased by:						
Interfunds Receivable	B-7		3,150,946.49			
Payments to State	B-8	1,509.60				
Various Reserves and Deposits	B-9		6,668,396.44			
Community Development Block Grants	B-12		242,106.57			
Prior Year Section 8 Accounts Payable	B			4,625.00		
Section 8 Voucher Program	B-13			2,775,681.00		
Animal Shelter Expenditures	B-14	13,142.97				
Payroll Deductions and Other Payments	B-15					43,300,589.39
Flexible Spending Payments	B-10					37,494.60
Police Forfeiture Expenditures	B-4		1,513.96			
Unemployment Claims Payable	B-11		36,018.79			
		<u>14,652.57</u>	<u>10,098,982.25</u>	<u>2,780,306.00</u>		<u>43,338,083.99</u>
Balance, December 31, 2020	B	<u>\$ 142,091.30</u>	<u>\$ 9,424,389.16</u>	<u>\$ 345,944.54</u>	<u>\$ 25,102.31</u>	<u>\$ 384,329.94</u>
			General Trust B \$ 8,949,247.83			
			Forfeited Assets B 49,473.32			
			S.U.I B 425,668.01			
			<u>\$ 9,424,389.16</u>			

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

ANALYSIS OF ASSESSMENT CASH AND INVESTMENTS  
YEAR ENDED DECEMBER 31, 2020

B-3

	<u>Balance</u> <u>December 31, 2019</u>	<u>Receipts</u> <u>Assessments</u> <u>Receivable</u>	<u>Balance</u> <u>December 31, 2020</u>
<u>General Accounts</u>			
Fund Balance	\$ 20,460.49	\$ 4,641.82	\$ 25,102.31
	<u>\$ 20,460.49</u>	<u>\$ 4,641.82</u>	<u>\$ 25,102.31</u>
<u>Ref.</u>	B	B-1	B

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR POLICE FORFEITURE EXPENDITURES  
YEAR ENDED DECEMBER 31, 2020

B-4

	<u>Ref.</u>		
Balance, December 31, 2019	B		\$ 49,567.75
Increased by:			
Interest Earned		\$ 52.53	
Receipts from County of Essex		<u>1,367.00</u>	
	B-2		<u>1,419.53</u>
			50,987.28
Decreased by:			
Expenditures	B-2		<u>1,513.96</u>
Balance, December 31, 2020	B		<u><u>\$ 49,473.32</u></u>

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

HOUSING AND URBAN DEVELOPMENT - CARES ACT  
UNEARNED REVENUE  
YEAR ENDED DECEMBER 31, 2020

B-5

	<u>Ref.</u>	
Balance, December 31, 2019	B	\$ -
Increased by:		
Cash Receipts	B-2	<u>104,807.00</u>
Balance, December 31, 2020	B	<u>\$ 104,807.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS  
 DUE FROM COUNTY OF ESSEX  
 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020

B-6

Program Year	Description	Balance Dec. 31, 2019	2020 Grants	Collections	Balance Dec. 31, 2020
2020	Genridge Ave Streetscapre Improvements		\$ 140,946.00		\$ 140,946.00
2019/2020	Maple/Woodland Avenue Sewer Repair	\$ 196,580.00	114,608.00		311,188.00
2019	ADA Improvements to Pine St. & Valley Rd. Fire Stations	42,300.00			42,300.00
2019/2020	Contra - Subrecipient Awards	95,920.00	99,646.00	\$ 95,920.00	99,646.00
2015	Shelter Improvements - Edgemont Park	9,000.00			9,000.00
		<u>\$ 343,800.00</u>	<u>\$ 355,200.00</u>	<u>\$ 95,920.00</u>	<u>\$ 603,080.00</u>
	<u>Ref.</u>	B	B-12	B-2	B

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020

B-7

	Ref.	Total General Trust Fund	General Trust Fund	
			General Capital Fund	Current Fund
Balance, December 31, 2019	B	\$ 436,098.17	\$ -	\$ 436,098.17
Increased by:				
Advances	B-2	3,150,946.49	3,000,000.00	150,946.49
		<u>3,587,044.66</u>	<u>3,000,000.00</u>	<u>587,044.66</u>
Decreased by:				
Settlements	B-2	3,587,044.66	3,000,000.00	587,044.66
Balance, December 31, 2020	B	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF MONTCLAIR  
ANIMAL CONTROL TRUST FUNDS

B-8

DUE TO STATE OF NEW JERSEY  
YEAR ENDED DECEMBER 31, 2020

	<u>Ref.</u>	
Balance, December 31, 2019	<u>B</u>	\$ 10.80
Increased by:		
Registration Fees	B-2	<u>1,505.40</u>
		1,516.20
Decreased by:		
Payments	B-2	<u>1,509.60</u>
Balance, December 31, 2020	B	<u>\$ 6.60</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL TRUST FUND

B-9

SPECIAL DEPOSITS  
YEAR ENDED DECEMBER 31, 2020

	Balance Dec. 31, 2019	Transfer Prior Year Encumbrances	Adjustments	Receipts	Disbursements	Reserve for Encumbrances	Balance Dec. 31, 2020
Recycling Program	\$ 268,431.22	\$ 100,037.00		\$ 15,626.60	\$ 336,488.55	\$ 3,938.70	\$ 43,667.57
Railroad Station Projects	284,041.12		\$ 9,900.00	20,000.00	4,965.19	4,525.22	304,450.71
Parking Adjudication Fines	288,121.19			14,984.50	1,686.11		301,419.58
D.A.R.E Donations	3,147.13			350.00			3,497.13
Uniform Fire Safety Act	218,060.31	19,634.01		71,315.25	94,840.14	13,470.78	200,698.65
Child Fire Safety	3,212.64			500.00			3,712.64
Police Off-Duty				1,718,920.27	1,679,415.27		39,505.00
Reserve for First Nite	9,959.94						9,959.94
DCS - Inspection Escrow	5,000.00						5,000.00
Planning Escrow Deposits	269,884.79	5,584.45		124,296.23	176,930.97	101,021.72	121,812.78
Rental Security	23,050.00		(9,900.00)				13,150.00
LEA - Penalty Account	100,000.00	54,160.30		138,771.56	50,748.53	6,671.15	235,512.18
Storm Recovery	911,688.29			2,154,032.42	1,076,059.46	37,100.00	1,952,561.25
Collector's Redemption Account	215,224.11			1,363,548.05	1,496,240.20		82,531.96
Public Defender Application Fees	16,423.00	4,500.00		2,347.50	4,250.00		19,020.50
Recreation	40,294.37	7,250.00		4,940.00	7,250.00		45,234.37
Contributions - Archival Project	8,532.42						8,532.42
Open Space	104,582.31			117,359.93			221,942.24
Health Program	126,135.52			2,722.68	56,284.97		72,573.23
Voucher Program - COAH	928,979.31	39,500.00		386,556.13	26,087.05	39,363.35	1,289,585.04
Accumulated Absences	1,662,762.30			750,000.00			2,412,762.30
Premium on Tax Sales	2,326,600.00			1,861,000.00	1,648,500.00		2,539,100.00
Church Street Circle Fountain	11,150.00	8,650.00			8,650.00		11,150.00
Miscellaneous Deposits	920.39						920.39
	<u>\$ 7,826,200.36</u>	<u>\$ 239,315.76</u>	<u>\$ -</u>	<u>\$ 8,747,271.12</u>	<u>\$ 6,668,396.44</u>	<u>\$ 206,090.92</u>	<u>\$ 9,938,299.88</u>
Ref.	B	B	B-12	Below	B-2	B	B
Cash Received	B-2			\$ 7,698,314.72			
Due from Essex County	B			1,048,956.40			
				<u>\$ 8,747,271.12</u>			

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

FLEXIBLE SPENDING ACCOUNT  
YEAR ENDED DECEMBER 31, 2020

B-10

	<u>Ref.</u>	
Balance, December 31, 2019	B	\$ 7,336.20
Increased by:		
Transferred from Payroll Agency Account	B-2	<u>42,992.66</u>
		50,328.86
Decreased by:		
Cash Disbursements	B-2	<u>37,494.60</u>
Balance, December 31, 2020	B	<u><u>\$ 12,834.26</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR STATE UNEMPLOYMENT TRUST FUND EXPENDITURES  
YEAR ENDED DECEMBER 31, 2020

B-11

	<u>Ref.</u>		
Balance, December 31, 2019	B		\$ 299,722.04
Increased by:			
Interest Earned		\$ 337.33	
Budget Appropriation		116,500.00	
Reimbursement		<u>45,127.43</u>	
	B-2		<u>161,964.76</u>
			<u>461,686.80</u>
Decreased by:			
Unemployment Claims Payable	B-2		<u>36,018.79</u>
Balance, December 31, 2020	B		<u><u>\$ 425,668.01</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT EXPENDITURES  
YEAR ENDED DECEMBER 31, 2020

B-12

Program Year	Analysis of Balance	Balance Dec. 31, 2019	2020 Grants	Expenditures	Reserve for Encumbrances	Balance Dec. 31, 2020
2020	Glenridge Ave Streetscape Iprovements		\$ 140,946.00			\$ 140,946.00
2019/2020	Maple/Woodland Avenue Sewer Repair	\$ 196,580.00	114,608.00	\$ 147,691.50	\$ 21,758.50	141,738.00
2019	ADA Improvements to Pine St. & Valley Rd. Fire Stations	42,300.00				42,300.00
2019/2020	Contra - Subrecipient Awards	95,920.00	99,646.00	94,415.07	1,504.93	99,646.00
2015	Shelter Improvements - Edgemont Park	9,000.00				9,000.00
		<u>\$ 343,800.00</u>	<u>\$ 355,200.00</u>	<u>\$ 242,106.57</u>	<u>\$ 23,263.43</u>	<u>\$ 433,630.00</u>
<u>Ref.</u>		B	B-6	B-2	B	B

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR SECTION 8 VOUCHER PROGRAM  
YEAR ENDED DECEMBER 31, 2020

B-13

	<u>Ref.</u>		
Balance, December 31, 2019	B		\$ 182,338.07
Increased by:			
Housing and Urban Development Assistance:			
Cash Received		\$ 2,647,367.00	
Other Revenue		179,110.07	
Interest Earned		261.05	
Payments Received from Other Municipalities and Other Sources		5,157.35	
Transfer Prior Year Encumbrance		<u>2,585.00</u>	
	Below		<u>2,834,480.47</u>
			3,016,818.54
Decreased by:			
Housing Assistance Payments - Includes			
HAP Portability-In	Below	2,415,788.95	
Administrative Expenses	Below	369,219.00	
Accounts Payable	B	<u>5,157.35</u>	
			<u>2,790,165.30</u>
Balance, December 31, 2020	B		<u>\$ 226,653.24</u>
Cash Receipts	B-2	\$ 2,831,895.47	
Prior Year Encumbrance		<u>2,585.00</u>	
		<u>\$ 2,834,480.47</u>	
Cash Disbursements	B-2	\$ 2,775,681.00	
Reserve for Encumbrances	B	9,326.95	
Accounts Payable	B	<u>5,157.35</u>	
		<u>\$ 2,790,165.30</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR ANIMAL SHELTER EXPENDITURES  
YEAR ENDED DECEMBER 31, 2020

B-14

	<u>Ref.</u>		
Balance, December 31, 2019	B		\$ 103,741.11
Increased by:			
Excess Animal Control Receipts	B-16	\$ 16,692.36	
Donations	B-2	<u>7,258.00</u>	
			<u>23,950.36</u>
			127,691.47
Decreased by:			
Expenditures	B-2		<u>13,142.97</u>
Balance, December 31, 2020	B		<u><u>\$ 114,548.50</u></u>

ANALYSIS OF PAYROLL ACTIVITY  
YEAR ENDED DECEMBER 31, 2020

B-15

	<u>Ref.</u>		
Balance, December 31, 2019	B		\$ 373,293.78
Increased by:			
Gross Payroll		\$ 41,805,135.58	
Employer FICA Contribution		<u>1,493,655.71</u>	
	B-2		<u>43,298,791.29</u>
			43,672,085.07
Decreased by:			
Cash Disbursements	B-2		<u>43,300,589.39</u>
Balance, December 31, 2020	B		<u><u>\$ 371,495.68</u></u>
<u>Analysis of Balance</u>			
Public Employees' Retirement System			\$ 100,305.91
Police and Fire Retirement System			215,786.65
Other			<u>55,403.12</u>
			<u><u>\$ 371,495.68</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
TRUST FUNDS

RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES  
YEAR ENDED DECEMBER 31, 2020

B-16

	<u>Ref.</u>	
Balance, December 31, 2019	B	\$ 31,084.96
Increased by:		
Dog License Fees Collected		\$ 11,091.60
Late Fees		1,260.00
Cat License Fees Collected		<u>792.00</u>
	B-2	<u>13,143.60</u>
		44,228.56
Decreased by:		
Transferred to Animal Shelter Reserve	B-14	<u>16,692.36</u>
Balance, December 31, 2020	B	<u><u>\$ 27,536.20</u></u>

License Fees Collected

<u>Year</u>	Amount
2018	\$ 14,618.00
2019	<u>12,918.20</u>
	<u><u>\$ 27,536.20</u></u>

Note: R.S. 4:19-15.11

"...there shall be transferred from such special account to the general funds of the municipality any amount then in such special account which is in excess of the total amount paid into such special account during the last two fiscal years next preceding".

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

CASH RECEIPTS AND DISBURSEMENTS  
YEAR ENDED DECEMBER 31, 2020

C-2

	<u>Ref.</u>		
Balance, December 31, 2019	C		\$ 1,010,549.66
Increased by Receipts:			
Premium on Sale of Bonds	C-1	\$ 195,081.65	
Premium on Sale of Bonds	C-5	3,575,000.00	
Grants Receivable	C-4	424,838.96	
Deferred Charges to Future Taxation - Unfunded	C-6	3,920,676.01	
Capital Improvement Fund	C-8	500,000.00	
Interfunds Receivable	C-9	3,000,000.00	
Reserve to Pay Debt Service	C-11	379,987.00	
Bonds Issued	C-17	5,276,544.00	
School Bonds Issued	C-16	<u>1,772,342.00</u>	
			<u>19,044,469.62</u>
			20,055,019.28
Decreased by Disbursements:			
Paydown of BANs by Budget Appropriation	C-12	3,850,000.00	
Interfunds Payable	C-9	3,000,591.77	
Capital Surplus Utilized in Current Fund Budget	C-1	564,557.26	
Reserve to Pay Debt Service	C-11	700,000.00	
Improvement Authorizations	C-7	<u>10,905,232.76</u>	
			<u>19,020,381.79</u>
Balance, December 31, 2020	C		<u><u>\$ 1,034,637.49</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

ANALYSIS OF CASH  
YEAR ENDED DECEMBER 31, 2020

	Balance December 31, 2019	Cash Receipts	Disbursements		Transfers		Balance December 31, 2020
			Improvement Authorizations	Other	From	To	
<u>Improvement Authorizations</u>							
General Improvements:							
#12-41			\$ 35,725.77			\$ 35,725.77	
#13-18			1,613.50			1,613.50	
#15-09	\$ 21,235.05						\$ 21,235.05
#15-35	69,427.78		3,500.00				65,927.78
#16-10	(102,785.04)	\$ 140,973.64	4,450.00			75,126.01	108,864.61
#16-11	324,754.56		35,000.00			6,375.00	296,129.56
#16-32	82,217.24		72,376.21			61,576.14	71,417.17
#17-13	118,656.20	30,339.11	36,907.91			35,100.65	147,188.05
#17-23	(164,696.06)	227,162.22	137,469.47			61,774.11	(13,229.20)
#17-34	48,708.81		38,411.12				10,297.69
#18-19	(72,097.94)	310,679.86	1,215,591.80			816,106.38	(160,903.50)
#19-11	(1,371,720.10)	2,012,043.89	1,288,640.24			234,590.26	(413,726.19)
#19-17	(80,600.00)	830,600.00	826,479.23			76,479.23	
#20-01		5,154,584.24	5,751,301.72		\$ 1,183,799.23	450,000.00	(1,330,516.71)
#20-14			33,273.75		3,027.18	103,740.00	67,439.07
School Improvements:							
#11-41	(13,074.36)					13,074.36	
#12-32	(37,455.96)					21,024.37	(16,431.59)
#13-17/13-67	(52,449.04)					52,449.04	
#15-24	86,547.77				86,547.77		
#16-12	(2,003.55)	2,003.55					
#18-17	(671,075.73)	740,338.45	65,917.24				3,345.48
#19-02	(371,118.70)	1,100,000.00	893,449.30				(164,568.00)
#19-06	(481,000.00)	500,000.00	34,115.00				(15,115.00)
#20-12			88,187.50				(88,187.50)
#20-13			196,153.00				(196,153.00)
#20-19			146,670.00				(146,670.00)
Excess Funding	49.93	3,920,676.01		\$ 3,850,000.00	70,725.94		
<u>Other Accounts</u>							
Fund Balance	1,133,434.26	195,081.65		564,557.26			763,958.65
Capital Improvement Fund	144,322.83	500,000.00			553,740.00		90,582.83
Reserve for Encumbrances	1,672,658.03				1,333,741.11	1,186,826.41	1,525,743.33
Interfunds	591.77	3,000,000.00		3,000,591.77			
Reserve for Debt Service	728,021.91	379,987.00		700,000.00			408,008.91
	<u>\$ 1,010,549.66</u>	<u>\$ 19,044,469.62</u>	<u>\$ 10,905,232.76</u>	<u>\$ 8,115,149.03</u>	<u>\$ 3,231,581.23</u>	<u>\$ 3,231,581.23</u>	<u>\$ 1,034,637.49</u>
Ref.	C	C-2	C-2	C-2			C

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020

C-4

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance December 31, 2019</u>	<u>Grants</u>	<u>Decrease</u>	<u>Balance December 31, 2020</u>
	<u>Federal Grants</u>				
	County of Essex:				
	Community Development Block				
	Grants:				
18-19	Fulton & Miller, Woodland & Wheeler	\$ 109,596.75		\$ 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	68,409.75		68,409.75	
18-19	Valley Road & Church Street	333,430.00		250,072.50	\$ 83,357.50
19-11	Trinity & Myrtle	391,467.00			391,467.00
20-01	Mt. Hebron		\$ 412,754.00		412,754.00
	<u>County Grants</u>				
	Essex County Open Space Grant		150,000.00		150,000.00
		<u>\$ 1,014,280.50</u>	<u>\$ 562,754.00</u>	<u>\$ 539,456.00</u>	<u>\$ 1,037,578.50</u>
	<u>Ref.</u>	C	C-10	Below	C
			<u>Ref.</u>		
	Cash Receipts		C-2	\$ 424,838.96	
	Canceled		C-10	114,617.04	
				<u>\$ 539,456.00</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED C-5  
YEAR ENDED DECEMBER 31, 2020

	<u>Ref.</u>		
Balance, December 31, 2019	C		\$ 92,702,187.00
Increased by:			
Transferred from Deferred Charges - Unfunded	C-6		42,000,000.00
			<u>134,702,187.0</u>
Decreased by:			
Bond Premium	C-2	\$ 3,575,000.00	
Downtown Business District Loan	C-15	32,666.67	
Green Acres Loan	C-13	40,579.41	
Infrastructure Loan	C-14	53,038.49	
School Bonds	C-16	4,830,000.00	
Municipal Bonds	C-17	<u>5,845,000.00</u>	
			<u>14,376,284.57</u>
Balance, December 31, 2020	C		<u>\$ 120,325,902.43</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
YEAR ENDED DECEMBER 31, 2020

Ordinance Number	Improvements	Balance Dec. 31, 2019	2020			Funded by Budget Appropriation	Transferred to Deferred Taxation - Funded	Balance Dec. 31, 2020	Expended	Unexpended Improvement Authorization
			Authorizations	Canceled	Collections					
07-06	Various Capital Improvements	\$ 129,758.00				\$ 129,758.00				
8-43	Removal and Replacement of Trees	21,274.00				21,274.00				
8-44	Various Capital Improvements	145,962.00				145,962.00				
9-11	Orange Road Redevelopment	19,523.00				19,523.00				
12-26	Paving South Mountain Avenue	236,457.00				236,457.00				
12-31	Various Capital Improvements	132,280.00				132,280.00				
12-36	Various Capital Improvements	747,618.00				117,778.59	\$ 629,839.41			
12-40	Acquisition of Vehicles	372,000.00				63,689.00	308,311.00			
12-41	Various Capital Improvements	622,433.00				34,189.00	588,244.00			
12-42	Acquisition of Ambulance	95,333.00				95,333.00				
13-18	HVAC Upgrades - Firehouse Server	89,893.00				89,893.00				
13-20	Police Radio System	102,975.00				102,975.00				
14-03	Improvements to Union and Park Streets	120,000.00				18,211.00	101,789.00			
14-04	Various Park Improvements	286,659.00				11,207.00	275,452.00			
14-05	Various Road Improvements	1,758,486.41				171,053.00	1,587,433.41			
14-06	Police Radio System	789,400.00				390.00	789,010.00			
14-09	Acquisition of Vehicles	376,591.00				26,527.00	350,064.00			
14-25	Acquisition of Trucks	1,034,192.00				43,709.00	990,483.00			
14-26	Various Capital Improvements	385,131.00				17,493.00	367,638.00			
14-27	Various Road Improvements	1,333,450.59				2,774.00	1,330,676.59			
14-35	Park Improvements at Washington Field	241,052.00				8,621.00	232,431.00			
14-36	Library Improvements	221,082.00				218.00	220,864.00			
15-09	Various Capital Improvements	1,395,878.47			\$ 38,239.00	256,674.01	1,100,965.46			
16-10	Various Capital Improvements	417,300.60				210,364.54	102,734.64	\$ 104,201.42	\$ 104,201.42	
16-32	Various Road Improvements	2,854,134.40				82,217.24	2,417,782.76	354,134.40	354,134.40	
17-13	Various Capital Improvements	1,417,425.75			30,339.11	271,807.94	1,028,192.06	87,086.64	87,086.64	
17-23	Various Capital Improvements	3,300,500.00					2,727,162.22	573,337.78	\$ 13,229.20	560,108.58
17-34	Edgemont Park Improvements	309,578.00				10,297.69	299,280.31			
18-19	Various Capital Improvements	9,700,186.75			250,072.50		8,060,607.36	1,389,506.89	160,903.50	1,228,603.39
19-11	Various Capital Improvements	6,889,899.00			106,188.35		5,905,855.54	877,855.11	413,726.19	464,128.92
19-17	Various Capital Improvements	1,099,600.00					830,600.00	269,000.00		269,000.00
20-01	Various Capital Improvements		\$ 8,623,000.00				5,154,584.24	3,468,415.76	1,330,516.71	2,137,899.05
20-14	Various Capital Improvements		1,971,060.00					1,971,060.00		1,971,060.00
<u>School</u>										
11-41	Various School Improvements	313,074.36				313,074.36				
12-32	Various School Improvements	287,455.96				271,024.37		16,431.59	16,431.59	
13-17/13-67	Various School Improvements	52,449.04				52,449.04				
15-24	Various School Improvements	1,007,658.00		\$ 86,547.77		921,110.23				
16-12	Various School Improvements	701,920.00		399,916.45		42,342.00	259,661.55			
18-17	Various School Improvements	3,400,000.00					3,240,338.45	159,661.55		159,661.55
19-02	Various School Improvements	4,859,950.00					1,100,000.00	2,065,662.76	164,568.00	1,901,094.76
19-06	Montclair High School Stair Tower	2,031,000.00			1,694,287.24		31,000.00	15,115.00		15,885.00
20-12	Chairlift & Attic Insulation(Nishuane, Edgemont & Glenfield)		167,900.00					167,900.00	88,187.50	79,712.50
20-13	Replacement of steps at Buzz-Aldrin School		393,276.00					393,276.00	196,153.00	197,123.00
20-19	Various Masonry Work		4,834,850.00					4,834,850.00	146,670.00	4,688,180.00
		<u>\$ 49,299,560.33</u>	<u>\$ 15,990,086.00</u>	<u>\$ 2,180,751.46</u>	<u>\$ 424,838.96</u>	<u>\$ 3,920,676.01</u>	<u>\$ 42,000,000.00</u>	<u>\$ 16,763,379.90</u>	<u>\$ 2,545,500.69</u>	<u>\$ 14,217,879.21</u>
<u>Ref.</u>		C	C-7	C-7	C-2	C-2	C-5	C	C-3	C-7

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2020

C-7

Description	Ordinance		Balance Dec. 31, 2019		Transfer Prior Year Encumbrances	2020 Authorizations	Paid or Charged	Encumbrance Payable	Canceled	Balance Dec. 31, 2020	
	Number	Date	Amount	Funded						Unfunded	Funded
<b>General Improvements</b>											
Various Capital Improvements	12-41	06/12/12	\$ 1,144,080.00			\$ 38,392.04	\$ 35,725.77	\$ 2,666.27			
HVAC Upgrades - Firehouse Server	13-18	05/14/13	119,400.00			1,613.50	1,613.50				
Library Improvements	14-36	10/07/14	252,520.00			20,000.00		20,000.00			
Various Capital Improvements	15-09	03/10/15	3,375,000.00		\$ 21,235.05					\$ 21,235.05	
Various Capital Improvements	15-35	11/10/15	1,788,105.47	\$ 69,427.78			3,500.00			65,927.78	
Various Capital Improvements	16-10	04/04/16	5,872,880.00		213,115.96	16,800.00	4,450.00	12,350.00		108,914.54	\$ 104,201.42
Redevelopment Projects	16-11	05/31/16	450,000.00	324,754.56		10,375.00	35,000.00	4,000.00		296,129.56	
Various Capital Improvements	16-32	07/26/17	3,004,352.00		436,351.64	131,601.43	72,376.21	70,075.22		71,367.24	354,134.40
Various Capital Improvements	17-13	03/28/17	4,957,189.00		236,081.95	39,215.65	36,907.91	4,115.00		147,188.05	87,086.64
Various Capital Improvements	17-23	06/20/17	3,475,500.00		635,803.94	95,700.40	137,469.47	33,926.29			560,108.58
Edgemont Park Improvements	17-34	10/24/17	320,000.00		48,708.81		38,411.12			10,297.69	
Various Capital Improvements	18-19	03/20/18	10,308,250.00		1,628,088.81	900,980.69	1,215,591.80	84,874.31			1,228,603.39
Various Capital Improvements	19-11	04/02/19	7,234,899.00		1,518,178.90	341,500.09	1,288,640.24	106,909.83			464,128.92
Various Capital Improvements	19-17	05/21/19	1,159,600.00		1,019,000.00	76,479.23	826,479.23				269,000.00
Various Capital Improvements	20-01	02/18/20	9,073,000.00			\$ 9,073,000.00	5,751,301.72	1,183,799.23			2,137,899.05
Various Capital Improvements	20-14	06/09/20	2,074,800.00			2,074,800.00	33,273.75	3,027.18		67,439.07	1,971,060.00
<b>School Improvements</b>											
Various School Improvements	15-27	08/04/15	2,637,440.00		86,547.77				\$ 86,547.77		
Various School Improvements	16-12	06/21/16	2,701,920.00		399,916.45				399,916.45		
Various School Improvements	18-17	02/20/18	3,400,000.00		228,924.27		65,917.24			3,345.48	159,661.55
Various School Improvements	19-02	02/19/19	4,859,950.00		4,488,831.30		893,449.30		1,694,287.24		1,901,094.76
Various School Improvements	19-06	3/5/2019	2,031,000.00		50,000.00		34,115.00				15,885.00
Various School Improvements	20-12	6/9/2020	167,900.00			167,900.00	88,187.50				79,712.50
Various School Improvements	20-13	6/9/2020	393,276.00			393,276.00	196,153.00				197,123.00
Various School Improvements	20-19	8/4/2020	4,834,850.00			4,834,850.00	146,670.00				4,688,180.00
			<u>\$ 394,182.34</u>		<u>\$ 11,010,784.85</u>	<u>\$ 1,672,658.03</u>	<u>\$ 16,543,826.00</u>	<u>\$ 10,905,232.76</u>	<u>\$ 1,525,743.33</u>	<u>\$ 2,180,751.46</u>	<u>\$ 791,844.46</u>
		<b>Ref.</b>	<b>C</b>	<b>C</b>	<b>C</b>	<b>Below</b>	<b>C-2</b>	<b>C</b>	<b>Below</b>	<b>C</b>	<b>C</b>
				<b>Ref.</b>							
		Deferred Charge to Future Taxation - Unfunded		C-6		\$ 15,990,086.00			\$ 86,547.77	C-6	
		Capital Improvement Fund		C-8		<u>553,740.00</u>			<u>2,094,203.69</u>	C-6, C-18	
						<u>\$ 16,543,826.00</u>			<u>\$ 2,180,751.46</u>	Above	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2020

C-8

	<u>Ref.</u>	
Balance, December 31, 2019	C	\$ 144,322.83
Increased by:		
Budget Appropriations	C-2	<u>500,000.00</u>
		644,322.83
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-7	<u>553,740.00</u>
Balance, December 31, 2020	C	<u><u>\$ 90,582.83</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

INTERFUNDS PAYABLE  
YEAR ENDED DECEMBER 31, 2020

C-9

	<u>Ref.</u>	<u>Total</u>	<u>General Trust</u>	<u>Current Fund</u>
Balance, December 31, 2019	C	\$ 591.77		\$ 591.77
Receipts	C-7	3,000,000.00	\$ 3,000,000.00	
		<u>3,000,591.77</u>	<u>3,000,000.00</u>	<u>591.77</u>
Disbursements	C-2	<u>3,000,591.77</u>	<u>3,000,000.00</u>	<u>591.77</u>
Balance, December 31, 2020	C	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

RESERVE FOR GRANTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020 AND 2019

C-10

Ordinance Number	Purpose	Balance December 31, 2019	Grants	Decreased	Balance December 31, 2020
<u>Federal Grants</u>					
County of Essex:					
Community Development Block Grants:					
19-11	Fulton & Miller, Woodland & Wheeler	\$ 109,596.75		\$ 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	68,409.75		68,409.75	
18-19	Valley Road & Church Street	333,430.00		250,072.50	\$ 83,357.50
19-11	Trinity & Myrtle	391,467.00			391,467.00
20-01	Mt. Hebron		\$ 412,754.00		412,754.00
 <u>County Grants</u>					
Essex County Open Space Grant					
		\$ 1,014,280.50	\$ 562,754.00	\$ 539,456.00	\$ 1,037,578.50
		\$ 1,014,280.50	\$ 562,754.00	\$ 539,456.00	\$ 1,037,578.50
	<u>Ref.</u>	C	C-4	Below	C
 Deferred Charges to Future					
	Taxation - Unfunded	C-6		\$ 424,838.96	
	Canceled	C-4		114,617.04	
		Above		\$ 539,456.00	

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

RESERVE FOR PAYMENT OF DEBT SERVICE  
YEAR ENDED DECEMBER 31, 2020

C-11

	<u>Ref.</u>	
Balance, December 31, 2019	C	\$ 728,021.91
Increased by:		
Cash Received from SDA grants	C-2	379,987.00
		<u>1,108,008.91</u>
Decreased by:		
Appropriated in the Current Fund Budget	C-2	700,000.00
		<u>700,000.00</u>
Balance, December 31, 2020	C	<u>\$ 408,008.91</u>
 <u>Analysis of Balance</u>		
School Improvements		<u>\$ 408,008.91</u>

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2020

C-12  
Sheet # 1

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2019	Decrease	Balance December 31, 2020
<u>General</u>							
12-26	Paving of South Mountain Avenue	11-07-14	10-30-20	2.50%	\$ 236,457.00	\$ 236,457.00	\$ -
12-31	Various Capital Improvements	12-14-12	10-30-20	2.50			
		11-07-14	10-30-20	2.50	132,280.00	132,280.00	
12-36	Various Capital Improvements	11-07-14	10-30-20	2.50	570,359.00	570,359.00	
		11-05-15	10-30-20	2.50	97,302.00	97,302.00	
		11-04-16	10-30-20	2.50	79,957.00	79,957.00	
12-40	Acquisition of Vehicles	11-07-14	10-30-20	2.50	372,000.00	372,000.00	
12-41	Various Capital Improvements	11-05-15	10-30-20	2.50	622,433.00	622,433.00	
12-42	Acquisition of Ambulance	11-07-14	10-30-20	2.50	95,333.00	95,333.00	
13-18	HVAC - Firehouse Server Room	11-07-14	10-30-20	2.50	29,330.00	29,330.00	
		11-05-15	10-30-20	2.50	43,518.00	43,518.00	
		11-04-16	10-30-20	2.50	17,045.00	17,045.00	
13-20/14-06	Acquisition of Police Radio System	11-07-14	10-30-20	2.50	135,365.00	135,365.00	
		11-05-15	10-30-20	2.50	680,000.00	680,000.00	
		11-04-16	10-30-20	2.50	7,010.00	7,010.00	
		10-31-19	10-30-20	2.50	70,000.00	70,000.00	

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2020

C-12  
Sheet # 2

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2019	Decrease	Balance December 31, 2020
	<u>General</u>						
14-03/17-34	Improvements to Union and Park Streets/ Edgemont Park Improvements	11-05-15	10-30-20	2.50%	\$ 120,000.00 309,578.00	\$ 120,000.00 309,578.00	\$ -
14-04	Various Park Improvements	11-05-15	10-30-20	2.50	286,659.00	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	3,042,011.00 49,926.00	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	369,836.00 6,755.00	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	995,796.00 38,396.00	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	329,848.00 55,283.00	329,848.00 55,283.00	
14-35	Multi-Use Field Improvements	11-04-16	10-30-20	2.50	241,052.00	241,052.00	
15-09	Various Capital Improvements	11-01-18	10-30-20	2.50	1,395,878.00	1,395,878.00	
07-06	Various Capital Improvements	11-04-16	10-30-20	2.50	129,758.00	129,758.00	
08-43	Various Capital Improvements	11-04-16	10-30-20	2.50	21,274.00	21,274.00	
08-44	Various Capital Improvements	11-04-16	10-30-20	2.50	145,962.00	145,962.00	
09-11	Various Capital Improvements	11-04-16	10-30-20	2.50	19,523.00	19,523.00	
14-36	Various Library Improvements	11-04-16	10-30-20	2.50	221,082.00	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	1,300,000.00	1,300,000.00	
17-23	Various Capital Improvements	11-01-18	10-30-20	2.50	2,500,000.00	2,500,000.00	
18-19	Various Capital Improvements	11-01-18	10-30-20	2.50	8,000,000.00	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>29,368,456.00</u>	<u>29,368,456.00</u>	<u>-</u>

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2020

C-12  
Sheet # 3

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance December 31, 2019	Decrease	Balance December 31, 2020
	<u>School</u>						
11-41	Various School Improvements	10-31-19	10-30-20	2.50%	\$ 300,000.00	\$ 300,000.00	\$ -
12-32	Various School Improvements	10-31-19	10-30-20	2.50	250,000.00	250,000.00	
15-24	Various School Improvements	11-03-17	10-30-20	2.50	1,007,658.00	1,007,658.00	
16-12	Various School Improvements	10-31-19	10-30-20	2.50	300,000.00	300,000.00	
18-17	Turf, Track & Field and HVAC	10-31-19	10-30-20	2.50	2,500,000.00	2,500,000.00	
19-06	High School Stair Towers	10-31-19	10-30-20	2.50	1,500,000.00	1,500,000.00	
					<u>5,857,658.00</u>	<u>5,857,658.00</u>	<u>-</u>
					<u>\$ 35,226,114.00</u>	<u>\$ 35,226,114.00</u>	<u>\$ -</u>
				<u>Ref.</u>	C	Below	C
					<u>Ref.</u>		
					General Serial Bonds Issued	C-17	\$ 27,118,456.00
					School Bonds Issued	C-16	4,257,658.00
					Budget Appropriation- Pay Down	C-2	3,850,000.00
							<u>\$ 35,226,114.00</u>

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

GREEN ACRES TRUST LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2020

C-13

Description	Amount of Original Issue	Maturities of Loan Outstanding December 31, 2020		Interest Rate	Balance December 31, 2019	Decrease	Balance December 31, 2020
		Date	Amount				
Project Youth Sports	\$ 250,000.00	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 %	\$ 94,314.34	\$ 13,727.81	\$ 80,586.53
Project Youth Sports II	250,000.00	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	*	121,794.80	12,820.52	108,974.28
Project Youth Sports III	273,606.00	2021-2035	14,031.08	*			
				*	224,497.22	14,031.08	210,466.14
					<u>\$ 440,606.36</u>	<u>\$ 40,579.41</u>	<u>\$ 400,026.95</u>
				<u>Ref.</u>	C	C-5	C

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

N.J. BUSINESS DISTRICT  
LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2020

C-15

Description	Original Issue		Loan Maturities Outstanding December 31, 2020		Interest Rate	Balance Dec. 31, 2019	Decrease	Balance Dec. 31, 2020
	Date	Amount	Date	Amount				
Loan	12-31-12	\$ 490,000.00	12-31-21/27	\$ 32,666.67	* %	\$ 261,333.31	\$ 32,666.67	\$ 228,666.64
					<u>Ref.</u>	C	C-5	C

\* Interest Free

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND  
 SERIAL BONDS - SCHOOL  
YEAR ENDED DECEMBER 31, 2020

C-16  
 Sheet # 1

Purpose	Date of Issue	Issue Amount	Maturities of Bonds Outstanding Dec. 31, 2020		Interest Rate	Balance Dec. 31, 2019	Bonds Issued	Decrease	Balance Dec. 31, 2020
			Date	Amount					
School Improvements (Refunded)	6-08-10	\$ 9,662,000.00				\$ 460,000.00		\$ 460,000.00	
School Improvements	3-01-11	21,660,000.00	3-01-21	\$ 1,050,000.00	4.00%	2,060,000.00		1,010,000.00	\$ 1,050,000.00
School Improvements	3-01-13	22,000,000.00	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	15,080,000.00		1,395,000.00	13,685,000.00
Refunding School	3-01-14	11,855,000.00	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	9,005,000.00		940,000.00	8,065,000.00

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

SERIAL BONDS - SCHOOL  
YEAR ENDED DECEMBER 31, 2020

C-16  
Sheet # 2

Purpose	Date of Issue	Issue Amount	Maturities of Bonds Outstanding Dec. 31, 2020		Interest Rate	Balance Dec. 31, 2019	Bonds Issued	Decrease	Balance Dec. 31, 2020							
			Date	Amount												
Refunding School	9-01-16	\$ 14,840,000.00	10-01-21	\$ 1,260,000.00	4.00%	\$ 13,920,000.00		\$ 775,000.00	\$ 13,145,000.00							
			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					9-01-23	1,110,000.00	4.00	12,415,000.00			12,415,000.00
										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				4-01-21	275,000.00	4.00	2,800,000.00		250,000.00	2,550,000.00				
			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											
School Improvements	10-15-20	6,030,000.00	10-15-21	655,000.00	3.00		\$ 6,030,000.00		6,030,000.00							
			10-15-22	655,000.00	3.00											
			10-15-23	620,000.00	3.00											
			10-15-24	620,000.00	3.00											
			10-15-25	595,000.00	3.00											
			10-15-26	595,000.00	3.00											
			10-15-27	595,000.00	3.00											
			10-15-28	595,000.00	3.00											
			10-15-29	550,000.00	2.00											
			10-15-30	550,000.00	2.00											
						<u>\$ 55,740,000.00</u>	<u>\$ 6,030,000.00</u>	<u>\$ 4,830,000.00</u>	<u>\$ 56,940,000.00</u>							
					Ref.	C	Below	C-5	C							
Paid Down Of Bond Anticipation Notes					C-12		\$ 4,257,658.00									
Cash Receipts					C-2		<u>1,772,342.00</u>									
							<u>\$ 6,030,000.00</u>									

See accompanying notes to financial statements.





TOWNSHIP OF MONTCLAIR  
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2020

C-18

Ordinance Number	Improvement Description	Balance 31, 2019	Dec. 31, 2019	Authorizations/ Adjustments	Funded by Budget Appropriation	Grant Cash Receipts	Bonds Issued	Canceled	Balance Dec. 31, 2020
<u>General Improvements</u>									
16-10	Various Capital Improvements	\$ 315,900.60			\$ 210,364.54		\$ 1,334.64		\$ 104,201.42
16-32	Various Capital Improvements	354,134.40							354,134.40
17-13	Various Capital Improvements	117,425.75				\$ 30,339.11			87,086.64
17-23	Various Capital Improvements	800,500.00					227,162.22		573,337.78
18-19	Various Capital Improvements	1,700,186.75				250,072.50	60,607.36		1,389,506.89
19-11	Various Capital Improvements	2,889,899.00				106,188.35	1,905,855.54		877,855.11
19-17	Various Capital Improvements	1,099,600.00					830,600.00		269,000.00
20-01	Various Capital Improvements			\$ 8,623,000.00			5,154,584.24		3,468,415.76
20-14	Various Capital Improvements			1,971,060.00					1,971,060.00
		<u>7,277,646.50</u>		<u>10,594,060.00</u>	<u>210,364.54</u>	<u>386,599.96</u>	<u>8,180,144.00</u>	<u>-</u>	<u>9,094,598.00</u>
<u>School Improvements</u>									
11-41	Various School Improvements		13,074.36		13,074.36				
12-32	Various School Improvements		37,455.96		21,024.37				16,431.59
13-17/13-67	Various School Improvements		52,449.04		52,449.04				
16-12	Various School Improvements		401,920.00				2,003.55	\$ 399,916.45	
18-17	Various School Improvements		900,000.00				740,338.45		159,661.55
19-02	Various School Improvements		4,859,950.00				1,100,000.00	1,694,287.24	2,065,662.76
19-06	Montclair High School Stair Tower		531,000.00				500,000.00		31,000.00
20-12	Chairlift & Attic Insulation			167,900.00					167,900.00
20-13	Replacement of steps at Buzz-Aldrin School			393,276.00					393,276.00
20-19	Various Masonry Work			4,834,850.00					4,834,850.00
		<u>6,795,849.36</u>		<u>5,396,026.00</u>	<u>86,547.77</u>		<u>2,342,342.00</u>	<u>2,094,203.69</u>	<u>7,668,781.90</u>
		<u>\$ 14,073,495.86</u>		<u>\$ 15,990,086.00</u>	<u>\$ 296,912.31</u>	<u>\$ 386,599.96</u>	<u>\$ 10,522,486.00</u>	<u>\$ 2,094,203.69</u>	<u>\$ 16,763,379.90</u>
Ref.		C		C-6	C-6	C-6		C-7	C

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS - TREASURER  
YEAR ENDED DECEMBER 31, 2020

D-5

	<u>Ref.</u>	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance, December 31, 2019	D	\$ 3,059,075.54		\$ 3,174,265.14
Increased by Receipts:				
Miscellaneous Revenue	D-3	\$ 255,165.88		
Collector	D-6	7,374,943.20		
Void Prior Year Outstanding Check	D-1	314.00		
Budget Appropriation - Deferred Charge	D-20		\$ 44,698.35	
Capital Improvement Fund	D-19		<u>1,000,000.00</u>	
		<u>7,630,423.08</u>		<u>1,044,698.35</u>
		10,689,498.62		4,218,963.49
Decreased by Disbursements:				
Budget Appropriations	D-4	6,788,894.12		
Appropriation Reserves	D-13	413,918.05		
Accrued Interest on Bonds	D-14	264,556.26		
Accrued Interest on Notes	D-15	6,637.75		
Accrued Interest on Loans	D-16	11,520.77		
Improvement Authorizations	D-18		<u>625,913.82</u>	
		<u>7,485,526.95</u>		<u>625,913.82</u>
Balance, December 31, 2020	D	<u>\$ 3,203,971.67</u>		<u>\$ 3,593,049.67</u>

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR  
YEAR ENDED DECEMBER 31, 2020

D-6

	<u>Ref.</u>		
Increased by:			
Consumer Accounts Receivable	D-10	\$	7,335,396.44
Water Overpayments	D-17		39,546.76
			<hr/> 7,374,943.20
Decreased by:			
Turnovers to Treasurer	D-5		<hr/> 7,374,943.20
		\$	<hr/> <hr/> -

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

CHANGE FUNDS  
YEAR ENDED DECEMBER 31, 2020

D-7

	<u>Ref.</u>	
Balance, December 31, 2020 and 2019	D	<u>\$ 200.00</u>

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

ANALYSIS OF CAPITAL CASH  
YEAR ENDED DECEMBER 31, 2020

D-8

	Balance	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers</u>		Balance
	Dec. 31, 2019	<u>Other</u>	<u>Improvement</u> <u>Authorizations</u>	<u>From</u>	<u>To</u>	Dec. 31, 2020
<u>Improvement Authorizations</u>						
General Improvements:						
#12-73	\$ (344.12)	\$ 344.12				
#14-20	(44,354.23)	44,354.23				
#17-32	700.95		\$ 19,051.50		\$ 20,501.34	\$ 2,150.79
#19-16	1,936,820.00		436,928.32	\$ 17,534.49		1,482,357.19
#20-11			169,934.00	249,054.00	1,000,000.00	581,012.00
<u>Other Accounts</u>						
Fund Balance	798,490.39					798,490.39
Capital Improvement Fund	72,256.53	1,000,000.00		1,000,000.00		72,256.53
Encumbrance Payable	410,695.62			20,501.34	266,588.49	656,782.77
	<u>\$ 3,174,265.14</u>	<u>\$ 1,044,698.35</u>	<u>\$ 625,913.82</u>	<u>\$ 1,287,089.83</u>	<u>\$ 1,287,089.83</u>	<u>\$ 3,593,049.67</u>
<u>Ref.</u>	D	D-19, D-20	D-18			D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

ACCOUNTS PAYABLE  
YEAR ENDED DECEMBER 31, 2020

D-9

	<u>Ref.</u>	
Balance, December 31, 2019	D	\$ -
Increased by:		
Transfer from Appropriation Reserve	D-13	<u>250,000.00</u>
Balance, December 31, 2020	D	<u>\$ 250,000.00</u>
<u>Analysis of Accounts Payable</u>		
Litigation Settlements		<u>\$ 250,000.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020

D-10

	<u>Ref.</u>		
Balance, December 31, 2019	D		\$ 319,421.02
Increased by:			
Water Rents Levied - Net	Reserve		<u>7,476,228.52</u>
			7,795,649.54
Decreased by;			
Collections	D-6	\$ 7,335,396.44	
Overpayments Applied	D-17	<u>47,237.54</u>	
	D-3		<u>7,382,633.98</u>
Balance, December 31, 2020	D		<u><u>\$ 413,015.56</u></u>

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
WATER UTILITY

D-11

FIXED CAPITAL  
YEAR ENDED DECEMBER 31, 2020

	<u>Ref.</u>	
Balance, December 31, 2019	D	\$ 42,254,624.02
Increased by:		
Capital Outlay Expenditures	D-4, D-13	<u>91,117.40</u>
Balance, December 31, 2020	D	<u>\$ 42,345,741.42</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
YEAR ENDED DECEMBER 31, 2020

D-12

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2019</u>	<u>Improvement Authorizations</u>	<u>Balance Dec. 31, 2020</u>
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
20-11	Various Water Utility Improvements		\$ 1,000,000.00	1,000,000.00
		<u>\$ 2,875,000.00</u>	<u>\$ 1,000,000.00</u>	<u>\$ 3,875,000.00</u>
	<u>Ref.</u>	D	D-18	D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2020

D-13

	Balance Dec. 31, 2019		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Unencumbered			
<u>Operating</u>					
Salaries and Wages		\$ 148,277.25	\$ 148,277.25	\$ 13,012.96	\$ 135,264.29
Other Expenses	\$ 440,534.40	419,975.95	860,510.35	567,250.32	293,260.03
<u>Commercial</u>					
Salaries and Wages		162,484.52	162,484.52		162,484.52
Other Expenses	6,037.50	40,267.74	46,305.24	7,364.22	38,941.02
<u>Capital Improvements</u>					
Capital Outlay	119,201.98	16,841.47	136,043.45	76,290.55	59,752.90
<u>Statutory Expenditures</u>					
Social Security System		27,500.00	27,500.00		27,500.00
	<u>\$ 565,773.88</u>	<u>\$ 815,346.93</u>	<u>\$ 1,381,120.81</u>	<u>\$ 663,918.05</u>	<u>\$ 717,202.76</u>
<u>Ref.</u>	D	D		D-5	D-1
			<u>Ref.</u>		
		Cash Disbursements	D-5	\$ 413,918.05	
		Transferred to Accounts Payable	D-9	250,000.00	
				<u>\$ 663,918.05</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

ACCRUED INTEREST ON BONDS  
YEAR ENDED DECEMBER 31, 2020

D-14

	<u>Ref.</u>	
Balance, December 31, 2019	D	\$ 93,697.92
Increased by:		
Budget Appropriation	D-4	253,339.59
		<u>347,037.51</u>
Decreased by:		
Payments	D-5	264,556.26
		<u>264,556.26</u>
Balance, December 31, 2020	D	<u>\$ 82,481.25</u>

Analysis of Balance

<u>Principal Outstanding Dec. 31, 2020</u>	<u>Interest Rate</u>	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
\$ 165,000.00	3.375%	9-01-20	12-31-20	4 Months	\$ 1,856.25
1,680,000.00	5.000%	7-01-20	12-31-20	6 Months	42,000.00
3,175,000.00	4.000%	10-01-20	12-31-20	3 Months	31,750.00
<u>550,000.00</u>	5.000%	10-01-20	12-31-20	3 Months	<u>6,875.00</u>
<u>\$ 5,570,000.00</u>					<u>\$ 82,481.25</u>

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

ACCRUED INTEREST ON NOTES  
YEAR ENDED DECEMBER 31, 2020

D-15

	<u>Ref.</u>	
Balance, December 31, 2019	D	\$ 1,106.29
Increased by:		
Budget Appropriation	D-4	<u>5,531.46</u>
		6,637.75
Decreased by:		
Payments	D-5	<u>6,637.75</u>
Balance, December 31, 2020	D	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

ACCRUED INTEREST ON LOANS  
YEAR ENDED DECEMBER 31, 2020

D-16

	<u>Ref.</u>	
Balance, December 31, 2019	D	\$ 7,989.58
Increased by:		
Budget Appropriation	D-4	8,968.69
		16,958.27
Decreased by:		
Payments	D-5	11,520.77
		11,520.77
Balance, December 31, 2020	D	\$ 5,437.50

Analysis of Balance

Principal Outstanding - Trust Dec. 31, 2020	Interest Rate	<u>Accrued</u>		<u>Period</u>	<u>Amount</u>
		<u>From</u>	<u>To</u>		
\$ 72,766.50	5.00%	8-01-20	12-31-20	5 Months	\$ 1,515.97
87,697.24	4.75%	8-01-20	12-31-20	5 Months	1,735.67
32,000.00	4.50%	8-01-20	12-31-20	5 Months	600.00
23,000.00	4.25%	8-01-20	12-31-20	5 Months	407.29
19,000.00	4.00%	8-01-20	12-31-20	5 Months	316.67
					4,575.60
				Add: Amount to be utilized in Subsequent Year's Budget	861.90
\$ 234,463.74					\$ 5,437.50

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

WATER OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2020

D-17

	<u>Ref.</u>	
Balance, December 31, 2019	D	\$ 47,237.54
Increased by:		
Collections	D-6	<u>39,546.76</u>
		86,784.30
Decreased by:		
Applied to Revenue	D-10	<u>47,237.54</u>
Balance, December 31, 2020	D	<u><u>\$ 39,546.76</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

WATER IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2020

D-18

<u>Improvement Description</u>	<u>Ordinance</u>			<u>Balance</u> <u>Dec. 31, 2019</u>		<u>Transfer</u> <u>Prior Year</u>	<u>2020</u>	<u>Paid</u>	<u>Encumbrances</u> <u>Payable</u>	<u>Balance</u> <u>Dec. 31, 2020</u>	
	<u>Number</u>	<u>Date</u>	<u>Amount</u>	<u>Funded</u>	<u>Unfunded</u>	<u>Encumbrances</u>	<u>Authorizations</u>			<u>Funded</u>	<u>Unfunded</u>
Various Water System Improvements	17-32	9/19/17	\$ 500,000.00	\$ 700.95		\$ 20,501.34		\$ 19,051.50		\$ 2,150.79	
Various Water System Improvements	19-16	4/24/19	2,375,000.00	1,936,820.00		390,194.28		436,928.32	\$ 407,728.77	1,482,357.19	
Various Water System Improvements	20-11	6/9/20	1,000,000.00				\$ 1,000,000.00	169,934.00	249,054.00	581,012.00	
				<u>\$ 1,937,520.95</u>	<u>\$ -</u>	<u>\$ 410,695.62</u>	<u>\$ 1,000,000.00</u>	<u>\$ 625,913.82</u>	<u>\$ 656,782.77</u>	<u>\$ 2,065,519.98</u>	<u>\$ -</u>
		<u>Ref.</u>		D	D		D-12	D-5	D	D	

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
WATER UTILITY

CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2020

D-19

	<u>Ref.</u>	
Balance, December 31, 2019	D	\$ 72,256.53
Increased by:		
Cash Receipt	D-5	<u>1,000,000.00</u>
		1,072,256.53
Decreased by:		
Applied to Improvement Authorizations	D-18, D-21	<u>1,000,000.00</u>
Balance, December 31, 2020	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, 2020

D-20

	<u>Ref.</u>		
Balance, December 31, 2019	D		\$ 34,839,773.89
Increased by:			
Budget Appropriation:			
Capital Outlay	D-4, D-11	\$ 91,117.40	
Deferred Charges	D-4	44,698.35	
Paydown of Bond Anticipation Notes	D-4, D-22	265,510.00	
N.J. Environmental Infrastructure Trust			
Loan Paid by Operating Budget	D-4, D-23	207,511.67	
N.J. Environmental Infrastructure Trust			
Serial Bonds Paid	D-4, D-24	<u>750,000.00</u>	
			<u>1,358,837.42</u>
Balance, December 31, 2020	D		<u><u>\$ 36,198,611.31</u></u>

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
WATER UTILITY

D-22

BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2020

Ordinance Number	Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2019	Decrease	Balance Dec. 31, 2020	
11-74	Various Water System Improvements	11-07-14 11-05-15	10-30-20	2.50 %	\$ 125,876.00	\$ 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	116,751.00 22,883.00	116,751.00 22,883.00		
					<u>\$ 265,510.00</u>	<u>\$ 265,510.00</u>	<u>\$ -</u>	
					<u>Ref.</u>	D	Below	D
Paid by Budget Appropriation					<u>Ref.</u> D-4, D-20	<u>\$ 265,510.00</u>		

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2020

D-23

	<u>Original Issue</u>		<u>Balance</u>	<u>Loan</u>	<u>Balance</u>
	<u>Date</u>	<u>Amount</u>	<u>December 31, 2019</u>	<u>Payments</u>	<u>December 31, 2020</u>
Trust Share	11-08-01	\$ 660,000.00	\$ 71,053.92	\$ 35,610.90	\$ 35,443.02
Fund Share	11-08-01	706,820.00	70,770.23	36,169.51	34,600.72
Trust Share	11-07-02	915,000.00	153,545.35	48,524.63	105,020.72
Fund Share	11-07-02	962,135.00	147,570.23	49,190.05	98,380.18
Trust Share	3-10-10	180,000.00	104,000.00	10,000.00	94,000.00
Fund Share	3-10-10	550,993.00	<u>237,702.05</u>	<u>28,016.58</u>	<u>209,685.47</u>
			<u>\$ 784,641.78</u>	<u>\$ 207,511.67</u>	<u>\$ 577,130.11</u>
	<u>Ref.</u>		D	D-20	D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
WATER UTILITY

SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2020

D-24

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Bonds Outstanding Dec. 31, 2020</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2019</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2020</u>	
			<u>Date</u>	<u>Amount</u>					
Water Improvements	3-01-11	\$ 1,065,000.00	3-01-21	\$ 165,000.00	3.375 %	\$ 265,000.00	\$ 100,000.00	\$ 165,000.00	
Water Improvements	3-01-14	2,580,000.00	1-01-21	260,000.00	5.00	1,925,000.00	245,000.00	1,680,000.00	
			1-01-22/23	235,000.00	5.00				
			1-01-24/26	240,000.00	5.00				
			1-01-27	230,000.00	5.00				
Water Refunding	8-15-16	2,155,000.00	10-01-21/25	280,000.00	4.00	1,905,000.00	235,000.00	1,670,000.00	
			10-01-26	270,000.00	4.00				
Water Improvements	9-02-18	2,385,000.00	4-01-21	180,000.00	4.00	2,225,000.00	170,000.00	2,055,000.00	
			4-01-22	220,000.00	4.00				
			4-01-23/24	250,000.00	4.00				
			4-01-25	250,000.00	5.00				
			4-01-26	300,000.00	5.00				
			4-01-27	300,000.00	4.00				
			4-01-28	305,000.00	4.00				
						<u>\$ 6,320,000.00</u>	<u>\$ 750,000.00</u>	<u>\$ 5,570,000.00</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, 2020

D-25

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance December 31, 2019</u>	<u>Funded by Budget Appropriation</u>	<u>Balance December 31, 2020</u>
12-73	Various Water Improvements	\$ 344.12	\$ 344.12	
14-20	Various Water Improvements	44,354.23	44,354.23	
		<u>\$ 44,698.35</u>	<u>\$ 44,698.35</u>	<u>\$ -</u>
<u>Ref.</u>	D		D-4, D-20	D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

CASH RECEIPTS, DISBURSEMENTS  
TREASURER  
YEAR ENDED DECEMBER 31, 2020

E-5

	Ref.	<u>Operating Fund</u>		<u>Capital Fund</u>
Balance, December 31, 2019	E	\$ 2,356,027.21		\$ 996,194.49
Increased by Receipts:				
Interest on Deposits	E-3	\$ 3,161.32		
Collector	E-6	7,501,520.84		
Capital Improvement Fund	E-21		\$ 1,025,000.00	
Reserve for Amortization	E-22		169,058.88	
		<u>7,504,682.16</u>		<u>1,194,058.88</u>
		9,860,709.37		2,190,253.37
Decreased by Disbursements:				
Budget Appropriations	E-4	7,269,108.40		
Appropriation Reserves	E-13	21,238.05		
Accrued Interest on Loans	E-16	9,292.09		
Improvement Authorizations	E-18		595,824.91	
		<u>7,299,638.54</u>		<u>595,824.91</u>
Balance, December 31, 2020	E	<u>\$ 2,561,070.83</u>		<u>\$ 1,594,428.46</u>

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR  
YEAR ENDED DECEMBER 31, 2020

E-6

	<u>Ref.</u>	
Increased by:		
Miscellaneous Revenue	E-3	\$ 181,491.02
Sanitary Sewer Connection Reservoir Ridge	E-3	70,817.26
Consumer Accounts Receivable	E-10	7,231,736.23
Sewer Overpayments	E-14	<u>17,476.33</u>
		<u>7,501,520.84</u>
Decreased by:		
Turnovers to Treasurer	E-5	<u>7,501,520.84</u>
		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

CHANGE FUNDS  
YEAR ENDED DECEMBER 31, 2020

E-7

	<u>Ref.</u>	
Balance, December 31, 2020 and 2019	E	<u>\$ 200.00</u>

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

ANALYSIS OF CAPITAL CASH  
YEAR ENDED DECEMBER 31, 2020

E-8

	Balance Dec. 31, 2019	Receipts Other	Disbursements Improvement Authorizations	Transfers		Balance Dec. 31, 2020
				From	To	
<u>Improvement Authorizations</u>						
General Improvements:						
#14-19	\$ (169,058.88)	\$ 169,058.88				
#17-35	62,353.05		\$ 4,211.70	\$ 11,825.00		\$ 46,316.35
#19-31	784,500.00		591,613.21		\$ 11,947.50	204,834.29
#20-10				6,491.61	950,000.00	943,508.39
<u>Other Accounts</u>						
Fund Balance	180,962.67				5,875.00	186,837.67
Encumbrance Payable	16,937.65			11,947.50	12,441.61	17,431.76
Capital Improvement Fund	120,500.00	1,025,000.00		950,000.00		195,500.00
	<u>\$ 996,194.49</u>	<u>\$ 1,194,058.88</u>	<u>\$ 595,824.91</u>	<u>\$ 980,264.11</u>	<u>\$ 980,264.11</u>	<u>\$ 1,594,428.46</u>
<u>Ref.</u>	E	E-21, E-22	E-18			E

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

ENVIRONMENTAL INFRASTRUCTURE LOAN RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020

E-9

	<u>Ref.</u>	
Balance, December 31, 2019	E	\$ 126,502.00
Decreased by:		
Cancellations	E-15	126,502.00
Balance, December 31, 2020	E	\$ -

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

CONSUMER ACCOUNTS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020

E-10

	<u>Ref.</u>		
Balance, December 31, 2019	E		\$ 948,310.89
Increased by:			
Sewer Charges Levied - Net	Reserve		7,673,446.37
			8,621,757.26
Decreased by:			
Collections	E-6	\$ 7,231,736.23	
Overpayments Applied	E-14	23,157.38	
		7,254,893.61	
Balance, December 31, 2020	E		\$ 1,366,863.65

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

E-11

FIXED CAPITAL  
YEAR ENDED DECEMBER 31, 2020

	<u>Ref.</u>	
Balance, December 31, 2020 and 2019	E	<u>\$ 5,383,474.09</u>

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
YEAR ENDED DECEMBER 31, 2020

E-12

Ordinance Number	Description	Balance Dec. 31, 2019	2020 Authorizations	Canceled	Balance Dec. 31, 2020
17-35	Various Sewer System Improvements	\$ 1,950,000.00		\$ 132,377.00	\$ 1,817,623.00
19-31	Various Sewer System Improvements	800,000.00			800,000.00
20-10	Various Sewer System Improvements		\$ 950,000.00		950,000.00
		<u>\$ 2,750,000.00</u>	<u>\$ 950,000.00</u>	<u>\$ 132,377.00</u>	<u>\$ 3,567,623.00</u>
<u>Ref.</u>		E	E-18	E-18	E

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2020

E-13

	Balance Dec. 31, 2019		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Unencumbered			
<u>Operating:</u>					
Salary and Wages		\$ 109,403.43	\$ 109,403.43	\$ 3,994.58	\$ 105,408.85
Other Expenses	\$ 38,083.28	37,100.42	75,183.70	17,243.47	57,940.23
<u>Capital:</u>					
Capital Outlay		19,055.72	19,055.72		19,055.72
	\$ 38,083.28	\$ 165,559.57	\$ 203,642.85	\$ 21,238.05	\$ 182,404.80
<u>Ref.</u>	E	E	E	E-5	E-1



TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

E-14

SEWER OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2020

	<u>Ref.</u>	
Balance, December 31, 2019	E	\$ 23,157.38
Increased by:		
Collections	E-6	<u>17,476.33</u>
		40,633.71
Decreased by:		
Applied to Sewer Rents	E-10	<u>23,157.38</u>
Balance, December 31, 2020	E	<u><u>\$ 17,476.33</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE  
INTERIM FINANCING PAYABLE  
YEAR ENDED DECEMBER 31, 2020

E-15

	<u>Ref.</u>		
Balance, December 31, 2019	E		\$ 1,950,000.00
Decreased by:			
Transfer to Loan Payable	E-19	\$ 1,817,623.00	
Transfer Excess Funds to Capital Surplus	E-2	5,875.00	
Cancellations	E-9	126,502.00	
	E-17	126,502.00	
			1,950,000.00
Balance, December 31, 2020	E		\$ -

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

ACCRUED INTEREST ON LOANS  
YEAR ENDED DECEMBER 31, 2020

E-16

	<u>Ref.</u>	
Balance, December 31, 2019	E	\$ 2,848.44
Increased by:		
Budget Appropriation	E-4	15,305.11
		18,153.55
Decreased by:		
Payments	E-5	9,292.09
		9,292.09
Balance, December 31, 2020	E	\$ 8,861.46

Analysis of Balance

Interest on Loans Due Feb. 1,	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 48,491.00	5.00%	8/1/2020	12/31/2020	5 months	\$ 1,010.23
42,196.00	4.50%	8/1/2020	12/31/2020	5 months	791.18
28,097.00	4.250%	8/1/2020	12/31/2020	5 months	497.55
29,012.00	4.00%	8/1/2020	12/31/2020	5 months	483.53
147,796.00					2,782.49

Interest on Loans Due Feb. 1,	Interest Rate	Accrued		Period	Amount
		From	To		
105,000.00	5.00%	8/1/2020	12/31/2020	5 months	2,187.50
15,000.00	4.00%	8/1/2020	12/31/2020	5 months	250.00
170,000.00	3.000%	8/1/2020	12/31/2020	5 months	2,125.00
20,000.00	2.750%	8/1/2020	12/31/2020	5 months	229.17
50,000.00	2.625%	8/1/2020	12/31/2020	5 months	546.88
30,000.00	2.50%	8/1/2020	12/31/2020	5 months	312.50
30,000.00	2.375%	8/1/2020	12/31/2020	5 months	296.88
15,000.00	2.250%	8/1/2020	12/31/2020	5 months	140.63
15,000.00	2.125%	8/1/2020	12/31/2020	5 months	132.81
450,000.00					6,221.35

Amount to be utilized in Subsequent Year's Budget (142.38)

<u>\$ 597,796.00</u>		<u>\$ 8,861.46</u>
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TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2020

E-17

Ordinance Number	Improvement Description	Balance Dec. 31, 2019	New Jersey Infrastructure Loans Issued/Canceled	Funded by Budget Appropriation	Balance Dec. 31, 2020
14-19	Various Sewer System Improvements	\$ 169,058.88		\$ 169,058.88	\$ -
17-35	Various Sewer System Improvements	1,950,000.00	\$ 1,950,000.00		
		<u>\$ 2,119,058.88</u>	<u>\$ 1,950,000.00</u>	<u>\$ 169,058.88</u>	<u>\$ -</u>
<u>Ref.</u>		E	E-15	E-4	E

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY

E-18

SEWER IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2020

Improvement Description	Ordinance			Balance Dec. 31, 2019		Transfer Prior Year Encumbrances	2020 Authorizations	Paid	Canceled	Encumbrances Payable	Balance Dec. 31, 2020	
	Number	Date	Amount	Funded	Unfunded						Funded	Unfunded
Various Sewer System Improvements	17-35	10-24-17	\$ 2,600,000.00		\$ 188,855.05	\$ 1,437.65		\$ 4,211.70	\$ 132,377.00	\$ 7,387.65	\$ 46,316.35	\$ -
Various Sewer System Improvements	19-31	9-24-19	800,000.00	\$ 784,500.00		15,500.00		591,613.21		3,552.50	204,834.29	
Various Sewer System Improvements	20-10	6-09-20	950,000.00				\$ 950,000.00			6,491.61	943,508.39	
				<u>\$ 784,500.00</u>	<u>\$ 188,855.05</u>	<u>\$ 16,937.65</u>	<u>\$ 950,000.00</u>	<u>\$ 595,824.91</u>	<u>\$ 132,377.00</u>	<u>\$ 17,431.76</u>	<u>\$ 1,194,659.03</u>	<u>\$ -</u>
			<u>Ref.</u>	E	E	E	E-12	E-5	E-12	E	E	E

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

ENVIRONMENTAL INFRASTRUCTURE LOAN PAYABLE  
YEAR ENDED DECEMBER 31, 2020

E-19

	<u>Ref.</u>	
Balance, December 31, 2019	E	\$ 634,242.00
Increased by:		
Loan Issued	E-26	<u>1,817,623.00</u>
		2,451,865.00
Decreased by:		
Loan Payments	E-22	\$ 79,836.59
Loan Principal Savings Credits	E-22	<u>7,204.00</u>
		<u>87,040.59</u>
Balance, December 31, 2020	E	<u><u>\$ 2,364,824.41</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

DEFERRED RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2020

E-20

Ordinance Number	Improvement Description	Balance Dec. 31, 2019	Increase	Balance Dec. 31, 2020
19-31	Various Sewer System Improvements	\$ 800,000.00		\$ 800,000.00
20-10	Various Sewer System Improvements		\$ 950,000.00	950,000.00
		<u>\$ 800,000.00</u>	<u>\$ 950,000.00</u>	<u>\$ 1,750,000.00</u>
<u>Ref.</u>		E	E-21	E

TOWNSHIP OF MONTCLAIR  
SEWER UTILITY FUND

CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2020

E-21

	<u>Ref.</u>		
Balance, December 31, 2019	E		\$ 120,500.00
Increased by:			
Cash Receipt	E-4		1,025,000.00
			1,145,500.00
Decreased by:			
Applied to Improvement Authorization	E-18, E-20		950,000.00
Balance, December 31, 2020	E		\$ 195,500.00

RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2020

E-22

	<u>Ref.</u>		
Balance, December 31, 2019	E		\$ 4,580,173.21
Increased by:			
Budget Appropriation			
Deferred Charges	E-4	\$ 169,058.88	
Payment of Loans	E-19	79,836.59	
N.J. Environmental Infrastructure Trust			
Loan Principal Savings Credits	E-19	7,204.00	
			256,099.47
Balance, December 31, 2020	E		\$ 4,836,272.68

See accompanying notes to financial statements.



TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION -  
TREASURER  
YEAR ENDED DECEMBER 31, 2020

F-4

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance, December 31, 2019	F	\$ 2,981,629.96	\$ 1,547,706.60
Increased by Receipts:			
Meter Fees	F-2	\$ 801,777.51	
Miscellaneous Revenue	F-2	289,809.67	
Permit Fees	F-2	1,151,766.38	
Transient Fees	F-2	472,722.00	
Capital Improvement Fund	F-12		\$ 250,000.00
Reserve for Crescent Parking Deck	F-16		6,250.00
		<u>2,716,075.56</u>	<u>256,250.00</u>
		5,697,705.52	1,803,956.60
Decreased by Disbursements:			
Budget Appropriations	F-3	2,791,800.34	
Appropriation Reserves	F-9	113,261.93	
Accrued Interest on Bonds	F-10	544,023.06	
Improvement Authorizations	F-14		110,742.81
		<u>3,449,085.33</u>	<u>110,742.81</u>
Balance, December 31, 2020	F	<u>\$ 2,248,620.19</u>	<u>\$ 1,693,213.79</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

ANALYSIS OF CAPITAL CASH  
DECEMBER 31, 2020 AND 2019

F-5

	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
Improvement Authorizations	\$ 1,001,914.83	\$ 319,854.30
<u>Other Accounts</u>		
Capital Improvement Fund	9,000.00	459,000.00
Fund Balance	50,000.00	50,000.00
Encumbrances Payable	13,548.96	106,352.30
Reserve for Midtown Parking Deck	600,000.00	600,000.00
Reserve for Crescent Parking Deck	18,750.00	12,500.00
	<u>\$ 1,693,213.79</u>	<u>\$ 1,547,706.60</u>
<u>Ref.</u>	F-4	F-4

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

SERIAL BONDS  
YEAR ENDED DECEMBER 31, 2020

F-6  
Sheet # 1

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding Dec. 31, 2020		Interest Rate	Balance Dec. 31, 2019	Decrease	Balance Dec. 31, 2020
			Date	Amount				
Refunding	7-1-14	\$ 12,030,000.00	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, 2020

F-6  
Sheet # 2

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding Dec. 31, 2020		Interest Rate	Balance Dec. 31, 2019	Decrease	Balance Dec. 31, 2020
			Date	Amount				
Refunding	7-1-14	\$ 1,820,000.00	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			
						\$ 12,455,000.00	\$ 470,000.00	\$ 11,985,000.00
					<u>Ref.</u>	F	F-11	F

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

FIXED CAPITAL  
DECEMBER 31, 2020

F-7

	Balance Dec. 31, 2019	Balance Dec. 31, 2020
Construction of Various Parking Decks	\$ 16,720,856.80	\$ 16,720,856.80
<u>Ref.</u>	F	F

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
DECEMBER 31, 2020

F-8

	<u>Ref.</u>		
Balance, December 31, 2019	F	\$	981,000.00
Increased by:			
Improvement Authorization	F-14		700,000.00
Balance, December 31, 2020	F	\$	1,681,000.00

<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
Various Parking Improvements	20-09		700,000.00
		\$	1,681,000.00

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2020

F-9

	Balance Dec. 31, 2019		Balance After Transfers	Paid or Charged	Balance Lapsed
	Committed	Reserved			
<u>Operating</u>					
Salaries and Wages		\$ 155,376.00	\$ 155,376.00	\$ 7,537.25	\$ 147,838.75
Other Expenses	\$ 218,609.37	171,326.17	389,935.54	105,724.68	284,210.86
	218,609.37	326,702.17	545,311.54	113,261.93	432,049.61
<u>Statutory Expenditures</u>					
Public Employees' Retirement System		9,388.39	9,388.39		9,388.39
	\$ 218,609.37	\$ 336,090.56	\$ 554,699.93	\$ 113,261.93	\$ 441,438.00
<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, 2020

F-10  
Sheet # 1

	<u>Ref.</u>	
Balance, December 31, 2019	F	\$ 276,526.28
Increased by:		
Budget Appropriation	F-3	534,993.56
		811,519.84
Decreased by:		
Payments	F-4	544,023.06
		544,023.06
Balance, December 31, 2020	F	\$ 267,496.78

Analysis of Balance

Bonds Outstanding	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 3,445,000.00	5.000%	7/1/2020	12/31/2020	6 Months	\$ 86,125.00
585,000.00	3.375%	7/1/2020	12/31/2020		9,871.88
610,000.00	3.500%	7/1/2020	12/31/2020		10,675.00
1,280,000.00	3.625%	7/1/2020	12/31/2020		23,200.00
1,375,000.00	3.750%	7/1/2020	12/31/2020		25,781.25
3,165,000.00	5.000%	7/1/2020	12/31/2020		79,125.00
10,460,000.00					234,778.13

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

ACCRUED INTEREST ON BONDS  
YEAR ENDED DECEMBER 31, 2020

F-10  
Sheet # 2

Bonds Outstanding Dec. 31, 2020	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 65,000.00	3.110%	7/1/2020	12/31/2020	6 Months	\$ 1,010.75
70,000.00	3.324%	7/1/2020	12/31/2020		1,163.40
65,000.00	3.524%	7/1/2020	12/31/2020		1,145.30
70,000.00	3.674%	7/1/2020	12/31/2020		1,285.90
410,000.00	4.324%	7/1/2020	12/31/2020		8,864.20
845,000.00	4.556%	7/1/2020	12/31/2020		19,249.10
<u>1,525,000.00</u>					<u>32,718.65</u>
<u>\$ 11,985,000.00</u>					<u>\$ 267,496.78</u>



TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2020

F-11

	<u>Ref.</u>	
Balance, December 31, 2019	F	\$ 4,265,856.80
Increased by:		
Serial Bonds Paid by Operating Budget:		
Current Year	F-6	<u>470,000.00</u>
Balance, December 31, 2020	F	<u>\$ 4,735,856.80</u>

CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2020

F-12

	<u>Ref.</u>	
Balance, December 31, 2019	F	\$ 459,000.00
Increased by:		
Cash Receipt	F-4	<u>250,000.00</u>
		709,000.00
Decreased by:		
Applied to Improvement Authorizations	F-13, F-14	<u>700,000.00</u>
Balance, December 31, 2020	F	<u>\$ 9,000.00</u>

DEFERRED RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2020

F-13

	<u>Ref.</u>	
Balance, December 31, 2019	F	\$ 981,000.00
Increased by:		
Improvement Authorizations	F-12	<u>700,000.00</u>
Balance, December 31, 2020	F	<u>\$ 1,681,000.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2020

F-14

Improvement Description	Number	Ordinance		Balance	Transfer	2020	Paid	Encumbrances	Balance
		Date	Amount	Dec. 31, 2019	Prior Year				Dec. 31, 2020
				Funded	Encumbrances	Authorizations		Payable	Funded
Various Parking Improvements	16-23	6-15-16	\$ 185,000.00	\$ 13,813.30					\$ 13,813.30
Various Parking Improvements	17-33	9-19-17	350,000.00	40,182.03					40,182.03
Various Parking Improvements	19-15	4-23-19	146,000.00	38,291.10	\$ 106,352.30		\$ 108,039.70	\$ 13,548.96	23,054.74
Various Parking Improvements	19-25	7-23-19	300,000.00	227,567.87					227,567.87
Various Parking Improvements	20-09	6-09-20	700,000.00			\$ 700,000.00	2,703.11		697,296.89
				<u>\$ 319,854.30</u>	<u>\$ 106,352.30</u>	<u>\$ 700,000.00</u>	<u>\$ 110,742.81</u>	<u>\$ 13,548.96</u>	<u>\$ 1,001,914.83</u>
		<u>Ref.</u>		F	F	F-8	F-4	F	F

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

RESERVE FOR MIDTOWN PARKING DECK  
YEAR ENDED DECEMBER 31, 2020

F-15

	<u>Ref.</u>	
Balance, December 31, 2020 and 2019	F	<u>\$ 600,000.00</u>

RESERVE FOR CRESCENT PARKING DECK  
YEAR ENDED DECEMBER 31, 2020

F-16

	<u>Ref.</u>	
Balance, December 31, 2019	F	\$ 12,500.00
Increased by:		
Capital Contributions:		
Herod	F-4	<u>6,250.00</u>
Balance, December 31, 2020	F	<u>\$ 18,750.00</u>

TOWNSHIP OF MONTCLAIR  
PARKING UTILITY

INTERFUNDS RECEIVABLE  
YEAR ENDED DECEMBER 31, 2020

F-17

	<u>Ref.</u>	<u>Parking Utility Operating Fund Current Fund</u>
Balance, December 31, 2019	F	\$ -
Increased by:		
Allocation of PTAS Tickets	F-2	<u>148,913.25</u>
Balance, December 31, 2020	F	<u>\$ 148,913.25</u>

See accompanying notes to financial statements.

PART III  
REPORT ON INTERNAL CONTROL AND  
OTHER MATTERS  
SINGLE AUDIT ATTACHMENTS  
YEAR ENDED DECEMBER 31, 2020

**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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), 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, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated August 5, 2021 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 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 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 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  
August 5, 2021

*David J. Gannon*

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



## **Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance**

### **Independent Auditors' Report**

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

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

We have audited the Township of Montclair's, County of Essex, New Jersey ("Township") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Township's major federal programs for the year ended December 31, 2020. The Township's major federal 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 statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the Township's major federal 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, and 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*"). Those standards and the Uniform Guidance, 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 the major federal program 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 each major federal program. However, our audit does not provide a legal determination of the Township's compliance.

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

In our opinion, the Township complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

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

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## 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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of 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 program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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. Accordingly, this report is not suitable for any other purposes.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
August 5, 2021

*David J. Gannon*

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

**TOWNSHIP OF MONTCLAIR  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	State Program Code	Grant Period		Revised Budget	Cash Receipts	Current Year Expenditures	Passed-Through To Sub- Recipients	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	7/1/2015	Completion	\$ 1,620,732.70	\$ 95,920.00	\$ 242,106.57	\$ -	\$ 954,194.27
Coronavirus CARES Act	14.218	Not available	3/1/2020	9/30/2021	104,807.00	104,807.00			
Total U.S. Department of Housing and Urban Development						<u>200,727.00</u>	<u>242,106.57</u>		<u>954,194.27</u>
Direct Program:									
Section 8 Housing Choice Voucher Program	14.871	Not available	1/1/2019	12/31/2019	2,568,496.00	182,338.00			2,568,496.00
Section 8 Housing Choice Voucher Program	14.871	Not available	1/1/2020	12/31/2020	2,775,681.00	2,749,207.00	2,775,681.00		2,775,681.00
Total Direct Program						<u>2,931,545.00</u>	<u>2,775,681.00</u>		<u>5,344,177.00</u>
U.S. Department of Environmental Protection:									
Passed 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		2,105.85		1,206,959.50
U.S. Department of Justice:									
Passed Through New Jersey Department of Law and Public Safety:									
Bulletproof Vest Partnership Program	16.607	Not available	1/1/2018	Completion	6,944.00	6,944.00	1,002.15		6,944.00
Bulletproof Vest Partnership Program	16.607	Not available	1/1/2019	Completion	8,179.90	3,437.28	5,411.13		5,411.13
Total U.S. Department of Justice						<u>10,381.28</u>	<u>6,413.28</u>		<u>12,355.13</u>
U.S. Department of Homeland Security:									
Assistance to Firefighters	97.044	Not available	1/1/2003	Completion	19,300.10				6,696.62
FEMA - Snow Storm Quinn	97.036	Not available	1/1/2018	12/31/2018	303,725.28	123,115.28			303,725.28
FEMA - COVID 19	97.036	Not available	1/1/2020	12/31/2021	82,663.15	82,663.15	82,663.15		82,663.15
Hazard Mitigation- Generator	97.039	Not available	7/1/2015	Completion	192,000.00	192,000.00			192,000.00
Hazard Mitigation- Generator	97.039	Not available	7/1/2018	6/30/2020	16,110.00	16,110.00			
Total U.S. Department of Homeland Security						<u>413,888.43</u>	<u>82,663.15</u>		<u>578,388.43</u>
U.S. Department of Treasury:									
Coronavirus Relief Fund	21.019	Not available	7/1/2020	12/31/2020	1,571,211.38	1,022,254.98	1,571,211.38	125,000.00	1,571,211.38
U.S. Department of Labor--Passed-Through State:									
CARES Act DOL Unemployment Grant (NC)	17.000	Not available	4/1/2020	6/30/2020	40,927.90	40,927.90	40,927.90		40,927.90
U.S. Department of Health and Human Services--Passed-Through State:									
Administration for Community Living									
CARES Act Title III B Special Programs for the Aging COVID-19	93.044	07-240-51	4/1/2020	12/31/2020	50,000.00		32,084.00		32,084.00
Total Expenditures of Federal Awards						<u>\$ 4,619,724.59</u>	<u>\$ 4,753,193.13</u>	<u>\$ 125,000.00</u>	<u>\$ 9,789,670.31</u>

(NC) - Non-cash expenditures and award

See the accompanying notes to the schedule of expenditures of federal awards

**Montclair Township**  
**Montclair, NJ**  
**Program Balance Sheet Summary**

**Submission Type: Single Audit**

**Fiscal Year Ended December 31, 2020**

	14.871 Housing Choice Vouchers	Total
111 Cash - Unrestricted	\$ 24,169	\$ 24,169
112 Cash - Restricted - Modernization and Development	-	-
113 Cash - Other Restricted	321,776.00	321,776.00
100 Total Cash	345,945.00	345,945.00
120 Total Receivables, Net of Allowances for Doubtful Accounts	-	-
150 Total Current Assets	345,945.00	345,945.00
164 Furniture, Equipment & Machinery - Administration	30,718.00	30,718.00
166 Accumulated Depreciation	(30,718.00)	(30,718.00)
160 Total Capital Assets, Net of Accumulated Depreciation	-	-
180 Total Non-Current Assets	-	-
290 Total Assets and Deferred Outflow of Resources	345,945.00	345,945.00
311 Bank Overdraft	5,158.00	5,158.00
348 Loan Liability - Current	104,807.00	104,807.00
310 Total Current Liabilities	109,965.00	109,965.00
350 Total Non-Current Liabilities	-	-
300 Total Liabilities	109,965.00	109,965.00
511.4 Restricted Net Position	216,969.00	216,969.00
512.4 Unrestricted Net Position	19,011.00	19,011.00
513 Total Equity - Net Assets / Position	235,980.00	235,980.00
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$ 345,945.00	\$ 345,945.00

Reconciliation of Net Position to Balance Sheet at Schedule B Ref.

Reserve for Encumbrances	B-13	\$	9,326.95
Accounts Payable	B-13		5,157.35
Unearned Revenues CARES Act	B-13a		104,807.00
Reserve for Section 8 Voucher Program	B-13		226,653.24
Above		\$	345,944.54

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

**Fiscal Year End December 31, 2020**

	14.871 Housing Choice Vouchers	Total
	\$	\$
70500 Total Tenant Revenue	-	-
70600 HUD PHA Operating Grants	2,647,367.00	2,647,367.00
71100 Investment Income - Unrestricted	261.00	261.00
71400 Fraud Recovery	10,942.00	10,942.00
71500 Other Revenue	168,168.00	168,168.00
72000 Investment Income - Restricted	-	-
70000 Total Revenue	2,826,738.00	2,826,738.00
91100 Administrative Salaries	209,636.00	209,636.00
91200 Auditing Fees	-	-
91300 Management Fee	-	-
91310 Book-keeping Fee	-	-
91400 Advertising and Marketing	-	-
91500 Employee Benefit contributions - Administrative	25,000.00	25,000.00
91600 Office Expenses	116,625.00	116,625.00
91700 Legal Expense	-	-
91800 Travel	1,747.00	1,747.00
91810 Allocated Overhead	-	-
91900 Other	16,211.00	16,211.00
91000 Total Operating - Administrative	369,219.00	369,219.00
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	-	-
93000 Total Utilities	-	-
94000 Total Maintenance	-	-
95000 Total Protective Services	-	-
96100 Total insurance Premiums	-	-
96000 Total Other General Expenses	-	-
96700 Total Interest Expense and Amortization Cost	-	-
96900 Total Operating Expenses	369,219.00	369,219.00
97000 Excess of Operating Revenue over Operating Expenses	2,457,519.00	2,457,519.00
97100 Extraordinary Maintenance	-	-
97200 Casualty Losses - Non-capitalized	-	-
97300 Housing Assistance Payments	2,253,299.00	2,253,299.00
97350 HAP Portability-In	153,163.00	153,163.00
90000 Total Expenses	2,775,681.00	2,775,681.00
10100 Total Other financing Sources (Uses)	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	51,057.00	51,057.00
11020 Required Annual Debt Principal Payments	-	-
11030 Beginning Equity	184,923.00	184,923.00
11040 Prior Period Adjustments, Equity Transfers and Correction	-	-
11170 Administrative Fee Equity	19,011.00	19,011.00
11180 Housing Assistance Payments Equity	\$ 216,969.00	\$ 216,969.00
11190 Unit Months Available	3852	3852
11210 Number of Unit Months Leased	2486	2486

## TOWNSHIP OF MONTCLAIR

### Notes to Schedules of Expenditures of Federal Awards

December 31, 2020

1. **General**

The accompanying schedule of expenditures of federal awards presents the activity of all federal 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 awards that passed through other governmental agencies are included on the schedule of expenditures of federal awards.

2. **Basis of Accounting**

The accompanying schedule of expenditures of federal awards 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 is presented in accordance with the OMB Uniform Guidance.

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

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal 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, 2020**

**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(a) 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
21.019	Coronavirus Relief Fund

**TOWNSHIP OF MONTCLAIR**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED DECEMBER 31, 2020**

**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, 2020**

**Part III – Schedule of Federal 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, 2020**

**Part IV – Prior Year Audit Findings**

No prior year findings were noted.

PART IV  
ROSTER OF OFFICIALS  
COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2020

**TOWNSHIP OF MONTCLAIR**

**OFFICIALS IN OFFICE AND REPORT ON SURETY BONDS**

The following officials were in office on December 31, 2020:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
<u>Township Council</u>		
Sean M. Spiller	Mayor	\$
William L. Hurlock, Esq	Deputy Mayor	
Lori Price Abrams	Councilor	
David Cummings	Councilor	
Robert J. Russo	Councilor	
Robin Schlager	Councilor	
Peter Yacobellis	Councilor	
 <u>Other Officials</u>		
Timothy Stafford	Township Manager	
Padmaja Rao	Chief Financial Officer	*1,000,000
Christopher Macaluso	Comptroller	*1,000,000
Angelese Bermudes Nieves	Municipal Clerk	
Lidia Leszcynski	Collector of Taxes, Water Rents And Sewer Charges	*1,000,000
Gary Obszarny	Director of Water, Sewer & Parking 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, 2020**

**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 \$44,000.00 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 \$6,600.00 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 2020, in the sum of \$16,535.42 are summarized as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 16,535.42

A tax sale was held on October 28, 2020 and was complete, except for small remaining balances.

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

<u>Year</u>	<u>Number of Liens</u>
2020	7
2019	7
2018	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.

### **Other**

Finding 2020-001:

During our audit we noted that the official minutes of the Township's Council meetings were not presented to Council for approval on a timely basis, however, recordings of the minutes were provided on the Township's website as they occurred.

We suggest that the Township's Council meetings be approved on a monthly basis to ensure timely access of public records.

### **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 not required as there were no audit findings in the December 31, 2019 audit.

### **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. During our tested we noted a number of instances in which deposits were not deposited within 48 hours of receipt, however, these occurred during the COVID-19 pandemic, which experienced building closures that made it difficult to deposit within 48 hours.

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 2020.

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**

2020-001 - We suggest that the Township's Council meetings be approved on a monthly basis to ensure timely access of public records.



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  
August 5, 2021

*David J. Gannon*

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