



Montclair

**TOWNSHIP OF MONTCLAIR
ESSEX COUNTY, NEW JERSEY**

**REPORT OF AUDIT
YEARS ENDED DECEMBER 31, 2022 and 2021**

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**TOWNSHIP OF MONTCLAIR
ESSEX COUNTY, NEW JERSEY**

PART I
REPORT ON EXAMINATION
REGULATORY BASIS FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 and 2021



Independent Auditors' Report

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

Report on the Audit of the Regulatory Basis Financial Statements

Opinions on Regulatory Basis Financial Statements

We have audited the regulatory basis financial statements of the various funds and the governmental fixed assets of the Township of Montclair, County of Essex, New Jersey ("Township") which comprise the balance sheets as of December 31, 2022 and 2021, 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, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying regulatory basis financial statements present fairly, in all material respects, the regulatory basis balance sheets of the Township as of December 31, 2022 and 2021, and the regulatory basis revenues, expenditures, and changes in fund balances for the years then ended, the statement of changes in fund balance, the statements of revenue and statements of expenditures of the utility funds for the year ended December 31, 2022 and the related notes to the financial statements, in accordance with the financial reporting provisions of the Department of Community Affairs, Division of Local Government Services, State of New Jersey ("Division") described in Note 1 to the financial statements.

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 section of our report, the financial statements 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, 2022 and 2021, or its revenues, expenditures, and changes in fund balance thereof for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"), requirements described by the Division, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards and requirements are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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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 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division (regulatory basis), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division. 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 and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division. 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.

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

Auditors' Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, requirements prescribed by the Division, and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

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We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information Required by the Division in Accordance with the Regulatory Basis of Accounting

Our audit was conducted for the purpose of forming a opinions on the financial statements that collectively comprise the Township's basic financial statements. The information included in Part II – Supplementary Information Required by the Division and Part IV – Comments and Recommendations, 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 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 schedule of federal awards 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, and related notes are 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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Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2023 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
November 22, 2023

David J. Gannon

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

TOWNSHIP OF MONTCLAIR
CURRENT AND GRANT FUNDS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

A
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Current Fund</u>			
Cash and Cash Equivalents	A-4	\$ 41,759,744.87	\$ 37,003,348.31
Change Funds	A-6	855.00	855.00
		<u>41,760,599.87</u>	<u>37,004,203.31</u>
Due from State of New Jersey: (Ch. 129, P.L. 1976)	A-8	250.00	
		<u>41,760,849.87</u>	<u>37,004,203.31</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes			
Receivable	A-9	2,258,186.28	2,566,882.82
Tax Title Liens	A-10	317,151.27	292,593.21
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	143,946.63	93,337.15
Revenue Accounts Receivable	A-14	148,271.40	80,029.46
Interfunds Receivable			200,000.00
		<u>3,192,955.58</u>	<u>3,558,242.64</u>
		<u>44,953,805.45</u>	<u>40,562,445.95</u>
<u>Grant Fund</u>			
Cash	A-4	3,477,254.54	2,831,833.79
Grants Receivable	A-15	882,666.68	733,349.90
		<u>4,359,921.22</u>	<u>3,565,183.69</u>
		<u>\$ 49,313,726.67</u>	<u>\$ 44,127,629.64</u>

TOWNSHIP OF MONTCLAIR
CURRENT AND GRANT FUNDS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

A
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Current Fund</u>			
Appropriated Reserves:			
Encumbered	A-3, A-19	\$ 2,211,440.14	\$ 1,748,198.18
Unencumbered	A-3, A-19	4,346,449.05	5,802,544.54
Due to State of New Jersey	A-20	38,702.00	22,878.00
Due to State of New Jersey: (Ch. 129, P.L. 1976)			750.00
Accounts Payable	A-22	853,542.94	560,295.92
Interfunds Payable	A-25	8,777.00	
Payment in Lieu of Taxes - Overpayments	A-23	5,467.34	14,891.41
Tax Overpayments	A-24	92,535.98	419,829.49
County Taxes Payable	A-26	124,229.23	110,010.52
School Taxes Payable	A-27	13,994,435.00	12,764,057.00
Prepaid Taxes	A-29	1,182,303.67	1,475,121.07
Reserve for Municipal Relief Fund	A-18	154,773.68	
Prepaid PILOTS	A-29	21,690.60	33,787.99
		<u>23,034,346.63</u>	<u>22,952,364.12</u>
Reserve for Receivables	Reserve	3,192,955.58	3,558,242.64
Fund Balance	A-1	18,726,503.24	14,051,839.19
		<u>44,953,805.45</u>	<u>40,562,445.95</u>
 <u>Grant Fund</u>			
Appropriated Reserves for Federal and State Grants			
State Grants	A-30	984,903.77	1,433,637.60
Reserve for Encumbrances	A-30	699,300.45	40,367.02
Unappropriated Grant Reserves	A-21	2,675,717.00	2,091,179.07
		<u>4,359,921.22</u>	<u>3,565,183.69</u>
		<u>\$ 49,313,726.67</u>	<u>\$ 44,127,629.64</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, 2022 AND 2021

A-1

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 6,700,000.00	\$ 9,450,000.00
Miscellaneous Revenue Anticipated	A-2	19,226,115.73	16,095,955.96
Receipts from Delinquent Taxes	A-2c	2,301,769.21	2,592,193.70
Receipts from Current Taxes	A-2c	233,783,165.49	228,188,064.87
Nonbudget Revenue	A-2d	1,593,433.42	1,179,867.98
Other Credits to Income:			
Cancellation of Accounts Payable			250,000.00
Interfunds Receivable Liquidated	A-16	200,000.00	
Unexpended Balance of Appropriation			
Reserves	A-19	5,928,428.57	4,270,850.17
Cancellation of PILOT Overpayment	A-23	9,424.07	
Refunds	A-4	136,044.63	644.01
Cancellation of Tax Overpayment Balances	A-24	123,383.84	207,582.29
Cancellation of Grant Balances	A-30	117,816.96	
Total Income		270,119,581.92	262,235,158.98
<u>Expenditures</u>			
Budget Appropriations	A-3	92,236,703.99	91,696,540.98
Prior Year Senior Citizen Deductions			
Disallowed by Tax Collector	A-8	1,500.00	750.00
Grant Receivables Cancelled	A-15	112,257.00	8,828.61
County Taxes	A-26	39,941,376.89	38,895,046.28
Local School District Tax	A-27	125,498,569.00	123,037,813.00
Special Improvement District Tax	A-28	953,614.03	665,760.00
Miscellaneous	A-1	896.96	
Interfunds Advanced			200,000.00
Total Expenditures		258,744,917.87	254,504,738.87
Excess Revenue / Statutory Excess to Fund Balance		11,374,664.05	7,730,420.11
<u>Fund Balance</u>			
Balance, Beginning of Year	A	14,051,839.19	15,771,419.08
		25,426,503.24	23,501,839.19
Decreased by:			
Utilized as Anticipated Revenue	A-1, A-2	6,700,000.00	9,450,000.00
Balance, End of Year	A	\$ 18,726,503.24	\$ 14,051,839.19

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

A-2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	A-1	\$ 6,700,000.00	\$ 6,700,000.00	
Miscellaneous Revenue	A-1, 2a	17,252,014.38	19,226,115.73	\$ 1,974,101.35
Receipts from Delinquent Taxes	A-1, 2c	2,500,000.00	2,301,769.21	(198,230.79)
		<u>26,452,014.38</u>	<u>28,227,884.94</u>	<u>1,775,870.56</u>
Sub-Total General Revenue				
Amounts to be Raised by Taxation:				
Local Tax for Municipal Purposes	A-9	58,014,756.06		
Minimum Library Tax	A-9	8,192,000.00		
Addition to Local District School Tax	A-9	2,867,267.00		
	A-2c	<u>69,074,023.06</u>	<u>70,675,431.57</u>	<u>1,601,408.51</u>
Total General Revenue	A-3	95,526,037.44	98,903,316.51	3,377,279.07
Nonbudget Revenue	A-2d		<u>1,593,433.42</u>	<u>1,593,433.42</u>
		<u>\$ 95,526,037.44</u>	<u>\$ 100,496,749.93</u>	<u>\$ 4,970,712.49</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF MISCELLANEOUS REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

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	\$ 63,250.00	\$ 6,250.00
Other Licenses	A-2b	99,000.00	269,906.75	170,906.75
Fees and Permits	A-2b	657,000.00	760,354.94	103,354.94
Registration/Summons Fees for Foreclosed Properties	A-14	143,000.00	119,000.00	(24,000.00)
Fines and Costs:				
Municipal Court	A-14	1,140,000.00	1,151,793.38	11,793.38
Interest and Cost on Taxes	A-14	800,000.00	764,000.70	(35,999.30)
Interest on Investments and Deposits	A-14	17,000.00	336,245.63	319,245.63
Energy Receipts Tax	A-14	2,967,066.00	2,967,066.00	
Uniform Construction Code Fees	A-14	1,200,000.00	1,541,297.00	341,297.00
Interlocal Government Services:				
Fire Services - Glen Ridge	A-14	925,738.00	925,738.00	
School Resources Officer Board of Education	A-14	140,000.00	148,350.77	8,350.77
Interlocal - Health - Verona	A-14	82,004.00	86,104.00	4,100.00
Interlocal - Health - Nutley	A-14	47,180.00	47,180.00	
Interlocal - Health - Cedar Grove	A-14	68,444.00	72,552.00	4,108.00
State and Federal Revenues Offset with Appropriations:				
Body Armor Replacement Fund	A-15	4,458.13	4,458.13	
Pedestrian Safety Grant 1st half	A-15	30,000.00	30,000.00	
Bicycle & School Bus Safety Grant 1st half	A-15	18,000.00	18,000.00	
MILL 2022 Grant	A-15	30,000.00	30,000.00	
Click It or Ticket	A-15	10,500.00	10,500.00	
Pedestrian Safety 2nd Half	A-15	30,000.00	30,000.00	
Distracted Driving Grant	A-15	12,250.00	12,250.00	
2022 Safe & Secure Grant	A-15	32,400.00	32,400.00	
Visiting Nurses Grant	A-15	14,561.00	14,561.00	
Recycling Grant	A-15	40,040.27	40,040.27	
FOMTAS Grant	A-15	18,000.00	18,000.00	
Hate Crimes Grant	A-15	300,000.00	300,000.00	
Strengthening LPHCP 2022 Grant	A-15	274,735.00	274,735.00	
MCIA Grant 7/1/22 - 6/30/23	A-15	19,704.00	19,704.00	
Childhood Lead Program Grant	A-15	127,507.00	127,507.00	
BVP award	A-15	13,615.20	13,615.20	
2022 Clean Communities Grant	A-15	73,165.47	73,165.47	
2022 NJEDA HDSRF - 399 Orange Rd Grant	A-15	35,280.00	35,280.00	
2022 OEM Grant	A-15	10,000.00	10,000.00	
2021 Comcast	A-15	5,000.00	5,000.00	
2021 Alcohol Education Rehab Grant	A-15	3,790.38	3,790.38	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF MISCELLANEOUS REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

A-2a
Sheet # 2

	Ref.	Budget	Realized	Excess or (Deficit)
<u>Miscellaneous Revenue</u>				
Other Special Items:				
Pilot - Union Gardens	A-14	\$ 110,000.00	\$ 110,000.00	
Pilot - Walnut St.	A-14	162,000.00	176,137.95	\$ 14,137.95
Pilot- Montclair Sr Housing (Orange Rd)	A-14	96,817.19	120,385.15	23,567.96
Pilot - Lackawanna Plaza	A-14	164,000.00	161,447.00	(2,553.00)
Pilot - Pine Ridge of Montclair	A-14	24,454.95	26,304.60	1,849.65
Pilot - Centro Verde (MAP - Garage)	A-14	61,271.53	59,898.58	(1,372.95)
Pilot - Siena	A-14	1,155,621.70	1,144,069.00	(11,552.70)
Pilot - 11 Elm Street	A-14		3,910.70	3,910.70
Pilot - Herod Redevelopment	A-14	97,390.94	97,537.07	146.13
Pilot - 11 Pine St	A-14	325,000.00	244,706.59	(80,293.41)
Pilot - Home Corp (55 Glen Ridge Ave.)	A-14	3,306.00	2,571.48	(734.52)
Pilot - Centro Verde	A-14	1,249,328.18	1,490,673.13	241,344.95
Pilot - HP Orange 2013 (Hotel)	A-14		705,685.15	705,685.15
Pilot - Wellmont (East)	A-14	735,000.00	607,603.09	(127,396.91)
Pilot - Wellmont (West)	A-14	115,000.00	224,431.15	109,431.15
Capital Fund Surplus	A-14	100,000.00	100,000.00	
Alarm Registration Fees - Burglar/Fire	A-14	100,000.00	105,756.75	5,756.75
Cable TV Franchise Fees	A-14	461,290.44	461,290.44	
Hotel Tax	A-14	160,000.00	297,397.63	137,397.63
Penalty on Delinquent Tax-\$10,000 & Over	A-14	120,000.00	125,617.24	5,617.24
Rear Yard Refuse Collection	A-14	10,000.00	32,025.00	22,025.00
Reserve to pay Debt Service	A-14	1,051,095.00	1,051,095.00	
Towing Contract - Police	A-14	4,000.00		(4,000.00)
American Recovery Act	A-14	1,200,000.00	1,200,000.00	
Police & Fire Off Duty Fees:				
Admin. Fees	A-14	125,000.00	129,291.91	4,291.91
Cruiser Fees	A-14	175,000.00	192,435.50	17,435.50
Total Miscellaneous Revenue	A-1, A-2	\$ 17,252,014.38	\$ 19,226,115.73	\$ 1,974,101.35

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

A-2b

	<u>Ref.</u>		
<u>Other Licenses</u>			
Township Clerk	A-14	\$ 268,840.75	
Health Department	A-14	<u>1,066.00</u>	
	A-2a		<u>\$ 269,906.75</u>
 <u>Other Fees and Permits</u>			
Township Clerk	A-14	\$ 165,030.00	
Health Officer	A-14	35,626.00	
Planning Board	A-14	11,373.00	
Housing and Zoning	A-14	13,470.00	
Recreation	A-14	389,730.00	
Police	A-14	8,960.92	
Collector	A-14	70.00	
Board of Adjustment	A-14	13,462.50	
Public Works	A-14	86,088.52	
Animal Shelter	A-14	16,034.00	
Construction Code	A-14	<u>20,510.00</u>	
	A-2a		<u>\$ 760,354.94</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, 2022

A-2c

Ref.

<u>Receipts from Delinquent Taxes</u>			
Collections of Delinquent Taxes			
2022 Collections:			
Taxes	A-1, A-2, A-9, A-10		<u>\$ 2,301,769.21</u>
 <u>Allocation of Current Tax Collections</u>			
Collection of Current Taxes:			
2022 Collections	A-1, A-2, A-9	\$ 232,246,294.42	
2021 Collections	A-1, A-2, A-9	1,475,121.07	
Due from State of New Jersey	A-8, A-9	61,750.00	
	A-1		<u>\$ 233,783,165.49</u>
 Allocated to:			
County Taxes	A-1,A-26	39,941,376.89	
Local School District Taxes	A-1,A-27	125,498,569.00	
Special Improvement District Taxes	A-1,A-28	953,614.03	
			<u>166,393,559.92</u>
			<u>67,389,605.57</u>
 Plus: Appropriation for "Reserve for Uncollected Taxes"			
	A-3		<u>3,285,826.00</u>
 Realized for Support of Municipal Budget			
	A-2		<u>\$ 70,675,431.57</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, 2022

A-2d

	<u>Ref.</u>	
Salvation Army Rent (68 N Full.)	\$ 4,000.00	
FEMA - Tropical Storm Isaias	331,687.05	
Cellular Lease (Wireless Edge)	77,566.78	
Lease Payments	144,666.31	
Mobile Food Vendor	23,701.00	
Copies	321.15	
NSF Returned Check Charge	2,440.00	
Miscellaneous	197,751.36	
Vending Machine Commissions	1,424.70	
Special Charges (Tax Office)	6,926.42	
Cost of Sales	12,200.59	
Prior Year Pilots	737,741.77	
Redemption of Lien	2,070.62	
Copies of Hearing Tapes	20.00	
Rent Control	45,920.00	
Fee for Dumpster	625.00	
Div of Motor Veh. Inspec. Fines	400.67	
Special Program - Food Handler	<u>3,970.00</u>	
	A-1, 2, 4	<u>\$ 1,593,433.42</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

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	\$ 49,000.84		\$ 99.16	
Other Expenses	45,200.00	45,200.00	11,774.58	\$ 4,251.43	29,173.99	
Township and Manager:						
Salaries and Wages	456,923.30	456,923.30	431,224.38		25,698.92	
Other Expenses	232,220.00	212,220.00	134,344.64	24,173.42	53,701.94	
Human Resources						
Salaries and Wages	169,507.91	69,507.91	40,996.96		28,510.95	
Other Expenses	164,230.00	164,230.00	113,153.99	25,393.42	25,682.59	
Information Technology						
Salaries and Wages	126,120.20	126,120.20	123,120.30		2,999.90	
Other Expenses	475,000.00	515,000.00	387,757.96	112,468.87	14,773.17	
Township Clerk:						
Salaries and Wages	159,550.80	189,550.80	171,004.15		18,546.65	
Other Expenses	34,450.00	34,450.00	20,132.09	7,364.16	6,953.75	
Election Expenses:						
Salaries and Wages	3,082.50	3,082.50	2,074.56		1,007.94	
Other Expenses	50,000.00	90,000.00	66,217.10	2,226.30	21,556.60	
Township Attorney:						
Salaries and Wages	278,095.79	278,095.79	244,722.62		33,373.17	
Other Expenses	326,500.00	481,500.00	207,828.97	192,347.66	81,323.37	
Municipal Court:						
Salaries and Wages	682,091.50	682,091.50	595,585.30		86,506.20	
Other Expenses	68,579.00	68,579.00	55,179.23	4,283.02	9,116.75	
Postage:						
Other Expenses	50,000.00	50,000.00	48,260.90	845.75	893.35	
	<u>3,370,651.00</u>	<u>3,515,651.00</u>	<u>2,702,378.57</u>	<u>373,354.03</u>	<u>439,918.40</u>	<u>-</u>
<u>FINANCE DEPARTMENT</u>						
Administration:						
Salaries and Wages	117,376.40	117,376.40	115,838.10		1,538.30	
Other Expenses	46,850.00	46,850.00	17,345.66	11,082.10	18,422.24	
Accounting and Treasury:						
Salaries and Wages	255,979.75	255,979.75	199,075.31		56,904.44	
Other Expenses	74,100.00	54,100.00	26,349.04	10,025.62	17,725.34	
Tax Assessor:						
Salaries and Wages	351,921.94	351,921.94	346,386.17		5,535.77	
Other Expenses:	267,525.00	337,525.00	247,909.57	16,224.78	73,390.65	
Tax Collector:						
Salaries and Wages	225,610.17	225,610.17	182,740.58		42,869.59	
Other Expenses	46,080.00	46,080.00	28,310.87	2,329.92	15,439.21	
Auditing:						
Other Expenses	42,500.00	42,500.00	33,200.00		9,300.00	
	<u>1,427,943.26</u>	<u>1,477,943.26</u>	<u>1,197,155.30</u>	<u>39,662.42</u>	<u>241,125.54</u>	<u>-</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

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	\$ 353,230.03	\$ 353,230.03	\$ 341,349.21		\$ 11,880.82	
Other Expenses	73,150.00	73,150.00	33,122.74	\$ 28,249.77	11,777.49	
Planning Board:						
Other Expenses	51,100.00	51,100.00	29,033.29	15,012.82	7,053.89	
Board of Adjustment:						
Other Expenses	17,100.00	17,100.00	9,450.47	4,528.52	3,121.01	
Rent Control Administration						
Salaries and Wages	71,166.67	71,166.67	13,306.71		57,859.96	
Other Expenses	53,833.33	53,833.33	9,040.42	578.42	44,214.49	
	<u>619,580.03</u>	<u>619,580.03</u>	<u>435,302.84</u>	<u>48,369.53</u>	<u>135,907.66</u>	<u>-</u>
<u>DEPARTMENT OF ADMINISTRATION AND CODE</u>						
<u>ENFORCEMENT & ENVIRONMENT</u>						
Salaries and Wages	443,672.67	443,672.67	367,324.89		76,347.78	
Other Expenses	87,550.00	87,550.00	30,149.12	23,130.70	34,270.18	
	<u>531,222.67</u>	<u>531,222.67</u>	<u>397,474.01</u>	<u>23,130.70</u>	<u>110,617.96</u>	<u>-</u>
<u>POLICE DEPARTMENT</u>						
Salaries and Wages	16,182,805.36	15,832,805.36	15,378,394.45		454,410.91	
ATB Service Police PD&Fire Alarm	55,000.00	55,000.00	14,965.92	22,584.75	17,449.33	
Other Expenses	519,131.84	519,131.84	324,891.29	142,275.48	51,965.07	
	<u>16,756,937.20</u>	<u>16,406,937.20</u>	<u>15,718,251.66</u>	<u>164,860.23</u>	<u>523,825.31</u>	<u>-</u>
<u>FIRE DEPARTMENT</u>						
Salaries and Wages	10,078,823.33	9,673,823.33	9,673,823.33			
Other Expenses	288,300.00	288,300.00	161,795.68	125,826.60	677.72	
	<u>10,367,123.33</u>	<u>9,962,123.33</u>	<u>9,835,619.01</u>	<u>125,826.60</u>	<u>677.72</u>	<u>-</u>
<u>PUBLIC WORKS DEPARTMENT</u>						
Community Services Administration:						
Salaries and Wages	824,313.91	824,313.91	814,335.41		9,978.50	
Other Expenses	10,325.00	10,325.00	5,228.44	38.42	5,058.14	
Engineering:						
Other Expenses	200,850.00	200,850.00	187,284.35		13,565.65	
Street Repairs and Maintenance:						
Salaries and Wages	416,768.21	416,768.21	306,015.83		110,752.38	
Other Expenses	28,625.00	28,625.00	9,049.56	16,144.44	3,431.00	
Storm Sewers Repairs and Maintenance						
Salaries and Wages	218,534.35	218,534.35	202,525.15		16,009.20	
Other Expenses	12,250.00	12,250.00	9,697.30	519.35	2,033.35	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

A-3
Sheet # 3

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Canceled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>PUBLIC WORKS DEPARTMENT</u>						
Refuse Collection and Disposal:						
Salaries and Wages	\$ 1,217,964.60	\$ 1,217,964.60	\$ 1,077,587.87		\$ 140,376.73	
Other Expenses	30,650.00	30,650.00	7,963.42	\$ 9,011.87	13,674.71	
Storm Clearance:						
Salaries and Wages	100,000.00	100,000.00	33,884.98		66,115.02	
Other Expenses	200,000.00	200,000.00	162,459.14	37,540.86		
Traffic:						
Salaries and Wages	181,648.34	181,648.34	160,193.27		21,455.07	
Other Expenses	58,750.00	58,750.00	28,296.43	4,275.49	26,178.08	
Central Garage Operation:						
Salaries and Wages	225,933.01	225,933.01	207,377.95		18,555.06	
Other Expenses	291,100.00	326,100.00	249,724.63	72,426.71	3,948.66	
Building Maintenance:						
Salaries and Wages	136,960.13	136,960.13	133,278.40		3,681.73	
Other Expenses	263,800.00	293,800.00	203,331.79	66,435.31	24,032.90	
Parks Maintenance:						
Salaries and Wages	367,074.51	367,074.51	327,198.10		39,876.41	
Other Expenses	145,000.00	145,000.00	105,273.20	24,730.28	14,996.52	
Shade Trees:						
Salaries and Wages	225,694.24	225,694.24	213,073.02		12,621.22	
Other Expenses	157,500.00	127,500.00	36,787.17	64,592.12	26,120.71	
	<u>5,313,741.30</u>	<u>5,348,741.30</u>	<u>4,480,565.41</u>	<u>295,714.85</u>	<u>572,461.04</u>	<u>-</u>
<u>PARKS, RECREATION AND CULTURAL AFFAIRS DEPARTMENT</u>						
Recreation Program:						
Salaries and Wages	569,878.24	519,878.24	426,848.18		93,030.06	
Other Expenses	136,340.00	136,340.00	56,677.85	8,477.52	71,184.63	
	<u>706,218.24</u>	<u>656,218.24</u>	<u>483,526.03</u>	<u>8,477.52</u>	<u>164,214.69</u>	<u>-</u>
<u>HEALTH AND HUMAN SERVICES DEPARTMENT</u>						
Health Services:						
Salaries and Wages	716,401.60	646,401.60	520,879.16		125,522.44	
Other Expenses	132,818.00	128,818.00	113,119.13	1,717.31	13,981.56	
Nursing Services:						
Salaries and Wages	286,080.22	286,080.22	278,963.84		7,116.38	
Other Health Dept.						
Other Expenses	-	4,000.00	1,500.83	539.00	1,960.17	
Senior Services:						
Salaries and Wages	198,573.88	148,573.88	138,585.55		9,988.33	
Other Expenses	153,050.00	153,050.00	134,934.49	644.28	17,471.23	
Animal Control:						
Salaries and Wages	434,658.52	434,658.52	408,936.14		25,722.38	
Other Expenses	102,335.00	102,335.00	79,682.60	18,936.84	3,715.56	
	<u>2,023,917.22</u>	<u>1,903,917.22</u>	<u>1,676,601.74</u>	<u>21,837.43</u>	<u>205,478.05</u>	<u>-</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

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>						
<u>Unemployment Compensation Insurance:</u>						
Other Expenses	\$ 50,000.00					
Refuse Tipping Fees:						
Other Expenses	1,488,987.44	\$ 1,488,987.44	\$ 1,068,564.66	\$ 255,537.66	\$ 164,885.12	
Mandatory Recycling Act:						
Salaries and Wages	1,169,978.40	1,169,978.40	1,082,338.26		87,640.14	
Other Expenses	500,000.00	500,000.00	414,014.91	84,105.09	1,880.00	
Montclair Early Childhood Corporation:						
Other Expenses	278,000.00	278,000.00	278,000.00			
Operating Lease - Ladder Truck	212,575.53	212,575.53	212,575.53			
Accumulated Absenses	200,000.00	200,000.00	200,000.00			
Celebration of Special Events	15,000.00	15,000.00	7,391.16	7,608.84		
	<u>3,914,541.37</u>	<u>3,864,541.37</u>	<u>3,262,884.52</u>	<u>347,251.59</u>	<u>254,405.26</u>	<u>-</u>
Insurances:						
Liability Insurance	1,500,000.00	1,700,000.00	1,477,456.38	22,950.01	199,593.61	
Health Benefit Waiver	235,000.00	235,000.00	160,319.35		74,680.65	
Employee Group Insurance	6,010,000.00	6,110,000.00	5,372,409.35	77,351.26	660,239.39	
	<u>7,745,000.00</u>	<u>8,045,000.00</u>	<u>7,010,185.08</u>	<u>100,301.27</u>	<u>934,513.65</u>	<u>-</u>
<u>SPECIAL PROGRAMS AND ACTIVITIES</u>						
<u>Parks, Recreation and Cultural Affairs:</u>						
Other Expenses	142,500.00	142,500.00	75,590.58	20,389.29	46,520.13	
	<u>142,500.00</u>	<u>142,500.00</u>	<u>75,590.58</u>	<u>20,389.29</u>	<u>46,520.13</u>	<u>-</u>
<u>UNIFORM CONSTRUCTION CODE -</u>						
<u>APPROPRIATIONS OFFSET BY</u>						
<u>DEDICATED REVENUES (N.J.A.C.</u>						
<u>5:23-4.17)</u>						
Salaries and Wages	925,475.82	925,475.82	882,852.37		42,623.45	
Other Expenses	21,725.00	21,725.00	7,179.45	3,200.23	11,345.32	
	<u>947,200.82</u>	<u>947,200.82</u>	<u>890,031.82</u>	<u>3,200.23</u>	<u>53,968.77</u>	<u>-</u>
<u>UNCLASSIFIED</u>						
<u>Emergency Assistance Coalition:</u>						
<u>Other Expenses</u>						
<u>Utilities:</u>						
Gasoline	225,000.00	340,000.00	259,976.10	79,628.08	395.82	
Fuel - Diesel	225,000.00	325,000.00	237,367.18	87,632.82		
Electricity	450,000.00	590,000.00	414,893.02	66,733.14	108,373.84	
Telephone	300,000.00	300,000.00	162,531.66	108,250.71	29,217.63	
Natural Gas	140,000.00	140,000.00	109,266.42	6,952.01	23,781.57	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

A-3
Sheet # 5

Appropriation	Appropriations		Paid or Charged	Reserved		Balance Canceled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>UNCLASSIFIED</u>						
Utilities:						
Street Lighting	\$ 425,000.00	\$ 515,000.00	\$ 326,436.48		\$ 188,563.52	
Building Maintenance	100,000.00	100,000.00	53,905.35	\$ 5,662.50	40,432.15	
Copier Lease	30,000.00	30,000.00	16,169.59	4,822.57	9,007.84	
	<u>1,895,000.00</u>	<u>2,340,000.00</u>	<u>1,580,545.80</u>	<u>359,681.83</u>	<u>399,772.37</u>	
Total Operations Within CAPS	<u>55,761,576.44</u>	<u>55,761,576.44</u>	<u>49,746,112.37</u>	<u>1,932,057.52</u>	<u>4,083,406.55</u>	<u>-</u>
<u>CONTINGENT</u>						
Total Operations Within CAPS	<u>55,761,576.44</u>	<u>55,761,576.44</u>	<u>49,746,112.37</u>	<u>1,932,057.52</u>	<u>4,083,406.55</u>	<u>-</u>
Detail:						
Salaries	36,638,747.50	35,793,747.50	34,174,878.69	644.28	1,618,224.53	
Other Expenses	19,122,828.94	19,967,828.94	15,571,233.68	1,931,413.24	2,465,182.02	
	<u>55,761,576.44</u>	<u>55,761,576.44</u>	<u>49,746,112.37</u>	<u>1,932,057.52</u>	<u>4,083,406.55</u>	
<u>STATUTORY EXPENDITURES</u>						
Contributions to:						
Public Employees' Retirement System of N.J.	1,581,439.24	1,581,439.24	1,530,098.63		51,340.61	
Social Security System (OAS)	1,350,000.00	1,350,000.00	1,261,220.65		88,779.35	
Police and Firemen's Retirement System of N.J.	7,038,534.81	7,038,534.81	7,038,534.81		-	
Defined Contribution Retirement Plan	52,500.00	52,500.00	38,154.84		14,345.16	
	<u>10,022,474.05</u>	<u>10,022,474.05</u>	<u>9,868,008.93</u>	<u>-</u>	<u>154,465.12</u>	<u>-</u>
Total Statutory Expenditures	<u>10,022,474.05</u>	<u>10,022,474.05</u>	<u>9,868,008.93</u>	<u>-</u>	<u>154,465.12</u>	<u>-</u>
Total Appropriations Within "CAPS"	<u>65,784,050.49</u>	<u>65,784,050.49</u>	<u>59,614,121.30</u>	<u>1,932,057.52</u>	<u>4,237,871.67</u>	<u>-</u>
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>OTHER OPERATIONS</u>						
Maintenance of Free Public Library	3,382,267.00	3,382,267.00	3,382,267.00		-	
	<u>3,382,267.00</u>	<u>3,382,267.00</u>	<u>3,382,267.00</u>	<u>-</u>	<u>-</u>	<u>-</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

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)						
Salaries and Wages	\$ 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	925,738.00	925,738.00	\$ 925,738.00			
Interlocal Nursing Services - BOE						
Salaries and Wages	140,000.00	140,000.00	140,000.00			
Interlocal Government Health Service Contract:						
Salaries and Wages	150,448.00	150,448.00	150,448.00			
Interlocal Nursing Services - Nutley						
Salaries and Wages	47,180.00	47,180.00	47,180.00			
	<u>1,263,366.00</u>	<u>1,263,366.00</u>	<u>1,263,366.00</u>	<u>-</u>	<u>-</u>	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES		-				
Pedestrian Safety Grant 1st half	30,000.00	30,000.00	30,000.00			
Bicycle & School Bus Safety Grant 1st half	18,000.00	18,000.00	18,000.00			
Safe and Secure Grant	32,400.00	32,400.00	32,400.00			
BJA FY 21 Matthew Shepard and James Byrd, Jr.	300,000.00	300,000.00	300,000.00			
Body Armor Replacement Fund	4,458.13	4,458.13	4,458.13			
BVP award	13,615.20	13,615.20	13,615.20			
Federal Emergency Management Grant	10,000.00	10,000.00	10,000.00			
NJEDA HDSRF - 399 Orange Rd Grant	35,280.00	35,280.00	35,280.00			
Visiting Nurses Grant	14,561.00	14,561.00	14,561.00			
DEDR-Municipal Alliance grant	19,704.00	19,704.00	19,704.00			
MILL Program Grant	30,000.00	30,000.00	30,000.00			
Click It or Ticket		10,500.00	10,500.00			
Pedestrian Safety 2nd Half		30,000.00	30,000.00			
Distracted Driving Grant		12,250.00	12,250.00			
Strengthening LPHCP 2022 Grant		274,735.00	274,735.00			
Childhood Lead Program Grant		127,507.00	127,507.00			
2022 Clean Communities Grant		73,165.47	73,165.47			
2021 Comcast		5,000.00	5,000.00			
2021 Alcohol Education Rehab Grant		3,790.38	3,790.38			
FOMTAS Grant	18,000.00	18,000.00	18,000.00			
Recycling Grant	40,040.27	40,040.27	40,040.27			
	<u>566,058.60</u>	<u>1,103,006.45</u>	<u>1,103,006.45</u>	<u>-</u>	<u>-</u>	<u>-</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

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"	\$ 5,288,691.60	\$ 5,825,639.45	\$ 5,748,639.45	-	\$ 77,000.00	-
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	1,100,000.00	1,100,000.00	1,100,000.00			
Acquisition of Computer & Equipment & Police Vehicles	320,000.00	320,000.00	9,040.00	\$ 279,382.62	31,577.38	
	<u>1,420,000.00</u>	<u>1,420,000.00</u>	<u>1,109,040.00</u>	<u>279,382.62</u>	<u>31,577.38</u>	<u>-</u>
<u>DEBT SERVICE</u>						
Payment of Bond Principal	7,820,000.00	7,820,000.00	7,820,000.00			
Interest on Bonds	1,927,000.00	1,927,000.00	1,926,518.33			\$ 481.67
Loan Repayments-Downtown Business Improvement District	32,666.67	32,666.67	32,666.67			
Green Trust Loan Program:						
Loan Repayments for Principal	41,150.00	41,150.00	41,150.00			
Loan Repayments for Interest	1,300.00	1,300.00	1,247.40			52.60
Environmental Trust - Principal	52,500.00	52,500.00	51,065.17			1,434.83
Environmental Trust - Interest	4,500.00	4,500.00	3,011.63			1,488.37
	<u>9,879,116.67</u>	<u>9,879,116.67</u>	<u>9,875,659.20</u>	<u>-</u>	<u>-</u>	<u>3,457.47</u>
<u>DEFERRED CHARGES</u>						
Payment of Unfunded Improvement Authorizations						
Ord. #16-32	75,350.82	75,350.82	75,350.82			
Ord. #17-23	12,959.01	12,959.01	12,959.01			
	<u>88,309.83</u>	<u>88,309.83</u>	<u>88,309.83</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FOR LOCAL SCHOOL DISTRICT PURPOSES</u>						
Type I School District Debt Service:						
Payment of Bond Principal	6,120,000.00	6,120,000.00	6,120,000.00			
Interest on Bonds	2,072,000.00	2,072,000.00	2,071,950.02			49.98
Deferred Charges & Statutory Expenditures - Local School Capital Project for Land, Building, or Equip.	1,051,095.00	1,051,095.00	1,051,095.00			
	<u>9,243,095.00</u>	<u>9,243,095.00</u>	<u>9,243,045.02</u>	<u>-</u>	<u>-</u>	<u>49.98</u>
Total Appropriations Excluded from "CAPS"	<u>25,919,213.10</u>	<u>26,456,160.95</u>	<u>26,064,693.50</u>	<u>279,382.62</u>	<u>108,577.38</u>	<u>3,507.45</u>
Sub-total Appropriations	91,703,263.59	92,240,211.44	85,678,814.80	2,211,440.14	4,346,449.05	3,507.45
Reserve for Uncollected Taxes	<u>3,285,826.00</u>	<u>3,285,826.00</u>	<u>3,285,826.00</u>			
Total Appropriations	<u>\$ 94,989,089.59</u>	<u>\$ 95,526,037.44</u>	<u>\$ 88,964,640.80</u>	<u>\$ 2,211,440.14</u>	<u>\$ 4,346,449.05</u>	<u>\$ 3,507.45</u>
Ref.		A-3 Sheet 8	A-3 Sheet 8	A	A	

TOWNSHIP OF MONTCLAIR
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

A-3
Sheet # 8

	<u>Ref.</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>
Adopted Budget	A-2	\$ 94,989,089.59	
Added by N.J.S.A. 40A:4-87	A-2	536,947.85	
Total Modified Budget	A-3	<u>95,526,037.44</u>	
Reserve for Uncollected Taxes	A-2c	(3,285,826.00)	\$ 3,285,826.00
Cash Disbursements	A-4		84,501,394.78
Reserve for Grant Expenditures	A-30		1,103,006.45
Accounts Payable	A-22		74,413.57
Canceled	A-3 Sh. 7	<u>(3,507.45)</u>	
	A-1	<u>\$ 92,236,703.99</u>	<u>\$ 88,964,640.80</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

B
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Assessment Trust Fund</u>			
Cash - Checking	B-2	\$ 31,184.95	\$ 29,585.86
Assessments Receivable	B-16	3,738.15	5,337.24
		<u>34,923.10</u>	<u>34,923.10</u>
 <u>Animal Control Trust Fund</u>			
Cash - Checking	B-2	<u>151,196.47</u>	<u>155,174.78</u>
 <u>General Trust Fund</u>			
Cash - General	B-2	11,621,269.60	10,199,534.06
Cash - State Unemployment Insurance	B-2	555,705.57	538,256.70
Cash - Section 8 Housing	B-2	164,437.28	58,502.80
Cash - Forfeited Assets	B-2	37,652.78	41,479.80
Accounts Receivable - Section 8 Housing			24,377.20
Due from General Capital Fund	B-18	425,000.00	
Due from Current Fund	B-18	8,777.00	
Due from County of Essex - Community Development Block Grant Programs	B-6	599,726.80	629,916.50
		<u>13,412,569.03</u>	<u>11,492,067.06</u>
 <u>Payroll Account</u>			
Cash	B-2	<u>392,334.95</u>	<u>381,079.92</u>
		<u>\$ 13,991,023.55</u>	<u>\$ 12,063,244.86</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

B
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Assessment Trust Fund</u>			
Reserve for Assessments and Assessment Liens	B-17	\$ 3,738.15	\$ 5,337.24
Fund Balance	B-1	<u>31,184.95</u>	<u>29,585.86</u>
		<u>34,923.10</u>	<u>34,923.10</u>
<u>Animal Control Trust Fund</u>			
Due to State of New Jersey	B-8	13.20	12.60
Reserve for:			
Animal Shelter Expenditures	B-14	126,718.27	129,100.38
Animal Control Trust Fund Expenditures	B-7	<u>24,465.00</u>	<u>26,061.80</u>
		<u>151,196.47</u>	<u>155,174.78</u>
<u>General Trust Fund</u>			
Special Deposits	B-9	11,684,942.77	10,020,051.65
Accounts Payable	B-5, B-13	104,311.00	10,318.72
Encumbrances Payable	B-9, B-12, B-13	534,237.85	269,193.61
Reserve for:			
Community Development Block Grant	B-12	435,592.78	540,205.30
Section 8 Voucher Program	B-13	60,126.28	72,561.28
Police Forfeiture Expenditures	B-4	37,652.78	41,479.80
State Unemployment Trust Fund Expenditures	B-11	<u>555,705.57</u>	<u>538,256.70</u>
		<u>13,412,569.03</u>	<u>11,492,067.06</u>
<u>Payroll Account</u>			
Payroll Deductions and Other Payables	B-15	388,634.89	377,014.02
Flexible Spending Account	B-10	<u>3,700.06</u>	<u>4,065.90</u>
		<u>392,334.95</u>	<u>381,079.92</u>
		<u>\$ 13,991,023.55</u>	<u>\$ 12,063,244.86</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

STATEMENT OF FUND BALANCE
ASSESSMENT TRUST
YEAR ENDED DECEMBER 31, 2022

B-1

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ 29,585.86
Increased by:		
Cash Receipts	B-2	<u>1,599.09</u>
Balance, December 31, 2022	B	<u><u>\$ 31,184.95</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

C

ASSETS AND DEFERRED CHARGES

	Ref.	<u>2022</u>	<u>2021</u>
Cash - Checking	C-2	\$ 158,867.05	\$ 3,952,194.07
Grants Receivable	C-4	746,263.36	1,152,256.61
Deferred Charges to Future Taxation:			
Funded	C-5	102,170,457.53	116,235,326.18
Unfunded	C-6	<u>18,644,058.51</u>	<u>12,689,456.59</u>
		<u>\$ 121,719,646.45</u>	<u>\$ 134,029,233.45</u>

LIABILITIES, RESERVES AND FUND BALANCE

General Serial Bonds	C-15	\$ 52,770,000.00	\$ 60,590,000.00
School Serial Bonds	C-14	48,815,000.00	54,935,000.00
Environmental Infrastructure Loan Payable	C-9	104,089.42	155,154.59
Interfunds Payable	C-9a	425,000.00	
Green Acres Loans Payable	C-12	318,034.81	359,171.62
Business District Loan Payable	C-13	163,333.30	195,999.97
Encumbrances Payable	C-7	2,127,857.32	1,631,363.16
Improvement Authorizations:			
Funded	C-7	1,891,400.08	1,660,568.09
Unfunded	C-7	13,149,149.97	11,860,309.11
Capital Improvement Fund	C-8	840,582.83	140,582.83
Reserve for:			
Grants Receivable	C-10	746,263.36	1,152,256.61
Debt Service	C-11	189,066.35	1,068,958.46
Fund Balance	C-1	<u>179,869.01</u>	<u>279,869.01</u>
		<u>\$ 121,719,646.45</u>	<u>\$ 134,029,233.45</u>

Bonds and Notes Authorized but Not Issued:

General		\$ 16,384,406.32	\$ 9,378,709.40
School		<u>2,259,652.19</u>	<u>3,310,747.19</u>
	C-16	<u>\$ 18,644,058.51</u>	<u>\$ 12,689,456.59</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

C-1

	<u>Ref.</u>	
Balance, December 31, 2021	C	\$ 279,869.01
Decreased by:		
Anticipated Revenue - Current Fund	C-2	<u>100,000.00</u>
Balance, December 31, 2022	C	<u>\$ 179,869.01</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

D
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Operating Fund</u>			
Cash	D-5	\$ 3,613,963.05	\$ 2,975,684.66
Change Fund	D-7	200.00	200.00
		<u>3,614,163.05</u>	<u>2,975,884.66</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-10	452,508.71	581,636.13
		<u>4,066,671.76</u>	<u>3,557,520.79</u>
<u>Capital Fund</u>			
Cash - Checking	D-5, D-8	5,083,770.44	3,859,758.59
Fixed Capital	D-11	42,862,300.47	42,362,300.47
Fixed Capital - Authorized and Uncompleted	D-12	8,475,000.00	6,375,000.00
		<u>56,421,070.91</u>	<u>52,597,059.06</u>
		<u>\$ 60,487,742.67</u>	<u>\$ 56,154,579.85</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

D
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	D-4, D-13	\$ 489,013.86	\$ 350,317.12
Unencumbered	D-4, D-13	561,918.92	608,177.64
Accrued Interest on Bonds	D-14	58,650.00	69,525.00
Accrued Interest on Loans	D-16	1,312.50	2,864.58
Water Overpayments	D-17	32,974.39	42,690.54
		<u>1,143,869.67</u>	<u>1,073,574.88</u>
Reserve for Receivables		452,508.71	581,636.13
Fund Balance	D-1	2,470,293.38	1,902,309.78
		<u>4,066,671.76</u>	<u>3,557,520.79</u>
 <u>Capital Fund</u>			
Serial Bonds	D-15	3,950,000.00	4,685,000.00
N.J. Environmental Infrastructure Trust			
Loan Payable	D-9	228,652.31	366,966.62
Improvement Authorizations:			
Funded	D-18	3,184,284.22	2,585,720.77
Encumbrances Payable	D-18	1,728,739.30	1,103,290.90
Capital Improvement Fund	D-19	72,256.53	72,256.53
Reserves for:			
Amortization	D-20	38,683,648.16	37,310,333.85
Deferred Amortization	D-21	8,475,000.00	6,375,000.00
Fund Balance	D-2	98,490.39	98,490.39
		<u>56,421,070.91</u>	<u>52,597,059.06</u>
		<u>\$ 60,487,742.67</u>	<u>\$ 56,154,579.85</u>

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, 2022 AND 2021

D-1

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 1,592,153.50	\$ 1,700,000.00
Rents	D-3	9,160,755.99	7,996,398.91
Miscellaneous Revenue	D-3	269,215.22	169,006.43
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-13	759,536.11	583,294.63
		11,781,660.82	10,448,699.97
<u>Expenditures</u>			
Budget Expenditures:			
Operating	D-4	5,634,153.50	5,405,869.79
Capital Improvements	D-4	2,600,000.00	1,800,000.00
Debt Service	D-4	1,062,370.22	1,319,689.22
Statutory Expenditures	D-4	325,000.00	291,086.39
		9,621,523.72	8,816,645.40
Excess in Revenue /Statutory Excess to Fund Balance		2,160,137.10	1,632,054.57
<u>Fund Balance</u>			
Balance, Beginning of Year	D	1,902,309.78	1,970,255.21
		4,062,446.88	3,602,309.78
Decreased by:			
Utilized as Anticipated Revenue:			
Water Operating Fund Budget	D-3	1,592,153.50	1,700,000.00
Balance, End of Year	D	\$ 2,470,293.38	\$ 1,902,309.78

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF WATER CAPITAL FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

D-2

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	D	<u>\$ 98,490.39</u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

D-3

<u>Source</u>	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Utilized	D-1	\$ 1,592,153.50	\$ 1,592,153.50	
Rents	D-1, D-10	7,900,000.00	9,160,755.99	\$ 1,260,755.99
Miscellaneous Revenue	D-1, Below	<u>150,000.00</u>	<u>269,215.22</u>	<u>119,215.22</u>
	D-4	<u>\$ 9,642,153.50</u>	<u>\$ 11,022,124.71</u>	<u>\$ 1,379,971.21</u>
 <u>Analysis of Realized Revenue</u>				
Miscellaneous Revenue:				
New Service Fees		\$ 116,886.00		
Miscellaneous		45.50		
Interest on Investments - Operating		10,038.73		
Interest on Investments - Capital		18,034.29		
Turn-On Fee		60.00		
Return Check Fees		2,379.63		
Glen Ridge Management Fee		63,921.06		
Interest on Delinquent Rents		<u>57,850.01</u>		
	Above		<u>\$ 269,215.22</u>	
Collections:				
Treasurer	D-5		<u>\$ 269,215.22</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

D-4
Sheet # 1

Appropriation	Budget	Modified Budget	Paid or Charged	Expended		Balance Canceled
				Encumbered	Reserved Unencumbered	
<u>Operating</u>						
Salaries and Wages	\$ 1,342,610.77	\$ 1,342,610.77	\$ 1,174,410.15		\$ 168,200.62	
Other Expenses	2,189,013.73	2,189,013.73	1,468,005.93	\$ 487,790.66	233,217.14	
Purchased Water	1,900,000.00	1,900,000.00	1,810,240.00		89,760.00	
<u>Commercial</u>						
Salaries and Wages	142,529.00	142,529.00	92,903.18		49,625.82	
Other Expenses	60,000.00	60,000.00	37,661.46	1,223.20	21,115.34	
	<u>5,634,153.50</u>	<u>5,634,153.50</u>	<u>4,583,220.72</u>	<u>489,013.86</u>	<u>561,918.92</u>	
<u>Capital Improvements</u>						
Capital Improvements	2,600,000.00	2,600,000.00	2,600,000.00			
	<u>2,600,000.00</u>	<u>2,600,000.00</u>	<u>2,600,000.00</u>	<u>-</u>	<u>-</u>	
<u>Debt Service</u>						
Payment on Bond Principal	735,000.00	735,000.00	735,000.00			
Interest on Bonds	200,000.00	200,000.00	185,950.00			\$ 14,050.00
Environmental Trust Fund - Principal	140,000.00	140,000.00	138,314.41			1,685.59
Environmental Trust Fund - Interest	8,000.00	8,000.00	3,105.81			4,894.19
	<u>1,083,000.00</u>	<u>1,083,000.00</u>	<u>1,062,370.22</u>	<u>-</u>	<u>-</u>	<u>20,629.78</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	220,000.00	220,000.00	220,000.00			
Social Security System	105,000.00	105,000.00	105,000.00			
	<u>325,000.00</u>	<u>325,000.00</u>	<u>325,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 9,642,153.50</u>	<u>\$ 9,642,153.50</u>	<u>\$ 8,570,590.94</u>	<u>\$ 489,013.86</u>	<u>\$ 561,918.92</u>	<u>\$ 20,629.78</u>

Ref. D-3

D-4 Sheet 2

D

D

TOWNSHIP OF MONTCLAIR
WATER UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

D-4
Sheet # 2

Analysis of Paid or Charged:

	<u>Ref.</u>	
Cash Disbursed	D-5	\$ 8,381,535.13
Accrued Interest on Bonds	D-14	185,950.00
Accrued Interest on Loans	D-16	<u>3,105.81</u>
	Sheet # 1	<u>\$ 8,570,590.94</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

E
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Operating Fund</u>			
Cash - Checking	E-5	\$ 2,340,772.96	\$ 2,869,567.12
Change Fund	E-7	200.00	200.00
		2,340,972.96	2,869,767.12
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-10	991,049.26	889,342.59
		3,332,022.22	3,759,109.71
<u>Capital Fund</u>			
Cash	E-5, E-8	4,960,476.12	3,065,104.09
Fixed Capital	E-11	7,201,097.09	7,201,097.09
Fixed Capital Authorized and Uncompleted	E-12	5,885,000.00	3,785,000.00
		18,046,573.21	14,051,201.18
		\$ 21,378,595.43	\$ 17,810,310.89

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

E
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Operating Fund</u>			
Appropriation Reserves:			
Encumbered	E-4, E-13	\$ 27,819.35	\$ 19,605.43
Unencumbered	E-4, E-13	501,655.11	354,336.47
Accrued Interest on Loans	E-16	8,028.13	8,444.79
Sewer Overpayments	E-14	<u>24,102.07</u>	<u>50,206.50</u>
		561,604.66	432,593.19
Reserve for Receivables		991,049.26	889,342.59
Fund Balance	E-1	<u>1,779,368.30</u>	<u>2,437,173.93</u>
		<u>3,332,022.22</u>	<u>3,759,109.71</u>
 <u>Capital Fund</u>			
Environmental Infrastructure Loan Payable	E-15	2,154,451.15	2,259,621.28
Improvement Authorizations:			
Funded	E-17	3,201,678.37	2,611,030.28
Capital Improvement Fund	E-18	195,500.00	195,500.00
Encumbrances Payable	E-17	1,376,460.08	71,736.14
Reserve for:			
Amortization	E-19	5,046,645.94	4,941,475.81
Deferred Amortization	E-9	5,885,000.00	3,785,000.00
Fund Balance	E-2	<u>186,837.67</u>	<u>186,837.67</u>
		<u>18,046,573.21</u>	<u>14,051,201.18</u>
		<u>\$ 21,378,595.43</u>	<u>\$ 17,810,310.89</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, 2022 AND 2021

E-1

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Revenues and Other Income Realized</u>			
Fund Balance Utilized	E-3	\$ 1,000,000.00	\$ 1,392,000.00
Sewer Charges	E-3	7,807,088.57	8,233,775.46
Sewer Flow Usage Fees - Reservoir Ridge	E-3	92,525.88	88,785.79
Miscellaneous	E-3	154,920.83	161,011.54
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-13	291,650.53	172,193.14
		<u>9,346,185.81</u>	<u>10,047,765.93</u>
 <u>Expenditures</u>			
Budget Expenditures:			
Operating	E-4	6,574,672.97	6,201,045.44
Debt Service	E-4	123,991.44	125,014.39
Statutory Expenditures	E-4	205,327.03	195,264.55
Capital Expenditures	E-4	2,100,000.00	2,035,000.00
		<u>9,003,991.44</u>	<u>8,556,324.38</u>
Excess in Revenue /Statutory Excess to Fund Balance		342,194.37	1,491,441.55
 <u>Fund Balance</u>			
Balance, Beginning of Year	E	<u>2,437,173.93</u>	<u>2,337,732.38</u>
		<u>2,779,368.30</u>	<u>3,829,173.93</u>
Decreased by:			
Utilized as Anticipated Revenue:			
Sewer Operating Fund Budget	Above	<u>1,000,000.00</u>	<u>1,392,000.00</u>
Balance, End of Year	E	<u>\$ 1,779,368.30</u>	<u>\$ 2,437,173.93</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

E-2

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	E	<u>\$ 186,837.67</u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2022

E-3

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Utilized	E-1	\$ 1,000,000.00	\$ 1,000,000.00	
Sewer Charges	E-1, E-10	7,800,000.00	7,807,088.57	\$ 7,088.57
Sewer Flow Usage Fee	E-1, E-6	67,000.00	92,525.88	25,525.88
Miscellaneous	E-1, Below	140,000.00	154,920.83	14,920.83
		<u>\$ 9,007,000.00</u>	<u>\$ 9,054,535.28</u>	<u>\$ 47,535.28</u>
	<u>Ref.</u>	E-4		
<u>Miscellaneous Revenue</u>				
Interest on Deposits:				
Operating Fund		\$ 8,533.21		
Capital Fund		14,179.25		
	E-5	<u>22,712.46</u>	\$ 22,712.46	
Interest on Delinquent Rents		37,144.70		
Returned Check Charges		1,282.98		
New Services		79,697.00		
Other		14,083.69		
	E-6	<u>132,208.37</u>	132,208.37	
	Above		<u>\$ 154,920.83</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

E-4
Sheet # 1

<u>Appropriation</u>	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid</u>	<u>Expended</u>		<u>Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u> <u>Unencumbered</u>	
<u>Operating</u>						
Salaries and Wages	\$ 944,665.19	\$ 944,665.19	\$ 836,575.04		\$ 108,090.15	
Other Expenses	730,007.78	700,007.78	441,539.58	\$ 27,819.35	230,648.85	
Passaic Valley Sewer Commission	4,800,000.00	4,800,000.00	4,646,915.17		153,084.83	
Third River Sewer	5,000.00	5,000.00	2,668.72		2,331.28	
Second River Sewer	95,000.00	125,000.00	117,500.00		7,500.00	
	<u>6,574,672.97</u>	<u>6,574,672.97</u>	<u>6,045,198.51</u>	<u>27,819.35</u>	<u>501,655.11</u>	<u>-</u>
Capital Improvement Fund	<u>2,100,000.00</u>	<u>2,100,000.00</u>	<u>2,100,000.00</u>			
<u>Debt Service</u>						
Payment on Loan	106,000.00	106,000.00	105,170.13			\$ 829.87
Payment of Interest on Loan	21,000.00	21,000.00	18,821.31			2,178.69
	<u>127,000.00</u>	<u>127,000.00</u>	<u>123,991.44</u>	<u>-</u>	<u>-</u>	<u>3,008.56</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	138,854.25	138,854.25	138,854.25			
Social Security System	66,472.78	66,472.78	66,472.78			
	<u>205,327.03</u>	<u>205,327.03</u>	<u>205,327.03</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 9,007,000.00</u>	<u>\$ 9,007,000.00</u>	<u>\$ 8,474,516.98</u>	<u>\$ 27,819.35</u>	<u>\$ 501,655.11</u>	<u>\$ 3,008.56</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 BASIS
YEAR ENDED DECEMBER 31, 2022

E-4
Sheet # 2

	<u>Ref.</u>	<u>Paid or Charged</u>
Cash Disbursed	E-5	\$ 8,455,695.67
Accrued Interest on Loans	E-16	<u>18,821.31</u>
	Sheet # 1	<u>\$ 8,474,516.98</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

F

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>			
<u>Operating Fund</u>			
Cash - Checking	F-4	\$ 2,868,660.38	\$ 2,318,727.67
		<u>2,868,660.38</u>	<u>2,318,727.67</u>
<u>Capital Fund</u>			
Cash	F-4	1,582,752.47	2,265,489.85
Fixed Capital	F-7	16,720,856.80	16,720,856.80
Fixed Capital Authorized and Uncompleted	F-8	2,441,000.00	1,681,000.00
		<u>20,744,609.27</u>	<u>20,667,346.65</u>
		<u>\$ 23,613,269.65</u>	<u>\$ 22,986,074.32</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Accrued Interest on Bonds	F-10	\$ 243,572.63	\$ 255,861.03
Appropriation Reserves - Committed	F-3, F-9	333,916.21	194,927.78
Appropriation Reserves - Reserved	F-3, F-9	467,765.99	336,599.97
Accounts Payable	F-9	10,500.00	
Interfunds Payable			200,000.00
Fund Balance	F-1	1,812,905.55	1,331,338.89
		<u>2,868,660.38</u>	<u>2,318,727.67</u>
<u>Capital Fund</u>			
Serial Bonds	F-6	10,980,000.00	11,495,000.00
Capital Improvement Fund	F-12	9,000.00	9,000.00
Improvement Authorization - Funded	F-14	1,303,537.26	944,599.51
Encumbrances Payable	F-14	195,215.21	43,140.34
Reserve for Amortization	F-11	5,740,856.80	5,225,856.80
Deferred Reserve for Amortization	F-13	2,441,000.00	1,681,000.00
Reserve for Midtown Parking Deck			1,200,000.00
Reserve for Crescent Parking Deck	F-16	25,000.00	18,750.00
Fund Balance	F-1a	50,000.00	50,000.00
		<u>20,744,609.27</u>	<u>20,667,346.65</u>
		<u>\$ 23,613,269.65</u>	<u>\$ 22,986,074.32</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, 2022 AND 2021

F-1

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Revenues and Other Income Realized</u>			
Fund Balance Utilized	F-2	\$ 802,660.54	\$ 1,500,000.00
ARP Revenue Loss	F-2	818,219.07	
Permit Fees	F-2	1,692,553.03	1,528,215.29
Meter Fees	F-2	1,323,732.64	1,005,750.99
Transient Fees	F-2	1,037,769.79	698,161.22
PATS Revenue	F-2	161,796.02	110,003.65
Miscellaneous Revenue	F-2	165,000.44	271,343.78
Other Credits to Income:			
Appropriation Reserves Lapsed	F-9	385,520.54	431,461.67
Void Stale Dated Check			54.00
		6,387,252.07	5,544,990.60
 <u>Expenditures</u>			
Budget Appropriations:			
Operating	F-3	3,100,462.83	2,448,433.78
Capital Improvements	F-3	760,000.00	600,000.00
Debt Service	F-3	1,002,145.26	1,001,722.06
Statutory Expenditures	F-3	240,416.78	201,628.73
		5,103,024.87	4,251,784.57
Excess in Revenue /Statutory Excess to Fund Balance		1,284,227.20	1,293,206.03
 <u>Fund Balance</u>			
Balance, Beginning of Year	F	1,331,338.89	1,538,132.86
		2,615,566.09	2,831,338.89
 Decreased by:			
Utilized as Anticipated Revenue	Above	802,660.54	1,500,000.00
Balance, End of Year	F	\$ 1,812,905.55	\$ 1,331,338.89

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

STATEMENT OF PARKING CAPITAL FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

F-1a

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	F	<u>\$ 50,000.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

STATEMENT OF REVENUE
YEAR ENDED DECEMBER 31, 2022

F-2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
<u>Source:</u>				
Fund Balance Anticipated	F-1	\$ 802,660.54	\$ 802,660.54	
ARP Revenue Loss	F-1, F-4	818,219.07	818,219.07	
Meter Fees	F-1, F-4	1,000,000.00	1,323,732.64	\$ 323,732.64
Permit Fees	F-1, F-4	1,500,000.00	1,692,553.03	192,553.03
Transient Fees	F-1, F-4	620,000.00	1,037,769.79	417,769.79
PATS Revenue	F-1, F-4	100,000.00	161,796.02	61,796.02
Miscellaneous	F-1, Below	275,000.00	165,000.44	(109,999.56)
	F-3	<u>\$ 5,115,879.61</u>	<u>\$ 6,001,731.53</u>	<u>\$ 885,851.92</u>
 <u>Miscellaneous Revenue</u>				
Interest on Deposits:				
Operating Fund		\$ 8,740.18		
Capital Fund		<u>10,665.57</u>		
			\$ 19,405.75	
Chargepoint - Charging Stations		376.78		
ATM Fees		24.15		
Miscellaneous		870.90		
LCOR License Agreement		45,000.00		
Herod's Share of Debt and Maintenance		<u>99,322.86</u>		
			<u>145,594.69</u>	
	Above, F-1, F-4		<u>\$ 165,000.44</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

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>Unencumbered</u>	
<u>Operating</u>						
Salaries and Wages	\$ 1,193,987.66	\$ 1,193,987.66	\$ 1,038,033.47		\$ 155,954.19	
Other Expenses	1,906,475.17	1,906,475.17	1,260,747.16	\$ 333,916.21	311,811.80	
	<u>3,100,462.83</u>	<u>3,100,462.83</u>	<u>2,298,780.63</u>	<u>333,916.21</u>	<u>467,765.99</u>	<u>-</u>
<u>Capital Improvements</u>						
Capital Improvement Fund	760,000.00	760,000.00	760,000.00			
	<u>760,000.00</u>	<u>760,000.00</u>	<u>760,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Debt Service</u>						
Payment on Bond Principal	515,000.00	515,000.00	515,000.00			
Interest on Bonds	500,000.00	500,000.00	487,145.26			\$ 12,854.74
	<u>1,015,000.00</u>	<u>1,015,000.00</u>	<u>1,002,145.26</u>	<u>-</u>	<u>-</u>	<u>12,854.74</u>
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	156,118.86	156,118.86	156,118.86			
Social Security System	84,297.92	84,297.92	84,297.92			
	<u>240,416.78</u>	<u>240,416.78</u>	<u>240,416.78</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,115,879.61</u>	<u>\$ 5,115,879.61</u>	<u>\$ 4,301,342.67</u>	<u>\$ 333,916.21</u>	<u>\$ 467,765.99</u>	<u>\$ 12,854.74</u>

Ref.

F-2

Below

F

F

Ref.

Cash Disbursements

F-4

\$ 3,814,197.41

Accrued Interest on Bonds

F-10

487,145.26

\$ 4,301,342.67

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GOVERNMENTAL FIXED ASSETS

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

G

<u>GOVERNMENTAL FIXED ASSETS</u>	<u>2022</u>	<u>2021</u>
Building and Contents	\$ 46,503,300.00	\$ 47,629,636.00
Land	49,954,200.00	50,602,800.00
Vehicles and Other Equipment	<u>20,853,987.00</u>	<u>27,899,075.00</u>
	<u>\$ 117,311,487.00</u>	<u>\$ 126,131,511.00</u>
 <u>RESERVE</u>		
Investment in Governmental Fixed Assets	<u>\$ 117,311,487.00</u>	<u>\$ 126,131,511.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 and 2021

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, 2022 and 2021**

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, 2022 and 2021**

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, 2022 and 2021**

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, 2022 and 2021**

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. 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 Statement No. 68 financial information to be incorporated into the audited financial statements and only requires one year to be disclosed. See 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. 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 Statement No. 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, 2022 and 2021**

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.

Recently Issued and Adopted Accounting Principle - For the year ended December 31, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement were implemented during the year ended December 31, 2022.

Leases

Township as a Lessor - The Township is a lessor for a lease of Township owned property with Wellmont West Urban Renewal, LLC with lease agreements for 99 years with options to extend for one 25 year period. The Township recognizes a lease with an initial, collective value of \$100,000 or more.

The Township monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease if certain changes occur that are expected to significantly affect the amount of the lease. See Note 19 for future projection of lease revenue.

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.

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 and 2021

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

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

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

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

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

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

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

Investments

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

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- 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, 2022 and 2021. At December 31, 2022 and 2021, the book value of the Township's deposits was \$78,800,755.55 and \$72,546,577.07, respectively.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

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, 2022 and 2021 the Township had the following depository accounts. All deposits are carried at cost. \$408,785.40 and \$396,637.76 held in agency and payroll accounts for the years ended December 31, 2022 and 2021, respectively, are not covered by GUDPA.

<u>Depository Account</u>	<u>Bank Balances</u>	
	December 31, 2022	December 31, 2021
Insured - FDIC	\$ 500,000.00	\$ 250,000.00
Collateralized - GUDPA	80,088,921.53	72,274,989.54
	<u>\$ 80,588,921.53</u>	<u>\$72,524,989.54</u>

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:

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

3. TAXES AND TAX TITLE LIENS RECEIVABLE (continued)

Comparative Schedule of Tax Rates

Tax Rate	Calendar Year 2022	Calendar Year 2021	Calendar Year 2020
	<u>\$ 3.288</u>	<u>\$ 3.231</u>	<u>\$ 3.179</u>
Apportionment of Tax Rate:			
Municipal	\$ 0.969	\$ 0.952	\$ 0.931
County	0.540	0.529	0.527
County Open Space	0.018	0.017	0.017
School	1.761	1.733	1.704

Assessed Valuation

Calendar Year	Amount
2022	\$ 7,129,175,489
2021	7,101,614,300
2020	7,080,753,300

Tax Levies and Collections

Year	Tax Levy	Collections	Percentage of Collections
2022	\$ 236,075,887.31	\$ 233,783,165.49	99.03%
2021	230,756,626.73	228,188,064.87	98.89%
2020	226,447,947.37	223,477,608.56	98.69%

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
2022	\$ 317,151.27	\$ 2,258,186.28	\$2,575,337.55	1.09%
2021	292,593.21	2,566,882.82	2,859,476.03	1.26%
2020	268,460.87	2,645,406.66	2,913,867.53	1.30%

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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, 2022 and 2021 was \$953,614.03 and \$665,760.00, respectively.

5. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of properties acquired by tax title lien liquidation are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 317,900.00
2021	317,900.00
2020	317,900.00

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:

<u>Year</u>	<u>Billings</u>	<u>Cash Collections</u>
2022	\$ 9,031,628.57	\$ 9,160,755.99
2021	8,165,019.48	7,996,398.91
2020	7,476,228.52	7,382,633.98

Cash collections include realization of prior year uncollected balances.

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:

<u>Year</u>	<u>Billings</u>	<u>Cash Collections</u>
2022	\$ 7,908,795.24	\$ 7,807,088.57
2021	7,756,254.40	8,233,775.46
2020	7,673,446.37	7,254,893.61

Cash collections include realization of prior year uncollected balances.

TOWNSHIP OF MONTCLAIR
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021

8. FUND BALANCES APPROPRIATED

	Year	Balance Dec. 31	Utilized in Budgets of Succeeding Year
Current Fund:	2022	\$ 18,726,503.24	\$ 7,550,000.00
	2021	14,051,839.19	6,700,000.00
	2020	15,771,419.08	9,450,000.00
Water Utility Operating Fund:	2022	\$ 2,470,293.38	\$ 1,873,182.39
	2021	1,902,309.78	1,592,153.50
	2020	1,970,255.21	1,700,000.00
Sewer Utility Operating Fund:	2022	\$ 1,779,368.30	\$ 600,000.00
	2021	2,437,173.93	1,000,000.00
	2020	2,337,732.38	1,392,000.00
Parking Utility Operating Fund:	2022	\$ 1,812,905.55	\$ 943,908.02
	2021	1,331,338.89	802,660.54
	2020	1,538,132.86	1,500,000.00

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, 2022:

	<u>2022</u>
Inactive plan members or beneficiaries currently receiving benefits	187,372
Inactive plan members entitled to but not yet receiving benefits	1,782
Active plan members	<u>239,902</u>
Total	429,056

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, 2022, the Township's total payroll for all employees was \$34,104,021.00. Total PERS covered payroll was \$12,833,759.00. 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.

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021

9. PENSION PLANS (continued)

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.

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, 2022 consisted of the following:

	<u>2022</u>
Total Regular Billing	\$ 2,050,894.00

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:

<u>Tier</u>	<u>Definition</u>
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, 2022 and 2021**

9. PENSION PLANS (continued)

At June 30, 2022, the PERS reported a net pension liability of \$15,219,184,920.00 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 \$26,370,488.00 or 0.1747387856%, which was a decrease of 0.0003138833% from its proportion measured as of June 30, 2021.

At December 31, 2022, the Township's deferred outflows of resources and deferred inflows of resources related to PERS were from the following sources, if GASB Statement No. 68 was recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 190,330.00	\$ 167,844.00
Changes in assumptions	81,704.00	3,948,706.00
Net difference between projected and actual earnings on pension plan investments	1,091,451.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	1,514,112.00	58,582.00
Township contributions subsequent to the measurement date	<u>2,203,540.00</u>	
	<u>\$ 5,081,137.00</u>	<u>\$ 4,175,132.00</u>

TOWNSHIP OF MONTCLAIR
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021

9. PENSION PLANS (continued)

\$2,203,540.00 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 Statement No. 68 was recognized:

Year ended December 31,	
2023	\$(1,386,230.00)
2024	(750,702.00)
2025	(425,600.00)
2026	1,266,497.00
2027	(1,500.00)
Total	<u><u>\$ (1,297,535.00)</u></u>

Actuarial Assumptions- The collective total pension liability for the June 30, 2022 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation-Prices	<u>2022</u> 2.75%-3.25%
Salary Increases: Through 2026	2.75% - 6.55% based on years of service
Investment Rate of Return	7.00%

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-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

9. PENSION PLANS (continued)

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) 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 rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 is summarized in the following table:

2022		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
US Treasuries	4.00%	1.75%
Risk Management Strategies	3.00%	4.91%
	100.00%	

Discount Rate – The discount rate used to measure the total pension liability as of June 30, 2022 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 10% 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, 2022 and 2021**

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 point 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	\$ 33,878,352	\$ 26,370,488	\$ 19,980,993

Plan Fiduciary Net Position – The plan fiduciary net position for PERS, including the State of New Jersey, at June 30, 2022 was \$32,568,122,309. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2022 was \$25,810,084,045.

Additional Information

Collective balances at June 30, 2022 are as follows:

Collective deferred outflows of resources	\$ 1,660,772,008.00
Collective deferred inflows of resources	3,236,303,935.00
Collective net pension liability - Local group	15,219,184,920.00

Township's Proportion 0.1747387856%

Collective pension benefit for the Local Group for the measurement period ended June 30, 2022 was (\$1,032,778,934.00). The average of the expected remaining service lives of all plan members is 5.04, 5.13, 5.16, 5.21, 5.63, and 5.48 years for 2022, 2021, 2020, 2019, 2018, and 2017, respectively.

State Contribution Payable Dates

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

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

TOWNSHIP OF MONTCLAIR

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021

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, 2022:

	<u>2022</u>
Inactive plan members or beneficiaries currently receiving benefits	47,518
Inactive plan members entitled to but not yet receiving benefits	60
Active plan members	<u>42,188</u>
Total	<u><u>89,766</u></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 1st, 21 months after the associated valuation date.

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

For the years ended December 31, 2022, the Township’s total payroll for all employees was \$34,104,021.00. Total PFRS covered payroll was \$21,270,262.00. 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, 2022 and 2021**

9. PENSION PLANS (continued)

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

Township payments to PFRS for the year ending December 31, 2022 consisted of the following:

	<u>2022</u>
Total Regular Billing	\$7,005,838.00

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, 2022, the PFRS reported a net pension liability of \$13,483,472,009.00 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 \$67,334,775.00 or 0.5882638400% which was a decrease in 0.0128560670% from its proportion measured as of June 30, 2021.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

9. PENSION PLANS (continued)

At December 31, 2022, the Township's deferred outflows of resources and deferred inflows of resources related to PFRS were from the following sources if GASB Statement No. 68 was recognized:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,047,752.00	\$ 4,125,170.00
Changes of assumptions	184,538.00	8,476,118.00
Changes in proportion	1,114,609.00	2,687,574.00
Net difference between projected and actual investment earnings on pension plan investments	6,165,887.00	
Township contributions subsequent to the measurement date	7,650,685.00	
Total	\$ 18,163,471.00	\$ 15,288,862.00

\$7,650,685.00 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 <u>December 31,</u>	Amount
2023	\$ (3,416,146.00)
2024	(2,434,569.00)
2025	(2,627,538.00)
2026	3,937,152.00
2027 - Thereafter	(234,975.00)
Total	\$ (4,776,076.00)

Actuarial Assumptions- The total collective pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions:

Inflation rate:	
Prices	2.75%
Wages	3.25%
Salary Increases:	
	3.25% - 16.25%
	based on years of service
Investment rate of return	
	7.00%

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) 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, 2022 are summarized in the following table:

2022		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
US Treasuries	4.00%	1.75%
Risk Management Strategies	3.00%	4.91%
	100.00%	

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

9. PENSION PLANS (continued)

Discount Rate – The discount rate used to measure the total pension liability as of June 30, 2022 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 100% 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 point 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	\$ 92,390,584.00	\$ 67,334,775.00	\$ 46,475,693.00

Plan Fiduciary Net Position – The plan fiduciary net position for PFRS at June 30, 2022 was \$27,412,127,845.00.

Additional Information

Collective balances at June 30, 2022 are as follows:

Collective deferred outflows of resources	\$2,163,793,985.00
Collective deferred inflows of resources	2,805,919,493.00
Collective net pension liability - Local group	13,483,472,009.00
 Township's Proportion	 0.5882638400%

Collective pension expense for the Local Group for the measurement period ended June 30, 2022 is \$165,943,124.00. The average of the expected remaining service lives of all plan members is 6.22, 6.17, 5.90, 5.92, 5.73, and 5.59 years for 2022, 2021, 2020, 2019, 2018, and 2017, respectively.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

9. PENSION PLANS (continued)

State Contribution Payable Dates

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

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

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, 2022 for police and fire is 0.588263892%. The non-employer contributing entities' contribution for the year ended June 30, 2022 was \$1,491,902. The state's proportionate share of net pension liability attributable to the Township as of June 30, 2022 was \$11,983,616.

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, 2022 and 2021**

9. PENSION PLANS (continued)

least \$5,000.00 annually. At June 30, 2022, the membership in the DCRP, based on the information within the Division's database, was 44,352.

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) Annual Comprehensive Financial Report (ACFR), 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, 2022 and 2021**

**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, 2022:

	<u>June 30, 2022</u>
Inactive plan members or beneficiaries currently receiving benefits	33,684
Active plan members	<u>65,360</u>
Total	<u><u>99,044</u></u>
Contributing employers	590
Contributing nonemployers	1

Nonspecial Funding Situation - The State of New Jersey's Total OPEB Liability for nonspecial funding situation was \$12,775,785,891 at June 30, 2022. The Township of Montclair's nonspecial funding situation proportion of the Total OPEB Liability was \$44,684,962 (0.276694%) for the year ended June 30, 2022.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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

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, 2022
Total OPEB Liability	\$ 16,090,925,144
Plan Fiduciary Net Position	(58,670,334)
Net OPEB Liability	\$ 16,149,595,478
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-0.36%

At December 31, 2022, the Township's liability for its proportionate share of the net OPEB liability was \$44,684,962. The net OPEB liability as of December 31, 2022 was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The Township's proportion of the net OPEB liability was based on a projection of the Township's long-term share of the contributions to the OPEB plan relative to the projected contributions of all participating local governments, actuarially determined. As December 31, 2022, the Township's was 1.642336%. At December 31, 2022, the Township's deferred outflows of resources and deferred inflows of resources related to the OPEB were \$33,876,434 and \$29,640,414, respectively.

Actuarial Assumptions and Other Inputs - The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. 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 2022 in the measurement:

	June 30, 2022
Inflation	2.50%
Salary Increases*:	
Public Employees' Retirement System (PERS)	
All future years	2.75% to 6.55%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 16.25%

* 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-2022 scale. Actuarial assumptions used in the July 1, 2021 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021. 100% of active members are considered to participate in the Plan upon retirement.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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

Healthcare Trend 2022 Assumptions - For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. The rates used for 2024 and 2025 are 21.83% and 18.53%, respectively, trending to 4.5 % for all future years. For prescription drug benefits, the initial trend rate is 7.00% and decreases to 4.5% long-term trend rate after seven years.

Discount Rate - The discount rate for June 30, 2022 was 3.54%. 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, 2022, 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 - 2022	\$ 51,798,866	\$ 44,684,962	\$ 38,961,160

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, 2022, 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 - 2022	\$ 37,907,599	\$ 44,684,962	\$ 53,364,856

Special Funding Situation - The State of New Jersey's Total OPEB Liability for special funding situation was \$3,861,357,890 at June 30, 2022.

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, 2022 and 2021**

**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 \$55,409,289 (294 members) at June 30, 2022. These allocated liabilities represent 1.642336% of the State's Total Non-employer OPEB Liability for June 30, 2022. The OPEB expense attributed to the Township was \$9,088,2884 at June 30, 2022.

11. MUNICIPAL DEBT

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

	2022	2021	2020
<u>Issued</u>			
General			
Bonds, Notes and Loans	\$ 53,355,457.53	\$ 61,300,326.18	\$ 63,385,902.43
Water:			
Bonds, Notes and Loans	4,178,652.31	5,051,966.62	6,147,130.11
Sewer:			
Bonds, Notes and Loans	2,154,451.15	2,259,621.28	2,364,824.41
Parking:			
Bonds, Notes and Loans	10,980,000.00	11,495,000.00	11,985,000.00
	<u>70,668,560.99</u>	<u>80,106,914.08</u>	<u>83,882,856.95</u>
<u>Authorized but Not Issued</u>			
General:			
Bonds, Notes and Loans	16,384,406.32	9,378,709.40	9,094,598.00
	<u>16,384,406.32</u>	<u>9,378,709.40</u>	<u>9,094,598.00</u>
Net Bonds and Notes Issued and Authorized but Not Issued	<u>\$ 87,052,967.31</u>	<u>\$ 89,485,623.48</u>	<u>\$ 92,977,454.95</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	\$ 238,805,421.19	\$ 238,805,421.19	
Utility Debt	17,313,103.46	17,313,103.46	
General Debt	69,739,863.85		<u>\$ 69,739,863.85</u>
	<u>\$ 325,858,388.50</u>	<u>\$ 256,118,524.65</u>	<u>\$ 69,739,863.85</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

11. MUNICIPAL DEBT (continued)

Net Debt, \$69,739,863.85 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$8,816,070,705.67 equals 0.791%. 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	\$ 308,562,474.70
Net Debt	<u>69,739,863.85</u>
Remaining Borrowing Capacity	<u><u>\$ 238,822,610.85</u></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

	2022	2021
<u>Water Utility</u>		
Fund Balance and cash receipts from fees, rents or other charges	\$ 11,022,124.71	\$ 9,865,405.34
Deductions:		
Operating and maintenance cost	\$ 5,959,153.50	\$5,696,956.18
Debt Service	<u>1,062,370.22</u>	<u>1,319,689.22</u>
	<u>7,021,523.72</u>	<u>7,016,645.40</u>
Excess revenue	<u><u>\$ 4,000,600.99</u></u>	<u><u>\$ 2,848,759.94</u></u>
There being an excess in revenue, all such utility debt is deductible		
<u>Sewer Utility</u>		
Fund Balance and cash receipts from fees, rents or other charges	\$ 9,054,535.28	\$ 9,875,572.79
Deductions:		
Operating and maintenance cost	\$ 6,780,000.00	\$6,396,309.99
Debt Service	<u>123,991.44</u>	<u>125,014.39</u>
	<u>6,903,991.44</u>	<u>6,521,324.38</u>
Excess revenue	<u><u>\$ 2,150,543.84</u></u>	<u><u>\$ 3,354,248.41</u></u>
There being an excess in revenue, all such utility debt is deductible		
<u>Parking Utility</u>		
Fund Balance and cash receipts from fees, rents or other charges	\$ 6,001,731.53	\$ 5,113,474.93
Deductions:		
Operating and maintenance cost	\$ 3,340,879.61	\$2,650,062.51
Debt Service	<u>1,002,145.26</u>	<u>1,001,722.06</u>
	<u>4,343,024.87</u>	<u>3,651,784.57</u>
Excess revenue	<u><u>\$ 1,658,706.66</u></u>	<u><u>\$ 1,461,690.36</u></u>
There being an excess in revenue, all such utility debt is deductible		

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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, 2022 and 2021, the Township's long-term debt is as follows:

<u>General Capital</u>	<u>2022</u>	<u>2021</u>
\$10,500,000.00 2013 Bonds, due in annual installments of \$1,210,000.00 to \$1,270,000.00 through March 1, 2024, interest at a rate of 5.00%.	\$ 2,480,000.00	\$ 3,625,000.00
\$14,960,000.00 2014 Refunding Bonds, due in annual installments of \$1,785,000.00 to \$1,915,000.00 through January 1, 2026, interest at a rate of 5.00%.	7,520,000.00	8,925,000.00
\$5,305,000.00 2017 Refunding Bonds due in annual installments of \$1,780,000.00 to \$1,830,000.00 through March 1, 2024, interest at rates of 4.00%.	3,610,000.00	5,305,000.00
\$9,000,000.00 2018 Bonds, due in annual installments of \$840,000.00 to \$1,200,000.00 through April 2028, interest at rates from 4.00% to 5.00%.	6,340,000.00	7,080,000.00
\$32,395,000.00 2020 Bonds, due in annual installments of \$2,750,000.00 to \$4,115,000.00 through October 2030, interest at rates from 2.00% to 3.00%.	27,815,000.00	30,195,000.00
\$5,460,000.00 2021 Bonds, due in annual installments of \$475,000.00 to \$615,000.00 through October 2031, interest at rates from 2.00% to 3.00%.	<u>5,005,000.00</u>	<u>5,460,000.00</u>
	<u>\$ 52,770,000.00</u>	<u>\$ 60,590,000.00</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

11. MUNICIPAL DEBT (continued)

<u>Water Utility Bonds</u>	<u>2022</u>	<u>2021</u>
\$2,580,000.00 2014 Refunding Bonds, due in annual installments of \$230,000.00 to \$240,000.00 through January 1, 2027, interest at a rate of 5.00%.	\$ 1,185,000.00	\$ 1,420,000.00
\$2,155,000.00 2016 Refunding Bonds due in annual installments of \$270,000.00 to \$280,000.00 from October 1, 2022 through October 1, 2026 interest at a rate of 4.00%.	1,110,000.00	1,390,000.00
\$2,385,000.00 2018 General Bonds due in annual installments of \$250,000.00 to \$305,000.00 from April 1, 2022 through April 1, 2028 at interest rates of 4.00% to 5.00%.	<u>1,655,000.00</u>	<u>1,875,000.00</u>
	<u>\$ 3,950,000.00</u>	<u>\$ 4,685,000.00</u>
<u>Parking Utility Bonds</u>	<u>2022</u>	<u>2021</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 3.524% to 4.556%.	\$ 1,390,000.00	\$ 1,460,000.00
\$12,030,000.00 2014 Series A Refunding Bonds, due in annual installments of \$465,000.00 to \$855,000.00 through January 1, 2037, interest at rates from 3.375% to 5.00%.	<u>9,590,000.00</u>	<u>10,035,000.00</u>
	<u>\$10,980,000.00</u>	<u>\$11,495,000.00</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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
2023	\$ 12,543,549.96	\$ 8,965,000.00	\$ 1,644,700.00	\$ 765,000.00	\$ 164,475.00	\$ 530,000.00	\$ 474,374.96
2024	12,564,243.76	9,335,000.00	1,314,900.00	770,000.00	131,400.00	565,000.00	447,943.76
2025	9,566,261.36	6,680,000.00	1,009,525.00	770,000.00	96,950.00	590,000.00	419,786.36
2026	9,466,210.26	6,835,000.00	756,025.00	810,000.00	60,000.00	615,000.00	390,185.26
2027	7,292,167.96	5,325,000.00	373,800.00	530,000.00	54,250.00	650,000.00	359,117.96
2028-2032	21,867,284.08	15,630,000.00	904,050.00	305,000.00	24,300.00	3,605,000.00	1,398,934.08
2033-2037	5,175,119.15					4,425,000.00	750,119.15
	<u>\$ 78,474,836.53</u>	<u>\$ 52,770,000.00</u>	<u>\$ 6,003,000.00</u>	<u>\$ 3,950,000.00</u>	<u>\$ 531,375.00</u>	<u>\$ 10,980,000.00</u>	<u>\$ 4,240,461.53</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>2022</u>	<u>2021</u>
<u>Project Youth Sports:</u> \$250,000, loan due in semi-annual installments of \$7,286.17 to \$7,695.94 through May 2026, interest at 2.00%.	\$ 52,297.59	\$ 66,582.80
<u>Project Youth Sports II:</u> \$250,000, loan due in semi-annual installments of \$6,410.12 to \$6,410.26 through December 2029, interest free.	83,333.24	96,153.76
<u>Project Youth Sports III</u> \$273,606, loan due in semi-annual installments of \$7,015.54 through December 2035, interest free.	182,403.98	196,435.06
	<u>\$ 318,034.81</u>	<u>\$ 359,171.62</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>
2023	\$ 41,136.81	\$ 1,260.59	\$ 42,397.40
2024	41,423.94	973.46	42,397.40
2025	41,716.85	680.55	42,397.40
2026	42,015.64	381.76	42,397.40
2027	26,851.60	76.96	26,928.56
2028-2032	82,796.73		82,796.73
2033-2035	42,093.24		42,093.24
	<u>\$ 318,034.81</u>	<u>\$ 3,373.32</u>	<u>\$ 321,408.13</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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 4.25% to 5.00%.

	<u>2022</u>	<u>2021</u>
Payments are made through the year 2024	\$ 104,089.42	\$ 155,154.59

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>
2023	\$ 48,607.06	\$ 2,364.36	\$ 50,971.42
2024	<u>55,482.36</u>	<u>1,271.36</u>	<u>56,753.72</u>
	<u>\$ 104,089.42</u>	<u>\$ 3,635.72</u>	<u>\$ 107,725.14</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, 2022 is \$163,333.30 and at December 31, 2021 was \$195,999.97.

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>2022</u>	<u>2021</u>
2002 Loan:		
Payments are semi-annual through the year 2022		\$ 100,297.73
2010 Loan:		
Payments are semi-annual through the year 2029	<u>\$ 228,652.31</u>	<u>266,668.89</u>
	<u>\$ 228,652.31</u>	<u>\$ 366,966.62</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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>
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	37,016.58	1,840.00	38,856.58
2027	37,016.58	1,840.00	38,856.58
2028-2030	<u>41,569.41</u>	<u>3,160.00</u>	<u>44,729.41</u>
	<u>\$ 228,652.31</u>	<u>\$ 14,640.00</u>	<u>\$ 243,292.31</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 3.00% to 5.00%. Payments are semi-annual through the year 2049. The balance at December 31, 2022 was \$2,154,451.15 and for December 31, 2021 is \$2,259,621.28.

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>
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	109,402.13	15,108.02	124,510.15
2027	109,270.13	14,040.06	123,310.19
2028-2032	508,138.15	57,880.08	566,018.23
2033-2037	305,498.15	40,306.26	345,804.41
2038-2042	320,498.15	30,456.26	350,954.41
2043-2047	330,498.15	16,500.00	346,998.15
2048-2049	<u>142,199.90</u>	<u>2,250.00</u>	<u>144,449.90</u>
	<u>\$ 2,154,451.15</u>	<u>\$ 228,322.10</u>	<u>\$ 2,382,773.25</u>

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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:

	2022	2021
\$22,000,000.00 2013 Bonds, due in annual installments of \$1,605,000.00 to \$1,960,000.00 through March 2028, interest at 2.50% to 5.00%.	\$ 10,685,000.00	\$ 12,220,000.00
\$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%.	6,180,000.00	7,125,000.00
\$680,000.00 to \$1,690,000.00 through October 2030, interest at 3.75% to 5.00%.	10,590,000.00	11,885,000.00
\$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 3.00% to 4.00%.	11,345,000.00	12,415,000.00
\$3,000,000.00 2018 Bonds due in annual installments of \$300,000.00 to \$375,000.00 through April 2028, interest at 4.00% to 5.00%.	1,975,000.00	2,275,000.00
\$6,030,000.00 2020 Bonds due in annual installments of \$550,000.00 to \$620,000.00 through October 2030, interest at 2.00% to 3.00%.	4,720,000.00	5,375,000.00
\$3,640,000.00 2021 Bonds due in annual installments of \$325,000.00 to \$400,000.00 through October 2031, interest at 2.00% to 3.00%.	3,320,000.00	3,640,000.00
	\$ 48,815,000.00	\$ 54,935,000.00

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>
2023	\$ 6,225,000.00	\$ 1,821,700.00	\$ 8,046,700.00
2024	6,475,000.00	1,553,975.00	8,028,975.00
2025	6,655,000.00	1,280,862.50	7,935,862.50
2026	6,895,000.00	1,023,303.13	7,918,303.13
2027	7,275,000.00	890,608.30	8,165,608.30
2028-2031	15,290,000.00	1,210,756.25	16,500,756.25
	\$48,815,000.00	\$ 7,781,205.18	\$56,596,205.18

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

12. SCHOOL DEBT (continued)

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

<u>Notes</u>	<u>2022</u>	<u>2021</u>
General Capital Fund	\$ <u>2,259,652.19</u>	\$ <u>3,310,747.19</u>

13. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2022 and 2021, interfund receivables and payable that resulted from various interfund transactions were as follows:

	<u>2022</u>		<u>2021</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		\$ 8,777.00	\$ 200,000.00	
General Trust Fund	\$ 433,777.00			
General Capital Fund		425,000.00		
Parking Utility Operating Fund				\$ 200,000.00
	<u>\$ 433,777.00</u>	<u>\$ 433,777.00</u>	<u>\$ 200,000.00</u>	<u>\$ 200,000.00</u>

14. 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;

	<u>Balance Dec. 31, 2022</u>	<u>Balance Dec. 31, 2021</u>	<u>2022 Increase</u>	<u>Balance Dec. 31, 2020</u>	<u>2021 Increase</u>
Balance of School Tax	\$ 62,749,284.00	\$ 61,518,906.00	\$ 1,230,378.00	\$ 60,312,654.00	\$1,206,252.00
Amount Deferred	<u>48,754,849.00</u>	<u>48,754,849.00</u>		<u>48,754,849.00</u>	
School Tax Payable	<u>\$ 13,994,435.00</u>	<u>\$ 12,764,057.00</u>	<u>\$ 1,230,378.00</u>	<u>\$ 11,557,805.00</u>	<u>\$1,206,252.00</u>

15. 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, 2022 and 2021.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

16. 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 \$10,103,901,46, computed internally at the 2022 salary rates would be payable to officials and employees of the Township as of December 31, 2022 for accumulated sick and vacation days. This amount was not verified by audit. The Township has established a reserve for accumulated absences of \$2,312,186.30 as of December 31, 2022.

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

b. Tax Appeals

As of December 31, 2022, there were tax appeals pending before the New Jersey Tax Court of an undetermined amount.

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, 2022 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 regulatory 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.

TOWNSHIP OF MONTCLAIR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021**

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	\$ 161,447.00	\$ 245,215.75	\$ 83,768.75
56 Walnut Street	176,137.92	317,446.54	141,308.62
340 Orange Road	120,385.15	283,846.46	163,461.31
DCH MAP- Orange Garage	59,898.58	347,232.53	287,333.95
Union Gardens - 40 Greenwood Ave	110,000.00	280,377.62	170,377.62
Pineridge - 60 Glen Ridge	26,304.60	208,166.57	181,861.97
11/15 Pine Street	244,706.59	602,170.90	357,464.31
Herod Development - 48 S Park	97,537.07	254,096.64	156,559.57
55 Glenridge Ave	2,571.48	25,846.97	23,275.49
Centro Verde	1,490,673.13	1,245,027.50	(245,645.63)
Park Residential 98 units	1,130,629.00	1,403,170.44	272,541.44
JHP Orange Rd. 2013 Urban Renewal	705,685.15	721,429.94	15,744.79
Breo II Wellmont	832,034.24	1,406,146.08	574,111.84
	<u>\$ 5,158,009.91</u>	<u>\$ 7,340,173.94</u>	<u>\$ 2,182,164.03</u>

19. LESSOR REVENUE

The Township entered into a lease agreement with Wellmont West Urban Renewal, LLC for the lease of Township property. The agreement was approved September 2018 for a term of 99 years with a possible extension of 25 years thereafter. Wellmont began paying \$124,000.00 annually in monthly installments due on the first day of each month following the acceptance of the agreement. The following is a projected benefit for future years:

Projected Lease Revenue	
2023	\$ 124,000.00
2024	124,000.00
2025	124,826.67
2026	126,480.00
2027	126,480.00
Thereafter	<u>12,489,458.96</u>
	<u>\$ 13,115,245.62</u>

TOWNSHIP OF MONTCLAIR
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022 and 2021

20. SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after December 31, 2022 through November 22, 2023 which is the date the financial statements were available to be issued. Based on this evaluation, the Township has determined that no subsequent events have occurred that require disclosure in the financial statements.

**TOWNSHIP OF MONTCLAIR
ESSEX COUNTY, NEW JERSEY**

PART II

SUPPLEMENTARY INFORMATION – REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2022

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER
YEAR ENDED DECEMBER 31, 2022

A-4

	<u>Ref.</u>	<u>Regular Fund</u>	<u>Federal and State Grant Fund</u>
Balance, December 31, 2021	A	\$ 37,003,348.31	\$ 2,831,833.79
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2d	\$ 1,593,433.42	
Tax Collector	A-5	242,060,344.65	
Due from State of New Jersey:			
Senior Citizens' and Veterans' Deductions	A-8	59,250.00	
Refunds	A-1	136,044.63	
Revenue Accounts Receivable	A-14	12,058,130.70	
Interfunds Receivable	A-16,A-17	200,000.00	\$ 645,420.75
Reserve for Municipal Relief Fund	A-18	154,773.68	
Due to State of New Jersey	A-20	134,340.00	
Interfunds Payable	A-25	13,440.00	
		<u>256,409,757.08</u>	<u>645,420.75</u>
		293,413,105.39	3,477,254.54
Decreased by Disbursements:			
Budget Appropriations	A-3	84,501,394.78	
Appropriation Reserves	A-19	1,527,035.72	
Accounts Payable	A-22	153,541.14	
Due to State of New Jersey	A-20	118,516.00	
Tax Overpayments Refunded	A-24	203,909.67	
County Taxes Payable	A-26	39,927,158.18	
Local School District Tax	A-27	124,268,191.00	
Special Improvement District Tax	A-28	953,614.03	
		<u>251,653,360.52</u>	
Balance, December 31, 2022	A	<u>\$ 41,759,744.87</u>	<u>\$ 3,477,254.54</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENT - COLLECTOR
YEAR ENDED DECEMBER 31, 2022

A-5

	<u>Ref.</u>	
Increased by Receipts:		
Taxes Receivable	A-9	\$ 234,548,063.63
Revenue Accounts Receivable	A-14	5,949,850.69
Other Accounts Receivable	A-13	81,339.90
County Share of PILOT	A-22	277,096.16
Prepaid Taxes	A-29	1,182,303.67
Prepaid PILOTS	A-29	21,690.60
		<hr/> 242,060,344.65
Decreased by Disbursements:		
Paid to Treasurer	A-4	<hr/> 242,060,344.65
		<hr/> <hr/> \$ -

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

CHANGE FUNDS
DECEMBER 31, 2022

A-6

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	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, 2022

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

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

DUE FROM/(TO) STATE OF NEW JERSEY
PER CHAPTER 129, P.L. 1976
YEAR ENDED DECEMBER 31, 2022

A-8

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ (750.00)
Increased by:			
Veterans' and Senior Citizens' Deductions per Tax Billings:			
Senior Citizens		\$ 5,500.00	
Veterans		53,500.00	
Veterans' and Senior Citizens' Deductions Allowed by Tax Collector		<u>2,750.00</u>	
	A-2c, A-9		<u>61,750.00</u>
			61,000.00
Decreased by:			
Senior Citizens' Deductions Disallowed by Tax Collector - Prior Year			
	A-1	750.00	
Audit Deductions by State			
	A-1	750.00	
Collections			
	A-4	<u>59,250.00</u>	
			<u>60,750.00</u>
Balance, December 31, 2022	A		<u>\$ 250.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
YEAR ENDED DECEMBER 31, 2022

A-9

<u>Year</u>	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>2022 Tax Levy</u>	<u>Added</u> <u>Taxes</u>	<u>Collections - Cash</u>		<u>State of</u> <u>New Jersey</u>	<u>Canceled</u>	<u>Transferred</u> <u>to Tax</u> <u>Title Liens</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
				<u>2021</u>	<u>2022</u>				
2020	\$ 53,212.96				\$ 53,212.66				
2021	2,513,669.86		\$ 750.00		2,248,556.55		\$ 231,200.80		\$ 34,662.51
	<u>2,566,882.82</u>		<u>750.00</u>		<u>2,301,769.21</u>		<u>231,200.80</u>		<u>34,662.51</u>
2022		\$ 236,075,887.31		\$ 1,475,121.07	232,246,294.42	\$ 61,750.00	\$ 44,639.99	\$ 24,558.06	2,223,523.77
	<u>\$ 2,566,882.82</u>	<u>\$ 236,075,887.31</u>	<u>\$ 750.00</u>	<u>\$ 1,475,121.07</u>	<u>\$ 234,548,063.63</u>	<u>\$ 61,750.00</u>	<u>\$ 275,840.79</u>	<u>\$ 24,558.06</u>	<u>\$ 2,258,186.28</u>
<u>Ref.</u>	A	Below	Reserve	A-2c, A-29	A-2c, A-5	A-8	Reserve	A-10	A

ANALYSIS OF 2022 PROPERTY TAX LEVY

<u>Tax Yield</u>		<u>Tax Levy</u>	<u>Ref.</u>	
General Property Tax	\$ 234,389,739.72	Local School District Tax:		
Added and Omitted	732,533.56	Levy	A-27	\$ 125,498,569.00
Special District	693,908.09	Addition to Local School District		
Added Special District Taxes	259,705.94	Tax (Budget)	A-2	<u>8,192,000.00</u>
				\$ 133,690,569.00
		County Taxes:		
		County Tax	A-26	39,941,376.89
		Special Improvement District Tax	A-28	953,614.03
		Local Tax for Municipal Purposes:		
		Budget	A-2	58,014,756.06
		Minimum Library Tax	A-2	2,867,267.00
		Additional Taxes Levied	Reserve	<u>608,304.33</u>
				61,490,327.39
	<u>\$ 236,075,887.31</u>			<u>\$ 236,075,887.31</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

TAX TITLE LIENS
YEAR ENDED DECEMBER 31, 2022

A-10

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 292,593.21
Increased by:		
Transferred from Taxes Receivable	A-9	<u>24,558.06</u>
Balance, December 31, 2022	A	<u>\$ 317,151.27</u>

PROPERTY ACQUIRED FOR TAXES
DECEMBER 31, 2022

A-11

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	A	<u>\$ 317,900.00</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

OTHER LIENS RECEIVABLE
DECEMBER 31, 2022

A-12

	<u>Ref.</u>	<u>Demolition</u>
Balance, December 31, 2022 and 2021	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, 2022

A-13

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 93,337.15
Increased by:		
Interest Penalty on Delinquent	Reserve	<u>131,949.38</u>
		225,286.53
Decreased by:		
Cash Receipts	A-14	<u>81,339.90</u>
Balance, December 31, 2022	A	<u>\$ 143,946.63</u>
<u>Analysis of Balance</u>		
6% Interest Penalty		<u>\$ 143,946.63</u>

TOWNSHIP OF MONTCLAIR
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2022

A-14
Sheet # 1

	Ref.	Balance	Accrued	Collections		Balance
		Dec. 31, 2021	in 2022	Treasurer	Collector	Dec. 31, 2022
Clerk:						
Licenses:						
Alcoholic Beverages	A-2a		\$ 63,250.00	\$ 63,250.00		
Other	A-2b		268,840.75	268,840.75		
Fees and Permits	A-2b		165,030.00	165,030.00		
Health Officer:						
Licenses	A-2b		1,066.00	1,066.00		
Fees and Permits	A-2b		35,626.00	35,626.00		
Animal Shelter:						
Fees and Permits	A-2b		16,034.00	16,034.00		
Public Works:						
Fees and Permits	A-2b		86,088.52	86,088.52		
Planning Board:						
Fees and Permits	A-2b		11,373.00	11,373.00		
Housing and Zoning:						
Fees and Permits	A-2b		13,470.00	13,470.00		
Recreation and Parks:						
Fees and Permits	A-2b		389,730.00	389,730.00		
Police Department:						
Fees and Permits	A-2b		8,960.92	8,960.92		
Fire:						
Registration Fees and Penalties on Vacant Properties	A-2a		119,000.00	119,000.00		
Collector/Clerk:						
Tax Searches	A-2b		70.00	70.00		
Interest and Costs on Taxes	A-2a		764,000.70		\$ 764,000.70	
Board of Adjustment:						
Fees and Permits	A-2b		13,462.50	13,462.50		
Construction Code Official:						
Building Permits	A-2a		1,541,297.00	1,541,297.00		
Fees and Permits	A-2b		20,510.00	20,510.00		
Municipal Court:						
Fines and Costs	A-2a	\$ 67,256.91	1,228,579.84	1,151,793.38		\$ 144,043.37
Interest on Investments and Deposits	A-2a		336,245.63	336,245.63		
Energy Receipts Tax	A-2a		2,967,066.00	2,967,066.00		

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2022

A-14
Sheet # 2

	Ref.	Balance Dec. 31, 2021	Accrued in 2022	Collections		Balance Dec. 31, 2022
				Treasurer	Collector	
Interlocal Government Services:						
Fire Services	A-2a		\$ 925,738.00	\$ 925,738.00		
Health Contract - Verona	A-2a		86,104.00	86,104.00		
Health Contract - Nutley	A-2a		47,180.00	47,180.00		
Health Contract - Cedar Grove	A-2a		72,552.00	72,552.00		
School Resources Officer Board of Education	A-2a		148,350.77	148,350.77		
Cable Television Franchise Fee	A-2a		461,290.44	461,290.44		
Payments in Lieu of Taxes:						
Montclair Senior Housing Corp. (Orange Road)	A-2b		120,385.15		\$ 120,385.15	
First Montclair Housing Corp. (Walnut Street)	A-2b		176,137.95		176,137.95	
RTD Management Corp. (Lackawanna Plaza)	A-2b		161,447.00		161,447.00	
RTD Management Corp. (Union Gardens)	A-2b		110,000.00		110,000.00	
RTD Management Corp. (United Methodist Homes - Pineridge of Montclair)	A-2b		26,304.60		26,304.60	
Centro Verde	A-2b		1,490,673.13		1,490,673.13	
11 Pine Street	A-2b		244,706.59		244,706.59	
Siena	A-2b	\$ 12,772.55	1,135,524.48		1,144,069.00	\$ 4,228.03
55 Glenridge	A-2b		2,571.48		2,571.48	
Herod Redevelopment	A-2b		97,537.07		97,537.07	
11 Elm Street	A-2b		3,910.70		3,910.70	
Centro Verde - Garage	A-2b		59,898.58		59,898.58	
HP Orange 2013 (Hotel)	A-2b		705,685.15		705,685.15	
Wellmont (East)	A-2b		607,603.09		607,603.09	
Wellmont (West)	A-2b		224,431.15		224,431.15	
Capital Fund Surplus	A-2a		100,000.00	100,000.00		
Hotel Tax	A-2a		297,397.63	297,397.63		
Alarm Registration Fees	A-2a		105,756.75	105,756.75		
Rear Yard Refuse Collection	A-2a		32,025.00	32,025.00		
Reserve to Pay Debt Service	A-2a		1,051,095.00	1,051,095.00		
Penalty on Delinquent Taxes	A-13		125,617.24		125,617.24	
American Recovery Plan Act	A-2a		1,200,000.00	1,200,000.00		
Administrative Fees - Police Off-Duty	A-2a		321,727.41	321,727.41		
		<u>\$ 80,029.46</u>	<u>\$ 18,191,351.22</u>	<u>\$ 12,058,130.70</u>	<u>\$ 6,064,978.58</u>	<u>\$ 148,271.40</u>
Ref.		A	Reserve	A-14 Sheet 3	A-14 Sheet 3	A

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2022

A-14
Sheet # 3

	<u>Ref.</u>	<u>Collections</u>	
		<u>Treasurer</u>	<u>Tax Collector</u>
Cash Receipts	A-4, A-5	\$ 12,058,130.70	\$ 5,949,850.69
Prepaid PILOTS	A-29		33,787.99
Applied from Other Accounts Receivable	A-13		81,339.90
	<u>Sheet # 2</u>	<u>\$ 12,058,130.70</u>	<u>\$ 6,064,978.58</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GRANT FUND
 GRANTS RECEIVABLE
 YEAR ENDED DECEMBER 31, 2022

A-15

	<u>Balance</u> Dec. 31, 2021	<u>Realized</u> <u>Budgeted</u>	<u>Collections</u>	<u>Cancelled</u>	<u>Balance</u> Dec. 31, 2022
2020-21 MCIA grant R-19-203	\$ 8,792.86		\$ 8,792.86		
Essex County Visiting Nurses Grant	3,681.00		3,681.00		
2021 MILL Program 5-4-21 - 12-31-21 Grant	12,771.00			\$ 12,771.00	
2021 - 2022 DEDR - Municipal Alliance Grant	19,704.00		8,455.00		\$ 11,249.00
Strengthening LPHCP 2022 Grant	291,042.00		275,709.00	15,333.00	
2021 Microgrid Incentive Program Grant	169,872.14		1,744.66		168,127.48
2021/22 NJDOH Childhood Lead Program Grant	100,796.00		100,728.00	68.00	
Bullet Proof Vest Grant	4,742.62		4,742.62		
Pedestrian Safety Grant	20.00			20.00	
Pedestrian Safety Grant 10/1/21-9/30/22	30,000.00			30,000.00	
2020 BVP award	6,413.28		6,413.28		
Historic Preservation grant	560.00			560.00	
Historic Preservation grant (CLG grant)	225.00			225.00	
2021 NJEDA HDSRF - 399 Orange Rd Grant	35,280.00			35,280.00	
2021 CLG Grant	49,450.00		49,450.00		
2021 BVP Awards Grant		\$ 13,615.20			13,615.20
2021 Body Armor Replacement Grant		4,458.13	4,458.13		
2022 Pedestrian Safety Grant 10/1/21-9/30/22		30,000.00	30,000.00		
Bicycle & School Bus Safety Grant 10/1/21-9/30/22		18,000.00	18,000.00		
Safe & Secure Grant 2022		32,400.00	32,040.00		360.00
Hate Crimes Grant		300,000.00			300,000.00
2022 Distracted Driving Grant 4/1/22 - 4/30/22		12,250.00	12,250.00		
2022 Click It or Ticket Grant 5-23-22 to 6-26-22		10,500.00	10,500.00		
2022-23 Pedestrian Safety Grant		30,000.00			30,000.00
OEM Grant 7/1/21 - 6/30/22		10,000.00	10,000.00		
2019 Recycling Grant rec'd in 2022		40,040.27	40,040.27		
2022 Clean Communities Grant		73,165.47	73,165.47		
2022 NJEDA HDSRF - 399 Orange Rd Grant		35,280.00			35,280.00
2022 COMCAST GRANT		5,000.00	5,000.00		
2022 MUNI COURT ALCOHOL ED REHAB ENF GRANT		3,790.38	3,790.38		
FOMTAS GRANT 1/1/22-12/31/22		18,000.00		18,000.00	
Essex County 2022 Visiting Nurses Grant		14,561.00	10,920.00		3,641.00
MCIA Grant 7/1/22 - 6/30/23		19,704.00			19,704.00
2022 MILL Grant		30,000.00	30,000.00		
Strengthening LPHCP Grant 2023		274,735.00	72,679.00		202,056.00
Childhood Lead Program Grant 7/1/22-6/30/23		127,507.00	28,873.00		98,634.00
	<u>\$ 733,349.90</u>	<u>\$ 1,103,006.45</u>	<u>\$ 841,432.67</u>	<u>\$ 112,257.00</u>	<u>\$ 882,666.68</u>
	A	A-2	A-17	A-17	A

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2022

A-16

	<u>Ref.</u>	<u>Parking Utility Fund</u>
Balance, December 31, 2021	A	\$ 200,000.00
Decreased by: Settlements	A-1,A-4	<u>200,000.00</u>
Balance, December 31, 2022	A	<u>\$ -</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

INTERFUNDS RECEIVABLE
GRANT FUND
YEAR ENDED DECEMBER 31, 2022

A-17

	<u>Ref.</u>		<u>Current Fund</u>
Balance, December 31, 2021	A		\$ -
Increased by:			
Budget Appropriation - Grants	A-30	\$ 1,103,006.45	
Grants Received through Current Fund:			
Grants Receivable	A-15	841,432.67	
Unappropriated Grant Reserves	A-21	<u>2,602,757.00</u>	
			<u>4,547,196.12</u>
Decreased by:			
Cash Receipts	A-4	645,420.75	
Used in Current and Parking Utility Fund Budgets	A-21	2,018,219.07	
Anticipated Revenue	A-15	1,103,006.45	
Canceled:			
Grant Receivables	A-15	(112,257.00)	
Appropriated Reserves	A-30	<u>117,816.96</u>	
			3,772,206.23
Grants Disbursed through Current Fund			
Appropriated Grants	A-30		<u>774,989.89</u>
			<u>4,547,196.12</u>
Balance, December 31, 2022			<u>\$ -</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND
RESERVE FOR MUNICIPAL RELIEF FUND
YEAR ENDED DECEMBER 31, 2022

A-18

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ -
Increased by:		
Cash Receipts	A-4	<u>154,773.68</u>
Balance, December 31, 2022	A	<u>\$ 154,773.68</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2022

	Balance Dec. 31, 2021		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>General Government</u>					
Township Council:					
Salaries and Wages		\$ 99.16	\$ 99.16		\$ 99.16
Other Expenses	\$ 6,591.24	24,536.88	31,128.12	\$ 4,422.75	26,705.37
Township Manager:					
Salaries and Wages		7,660.41	7,660.41		7,660.41
Other Expenses	47,805.38	149,234.93	197,040.31	49,339.19	147,701.12
Human Resources					
Salaries and Wages		9,921.50	9,921.50		9,921.50
Other Expenses	28,802.71	41,485.65	70,288.36	45,728.05	24,560.31
Information Technology					
Salaries and Wages		2,841.12	2,841.12		2,841.12
Other Expenses	83,951.01	6,585.03	90,536.04	85,780.79	4,755.25
Township Clerk:					
Salaries and Wages		25,061.16	25,061.16		25,061.16
Other Expenses	9,883.44	7,607.22	17,490.66	1,344.15	16,146.51
Election Expense:					
Salaries and Wages		1,829.81	1,829.81		1,829.81
Other Expenses	75.28	48,080.59	48,155.87		48,155.87
Township Attorney:					
Salaries and Wages		17,001.36	17,001.36		17,001.36
Other Expenses	77,224.65	14,650.34	91,874.99	42,049.37	49,825.62
Municipal Court:					
Salaries and Wages		76,211.00	76,211.00		76,211.00
Other Expenses	10,237.92	26,962.83	37,200.75	9,210.17	27,990.58
Postage:					
Other Expenses		29,329.15	29,329.15		29,329.15
<u>Finance Department</u>					
<u>Administration:</u>					
Salaries and Wages		8,999.66	8,999.66		8,999.66
Other Expenses	7,680.00	44,664.86	52,344.86	5,100.00	47,244.86
Accounting and Treasury:					
Salaries and Wages		2,275.74	2,275.74	1,294.21	981.53
Other Expenses	3,753.79	53,557.74	57,311.53	3,232.99	23,078.54
Assessor's Office:					
Salaries and Wages		5,499.88	5,499.88		5,499.88
Other Expenses	30,913.35	1,805.82	32,719.17	50,658.98	13,060.19
Tax Collector:					
Salaries and Wages		52,870.28	52,870.28		52,870.28
Other Expenses	5,637.58	4,947.29	10,584.87	3,409.22	7,175.65
Auditing:					
Other Expenses		9,300.00	9,300.00		9,300.00

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2022

	Balance Dec. 31, 2021		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Planning and Community Development</u>					
Administration:					
Salaries and Wages		\$ 59,107.77	\$ 59,107.77	\$ 528.12	\$ 58,579.65
Other Expenses	\$ 1,236.05	13,881.14	15,117.19	2,029.74	13,087.45
Planning Board:					
Other Expenses	11,513.26	6,178.24	17,691.50	2,542.40	15,149.10
Board of Adjustment:					
Other Expenses	6,469.89	4,043.34	10,513.23	4,795.21	5,718.02
<u>Dept. of Administration and Code Enforcement</u>					
Salaries and Wages		62,213.19	62,213.19	2,869.63	59,343.56
Other Expenses	15,480.07	51,834.40	67,314.47	3.80	67,310.67
<u>Police Department</u>					
Salaries and Wages		677,063.74	677,063.74	2,257.00	674,806.74
Police & Fire Alarm System	4,442.05	30,395.89	34,837.94	3,120.62	31,717.32
Other Expenses	120,777.84	111,469.78	232,247.62	94,754.34	137,493.28
<u>Fire Department</u>					
Salaries and Wages		483,304.33	483,304.33	299,431.94	183,872.39
Other Expenses	110,197.80	42,748.00	152,945.80	92,149.99	60,795.81
<u>Public Works Department</u>					
Community Services Administration:					
Salaries and Wages		9,120.55	9,120.55		9,120.55
Other Expenses		5,990.54	5,990.54		5,990.54
Engineering:					
Other Expenses	37,957.05	850.00	38,807.05	37,957.05	850.00

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2022

	Balance Dec. 31, 2021		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Public Works Department</u>					
Street Repairs and Maintenance:					
Salaries and Wages		\$ 60,988.29	\$ 60,988.29	\$ 6,245.12	\$ 54,743.17
Other Expenses	\$ 8,038.67	9,317.46	17,356.13	387.64	16,968.49
Storm Sewer Repairs and Maintenance:					
Salaries and Wages		3,716.40	3,716.40	3,713.69	2.71
Other Expenses	152.75	6,140.00	6,292.75		6,292.75
Refuse Collection and Disposal:					
Salaries and Wages		92,935.69	92,935.69	28,318.51	64,617.18
Other Expenses	2,604.56	2,333.76	4,938.32	150.00	4,788.32
Storm Clearance:					
Salaries and Wages		2,937.70	2,937.70	27.08	2,910.62
Other Expenses	11,901.49	546,461.65	558,363.14	16,126.83	542,236.31
Traffic:					
Salaries and Wages		22,930.38	22,930.38	2,665.71	20,264.67
Other Expenses	643.29	56,238.46	56,881.75	4,792.50	52,089.25
Central Garage Operation:					
Salaries and Wages		20,948.21	20,948.21	4,066.16	16,882.05
Other Expenses	57,281.57	10,208.95	67,490.52	18,775.39	48,715.13
Building Maintenance:					
Salaries and Wages		9,696.34	9,696.34	1,857.15	7,839.19
Other Expenses	58,883.72	25,994.93	84,878.65	36,213.92	48,664.73
Parks Maintenance:					
Salaries and Wages		54,219.96	54,219.96	5,700.51	48,519.45
Other Expenses	36,755.02	30,757.66	67,512.68	25,081.22	42,431.46
Shade Trees:					
Salaries and Wages		17,779.92	17,779.92	3,896.47	13,883.45
Other Expenses	67,664.32	52,902.71	120,567.03	2,154.50	118,412.53

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2022

	Balance Dec. 31, 2021		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
Recreation Programs:					
Salaries and Wages		\$ 103,494.36	\$ 103,494.36	\$ 392.00	\$ 103,102.36
Other Expenses	\$ 6,448.25	90,770.13	97,218.38	2,152.76	95,065.62
Dept. of Health and Human Services					
Health Services:					
Salaries and Wages		297,706.08	297,706.08	(62,510.06)	360,216.14
Other Expenses	2,836.50	8,771.29	11,607.79	10,538.42	1,069.37
Senior Services:					
Salaries and Wages		34,813.60	34,813.60		34,813.60
Other Expenses	2,660.46	18,813.79	21,474.25	1,286.25	20,188.00
Nursing Services:					
Salaries and Wages		188,798.89	188,798.89	(117,897.33)	306,696.22
Animal Control:					
Salaries and Wages		29,487.70	29,487.70	1,729.81	27,757.89
Other Expenses	30,577.03	913.35	31,490.38	21,961.54	9,528.84
<u>Miscellaneous and Other</u>					
Mandatory Recycling Act:					
Salaries and Wages		76,205.45	76,205.45	24,145.10	52,060.35
Other Expenses	73,031.89		73,031.89	16,157.86	56,874.03
Refuse Tipping Fees					
Other Expenses	137,697.89	51,183.93	188,881.82	104,985.60	83,896.22
Insurances:					
Liability	6,065.00	197,436.09	203,501.09	193,631.45	9,869.64
Health Benefit Wavier		72,798.56	72,798.56		72,798.56
Employee Group Insurance	95,948.01	655,703.30	751,651.31	69,624.91	682,026.40

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2022

	Balance Dec. 31, 2021		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Special Programs and Activities</u>					
Parks, Recreation and Cultural					
Affairs:					
Other Expenses	\$ 22,276.50	\$ 72,165.69	\$ 94,442.19	\$ 1,779.76	\$ 92,662.43
Uniform Construction Code - Appropriations Offset					
<u>by Dedicated Revenues</u>					
Salaries and Wages		80,257.17	80,257.17	3,945.69	76,311.48
Other Expenses	1,546.06	15,215.51	16,761.57	378.96	16,382.61
<u>Unclassified</u>					
Utilities:					
Gasoline	19,114.14	4,134.05	23,248.19	(158.00)	23,406.19
Fuel - Diesel	39,532.99	11,983.09	51,516.08	1,893.63	49,622.45
Electricity	41,074.18	187,175.97	228,250.15	23,420.38	204,829.77
Telephone	56,418.89	70,502.17	126,921.06	16,039.96	110,881.10
Natural Gas	34,590.22	35,529.55	70,119.77	19,950.92	50,168.85
Street Lighting	67,357.31	74,478.93	141,836.24	41,202.96	100,633.28
Building Maintenance	14,184.15	15,572.32	29,756.47	14,184.15	15,572.32
Copier Lease	530.46	16,307.74	16,838.20	2,039.65	14,798.55
<u>Statutory Expenditures</u>					
Public Employees' Retirement System of N.J.		7,736.48	7,736.48		7,736.48
Social Security System (OASI)		107,763.72	107,763.72	(1,451.11)	109,214.83
Defined Contribution Retirement Plan		16,364.84	16,364.84	439.92	15,924.92
<u>Other Operations</u>					
Other Capital Improvements	231,752.50	2,732.00	234,484.50	228,266.86	6,217.64
Total	\$ 1,748,198.18	\$ 5,802,544.54	\$ 7,550,742.72	\$ 1,622,314.15	\$ 5,928,428.57

<u>Ref.</u>	A	A		Below	A-1
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Ref.

Cash Disbursed	A-4	\$ 1,527,035.72
Accounts Payable	A-22	95,278.43
	Above	\$ 1,622,314.15

TOWNSHIP OF MONTCLAIR
CURRENT FUND

DUE TO STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2022

A-20

	<u>Ref.</u>	<u>Total</u>	<u>Construction Training Fees</u>	<u>Marriage & Domestic Partner Fees</u>
Balance, December 31, 2021	A	\$ 22,878.00	\$ 21,437.00	\$ 1,441.00
Increased by:				
Collections	A-4	<u>134,340.00</u>	<u>131,990.00</u>	<u>2,350.00</u>
		157,218.00	153,427.00	3,791.00
Decreased by:				
Payments	A-4	<u>118,516.00</u>	<u>115,291.00</u>	<u>3,225.00</u>
Balance, December 31, 2022	A	<u>\$ 38,702.00</u>	<u>\$ 38,136.00</u>	<u>\$ 566.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

RESERVE FOR UNAPPROPRIATED GRANTS
YEAR ENDED DECEMBER 31, 2022

A-21

	Balance Dec. 31, 2021	Increase	Decrease	Balance Dec. 31, 2022
American Rescue Plan (ARP)	\$ 2,018,219.07	\$ 2,018,219.07	\$ 2,018,219.07	\$ 2,018,219.07
Safe and Secure Grant	72,960.00			72,960.00
Small Business Advocacy Grant		450,000.00		450,000.00
Body Armor Grant		6,355.18		6,355.18
Safe and Secure Grant		8,100.00		8,100.00
Opioid Settlement		120,082.75		120,082.75
	<u>\$ 2,091,179.07</u>	<u>\$ 2,602,757.00</u>	<u>\$ 2,018,219.07</u>	<u>\$ 2,675,717.00</u>
<u>Ref.</u>	A	A-17	A-17	A

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2022

A-22

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 560,295.92
Increased by:			
Transfer from Appropriations Reserves	A-19	\$ 95,278.43	
Cash Receipts	A-5	277,096.16	
Budget Appropriations	A-3	<u>74,413.57</u>	
			<u>446,788.16</u>
			1,007,084.08
Decreased by:			
Cash Disbursements	A-4		<u>153,541.14</u>
Balance, December 31, 2022	A		<u><u>\$ 853,542.94</u></u>
 <u>Analysis of Balance</u>			
Due to Litigation Matters			\$ 164,827.00
Due to PSE&G			241,927.78
Accrued Payroll			169,692.00
County Share of PILOTs			<u>277,096.16</u>
			<u><u>\$ 853,542.94</u></u>
	Above		

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

PAYMENTS IN LIEU OF TAXES - OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2022

A-23

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 14,891.41
Decreased by:			
Cancellation of Balance	A-1		<u>9,424.07</u>
Balance, December 31, 2022	A		<u>\$ 5,467.34</u>

TAX OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2022

A-24

Balance, December 31, 2021	A		\$ 419,829.49
Decreased by:			
Cash Disbursed	A-4	\$ 203,909.67	
Cancellation of Balances	A-1	<u>123,383.84</u>	
			<u>327,293.51</u>
Balance, December 31, 2022	A		<u>\$ 92,535.98</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2022

A-25

	<u>Ref.</u>	<u>General Trust Fund</u>
Balance, December 31, 2021	A	\$ -
Increased by:		
Advances	A-4	<u>13,440.00</u>
		<u>13,440.00</u>
Decreased by;		
Adjustment for Payments Made by Trust Other		<u>4,663.00</u>
		<u>4,663.00</u>
Balance, December 31, 2022	A	<u>\$ 8,777.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

COUNTY TAXES
YEAR ENDED DECEMBER 31, 2022

A-26

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 110,010.52
Increased by:			
Tax Levy		\$ 38,513,692.48	
Open Space		1,303,455.18	
Added and Omitted		<u>124,229.23</u>	
	A-1, A-2c, A-9		<u>39,941,376.89</u>
			40,051,387.41
Decreased by:			
Payments	A-4		<u>39,927,158.18</u>
Balance, December 31, 2022	A		<u><u>\$ 124,229.23</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

LOCAL SCHOOL DISTRICT TAX
YEAR ENDED DECEMBER 31, 2022

A-27

	<u>Ref.</u>	
Balance, December 31, 2021	Below	\$ 61,518,906.00
Increased by:		
Levy - School Year July 1, 2022 to June 30, 2023	A-1, A-2c, A-9	125,498,569.00
		<u>187,017,475.00</u>
Decreased by:		
Payments	A-4	<u>124,268,191.00</u>
Balance, December 31, 2022:		
Deferred School Tax	Below	\$ 48,754,849.00
School Tax Payable	A	<u>13,994,435.00</u>
		<u>\$ 62,749,284.00</u>
<u>Analysis of Deferred School Tax</u>		
Deferred School Tax December 31, 2022	Above	\$ 48,754,849.00
Deferred School Tax December 31, 2021	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, 2022

A-28

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ -
Increased by:		
2022 Tax Levy	A-1, A-2c, A-9	<u>953,614.03</u> 953,614.03
Decreased by:		
Payments	A-4	<u>953,614.03</u>
Balance, December 31, 2022	A	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

PREPAID TAXES
YEAR ENDED DECEMBER 31, 2022

A-29

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 1,508,909.06
Increased by:			
Cash Receipts	A-5		1,203,994.27
			<u>2,712,903.33</u>
Decreased by:			
Applied to Taxes Receivable	A-9	\$ 1,475,121.07	
Applied to PILOT	A-14	<u>33,787.99</u>	
			<u>1,508,909.06</u>
Balance, December 31, 2022	Below		<u>\$ 1,203,994.27</u>
 <u>Analysis of Balance</u>			
Prepaid Taxes	A		\$ 1,182,303.67
Prepaid PILOTS	A		<u>21,690.60</u>
	Above		<u>\$ 1,203,994.27</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATED RESERVES
GRANT FUND
YEAR ENDED DECEMBER 31, 2022

A-30
Sheet # 1

	Balance Dec. 31, 2021	Prior Year Encumbered	Transferred from Budget Appropriation	Added by NJSA 40A-4-87	Expended Cash Disbursements	Current Year Encumbered	Canceled	Balance Dec. 31, 2022
Seniors in Taxis	\$ 2,821.91							\$ 2,821.91
2020-21 PARTNERS FOR HEALTH	7,253.16	\$ 9,386.21			\$ 16,639.37			
MILL2020 grant	61.02						\$ 61.02	
2020 - 2021 NJDOH GRANT	74.94	1,828.03				\$ 1,828.03	\$ 74.94	
MILL WINTER 2021 GRANT	37.50						37.50	
Essex County DSS Covid Grant 1/1/20-9/30/21	11,001.00				11,001.00			
2021 MILL Program 5-4-21 - 12-31-21 Grant	26,758.50				9,211.00		17,547.50	
2021 - 2022 DEDR - Municipal Alliance Grant	17,399.81				6,150.81			11,249.00
Strengthening LPHCP 2022 Grant	220,460.68	9,726.40			214,854.08		15,333.00	
2021 Microgrid Incentive Program Grant	679,500.00					603,634.49		
2021/22 NJDOH Childhood Lead Program Grant	89,365.79	10,695.26			99,993.05		68.00	
DDEF	5,879.79				5,050.27			829.52
Pedestrian Safety Grant	30.00						30.00	
Click It or Ticket	600.00						600.00	
Pedestrian Safety Grant 10/1/21-9/30/22	30,000.00						30,000.00	
Body Worn Cameras	226,735.00							226,735.00
Historic Preservation Grant	560.00						560.00	
Comcast	5,000.00			\$ 5,000.00	4,166.67			5,833.33
Alcohol Education and Rehab	25,143.50			3,790.38				28,933.88
Historic Preservation CLG grant	225.00						225.00	
2021 NJEDA HDSRF - 399 Orange Rd Grant	35,280.00						35,280.00	
2021 CLG Grant	49,450.00				49,450.00			
FOMTAS GRANT 1/1/22-12/31/22			\$ 18,000.00				18,000.00	
Essex County 2022 Visiting Nurses Grant			14,561.00		14,561.00			
MClA Grant 7/1/22 - 6/30/23			19,704.00		2,478.00			17,226.00
2022 MILL Grant			30,000.00		26,385.00	1,443.75		2,171.25
Strengthening LPHCP Grant 2023				274,735.00	76,620.87	86,596.93		111,517.20
Childhood Lead Program Grant 7/1/22-6/30/23				127,507.00	37,714.99			89,792.01
2021 BVP Awards Grant			13,615.20		13,615.20			
2021 Body Armor Replacement Grant			4,458.13		2,269.20			2,188.93
2022 Pedestrian Safety Grant 10/1/21-9/30/22			30,000.00		30,000.00			
Bicycle & School Bus Safety Grant 10/1/21-9/30/22			18,000.00		18,000.00			
Safe & Secure Grant 2022			32,400.00					32,400.00
Hate Crimes Grant			300,000.00					300,000.00

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
CURRENT FUND

APPROPRIATED RESERVES
GRANT FUND
YEAR ENDED DECEMBER 31, 2022

A-30
Sheet # 2

	<u>Balance Dec. 31, 2021</u>	<u>Prior Year Encumbered</u>	<u>Transferred from Budget Appropriation</u>	<u>Added by NJSA 40A-4-87</u>	<u>Expended Cash Disbursements</u>	<u>Current Year Encumbered</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2022</u>
2022 Distracted Driving Grant 4/1/22 - 4/30/22				\$ 12,250.00	\$ 12,250.00			
2022 Click It or Ticket Grant 5-23-22 to 6-26-22				10,500.00	10,500.00			
2022-23 Pedestrian Safety Grant				30,000.00				30,000.00
2019 Recycling Grant rec'd in 2022			\$ 40,040.27					40,040.27
2022 Clean Communities Grant		\$ 8,731.12		73,165.47	8,731.12			73,165.47
OEM Grant 7/1/21 - 6/30/22			10,000.00					10,000.00
2022 NJEDA HDSRF - 399 Orange Rd Grant			35,280.00		29,482.75	5,797.25		-
	<u>\$ 1,433,637.60</u>	<u>\$ 40,367.02</u>	<u>\$ 566,058.60</u>	<u>\$ 536,947.85</u>	<u>\$ 774,989.89</u>	<u>\$ 699,300.45</u>	<u>\$ 117,816.96</u>	<u>\$ 984,903.77</u>
<u>Ref.</u>	A	A	A-3	A-3	A-17	A	A-17	A

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

CASH RECEIPTS AND DISBURSEMENTS - TREASURER
YEAR ENDED DECEMBER 31, 2022

B-2

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>Trust Fund</u>	<u>Section 8 Housing</u>	<u>Assessment Trust Fund</u>	<u>Payroll Account</u>
Balance, December 31, 2021	B	\$ 155,174.78	\$ 10,779,270.56	\$ 58,502.80	\$ 29,585.86	\$ 381,079.92
Increased by:						
Community Development Block Grants Fund Balance	B-6 B-1	\$ 147,027.20			\$ 1,599.09	
Various Reserves and Deposits	B-9	8,999,657.63				
Due from Essex County - CARES Act	B-13			\$ 2,767,130.00		
Prior Year HUD Receivable	B-13			24,377.20		
Recreation Fees	B-18	8,681.50				
State Registration Fees	B-8	\$ 1,623.60				
Donations for Animal Shelter	B-14	15,019.15				
Collection of Animal Control Fees	B-7	17,442.40				
Payroll Accounts	B-15					\$ 27,464,428.90
Flexible Spending Transfers	B-10					39,158.88
Police Forfeiture Receipts	B-4		2,087.78			
State Unemployment Compensation Insurance	B-11		52,329.49			
		<u>34,085.15</u>	<u>9,209,783.60</u>	<u>2,791,507.20</u>	<u>1,599.09</u>	<u>27,503,587.78</u>
		189,259.93	19,989,054.16	2,850,010.00	31,184.95	27,884,667.70
Decreased by:						
Interfunds Receivable	B-18		429,663.00			
Payments to State	B-8	1,623.00				
Various Reserves and Deposits	B-9		7,045,497.47			
Community Development Block Grants	B-12		258,470.32			
Prior Year Section 8 Accounts Payable	B			4,874.87		
Section 8 Voucher Program	B-13			2,675,254.00		
CAREs Act	B-5			5,443.85		
Animal Shelter Expenditures	B-14	36,440.46				
Payroll Deductions and Other Payments	B-15					27,452,808.03
Flexible Spending Payments	B-10					39,524.72
Police Forfeiture Expenditures	B-4		5,914.80			
Unemployment Claims Payable	B-11		34,880.62			
		<u>38,063.46</u>	<u>7,774,426.21</u>	<u>2,685,572.72</u>		<u>27,492,332.75</u>
Balance, December 31, 2022	B	<u>\$ 151,196.47</u>	<u>\$ 12,214,627.95</u>	<u>\$ 164,437.28</u>	<u>\$ 31,184.95</u>	<u>\$ 392,334.95</u>

Ref.

General Trust	B	\$ 11,621,269.60
Forfeited Assets	B	37,652.78
S.U.I	B	555,705.57
		<u>\$ 12,214,627.95</u>

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

ANALYSIS OF ASSESSMENT CASH AND INVESTMENTS
YEAR ENDED DECEMBER 31, 2022

B-3

	<u>Balance</u> <u>December 31, 2021</u>	<u>Receipts</u> <u>Assessments</u> <u>Receivable</u>	<u>Balance</u> <u>December 31, 2022</u>
<u>General Accounts</u>			
Fund Balance	\$ 29,585.86	\$ 1,599.09	\$ 31,184.95
	<u>\$ 29,585.86</u>	<u>\$ 1,599.09</u>	<u>\$ 31,184.95</u>
<u>Ref.</u>	B	B-1, B-16	B

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR POLICE FORFEITURE EXPENDITURES
YEAR ENDED DECEMBER 31, 2022

B-4

	<u>Ref.</u>		
Balance, December 31, 2021	B		\$ 41,479.80
Increased by:			
Interest Earned		\$ 36.82	
Receipts from County of Essex	B-2	<u>2,050.96</u>	
			<u>2,087.78</u>
			43,567.58
Decreased by:			
Expenditures	B-2		<u>5,914.80</u>
Balance, December 31, 2022	B		<u><u>\$ 37,652.78</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

HOUSING AND URBAN DEVELOPMENT
ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2022

B-5

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ 10,318.72
Decreased by:		
Cash Disbursements	B-2	<u>10,318.72</u>
Balance, December 31, 2022	B	<u>\$ -</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, 2022

B-6

Program Year	Description	Balance Dec. 31, 2021	2022 Grants	Collections	Canceled	Balance Dec. 31, 2022
2022	ADA Compliant Restroom - Public Library		\$ 100,000.00			\$ 100,000.00
2021	ADA Compliant Restroom - Valley Rd. Fire House	\$ 70,000.00				70,000.00
2021	Rd Reconstruction Hartley St. (Bloomfield to Washington)	133,000.00				133,000.00
2020	Glenridge Ave. Streetscape Improvements	140,946.00				140,946.00
2019/2020	Maple/Woodland Avenue Sewer Repair	177,570.50		\$ 52,927.20	\$ 62,962.50	61,680.80
2019	ADA Improvements to Pine St. & Valley Rd. Fire Stations	14,300.00			14,300.00	
2020/2021	Contra - Subrecipient Awards	94,100.00	94,100.00	94,100.00		94,100.00
		<u>\$ 629,916.50</u>	<u>\$ 194,100.00</u>	<u>\$ 147,027.20</u>	<u>\$ 77,262.50</u>	<u>\$ 599,726.80</u>
	<u>Ref.</u>	B	B-12	B-2	B-12	B

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES
YEAR ENDED DECEMBER 31, 2022

B-7

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ 26,061.80
Increased by:		
Dog License Fees Collected		\$ 14,140.40
Late Fees		2,220.00
Cat License Fees Collected		<u>1,082.00</u>
	B-2	<u>17,442.40</u>
		43,504.20
Decreased by:		
Due to Reserve for Animal Control Shelter	B-7	<u>19,039.20</u>
Balance, December 31, 2022	B	<u>\$ 24,465.00</u>

License Fees Collected

<u>Year</u>	Amount
2020	\$ 13,143.60
2021	<u>11,321.40</u>
	<u>\$ 24,465.00</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
ANIMAL CONTROL TRUST FUNDS

B-8

DUE TO STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2022

	<u>Ref.</u>		
Balance, December 31, 2021	B		\$ 12.60
Increased by:			
Registration Fees		\$ 1,103.00	
Pilot Clinic Fund Fees		220.60	
Population Control Fees		<u>300.00</u>	
	B-2		<u>1,623.60</u>
			1,636.20
Decreased by:			
Payments	B-2		<u>1,623.00</u>
Balance, December 31, 2022	B		<u><u>\$ 13.20</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL TRUST FUND

SPECIAL DEPOSITS
YEAR ENDED DECEMBER 31, 2022

	Balance Dec. 31, 2021	Transfer Prior Year Encumbrances	Adjustments	Receipts	Disbursements	Reserve for Encumbrances	Balance Dec. 31, 2022
Recycling Program	\$ 342,412.58	\$ 35,000.00		\$ 72,656.13	\$ 115,844.15	\$ 132,002.45	\$ 202,222.11
Railroad Station Projects	289,884.09	9,324.67		3,300.00	8,430.20		294,078.56
Parking Adjudication Fines	304,189.58			13,316.00	501.19		317,004.39
D.A.R.E Donations	3,497.13						3,497.13
Uniform Fire Safety Act	132,664.83	16,091.43		79,316.70	122,933.36	9,868.10	95,271.50
Child Fire Safety	112.64						112.64
Police Off-Duty	18,016.00			1,240,682.02	1,216,011.02		42,687.00
Firemen Off-Duty							
Reserve for First Nite	9,959.94						9,959.94
DCS - Inspection Escrow	5,000.00						5,000.00
Planning Escrow Deposits	110,467.33	101,149.30		147,584.87	160,788.78	121,189.26	77,223.46
Rental Security	13,150.00						13,150.00
LEA - Penalty Account	320,997.07	13,360.47		128,615.36	56,601.87	10,809.51	395,561.52
Storm Recovery	1,078,667.57				199,807.50	180,000.00	698,860.07
Collector's Redemption Account	5,166.11			1,311,456.23	1,251,899.50		64,722.84
Public Defender Application Fees	21,145.50	16,000.00		1,552.00	2,250.00		36,447.50
Recreation	46,412.37		\$ 1,178.00	21,690.00	20,498.01		48,782.36
Contributions - Archival Project	8,532.42						8,532.42
Open Space	222,127.78						222,127.78
Health Program	4,378.63			324.38	4,683.01		20.00
Voucher Program - COAH	1,463,603.39	13,082.04		735,853.75	120,638.69	40,585.63	2,051,314.86
Accumulated Absences	2,112,186.30			1,053,910.19	853,910.19		2,312,186.30
Premium on Tax Sales	3,505,400.00			4,123,400.00	2,910,700.00		4,718,100.00
Church Street Circle Fountain	1,160.00						1,160.00
Miscellaneous Deposits	920.39			66,000.00			66,920.39
	<u>\$ 10,020,051.65</u>	<u>\$ 204,007.91</u>	<u>\$ 1,178.00</u>	<u>\$ 8,999,657.63</u>	<u>\$ 7,045,497.47</u>	<u>\$ 494,454.95</u>	<u>\$ 11,684,942.77</u>
Ref.	B	B	B-9	B-2	B-2	B	B

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

FLEXIBLE SPENDING ACCOUNT
YEAR ENDED DECEMBER 31, 2022

B-10

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ 4,065.90
Increased by:		
Transferred from Payroll Agency Account	B-2	<u>39,158.88</u>
		43,224.78
Decreased by:		
Cash Disbursements	B-2	<u>39,524.72</u>
Balance, December 31, 2022	B	<u><u>\$ 3,700.06</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR STATE UNEMPLOYMENT TRUST FUND EXPENDITURES
YEAR ENDED DECEMBER 31, 2022

B-11

	<u>Ref.</u>		
Balance, December 31, 2021	B		\$ 538,256.70
Increased by:			
Budget Appropriation		\$ 3.76	
Reimbursement		<u>52,325.73</u>	
	B-2		<u>52,329.49</u>
			<u>590,586.19</u>
Decreased by:			
Unemployment Claims Payable	B-11		<u>34,880.62</u>
Balance, December 31, 2022	B		<u><u>\$ 555,705.57</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT EXPENDITURES
YEAR ENDED DECEMBER 31, 2022

B-12

Program Year	Analysis of Balance	Balance Dec. 31, 2021	2022 Grants	Expenditures	Canceled	Reserve for Encumbrances	Balance Dec. 31, 2022
2022	ADA Compliant Restroom - Public Library		\$ 100,000.00				\$ 100,000.00
2021	ADA Compliant Restroom - Valley Rd. Fire House	\$ 70,000.00				\$ 38,200.00	31,800.00
2021	Rd Reconstruction Hartley St. (Bloomfield to Washington)	133,000.00					133,000.00
2020	Glenridge Ave Streetscape Improvements	140,946.00		\$ 103,244.62		856.90	36,844.48
2019/2020	Maple/Woodland Avenue Sewer Repair	98,310.80	65,185.70	59,959.70	\$ 62,962.50	726.00	39,848.30
2019	ADA Improvements to Pine St. & Valley Rd. Fire Stations	2,682.50	11,617.50		14,300.00		
2020/2021	Contra - Subrecipient Awards	95,266.00	94,100.00	95,266.00			94,100.00
		<u>\$ 540,205.30</u>	<u>\$ 270,903.20</u>	<u>\$ 258,470.32</u>	<u>\$ 77,262.50</u>	<u>\$ 39,782.90</u>	<u>\$ 435,592.78</u>
	<u>Ref.</u>	B	B-6	B-2	B-6	B	B

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR SECTION 8 VOUCHER PROGRAM
YEAR ENDED DECEMBER 31, 2022

B-13

	<u>Ref.</u>		
Balance, December 31, 2021	B		\$ 72,561.28
Increased by:			
Housing and Urban Development Assistance:			
Cash Received		\$ 2,463,132.00	
Other Revenue		26,790.00	
Interest Earned		593.00	
Payments Received from Other Municipalities and Other Sources		<u>276,615.00</u>	
	Below		<u>2,767,130.00</u>
			<u>2,839,691.28</u>
Decreased by:			
Housing Assistance Payments - Includes			
HAP Portability-In	Below	2,355,119.00	
Administrative Expenses	Below	316,521.00	
Adjustments and Equity Transfers	Below	3,614.00	
Accounts Payable	B	<u>104,311.00</u>	
			<u>2,779,565.00</u>
Balance, December 31, 2022	B		<u>\$ 60,126.28</u>
Cash Receipts	B-2	\$ 2,767,130.00	
		<u>\$ 2,767,130.00</u>	
Cash Disbursements	B-2	\$ 2,675,254.00	
Accounts Payable	B	104,311.00	
		<u>\$ 2,779,565.00</u>	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

RESERVE FOR ANIMAL SHELTER EXPENDITURES
YEAR ENDED DECEMBER 31, 2022

B-14

	<u>Ref.</u>		
Balance, December 31, 2021	B		\$ 129,100.38
Increased by:			
Excess Animal Control Receipts	B-7	\$ 19,039.20	
Donations	B-2	<u>15,019.15</u>	
			<u>34,058.35</u>
			163,158.73
Decreased by:			
Expenditures	B-2		<u>36,440.46</u>
Balance, December 31, 2022	B		<u><u>\$ 126,718.27</u></u>

ANALYSIS OF PAYROLL ACTIVITY
YEAR ENDED DECEMBER 31, 2022

B-15

	<u>Ref.</u>		
Balance, December 31, 2021	B		\$ 377,014.02
Increased by:			
Gross Payroll		\$ 25,923,171.68	
Employer FICA Contribution		<u>1,541,257.22</u>	
	B-2		<u>27,464,428.90</u>
			27,841,442.92
Decreased by:			
Cash Disbursements	B-2		<u>27,452,808.03</u>
Balance, December 31, 2022	B		<u><u>\$ 388,634.89</u></u>
<u>Analysis of Balance</u>			
Public Employees' Retirement System			\$ 104,281.10
Police and Fire Retirement System			223,514.24
Other			<u>60,839.55</u>
			<u><u>\$ 388,634.89</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

ASSESSMENTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2022

B-16

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ 5,337.24
Decreased by:		
Cash Receipts	B-3, B-17	1,599.09
Balance, December 31, 2022	B	\$ 3,738.15

RESERVE FOR ASSESSMENTS AND ASSESSMENT LIENS
YEAR ENDED DECEMBER 31, 2022

B-17

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ 5,337.24
Decreased by:		
Cash Receipts	B-3, B-16	1,599.09
Balance, December 31, 2022	B	\$ 3,738.15
<u>Analysis of Balance</u>		
Street Improvements		\$ 3,738.15

TOWNSHIP OF MONTCLAIR
TRUST FUNDS

INTERFUNDS RECEIVABLE
YEAR ENDED DECEMBER 31, 2022

B-18

	<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>General Capital Fund</u>
Balance, December 31, 2021	B	\$ -	\$ -	\$ -
Increased by:				
Recreation Credit Card Advances	B-9	<u>13,440.00</u>	<u>13,440.00</u>	<u> </u>
		<u>13,440.00</u>	<u>13,440.00</u>	<u>-</u>
Decreased by:				
Cash Disbursements	B-2	<u>429,663.00</u>	<u>4,663.00</u>	<u>425,000.00</u>
		<u>429,663.00</u>	<u>4,663.00</u>	<u>425,000.00</u>
Balance, December 31, 2022	A	<u>\$ 433,777.00</u>	<u>\$ 8,777.00</u>	<u>\$ 425,000.00</u>

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED DECEMBER 31, 2022

C-2

	<u>Ref.</u>		
Balance, December 31, 2021	C		\$ 3,952,194.07
Increased by Receipts:			
Grants Receivable	C-4	\$ 405,993.25	
Deferred Charges to Future Taxation - Unfunded	C-6	88,309.83	
Capital Improvement Fund	C-8	1,100,000.00	
Reserve to Pay Debt Service	C-11	171,202.89	
Budget Appropriation - School Debt	C-6	<u>1,051,095.00</u>	
			<u>2,816,600.97</u>
			6,768,795.04
Decreased by Disbursements:			
Capital Surplus Utilized in Current Fund Budget	C-1	100,000.00	
Reserve to Pay Debt Service	C-11	1,051,095.00	
Improvement Authorizations	C-7	<u>5,458,832.99</u>	
			<u>6,609,927.99</u>
Balance, December 31, 2022	C		<u>\$ 158,867.05</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2022

	Balance December 31, 2021	Cash Receipts	Disbursements		Transfers		Balance December 31, 2022
			Improvement Authorizations	Other	From	To	
<u>Improvement Authorizations</u>							
General Improvements:							
#16-11	\$ 300,079.63		\$ (7,081.15)		\$ 16,593.15		\$ 290,567.63
#16-32	(75,300.89)	\$ 75,350.82	102,004.86		71,815.15	\$ 58,675.71	(115,144.30)
#17-13	147,849.77		661.72				147,188.05
#17-23	(12,959.01)	12,959.01	30,649.58		196,737.26	21,580.80	(205,806.04)
#17-34	10,297.69		10,297.69				
#18-19	(51,900.68)	83,357.50	41,161.44		78,991.79	33,086.84	(55,609.57)
#19-11	(119,711.54)		132,706.24		34,024.21	103,905.79	(182,536.20)
#19-17	(225,000.00)				225,000.00	225,000.00	(225,000.00)
#20-01	(22,789.67)	172,635.75	118,020.78		87,462.95	170,838.96	115,201.31
#20-14	(104,157.72)		97,037.57		58,910.03	46,798.86	(213,306.46)
#21-05	107,986.95	150,000.00	3,270,568.21		548,548.48	951,476.20	(2,609,653.54)
#22-06			591,671.34		1,234,774.30	400,000.00	(1,426,445.64)
School Improvements:							
#12-32	(16,431.59)						(16,431.59)
#19-02	(177,043.61)		264,128.75			20,000.00	(421,172.36)
#19-06	(15,115.00)						(15,115.00)
#20-12	(600.00)						(600.00)
#20-13	(8,087.84)						(8,087.84)
#20-19	1,094,304.12	1,051,095.00	807,005.96				1,338,393.16
<u>Other Accounts</u>							
Fund Balance	279,869.01			\$ 100,000.00			179,869.01
Capital Improvement Fund	140,582.83	1,100,000.00			400,000.00		840,582.83
Reserve for Encumbrances	1,631,363.16				4,570,687.10	5,067,181.26	2,127,857.32
Interfund						425,000.00	425,000.00
Reserve for Debt Service	1,068,958.46	171,202.89		1,051,095.00			189,066.35
	<u>\$ 3,952,194.07</u>	<u>\$ 2,816,600.97</u>	<u>\$ 5,458,832.99</u>	<u>\$ 1,151,095.00</u>	<u>\$ 7,523,544.42</u>	<u>\$ 7,523,544.42</u>	<u>\$ 158,867.05</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, 2022

C-4

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance December 31, 2021</u>	<u>Decrease</u>	<u>Balance December 31, 2022</u>
	<u>State Grants</u>			
	New Jersey Dept. of Transportation:			
18-19	Valley Road & Church Street	\$ 83,357.50	\$ 83,357.50	
19-11	Trinity & Myrtle	40,520.11		\$ 40,520.11
20-01	Mt. Hebron	412,754.00	172,635.75	240,118.25
21-05	South Park Street & Church Street	465,625.00		465,625.00
	<u>County Grants</u>			
	Essex County Open Space Grant	150,000.00	150,000.00	
		<u>\$ 1,152,256.61</u>	<u>\$ 405,993.25</u>	<u>\$ 746,263.36</u>
	<u>Ref.</u>	C	C-2, C-6	C

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2022

C-5

	<u>Ref.</u>		
Balance, December 31, 2021	C		\$ 116,235,326.18
Decreased by:			
Principal Payments:			
Downtown Business District Loan	C-13	\$ 32,666.67	
Green Acres Loan	C-12	41,136.81	
Infrastructure Loan	C-9	51,065.17	
School Bonds	C-14	6,120,000.00	
Municipal Bonds	C-15	<u>7,820,000.00</u>	
			<u>14,064,868.65</u>
Balance, December 31, 2022	C		<u>\$ 102,170,457.53</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2022

Ordinance Number	Improvements	Balance Dec. 31, 2021	2022 Authorizations	Collections	Funded by Budget Appropriation	Balance Dec. 31, 2022	Analysis of Balance	
							Expended	Unexpended Improvement Authorization
16-32	Various Road Improvements	\$ 354,134.40			\$ 75,350.82	\$ 278,783.58	\$ 115,144.30	\$ 163,639.28
17-13	Various Capital Improvements	87,086.64				87,086.64		87,086.64
17-23	Various Capital Improvements	573,337.78			12,959.01	560,378.77	205,806.04	354,572.73
18-19	Various Capital Improvements	1,039,506.89		\$ 83,357.50		956,149.39	55,609.57	900,539.82
19-11	Various Capital Improvements	426,167.93				426,167.93	182,536.20	243,631.73
19-17	Various Capital Improvements	269,000.00				269,000.00	225,000.00	44,000.00
20-01	Various Capital Improvements	918,415.76		172,635.75		745,780.01		745,780.01
20-14	Various Capital Improvements	1,971,060.00				1,971,060.00	213,306.46	1,757,753.54
21-05	Various Capital Improvements	3,740,000.00		150,000.00		3,590,000.00	2,717,640.49	872,359.51
22-06	Various Capital Improvements		\$ 7,500,000.00			7,500,000.00	1,426,445.64	6,073,554.36
<u>School</u>								
12-32	Various School Improvements	16,431.59				16,431.59	16,431.59	
19-02	Various School Improvements	835,662.76				835,662.76	421,172.36	414,490.40
19-06	Montclair High School Stair Tower	15,115.00				15,115.00	15,115.00	
20-12	Chairlift & Attic Insulation(Nishuane, Edgemont & Glenfield)	600.00				600.00	600.00	
20-13	Replacement of steps at Buzz-Aldrin School	8,087.84				8,087.84	8,087.84	
20-19	Various Masonry Work	2,434,850.00			1,051,095.00	1,383,755.00		1,383,755.00
		<u>\$ 12,689,456.59</u>	<u>\$ 7,500,000.00</u>	<u>\$ 405,993.25</u>	<u>\$ 1,139,404.83</u>	<u>\$ 18,644,058.51</u>	<u>\$ 5,602,895.49</u>	<u>\$ 13,041,163.02</u>
<u>Ref.</u>		C	C-7	C-2	C-2	C	C-3	C-7

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2022

C-7

Description	Ordinance Number	Date	Amount	Balance Dec. 31, 2021		Transfer Prior Year Encumbrances	2022 Authorizations	Paid or Charged	Encumbrance Payable	Balance Dec. 31, 2022	
				Funded	Unfunded					Funded	Unfunded
<u>General Improvements</u>											
Redevelopment Projects	16-11	05/31/16	450,000.00	\$ 300,129.56				\$ (7,081.15)	\$ 16,593.15	\$ 290,617.56	
Various Capital Improvements	16-32	07/26/16	3,004,352.00		\$ 278,783.58	\$ 58,675.71		102,004.86	71,815.15		\$ 163,639.28
Various Capital Improvements	17-13	03/28/17	4,957,189.00	147,849.77	87,086.64			661.72		147,188.05	87,086.64
Various Capital Improvements	17-23	06/20/17	3,475,500.00		560,378.77	21,580.80		30,649.58	196,737.26		354,572.73
Edgemont Park Improvements	17-34	10/24/17	320,000.00	10,297.69				10,297.69			
Various Capital Improvements	18-19	03/20/18	10,308,250.00		987,606.21	33,086.84		41,161.44	78,991.79		900,539.82
Various Capital Improvements	19-11	04/02/19	7,234,899.00		306,456.39	103,905.79		132,706.24	34,024.21		243,631.73
Various Capital Improvements	19-17	05/21/19	1,159,600.00		44,000.00	225,000.00			225,000.00		44,000.00
Various Capital Improvements	20-01	02/18/20	9,073,000.00		895,626.09	170,838.96		118,020.78	87,462.95	115,201.31	745,780.01
Various Capital Improvements	20-14	06/09/20	2,074,800.00		1,866,902.28	46,798.86		97,037.57	58,910.03		1,757,753.54
Various Capital Improvements	21-05	05/04/21	6,890,000.00	107,986.95	3,740,000.00	951,476.20		3,270,568.21	548,548.48		980,346.46
Various Capital Improvements	22-06	04/05/22	7,900,000.00				\$ 7,900,000.00	1,016,671.34	809,774.30		6,073,554.36
<u>School Improvements</u>											
Various School Improvements	19-02	02/19/19	4,859,950.00		658,619.15	20,000.00		264,128.75			414,490.40
Various School Improvements	20-19	08/04/20	4,834,850.00	1,094,304.12	2,434,850.00			807,005.96		1,338,393.16	1,383,755.00
			<u>\$ 1,660,568.09</u>		<u>\$ 11,860,309.11</u>	<u>\$ 1,631,363.16</u>	<u>\$ 7,900,000.00</u>	<u>\$ 5,883,832.99</u>	<u>\$ 2,127,857.32</u>	<u>\$ 1,891,400.08</u>	<u>\$ 13,149,149.97</u>
		<u>Ref.</u>	C	C	C	C	Below	C-2	C	C	C
				<u>Ref.</u>							
		Deferred Charge to Future Taxation - Unfunded Capital Improvement Fund		C-6 C-8		\$ 7,500,000.00 400,000.00					
						<u>\$ 7,900,000.00</u>					
		Cash Disbursements Interfunds		C-2 C-9a				\$ 5,458,832.99 425,000.00			
								<u>\$ 5,883,832.99</u>			

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2022

C-8

	<u>Ref.</u>	
Balance, December 31, 2021	C	\$ 140,582.83
Increased by:		
Budget Appropriation	C-2	<u>1,100,000.00</u>
		1,240,582.83
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-7	<u>400,000.00</u>
Balance, December 31, 2022	C	<u><u>\$ 840,582.83</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2022

C-9

Description	Original Issue		Loan Maturities Outstanding December 31, 2022		Interest Rate	Balance Dec. 31, 2021	Loan Payments	Balance Dec. 31, 2022
	Date	Amount	Date	Amount				
Trust Share	10-14-04	\$ 435,000.00	8-01-2023	\$ 27,324.98	4.25%	\$ 87,919.19	\$ 28,810.21	\$ 59,108.98
			8-01-2024	31,784.00	4.375			
Fund Share	10-14-04	443,438.00	2-01-2023	910.23	*	<u>67,235.40</u>	<u>22,254.96</u>	<u>44,980.44</u>
			8-01-2023	20,371.85	*			
			2-01-2024	496.67	*			
			8-01-2024	23,201.69	*			
						<u>\$ 155,154.59</u>	<u>\$ 51,065.17</u>	<u>\$ 104,089.42</u>
					<u>Ref.</u>	C	C-5	C

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

INTERFUNDS PAYABLE
YEAR ENDED DECEMBER 31, 2022

C-9a

	<u>Ref.</u>	<u>Trust Fund</u>
Balance, December 31, 2021	C	\$ -
Increased by:		
Advances	C-7	<u>425,000.00</u>
(Due To)/Due From - Balance, December 31, 2022	C	<u>\$ (425,000.00)</u>

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

RESERVE FOR GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2022 AND 2021

C-10

<u>Ordinance Number</u>	<u>Purpose</u>	<u>Balance December 31, 2021</u>	<u>Decreased</u>	<u>Balance December 31, 2022</u>
<u>State Grants</u>				
New Jersey Department of Transportation:				
18-19	Valley Road & Church Street	\$ 83,357.50	\$ 83,357.50	
19-11	Trinity & Myrtle	40,520.11		\$ 40,520.11
20-01	Mt. Hebron	412,754.00	172,635.75	240,118.25
21-05	South Park Street & Church Street	465,625.00		465,625.00
<u>County Grants</u>				
	Essex County Open Space Grant	<u>150,000.00</u>	<u>150,000.00</u>	
		<u>\$ 1,152,256.61</u>	<u>\$ 405,993.25</u>	<u>\$ 746,263.36</u>
		<u>Ref.</u>		
		C	C-4	C

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

RESERVE FOR PAYMENT OF DEBT SERVICE
YEAR ENDED DECEMBER 31, 2022

C-11

	<u>Ref.</u>	
Balance, December 31, 2021	C	\$ 1,068,958.46
Increased by:		
Cash Received from SDA grants	C-2	<u>171,202.89</u>
		1,240,161.35
Decreased by:		
Appropriated in the Current Fund Budget	C-2	<u>1,051,095.00</u>
Balance, December 31, 2022	C	<u><u>\$ 189,066.35</u></u>
<u>Analysis of Balance</u>		
School Improvements		<u><u>\$ 189,066.35</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

GREEN ACRES TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2022

C-12

Description	Amount of Original Issue	Maturities of Loan Outstanding December 31, 2022		Interest Rate	Balance December 31, 2021	Decrease	Balance December 31, 2022
		Date	Amount				
Project Youth Sports	\$ 250,000.00	2023	\$ 14,572.34	2.00%	\$ 66,582.80	\$ 14,285.21	\$ 52,297.59
		2024	14,865.25				
		2025	15,164.04				
		2026	7,695.94				
Project Youth Sports II	250,000.00	2023	12,820.52	*	96,153.76	12,820.52	83,333.24
		2024	12,820.52	*			
		2025	12,820.52	*			
		2026	12,820.52	*			
		2027	12,820.52	*			
		2028	12,820.52	*			
		2029	6,410.12	*			
Project Youth Sports III	273,606.00	2023-2035	14,031.08	*	196,435.06	14,031.08	182,403.98
				*			
					<u>\$ 359,171.62</u>	<u>\$ 41,136.81</u>	<u>\$ 318,034.81</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, 2022

C-13

Description	Original Issue		Loan Maturities Outstanding December 31, 2022		Interest Rate	Balance Dec. 31, 2021	Decrease	Balance Dec. 31, 2022
	Date	Amount	Date	Amount				
Loan	12-31-12	\$ 490,000.00	12-31-23/27	\$ 32,666.67	* %	\$ 195,999.97	\$ 32,666.67	\$ 163,333.30
					<u>Ref.</u>	C	C-5	C

* Interest Free

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

C-14
Sheet # 1

SERIAL BONDS - SCHOOL
YEAR ENDED DECEMBER 31, 2022

Purpose	Date of Issue	Issue Amount	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2021	Decrease	Balance Dec. 31, 2022
			Date	Amount				
School Improvements	3-01-13	\$ 22,000,000.00	3-01-23	\$ 1,605,000.00	5.00%	\$ 12,220,000.00	\$ 1,535,000.00	\$ 10,685,000.00
			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			
Refunding School	3-01-14	11,855,000.00	1-01-23	945,000.00	5.00	7,125,000.00	945,000.00	6,180,000.00
			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			
Refunding School	9-01-16	14,840,000.00	10-01-23	1,320,000.00	4.00	11,885,000.00	1,295,000.00	10,590,000.00
			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			

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

SERIAL BONDS - SCHOOL
YEAR ENDED DECEMBER 31, 2022

C-14
Sheet # 2

<u>Purpose</u>	<u>Date of Issue</u>	<u>Issue Amount</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2022</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2022</u>						
			<u>Date</u>	<u>Amount</u>										
Refunding School	8-20-17	\$ 12,415,000.00	3-01-23	\$ 1,110,000.00	4.00%	\$ 12,415,000.00	\$ 1,070,000.00	\$ 11,345,000.00						
			3-01-24	1,150,000.00	4.00									
			3-01-25	1,195,000.00	4.00									
			3-01-26	1,235,000.00	4.00									
			3-01-27	1,275,000.00	4.00									
			3-01-28	1,315,000.00	4.00									
			3-01-29	1,325,000.00	4.00									
			3-01-30	1,355,000.00	4.00									
			3-01-31	1,385,000.00	4.00									
			School Improvements	9-02-18	3,000,000.00				4-01-23	300,000.00	4.00	2,275,000.00	300,000.00	1,975,000.00
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				10-15-23	620,000.00	3.00	5,375,000.00	655,000.00	4,720,000.00			
			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									
			School Improvements	10-14-21	3,640,000.00	10-15-23	325,000.00	3.00				3,640,000.00	320,000.00	3,320,000.00
						10-15-24	335,000.00	3.00						
10-15-25	355,000.00	2.00												
10-15-26	365,000.00	2.00												
10-15-27	375,000.00	3.00												
10-15-28	375,000.00	3.00												
10-15-29	390,000.00	3.00												
10-15-30	400,000.00	3.00												
10-15-31	400,000.00	3.00												
						<u>\$ 54,935,000.00</u>	<u>\$ 6,120,000.00</u>	<u>\$ 48,815,000.00</u>						
						<u>Ref.</u>	C	C-5	C					

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
GENERAL CAPITAL FUND

C-16

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2022

Ordinance Number	Improvement Description	Balance Dec. 31, 2021	Authorizations	Funded by Budget Appropriation	Grant Cash Receipts	Balance Dec. 31, 2022
<u>General Improvements</u>						
16-32	Various Capital Improvements	\$ 354,134.40		\$ 75,350.82		\$ 278,783.58
17-13	Various Capital Improvements	87,086.64				87,086.64
17-23	Various Capital Improvements	573,337.78		12,959.01		560,378.77
18-19	Various Capital Improvements	1,039,506.89			\$ 83,357.50	956,149.39
19-11	Various Capital Improvements	426,167.93				426,167.93
19-17	Various Capital Improvements	269,000.00				269,000.00
20-01	Various Capital Improvements	918,415.76			172,635.75	745,780.01
20-14	Various Capital Improvements	1,971,060.00				1,971,060.00
21-05	Various Capital Improvements	3,740,000.00			150,000.00	3,590,000.00
22-06	Various Capital Improvements		\$ 7,500,000.00			7,500,000.00
		<u>9,378,709.40</u>	<u>7,500,000.00</u>	<u>88,309.83</u>	<u>405,993.25</u>	<u>16,384,406.32</u>
<u>School Improvements</u>						
12-32	Various School Improvements	16,431.59				16,431.59
19-02	Various School Improvements	835,662.76				835,662.76
19-06	Montclair High School Stair Tower	15,115.00				15,115.00
20-12	Chairlift & Attic Insulation	600.00				600.00
20-13	Replacement of steps at Buzz-Aldrin School	8,087.84				8,087.84
20-19	Various Masonry Work	2,434,850.00		1,051,095.00		1,383,755.00
		<u>3,310,747.19</u>		<u>1,051,095.00</u>		<u>2,259,652.19</u>
		<u>\$ 12,689,456.59</u>	<u>\$ 7,500,000.00</u>	<u>\$ 1,139,404.83</u>	<u>\$ 405,993.25</u>	<u>\$ 18,644,058.51</u>
<u>Ref.</u>		C	C-6	C-6	C-6	C

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS - TREASURER
YEAR ENDED DECEMBER 31, 2022

D-5

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance, December 31, 2021	D	\$ 2,975,684.66	\$ 3,859,758.59
Increased by Receipts:			
Miscellaneous Revenue	D-3	\$ 269,215.22	
Collector	D-6	9,151,039.84	
Capital Improvement Fund	D-19		<u>\$ 2,600,000.00</u>
		<u>9,420,255.06</u>	<u>2,600,000.00</u>
		12,395,939.72	<u>6,459,758.59</u>
Decreased by Disbursements:			
Budget Appropriations	D-4	8,381,535.13	
Appropriation Reserves	D-13	198,958.65	
Accrued Interest on Bonds	D-14	196,825.00	
Accrued Interest on Loans	D-16	4,657.89	
Improvement Authorizations	D-18		<u>1,375,988.15</u>
		<u>8,781,976.67</u>	<u>1,375,988.15</u>
Balance, December 31, 2022	D	<u>\$ 3,613,963.05</u>	<u>\$ 5,083,770.44</u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR
YEAR ENDED DECEMBER 31, 2022

D-6

	<u>Ref.</u>	
Increased by:		
Consumer Accounts Receivable	D-10	\$ 9,118,065.45
Water Overpayments	D-17	<u>32,974.39</u>
		<u>9,151,039.84</u>
Decreased by:		
Turnovers to Treasurer	D-5	<u>9,151,039.84</u>
Balance, December 31, 2022	D	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2022

D-7

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	D	<u>\$ 200.00</u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

ANALYSIS OF CAPITAL CASH
YEAR ENDED DECEMBER 31, 2022

D-8

	Balance Dec. 31, 2021	Receipts	Disbursements Improvement Authorizations	Transfers		Balance Dec. 31, 2022
				From	To	
<u>Improvement Authorizations</u>						
General Improvements:						
#17-32	\$ 2,150.79		\$ 2,150.79			
#19-16	65,980.49		55,025.79			\$ 10,954.70
#20-11	123,907.51		85,715.85			38,191.66
#21-22	2,393,681.98		1,132,130.72	\$ 625,448.40		636,102.86
#22-19			100,965.00		\$ 2,600,000.00	2,499,035.00
<u>Other Accounts</u>						
Fund Balance	98,490.39					98,490.39
Capital Improvement Fund	72,256.53	\$ 2,600,000.00		2,600,000.00		72,256.53
Encumbrance Payable	1,103,290.90				625,448.40	1,728,739.30
	<u>\$ 3,859,758.59</u>	<u>\$ 2,600,000.00</u>	<u>\$ 1,375,988.15</u>	<u>\$ 3,225,448.40</u>	<u>\$ 3,225,448.40</u>	<u>\$ 5,083,770.44</u>
<u>Ref.</u>	D	D-19	D-18			D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2022

D-9

	<u>Original Issue</u>		<u>Balance</u>	<u>Loan</u>	<u>Balance</u>
	<u>Date</u>	<u>Amount</u>	<u>December 31, 2021</u>	<u>Payments</u>	<u>December 31, 2022</u>
Trust Share	11-07-02	\$ 915,000.00	\$ 52,254.22	\$ 52,254.22	
Fund Share	11-07-02	962,135.00	48,043.51	48,043.51	
Trust Share	3-10-10	180,000.00	85,000.00	10,000.00	\$ 75,000.00
Fund Share	3-10-10	550,993.00	181,668.89	28,016.58	153,652.31
			<u>\$ 366,966.62</u>	<u>\$ 138,314.31</u>	<u>\$ 228,652.31</u>
	<u>Ref.</u>		D	D-20	D

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2022

D-10

	<u>Ref.</u>		
Balance, December 31, 2021	D		\$ 581,636.13
Increased by:			
Water Rents Levied - Net	Reserve		<u>9,031,628.57</u>
			9,613,264.70
Decreased by;			
Collections	D-6	\$ 9,118,065.45	
Overpayments Applied	D-17	<u>42,690.54</u>	
	D-3		<u>9,160,755.99</u>
Balance, December 31, 2022	D		<u><u>\$ 452,508.71</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

D-11

FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2022

	<u>Ref.</u>	
Balance, December 31, 2021	D	\$ 42,362,300.47
Increased by:		
Transferred from Fixed Capital Authorized but Uncompleted	D-12	<u>500,000.00</u>
Balance, December 31, 2022	D	<u>\$ 42,862,300.47</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2022

D-12

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2021</u>	<u>Improvement Authorizations</u>	<u>Transferred to Fixed Capital</u>	<u>Balance Dec. 31, 2022</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
21-22	Various Water Utility Improvements	2,500,000.00			2,500,000.00
22-19	Various Water Utility Improvements	<u> </u>	<u>\$ 2,600,000.00</u>	<u> </u>	<u>2,600,000.00</u>
		<u>\$ 6,375,000.00</u>	<u>\$ 2,600,000.00</u>	<u>\$ 500,000.00</u>	<u>\$ 8,475,000.00</u>
		<u>Ref.</u> D	D-18	D-11	D

TOWNSHIP OF MONTCLAIR
WATER UTILITY

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2022

D-13

	Balance Dec. 31, 2021		Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>Operating</u>					
Salaries and Wages		\$ 96,016.07	\$ 96,016.07	\$ 8,428.76	\$ 87,587.31
Other Expenses	\$ 348,950.87	362,338.92	711,289.79	187,748.22	523,541.57
Purchased Water		90,484.70	90,484.70		90,484.70
<u>Commercial</u>					
Salaries and Wages		28,725.96	28,725.96		28,725.96
Other Expenses	1,366.25	30,611.99	31,978.24	2,781.67	29,196.57
	<u>\$ 350,317.12</u>	<u>\$ 608,177.64</u>	<u>\$ 958,494.76</u>	<u>\$ 198,958.65</u>	<u>\$ 759,536.11</u>
<u>Ref.</u>	D	D		D-5	D-1

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2022

D-14

	<u>Ref.</u>	
Balance, December 31, 2021	D	\$ 69,525.00
Increased by:		
Budget Appropriation	D-4	185,950.00
		<u>255,475.00</u>
Decreased by:		
Payments	D-5	196,825.00
		<u>196,825.00</u>
Balance, December 31, 2022	D	<u><u>\$ 58,650.00</u></u>

Analysis of Balance

Principal Outstanding Dec. 31, 2022	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 1,185,000.00	5.000%	7-01-22	12-31-22	6 Months	\$ 29,625.00
2,435,000.00	4.000%	10-01-22	12-31-22	3 Months	24,350.00
<u>330,000.00</u>	5.000%	10-01-22	12-31-22	3 Months	<u>4,125.00</u>
					<u>58,100.00</u>
		Amount to be raised in subsequent year's budget			<u>550.00</u>
<u><u>\$ 3,950,000.00</u></u>					<u><u>\$ 58,650.00</u></u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

SERIAL BONDS
YEAR ENDED DECEMBER 31, 2022

D-15

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Bonds Outstanding Dec. 31, 2022</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2022</u>	
			<u>Date</u>	<u>Amount</u>					
Water Improvements	3-01-14	\$ 2,580,000.00	1-01-23	\$ 235,000.00	5.00 %	\$ 1,420,000.00	\$ 235,000.00	\$ 1,185,000.00	
			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	10-01-23/25	280,000.00	4.00	1,390,000.00	280,000.00	1,110,000.00	
			10-01-26	270,000.00	4.00				
Water Improvements	9-02-18	2,385,000.00	4-01-23/24	250,000.00	4.00	1,875,000.00	220,000.00	1,655,000.00	
			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>\$ 4,685,000.00</u>	<u>\$ 735,000.00</u>	<u>\$ 3,950,000.00</u>	
						<u>Ref.</u>	D	D-20	D

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

ACCRUED INTEREST ON LOANS
YEAR ENDED DECEMBER 31, 2022

D-16

	<u>Ref.</u>	
Balance, December 31, 2021	D	\$ 2,864.58
Increased by:		
Budget Appropriation	D-4	3,105.81
		<u>5,970.39</u>
Decreased by:		
Payments	D-5	4,657.89
		<u>4,657.89</u>
Balance, December 31, 2022	D	<u>\$ 1,312.50</u>

Analysis of Balance					
Principal					
Outstanding - Trust					
Dec. 31, 2022					
	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 75,000.00	4.00%	8-01-22	12-31-22	5 Months	\$ 1,250.00
		Amount to be utilized in subsequent year's budget			<u>62.50</u>
<u>\$ 75,000.00</u>					<u>\$ 1,312.50</u>

TOWNSHIP OF MONTCLAIR
WATER UTILITY

WATER OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2022

D-17

	<u>Ref.</u>	
Balance, December 31, 2021	D	\$ 42,690.54
Increased by:		
Collections	D-6	<u>32,974.39</u>
		75,664.93
Decreased by:		
Applied to Revenue	D-10	<u>42,690.54</u>
Balance, December 31, 2022	D	<u>\$ 32,974.39</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

WATER IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2022

D-18

Improvement Description	Ordinance			Balance Dec. 31, 2021		Transfer Prior Year	2022	Paid	Encumbrances	Balance Dec. 31, 2022	
	Number	Date	Amount	Funded	Unfunded	Encumbrances	Authorizations		Payable	Funded	Unfunded
Various Water System Improvements	17-32	9/19/17	\$ 500,000.00	\$ 2,150.79				\$ 2,150.79			
Various Water System Improvements	19-16	4/24/19	2,375,000.00	65,980.49		\$ 884,746.06		55,025.79	\$ 884,746.06	\$ 10,954.70	
Various Water System Improvements	20-11	6/9/20	1,000,000.00	123,907.51		133,274.84		85,715.85	133,274.84	38,191.66	
Various Water System Improvements	21-22	8/10/21	2,500,000.00	2,393,681.98		85,270.00		1,132,130.72	710,718.40	636,102.86	
Various Water System Improvements	22-19	7/26/22	2,600,000.00				\$ 2,600,000.00	100,965.00		2,499,035.00	
				<u>\$ 2,585,720.77</u>	<u>\$ -</u>	<u>\$ 1,103,290.90</u>	<u>\$ 2,600,000.00</u>	<u>\$ 1,375,988.15</u>	<u>\$ 1,728,739.30</u>	<u>\$ 3,184,284.22</u>	<u>\$ -</u>
	<u>Ref.</u>			D	D		<u>Ref.</u>	Below	D-5	D	D
						Capital Improvement Fund	D-19	\$ 2,600,000.00			
							D-12, Above	\$ 2,600,000.00			

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2022

D-19

	<u>Ref.</u>	
Balance, December 31, 2021	D	\$ 72,256.53
Increased by:		
Budget Appropriation	D-5	<u>2,600,000.00</u>
		2,672,256.53
Decreased by:		
Applied to Improvement Authorizations	D-18	<u>2,600,000.00</u>
Balance, December 31, 2022	D	<u>\$ 72,256.53</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2022

D-20

	<u>Ref.</u>		
Balance, December 31, 2021	D		\$ 37,310,333.85
Increased by:			
Budget Appropriation:			
N.J. Environmental Infrastructure Trust			
Loan Paid by Operating Budget	D-9	\$ 138,314.31	
Transferred from Deferred Reserve			
for Amortization	D-21	500,000.00	
Serial Bonds Paid	D-15	<u>735,000.00</u>	
			<u>1,373,314.31</u>
Balance, December 31, 2022	D		<u>\$ 38,683,648.16</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
WATER UTILITY

D-21

DEFERRED RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2022

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2021</u>	<u>Improvement Authorizations</u>	<u>Transfer To Reserve for Amortization</u>	<u>Balance Dec. 31, 2022</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
21-22	Various Water Utility Improvements	2,500,000.00			2,500,000.00
22-19	Various Water Utility Improvements		\$ 2,600,000.00		2,600,000.00
		<u>\$ 6,375,000.00</u>	<u>\$ 2,600,000.00</u>	<u>\$ 500,000.00</u>	<u>\$ 8,475,000.00</u>
<u>Ref.</u>	D		D-18	D-20	D

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CASH RECEIPTS AND DISBURSEMENTS - COLLECTOR
YEAR ENDED DECEMBER 31, 2022

E-6

	<u>Ref.</u>	
Increased by:		
Miscellaneous Revenue	E-3	\$ 132,208.37
Sanitary Sewer Connection Reservoir Rid	E-3	92,525.88
Consumer Accounts Receivable	E-10	7,756,882.07
Sewer Overpayments	E-14	<u>24,102.07</u>
		8,005,718.39
Decreased by:		
Turnovers to Treasurer	E-5	<u>8,005,718.39</u>
Balance, December 31, 2022		<u><u>\$ -</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2022

E-7

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	E	<u>\$ 200.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

ANALYSIS OF CAPITAL CASH
YEAR ENDED DECEMBER 31, 2022

E-8

	Balance Dec. 31, 2021	Receipts Other	Disbursements Improvement Authorizations	Transfers		Balance Dec. 31, 2022
				From	To	
<u>Improvement Authorizations</u>						
General Improvements:						
Various Sewer System Impr. #19-31	\$ 23,989.59		\$ 13,572.46			\$ 10,417.13
Various Sewer System Impr. #20-10	552,040.69		191,055.51	\$ 335,985.18		25,000.00
Various Sewer System Impr. #21-21	2,035,000.00			968,738.76		1,066,261.24
Various Sewer System Impr. #22-20					\$ 2,100,000.00	2,100,000.00
<u>Other Accounts</u>						
Fund Balance	186,837.67					186,837.67
Encumbrance Payable	71,736.14				1,304,723.94	1,376,460.08
Capital Improvement Fund	195,500.00	\$ 2,100,000.00		2,100,000.00		195,500.00
	<u>\$ 3,065,104.09</u>	<u>\$ 2,100,000.00</u>	<u>\$ 204,627.97</u>	<u>\$ 3,404,723.94</u>	<u>\$ 3,404,723.94</u>	<u>\$ 4,960,476.12</u>
<u>Ref.</u>	E	E-18	E-17			E

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

DEFERRED RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2022

E-9

Ordinance Number	Improvement Description	Balance Dec. 31, 2021	Increases	Balance Dec. 31, 2022
19-31	Various Sewer System Improvements	\$ 800,000.00		\$ 800,000.00
20-10	Various Sewer System Improvements	950,000.00		950,000.00
21-21	Various Sewer System Improvements	2,035,000.00		2,035,000.00
22-20	Various Sewer System Improvements	<u> </u>	<u>\$ 2,100,000.00</u>	<u>2,100,000.00</u>
		<u>\$ 3,785,000.00</u>	<u>\$ 2,100,000.00</u>	<u>\$ 5,885,000.00</u>
	<u>Ref.</u>	E	E-18	E

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2022

E-10

	<u>Ref.</u>		
Balance, December 31, 2021	E		\$ 889,342.59
Increased by:			
Sewer Charges Levied - Net	Reserve		7,908,795.24
			<u>8,798,137.83</u>
Decreased by:			
Collections	E-6	\$ 7,756,882.07	
Overpayments Applied	E-14	<u>50,206.50</u>	
			<u>7,807,088.57</u>
Balance, December 31, 2022	E		<u><u>\$ 991,049.26</u></u>

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

E-11

FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2022

Balance, December 31, 2022 and 2021	<u>Ref.</u> E	<u>\$ 7,201,097.09</u>
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See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2022

E-12

Ordinance Number	Description	Balance Dec. 31, 2021	2022 Authorizations	Balance Dec. 31, 2022
19-31	Various Sewer System Improvements	\$ 800,000.00		\$ 800,000.00
20-10	Various Sewer System Improvements	950,000.00		950,000.00
21-21	Various Sewer System Improvements	2,035,000.00		2,035,000.00
22-20	Various Sewer System Improvements	<u> </u>	<u>\$ 2,100,000.00</u>	<u>2,100,000.00</u>
		<u>\$ 3,785,000.00</u>	<u>\$ 2,100,000.00</u>	<u>\$ 5,885,000.00</u>
	<u>Ref.</u>	E	E-18	E

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2022

E-13

	<u>Balance Dec. 31, 2021</u>		<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Encumbered</u>	<u>Unencumbered</u>			
<u>Operating:</u>					
Salary and Wages		\$ 96,045.53	\$ 96,045.53	\$ 4,804.54	\$ 91,240.99
Other Expenses	\$ 19,605.43	237,859.98	257,465.41	77,486.83	179,978.58
Passaic Valley Sewer		12,035.68	12,035.68		12,035.68
Second River		2,331.28	2,331.28		2,331.28
Third River Sewer		6,064.00	6,064.00		6,064.00
	<u>\$ 19,605.43</u>	<u>\$ 354,336.47</u>	<u>\$ 373,941.90</u>	<u>\$ 82,291.37</u>	<u>\$ 291,650.53</u>
<u>Ref.</u>	E	E	E	E-5	E-1

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

E-14

SEWER OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2022

	<u>Ref.</u>	
Balance, December 31, 2021	E	\$ 50,206.50
Increased by:		
Collections	E-6	<u>24,102.07</u>
		74,308.57
Decreased by:		
Applied to Sewer Rents	E-10	<u>50,206.50</u>
Balance, December 31, 2022	E	<u><u>\$ 24,102.07</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

ENVIRONMENTAL INFRASTRUCTURE LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2022

E-15

	<u>Ref.</u>	
Balance, December 31, 2021	E	\$ 2,259,621.28
Decreased by:		
Loan Payments	E-19	<u>105,170.13</u>
Balance, December 31, 2022	E	<u>\$ 2,154,451.15</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

ACCRUED INTEREST ON LOANS
YEAR ENDED DECEMBER 31, 2022

E-16

	<u>Ref.</u>	
Balance, December 31, 2021	E	\$ 8,444.79
Increased by:		
Budget Appropriation	E-4	18,821.31
		27,266.10
Decreased by:		
Payments	E-5	19,237.97
		19,237.97
Balance, December 31, 2022	E	\$ 8,028.13

Analysis of Balance

Interest on Loans Due Feb. 1,	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 28,524.00	5.00%	8/1/2022	12/31/2022	5 months	\$ 594.25
29,012.00	4.00%	8/1/2022	12/31/2022	5 months	483.53
28,097.00	4.250%	8/1/2022	12/31/2022	5 months	497.55
42,196.00	4.500%	8/1/2022	12/31/2022	5 months	791.18
127,829.00					2,366.51

Interest on Loans Due Feb. 1,	Interest Rate	Accrued		Period	Amount
		From	To		
85,000.00	5.00%	8/1/2022	12/31/2022	5 months	1,770.83
15,000.00	4.00%	8/1/2022	12/31/2022	5 months	250.00
170,000.00	3.000%	8/1/2022	12/31/2022	5 months	2,125.00
20,000.00	2.750%	8/1/2022	12/31/2022	5 months	229.17
50,000.00	2.625%	8/1/2022	12/31/2022	5 months	546.88
30,000.00	2.50%	8/1/2022	12/31/2022	5 months	312.50
30,000.00	2.375%	8/1/2022	12/31/2022	5 months	296.88
15,000.00	2.250%	8/1/2022	12/31/2022	5 months	140.63
15,000.00	2.125%	8/1/2022	12/31/2022	5 months	132.81
430,000.00					5,804.69

Amount to be raised in subsequent year's budget (143.07)

\$ 557,829.00		\$ 8,028.13
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TOWNSHIP OF MONTCLAIR
SEWER UTILITY

E-17

SEWER IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2022

<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance</u> <u>Dec. 31, 2021</u>		<u>Transfer</u> <u>Prior Year</u>	<u>2022</u> <u>Authorizations</u>	<u>Paid</u>	<u>Encumbrances</u> <u>Pavable</u>	<u>Balance</u> <u>Dec. 31, 2022</u>		
	<u>Number</u>	<u>Date</u>	<u>Amount</u>	<u>Funded</u>	<u>Unfunded</u>				<u>Encumbrances</u>	<u>Funded</u>	<u>Unfunded</u>
Various Sewer System Improvements	19-31	9-24-19	\$ 800,000.00	\$ 23,989.59		\$ 2,034.50	\$ 13,572.46	\$ 2,034.50	\$ 10,417.13		
Various Sewer System Improvements	20-10	6-09-20	950,000.00	552,040.69		69,701.64	191,055.51	405,686.82	25,000.00		
Various Sewer System Improvements	21-21	8-10-21	2,035,000.00	2,035,000.00				968,738.76	1,066,261.24		
Various Sewer System Improvements	22-20	8-16-22	2,100,000.00			\$ 2,100,000.00			2,100,000.00		
				<u>\$ 2,611,030.28</u>	<u>\$ -</u>	<u>\$ 71,736.14</u>	<u>\$ 2,100,000.00</u>	<u>\$ 204,627.97</u>	<u>\$ 1,376,460.08</u>	<u>\$ 3,201,678.37</u>	<u>\$ -</u>
		<u>Ref.</u>		E	E	E	E-12, E-18	E-5	E	E	E

TOWNSHIP OF MONTCLAIR
SEWER UTILITY FUND

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2022

E-18

	<u>Ref.</u>	
Balance, December 31, 2021	E	\$ 195,500.00
Increased by:		
Budget Appropriation	E-4	2,100,000.00
		<u>2,295,500.00</u>
Decreased by:		
Applied to Improvement Authorization	E-17	2,100,000.00
		<u>2,100,000.00</u>
Balance, December 31, 2022	E	<u>\$ 195,500.00</u>

RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2022

E-19

	<u>Ref.</u>	
Balance, December 31, 2021	E	\$ 4,941,475.81
Increased by:		
Budget Appropriation		
Payment of Loans	E-15	105,170.13
		<u>105,170.13</u>
Balance, December 31, 2022	E	<u>\$ 5,046,645.94</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION -
TREASURER
YEAR ENDED DECEMBER 31, 2022

F-4

	<u>Ref.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance, December 31, 2021	F	\$ 2,318,727.67	\$ 2,265,489.85
Increased by Receipts:			
Meter Fees	F-2	\$ 1,323,732.64	
Miscellaneous Revenue	F-2	165,000.44	
Permit Fees	F-2	1,692,553.03	
Transient Fees	F-2	1,037,769.79	
PATS Revenue	F-2	161,796.02	
ARP Funds	F-2	818,219.07	
Budget Appropriation	F-15		\$ 760,000.00
Capital Contributions	F-16		6,250.00
		<u>5,199,070.99</u>	<u>766,250.00</u>
		7,517,798.66	3,031,739.85
Decreased by Disbursements:			
Budget Appropriations	F-3	3,814,197.41	
Interfund Payable	F-17	200,000.00	
Appropriation Reserves	F-9	135,507.21	
Accrued Interest on Bonds	F-10	499,433.66	
Township Portion of Expenditures Paid	F-15		1,200,000.00
Improvement Authorizations	F-14		248,987.38
		<u>4,649,138.28</u>	<u>1,448,987.38</u>
Balance, December 31, 2022	F	<u>\$ 2,868,660.38</u>	<u>\$ 1,582,752.47</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

ANALYSIS OF CAPITAL CASH
DECEMBER 31, 2022

F-5

	Balance Dec. 31, 2021	Receipts Other	Disbursements Improvement Authorizations	Transfers		Balance Dec. 31, 2022
				From	To	
<u>Improvement Authorizations</u>						
General Improvements:						
16-23	\$ 13,813.30		\$ 12,367.30			\$ 1,446.00
17-33	40,182.03		14,962.00			25,220.03
19-15	23,054.74		3,113.00			19,941.74
19-25	227,567.87		6,000.00			221,567.87
20-09	639,981.57		94,937.36	\$ 152,074.87		392,969.34
22-18			117,607.72		\$ 760,000.00	642,392.28
<u>Other Accounts</u>						
Capital Improvement Fund	9,000.00	\$ 760,000.00		760,000.00		9,000.00
Fund Balance	50,000.00					50,000.00
Encumbrances Payable	43,140.34				152,074.87	195,215.21
Reserve for Midtown Parking Deck	1,200,000.00		1,200,000.00			
Reserve for Crescent Parking Deck	18,750.00	6,250.00				25,000.00
	<u>\$ 2,265,489.85</u>	<u>\$ 766,250.00</u>	<u>\$ 1,448,987.38</u>	<u>\$ 912,074.87</u>	<u>\$ 912,074.87</u>	<u>\$ 1,582,752.47</u>
<u>Ref.</u>	F, F-4	F-15	F-14			F, F-4

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

SERIAL BONDS
YEAR ENDED DECEMBER 31, 2022

F-6
Sheet # 1

Purpose	Date of Issue	Amount of Original Issue	Bonds Outstanding Dec. 31, 2022		Interest Rate	Balance Dec. 31, 2021	Decrease	Balance Dec. 31, 2022
			Date	Amount				
Refunding	7-1-14	\$ 12,030,000.00	1-01-23	\$ 465,000.00	5.000 %	\$ 10,035,000.00	\$ 445,000.00	\$ 9,590,000.00
			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, 2022

F-6
Sheet # 2

Purpose	Date of Issue	Amount of Original	Bonds Outstanding		Interest Rate	Balance Dec. 31, 2021	Decrease	Balance Dec. 31, 2022		
			Date	Amount						
Refunding	7-1-14	\$ 1,820,000.00	1-01-23	\$ 65,000.00	3.524 %					
			1-01-24	70,000.00	3.674					
			1-01-25	75,000.00	4.324					
			1-01-26	80,000.00	4.324					
			1-01-27	85,000.00	4.324					
			1-01-28	85,000.00	4.324					
			1-01-29	85,000.00	4.324					
			1-01-30	90,000.00	4.556					
			1-01-31	90,000.00	4.556					
			1-01-32	100,000.00	4.556					
			1-01-33	105,000.00	4.556					
			1-01-34	105,000.00	4.556					
			1-01-35	115,000.00	4.556					
			1-01-36	115,000.00	4.556					
			1-01-37	125,000.00	4.556					
								\$ 1,460,000.00	\$ 70,000.00	\$ 1,390,000.00
								<u>\$ 11,495,000.00</u>	<u>\$ 515,000.00</u>	<u>\$ 10,980,000.00</u>
				<u>Ref.</u>	F	F-11	F			

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

FIXED CAPITAL
DECEMBER 31, 2022

F-7

	Balance Dec. 31, 2021	Balance Dec. 31, 2022
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, 2022

F-8

	<u>Ref.</u>		
Balance, December 31, 2021	F	\$	1,681,000.00
Increased by:			
Improvement Authorization	F-14		760,000.00
Balance, December 31, 2022	F	\$	2,441,000.00

<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
Various Parking Improvements	22-18		760,000.00
		\$	2,441,000.00

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2022

F-9

	Balance Dec. 31, 2021		Balance After Transfers	Paid or Charged	Balance Lapsed
	Committed	Reserved			
Operating					
Salaries and Wages		\$ 27,270.53	\$ 27,270.53	\$ 1,348.09	\$ 25,922.44
Other Expenses	\$ 194,927.78	309,329.44	504,257.22	144,659.12	359,598.10
	\$ 194,927.78	\$ 336,599.97	\$ 531,527.75	\$ 146,007.21	\$ 385,520.54
<u>Ref.</u>	F	F		Below	F-1
		Cash Disbursed	F-4	\$ 135,507.21	
		Accounts Payable	F	10,500.00	
			Above	\$ 146,007.21	

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2022

F-10
Sheet # 1

	<u>Ref.</u>	
Balance, December 31, 2021	F	\$ 255,861.03
Increased by:		
Budget Appropriation	F-3	487,145.26
		743,006.29
Decreased by:		
Payments	F-4	499,433.66
		499,433.66
Balance, December 31, 2022	F	\$ 243,572.63

Analysis of Balance

Bonds Outstanding	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 2,575,000.00	5.000%	7/1/2022	12/31/2022	6 Months	\$ 64,375.00
585,000.00	3.375%	7/1/2022	12/31/2022	6 Months	9,871.88
610,000.00	3.500%	7/1/2022	12/31/2022	6 Months	10,675.00
1,280,000.00	3.625%	7/1/2022	12/31/2022	6 Months	23,200.00
1,375,000.00	3.750%	7/1/2022	12/31/2022	6 Months	25,781.25
3,165,000.00	5.000%	7/1/2022	12/31/2022	6 Months	79,125.00
9,590,000.00					213,028.13

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2022

F-10
Sheet # 2

Bonds Outstanding Dec. 31, 2022	Interest Rate	Accrued		Period	Amount
		From	To		
\$ 65,000.00	3.524%	7/1/2022	12/31/2022	6 Months	\$ 1,145.30
70,000.00	3.674%	7/1/2022	12/31/2022	6 Months	1,285.90
410,000.00	4.324%	7/1/2022	12/31/2022	6 Months	8,864.20
845,000.00	4.556%	7/1/2022	12/31/2022	6 Months	19,249.10
<u>1,390,000.00</u>					<u>30,544.50</u>
<u>\$ 10,980,000.00</u>					<u>\$ 243,572.63</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2022

F-11

	<u>Ref.</u>	
Balance, December 31, 2021	F	\$ 5,225,856.80
Increased by:		
Serial Bonds Paid by Operating Budget:		
Current Year	F-6	<u>515,000.00</u>
Balance, December 31, 2022	F	<u>\$ 5,740,856.80</u>

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2022

F-12

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	F	\$ 9,000.00
Increased by:		
Cash Receipt	F-4	<u>760,000.00</u>
		769,000.00
Decreased by:		
Applied to Improvement Authorizations	F-13, F-14	<u>760,000.00</u>
Balance, December 31, 2021	F	<u>\$ 9,000.00</u>

DEFERRED RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2022

F-13

	<u>Ref.</u>	
Balance, December 31, 2021	F	\$ 1,681,000.00
Increased by:		
Improvement Authorizations	F-12	<u>760,000.00</u>
Balance, December 31, 2022	F	<u>\$ 2,441,000.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2022

F-14

<u>Improvement Description</u>	<u>Number</u>	<u>Ordinance</u>		<u>Balance</u>	<u>Transfer</u>	<u>2022</u>	<u>Paid</u>	<u>Encumbrances</u>	<u>Balance</u>
		<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2021</u>	<u>Prior Year</u>	<u>Authorizations</u>		<u>Payable</u>	<u>Dec. 31, 2022</u>
				<u>Funded</u>	<u>Encumbrances</u>				<u>Funded</u>
Various Parking Improvements	16-23	6-15-16	\$ 185,000.00	\$ 13,813.30			\$ 12,367.30		\$ 1,446.00
Various Parking Improvements	17-33	9-19-17	350,000.00	40,182.03			14,962.00		25,220.03
Various Parking Improvements	19-15	4-23-19	146,000.00	23,054.74			3,113.00		19,941.74
Various Parking Improvements	19-25	7-23-19	300,000.00	227,567.87			6,000.00		221,567.87
Various Parking Improvements	20-09	6-09-20	700,000.00	639,981.57	\$ 43,140.34		94,937.36	\$ 195,215.21	392,969.34
Various Parking Improvements	22-18	7-26-22	760,000.00			\$ 760,000.00	117,607.72		642,392.28
				<u>\$ 944,599.51</u>	<u>\$ 43,140.34</u>	<u>\$ 760,000.00</u>	<u>\$ 248,987.38</u>	<u>\$ 195,215.21</u>	<u>\$ 1,303,537.26</u>
		<u>Ref.</u>		F	F	F-8, F-12	F-4	F	F

See accompanying notes to financial statements.

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

RESERVE FOR MIDTOWN PARKING DECK
YEAR ENDED DECEMBER 31, 2022

F-15

	<u>Ref.</u>	
Balance, December 31, 2021	F	\$ 1,200,000.00
Decreased by:		
Township Portion of Expenditures Paid	F-4	<u>1,200,000.00</u>
Balance, December 31, 2022	F	<u>\$ -</u>

RESERVE FOR CRESCENT PARKING DECK
YEAR ENDED DECEMBER 31, 2022

F-16

	<u>Ref.</u>	
Balance, December 31, 2021	F	\$ 18,750.00
Increased by:		
Capital Contributions:		
Crescent Deck	F-4	<u>6,250.00</u>
Balance, December 31, 2022	F	<u>\$ 25,000.00</u>

TOWNSHIP OF MONTCLAIR
PARKING UTILITY

INTERFUNDS RECEIVABLE/(PAYABLE)
YEAR ENDED DECEMBER 31, 2022

F-17

	<u>Ref.</u>	<u>Parking Utility</u> <u>Operating Fund</u> <u>Current Fund</u>
Balance, December 31, 2021	F	\$ (200,000.00)
Decreased by:		
Payments	F-4	<u>200,000.00</u>
Balance, December 31, 2022	F	<u><u>\$ -</u></u>

**TOWNSHIP OF MONTCLAIR
ESSEX COUNTY, NEW JERSEY**

PART III

REPORT ON INTERNAL CONTROL AND
OTHER MATTERS
SINGLE AUDIT ATTACHMENTS
YEAR ENDED DECEMBER 31, 2022



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
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, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated November 22, 2023 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.

Report on 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") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 Township's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

PKF O'CONNOR DAVIES, LLP
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**The Honorable Mayor and Members
of the Township Council
Montclair, New Jersey**

Page 2

Report on 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* and by the Division.

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 Township'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 Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

Cranford, New Jersey
November 22, 2023

David J. Gannon

David J. Gannon, CPA
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
Montclair, New Jersey**

Report on Compliance for Each Major Federal Program

Opinion on 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 identified as subject to audit 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, 2022. The Township's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Township's compliance with the compliance requirements referred to above.

PKF O'CONNOR DAVIES, LLP
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Responsibilities of Management for Compliance

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

Auditors' Responsibility for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Township's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Township's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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*

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

Page 3

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

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

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

PKF O'Connor Davies, LLP

Cranford, New Jersey
November 22, 2023

David J. Gannon

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

**TOWNSHIP OF MONTCLAIR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Current Year Expenditures</u>	<u>Passed-Through To Sub- Recipients</u>
U.S. Department of Housing and Urban Development: Passed -Through County of Essex Housing and Urban Development: CDBG - Entitlement Grants Cluster	14.218	\$ 258,470.32	\$ -
Total Pass Through HUD		<u>258,470.32</u>	
Direct Program: Housing Voucher Cluster - Section 8 Housing Choice Voucher Program	14.871	2,779,565.00	
Total Direct Program HUD		<u>2,779,565.00</u>	
Total U.S. Department of Housing and Urban Development		3,038,035.32	
U.S. Department of Justice: Passed Through New Jersey Department of Law and Public Safety: Bulletproof Vest Partnership Program	16.607	13,615.20	
Total U.S. Department of Justice		<u>13,615.20</u>	
U.S. Department of Homeland Security Passed Through New Jersey Department of Law and Public Safety FEMA - Tropical Storm Ida (Presidentially Declared Disasters) FEMA - Coronavirus Pandemic (Presidentially Declared Disasters)	97.036 97.036	133,853.47 <u>197,833.58</u>	
Total U.S. Department of Homeland Security		331,687.05	
U.S. Department of Transportation: Pass Through New Jersey Department of Transportation - Highway Safety: Highway Safety Cluster: Click It or Ticket Distracted Driving Grant Pedestrian Safety Enforcement & Education Fund Pedestrian Safety Enforcement & Education Fund Bicycle Safety Grant	20.616 20.616 20.616 20.616 20.600	10,500.00 12,250.00 30,000.00 18,000.00	
Total U.S. Department of Transportation		<u>70,750.00</u>	
U.S. Department of the Treasury Passed Through the New Jersey Department of Community Affairs: COVID-19 - American Rescue Plan Grant - Coronavirus State and Local Fiscal Recovery Funds	21.027	2,018,219.07	
U.S. Department of Health and Human Services--Passed-Through State: Administration for Community Living COVID 19 - Enhanced Detection COVID-19 - Essex County DSS COVID Grant COVID-19 - Public Health Emergency Response	93.323 93.044 93.354	291,042.00 11,001.00 <u>72,679.00</u>	
Total U.S. Department of Health and Human Services--Passed-Through State		374,722.00	
Total Expenditures of Federal Awards		<u>\$ 5,847,028.64</u>	<u>\$ -</u>

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, 2022

	14.871 Housing Choice Vouchers	Total
111 Cash - Unrestricted	\$ 150,446	\$ 150,446
112 Cash - Restricted - Modernization and Development	-	-
113 Cash - Other Restricted	13,991	13,991
100 Total Cash	164,437	164,437
120 Total Receivables, Net of Allowances for Doubtful Accounts	-	-
150 Total Current Assets	164,437	164,437
164 Furniture, Equipment & Machinery - Administration	30,718	30,718
166 Accumulated Depreciation	(30,718)	(30,718)
160 Total Capital Assets, Net of Accumulated Depreciation	-	-
180 Total Non-Current Assets	-	-
290 Total Assets and Deferred Outflow of Resources	\$ 164,437	\$ 164,437
311 Bank Overdraft	-	-
312 Accounts Payable <= 90 Days	\$ 104,311	\$ 104,311
310 Total Current Liabilities	104,311	104,311
350 Total Non-Current Liabilities	-	-
300 Total Liabilities	104,311	104,311
511.4 Restricted Net Position	13,991	
512.4 Unrestricted Net Position	46,135	46,135
513 Total Equity - Net Assets / Position	60,126	60,126
600 Total Liabilities, Deferred Inflows of Resources and Equity	\$ 164,437	\$ 164,437

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

Fiscal Year End December 31, 2022

	14.871 Housing Choice Vouchers	Total
70500 Total Tenant Revenue		
70600 HUD PHA Operating Grants	\$ 2,463,132.00	\$ 2,463,132.00
71100 Investment Income - Unrestricted	593.00	593.00
71400 Fraud Recovery	26,790.00	26,790.00
71500 Other Revenue	276,615.00	276,615.00
72000 Investment Income - Restricted		
70000 Total Revenue	<u>2,767,130.00</u>	<u>2,767,130.00</u>
91100 Administrative Salaries	218,415.00	218,415.00
91200 Auditing Fees		
91300 Management Fee		
91310 Book-keeping Fee		
91400 Advertising and Marketing		
91500 Employee Benefit contributions - Administrative	83,623.00	
91600 Office Expenses	6,483.00	6,483.00
91700 Legal Expense	8,000.00	8,000.00
91800 Travel		-
91810 Allocated Overhead		
91900 Other		-
91000 Total Operating - Administrative	<u>316,521.00</u>	<u>232,898.00</u>
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	<u>3,614.00</u>	
96700 Total Interest Expense and Amortization Cost		
96900 Total Operating Expenses	<u>320,135.00</u>	<u>320,135.00</u>
97000 Excess of Operating Revenue over Operating Expenses	<u>2,446,995.00</u>	<u>2,446,995.00</u>
97100 Extraordinary Maintenance		
97200 Casualty Losses - Non-capitalized		
97300 Housing Assistance Payments	2,213,973.00	2,213,973.00
97350 HAP Portability-In	245,457.00	245,457.00
90000 Total Expenses	<u>2,779,565.00</u>	<u>2,779,565.00</u>
10100 Total Other financing Sources (Uses)		-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	(12,435.00)	(12,435.00)
11020 Required Annual Debt Principal Payments		-
11030 Beginning Equity	72,561.00	72,561.00
11040 Prior Period Adjustments, Equity Transfers and Correction		-
11170 Administrative Fee Equity	46,135.00	46,135.00
11180 Housing Assistance Payments Equity	13,991.00	13,991.00
	<u>\$ 60,126.00</u>	<u>\$ 60,126.00</u>
11190 Unit Months Available	3852	3852
11210 Number of Unit Months Leased	2229	2229

TOWNSHIP OF MONTCLAIR

Notes to Schedule of Expenditures of Federal Awards

December 31, 2022

1. **General**

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards 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 schedules of expenditures of federal awards.

2. **Basis of Accounting**

The accompanying schedules of expenditures of federal awards are 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 schedules 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, 2022**

Part I – Summary of Auditors’ Results

Financial Statement Section

Type of auditors’ 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 federal programs:

<u>Federal Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Fund – American Rescue Plan

TOWNSHIP OF MONTCLAIR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2022

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, 2022

Part III – Schedule of Federal Award Findings and Questioned Costs

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

**TOWNSHIP OF MONTCLAIR
ESSEX COUNTY, NEW JERSEY**

PART IV

ROSTER OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2022

TOWNSHIP OF MONTCLAIR

OFFICIALS IN OFFICE AND REPORT ON SURETY BONDS

The following officials were in office on December 31, 2022:

<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>		
Brian P. Scantlebury	Deputy Township Manager	
Padmaja Rao	Chief Financial Officer	\$ *1,000,000
Nada Akmal	Comptroller	*1,000,000
Angelese Bermudes Nieves	Municipal Clerk	
Lidia Leszczynski	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
Paul Burr	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, 2022**

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 2022, in the sum of \$34,662.51 are summarized as follows:

<u>Year</u>	<u>Amount</u>
2021	\$ 34,662.51

A tax sale was held during 2022 and was complete, except for small remaining balances.

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

<u>Year</u>	<u>Number of Liens</u>
2022	7
2021	7
2020	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.

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.

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 filed for the audit findings in the December 31, 2021 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.

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 2022.

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.

RECOMMENDATIONS

Finding 2022-001

Finding:

As part of its overall risk management, the Township should review 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 should determine what particular assessment or combination of assessments best fits its information security strategy.

Recommendation:

We suggest management continue to assess risks related to cybersecurity along with utilization of specialized assessments, which would also include a comprehensive cyber security risk assessment.

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
November 22, 2023

David J. Gannon

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