

**TOWNSHIP OF BOONTON
COUNTY OF MORRIS
NEW JERSEY**

**REPORT ON
EXAMINATION OF ACCOUNTS
FOR THE YEAR 2021**

**SAMUEL KLEIN AND COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS**

TOWNSHIP OF BOONTON
COUNTY OF MORRIS, NEW JERSEY

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PART II

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING,
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PART I
REPORT ON EXAMINATION
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
AND
SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Committee
Township of Boonton
Boonton, New Jersey 07005

Opinions

We have audited the financial statements - regulatory basis of the various funds and account groups of the Township of Boonton, in the State of New Jersey, as of and for the years then ended December 31, 2021 and December 31, 2020, and the related notes to the financial statements, as listed in the foregoing table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements - regulatory basis referred to above, present fairly, in all material respects, the financial position of the various funds of the Township of Boonton at December 31, 2021 and 2020, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended, in accordance with accounting principles on the basis of financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *"Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles"* paragraph, the financial statements - regulatory basis referred to in the first paragraph, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2021 and 2020 and the results of its operations 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township of Boonton, State of New Jersey, 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.

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

As described in Note 1, the financial statements are prepared by the Township of Boonton, State of New Jersey, on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, 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 of Local Government Services, Department of Community Affairs. 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 of Local Government Services, Department of Community Affairs. 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 of Boonton, State of New Jersey's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 of Boonton, State of New Jersey's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Boonton, State of New Jersey's ability to continue as a going concern for a reasonable period of time.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

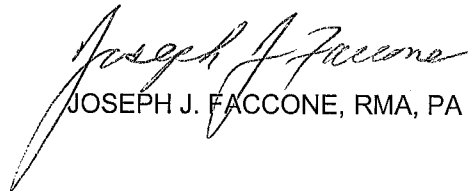
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2022, on our consideration of the Township of Boonton, State of New Jersey's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Boonton, State of New Jersey's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Boonton, State of New Jersey's internal control over financial reporting and compliance.



SAMUEL KLEIN AND COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS



JOSEPH J. FACCIONE, RMA, PA

Newark, New Jersey
August 24, 2022

TOWNSHIP OF BOONTON
CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A
Sheet #1

| <u>ASSETS AND DEFERRED CHARGES</u> | <u>Ref.</u> | <u>Balance</u> <u>Dec. 31, 2021</u> | <u>Balance</u> <u>Dec. 31, 2020</u> |
|--|-------------|--|--|
| <u>Regular Fund</u> | | | |
| Cash - Checking | A-4 | \$2,676,548.96 | \$2,470,026.32 |
| Change Fund | A-7 | 350.00 | 200.00 |
| | | <u>2,676,898.96</u> | <u>2,470,226.32</u> |
| Due from State of New Jersey per Chapter 129, P.L. 1976 | A-8 | 1,000.00 | |
| | | <u>2,677,898.96</u> | <u>2,470,226.32</u> |
| Receivables and Other Assets with Full Reserves: | | | |
| Delinquent Taxes | A-9 | 446,121.14 | 272,584.04 |
| Tax Title Liens | A-10 | 43,139.75 | 39,995.24 |
| Property Acquired for Taxes at Assessed Valuation | A-11 | 332,000.00 | 332,000.00 |
| Sales Contracts Receivable | A-12 | | 17,000.00 |
| Revenue Accounts Receivable | A-13 | 476.64 | 587.54 |
| | | <u>821,737.53</u> | <u>662,166.82</u> |
| Deferred Charges: | | | |
| Special Emergency Authorization (N.J.S. 40A:4-53) | A-17 | 14,000.00 | 21,000.00 |
| | | <u>3,513,636.49</u> | <u>3,153,393.14</u> |
| <u>Federal and State Grant Fund</u> | | | |
| Grants Receivable | A-14 | 15,578.50 | 21,626.50 |
| Interfunds Receivable | A-16 | 250,380.96 | 19,889.35 |
| | | <u>265,959.46</u> | <u>41,515.85</u> |
| | | <u>\$3,779,595.95</u> | <u>\$3,194,908.99</u> |

TOWNSHIP OF BOONTON
CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A
Sheet #2

| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | <u>Ref.</u> | <u>Balance</u> <u>Dec. 31, 2021</u> | <u>Balance</u> <u>Dec. 31, 2020</u> |
|--|-------------|--|--|
| <u>Regular Fund</u> | | | |
| Appropriation Reserves: | | | |
| Encumbered | A-3,18 | \$ 31,177.86 | \$ 132,492.25 |
| Unencumbered | A-3,18 | 712,959.44 | 912,749.52 |
| Reserve for Digitized Tax Maps | A-19 | 23,120.00 | 23,120.00 |
| Accounts Payable | A-20 | 11,880.00 | 16,558.84 |
| Deposit on Sale of Property | A-21 | | 1,700.00 |
| Due to State of New Jersey | A-22 | 75.00 | 1,150.00 |
| Tax Overpayments | A-23 | 1,019.62 | 8,556.91 |
| Interfunds Payable | A-24 | 251,400.58 | 19,889.35 |
| Prepaid Taxes | A-27 | 145,282.28 | 152,127.37 |
| Reserve for Pending Tax Appeals | A-28 | 128,693.23 | 118,693.23 |
| | | <u>1,305,608.01</u> | <u>1,387,037.47</u> |
| Reserves for Receivables and Other Assets | | 821,737.53 | 662,166.82 |
| Fund Balance | A-1 | 1,386,290.95 | 1,104,188.85 |
| | | <u>3,513,636.49</u> | <u>3,153,393.14</u> |
| <u>Federal and State Grant Fund</u> | | | |
| Accumulated Revenue Unappropriated | A-29 | 236,431.32 | 11,785.04 |
| Appropriated Reserves for Federal and State Grants | A-30 | 29,528.14 | 29,730.81 |
| | | <u>265,959.46</u> | <u>41,515.85</u> |
| | | <u>\$3,779,595.95</u> | <u>\$3,194,908.99</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
CURRENT FUND

COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

A-1

| | <u>Ref.</u> | <u>Year 2021</u> | <u>Year 2020</u> |
|--|-------------|------------------------|------------------------|
| <u>Revenue and Other Income</u> | | | |
| Fund Balance Utilized | A-2 | \$ 920,794.00 | \$ 1,000,000.00 |
| Miscellaneous Revenue Anticipated | A-2a | 733,468.75 | 829,627.18 |
| Receipts from Delinquent Taxes | A-2b | 272,584.04 | 318,733.71 |
| Receipts from Current Taxes | A-2b | 20,363,227.81 | 20,293,083.40 |
| Nonbudget Revenue | A-2c | 159,719.46 | 122,499.62 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation | | | |
| Reserves | A-18 | 845,534.44 | 373,492.58 |
| Tax Overpayments Cancelled | A-23 | 8,556.91 | |
| Reserve for Grant Expenditures Cancelled | | | 405.17 |
| | | <u>23,303,885.41</u> | <u>22,937,841.66</u> |
| <u>Expenditures</u> | | | |
| Budget Appropriations: | | | |
| Operations | | 4,327,115.02 | 4,242,627.26 |
| Capital Improvements | | 50,000.00 | 50,000.00 |
| Debt Service | | 278,919.99 | 613,825.00 |
| Deferred Charges | | 102,748.12 | 35,823.65 |
| Statutory Expenditures | | <u>665,276.00</u> | <u>611,764.00</u> |
| | A-3 | 5,424,059.13 | 5,554,039.91 |
| Prior Year Revenue Refunds | | | 1,740.00 |
| Revenue Refunds | A-4 | 360.00 | |
| Disallowed Senior Citizens' Deductions | | | 250.00 |
| Dedicated Open Space Taxes | A-24 | 264,017.91 | 264,011.76 |
| Local School District Tax | A-25 | 13,893,839.00 | 13,692,642.00 |
| County Taxes | A-26 | <u>2,518,713.27</u> | <u>2,552,790.14</u> |
| | | <u>22,100,989.31</u> | <u>22,065,473.81</u> |
| Excess in Revenue | | 1,202,896.10 | 872,367.85 |
| <u>Fund Balance</u> | | | |
| Balance January 1 | A | <u>1,104,188.85</u> | <u>1,231,821.00</u> |
| | | 2,307,084.95 | 2,104,188.85 |
| Decreased by: | | | |
| Utilized as Anticipated Revenue | A-2 | <u>920,794.00</u> | <u>1,000,000.00</u> |
| Balance December 31 | A | <u>\$ 1,386,290.95</u> | <u>\$ 1,104,188.85</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
CURRENT FUND

STATEMENT OF REVENUE - REGULATORY BASIS

A-2

| | <u>Ref.</u> | <u>Budget</u> | <u>Realized</u> | <u>Excess</u> |
|----------------------------------|-------------|-----------------------------|-----------------------|---------------------|
| Fund Balance Anticipated | A-1 | \$ 920,794.00 | \$ 920,794.00 | \$ |
| Miscellaneous Revenue | A-2a | 666,558.21 | 733,468.75 | 66,910.54 |
| Receipts from Delinquent Taxes | A-2b | 220,000.00 | 272,584.04 | 52,584.04 |
| Amount to be Raised by Taxes: | | | | |
| Local Tax for Municipal Purposes | A-2b,9 | <u>4,220,940.84</u> | <u>4,290,891.54</u> | <u>69,950.70</u> |
| Budget Totals | A-3 | 6,028,293.05 | 6,217,738.33 | 189,445.28 |
| Nonbudget Revenue | A-2c | <u> </u> | <u>159,719.46</u> | <u>159,719.46</u> |
| | | <u>\$6,028,293.05</u> | <u>\$6,377,457.79</u> | <u>\$349,164.74</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF MISCELLANEOUS REVENUE - REGULATORY BASIS

A-2a

| | <u>Ref.</u> | <u>Budget</u> | <u>Realized</u> | <u>Excess or (Deficit)</u> |
|---|-------------|----------------------|----------------------|--------------------------------|
| <u>Miscellaneous Revenue</u> | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | A-13 | \$ 2,400.00 | \$ 9,840.00 | \$ 7,440.00 |
| Fines and Costs: | | | | |
| Municipal Court | A-13 | 10,000.00 | 14,626.10 | 4,626.10 |
| Interest and Costs on Taxes | A-6 | 50,500.00 | 63,845.29 | 13,345.29 |
| Energy Receipts Tax | A-13 | 240,871.00 | 240,871.00 | |
| Dedicated Uniform Construction Code Fees | | | | |
| Offset with Appropriations: | | | | |
| (N.J.S. 40A:4.36 and N.J.A.C. 5:23-4.17): | | | | |
| Uniform Construction Code Fees | A-13 | 5,000.00 | 7,768.43 | 2,768.43 |
| Special Items: | | | | |
| State and Federal Revenue Offset with | | | | |
| Appropriations: | | | | |
| Clean Communities Program | A-14 | 11,785.04 | 11,785.04 | |
| Municipal Alliance on Alcoholism and | | | | |
| Drug Abuse | A-14 | 3,052.00 | 3,052.00 | |
| Body Armor Grant | A-14 | 1,297.98 | 1,297.98 | |
| Other Special Items: | | | | |
| Cable TV Franchise Fee | A-13 | 19,911.89 | 19,911.89 | |
| Victoria Mews Assisted Living Agreement: | | | | |
| Payment in Lieu of Taxes (PILOT) | A-13 | 178,623.90 | 178,623.92 | 0.02 |
| Sale of Assets - Fire Truck | A-13 | 18,000.00 | 18,000.00 | |
| Sale of Assets - Property | A-12 | 17,000.00 | 18,700.00 | 1,700.00 |
| Trust Assessment Fund Balance | A-15 | 40,138.17 | 40,138.17 | |
| General Capital Fund Balance | A-15 | 9,862.30 | 9,862.30 | |
| Off-Duty Police Administrative Fees | A-13 | 10,000.00 | 31,092.50 | 21,092.50 |
| Field Usage Revenue | A-13 | 5,000.00 | 18,095.00 | 13,095.00 |
| Cell Tower Rental | A-13 | 37,095.93 | 39,939.13 | 2,843.20 |
| Recreation Trust Field Revenue to Offset | | | | |
| Debt Service | A-15 | 6,020.00 | 6,020.00 | |
| | A-1,2 | <u>\$ 666,558.21</u> | <u>\$ 733,468.75</u> | <u>\$ 66,910.54</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF REALIZED TAX REVENUE - REGULATORY BASIS

A-2b

| | <u>Ref.</u> | | |
|--|-------------|---------------------|------------------------|
| <u>Receipts from Delinquent Taxes</u> | | | |
| Collection of Delinquent Taxes: | | | |
| 2021 Collections | A-1,2,9 | | <u>\$ 272,584.04</u> |
| <u>Allocation of Current Tax Collections</u> | | | |
| Collections of Current Taxes: | | | |
| 2021 Collections | A-9 | \$20,187,850.44 | |
| 2020 Collections | A-27 | 152,127.37 | |
| Due from State of New Jersey | A-8 | <u>23,250.00</u> | |
| | A-1 | | \$20,363,227.81 |
| Allocated to: | | | |
| Open Space Tax | A-24 | 264,017.91 | |
| Local School District Tax | A-25 | 13,893,839.00 | |
| County Taxes | A-26 | <u>2,518,713.27</u> | |
| | | | <u>16,676,570.18</u> |
| | | | 3,686,657.63 |
| Plus: Appropriation for Reserve for | | | |
| Uncollected Taxes | A-3 | | <u>604,233.91</u> |
| Realized for Support of Municipal Budget | A-2 | | <u>\$ 4,290,891.54</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF NONBUDGET REVENUE - REGULATORY BASIS

A-2c

| | <u>Ref.</u> | | |
|---|-------------|-------------------|----------------------------|
| <u>Miscellaneous Revenue Not Anticipated</u> | | | |
| Cannabis Wholesale Tax | | \$74,987.76 | |
| Prior Year Reimbursements | | 15,141.35 | |
| Miscellaneous Reimbursements | | 13,903.78 | |
| Sanitary Fees | | 9,675.00 | |
| FEMA Reimbursement - Tropical Storm Isaias | | 6,807.38 | |
| Zoning Fees | | 5,050.00 | |
| Planning Board | | 4,250.00 | |
| Uniform Fire Safety | | 3,779.66 | |
| Smoke Detectors | | 3,490.00 | |
| Fuel Reimbursements | | 2,174.03 | |
| Registrar | | 2,036.00 | |
| Road Opening Permits | | 1,200.00 | |
| Sale of Municipal Assets | | 1,200.00 | |
| Food Licenses | | 1,055.00 | |
| Cable Technology Payment | | 1,000.00 | |
| Miscellaneous | | 981.00 | |
| Police Fees | | 709.50 | |
| Senior Citizens' and Veterans' Deductions - | | | |
| Administrative Fee | | 425.00 | |
| Bid Specifications | | 300.00 | |
| 200 Foot Listings | | 280.00 | |
| Division of Motor Vehicles - Inspection Fines | | 200.00 | |
| Bank Errors | | 150.00 | |
| Homestead Payment Reimbursement | | 115.80 | |
| Copies and Maps | | 59.00 | |
| Duplicate Tax Bills | | 46.00 | |
| Wayside Permits | | 25.00 | |
| Raffles | | 10.00 | |
| Tax Searches | | 10.00 | |
| | A-4 | <u> </u> | \$149,061.26 |
| Interest on Investments and Deposits: | | | |
| Collections | A-4 | 4,584.62 | |
| Interfunds Receivable | A-15 | <u>1,186.67</u> | |
| | | | 5,771.29 |
| <u>Other Sources</u> | | | |
| Revenue Accounts Receivable | A-13 | | 3,000.00 |
| Interfunds Receivable: | | | |
| Interest on Assessments | A-15 | | 1,539.12 |
| Interest on Delinquent Assessments | A-15 | | <u>347.79</u> |
| | A-1,2 | | <u><u>\$159,719.46</u></u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #1

| Appropriation | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|---|----------------|-----------------|-----------------|------------|----------|------------------------------|
| | Budget | Modified Budget | | Encumbered | Reserved | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | | |
| <u>GENERAL GOVERNMENT</u> | | | | | | |
| General Administration: | | | | | | |
| Salaries and Wages | \$ 34,720.00 | \$ 34,720.00 | \$ 34,720.00 | \$ | \$ | \$ |
| Other Expenses | 3,800.00 | 3,800.00 | 3,779.89 | | | 20.11 |
| Human Resources: | | | | | | |
| Other Expenses | 20,000.00 | 20,000.00 | 5,451.50 | | | 14,548.50 |
| Mayor and Township Committee: | | | | | | |
| Other Expenses | 4,000.00 | 4,000.00 | 3,999.92 | | | 0.08 |
| Municipal Clerk: | | | | | | |
| Salaries and Wages | 52,678.00 | 52,678.00 | 52,678.00 | | | |
| Other Expenses | 13,400.00 | 13,400.00 | 10,113.07 | | | 3,286.93 |
| Codification | 5,000.00 | 5,000.00 | 1,652.00 | | | 3,348.00 |
| Financial Administration: | | | | | | |
| Salaries and Wages | 55,179.00 | 55,179.00 | 54,880.40 | | | 298.60 |
| Other Expenses | 6,000.00 | 6,000.00 | 4,725.04 | | | 1,274.96 |
| Annual Audit | 13,350.00 | 13,350.00 | | 13,055.00 | | 295.00 |
| Assessment of Taxes: | | | | | | |
| Salaries and Wages | 17,350.00 | 17,350.00 | 2,724.00 | | | 14,626.00 |
| Other Expenses | 27,297.00 | 27,297.00 | 23,911.46 | | | 3,385.54 |
| Collection of Taxes: | | | | | | |
| Salaries and Wages | 38,344.00 | 38,344.00 | 38,344.00 | | | |
| Other Expenses | 4,825.00 | 4,825.00 | 3,289.65 | | | 1,535.35 |
| Computerized Data Processing: | | | | | | |
| Salaries and Wages | 3,132.00 | 3,132.00 | 3,132.00 | | | |
| Other Expenses | 12,000.00 | 12,000.00 | 9,069.20 | | | 2,930.80 |
| Legal Services and Costs: | | | | | | |
| Other Expenses | 96,800.00 | 106,800.00 | 99,934.39 | | | 6,865.61 |
| Engineering Services and Costs: | | | | | | |
| Other Expenses | 95,200.00 | 95,200.00 | 33,486.03 | | | 61,713.97 |
| Historical Committee: | | | | | | |
| Other Expenses | 2,000.00 | 2,000.00 | 2,000.00 | | | |
| Public Employees' Occupational Safety and Hazards Act | 3,000.00 | 3,000.00 | 1,267.50 | | | 1,732.50 |

TOWNSHIP OF BOONTON
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #2

| Appropriation | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|---|---------------------|---------------------|---------------------|------------------|-----------------------|------------------------------|
| | Budget | Modified Budget | | Encumbered | Reserved Unencumbered | |
| APPROPRIATIONS WITHIN "CAPS" | | | | | | |
| GENERAL GOVERNMENT | | | | | | |
| Municipal Land Use Law (N.J.S.A. 40:55D-1): | | | | | | |
| Planning Board: | | | | | | |
| Salaries and Wages | \$ 56,303.00 | \$ 56,303.00 | \$ 56,296.38 | \$ | \$ 6.62 | \$ |
| Other Expenses | 31,650.00 | 31,650.00 | 16,879.41 | | 14,770.59 | |
| Insurance: | | | | | | |
| General Liability | 96,000.00 | 96,000.00 | 93,510.00 | | 2,490.00 | |
| Workmen's Compensation | 40,800.00 | 40,800.00 | 34,110.00 | | 6,690.00 | |
| Group Insurance Plan | 260,000.00 | 265,000.00 | 258,193.43 | | 6,806.57 | |
| | <u>992,828.00</u> | <u>1,007,828.00</u> | <u>848,147.27</u> | <u>13,055.00</u> | <u>146,625.73</u> | |
| PUBLIC SAFETY | | | | | | |
| Police: | | | | | | |
| Salaries and Wages | 1,806,805.00 | 1,806,805.00 | 1,646,428.44 | | 160,376.56 | |
| Other Expenses | 98,250.00 | 98,250.00 | 56,242.07 | 3,617.06 | 38,390.87 | |
| Police Dispatch/911: | | | | | | |
| Other Expenses | 30,200.00 | 30,200.00 | 30,200.00 | | | |
| Aid to Volunteer Fire Companies: | | | | | | |
| Other Expenses | 62,359.00 | 62,359.00 | 43,921.27 | 4,146.53 | 14,291.20 | |
| Uniform Fire Safety Act: | | | | | | |
| Fire Official: | | | | | | |
| Salaries and Wages | 5,778.00 | 5,778.00 | 4,809.00 | | 969.00 | |
| Other Expenses | 2,325.00 | 2,325.00 | 1,768.60 | | 556.40 | |
| Municipal Prosecutor: | | | | | | |
| Salaries and Wages | 6,630.00 | 6,630.00 | 6,630.00 | | | |
| Office of Emergency Management: | | | | | | |
| Salaries and Wages | 3,639.00 | 3,639.00 | 3,638.96 | | 0.04 | |
| Other Expenses | 3,000.00 | 3,000.00 | 1,642.00 | | 1,358.00 | |
| | <u>2,018,986.00</u> | <u>2,018,986.00</u> | <u>1,795,280.34</u> | <u>7,763.59</u> | <u>215,942.07</u> | |
| STREETS AND ROADS | | | | | | |
| Road Repairs and Maintenance: | | | | | | |
| Salaries and Wages | 22,779.00 | 22,779.00 | 19,965.04 | | 2,813.96 | |
| Other Expenses | 160,000.00 | 160,000.00 | 154,666.45 | | 5,333.55 | |

TOWNSHIP OF BOONTON
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #3

| | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|--------------------------------------|----------------|--------------------|--------------------|------------|--------------------------|------------------------------------|
| | Budget | Modified Budget | | Encumbered | Reserved Unencumbered | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | | |
| <u>STREETS AND ROADS</u> | | | | | | |
| Other Public Works Functions: | | | | | | |
| Snow Plowing and Sanding: | | | | | | |
| Other Expenses | \$ 466,220.00 | \$ 431,220.00 | \$ 246,689.63 | \$ | \$ 184,530.37 | \$ |
| Recycling: | | | | | | |
| Salaries and Wages | 9,109.00 | 9,109.00 | 7,590.80 | | 1,518.20 | |
| Other Expenses | 98,250.00 | 98,250.00 | 89,074.87 | | 9,175.13 | |
| Buildings and Grounds: | | | | | | |
| Salaries and Wages | 75,446.00 | 75,446.00 | 74,704.40 | | 741.60 | |
| Other Expenses | 45,500.00 | 45,500.00 | 34,000.38 | 3,001.04 | 8,498.58 | |
| Vehicle Maintenance: | | | | | | |
| Other Expenses | 68,600.00 | 83,600.00 | 61,386.00 | 7,024.43 | 15,189.57 | |
| | 945,904.00 | 925,904.00 | 688,077.57 | 10,025.47 | 227,800.96 | |
| <u>HEALTH AND WELFARE</u> | | | | | | |
| Board of Health: | | | | | | |
| Salaries and Wages | 19,184.00 | 19,184.00 | 19,184.00 | | 393.97 | |
| Other Expenses | 4,550.00 | 4,550.00 | 4,156.03 | | 8,348.13 | |
| Board of Health Contractual Services | 19,700.00 | 19,700.00 | 11,351.87 | | | |
| Environmental Committee: | | | | | | |
| Other Expenses | 500.00 | 500.00 | | | 500.00 | |
| Animal Control Services: | | | | | | |
| Salaries and Wages | 775.00 | 775.00 | | | 775.00 | |
| Other Expenses | 16,000.00 | 16,000.00 | 14,283.69 | | 1,716.31 | |
| | 60,709.00 | 60,709.00 | 48,975.59 | | 11,733.41 | |
| <u>RECREATION AND EDUCATION</u> | | | | | | |
| Recreation: | | | | | | |
| Salaries and Wages | 17,871.00 | 17,871.00 | 17,871.00 | | | |
| Other Expenses | 1,000.00 | 1,000.00 | | | 1,000.00 | |
| Celebration of Public Events: | | | | | | |
| Other Expenses | 2,000.00 | 2,000.00 | | | 2,000.00 | |
| | 20,871.00 | 20,871.00 | 17,871.00 | | 3,000.00 | |

TOWNSHIP OF BOONTON
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #4

| Appropriation | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|---|----------------|--------------------|--------------------|------------|--------------|------------------------------------|
| | Budget | Modified Budget | | Reserved | | |
| | | | | Encumbered | Unencumbered | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | | |
| <u>MUNICIPAL COURT</u> | | | | | | |
| Municipal Court: | | | | | | |
| Salaries and Wages | \$ 28,125.00 | \$ 28,125.00 | \$ 23,904.00 | \$ 188.49 | \$ 4,221.00 | \$ |
| Other Expenses | 4,500.00 | 4,500.00 | 4,051.52 | | 259.99 | |
| Public Defender: | | | | | | |
| Other Expenses | 4,000.00 | 4,000.00 | 3,200.00 | | 800.00 | |
| | 36,625.00 | 36,625.00 | 31,155.52 | 188.49 | 5,280.99 | |
| <u>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS</u> | | | | | | |
| OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17) | | | | | | |
| Construction Official: | | | | | | |
| Other Expenses | 1,800.00 | 1,800.00 | 1,800.00 | | | |
| <u>UNCLASSIFIED</u> | | | | | | |
| Utility Expenses: | | | | | | |
| Electricity | 15,000.00 | 15,000.00 | 8,643.58 | | 6,356.42 | |
| Telephone | 20,000.00 | 20,000.00 | 17,386.86 | 145.31 | 2,467.83 | |
| Water | 2,000.00 | 2,000.00 | 448.00 | | 1,552.00 | |
| Natural Gas | 7,000.00 | 7,000.00 | 6,365.81 | | 634.19 | |
| Fuel Oil | 6,000.00 | 6,000.00 | 1,999.43 | | 4,000.57 | |
| Sewerage Processing | 500.00 | 500.00 | 436.00 | | 64.00 | |
| Gasoline | 39,900.00 | 39,900.00 | 25,628.54 | | 14,271.46 | |
| Accumulated Absence | 100.00 | 100.00 | 100.00 | | | |
| | 90,500.00 | 90,500.00 | 61,008.22 | 145.31 | 29,346.47 | |
| <u>CONTINGENT</u> | | | | | | |
| | 6,000.00 | 6,000.00 | | | 6,000.00 | |
| Total Operations | 4,174,223.00 | 4,169,223.00 | 3,492,315.51 | 31,177.86 | 645,729.63 | |
| <u>Detail:</u> | | | | | | |
| Salaries and Wages | 2,253,847.00 | 2,253,847.00 | 2,067,500.42 | | 186,346.58 | |
| Other Expenses | 1,920,376.00 | 1,915,376.00 | 1,424,815.09 | 31,177.86 | 459,383.05 | |

TOWNSHIP OF BOONTON
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #5

| <u>Appropriation</u> | <u>Appropriations</u> | | <u>Paid or Charged</u> | <u>Expended</u> | | <u>Unexpended Balance Cancelled</u> |
|--|-----------------------|------------------------|------------------------|-------------------|--|-------------------------------------|
| | <u>Budget</u> | <u>Modified Budget</u> | | <u>Encumbered</u> | <u>Reserved</u> <u>Unencumbered</u> | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | | |
| <u>STATUTORY EXPENDITURES</u> | | | | | | |
| Contribution to: | | | | | | |
| Public Employees' Retirement System | \$ 68,501.00 | \$ 68,501.00 | \$ 68,501.00 | \$ | \$ | \$ |
| Social Security System (OASI) | 165,000.00 | 170,000.00 | 157,135.00 | | 12,865.00 | |
| Police and Firemen's Retirement System of N.J. | 424,175.00 | 424,175.00 | 424,175.00 | | | |
| Unemployment Insurance | 100.00 | 100.00 | | | 100.00 | |
| Defined Contribution Retirement Program | 2,500.00 | 2,500.00 | 1,783.02 | | 716.98 | |
| | <u>660,276.00</u> | <u>665,276.00</u> | <u>651,594.02</u> | | <u>13,681.98</u> | |
| Total Appropriations Within "CAPS" | <u>4,834,499.00</u> | <u>4,834,499.00</u> | <u>4,143,909.53</u> | <u>31,177.86</u> | <u>659,411.61</u> | |
| <u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u> | | | | | | |
| <u>OPERATIONS</u> | | | | | | |
| 911 Communication System: | | | | | | |
| Other Expenses | 102,000.00 | 102,000.00 | 74,672.92 | | 27,327.08 | |
| Storm Water Tier A General Permit (N.J.S.A. 40A:4-45.3(cc)): | | | | | | |
| Salaries and Wages | 1,757.00 | 1,757.00 | 1,723.25 | | 33.75 | |
| Other Expenses | 25,000.00 | 25,000.00 | 1,050.00 | | 23,950.00 | |
| Reserve for Tax Appeals | 10,000.00 | 10,000.00 | 10,000.00 | | | |
| | <u>138,757.00</u> | <u>138,757.00</u> | <u>87,446.17</u> | | <u>51,310.83</u> | |
| <u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u> | | | | | | |
| Body Armor Replacement Fund | 1,297.98 | 1,297.98 | 1,297.98 | | | |
| Clean Communities Program | 11,785.04 | 11,785.04 | 11,785.04 | | | |
| Municipal Alliance Against Substance Abuse: | | | | | | |
| State Funds | 3,052.00 | 3,052.00 | 3,052.00 | | | |
| Township Funds | 3,000.00 | 3,000.00 | 763.00 | | | |
| | <u>19,135.02</u> | <u>19,135.02</u> | <u>16,898.02</u> | | | |
| | | | | | | 2,237.00 |
| | | | | | | <u>2,237.00</u> |

TOWNSHIP OF BOONTON
CURRENT FUND

A-3
Sheet #6

STATEMENT OF EXPENDITURES - REGULATORY BASIS

| | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|---|-----------------|--------------------|--------------------|--------------|--------------------------|------------------------------------|
| | Budget | Modified Budget | | Encumbered | Reserved Unencumbered | |
| <u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u> | | | | | | |
| Total Operations | \$ 157,892.02 | \$ 157,892.02 | \$ 104,344.19 | \$ | \$ 53,547.83 | \$ |
| Detail: | | | | | | |
| Salaries and Wages | 1,757.00 | 1,757.00 | 1,723.25 | | | |
| Other Expenses | 156,135.02 | 156,135.02 | 102,620.94 | | 53,547.83 | |
| <u>CAPITAL IMPROVEMENTS</u> | | | | | | |
| Capital Improvement Fund | 50,000.00 | 50,000.00 | 50,000.00 | | | |
| <u>MUNICIPAL DEBT SERVICE</u> | | | | | | |
| Payment of Bond Anticipation Notes and Capital Notes | 259,620.00 | 259,620.00 | 259,620.00 | | | 0.01 |
| Interest on Notes | 19,300.00 | 19,300.00 | 19,299.99 | | | 0.01 |
| | 278,920.00 | 278,920.00 | 278,919.99 | | | |
| <u>DEFERRED CHARGES</u> | | | | | | |
| Special Emergency Authorization - 5 Years (N.J.S.A. 40A:4-53) | 7,000.00 | 7,000.00 | 7,000.00 | | | |
| Deficit in Trust Assessment Budget | 33,048.12 | 33,048.12 | 33,048.12 | | | |
| Deferred Charges - Unfunded - Ord. 887 | 62,700.00 | 62,700.00 | 62,700.00 | | | |
| | 102,748.12 | 102,748.12 | 102,748.12 | | | |
| Total Appropriations Excluded from "CAPS" | 589,560.14 | 589,560.14 | 536,012.30 | | 53,547.83 | 0.01 |
| Sub-Total | 5,424,059.14 | 5,424,059.14 | 4,679,921.83 | 31,177.86 | 712,959.44 | 0.01 |
| Reserve for Uncollected Taxes | 604,233.91 | 604,233.91 | 604,233.91 | | | |
| Total Appropriations | \$ 6,028,293.05 | \$ 6,028,293.05 | \$ 5,284,155.74 | \$ 31,177.86 | \$ 712,959.44 | \$ 0.01 |
| Reference | A-2 | Sheet #7 | Sheet #7 | A | A | |

TOWNSHIP OF BOONTON
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #7

| | <u>Ref.</u> | <u>Modified Budget</u> | <u>Paid or Charged</u> |
|--------------------------------------|-------------|------------------------------|------------------------------|
| Adopted Budget | | \$6,025,241.05 | \$ |
| Added by N.J.S.A. 40A:4-87 | | 3,052.00 | |
| Cash Disbursed: | | | |
| Salaries and Wages | | | 2,069,223.67 |
| Township's Matching Funds for | | | |
| Grants | A-30 | | 763.00 |
| Other Expenditures | | | 2,481,052.02 |
| | A-4 | <u>6,028,293.05</u> | <u>4,551,038.69</u> |
| Deferred Charges - Special Emergency | A-17 | | 7,000.00 |
| Interfunds Payable | A-24 | | 95,748.12 |
| Reserve for Pending Tax Appeals | A-28 | | 10,000.00 |
| Reserve for Grant Expenditures | A-30 | | 16,135.02 |
| Reserve for Uncollected Taxes | A-2b | | <u>604,233.91</u> |
| | Sheet #6 | <u><u>\$6,028,293.05</u></u> | <u><u>\$5,284,155.74</u></u> |
| Analysis of Expended Charges to | | | |
| Fund Balance | | | |
| Paid or Charged | Above | | \$5,284,155.74 |
| Less: Reserve for Uncollected | | | |
| Taxes | Above | | <u>604,233.91</u> |
| | | | <u>4,679,921.83</u> |
| Reserved: | | | |
| Encumbered | Sheet #6 | \$ 31,177.86 | |
| Unencumbered | Sheet #6 | <u>712,959.44</u> | |
| | | | <u>744,137.30</u> |
| | A-1 | | <u><u>\$5,424,059.13</u></u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

B
Sheet #1

| <u>ASSETS</u> | <u>Ref.</u> | Balance <u>Dec. 31, 2021</u> | Balance <u>Dec. 31, 2020</u> |
|--|-------------|---------------------------------|---------------------------------|
| <u>Assessment Trust Fund</u> | | | |
| Cash - Checking | B-4 | \$ 27,471.35 | \$ 43,590.05 |
| Assessments Receivable: | | | |
| Pledged | B-8 | 86,729.43 | 133,805.12 |
| Unpledged | B-8 | 258,537.47 | 238,922.10 |
| | | <u>372,738.25</u> | <u>416,317.27</u> |
| <u>Animal Control Trust Fund</u> | | | |
| Cash - Checking | B-4 | <u>422.92</u> | <u>167.87</u> |
| <u>General Trust Fund</u> | | | |
| Cash - Checking | B-4 | <u>464,613.25</u> | <u>278,021.01</u> |
| <u>Municipal Open Space Trust Fund</u> | | | |
| Cash - Checking | B-4 | 948,081.69 | 1,264,289.07 |
| Interfunds Receivable | B-10 | 1,019.62 | |
| | | <u>949,101.31</u> | <u>1,264,289.07</u> |
| | | <u>\$ 1,786,875.73</u> | <u>\$ 1,958,795.22</u> |

TOWNSHIP OF BOONTON
TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

B
Sheet #2

| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | <u>Ref.</u> | <u>Balance</u> <u>Dec. 31, 2021</u> | <u>Balance</u> <u>Dec. 31, 2020</u> |
|---|-------------|--|--|
| <u>Assessment Trust Fund</u> | | | |
| Bond Anticipation Notes | B-22 | \$ 100,757.00 | \$ 137,257.00 |
| Reserve for Assessments | B-18 | 258,537.47 | 238,922.10 |
| Fund Balance | B-1 | 13,443.78 | 40,138.17 |
| | | <u>372,738.25</u> | <u>416,317.27</u> |
| <u>Animal Control Trust Fund</u> | | | |
| Reserve for Animal Control Trust Fund | | | |
| Expenditures | B-19 | <u>422.92</u> | <u>167.87</u> |
| <u>General Trust Fund</u> | | | |
| Special Deposits | B-13 | 206,133.09 | 170,242.32 |
| Premiums on Tax Sale | B-14 | 200,000.00 | 52,400.00 |
| Payroll Deductions Payable | B-15 | 427.65 | 150.14 |
| Reserve for: | | | |
| State Unemployment Trust Fund | | | |
| Expenditures | B-20 | 55,142.45 | 52,595.49 |
| Municipal Alliance on Alcoholism and | | | |
| Drug Abuse - Program Income | B-21 | <u>2,910.06</u> | <u>2,633.06</u> |
| | | <u>464,613.25</u> | <u>278,021.01</u> |
| <u>Municipal Open Space Trust Fund</u> | | | |
| Municipal Open Space Trust Fund | B-16 | <u>949,101.31</u> | <u>1,264,289.07</u> |
| | | <u>\$ 1,786,875.73</u> | <u>\$ 1,958,795.22</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
TRUST FUND

STATEMENT OF FUND BALANCE -
ASSESSMENT TRUST FUND - REGULATORY BASIS

B-1

| | <u>Ref.</u> | | |
|-------------------------------------|-------------|------------------|----------------------------|
| Balance December 31, 2020 | B | | \$ 40,138.17 |
| Increased by: | | | |
| Cancelled Accounts Payable | B-11 | \$ 11.03 | |
| Collection of Unpledged Assessments | B-18 | <u>13,432.75</u> | |
| | | | <u>13,443.78</u> |
| | | | 53,581.95 |
| Decreased by: | | | |
| Anticipated as Current Fund Revenue | B-17 | | <u>40,138.17</u> |
| Balance December 31, 2021 | B | | <u><u>\$ 13,443.78</u></u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
TRUST FUND

STATEMENT OF REVENUE
ASSESSMENT TRUST FUND - REGULATORY BASIS

B-2

| | <u>Ref.</u> | <u>Budget</u> | <u>Realized</u> |
|--------------------------|-------------|---------------------|---------------------|
| Assessment Cash | | \$ 3,451.88 | \$ 3,451.88 |
| Deficit (General Budget) | | <u>33,048.12</u> | <u>33,048.12</u> |
| | B-3 | <u>\$ 36,500.00</u> | <u>\$ 36,500.00</u> |

STATEMENT OF EXPENDITURES
ASSESSMENT TRUST FUND - REGULATORY BASIS

B-3

| | <u>Ref.</u> | <u>Budget</u> | <u>Expended</u> |
|------------------------------------|------------------|---------------------|---------------------|
| Payment of Bond Anticipation Notes | B-2 | <u>\$ 36,500.00</u> | <u>\$ 36,500.00</u> |
| | <u>Reference</u> | | <u>B-22</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

C

| <u>ASSETS AND DEFERRED CHARGES</u> | <u>Ref.</u> | <u>Balance</u> <u>Dec. 31, 2021</u> | <u>Balance</u> <u>Dec. 31, 2020</u> |
|---|-------------|--|--|
| Cash - Checking | C-2 | \$ 454,042.14 | \$ 563,782.38 |
| Grants Receivable | C-4 | 74,708.22 | 236,755.86 |
| Deferred Charges to Future Taxation: | | | |
| Unfunded | C-6 | <u>2,317,664.79</u> | <u>2,574,698.86</u> |
| | | <u><u>\$ 2,846,415.15</u></u> | <u><u>\$ 3,375,237.10</u></u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Bond Anticipation Notes | C-12 | 2,317,673.00 | 1,792,743.00 |
| Improvement Authorizations: | | | |
| Funded | C-7 | 91,035.20 | 104,436.97 |
| Unfunded | C-7 | 202,171.36 | 989,319.73 |
| Capital Improvement Fund | C-8 | 100,976.14 | 124,271.14 |
| Reserves for: | | | |
| Grants Receivable | C-10 | | 236,755.86 |
| Griffith Pond | C-11 | 117,848.10 | 117,848.10 |
| Fund Balance | C-1 | <u>16,711.35</u> | <u>9,862.30</u> |
| | | <u><u>\$ 2,846,415.15</u></u> | <u><u>\$ 3,375,237.10</u></u> |
| | | | |
| Bonds and Notes Authorized but Not Issued | C-13 | <u><u>\$ -</u></u> | <u><u>\$ 781,955.86</u></u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

C-1

| | <u>Ref.</u> | |
|-------------------------------------|-------------|---------------------------|
| Balance December 31, 2020 | C | \$ 9,862.30 |
| Increased by: | | |
| Premium on Sale of Notes | C-2 | <u>16,711.35</u> |
| | | 26,573.65 |
| Decreased by: | | |
| Anticipated as Current Fund Revenue | C-9 | <u>9,862.30</u> |
| Balance December 31, 2021 | C | <u><u>\$16,711.35</u></u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
WATER UTILITY

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

D
Sheet #1

| <u>ASSETS</u> | <u>Ref.</u> | Balance <u>Dec. 31, 2021</u> | Balance <u>Dec. 31, 2020</u> |
|------------------------------|-------------|---------------------------------|---------------------------------|
| <u>Operating Fund</u> | | | |
| Cash - Checking | D-5 | \$ 875,016.48 | \$ 824,866.82 |
| Assets with Full Reserves: | | | |
| Consumer Accounts Receivable | D-10 | <u>29,823.88</u> | <u>51,423.90</u> |
| | | <u>904,840.36</u> | <u>876,290.72</u> |
| <u>Assessment Trust Fund</u> | | | |
| Cash - Checking | D-5 | 1,241.78 | 601.80 |
| Assessments Receivable: | | | |
| Unpledged | D-11 | <u>662.47</u> | <u>1,904.25</u> |
| | | <u>1,904.25</u> | <u>2,506.05</u> |
| <u>Capital Fund</u> | | | |
| Cash - Checking | D-5 | 126,750.00 | 120,750.00 |
| Fixed Capital | D-12 | <u>158,827.29</u> | <u>158,468.29</u> |
| | | <u>285,577.29</u> | <u>279,218.29</u> |
| | | <u>\$1,192,321.90</u> | <u>\$1,158,015.06</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

D
Sheet #2

| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | <u>Ref.</u> | <u>Balance Dec. 31, 2021</u> | <u>Balance Dec. 31, 2020</u> |
|---|-------------|----------------------------------|----------------------------------|
| <u>Operating Fund</u> | | | |
| Appropriation Reserves: | | | |
| Encumbered | D-4,13 | \$ 2,560.00 | \$ 2,500.00 |
| Unencumbered | D-4,13 | 177,087.65 | 179,593.74 |
| Water Rent Overpayments | D-14 | <u>2,078.10</u> | <u>5,627.32</u> |
| | | 181,725.75 | 187,721.06 |
| Reserve for Receivables | | 29,823.88 | 51,423.90 |
| Fund Balance | D-1 | <u>693,290.73</u> | <u>637,145.76</u> |
| | | <u>904,840.36</u> | <u>876,290.72</u> |
| <u>Assessment Trust Fund</u> | | | |
| Reserve for Assessments | D-17 | 662.47 | 1,904.25 |
| Fund Balance | D-2 | <u>1,241.78</u> | <u>601.80</u> |
| | | <u>1,904.25</u> | <u>2,506.05</u> |
| <u>Capital Fund</u> | | | |
| Capital Improvement Fund | D-15 | 126,750.00 | 120,750.00 |
| Amortization Fund | D-18 | <u>158,827.29</u> | <u>158,468.29</u> |
| | | <u>285,577.29</u> | <u>279,218.29</u> |
| | | <u>\$1,192,321.90</u> | <u>\$1,158,015.06</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
WATER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE - OPERATING FUND - REGULATORY BASIS

D-1

| | <u>Ref.</u> | <u>Year 2021</u> | <u>Year 2020</u> |
|---|-------------|---------------------|---------------------|
| <u>Revenue and Other Income</u> | | | |
| Fund Balance Utilized | D-3 | \$136,935.20 | \$145,906.96 |
| Rents | D-3 | 338,256.34 | 348,046.16 |
| Miscellaneous Revenue Anticipated | D-3 | 2,513.03 | 7,196.13 |
| Water Utility Assessment Trust Fund Balance | D-3 | 601.80 | 586.04 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation | | | |
| Reserves | D-13 | 131,310.80 | 142,121.90 |
| | | <u>609,617.17</u> | <u>643,857.19</u> |
| <u>Expenditures</u> | | | |
| Budget Appropriations: | | | |
| Operating | D-4 | 400,237.00 | 399,193.00 |
| Capital Improvements | D-4 | 10,000.00 | 10,000.00 |
| Debt Service | | | 10,014.58 |
| Statutory Expenditures | D-4 | 6,300.00 | 6,200.00 |
| | | <u>416,537.00</u> | <u>425,407.58</u> |
| Excess in Revenue | | 193,080.17 | 218,449.61 |
| <u>Fund Balance</u> | | | |
| Balance January 1 | D | 637,145.76 | 564,603.11 |
| | | <u>830,225.93</u> | <u>783,052.72</u> |
| Decreased by: | | | |
| Utilized as Anticipated Revenue | D-3 | 136,935.20 | 145,906.96 |
| Balance December 31 | D | <u>\$693,290.73</u> | <u>\$637,145.76</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
WATER UTILITY

STATEMENT OF FUND BALANCE -
ASSESSMENT TRUST FUND - REGULATORY BASIS

D-2

| | <u>Ref.</u> | |
|--|-------------|--------------------------|
| Balance December 31, 2020 | D | \$ 601.80 |
| Increased by: | | |
| Collection of Unpledged Assessments | D-17 | <u>1,241.78</u> |
| | | 1,843.58 |
| Decreased by: | | |
| Water Assessment Trust Fund Balance | | |
| Anticipated as Water Operating Revenue | D-16 | <u>601.80</u> |
| Balance December 31, 2021 | D | <u><u>\$1,241.78</u></u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
WATER UTILITY

STATEMENT OF REVENUE - REGULATORY BASIS

D-3

| | <u>Ref.</u> | <u>Budget</u> | <u>Realized</u> | <u>Excess</u> |
|--------------------------|-------------|---------------------|---------------------|--------------------|
| <u>Source</u> | | | | |
| Fund Balance Anticipated | D-1 | \$136,935.20 | \$136,935.20 | \$ |
| Rents | D-1,10 | 278,000.00 | 338,256.34 | 60,256.34 |
| Miscellaneous | D-1,3a | 1,000.00 | 2,513.03 | 1,513.03 |
| Water Utility Assessment | | | | |
| Trust Fund Balance | D-1,9 | <u>601.80</u> | <u>601.80</u> | <u></u> |
| Total Revenue | D-4 | <u>\$416,537.00</u> | <u>\$478,306.37</u> | <u>\$61,769.37</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
WATER UTILITY

STATEMENT OF REVENUE (Continued)
ANALYSIS OF MISCELLANEOUS REVENUE REALIZED - REGULATORY BASIS

D-3a

| | <u>Ref.</u> | <u>Total</u> |
|---|-------------|--------------------------|
| <u>Analysis of Miscellaneous Revenue Realized</u> | | |
| Interest on Delinquent Water Accounts | D-5 | \$ 632.99 |
| Interest on Water Assessment Accounts | D-9 | 51.32 |
| Interest on Deposits: | | |
| Collections | D-5 | 1,635.98 |
| Interfunds Receivable | D-9 | <u>192.74</u> |
| | D-3 | <u><u>\$2,513.03</u></u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
WATER UTILITY

STATEMENT OF EXPENDITURES - REGULATORY BASIS

D-4

| <u>Appropriations</u> | <u>Ref.</u> | <u>Budget</u> | <u>Paid or Charged</u> | <u>Expended</u> | |
|-------------------------------------|------------------|----------------------|----------------------------|--------------------|----------------------------------|
| | | | | <u>Encumbered</u> | <u>Reserved Unencumbered</u> |
| <u>Operating</u> | | | | | |
| Salaries and Wages | | \$ 53,237.00 | \$ 43,394.38 | \$ | \$ 9,842.62 |
| Other Expenses | | 347,000.00 | 181,616.31 | 2,560.00 | 162,823.69 |
| | D-1 | <u>400,237.00</u> | <u>225,010.69</u> | <u>2,560.00</u> | <u>172,666.31</u> |
| <u>Capital Improvements</u> | | | | | |
| Capital Improvement Fund | | 6,000.00 | 6,000.00 | | |
| Capital Outlay | | 4,000.00 | 359.00 | | 3,641.00 |
| | D-1 | <u>10,000.00</u> | <u>6,359.00</u> | | <u>3,641.00</u> |
| <u>Statutory Expenditures</u> | | | | | |
| Contribution to: | | | | | |
| Public Employees' Retirement System | | 2,200.00 | 2,200.00 | | |
| Social Security System (OASI) | | 4,100.00 | 3,319.66 | | 780.34 |
| | D-1 | <u>6,300.00</u> | <u>5,519.66</u> | | <u>780.34</u> |
| Total Appropriations | | <u>\$ 416,537.00</u> | <u>\$ 236,889.35</u> | <u>\$ 2,560.00</u> | <u>\$ 177,087.65</u> |
| | <u>Reference</u> | <u>D-3</u> | <u>D-5</u> | <u>D</u> | <u>D</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
SEWER UTILITY

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

E
Sheet #1

| <u>ASSETS</u> | <u>Ref.</u> | <u>Balance Dec. 31, 2021</u> | <u>Balance Dec. 31, 2020</u> |
|------------------------------|-------------|----------------------------------|----------------------------------|
| <u>Operating Fund</u> | | | |
| Cash - Checking | E-5 | \$ 596,715.97 | \$ 524,341.18 |
| Assets with Full Reserves: | | | |
| Consumer Accounts Receivable | E-10 | 22,421.00 | 21,216.98 |
| | | <u>619,136.97</u> | <u>545,558.16</u> |
| <u>Assessment Trust Fund</u> | | | |
| Cash - Checking | E-5 | 13,388.03 | 16,192.10 |
| Assessments Receivable: | | | |
| Unpledged | E-11 | 35,939.43 | 49,327.46 |
| | | <u>49,327.46</u> | <u>65,519.56</u> |
| <u>Capital Fund</u> | | | |
| Cash - Checking | E-5 | 76,753.69 | 70,753.69 |
| Fixed Capital | E-12 | 361,642.74 | 361,642.74 |
| | | <u>438,396.43</u> | <u>432,396.43</u> |
| | | <u>\$1,106,860.86</u> | <u>\$1,043,474.15</u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

E
Sheet #2

| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | <u>Ref.</u> | <u>Balance Dec. 31, 2021</u> | <u>Balance Dec. 31, 2020</u> |
|---|-------------|----------------------------------|----------------------------------|
| <u>Operating Fund</u> | | | |
| Appropriation Reserves: | | | |
| Encumbered | E-4,13 | \$ 4,819.46 | \$ 3,287.42 |
| Unencumbered | E-4,13 | 76,039.94 | 63,938.67 |
| Sewer Rent Overpayments | E-14 | 754.19 | 2,183.61 |
| Reserve for Contingency | E-17 | 35,000.00 | 35,000.00 |
| | | <u>116,613.59</u> | <u>104,409.70</u> |
| Reserve for Receivables | | 22,421.00 | 21,216.98 |
| Fund Balance | E-1 | 480,102.38 | 419,931.48 |
| | | <u>619,136.97</u> | <u>545,558.16</u> |
| <u>Assessment Trust Fund</u> | | | |
| Reserve for Assessments | E-18 | 35,939.43 | 49,327.46 |
| Fund Balance | E-2 | 13,388.03 | 16,192.10 |
| | | <u>49,327.46</u> | <u>65,519.56</u> |
| <u>Capital Fund</u> | | | |
| Capital Improvement Fund | E-15 | 76,753.69 | 70,753.69 |
| Amortization Fund | E-19 | 361,642.74 | 361,642.74 |
| | | <u>438,396.43</u> | <u>432,396.43</u> |
| | | <u>\$1,106,860.86</u> | <u>\$1,043,474.15</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
SEWER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE - OPERATING FUND - REGULATORY BASIS

E-1

| | <u>Ref.</u> | <u>Year 2021</u> | <u>Year 2020</u> |
|-------------------------------------|-------------|---------------------|---------------------|
| <u>Revenue and Other Income</u> | | | |
| Fund Balance Utilized | E-3 | \$ 83,601.90 | \$ 95,337.99 |
| Rents | E-3 | 238,552.15 | 236,520.82 |
| Miscellaneous Revenue Anticipated | E-3 | 4,013.00 | 8,283.77 |
| Sewer Utility Assessment Trust Fund | | | |
| Balance | E-3 | 16,192.10 | 4,456.01 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation | | | |
| Reserves | E-13 | 62,707.65 | 62,194.69 |
| | | <u>405,066.80</u> | <u>406,793.28</u> |
| <u>Expenditures</u> | | | |
| Budget Appropriations: | | | |
| Operating | E-4 | 247,294.00 | 247,294.00 |
| Capital Improvements | E-4 | 8,000.00 | 8,000.00 |
| Debt Service | | | 26.25 |
| Statutory Expenditures | E-4 | 6,000.00 | 5,900.00 |
| | | <u>261,294.00</u> | <u>261,220.25</u> |
| Excess in Revenue | | 143,772.80 | 145,573.03 |
| <u>Fund Balance</u> | | | |
| Balance January 1 | E | 419,931.48 | 369,696.44 |
| | | <u>563,704.28</u> | <u>515,269.47</u> |
| Decreased by: | | | |
| Utilized as Anticipated Revenue | E-3 | 83,601.90 | 95,337.99 |
| Balance December 31 | E | <u>\$480,102.38</u> | <u>\$419,931.48</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
SEWER UTILITY

STATEMENT OF FUND BALANCE -
ASSESSMENT TRUST FUND - REGULATORY BASIS

E-2

| | <u>Ref.</u> | |
|---|-------------|---------------------------|
| Balance December 31, 2020 | E | \$16,192.10 |
| Increased by: | | |
| Collection of Unpledged Assessments | E-18 | <u>13,388.03</u> |
| | | 29,580.13 |
| Decreased by: | | |
| Sewer Assessment Trust Fund Balance Anticipated as Sewer Operating Revenue | E-16 | <u>16,192.10</u> |
| Balance December 31, 2021 | E | <u><u>\$13,388.03</u></u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
SEWER UTILITY

STATEMENT OF REVENUE - REGULATORY BASIS

E-3

| | <u>Ref.</u> | <u>Budget</u> | <u>Realized</u> | <u>Excess</u> |
|--------------------------|-------------|---------------------|---------------------|-----------------------------|
| <u>Source</u> | | | | |
| Fund Balance Anticipated | E-1 | \$ 83,601.90 | \$ 83,601.90 | \$ |
| Rents | E-1,10 | 160,000.00 | 238,552.15 | 78,552.15 |
| Miscellaneous | E-1,3a | 1,500.00 | 4,013.00 | 2,513.00 |
| Sewer Utility Assessment | | | | |
| Trust Fund Balance | E-1,9 | <u>16,192.10</u> | <u>16,192.10</u> | <u> </u> |
| Total Revenue | E-4 | <u>\$261,294.00</u> | <u>\$342,359.15</u> | <u>\$81,065.15</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
SEWER UTILITY

STATEMENT OF REVENUE (Continued)
ANALYSIS OF MISCELLANEOUS REVENUE REALIZED - REGULATORY BASIS

E-3a

| | <u>Ref.</u> | <u>Total</u> |
|---|-------------|--------------------------|
| <u>Analysis of Miscellaneous Revenue Realized</u> | | |
| Interest on Delinquent Sewer Accounts | E-5 | \$1,721.41 |
| Bank Error | E-5 | 0.10 |
| Interest on Sewer Assessment Accounts | E-9 | 1,117.12 |
| Interest on Delinquent Sewer Assessment Accounts | E-9 | 211.15 |
| Interest on Deposits: | | |
| Collections | E-5 | 803.30 |
| Interfunds Receivable | E-9 | <u>159.92</u> |
| | E-3 | <u><u>\$4,013.00</u></u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
SEWER UTILITY

STATEMENT OF EXPENDITURES - REGULATORY BASIS

E-4

| <u>Appropriations</u> | <u>Ref.</u> | <u>Budget</u> | <u>Paid or Charged</u> | <u>Expended</u> | |
|-------------------------------------|------------------|----------------------|----------------------------|--------------------|----------------------------------|
| | | | | <u>Encumbered</u> | <u>Reserved Unencumbered</u> |
| <u>Operating</u> | | | | | |
| Salaries and Wages | | \$ 48,326.00 | \$ 40,880.38 | \$ | \$ 7,445.62 |
| Other Expenses | | 198,968.00 | 128,226.90 | 4,819.46 | 65,921.64 |
| | E-1 | <u>247,294.00</u> | <u>169,107.28</u> | <u>4,819.46</u> | <u>73,367.26</u> |
| <u>Capital Improvements</u> | | | | | |
| Capital Improvement Fund | | 6,000.00 | 6,000.00 | | |
| Capital Outlay | | 2,000.00 | | | 2,000.00 |
| | E-1 | <u>8,000.00</u> | <u>6,000.00</u> | | <u>2,000.00</u> |
| <u>Statutory Expenditures</u> | | | | | |
| Contribution to: | | | | | |
| Public Employees' Retirement System | | 2,200.00 | 2,200.00 | | |
| Social Security System (OASI) | | 3,800.00 | 3,127.32 | | 672.68 |
| | E-1 | <u>6,000.00</u> | <u>5,327.32</u> | | <u>672.68</u> |
| Total Appropriations | | <u>\$ 261,294.00</u> | <u>\$ 180,434.60</u> | <u>\$ 4,819.46</u> | <u>\$ 76,039.94</u> |
| | <u>Reference</u> | <u>E-3</u> | <u>E-5</u> | <u>E</u> | <u>E</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
PUBLIC ASSISTANCE TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

F

| <u>ASSETS</u> | <u>Ref.</u> | Balance <u>Dec. 31, 2021</u> | Balance <u>Dec. 31, 2020</u> |
|---|-------------|---------------------------------|---------------------------------|
| <u>Trust Fund Account #1</u> | | | |
| Cash - Checking Account | F-2 | <u>\$21,541.77</u> | <u>\$21,507.78</u> |
| <u>LIABILITIES AND FUND BALANCE</u> | | | |
| <u>Trust Fund Account #1</u> | | | |
| Reserve for Expenditures | F-1 | <u>\$21,541.77</u> | <u>\$21,507.78</u> |

See accompanying notes to financial statements.

TOWNSHIP OF BOONTON
CAPITAL FIXED ASSETS

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

G

| <u>ASSETS</u> | Balance <u>Dec. 31, 2021</u> | Balance <u>Dec. 31, 2020</u> |
|------------------------------------|---------------------------------|---------------------------------|
| Land | \$14,980,100.00 | \$14,560,600.00 |
| Buildings | 1,283,500.00 | 1,283,500.00 |
| Vehicles and Equipment | <u>2,455,406.54</u> | <u>2,042,179.90</u> |
| | <u>\$18,719,006.54</u> | <u>\$17,886,279.90</u> |
| <u>RESERVES</u> | | |
| Investment in Capital Fixed Assets | <u>\$18,719,006.54</u> | <u>\$17,886,279.90</u> |

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF BOONTON

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Boonton is governed by an elected Committee. The Township Committee consists of five members. Each Committee member is elected in a general election for a term of three years. The Mayor shall be elected by the members of the Committee. Each member of the Committee carries a legislative vote.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes certain standards for defining and reporting on the financial 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 financial statements of the Township of Boonton include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by the provisions of N.J.S. 40A:5-5.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Description of Funds

The Governmental Accounting Standards Board (GASB) is the recognized standard setting body for establishing governmental accounting and financial reporting principles. The GASB establishes three fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The accounting policies of the Township of Boonton conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. These principles are a "Modified Accrual Basis of Accounting" which differs from accounting principles generally accepted in the United States of America (GAAP) for governmental entities. 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 of Boonton accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP:

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 Municipal Open Space 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Description of Funds (Continued)

Utilities Funds - Water and Sewer Utilities are treated as separate entities. Each maintains its own Operating, Assessment Trust and Capital Funds which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity.

Public Assistance Trust Fund - Receipts and disbursements of funds that provide assistance to certain residents of the Township of Boonton pursuant to the provisions of Title 44 of the New Jersey statutes are maintained in the Public Assistance Trust Fund.

Capital Fixed Assets - This account reflects estimated valuations of land, buildings and certain movable fixed assets of the Township as discussed under the caption of "Basis of Accounting".

Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, differ in certain respects from accounting principles generally accepted in the United States of America. The accounting system is maintained on the modified accrual basis with certain exceptions. Significant accounting policies in New Jersey are summarized 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. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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 of Boonton budget. 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 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Basis of Accounting (Continued)

Expenditures (Continued)

Budget Appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records; interest on Utility Debt is raised on the accrual basis and so recorded.

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 by Technical Accounting Directive No. 85-1, as promulgated by the Division of Local Government Services, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31st are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under 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 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.

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. GAAP requires such property to be recorded in the capital fixed assets at market value on the date of acquisition.

Self-Insurance Contributions

Contributions to self-insurance funds are charged to budget appropriations. GAAP requires that payments be accounted for as an operating transfer and not as an expenditure.

Interfunds Receivable

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. Interfunds 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 opposite fund. GAAP does not require the establishment of an offsetting reserve.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Basis of Accounting (Continued)

Inventories of Supplies

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

An annual inventory of materials and supplies for the Water and Sewer Utilities are required, by regulation, to be prepared by Township personnel for inclusion on the Water and Sewer Utilities Operating Fund balance sheet. Annual changes in valuations, offset with a Reserve Account, are not considered as affecting results of operations. Materials and supplies of other funds are not inventoried nor included on their respective balance sheets.

Capital Fixed Assets

General:

In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the Township of Boonton has developed a fixed asset accounting and reporting system.

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.

Capital fixed assets used in governmental operations (general fixed assets) are accounted for in the Capital Fixed Assets. Public domain ("infrastructure") 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 capital fixed asset record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established capital 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 and Sewer Utilities, are recorded at cost upon purchase or project completion in the Fixed Capital Account of the utilities. 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 as insignificant on its effect on the financial statements taken as a whole.

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

Fixed Capital of the Utilities are 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 or related bonded debt and other liabilities incurred upon fixed asset acquisition.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Basis of Accounting (Continued)

Capital Fixed Assets (Continued)

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.

C. Basic Financial Statements

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

D. Recent Accounting Pronouncements Not Yet Effective

In June 2017, the Governmental Accounting Standards Board issued GASB Statement No. 87, "Leases". The object of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract and is effective for reporting periods beginning after December 15, 2019. The Township is currently reviewing what effect, if any, this Statement might have on future financial statements. GASB Statement No. 95 was issued in May, 2020, which postponed the effective date of this GASB by eighteen months.

In May 2019, the Governmental Accounting Standards Board issued GASB Statement No. 91, "Conduit Debt Obligations". The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. The Township is currently reviewing what effect, if any, this Statement might have on future financial statements. GASB Statement No. 95 was issued in May 2020, which postponed the effective date of this GASB by one year.

In January 2020, the Governmental Accounting Standards Board issued GASB Statement No. 92, "Omnibus 2020". The primary objective of this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and adoption of certain GASB statements and is effective for reporting periods beginning after June 15, 2020. The Township is currently reviewing what effect, if any, this Statement might have on future financial statements. GASB Statement No. 95 was issued in May 2020, which postponed the effective date of this GASB by one year.

In March 2020, the Governmental Accounting Standards Board issued GASB Statement No. 93, "Replacement of Interbank Offered Rates". The primary objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR) and is effective for reporting periods beginning after June 15, 2020. The Township is currently reviewing what effect, if any, this Statement might have on future financial statements. GASB Statement No. 95 was issued in May 2020, which postponed the effective date of this GASB by one year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Recent Accounting Pronouncements Not Yet Effective (Continued)

In March 2020, the Governmental Accounting Standards Board issued GASB Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in exchange or exchange-like transaction and is effective for reporting periods beginning after June 15, 2022. The Township is currently reviewing what effect, if any, this Statement might have on future financial statements.

In May 2020, the Governmental Accounting Standards Board issued GASB Statement No. 96, "Subscription-Based Information Technology Arrangements". This Statement provides guidance on the accounting and financial reporting for subscriptions-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA and is effective for reporting periods beginning after June 15, 2022. The Township is currently reviewing what effect, if any, this Statement might have on future financial statements.

In June 2020, the Governmental Accounting Standards Board issued GASB Statement No. 97, "Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans and is effective for reporting periods beginning after June 15, 2021. The Township is currently reviewing what effect, if any, this Statement might have on future financial statements.

In October 2021, the Governmental Accounting Standards Board issued GASB Statement No. 98, "The Annual Comprehensive Financial Report". This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for Comprehensive Annual Financial Report sounds like a profoundly objectionable racial slur. The requirements of this Statement are effective for fiscal years ending after December 15, 2021. The Township does not expect this Statement to impact its financial statements.

In April 2022, the Governmental Accounting Standards Board issued GASB Statement No. 99, "Summaries/Status". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement that are effective are as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging government as, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Recent Accounting Pronouncements Not Yet Effective (Continued)

- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The Township does not expect this Statement to impact its financial statements.

In June 2022, the Governmental Accounting Standards Board issued GASB Statement No. 101, "Compensated Absences". The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The Township is currently reviewing what effect, if any, this Statement might have on future financial statements.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Cash and Cash Equivalents

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

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

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

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

The market value of the collateral must equal five percent of the average daily balance of public funds or

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

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 \$25,000,000.00.

The Township considers petty cash, change funds and cash in banks as cash and cash equivalents.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Cash and Cash Equivalents (Continued)

As of December 31, 2021, the Township's cash and cash equivalents consisted of:

| | <u>2021</u> |
|--|------------------------|
| Lakeland Bank - Checking Accounts | \$ 6,284,076.92 |
| Peapack-Gladstone Bank - Checking Accounts | 42,101.16 |
| Change Funds | <u>350.00</u> |
| Total Cash and Cash Equivalents | <u>\$ 6,326,528.08</u> |

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial risk other than those policies that adhere to the requirements of statute, which requires cash be deposited only in New Jersey based bank institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. As of December 31, 2021, of the cash balance in the bank, \$292,130.94 was covered by Federal Depository Insurance and \$6,126,042.90 was covered under the provisions of NJGUDPA.

Interest Rate Risk - This is the risk that changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to change in market interest rates. The Township's investment policy does not include limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of December 31, 2021, the Township had funds on deposit in checking accounts. The amount on deposit of the Township's cash and cash equivalents as of December 31, 2021 was \$6,418,173.84. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 40.

B. Investments

New Jersey P.L. 2017, c. 310 permits the Townships to purchase various investments in accordance with the Township's Cash Management Plan.

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.

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes become 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 five year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

Comparative Schedule of Tax Rates

| | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|----------------------------|----------------|----------------|----------------|----------------|----------------|
| Tax Rate | <u>\$2.375</u> | <u>\$2.347</u> | <u>\$2.315</u> | <u>\$2.254</u> | <u>\$2.221</u> |
| Apportionment of Tax Rate: | | | | | |
| Municipal | \$0.479 | \$0.469 | \$0.452 | \$0.431 | \$0.425 |
| Municipal Open Space | 0.030 | 0.030 | 0.030 | 0.030 | 0.030 |
| County | 0.280 | 0.282 | 0.281 | 0.267 | 0.264 |
| School | 1.579 | 1.557 | 1.543 | 1.516 | 1.492 |
| County Open Space | 0.007 | 0.009 | 0.009 | 0.010 | 0.010 |

Assessed Valuations

| <u>Year</u> | <u>Amount</u> |
|-------------|-------------------|
| 2021 | \$ 879,943,700.00 |
| 2020 | 879,417,900.00 |
| 2019 | 875,277,000.00 |
| 2018 | 874,117,300.00 |
| 2017 | 871,918,800.00 |

Comparison of Tax Levies and Collections

| <u>Year</u> | <u>Tax Levy</u> | <u>Collections</u> | <u>Percentage of Collections</u> |
|-------------|-----------------|--------------------|----------------------------------|
| 2021 | \$20,901,416.54 | \$20,363,227.81 | 97.43% |
| 2020 | 20,654,311.48 | 20,293,083.40 | 98.25 |
| 2019 | 20,284,149.13 | 19,938,377.67 | 98.30 |
| 2018 | 19,717,653.17 | 19,503,605.92 | 98.91 |
| 2017 | 19,387,163.87 | 19,150,224.29 | 98.78 |

Delinquent Taxes and Tax Liens

| <u>Year</u> | <u>Amount of Tax Title Liens</u> | <u>Amount of Delinquent Taxes</u> | <u>Total Delinquent</u> | <u>Percentage of Tax Levy</u> |
|-------------|----------------------------------|-----------------------------------|-------------------------|-------------------------------|
| 2021 | \$43,139.75 | \$446,121.14 | \$489,260.89 | 2.34% |
| 2020 | 39,995.24 | 272,584.04 | 312,579.28 | 1.51 |
| 2019 | 36,887.80 | 318,483.71 | 355,371.51 | 1.75 |
| 2018 | 54,291.19 | 196,767.35 | 251,058.54 | 1.72 |
| 2017 | 44,697.35 | 226,365.28 | 271,062.63 | 1.40 |

4. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens, on the basis of the last assessed valuation of such properties in the year of acquisition, was as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2021 | \$ 332,000.00 |
| 2020 | 332,000.00 |
| 2019 | 332,000.00 |
| 2018 | 332,000.00 |
| 2017 | 332,000.00 |

5. WATER CONSUMER ACCOUNTS RECEIVABLE

The Township of Boonton maintains a utility fund for the billing and collection of water rents. Billings are done on a quarterly basis.

A comparison of Water Utility billings and collections for the past five years are as follows:

| <u>Year</u> | <u>Billing</u> | <u>Collection</u> |
|-------------|----------------|-------------------|
| 2021 | \$316,656.32 | \$338,256.34 |
| 2020 | 371,330.94 | 348,046.16 |
| 2019 | 351,756.75 | 338,637.17 |
| 2018 | 330,692.09 | 332,121.23 |
| 2017 | 357,242.39 | 356,857.01 |

Cash collections include realization of prior year uncollected balances.

6. SEWER CONSUMER ACCOUNTS RECEIVABLE

The Township of Boonton maintains a utility fund for the billing and collection of sewer rents. Billings are done on a quarterly basis.

A comparison of Sewer Utility billings and collections for the past five years are as follows:

| <u>Year</u> | <u>Billing</u> | <u>Collection</u> |
|-------------|----------------|-------------------|
| 2021 | \$239,757.38 | \$238,552.15 |
| 2020 | 238,217.17 | 236,520.82 |
| 2019 | 235,521.45 | 232,879.29 |
| 2018 | 231,564.38 | 230,742.71 |
| 2017 | 232,445.74 | 233,049.92 |

Cash collections include realization of prior year uncollected balances.

7. FUND BALANCES APPROPRIATED

| | <u>Year</u> | <u>Balance December 31,</u> | <u>Utilized in Budgets of Succeeding Year</u> |
|-------------------------------|-------------|---------------------------------|---|
| Current Fund: | 2021 | \$ 1,386,290.95 | \$ 943,608.00 |
| | 2020 | 1,104,188.85 | 920,794.00 |
| | 2019 | 1,231,821.00 | 1,000,000.00 |
| | 2018 | 1,559,206.15 | 1,244,232.00 |
| | 2017 | 1,668,285.80 | 1,244,232.00 |
| Water Utility Operating Fund: | 2021 | 693,290.73 | 136,795.22 |
| | 2020 | 637,145.76 | 136,935.20 |
| | 2019 | 564,603.11 | 145,906.96 |
| | 2018 | 490,741.38 | 139,750.46 |
| | 2017 | 434,173.91 | 129,920.53 |
| Sewer Utility Operating Fund: | 2021 | 480,102.38 | 87,560.97 |
| | 2020 | 419,931.48 | 83,601.90 |
| | 2019 | 369,696.44 | 95,337.99 |
| | 2018 | 345,329.18 | 95,720.18 |
| | 2017 | 277,890.44 | 87,925.43 |

8. PENSION PLANS

Description of Systems

Information presented below is as of June 30, 2020 for PFRS. Additional information was not available as of the date of this audit.

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Public Employees' Retirement System and the Police and Firemen's Retirement System are considered a cost-sharing multiple-employer plan.

The amount of the Township's contribution is certified each year by PERS and PFRS on the recommendation of the actuary, who makes an annual actuarial valuation. The valuation is based on a determination of the financial condition of the retirement system. It includes the computation of the present dollar value of benefits payable to former and present members and the present dollar value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal, former service, salary and interest. In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Specific information on actuarial assumptions and rates of return can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

8. PENSION PLANS (Continued)

Description of Systems (Continued)

The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS the employer contribution includes funding for post-retirement medical premiums.

| | PERS | | |
|--------------------------|-------------|-------------|-------------|
| | <u>2021</u> | <u>2020</u> | <u>2019</u> |
| Covered Employee Payroll | \$ 416,094 | \$ 439,222 | \$ 462,723 |
| Total Payroll | 2,352,469 | 2,229,532 | 2,257,551 |
| Actuarial Contribution | | | |
| Requirements | 77,671 | 72,901 | 61,024 |
| Total Contributions | 111,990 | 107,710 | 95,916 |
| Employer Share | 77,671 | 72,901 | 61,024 |
| % of Covered Payroll | 18.67% | 16.60% | 13.19% |
| Employee's Share | 34,319 | 34,809 | 34,892 |
| % of Covered Payroll | 8.25% | 7.93% | 7.54% |

| | PFRS | | |
|--------------------------|--------------|--------------|--------------|
| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
| Covered Employee Payroll | \$ 1,412,547 | \$ 1,339,906 | \$ 1,325,272 |
| Total Payroll | 2,229,532 | 2,257,551 | 2,272,062 |
| Actuarial Contribution | | | |
| Requirements | 424,175 | 387,980 | 392,012 |
| Total Contributions | 565,430 | 522,076 | 525,363 |
| Employer Share | 424,175 | 387,980 | 392,012 |
| % of Covered Payroll | 30.03% | 28.96% | 29.58% |
| Employee's Share | 141,255 | 134,096 | 133,351 |
| % of Covered Payroll | 10.00% | 10.01% | 10.06% |

Assumptions

The collective total PERS pension liability for June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020 using an actuarial experience study for the period July 1, 2014 to June 30, 2018 for PERS. The pension liability was rolled forward to June 30, 2021. The actuarial valuation used an inflation rate of 2.75% for price and 3.25% for wage, projected salary increases through 2026 of 2.00% to 6.00% for PERS and thereafter 3.00% to 7.00% based on years of service and an investment rate of return of 7.00%.

The collective total PFRS pension liability for June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019 using an actuarial experience study for the period July 1, 2013 to June 30, 2018 for PFRS. The pension liability was rolled forward to June 30, 2020. The actuarial valuation used an inflation rate of 2.75% for price and 3.25% for wage, projected salary increases through all future years 3.25% to 15.15% for PFRS based on years of service and an investment rate of return of 7.00%.

For PERS, 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.

8. PENSION PLANS (Continued)

Assumptions (Continued)

For PFRS, 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. For healthy annuitants, 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, the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021 for PERS and 7.00% as of June 30, 2020 for PFRS as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% as of June 30, 2020 and 100% as of June 30, 2021 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability. More information on mortality rates and other assumptions, and investment policies can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

Public Employees' Retirement System:

The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another State-administered retirement system or other state of local jurisdiction.

Significant Legislation

P.L. 2011, c. 78, effective June 28, 2011, made various changes to the manner in which PERS operates and to the benefit provisions of that system. Provisions impacting employee pension and health benefits include:

- New members of PERS hired on or after June 28, 2011 (Tier 5 members), will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ to 1 percent for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 62 to 65 for Tier 5 members.
- Active member contribution rates will increase. PERS active member rates increase from 5.5 percent of annual compensation to 6.5 percent plus an additional 1 percent phased-in over 7 years. For Fiscal Year 2013, the member contribution rates increased in July 2013. The phase-in of the additional incremental member contributions for PERS members will take place in July of each subsequent fiscal year.

8. PENSION PLANS (Continued)

Public Employees' Retirement System: (Continued)

Significant Legislation (Continued)

- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

In addition, the method for amortizing the pension systems' unfunded accrued liability changed (from a level percent of pay method to a level dollar of pay).

The following presents the Township's proportionate share of the collective PERS net pension liability calculated using the discount rate of 7.00% and 7.00% as of June 30, 2021 and 2020, respectively, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed rate.

Sensitivity of the Township's Proportionate Share of the Collective PERS Net Pension Liability to Changes in the Discount Rate

| | At 1% Decrease (6.00%) | At Current Discount Rate (7.00%) | At 1% Increase (8.00%) |
|------|------------------------------|---|------------------------------|
| 2021 | <u>\$ 1,081,350</u> | <u>\$ 794,061</u> | <u>\$ 550,256</u> |
| | At 1% Decrease (6.00%) | At Current Discount Rate (7.00%) | At 1% Increase (8.00%) |
| 2020 | <u>\$ 1,378,765</u> | <u>\$ 1,095,273</u> | <u>\$ 854,721</u> |

Special Funding Situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 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 (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. Below is the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employers:

| | <u>2021</u> | <u>2020</u> |
|--|----------------------|------------------------|
| Employer Net Pension Liability | \$ 785,686.00 | \$ 1,086,727.00 |
| Nonemployer Proportional Share of the Net Pension Liability | <u>8,375.00</u> | <u>8,546.00</u> |
| | <u>\$ 794,061.00</u> | <u>\$ 1,095,273.00</u> |

8. PENSION PLANS (Continued)

Police and Firemen's Retirement System:

The Police and Firemen's Retirement System (PFRS) was established in July, 1944 under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police and firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service Retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service.

Chapter 428, Public Law of 1999, effective January 18, 2000, allows a member, age 55 and older with 20 or more years of service, to retire with a benefit equaling 50% of final compensation, in lieu of the regular retirement allowance available to the member. Final compensation means the compensation received by the member in the last twelve months of creditable service preceding retirement.

In addition, a member of the system as of the effective date of this law may retire with 20 or more years of service with a retirement allowance of 50% of final compensation, regardless of age, and if required to retire because of attaining the mandatory retirement age of 65, an additional 3% of final compensation for every additional year of creditable service up to 25 years.

P.L. 2011, c. 78, effective June 28, 2011, made various changes to the manner in which PFRS operates and to the benefit provisions of that system.

This new legislation's provisions impacting employee pension and health benefits include:

- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60 percent instead of 65 percent of the member's final compensation plus 1 percent for each year of creditable service over 25 years but not to exceed 30 years.

The following presents the Township's proportionate share of the collective PFRS net pension liability calculated using the discount rate of 7.00% and 6.85% as of June 30, 2020 and 2019, respectively, as well as what the PFRS net pension liability would be if it were calculated using a discount rate of one percentage point lower or one percentage point higher than the assumed rate.

Sensitivity of the Township's Proportionate Share of the Collective PFRS Net Pension Liability to Changes in the Discount Rate

| | At 1% Decrease (6.00%) | At Current Discount Rate (7.00%) | At 1% Increase (8.00%) |
|------|------------------------------|---|------------------------------|
| 2020 | <u>\$ 7,536,543</u> | <u>\$ 5,667,451</u> | <u>\$ 4,115,027</u> |
| | At 1% Decrease (5.85%) | At Current Discount Rate (6.85%) | At 1% Increase (7.85%) |
| 2019 | <u>\$ 7,356,578</u> | <u>\$ 5,442,723</u> | <u>\$ 3,858,732</u> |

8. PENSION PLANS (Continued)

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 that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 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 (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. Below is the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer:

| | <u>2020</u> | <u>2019</u> |
|--|------------------------|------------------------|
| Employer Net Pension Liability | \$ 4,906,054.00 | \$ 4,700,504.00 |
| Nonemployer Proportional Share of the Net Pension Liability | <u>761,397.00</u> | <u>742,219.00</u> |
| | <u>\$ 5,667,451.00</u> | <u>\$ 5,442,723.00</u> |

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

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedules of pension amount by employer. The allocation percentages for each group as of June 30, 2021 and 2020 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal years ended June 30, 2021 and 2020, respectively.

Following is the total of the Township's portion of the PERS and PFRS net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and the pension expense and expenditures for the fiscal year ended June 30, 2021 for PERS and June 30, 2020 for PFRS:

| | <u>PERS</u> | <u>PFRS</u> |
|--|-------------|--------------|
| Net Pension Liabilities | \$ 785,686 | \$ 4,906,054 |
| Deferred Outflow of Resources | 122,620 | 637,100 |
| Deferred Inflow of Resources | 497,888 | 1,568,096 |
| Pension Expense | (157,821) | (52,149) |
| Contributions Made After Measurement Date | 77,671 | 424,175 |

8. PENSION PLANS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collected deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented in the PERS schedule of employer allocations and applied to amounts presented in the PERS schedule of pension amounts by employer are based on the ratio of the contributions as an individual employer to total contributions to the PERS and PFRS during the years ended June 30, 2021 and 2020. The Township's proportionate share of the collective net pension liability as of June 30, 2021 and 2020 was .0066% and .0067% for PERS and as of June 30, 2020 and June 30, 2019 was .0380% and .0384% for PFRS, respectively.

It is important to note that New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30-6.1(c)(2) requires municipalities and counties to disclose GASB 68 information in the Notes to the Financial Statements.

At June 30, 2021, the amount determined as the Township's proportionate share of the PERS net pension liability was \$785,686. For the year ended June 30, 2021, the Township would have recognized PERS pension expense of \$(157,821). At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to the PERS pension are as follows:

| | Deferred Outflows of <u>Resources</u> | Deferred Inflows of <u>Resources</u> |
|---|---|--|
| Difference Between Expected and Actual Experience | \$ 12,391 | \$ 5,625 |
| Change of Assumptions | 4,092 | 279,709 |
| Net Difference Between Projected and Actual Investment Earnings | | 206,970 |
| Net Change in Proportions | 106,137 | 5,584 |
| Total Contributions and Proportionate Share of Contributions After the Measurement Date | <u>77,671</u> | |
| | <u>\$ 200,291</u> | <u>\$ 497,888</u> |

8. PENSION PLANS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

At June 30, 2020, the amount determined as the Township's proportionate share of the PFRS net pension liability was \$4,906,054. For the year ended June 30, 2020, the Township would have recognized PFRS pension expense of \$(52,149). At June 30, 2020, deferred outflows of resources and deferred inflows of resources related to the PFRS pension are as follows:

| | Deferred Outflows of <u>Resources</u> | Deferred Inflows of <u>Resources</u> |
|---|---|--|
| Difference Between Expected and Actual Experience | \$ 49,461 | \$ 17,607 |
| Change of Assumptions | 12,346 | 1,315,284 |
| Net Difference Between Projected and Actual Investment Earnings | 287,665 | |
| Net Change in Proportions | 287,628 | 235,205 |
| Total Contributions and Proportionate Share of Contributions After the Measurement Date | <u>424,175</u> | |
| | <u>\$ 1,061,275</u> | <u>\$ 1,568,096</u> |

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) 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 the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|------------------------------|---|
| US Equity | 27.00% | 8.09% |
| Non-U.S. Developed Market Equity | 13.50% | 8.71% |
| Emerging Market Equity | 5.50% | 10.96% |
| Private Equity | 13.00% | 11.30% |
| Real Assets | 8.00% | 9.15% |
| Real Estate | 3.00% | 7.40% |
| High Yield | 2.00% | 3.75% |
| Private Credit | 8.00% | 7.60% |
| Investment Grade Credit | 8.00% | 1.68% |
| Cash Equivalents | 4.00% | 0.50% |
| U.S. Treasuries | 5.00% | 0.95% |
| Risk Mitigation Strategies | 3.00% | 3.35% |

8. PENSION PLANS (Continued)

Contributions Required and Made

Contributions made by employees for PERS and PFRS are currently 7.50% and 10.0% of their base wages, respectively. Employer contributions are actuarially determined on an annual basis by the Division of Pensions. Contributions to the plan for the past three years are as follows:

| Year | PERS | | PFRS | |
|------|--------------|--------------|---------------|---------------|
| | Township | Employees | Township | Employees |
| 2021 | \$ 72,901.00 | \$ 34,318.72 | \$ 424,175.00 | \$ 148,203.00 |
| 2020 | 61,084.00 | 34,808.72 | 387,980.00 | 141,254.77 |
| 2019 | 57,699.00 | 34,891.96 | 392,012.00 | 134,096.29 |

9. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

As of May 21, 2010, the municipal base salary required for eligibility in the DCRP was increased to \$5,000.00.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employees' Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Employees enrolled in the PERS on or after July 1, 2007 or employees enrolled in the PFRS after May 21, 2010 who earn salary in excess of established "maximum compensation" limits.
- Employees otherwise eligible to enroll in the PERS on or after November 2, 2008 who do not earn the minimum salary for PERS Tier 3, but who earn salary of at least \$5,000.00.
- Employees otherwise eligible to enroll in the PERS after May 21, 2010, who do not work the minimum number of hours per week required for PERS Tier 4 or Tier 5 enrollment (32 hours per week) but who earn salary of at least \$5,000.00 annually.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

9. DEFINED CONTRIBUTION RETIREMENT PROGRAM (Continued)

Contributions Required and Made

Contributions made by employees for DCRP are currently at 5.5% of their base wages. The employer contribution is 4.05% which includes a member contribution match of 3.0%, Group Life Insurance is .74% of gross wages and Long-Term Disability is .31% of gross wages. Contributions to the plan for the past three (3) years are as follows:

| <u>Year</u> | <u>Township</u> | <u>Employees</u> |
|-------------|-----------------|------------------|
| 2021 | \$1,783.02 | \$2,421.31 |
| 2020 | 1,563.10 | 2,122.58 |
| 2019 | 1,172.26 | 1,525.36 |

10. POST-EMPLOYMENT BENEFITS OTHER THAN PENSION

General Information about the OPEB Plan

In addition to the pension described in Note 8, the Township provides postemployment health care benefits as part of the State Health Benefits Local Government Retired Employees Plan.

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other post-employment 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 Post-employment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State) Division of Pensions and Benefits (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drugs to retirees and their covered 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 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. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a state or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer, or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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.

10. POST-EMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

General Information about the OPEB Plan (Continued)

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

The Township of Boonton, by contractual agreement, provides the following benefits to policemen:

"Upon retirement after 25 years of service with the Township of Boonton, each policeman shall be entitled to an annual retirement supplement from the Township of seven hundred and fifty dollars (\$750.00) to be paid to the retiree, commencing with the date of retirement, and on each anniversary date of retirement thereafter. The said benefit shall terminate on the 65th birthday of the retiree.

This benefit is available to all qualifying policemen and is intended with respect to policemen hired after January 1, 1988 to be in lieu of longevity pay. Those policemen who are currently working for the Township, as of January 1, 1994, shall be allowed to include all service in the Police and Firemen's Retirement System for purposes of qualifying for this benefit.

Employees hired after January 1, 1994, must have at least 25 years of service with Boonton Township to receive the retirement supplement".

Disbursements for post-employment benefits other than pension for the year ended December 31, 2021 was \$3,750.00.

In addition to the pension described above, as of July 1, 2020, the Township provides post-employment health care benefits to Non-Police and Fire Retirement System employees as part of the State Health Benefits Local Government Retired Employees Plan. Employees must have 25 years in the pension system and at least 5 years of service with Boonton Township. The Township will pay 65% of the monthly premium. Retiree benefits under this program will cover the employee and any eligible dependents and will stop when the employee reaches age 65.

As of December 31, 2021, there were two (2) retirees eligible for this benefit.

Contributions to pay the medical benefits of participating retirees are billed to the Township of Boonton on a monthly basis.

The Township of Boonton's payments for the year ended December 31, 2021 was \$16,068.37.

Total OPEB Liability

Information presented below is as of June 30, 2020. Additional information was not available as of the date of this audit.

At December 31, 2020, the Township had a liability of \$1,550,049 for its proportionate share of the non-special funding net OPEB liability. The net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Township's proportion of the net OPEB liability was based on a projection of the Township's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers in the plan. At June 30, 2020, the Township's proportion was .008637% which was an increase of .008637% from its proportion measured as of June 30, 2019.

10. POST-EMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Total OPEB Liability (Continued)

For the year ended December 31, 2020, the Township would have recognized OPEB expense of \$(256,961). At December 31, 2020, deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of <u>Resources</u> | Deferred Inflows of <u>Resources</u> |
|--|---|--|
| Difference Between Expected and Actual Experience | \$ 40,827 | \$ 288,648 |
| Changes of Assumptions | 231,839 | 344,707 |
| Net Difference Between Projected and Actual Earnings on OPEB Plan Investments | 984 | |
| Changes in Proportion | <u>1,681,072</u> | <u></u> |
| Total | <u>\$ 1,954,722</u> | <u>\$ 633,355</u> |

Amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB (excluding changes in proportion) will be recognized in OPEB expense as follows:

| Year Ended June 30: | |
|---------------------|-------------|
| 2021 | \$ (83,323) |
| 2022 | (83,398) |
| 2023 | (83,521) |
| 2024 | (83,632) |
| 2025 | (57,026) |
| Thereafter | 31,195 |

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.87, 8.05, 8.14 and 8.04 years for the 2020, 2019, 2018 and 2017 amounts, respectively.

Actual Assumptions and Other Inputs

The total OPEB liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

| | |
|---|-----------------|
| Inflation Rate | 2.50% |
| Salary Increases*: | |
| Public Employees' Retirement System (PERS): | |
| Initial Fiscal Year Applied: | |
| Rate Through 2026 | 2.00% to 6.00% |
| Rate Thereafter | 3.00% to 7.00% |
| Police and Firemen's Retirement System (PFRS): | |
| Rate for All Future Years | 3.25% to 15.25% |

10. POST-EMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Actual Assumptions and Other Inputs (Continued)

Mortality:

PERS

Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020.

PFRS

Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020.

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

Actuarial assumptions used in the July 1, 2019 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

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

Health Care Trend 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 2021 through 2022 are reflected. The rates used for 2023 and 2024 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 a 4.5% long-term trend rate after seven years.

Discount Rate

The discount rate for June 30, 2020 and 2019 was 2.21% and 3.50%, respectively. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Township's proportionate share of the net OPEB liability as of June 30, as well as what the Township's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| | June 30, 2020 | | |
|---|-------------------------|--------------------------------------|-------------------------|
| | 1% Decrease 1.21% | At Current Discount Rate 2.21% | 1% Increase 3.21% |
| Township's Proportionate Share of Net OPEB Liability | \$ 1,832,485 | \$ 1,550,049 | \$ 1,326,475 |

10. POST-EMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rates

The following presents the Township's proportionate share of the net OPEB liability as of June 30, as well as what the Township's proportionate share of the net OPEB liability would be if it were calculated using a healthcare trend rate that is one percentage point lower or one percentage point higher than the current rate:

| | 1% | June 30, 2020 | 1% |
|---|-----------------|---|-----------------|
| | <u>Decrease</u> | <u>Healthcare Cost</u> <u>Trend Rate</u> | <u>Increase</u> |
| Township's Proportionate Share of Net OPEB Liability | \$ 1,282,667 | \$ 1,550,049 | \$ 1,900,189 |

Special Funding Situation

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.

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 Township as of June 30, 2020 had 18 members under the Special Funding Situation. The State proportionate share of the net OPEB liability attributed to the Township is \$4,047,130.00.

11. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Pursuant to N.J.S.A. 40A:2-8.1, bond anticipation notes, which are issued to temporarily finance capital projects, cannot be renewed past the third anniversary unless an amount equal to at least the first legal requirement is paid prior to each anniversary and must be paid off within ten years and five months or retired by the issuance of bonds.

11. MUNICIPAL DEBT (Continued)

Summary of Municipal Debt (Excluding Current and Operating Debt)

| | <u>Year 2021</u> | <u>Year 2020</u> | <u>Year 2019</u> |
|---|-----------------------|-----------------------|-----------------------|
| <u>Issued</u> | | | |
| General: | | | |
| Bonds and Notes | \$2,317,673.00 | \$1,792,743.00 | \$2,264,000.00 |
| Assessment Trust Fund: | | | |
| Bonds and Notes | 100,757.00 | 137,257.00 | 75,000.00 |
| Water Utility: | | | |
| Bonds and Notes | | | 10,000.00 |
| Sewer Assessment Fund: | | | |
| Bonds and Notes | | | 18,000.00 |
| | <u>2,418,430.00</u> | <u>1,930,000.00</u> | <u>2,367,000.00</u> |
| <u>Authorized but Not Issued</u> | | | |
| General: | | | |
| Bonds and Notes | | 781,955.86 | 499,000.00 |
| Total Debt | <u>2,418,430.00</u> | <u>2,711,955.86</u> | <u>2,866,000.00</u> |
| <u>Deductions</u> | | | |
| Cash on Hand: | | | |
| General Capital Fund | 8.21 | | |
| Open Space Trust Fund | | | 153,000.00 |
| Assessment Trust Fund | 14,027.57 | 3,451.88 | 46,176.35 |
| Sewer Assessment Trust Fund | | | 18,000.00 |
| Grants Receivable | | 236,755.86 | |
| | <u>14,035.78</u> | <u>240,207.74</u> | <u>217,176.35</u> |
| Net Bonds and Notes Issued and Authorized but Not Issued | <u>\$2,404,394.22</u> | <u>\$2,471,748.12</u> | <u>\$2,648,823.65</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 and indicates a statutory net debt of 0.244%.

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|---------------|-----------------------|---------------------|-----------------------|
| Water Utility | \$ | \$ | \$ |
| Sewer Utility | | | |
| General | <u>2,418,430.00</u> | <u>14,035.78</u> | <u>2,404,394.22</u> |
| | <u>\$2,418,430.00</u> | <u>\$ 14,035.78</u> | <u>\$2,404,394.22</u> |

Net debt, \$2,404,394.22 divided by Average Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$984,466,106.33 equals 0.244%.

Borrowing Power Under N.J.S. 40A:2-6 as Amended

| | |
|-------------------------------------|------------------------|
| 3 1/2% of Equalized Valuation Basis | \$34,456,313.72 |
| Net Debt | <u>2,404,394.22</u> |
| Remaining Borrowing Power | <u>\$32,051,919.50</u> |

11. MUNICIPAL DEBT (Continued)

School Debt Deductions

School debt is deductible up to the extent of 3.0% of the Average Equalized Assessed Valuations of real property for the Local School District.

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer, except for minor changes in the calculation of self-liquidating purposes.

As of December 31, 2021, the Township's long-term debt is as follows:

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

| | <u>Interest Rate</u> | <u>Amount</u> |
|-----------------------|--------------------------|------------------------|
| General Capital | 1.00% | <u>\$ 2,317,673.00</u> |
| Assessment Trust Fund | 1.00% | <u>\$ 100,757.00</u> |

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

| <u>Notes Issued</u> | <u>Installments Due</u> | <u>Required as of May 1</u> |
|-------------------------|-------------------------|---------------------------------|
| 2012 | 2015 - 2022 | 2023 |
| 2013 | 2016 - 2023 | 2024 |
| 2014 | 2017 - 2024 | 2025 |
| 2015 | 2018 - 2025 | 2026 |
| 2016 | 2019 - 2026 | 2027 |
| 2017 | 2020 - 2027 | 2028 |
| 2018 | 2021 - 2028 | 2029 |
| 2019 | 2022 - 2029 | 2030 |
| 2020 | 2023 - 2030 | 2031 |
| 2021 | 2024 - 2031 | 2032 |

Bonds and Notes Authorized but Not Issued

| | <u>Balance Dec. 31, 2021</u> | <u>Balance Dec. 31, 2020</u> |
|-----------------------|----------------------------------|----------------------------------|
| General Capital Fund: | | |
| General Improvements | <u>\$ -</u> | <u>\$781,955.86</u> |

12. CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2021 and 2020 was as follows:

| <u>Governmental Activities</u> | <u>Balance Dec. 31, 2020</u> | <u>Additions</u> | <u>Retirement</u> | <u>Balance Dec. 31, 2021</u> |
|--------------------------------|----------------------------------|------------------------|---------------------|----------------------------------|
| Land | \$ 14,560,600.00 | \$ 419,500.00 | \$ | \$ 14,980,100.00 |
| Buildings and Improvements | 1,283,500.00 | | | 1,283,500.00 |
| Vehicles and Equipment | <u>2,042,179.90</u> | <u>684,392.19</u> | <u>271,165.55</u> | <u>2,455,406.54</u> |
| | <u>\$ 17,886,279.90</u> | <u>\$ 1,103,892.19</u> | <u>\$271,165.55</u> | <u>\$ 18,719,006.54</u> |
| <u>Governmental Activities</u> | <u>Balance Dec. 31, 2019</u> | <u>Additions</u> | <u>Retirement</u> | <u>Balance Dec. 31, 2020</u> |
| Land | \$ 14,560,600.00 | \$ | \$ | \$ 14,560,600.00 |
| Buildings and Improvements | 1,283,500.00 | | | 1,283,500.00 |
| Vehicles and Equipment | <u>1,980,327.48</u> | <u>61,852.42</u> | | <u>2,042,179.90</u> |
| | <u>\$ 17,824,427.48</u> | <u>\$ 61,852.42</u> | <u>\$ -</u> | <u>\$ 17,886,279.90</u> |

13. INTERFUND RECEIVABLES AND PAYABLES

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

| | <u>Due from Other Funds</u> | <u>Due to Other Funds</u> |
|---------------------------------|---------------------------------|-------------------------------|
| Current Fund | \$ | \$251,400.58 |
| Federal and State Grant Fund | 250,380.96 | |
| Municipal Open Space Trust Fund | <u>1,019.62</u> | |
| | <u>\$251,400.58</u> | <u>\$251,400.58</u> |

14. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS' BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2021, the following deferred charges are shown on the balance sheet of the Current Fund:

| | <u>Balance Dec. 31, 2021</u> | <u>2022 Budget Appropriation</u> | <u>To be Raised in Subsequent Budget</u> |
|------------------------------------|----------------------------------|--------------------------------------|--|
| Current Fund: | | | |
| Special Emergency Appropriation | <u>\$ 14,000.00</u> | <u>\$ 7,000.00</u> | <u>\$ 7,000.00</u> |

15. DEFERRED COMPENSATION PLAN

The Township of Boonton offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Statutory and regulatory requirements governing the establishment and operation of Deferred Compensation Plans have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" revised several provisions of Section 457 of the Internal Revenue Code. A provision of the act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries.

The Administrator for the Township of Boonton Deferred Compensation Plan is the Variable Annuity Life Insurance Company (VALIC).

16. RISK MANAGEMENT

The Township of Boonton is a member of the Morris County Municipal Joint Insurance Fund which provides coverage for general liability, property insurance, automobile coverage and workers' compensation.

17. CONTINGENT LIABILITIES

A. Compensated Absences

The Township permits employees to accumulate (with certain restrictions) unused vacation and sick leave. Employees are permitted to carry over a maximum of 15 vacation days into the following year. Employees who retire or resign from the Township shall receive payment for accumulated and earned vacation days at their existing daily rate. Employees are permitted to accumulate a maximum of 90 days of unused sick time.

Employees who retire or resign from the Township shall receive payment for accumulated sick days at a rate of one day for each two days of unused accumulated sick time at the rate of the employee's base salary.

The Township estimates that the current cost of such unpaid compensation would be \$421,818.21 payable to 21 officials and employees on the basis of 2021 salary rates. This amount was not verified by audit.

Benefits paid in any future years will be charged to that year's budget.

Provisions for the above are not reflected on the Financial Statements of the Township, however, the Township has established a reserve of \$100.00 as of December 31, 2021.

B. Tax Appeals

As of August 24, 2022, there were five (5) appeals pending before the New Jersey Tax Court with an assessed valuation of \$20,096,800.00. Potential liability was undeterminable. The Township has made provision from tax revenues, in the sum of \$128,693.23, for these appeals in the event that tax reductions are granted.

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).

17. CONTINGENT LIABILITIES (Continued)

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 collectibility of any related receivable at December 31, 2021 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

D. Arbitrage Rebate Calculation

In 1985, under the Tax Reform Act, the Arbitrage Rebate Law went into effect requiring issuers of tax exempt debt obligations to rebate to the Federal Government all of the earnings in excess of the yield on investments of proceeds of such debt issuances (the "Rebate Arbitrage"). The Rebate Regulations apply to obligations issued after August 31, 1986. The arbitrage rebate liability must be calculated every installment computation date (last day of the fifth bond year) or earlier if the bonds are retired, defeased or refunded and pay at least 90% of the rebatable arbitrage (plus any earnings thereon) within 60 days after such date.

E. Payments in Lieu of Taxes (PILOT)

Under N.J.S.A. 40A:20-12, each municipality is required to annually remit to the County five percent (5%) of the annual service charge for each long-term PILOT financial agreement entered into by the municipality.

F. Litigation

There is no significant litigation or any contingent liabilities, unasserted claims or assessments or statutory violations which would affect the financial position or results of operations of the Township.

General liability claims pending against the Township are handled by insurance carriers.

The City of Jersey City is currently a member of the Rockaway Valley Regional Sewerage Authority ("RVRSA"), as is the Township as well as a number of other Morris County municipalities. A lawsuit was filed in 2010 by the City of Jersey City and the Jersey City Municipal Utilities Authority (the plaintiff) claiming that 1) they have no obligation to contribute to the RVRSA's capital costs; 2) that the 1984 settlement agreement among the parties is void or in the alternative that it be reformed to decrease the plaintiffs' share of the costs and 3) that they are entitled to damages for what plaintiffs contend was an incorrect assessment of capital costs. A motion for partial summary judgment was granted to the member municipalities of the RVRSA finding that Jersey City's obligation to pay for operating costs, maintenance and repairs must continue. However, the City of Jersey City has added another claim to its lawsuit asserting that the terms of the 1971/1984 agreements should be interpreted to mean that the City of Jersey City's obligation to make any payments should end now or in the very near future. The Court rejected the claims of Jersey City and ruled that the 1971 and 1984 settlements remain valid and enforceable and that Jersey City had breached the agreements. On March 22, 2021, a second trial started to determine the amount of damages arising from the breach. The trial concluded on May 28, 2021 and the Court issued a judgment on November 3, 2021 that RVRSA's claim for damages on the counterclaim was dismissed in its entirety. The Township has established a Reserve for Contingency of \$35,000 in the Sewer Utility Operating Fund to offset the costs of litigation related to this matter.

18. SECONDARY MARKET DISCLOSURE

Solely for purposes of complying with Rule 15c2.12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the requirements in accordance with Paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the municipality shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof various financial documents relating to the financial conditions of the Municipal Securities Rulemaking Board through the Electronic Municipal Access Data Port (the "MSRB").

19. SUBSEQUENT EVENTS

The Township of Boonton has evaluated subsequent events that occurred after the balance sheet date but before August 24, 2022. No items were determined to require disclosure.

TOWNSHIP OF BOONTON
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS
TREASURER

A-4

| | <u>Ref.</u> | <u>Regular Fund</u> | <u>Federal and State Grant Fund</u> |
|---|-------------|------------------------|---|
| Balance December 31, 2020 | A | \$ 2,470,026.32 | \$ |
| Increased by Receipts: | | | |
| Miscellaneous Revenue Not Anticipated | A-2c | \$ 149,061.26 | \$ |
| Interest on Investments and Deposits | A-2c | 4,584.62 | |
| Turnovers from Collector | A-6 | 20,687,070.49 | |
| Due from State of New Jersey | A-8 | 21,250.00 | |
| Sales Contracts Receivable | A-12 | 17,000.00 | |
| Revenue Accounts Receivable | A-13 | 581,767.97 | |
| Grants Receivable | A-14 | | 10,157.98 |
| Interfunds Receivable | A-15 | 59,094.05 | |
| Due to State of New Jersey | A-22 | 300.00 | |
| Interfunds Payable | A-24 | 230,491.61 | |
| Accumulated Revenue - Unappropriated | A-29 | | 236,431.32 |
| Township's Matching Funds for Grants | A-30 | | 763.00 |
| Contra Items: | | | |
| Petty Cash Funds | Contra | <u>100.00</u> | |
| | | <u>21,750,720.00</u> | <u>247,352.30</u> |
| | | 24,220,746.32 | 247,352.30 |
| Decreased by Disbursements: | | | |
| Revenue Refunds | A-1 | 360.00 | |
| Budget Appropriation | A-3 | 4,551,038.69 | |
| Change Fund Established | A-7 | 150.00 | |
| Interfunds Receivable | A-16 | | 230,491.61 |
| Appropriation Reserves | A-18 | 199,707.33 | |
| Accounts Payable | A-20 | 4,678.84 | |
| Due to State of New Jersey | A-22 | 375.00 | |
| Tax Overpayments | A-23 | 16,488.82 | |
| Interfunds Payable | A-24 | 358,746.41 | |
| Local School District Tax | A-25 | 13,893,839.00 | |
| County Taxes | A-26 | 2,518,713.27 | |
| Appropriated Reserves for Federal and State Grants | A-30 | | 16,860.69 |
| Contra Item | Contra | <u>100.00</u> | |
| | | <u>21,544,197.36</u> | <u>247,352.30</u> |
| Balance December 31, 2021 | A | <u>\$ 2,676,548.96</u> | <u>\$ -</u> |

TOWNSHIP OF BOONTON
CURRENT FUND

CASH RECONCILIATION
DECEMBER 31, 2021
TREASURER

A-5

Balance per Statements:

Lakeland Bank,

Boonton, New Jersey:

#624601505 Current Account

#624601548 General Account

\$2,593,894.05

198,942.74

2,792,836.79

Plus: Deposit-in-Transit

83,142.18

2,875,978.97

Less: Outstanding Checks

199,430.01

\$2,676,548.96

TOWNSHIP OF BOONTON
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR

A-6

| | <u>Ref.</u> | | |
|-----------------------------|-------------|-------------------|----------------------|
| Increased by Receipts: | | | |
| Interest and Costs on Taxes | A-2a | \$ 63,845.29 | |
| Property Taxes Receivable | A-9 | 20,460,434.48 | |
| Tax Overpayments | A-23 | 17,508.44 | |
| Prepaid Taxes | A-27 | <u>145,282.28</u> | |
| | | | \$ 20,687,070.49 |
| Decreased by Disbursements: | | | |
| Turnovers to Treasurer | A-4 | | <u>20,687,070.49</u> |
| | | | <u><u>\$ -</u></u> |

TOWNSHIP OF BOONTON
CURRENT FUND

CHANGE FUNDS

A-7

| | Balance <u>Dec. 31, 2020</u> | <u>Increase</u> | Balance <u>Dec. 31, 2021</u> |
|------------------|---------------------------------|-------------------|---------------------------------|
| Tax Collector | \$ 100.00 | \$150.00 | \$ 250.00 |
| Municipal Court | <u>100.00</u> | <u> </u> | <u>100.00</u> |
| | <u>\$ 200.00</u> | <u>\$150.00</u> | <u>\$ 350.00</u> |
| <u>Reference</u> | <u>A</u> | <u>A-4</u> | <u>A</u> |

TOWNSHIP OF BOONTON
CURRENT FUND

DUE FROM STATE OF NEW JERSEY
PER CHAPTER 129, P.L. 1976

A-8

| | <u>Ref.</u> | | |
|----------------------------------|-------------|-----------------|---------------------------|
| Increased by: | | | |
| Deductions per Tax Billings: | | | |
| Veterans | | \$21,500.00 | |
| Deductions Allowed | | | |
| by Tax Collector: | | | |
| Veterans | | <u>1,750.00</u> | |
| | A-2b,9 | | \$23,250.00 |
| Decreased by: | | | |
| Collections | A-4 | 21,250.00 | |
| Transferred from Due to State of | | | |
| New Jersey | A-22 | <u>1,000.00</u> | |
| | | | <u>22,250.00</u> |
| Balance December 31, 2021 | A | | <u><u>\$ 1,000.00</u></u> |

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

| Year | Balance Dec. 31, 2020 | 2021 Levy | Collections | | Due from State of New Jersey | Transfer to Tax Title Liens | Cancelled | Balance Dec. 31, 2021 |
|-----------|--------------------------|-------------------------|----------------------|-------------------------|------------------------------------|-----------------------------------|---------------------|--------------------------|
| 2020 | \$ 272,584.04 | \$ | \$ | \$ 272,584.04 | \$ | \$ | \$ | \$ |
| 2021 | | 20,901,416.54 | 152,127.37 | 20,187,850.44 | 23,250.00 | 3,144.51 | 88,923.08 | 446,121.14 |
| | <u>\$ 272,584.04</u> | <u>\$ 20,901,416.54</u> | <u>\$ 152,127.37</u> | <u>\$ 20,460,434.48</u> | <u>\$ 23,250.00</u> | <u>\$ 3,144.51</u> | <u>\$ 88,923.08</u> | <u>\$ 446,121.14</u> |
| Reference | A | Below | A-27 | A-2b 6 | A-8 | A-10 | Reserve | A |

[illegible]

TOWNSHIP OF BOONTON
CURRENT FUND

TAX TITLE LIENS

A-10

| | <u>Ref.</u> | |
|---------------------------------|-------------|----------------------------|
| Balance December 31, 2020 | A | \$ 39,995.24 |
| Increased by: | | |
| Transfers from Taxes Receivable | A-9 | <u>3,144.51</u> |
| Balance December 31, 2021 | A | <u><u>\$ 43,139.75</u></u> |

PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUE)

A-11

| | <u>Ref.</u> | |
|---------------------------|-------------|----------------------------|
| Balance December 31, 2020 | A | <u>\$332,000.00</u> |
| Balance December 31, 2021 | A | <u><u>\$332,000.00</u></u> |

TOWNSHIP OF BOONTON
CURRENT FUND

SALES CONTRACTS RECEIVABLE

A-12

| | <u>Ref.</u> | | |
|---------------------------|-------------|-------------|---|
| Balance December 31, 2020 | A | | \$17,000.00 |
| Increased by: | | | |
| Prior Year Adjustment | Reserve | | <div style="text-align: right;">1,700.00</div> <div style="text-align: right; border-top: 1px solid black;">18,700.00</div> |
| Decreased by: | | | |
| Collections | A-4 | \$17,000.00 | |
| Deposits Applied | A-21 | 1,700.00 | |
| | A-2a | 18,700.00 | |
| | | | <div style="text-align: right;">\$ -</div> <div style="text-align: right; border-top: 3px double black;">-</div> |

TOWNSHIP OF BOONTON
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE

A-13

| <u>Source</u> | <u>Ref.</u> | <u>Balance Dec. 31, 2020</u> | <u>2021 Accruals</u> | <u>Collections</u> | <u>Balance Dec. 31, 2021</u> |
|--|-------------|----------------------------------|--------------------------|---------------------|----------------------------------|
| <u>Budget Revenue</u> | | | | | |
| Clerk: | | | | | |
| ABC Licenses | A-2a | \$ | \$ 9,840.00 | \$ 9,840.00 | \$ |
| Construction Code Official: | | | | | |
| Fees and Permits | A-2a | | 7,768.43 | 7,768.43 | |
| Magistrate: | | | | | |
| Fines and Costs | A-2a | 587.54 | 14,515.20 | 14,626.10 | 476.64 |
| State of New Jersey: | | | | | |
| Energy Receipts Tax | A-2a | | 240,871.00 | 240,871.00 | |
| Treasurer: | | | | | |
| Cable TV Franchise Fee | A-2a | | 19,911.89 | 19,911.89 | |
| Victoria Mews Assisted Living Agreement: | | | | | |
| Payment in Lieu of Taxes (PILOT) | A-2a | | 178,623.92 | 178,623.92 | |
| Sale of Assets - Fire Truck | A-2a | | 18,000.00 | 18,000.00 | |
| Off-Duty Police Administrative Fees | A-2a | | 31,092.50 | 31,092.50 | |
| Field Usage Revenue | A-2a | | 18,095.00 | 18,095.00 | |
| Cell Tower Rental | A-2a | | 39,939.13 | 39,939.13 | |
| | | <u>587.54</u> | <u>578,657.07</u> | <u>578,767.97</u> | <u>476.64</u> |
| <u>Nonbudget Revenue</u> | | | | | |
| Other Revenue: | | | | | |
| Interlocal Agreement - Borough of Rockaway - | | | | | |
| Qualified Purchasing Agent | A-2c | | 3,000.00 | 3,000.00 | |
| | | <u>\$587.54</u> | <u>\$581,657.07</u> | <u>\$581,767.97</u> | <u>\$476.64</u> |
| <u>Reference</u> | | <u>A</u> | <u>Reserve</u> | <u>A-4</u> | <u>A</u> |

TOWNSHIP OF BOONTON
CURRENT FUND

GRANTS RECEIVABLE

A-14

| | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>2021</u> <u>Grants</u> | <u>Decrease</u> | <u>Cancelled</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|--------------------------------------|--|------------------------------|--------------------|------------------|--|
| Clean Communities Act: | | | | | |
| 2021 | \$ | \$11,785.04 | \$11,785.04 | \$ | \$ |
| Body Armor Grant: | | | | | |
| 2021 | | 1,297.98 | 1,297.98 | | |
| Municipal Alliance on Alcoholism and | | | | | |
| Drug Abuse: | | | | | |
| 2019 | 6,500.00 | | 6,500.00 | | |
| 2020 | 2,600.00 | | 2,360.00 | 240.00 | |
| 2021 | | 3,052.00 | | | 3,052.00 |
| Highlands - Plan Conformance: | | | | | |
| 2017 | 2,526.50 | | | | 2,526.50 |
| 2018 | 10,000.00 | | | | 10,000.00 |
| | <u>\$21,626.50</u> | <u>\$16,135.02</u> | <u>\$21,943.02</u> | <u>\$240.00</u> | <u>\$15,578.50</u> |
| <u>Reference</u> | <u>A</u> | <u>A-2a</u> | <u>Below</u> | <u>A-30</u> | <u>A</u> |
| | | | | | |
| | | <u>Ref.</u> | | | |
| Cash Receipts | | A-4 | \$10,157.98 | | |
| Unappropriated Reserves Applied | | A-29 | 11,785.04 | | |
| | | Above | <u>\$21,943.02</u> | | |

TOWNSHIP OF BOONTON
CURRENT FUND

INTERFUNDS RECEIVABLE
CURRENT FUND

A-15

| | <u>Ref.</u> | <u>Total</u> | <u>Assessment Trust Fund</u> | <u>Animal Control Trust Fund</u> | <u>General Trust Fund</u> | <u>General Capital Fund</u> |
|--------------------------------------|-------------|------------------|----------------------------------|--|-------------------------------|---------------------------------|
| Increased by: | | | | | | |
| Anticipated as Current Fund Revenue | A-2a | \$56,020.47 | \$40,138.17 | \$ | \$6,020.00 | \$ 9,862.30 |
| Interest on Investments and Deposits | A-2c | 1,186.67 | 152.34 | 8.06 | 315.14 | 711.13 |
| Interest on Assessment | A-2c | 1,539.12 | 1,539.12 | | | |
| Interest on Delinquent Assessments | A-2c | 347.79 | 347.79 | | | |
| | | <u>59,094.05</u> | <u>42,177.42</u> | <u>8.06</u> | <u>6,335.14</u> | <u>10,573.43</u> |
| Decreased by: | | | | | | |
| Settlements | A-4 | <u>59,094.05</u> | <u>42,177.42</u> | <u>8.06</u> | <u>6,335.14</u> | <u>10,573.43</u> |
| | | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

TOWNSHIP OF BOONTON
CURRENT FUND

INTERFUNDS RECEIVABLE
FEDERAL AND STATE GRANT FUND

A-16

| | <u>Ref.</u> | <u>Current Fund</u> |
|---------------------------|-------------|----------------------------|
| Balance December 31, 2020 | A | \$ 19,889.35 |
| Increased by; Advances | A-4 | <u>230,491.61</u> |
| Balance December 31, 2021 | A | <u><u>\$250,380.96</u></u> |

TOWNSHIP OF BOONTON
CURRENT FUND

DEFERRED CHARGES
N.J.S. 40A:4-53 SPECIAL EMERGENCY

A-17

| <u>Date Authorized</u> | <u>Purpose</u> | <u>Net Amount Authorized</u> | <u>1/5 of Net Amount Authorized</u> | <u>Balance Dec. 31, 2020</u> | <u>Budget Appropriation</u> | <u>Balance Dec. 31, 2021</u> |
|----------------------------|-----------------------------------|----------------------------------|---|----------------------------------|---------------------------------|----------------------------------|
| 4-08-19 | Preparation of Digitized Tax Maps | <u>\$35,000.00</u> | <u>\$7,000.00</u> | <u>\$21,000.00</u> | <u>\$7,000.00</u> | <u>\$14,000.00</u> |
| | <u>Reference</u> | | | A | A-3 | A |

TOWNSHIP OF BOONTON
CURRENT FUND

APPROPRIATION RESERVES

A-18
Sheet #1

| | <u>Balance</u> <u>Dec. 31, 2020</u> | | <u>Balance</u> <u>After</u> <u>Transfers</u> | <u>Decrease</u> | <u>Lapsed</u> |
|---|--|---------------------|--|-----------------|---------------|
| | <u>Encumbered</u> | <u>Unencumbered</u> | | | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | |
| <u>GENERAL GOVERNMENT</u> | | | | | |
| Mayor and Township Committee: | | | | | |
| Other Expenses | | \$ 1,681.58 | \$ 1,681.58 | \$ 99.99 | \$ 1,581.59 |
| General Administration: | | | | | |
| Salaries and Wages | | 5.43 | 5.43 | | 5.43 |
| Other Expenses | | 1,632.99 | 1,632.99 | 34.61 | 1,598.38 |
| Human Resources: | | | | | |
| Other Expenses | | 16,764.00 | 16,764.00 | 2,098.50 | 14,665.50 |
| Municipal Clerk: | | | | | |
| Salaries and Wages | | 4.78 | 4.78 | | 4.78 |
| Other Expenses | 2,236.34 | 2,386.36 | 4,622.70 | 2,604.82 | 2,017.88 |
| Codification | | 3,805.00 | 3,805.00 | | 3,805.00 |
| Financial Administration: | | | | | |
| Salaries and Wages | | 1,110.29 | 1,110.29 | | 1,110.29 |
| Other Expenses | | 1,566.64 | 1,566.64 | 109.33 | 1,457.31 |
| Audit | 13,055.00 | | 13,055.00 | 13,055.00 | |
| Assessment of Taxes: | | | | | |
| Salaries and Wages | | 1,934.26 | 1,934.26 | | 1,934.26 |
| Other Expenses | 350.00 | 2,848.11 | 3,198.11 | 528.08 | 2,670.03 |
| Collection of Taxes: | | | | | |
| Salaries and Wages | | 397.12 | 397.12 | | 397.12 |
| Other Expenses | | 499.17 | 499.17 | 234.00 | 265.17 |
| Computer: | | | | | |
| Other Expenses | | 662.36 | 662.36 | 660.00 | 2.36 |
| Legal Services and Costs: | | | | | |
| Other Expenses | | 37,875.35 | 37,875.35 | 4,839.50 | 33,035.85 |
| Engineering Services and Costs: | | | | | |
| Other Expenses | | 39,921.64 | 39,921.64 | 941.68 | 38,979.96 |
| Public Buildings and Grounds: | | | | | |
| Salaries and Wages | | 92.17 | 12,592.17 | 11,210.29 | 1,381.88 |
| Other Expenses | 498.99 | 14,380.89 | 14,879.88 | 1,068.08 | 13,811.80 |
| Municipal Land Use Law (N.J.S.A. 40:55D-1): | | | | | |
| Planning Board: | | | | | |
| Salaries and Wages | | 530.51 | 530.51 | | 530.51 |
| Other Expenses | 133.48 | 6,635.46 | 6,768.94 | 1,879.53 | 4,889.41 |

TOWNSHIP OF BOONTON
CURRENT FUND

APPROPRIATION RESERVES

A-18
Sheet #2

| | <u>Balance</u> <u>Dec. 31, 2020</u> | | <u>Balance</u> <u>After</u> <u>Transfers</u> | <u>Decrease</u> | <u>Lapsed</u> |
|-------------------------------------|--|---------------------|--|-----------------|---------------|
| | <u>Encumbered</u> | <u>Unencumbered</u> | | | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | |
| <u>GENERAL GOVERNMENT</u> | | | | | |
| Environmental Committee: | | | | | |
| Other Expenses | | \$ 500.00 | \$ 500.00 | \$ | \$ 500.00 |
| Insurance: | | | | | |
| Workmen's Compensation | | 10,584.00 | 10,584.00 | | 10,584.00 |
| Group Insurance Plan | | 283.40 | 283.40 | 50.00 | 233.40 |
| <u>PUBLIC SAFETY</u> | | | | | |
| Fire: | | | | | |
| Other Expenses | 5,030.20 | 15,213.70 | 20,243.90 | 5,030.20 | 15,213.70 |
| Police: | | | | | |
| Salaries and Wages | | 119,756.38 | 119,756.38 | 3,940.19 | 115,816.19 |
| Other Expenses | | 76,171.31 | 78,101.35 | 2,761.65 | 75,339.70 |
| Dispatch | 1,930.04 | 25,927.08 | 25,927.08 | | 25,927.08 |
| Uniform Fire Safety Act: | | | | | |
| Fire Official: | | | | | |
| Salaries and Wages | | 296.00 | 296.00 | | 296.00 |
| Other Expenses | | 1,031.54 | 1,852.54 | 837.00 | 1,015.54 |
| Office of Emergency Management: | | | | | |
| Salaries and Wages | 821.00 | | | | |
| Other Expenses | | 20.00 | 20.00 | | 20.00 |
| | | 32.03 | 32.03 | | 32.03 |
| <u>STREETS AND ROADS</u> | | | | | |
| Road Repairs and Maintenance: | | | | | |
| Salaries and Wages | | 0.50 | 0.50 | | 0.50 |
| Other Expenses | 44,688.00 | 28,140.82 | 72,828.82 | 45,138.00 | 27,690.82 |
| Other Public Works Functions: | | | | | |
| Snow Plowing and Sanding: | | | | | |
| Other Expenses | 62,129.20 | 372,289.38 | 421,918.58 | 80,575.52 | 341,343.06 |
| Vehicle Maintenance: | | | | | |
| Other Expenses | 1,620.00 | 31,047.96 | 32,667.96 | 6,058.06 | 26,609.90 |
| <u>HEALTH AND WELFARE</u> | | | | | |
| Board of Health: | | | | | |
| Salaries and Wages | | 29.78 | 29.78 | | 29.78 |
| Other Expenses | | 609.42 | 609.42 | 51.42 | 558.00 |

TOWNSHIP OF BOONTON
CURRENT FUND

APPROPRIATION RESERVES

A-18
Sheet #3

| | <u>Balance</u> <u>Dec. 31, 2020</u> | | <u>Balance</u> <u>After</u> <u>Transfers</u> | <u>Decrease</u> | <u>Lapsed</u> |
|--|--|---------------------|--|-----------------|---------------|
| | <u>Encumbered</u> | <u>Unencumbered</u> | | | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | |
| <u>HEALTH AND WELFARE</u> | | | | | |
| Board of Health Contractual | | | | | |
| Animal Control Officer: | | | | | |
| Salaries and Wages | \$ | \$ 8,392.33 | \$ 8,392.33 | \$ 47.28 | \$ 8,345.05 |
| | | 775.00 | 775.00 | | 775.00 |
| <u>RECREATION AND EDUCATION</u> | | | | | |
| Recreation: | | | | | |
| Other Expenses | | 4.49 | 4.49 | | 4.49 |
| Celebration of Public Events: | | | | | |
| Other Expenses | | 754.71 | 754.71 | | 754.71 |
| <u>SANITATION</u> | | | | | |
| Solid Waste Collection: | | | | | |
| Recycling: | | | | | |
| Other Expenses | | 15,815.21 | 15,815.21 | 12,894.28 | 2,920.93 |
| <u>MUNICIPAL COURT</u> | | | | | |
| Municipal Court: | | | | | |
| Salaries and Wages | | 3,993.00 | 3,993.00 | | 3,993.00 |
| Other Expenses | | 2,647.78 | 2,647.78 | 165.00 | 2,482.78 |
| Public Employees' Occupational Safety and Hazards Act | | 500.00 | 500.00 | | 500.00 |
| <u>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS</u> | | | | | |
| <u>OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)</u> | | | | | |
| Construction Official: | | | | | |
| Other Expenses | | 188.00 | 188.00 | | 188.00 |
| <u>UNCLASSIFIED</u> | | | | | |
| Utility Expenses: | | | | | |
| Electricity | | 5,986.02 | 5,986.02 | 828.78 | 5,157.24 |
| Telephone | | 2,579.46 | 2,579.46 | 34.21 | 2,545.25 |
| Water | | 1,560.00 | 1,560.00 | | 1,560.00 |
| Natural Gas | | 927.22 | 927.22 | 667.45 | 259.77 |
| Fuel Oil | | 3,465.71 | 3,465.71 | | 3,465.71 |

TOWNSHIP OF BOONTON
CURRENT FUND

APPROPRIATION RESERVES

A-18
Sheet #4

| | <u>Balance</u> <u>Dec. 31, 2020</u> | | <u>Balance</u> <u>After</u> <u>Transfers</u> | <u>Decrease</u> | <u>Lapsed</u> |
|---|--|---------------------|--|---------------------|---------------------|
| | <u>Encumbered</u> | <u>Unencumbered</u> | | | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | |
| <u>UNCLASSIFIED</u> | | | | | |
| Utility Expenses: | | | | | |
| Sewerage Processing | \$ | \$ 72.00 | \$ 72.00 | \$ | \$ 72.00 |
| Gasoline | | 24,594.76 | 24,594.76 | | 24,594.76 |
| <u>CONTINGENT</u> | | 6,000.00 | 6,000.00 | | 6,000.00 |
| <u>STATUTORY EXPENDITURES</u> | | | | | |
| Contribution to: | | | | | |
| Social Security System (OASI) | | 14,939.49 | 14,939.49 | 1,264.88 | 13,674.61 |
| Unemployment Insurance | | 100.00 | 100.00 | | 100.00 |
| Defined Contribution Retirement Program | | 436.90 | 436.90 | | 436.90 |
| <u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u> | | | | | |
| <u>OPERATIONS</u> | | | | | |
| Storm Water Tier A General Permit | | | | | |
| (N.J.S.A. 40A:4-45.3(cc)): | | | | | |
| Other Expenses | | 0.03 | 0.03 | | 0.03 |
| <u>PUBLIC AND PRIVATE PROGRAMS</u> | | | | | |
| <u>OFFSET BY REVENUES</u> | | | | | |
| Municipal Alliance Against Substance Abuse: | | | | | |
| Township Funds | | 2,350.00 | 2,350.00 | | 2,350.00 |
| | <u>\$132,492.25</u> | <u>\$912,749.52</u> | <u>\$1,045,241.77</u> | <u>\$199,707.33</u> | <u>\$845,534.44</u> |
| Reference | A | A | | A-4 | A-1 |

TOWNSHIP OF BOONTON
CURRENT FUND

RESERVE FOR DIGITIZED TAX MAPS

A-19

| | <u>Ref.</u> | |
|---------------------------|-------------|---------------------------|
| Balance December 31, 2020 | A | <u>\$23,120.00</u> |
| Balance December 31, 2021 | A | <u><u>\$23,120.00</u></u> |

ACCOUNTS PAYABLE

A-20

| | <u>Ref.</u> | |
|---------------------------|-------------|---------------------------|
| Balance December 31, 2020 | A | \$16,558.84 |
| Decreased by: | | |
| Payments | A-4 | <u>4,678.84</u> |
| Balance December 31, 2021 | A | <u><u>\$11,880.00</u></u> |

DEPOSIT ON SALE OF PROPERTY

A-21

| | <u>Ref.</u> | |
|---------------------------------------|-------------|--------------------|
| Balance December 31, 2020 | A | \$ 1,700.00 |
| Decreased by: | | |
| Applied to Sales Contracts Receivable | A-12 | <u>1,700.00</u> |
| | | <u><u>\$ -</u></u> |

TOWNSHIP OF BOONTON
CURRENT FUND

DUE TO STATE OF NEW JERSEY

A-22

| | <u>Ref.</u> | <u>Total</u> | <u>Senior Citizens' and Veterans' Deductions</u> | <u>Marriage License Fees</u> |
|--|-------------|-----------------|--|--------------------------------------|
| Balance December 31, 2020 | A | \$1,150.00 | \$1,000.00 | \$150.00 |
| Increased by: | | | | |
| Collections | A-4 | <u>300.00</u> | | <u>300.00</u> |
| | | <u>1,450.00</u> | <u>1,000.00</u> | <u>450.00</u> |
| Decreased by: | | | | |
| Payments | A-4 | 375.00 | | 375.00 |
| Transferred to Due from State of New Jersey | A-8 | <u>1,000.00</u> | <u>1,000.00</u> | |
| | | <u>1,375.00</u> | <u>1,000.00</u> | <u>375.00</u> |
| Balance December 31, 2021 | A | <u>\$ 75.00</u> | <u>\$ -</u> | <u>\$ 75.00</u> |

TOWNSHIP OF BOONTON
CURRENT FUND

TAX OVERPAYMENTS

A-23

| | <u>Ref.</u> | | |
|---------------------------|-------------|------------------|---------------------------|
| Balance December 31, 2020 | A | | \$ 8,556.91 |
| Increased by: | | | |
| Collections | A-6 | | <u>17,508.44</u> |
| | | | 26,065.35 |
| Decreased by: | | | |
| Cancelled | A-1 | \$ 8,556.91 | |
| Refunds | A-4 | <u>16,488.82</u> | |
| | | | <u>25,045.73</u> |
| Balance December 31, 2021 | A | | <u><u>\$ 1,019.62</u></u> |

TOWNSHIP OF BOONTON
CURRENT FUND

INTERFUNDS PAYABLE
CURRENT FUND

A-24

| | <u>Ref.</u> | <u>Total</u> | <u>Federal and State Grant Fund</u> | <u>Assessment Trust Fund</u> | <u>Municipal Open Space Trust Fund</u> | <u>General Capital Fund</u> |
|---------------------------|-------------|---------------------|---|----------------------------------|--|---------------------------------|
| Balance December 31, 2020 | A | \$ 19,889.35 | \$ 19,889.35 | \$ | \$ | \$ |
| Increased by: | | | | | | |
| Open Space Tax | A-1,2b,9 | 264,017.91 | | | 264,017.91 | |
| Budget Appropriation | A-3 | 95,748.12 | | 33,048.12 | | 62,700.00 |
| Advances | A-4 | 230,491.61 | 230,491.61 | | | |
| | | <u>590,257.64</u> | <u>230,491.61</u> | <u>33,048.12</u> | <u>264,017.91</u> | <u>62,700.00</u> |
| | | 610,146.99 | 250,380.96 | 33,048.12 | 264,017.91 | 62,700.00 |
| Decreased by: | | | | | | |
| Settlements | A-4 | 358,746.41 | | 33,048.12 | 262,998.29 | 62,700.00 |
| Balance December 31, 2021 | A | <u>\$251,400.58</u> | <u>\$250,380.96</u> | <u>\$ -</u> | <u>\$ 1,019.62</u> | <u>\$ -</u> |

TOWNSHIP OF BOONTON
CURRENT FUND

LOCAL SCHOOL DISTRICT TAX

A-25

| | <u>Ref.</u> | |
|---------------------------|-------------|----------------------|
| Increased by: | | |
| Levy - Calendar Year 2021 | A-1,2b,9 | \$13,893,839.00 |
| Decreased by: | | |
| Payments | A-4 | <u>13,893,839.00</u> |
| | | <u>\$ -</u> |

COUNTY TAXES

A-26

| | <u>Ref.</u> | | |
|-----------------------|-------------|---------------------|-----------------|
| Increased by: | | | |
| 2021 Levy | | \$2,457,774.28 | |
| County Open Space Tax | | <u>60,605.48</u> | |
| | A-9 | 2,518,379.76 | |
| Added Assessments | A-9 | <u>333.51</u> | |
| | A-1,2b | | \$ 2,518,713.27 |
| Decreased by: | | | |
| Payments | A-4 | <u>2,518,713.27</u> | |
| | | <u>\$ -</u> | |

TOWNSHIP OF BOONTON
CURRENT FUND

PREPAID TAXES

A-27

| | <u>Ref.</u> | |
|-----------------------------------|-------------|---------------------------------|
| Balance December 31, 2020 | A | \$152,127.37 |
| Increased by: | | |
| Collections - 2022 Taxes | A-6 | <u>145,282.28</u> 297,409.65 |
| Decreased by: | | |
| Transfer to 2021 Taxes Receivable | A-2b,9 | <u>152,127.37</u> |
| Balance December 31, 2021 | A | <u><u>\$145,282.28</u></u> |

RESERVE FOR PENDING TAX APPEALS

A-28

| | <u>Ref.</u> | |
|---------------------------|-------------|----------------------------|
| Balance December 31, 2020 | A | \$118,693.23 |
| Increased by: | | |
| Budget Appropriation | A-3 | <u>10,000.00</u> |
| Balance December 31, 2021 | A | <u><u>\$128,693.23</u></u> |

TOWNSHIP OF BOONTON
CURRENT FUND

ACCUMULATED REVENUE - UNAPPROPRIATED

A-29

| | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>Increase</u> | <u>Decrease</u> <u>Anticipated as</u> <u>Current Fund</u> <u>Revenue</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|---------------------------------------|--|---------------------|---|--|
| <u>Federal and State Grant Fund</u> | | | | |
| Clean Communities Grant | \$11,785.04 | \$ 12,537.08 | \$11,785.04 | \$ 12,537.08 |
| Drunk Driving Enforcement Fund | | 2,153.91 | | 2,153.91 |
| State and Local Fiscal Recovery Funds | | 221,740.33 | | 221,740.33 |
| | <u>\$11,785.04</u> | <u>\$236,431.32</u> | <u>\$11,785.04</u> | <u>\$236,431.32</u> |
| <u>Reference</u> | <u>A</u> | <u>A-4</u> | <u>A-14</u> | <u>A</u> |

TOWNSHIP OF BOONTON
CURRENT FUND

APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

| <u>Grant</u> | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>2021</u> <u>Budget</u> <u>Appropriations</u> | <u>Decrease</u> | <u>Cancelled</u> | <u>Balance</u> <u>Dec. 31, 2021</u> | A-30 <u>Sheet #1</u> |
|---|--|---|--------------------|------------------|--|-------------------------|
| | | | | | | |
| Clean Communities Act: | | | | | | |
| 2020 | \$13,071.49 | \$ | \$13,071.49 | \$ | \$ | |
| 2021 | | 11,785.04 | | | 11,785.04 | |
| Drunk Driving Enforcement Program: | | | | | | |
| 2019 | 6,958.55 | | 774.00 | | 6,184.55 | |
| Alcohol Education and Rehabilitation Fund: | | | | | | |
| 2020 | 501.61 | | | | 501.61 | |
| Body Armor Grant: | | | | | | |
| 2020 | 819.16 | | 819.16 | | 971.94 | |
| 2021 | | 1,297.98 | 326.04 | | | |
| Municipal Alliance on Alcoholism and Drug Abuse: | | | | | | |
| State Share - 2020 | 1,460.00 | | 1,220.00 | 240.00 | | |
| State Share - 2021 | | 3,052.00 | | | 3,052.00 | |
| Township Share - 2020 | 650.00 | | 650.00 | | | |
| Township Share - 2021 | | 763.00 | | | 763.00 | |
| Highlands - Plan Conformance Grant: | | | | | | |
| 2017 | 3,040.00 | | | | 3,040.00 | |
| 2018 | 1,230.00 | | | | 1,230.00 | |
| Sustainable Jersey Small Grants Program: | | | | | | |
| 2018 | 2,000.00 | | | | 2,000.00 | |
| | <u>\$29,730.81</u> | <u>\$16,898.02</u> | <u>\$16,860.69</u> | <u>\$240.00</u> | <u>\$29,528.14</u> | |
| | A | Sheet #2 | A-4 | A-14 | A | |
| <u>Reference</u> | | | | | | |

TOWNSHIP OF BOONTON
CURRENT FUND

APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

A-30
Sheet #2

2021
Budget
Appropriations

| <u>Grant</u> | <u>Ref.</u> | |
|---------------------------|-------------|---------------------------|
| State and Federal Grants: | | |
| 2021 Grants | A-3 | \$16,135.02 |
| Township's Matching Funds | A-3,4 | <u>763.00</u> |
| | Sheet #1 | <u><u>\$16,898.02</u></u> |

TOWNSHIP OF BOONTON
TRUST FUND

CASH RECEIPTS AND DISBURSEMENTS
TREASURER

B-4

| | Ref. | Assessment Trust Fund | Animal Control Trust Fund | General Trust Fund | Municipal Open Space Trust Fund |
|---|--------|-------------------------|---------------------------|--------------------------------------|---------------------------------|
| Balance December 31, 2020 | B | \$ 43,590.05 | \$ 167.87 | \$ 278,021.01 | \$ 1,264,289.07 |
| Increased by Receipts: | | | | | |
| Turnovers from Collector's Account | B-6 | \$ 27,460.32 | \$ 6,336.00 | \$ | |
| Assessments Receivable | B-8 | | | | |
| Due from Municipal Court | B-9 | | | 800.00 | |
| Interfunds Receivable | B-10 | 33,048.12 | | | 262,998.29 |
| Accounts Payable | B-11 | 11.03 | 162.00 | | |
| Special Deposits | B-13 | | | 324,527.93 | |
| Premiums on Tax Sale | B-14 | | | 225,700.00 | |
| Payroll Deductions Payable | B-15 | | | 989,440.09 | |
| Municipal Open Space Trust Fund | B-16 | | | | 1,789.03 |
| Interfunds Payable | B-17 | 2,039.25 | 8.06 | 315.14 | |
| Reserve for Municipal Alliance on Alcoholism and Drug Abuse - | | | | | |
| Program Income | B-21 | | | 277.00 | |
| Contra Item: | | | | | |
| Net Payroll | Contra | 62,558.72 106,148.77 | | 1,363,029.23 6,506.06 6,673.93 | |
| | | | | 2,904,089.39 3,182,110.40 | 284,787.32 1,529,076.39 |
| Decreased by Disbursements: | | | | | |
| Accounts Payable | B-11 | | 162.00 | | |
| Due to State of New Jersey | B-12 | | 752.40 | | |
| Special Deposits | B-13 | | | 283,417.16 | |
| Premiums on Tax Sale | B-14 | | | 78,100.00 | |
| Payroll Deductions Payable | B-15 | | | 986,615.62 | |
| Municipal Open Space Trust Fund | B-16 | | | | 160,994.70 |
| Interfunds Payable | B-17 | 42,177.42 | 8.06 | 6,335.14 | 420,000.00 |
| Reserve for Animal Control Trust | | | | | |
| Fund Expenditures | B-19 | | | | |
| Bond Anticipation Notes | B-22 | 36,500.00 | 5,328.55 | | |
| Contra Item | Contra | 78,677.42 | | 1,363,029.23 6,251.01 | |
| | | | | 2,717,497.15 | 580,994.70 |
| Balance December 31, 2021 | B | \$ 27,471.35 | \$ 422.92 | \$ 464,613.25 | \$ 948,081.69 |

TOWNSHIP OF BOONTON
TRUST FUND

CASH RECONCILIATIONS
DECEMBER 31, 2021

B-5

| | <u>Assessment Trust Fund</u> | <u>Animal Control Trust Fund</u> | <u>General Trust Fund</u> | <u>Municipal Open Space Trust Fund</u> |
|--|----------------------------------|--|-------------------------------|--|
| Balance per Statements: | | | | |
| Peapack-Gladstone Bank, | | | | |
| Boonton, New Jersey: | | | | |
| #800046912 - Trust Assessment Account | \$ 28,265.36 | \$ | \$ | \$ |
| Lakeland Bank, | | | | |
| Boonton, New Jersey: | | | | |
| #624601572 - Dog License Fund | | 423.54 | | |
| #624603966 - Affordable Housing | | | 32,334.73 | |
| #624604016 - Cash Bonds | | | 24,154.86 | |
| #624612078 - Developer's Account | | | 39,541.24 | |
| #624608631 - Flexible Spending Account | | | 963.81 | |
| #624603958 - Law Enforcement | | | 1,733.29 | |
| #624612094 - Other Trust | | | 45,256.66 | |
| #624603990 - Police Outside Duty | | | 19,029.80 | |
| #624601556 - Recreation Trust | | | 46,015.59 | |
| #624605179 - Tax Sale Premiums | | | 200,001.95 | |
| #624603974 - Unemployment Compensation | | | 55,149.36 | |
| #624601513 - Payroll Account | | | 3,029.24 | |
| #624601521 - Salary Agency | | | 24,459.88 | |
| #624603826 - Open Space Trust | | | | 948,081.69 |
| | <u>28,265.36</u> | <u>423.54</u> | <u>491,670.41</u> | <u>948,081.69</u> |
| Plus: Deposit-in-Transit | <u>87.27</u> | <u>423.54</u> | <u>47,123.73</u> | <u>948,081.69</u> |
| | 28,352.63 | 423.54 | 538,794.14 | 948,081.69 |
| Less: Outstanding Checks | <u>881.28</u> | <u>0.62</u> | <u>74,180.89</u> | |
| | <u>\$ 27,471.35</u> | <u>\$ 422.92</u> | <u>\$ 464,613.25</u> | <u>\$ 948,081.69</u> |

TOWNSHIP OF BOONTON
TRUST FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR'S ACCOUNTS

B-6

| | <u>Ref.</u> | <u>Animal Control Trust Fund</u> | |
|----------------------------------|-------------|----------------------------------|-----------------|
| Increased by Receipts: | | | |
| Due to State of New Jersey | B-12 | \$ 752.40 | |
| Reserve for Animal Control Trust | | | |
| Fund Expenditures | B-19 | <u>5,583.60</u> | |
| | | | \$6,336.00 |
| Decreased by Disbursements: | | | |
| Turnover to Treasurer | B-4 | | <u>6,336.00</u> |
| | | | <u>\$ -</u> |

TOWNSHIP OF BOONTON
TRUST FUND

ANALYSIS OF ASSESSMENT TRUST CASH AND INVESTMENTS

B-7

| | Balance Dec. 31, 2020 | Receipts | | Disbursements | | | Transfers | | Balance Dec. 31, 2021 |
|---|--------------------------|---------------------------|---------------------|-----------------------|---------------------|----|---------------------|---------------------|--------------------------|
| | | Assessments Receivable | Other | Anticipation Notes | Other | | From | To | |
| Assessment Bond Anticipation Notes: #821, 843 | \$ 3,451.88 | \$ 14,027.57 | \$ | \$ 36,500.00 | \$ | \$ | \$ | \$ 33,048.12 | \$ 14,027.57 |
| Other Accounts: | | | | | | | | | |
| Current Interfund | | | 35,087.37 | | 42,177.42 | | 33,048.12 | 40,138.17 | |
| Accounts Payable | | 13,432.75 | 11.03 | | | | 11.03 | | |
| Fund Balance | 40,138.17 | | | | | | 40,138.17 | 11.03 | 13,443.78 |
| | <u>\$ 43,590.05</u> | <u>\$ 27,460.32</u> | <u>\$ 35,098.40</u> | <u>\$ 36,500.00</u> | <u>\$ 42,177.42</u> | | <u>\$ 73,197.32</u> | <u>\$ 73,197.32</u> | <u>\$ 27,471.35</u> |
| Reference | <u>B</u> | <u>B-8</u> | <u>Below</u> | <u>B-22</u> | <u>B-17</u> | | <u>Contra</u> | <u>Contra</u> | <u>B</u> |
| Ref. | | | | | | | | | |
| Intefunds Receivable | | B-10 | \$ 33,048.12 | | | | | | |
| Accounts Payable | | B-11 | 11.03 | | | | | | |
| Interfunds Payable | | B-17 | 2,039.25 | | | | | | |
| | | Above | <u>\$ 35,098.40</u> | | | | | | |

TOWNSHIP OF BOONTON
TRUST FUND

ASSESSMENTS RECEIVABLE

B-8

| Ordinance Number | Purpose | Confirmation | | Due Date | Balance Dec. 31, 2020 | | Collected | Balance Dec. 31, 2021 | |
|---------------------|--|--------------|--------------|-------------|--------------------------|----------------------|---------------------|--------------------------|----------------------|
| | | Date | Installments | | Pledged | Unpledged | | Pledged | Unpledged |
| | | | | | | | | | |
| 593 | Sanitary Sewerage and Water System: Elcock Avenue/Grove Street | 2-12-01 | 20 | | \$ | \$ 45,912.20 | \$ 4,040.81 | \$ | \$ 41,871.39 |
| 638 | Sanitary Sewerage and Water System: Kent Avenue/Janet Road | 12-23-02 | 20 | 2-23-22 | | 12,924.36 | 8,297.40 | | 4,626.96 |
| 645 | Sanitary Sewerage and Water System: Elcock Avenue/Grove Street #2 | 12-26-01 | 20 | | | 1,094.54 | 1,094.54 | | |
| 821, 843 | Sanitary Sewerage System: East Glen Road/North Road | 11-13-20 | 20 | 11-13-22/39 | | | | | |
| | | | 20 | 2-13-22/40 | | | | | |
| | | | 20 | 5-13-22/40 | | | | | |
| | | | 20 | 8-13-22/40 | | | | | |
| | | | | | 133,805.12 | 178,991.00 | 14,027.57 | 86,729.43 | 212,039.12 |
| | | | | | <u>\$ 133,805.12</u> | <u>\$ 238,922.10</u> | <u>\$ 27,460.32</u> | <u>\$ 86,729.43</u> | <u>\$ 258,537.47</u> |
| | | | | Reference | B | B | B-4 | B | B |

TOWNSHIP OF BOONTON
TRUST FUND

DUE FROM MUNICIPAL COURT

B-9

Ref.

Increased by:

Public Defender Application Fees

B-13

\$800.00

Decreased by:

Collections:

Public Defender Application Fees

B-4

800.00

\$ -

TOWNSHIP OF BOONTON
TRUST FUND

INTERFUNDS RECEIVABLE

B-10

| | <u>Ref.</u> | <u>Assessment Trust Fund Current Fund</u> | <u>Municipal Open Space Trust Fund Current Fund</u> |
|---------------------------|-------------|---|---|
| Increased by: | | | |
| Municipal Open Space Tax | B-16 | \$ | \$ 264,017.91 |
| Budget Appropriation: | | | |
| Deficit (General Budget) | B-18 | 33,048.12 | |
| Decreased by: | | | |
| Settlements | B-4 | <u>33,048.12</u> | <u>262,998.29</u> |
| Balance December 31, 2021 | B | <u>\$ -</u> | <u>\$ 1,019.62</u> |

TOWNSHIP OF BOONTON
TRUST FUND

ACCOUNTS PAYABLE

B-11

| | <u>Ref.</u> | <u>Assessment Trust Fund</u> | <u>Animal Control Trust Fund</u> |
|---------------|-------------|----------------------------------|--|
| Increased by: | | | |
| Collections | B-4 | \$ 11.03 | \$ 162.00 |
| Decreased by: | | | |
| Cancelled | B-1 | 11.03 | |
| Refunded | B-4 | | 162.00 |
| | | <hr/> | <hr/> |
| | | \$ - | \$ - |
| | | <hr/> | <hr/> |

TOWNSHIP OF BOONTON
TRUST FUND

DUE TO STATE OF NEW JERSEY

B-12

| | <u>Ref.</u> | <u>Animal Control Trust Fund</u> | |
|--------------------------------|-------------|----------------------------------|---------------|
| Increased by: | | | |
| Registration Fees | | \$517.00 | |
| Pilot Clinic Fund | | 103.40 | |
| Animal Population Control Fund | | <u>132.00</u> | |
| | B-6 | | \$752.40 |
| Decreased by: | | | |
| Payments | B-4 | | <u>752.40</u> |
| | | | <u>\$ -</u> |

TOWNSHIP OF BOONTON
TRUST FUND

SPECIAL DEPOSITS

B-13

| <u>Account</u> | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|---|--|----------------------|----------------------|--|
| Escrow Deposits | \$ 38,264.20 | \$ 17,585.00 | \$ 16,309.22 | \$ 39,539.98 |
| Affordable Housing | 32,283.71 | 51.02 | | 32,334.73 |
| Cash Bonds | 27,150.02 | 10,006.00 | 13,001.36 | 24,154.66 |
| High School Law Enforcement Training Program Donations | 670.09 | | 157.50 | 512.59 |
| Housing Rehabilitation | 25,885.28 | | | 25,885.28 |
| Law Enforcement Trust | 1,732.77 | 0.52 | | 1,733.29 |
| Parking Offenses Adjudication Act | 3.97 | | | 3.97 |
| Police Outside Duty | 19,027.44 | 193,889.11 | 193,889.11 | 19,027.44 |
| Police Donations | 5,765.34 | | 1,535.00 | 4,230.34 |
| Public Defender Application Fees | | 800.00 | 800.00 | |
| Recreation | 9,892.31 | 68,180.26 | 32,058.51 | 46,014.06 |
| Recycling | 8,910.41 | 6,178.25 | 6,343.96 | 8,744.70 |
| Security Deposits | 100.00 | 3,600.00 | 811.64 | 2,888.36 |
| Accumulated Absences | | 100.00 | | 100.00 |
| Memorial Benches | | 10,500.00 | 10,500.00 | |
| Storm Recovery Trust | | 10,057.48 | 10,057.48 | |
| Flexible Spending Account | 556.78 | 4,000.00 | 3,593.09 | 963.69 |
| Redemption of Tax Title Liens | | 380.29 | 380.29 | |
| | <u>\$ 170,242.32</u> | <u>\$ 325,327.93</u> | <u>\$ 289,437.16</u> | <u>\$ 206,133.09</u> |

Reference

B

Below

Below

B

Ref.

| | | | |
|--------------------------|-------|----------------------|----------------------|
| Collections | B-4 | \$ 324,527.93 | \$ |
| Cash Disbursed | B-4 | | 283,417.16 |
| Due from Municipal Court | B-9 | 800.00 | |
| Interfunds Payable | B-17 | | 6,020.00 |
| | Above | <u>\$ 325,327.93</u> | <u>\$ 289,437.16</u> |

TOWNSHIP OF BOONTON
TRUST FUND

PREMIUMS ON TAX SALE

B-14

| | <u>Ref.</u> | |
|---------------------------|-------------|-----------------------------|
| Balance December 31, 2020 | B | \$ 52,400.00 |
| Increased by: | | |
| Collections | B-4 | <u>225,700.00</u> |
| | | 278,100.00 |
| Decreased by: | | |
| Payments | B-4 | <u>78,100.00</u> |
| Balance December 31, 2021 | B | <u><u>\$ 200,000.00</u></u> |

TOWNSHIP OF BOONTON
TRUST FUND

PAYROLL DEDUCTIONS PAYABLE

B-15

| | <u>Ref.</u> | | |
|-------------------------------|-------------|-----------------|-------------------------|
| Balance December 31, 2020 | B | | \$ 150.14 |
| Increased by: | | | |
| Payroll Deductions | B-4 | | <u>989,440.09</u> |
| | | | 989,590.23 |
| Decreased by: | | | |
| Payments | B-4 | \$ 986,615.62 | |
| Transfer to Reserve for State | | | |
| Unemployment Trust Fund | | | |
| Expenditures | B-20 | <u>2,546.96</u> | |
| | | | <u>989,162.58</u> |
| Balance December 31, 2021 | B | | <u><u>\$ 427.65</u></u> |

TOWNSHIP OF BOONTON
TRUST FUND

MUNICIPAL OPEN SPACE TRUST FUND

B-16

| | <u>Ref.</u> | | |
|--|-------------|-------------------|-----------------------------|
| Balance December 31, 2020 | B | | \$ 1,264,289.07 |
| Increased by: | | | |
| Interest on Deposits | B-4 | \$ 1,789.03 | |
| Municipal Open Space Tax | B-10 | <u>264,017.91</u> | |
| | | | <u>265,806.94</u> |
| | | | 1,530,096.01 |
| Decreased by: | | | |
| Expenditures | B-4 | 160,994.70 | |
| Appropriated to Finance Improvement Authorization | B-17 | <u>420,000.00</u> | |
| | | | <u>580,994.70</u> |
| Balance December 31, 2021 | B | | <u><u>\$ 949,101.31</u></u> |

TOWNSHIP OF BOONTON
TRUST FUND

INTERFUNDS PAYABLE

B-17

| | Ref. | Assessment Trust Fund Current Fund | Animal Control Trust Fund Current Fund | General Trust Fund Current Fund | Municipal Open Space Trust Fund General Capital Fund |
|---|------|---|--|--|---|
| Increased by: | | | | | |
| Interest on Deposits - Treasurer | | \$ 152.34 | \$ 8.06 | \$ 315.14 | \$ |
| Interest on Assessments | | 1,539.12 | | | |
| Interest on Delinquent Assessments | B-4 | 347.79 | 8.06 | 315.14 | |
| | | <u>2,039.25</u> | | | |
| Assessment Trust Fund Balance Anticipated as Current Fund Revenue | B-1 | 40,138.17 | | | |
| Recreation Trust Field Revenue Anticipated as Current Fund Revenue | B-13 | | | 6,020.00 | |
| Municipal Open Space Trust Funds Appropriated to Finance Improvement Authorizations | B-16 | | | | |
| | | <u>42,177.42</u> | 8.06 | 6,335.14 | 420,000.00 |
| | | | | | <u>420,000.00</u> |
| Decreased by: | | | | | |
| Settlements | B-4 | <u>42,177.42</u> | 8.06 | 6,335.14 | 420,000.00 |
| | | \$ - | \$ - | \$ - | \$ - |

TOWNSHIP OF BOONTON
TRUST FUND

RESERVE FOR ASSESSMENTS

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Balance Dec. 31, 2020</u> | <u>Current Budget for Deficit</u> | <u>Collections</u> | <u>Balance Dec. 31, 2021</u> |
|-----------------------------|--|----------------------------------|---|---------------------|----------------------------------|
| 593 | Sanitary Sewerage and Water System: Elcock Avenue/Grove Street | \$ 45,912.20 | \$ | \$ 4,040.81 | \$ 41,871.39 |
| 638 | Sanitary Sewerage and Water System: Kent Avenue/Janet Road | 12,924.36 | | 8,297.40 | 4,626.96 |
| 645 | Sanitary Sewerage and Water System: Elcock Avenue/Grove Street #2 | 1,094.54 | | 1,094.54 | |
| 821, 843 | Sanitary Sewerage System: East Glen Road/North Road | 178,991.00 | 33,048.12 | | 212,039.12 |
| | | <u>\$ 238,922.10</u> | <u>\$ 33,048.12</u> | <u>\$ 13,432.75</u> | <u>\$ 258,537.47</u> |
| | <u>Reference</u> | <u>B</u> | <u>B-10</u> | <u>B-1</u> | <u>B</u> |

TOWNSHIP OF BOONTON
TRUST FUND

RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

B-19

| | <u>Ref.</u> | |
|--------------------------------------|-------------|-------------------------|
| Balance December 31, 2020 | B | \$ 167.87 |
| Increased by: | | |
| Dog License Fees | B-6 | <u>5,583.60</u> |
| | | 5,751.47 |
| Decreased by: | | |
| Expenditures Under N.J.S.A. 40A:4-39 | B-4 | <u>5,328.55</u> |
| Balance December 31, 2021 | B | <u><u>\$ 422.92</u></u> |

Animal Control Trust Fund Collections

| <u>Year</u> | |
|-----------------|---------------------------|
| 2020 | \$ 5,813.90 |
| 2019 | <u>6,475.60</u> |
| Maximum Reserve | <u><u>\$12,289.50</u></u> |

TOWNSHIP OF BOONTON
TRUST FUND

RESERVE FOR STATE UNEMPLOYMENT TRUST FUND EXPENDITURES

B-20

| | <u>Ref.</u> | |
|---------------------------|-------------|---------------------|
| Balance December 31, 2020 | B | \$ 52,595.49 |
| Increased by: | | |
| Payroll Deductions | B-15 | <u>2,546.96</u> |
| Balance December 31, 2021 | B | <u>\$ 55,142.45</u> |

RESERVE FOR MUNICIPAL ALLIANCE ON
ALCOHOLISM AND DRUG ABUSE - PROGRAM INCOME

B-21

| | <u>Ref.</u> | |
|---------------------------|-------------|--------------------|
| Balance December 31, 2020 | B | \$ 2,633.06 |
| Increased by: | | |
| Collections | B-4 | <u>277.00</u> |
| Balance December 31, 2021 | B | <u>\$ 2,910.06</u> |

TOWNSHIP OF BOONTON
TRUST FUND

BOND ANTICIPATION NOTES

B-22

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Date of Original Issue</u> | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Balance Dec. 31, 2020</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance Dec. 31, 2021</u> |
|-----------------------------|--|---------------------------------------|-----------------------------|--------------------------|----------------------------------|----------------------|----------------------|----------------------------------|
| 821 | Improvements to Sanitary Sewerage System - East Glen Road and North Road | 9-13-13 | 9-03-21 9-02-21 | 1.00 % 1.00 | \$ 80,257.00 | \$ 53,257.00 | \$ 80,257.00 | \$ 53,257.00 |
| 821, 843 | Improvement to Sanitary Sewerage System - East Glen Road and North Road | 9-08-16 | 9-03-21 9-02-22 | 1.00 1.00 | 57,000.00 | 47,500.00 | 57,000.00 | 47,500.00 |
| | | | | | <u>\$ 137,257.00</u> | <u>\$ 100,757.00</u> | <u>\$ 137,257.00</u> | <u>\$ 100,757.00</u> |
| | | | <u>Reference</u> | | <u>B</u> | <u>Below</u> | <u>Below</u> | <u>B</u> |
| | | | <u>Ref.</u> | | | | | |
| | | | Cash Disbursed | | | \$ | \$ 36,500.00 | |
| | | | Renewals | | | | 100,757.00 | |
| | | | | | | <u>\$ 100,757.00</u> | <u>\$ 137,257.00</u> | |

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

CASH RECEIPTS, DISBURSEMENTS AND CASH RECONCILIATION
DECEMBER 31, 2021

C-2

| | <u>Ref.</u> | | |
|--|-------------|-------------------|-----------------------------|
| Balance December 31, 2020 | C | | \$ 563,782.38 |
| Increased by Receipts: | | | |
| Premium on Sale of Notes | C-1 | \$ 16,711.35 | |
| Grants Receivable | C-4 | 330,355.85 | |
| Interfunds Receivable | C-5 | 482,700.00 | |
| Capital Improvement Fund | C-8 | 50,000.00 | |
| Interfunds Payable | C-9 | 711.13 | |
| Bond Anticipation Notes | C-12 | <u>956,650.00</u> | |
| | | | <u>1,837,128.33</u> |
| | | | 2,400,910.71 |
| Decreased by Disbursements: | | | |
| Improvement Authorizations | C-7 | 1,764,195.14 | |
| Interfunds Payable | C-9 | 10,573.43 | |
| Bond Anticipation Notes | C-12 | <u>172,100.00</u> | |
| | | | <u>1,946,868.57</u> |
| Balance December 31, 2021 | C | | <u><u>\$ 454,042.14</u></u> |
| <u>Cash Reconciliation December 31, 2021</u> | | | |
| Balance per Statement: | | | |
| Lakeland Bank, | | | |
| Boonton, New Jersey: | | | |
| #624603834 | | | \$ 454,072.76 |
| Less: | | | |
| Outstanding Checks | | | <u>30.62</u> |
| | | | <u><u>\$ 454,042.14</u></u> |

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

ANALYSIS OF CASH AND INVESTMENTS

C-3

| | Balance Dec. 31, 2020 | Receipts | | Disbursements | | | Transfers | | Balance Dec. 31, 2021 |
|-----------------------------------|--------------------------|-------------------------------|---------------|-------------------------------|-------------------------------|--------------|---------------|---------------|--------------------------|
| | | Bond Anticipation Notes | Other | Improvement Authorizations | Bond Anticipation Notes | Other | From | To | |
| <u>Improvement Authorizations</u> | | | | | | | | | |
| General Improvements: | | | | | | | | | |
| #856 | \$ 568.40 | \$ | \$ | \$ | \$ | \$ | | | \$ 568.40 |
| #863 | 23,881.78 | | | | | | | | 23,881.78 |
| #874 | 6,084.17 | | | | | | | | 6,084.17 |
| #875, #889 | 207,363.87 | | 175,064.07 | 148,723.15 | 172,100.00 | | 8.21 | | 61,596.58 |
| #882 | 9,613.62 | | | | | | | | 9,613.62 |
| #884, #894 | 244.50 | 152,000.00 | | 123,188.60 | | | | | 29,055.90 |
| #885 | 31,544.50 | | | 19,796.69 | | | | | 11,747.81 |
| #887 | 32,500.00 | 564,300.00 | | 633,033.59 | | | | | 26,466.41 |
| #892 | | | | 21,505.58 | | | | | 39,139.42 |
| #893 | | 145,350.00 | | 153,000.00 | | | | 62,700.00 | 10,344.25 |
| #897 | | 95,000.00 | | 244,947.53 | | | | 7,650.00 | |
| #901 | | | 155,291.78 | 420,000.00 | | | | 420,000.00 | |
| <u>Other Accounts</u> | | | | | | | | | |
| Fund Balance | 9,862.30 | | 16,711.35 | | | | | | 16,711.35 |
| Capital Improvement Fund | 124,271.14 | | 50,000.00 | | | | 9,862.30 | | 100,976.14 |
| Current Fund Interfund | | | 63,411.13 | | | 10,573.43 | | | |
| General Trust Fund Interfund | | | 420,000.00 | | | | 420,000.00 | | |
| Reserve for Griffith Pond | 117,848.10 | | | | | | | | 117,848.10 |
| Bond Anticipation Note Cash: | | | | | | | | | |
| Ordinance #875.889 | | | | | | | | | |
| | \$ 563,782.38 | \$ 956,650.00 | \$ 880,478.33 | \$ 1,764,195.14 | \$ 172,100.00 | \$ 10,573.43 | \$ 565,865.51 | \$ 565,865.51 | \$ 454,042.14 |
| Reference | C | C-12 | Below | C-7 | C-12 | C-9 | Contra | Contra | C |
| | | | | | | | | 8.21 | 8.21 |

Ref.

| | | |
|--------------------------|-----|---------------|
| Fund Balance | | \$ 16,711.35 |
| Grants Receivable | C-1 | |
| Interfunds Receivable | C-4 | 330,355.85 |
| Capital Improvement Fund | C-5 | 482,700.00 |
| Interfunds Payable | C-8 | 50,000.00 |
| | C-9 | 711.13 |
| Above | | \$ 880,478.33 |

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

GRANTS RECEIVABLE

C-4

| <u>Ordinance Number</u> | <u>Grant Amount</u> | <u>Balance Dec. 31, 2020</u> | <u>2021 Grant</u> | <u>Collections</u> | <u>Cancelled</u> | <u>Balance Dec. 31, 2021</u> |
|--|-------------------------|----------------------------------|-----------------------|---------------------|--------------------|----------------------------------|
| <u>State Grants</u> | | | | | | |
| New Jersey Department of Transportation: | | | | | | |
| Transportation Trust Fund: | | | | | | |
| Improvements to Rockaway Valley Road | \$499,900.00 | \$236,755.86 | \$ | \$175,064.07 | \$61,691.79 | \$ |
| Improvements to Oak Road | 230,000.00 | | 230,000.00 | 155,291.78 | | 74,708.22 |
| | <u>\$729,900.00</u> | <u>\$236,755.86</u> | <u>\$230,000.00</u> | <u>\$330,355.85</u> | <u>\$61,691.79</u> | <u>\$ 74,708.22</u> |
| | | <u>C</u> | <u>C-7</u> | <u>C-2</u> | <u>C-10</u> | <u>C</u> |

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

INTERFUNDS RECEIVABLE

C-5

| | <u>Ref.</u> | <u>Total General Capital Fund</u> | <u>Current Fund</u> | <u>General Trust Fund</u> |
|--|-------------|---|-------------------------|-----------------------------------|
| Increased by: | | | | |
| Current Fund Budget Appropriation to Reduce Deferred Charges to Future Taxation - Ordinance #887 | C-6 | \$ 62,700.00 | \$ 62,700.00 | \$ |
| Municipal Open Space Funds Appropriated to Finance Improvement Authorizations | C-7 | <u>420,000.00</u> 482,700.00 | <u>62,700.00</u> | <u>420,000.00</u> 420,000.00 |
| Decreased by: | | | | |
| Settlements | C-2 | <u>482,700.00</u> | <u>62,700.00</u> | <u>420,000.00</u> |
| | | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

| Ordinance Number | Improvements | Balance Dec. 31., 2020 | 2021 Authorizations | Bond Anticipation Notes Paid by Budget Appropriations | Budget Appropriation | Collections | Balance Dec. 31., 2021 | Analysis of Balance Bond Anticipation Notes |
|---------------------|---|---------------------------|------------------------|---|--|----------------------|---------------------------|---|
| | | | | | | | | |
| 793 | General Improvements | \$ 21,000.00 | \$ | \$ 21,000.00 | \$ | \$ | \$ | |
| 810 | Improvements to Rockaway Valley Road - South Section and Oak Road | 6,118.00 | | 6,118.00 | | | | |
| 810 | Improvements to Oak Road | 16,200.00 | | 9,102.00 | | | 7,098.00 | 7,098.00 |
| 824 | Improvements of Various Roads | 41,875.00 | | 14,000.00 | | | 27,875.00 | 27,875.00 |
| 828 | Acquisition of New and Additional Fire Equipment | 128,550.00 | | 42,850.00 | | | 85,700.00 | 85,700.00 |
| 833 | Improvements to RVA Fields and Valley Road | 161,250.00 | | 40,400.00 | | | 120,850.00 | 120,850.00 |
| 842 | Improvements to RVA Fields, Road Resurfacing and James Road Retaining Wall | 155,750.00 | | 31,150.00 | | | 124,600.00 | 124,600.00 |
| 848 | Improvement of Various Roads | 228,000.00 | | 38,000.00 | | | 190,000.00 | 190,000.00 |
| 855 | Improvement of Various Roads | 424,000.00 | | 57,000.00 | | | 367,000.00 | 367,000.00 |
| 875, 889 | Various Capital Improvements | 612,955.86 | | | | 175,064.07 | 437,891.79 | 437,891.79 |
| 884, 894 | Various Capital Improvements | 152,000.00 | | | | | 152,000.00 | 152,000.00 |
| 887 | Acquisition of New Fire Truck | 627,000.00 | | | 62,700.00 | | 564,300.00 | 564,300.00 |
| 893 | Improvements to Roads | | 145,350.00 | | | | 145,350.00 | 145,350.00 |
| 897 | Improvements to Oak Road | | 95,000.00 | | | | 95,000.00 | 95,000.00 |
| | | <u>\$ 2,574,698.86</u> | <u>\$ 240,350.00</u> | <u>\$ 259,620.00</u> | <u>\$ 62,700.00</u> | <u>\$ 175,064.07</u> | <u>\$ 2,317,664.79</u> | <u>\$ 2,317,664.79</u> |
| | Reference | C | C-7 | C-12 | C-5 | C-10 | C | Below |
| | | | | | | | Ref. | |
| | | | | | Bond Anticipation Notes Less: Cash on Hand to Pay Notes | | C-12 C-3 | \$ 2,317,673.00 8.21 |
| | | | | | | Above | | <u>\$ 2,317,664.79</u> |

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-7

| | Ordinance Date | Amount | Balance Dec. 31, 2020 | | 2021 Authorizations | Expended | Balance Dec. 31, 2021 | |
|--|-------------------|--------------|--------------------------|---------------|------------------------|-----------------|--------------------------|---------------|
| | | | Funded | Unfunded | | | Funded | Unfunded |
| General Improvements | | | | | | | | |
| Improvements to Leonard Park | 856 4-10-17 | \$ 60,000.00 | \$ 568.40 | \$ | \$ | \$ | \$ 568.40 | \$ |
| Various Capital Improvements | *863 4-09-18 | 143,791.00 | 23,881.78 | | | | 23,881.78 | |
| Various Capital Improvements | *874 4-08-19 | 44,000.00 | 6,084.17 | | | | 6,084.17 | |
| Various Capital Improvements | 875, 889 4-08-19 | 963,000.00 | | 210,319.73 | | 148,723.15 | | 61,596.58 |
| Various Capital Improvements | *882 4-27-20 | 31,500.00 | 9,613.62 | | | | 9,613.62 | |
| Various Capital Improvements | 884, 894 7-13-20 | 160,000.00 | 244.50 | 152,000.00 | | 123,188.60 | | 29,055.90 |
| Improvements to RVA Fields | 885 7-13-20 | 100,000.00 | 31,544.50 | | | 19,796.69 | 11,747.81 | |
| Acquisition of New Fire Truck | 887 10-13-20 | 660,000.00 | 32,500.00 | 627,000.00 | | 633,033.59 | | 26,466.41 |
| Various Capital Improvements | *892 4-12-21 | 60,645.00 | | | 60,645.00 | 21,505.58 | 39,139.42 | |
| Improvements to Roads | 893 4-12-21 | 153,000.00 | | | 153,000.00 | 153,000.00 | | |
| Improvements to Oak Road | 897 7-12-21 | 330,000.00 | | | 330,000.00 | 244,947.53 | | 85,052.47 |
| Acquisition of Property | 901 8-09-21 | 420,000.00 | | | 420,000.00 | 420,000.00 | | |
| | | | \$104,436.97 | \$ 989,319.73 | \$ 963,645.00 | \$ 1,764,195.14 | \$ 91,035.20 | \$ 202,171.36 |
| | | Reference | C | C | Below | C-2 | C | C |
| | | Ref. | | | | | | |
| Grants Receivable | | | | | | | | |
| Interfunds Receivable | | | | | \$ 230,000.00 | | | |
| Deferred Charges to Future Taxation - Unfunded | | | | | 420,000.00 | | | |
| Capital Improvement Fund | | | | | 240,350.00 | | | |
| | | | | | 73,295.00 | | | |
| | | | | Above | \$ 963,645.00 | | | |

*Funded in Full from the Capital Improvement Fund.

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND

C-8

| | <u>Ref.</u> | | |
|-------------------------------------|-------------|-----------------|----------------------------|
| Balance December 31, 2020 | C | | \$124,271.14 |
| Increased by: | | | |
| Budget Appropriation | C-2 | | <u>50,000.00</u> |
| | | | 174,271.14 |
| Decreased by: | | | |
| Appropriated to Finance Improvement | | | |
| Authorization: | | | |
| Ordinance #892 | | \$ 60,645.00 | |
| Ordinance #893 | | 7,650.00 | |
| Ordinance #897 | | <u>5,000.00</u> | |
| | C-7 | | <u>73,295.00</u> |
| Balance December 31, 2021 | C | | <u><u>\$100,976.14</u></u> |

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

INTERFUNDS PAYABLE

C-9

| | <u>Ref.</u> | <u>Current Fund</u> |
|---|-------------|-------------------------|
| Increased by: | | |
| General Capital Fund Balance Anticipated as Current Fund Revenue | C-1 | \$ 9,862.30 |
| Interest on Deposits | C-2 | 711.13 |
| | | <u>10,573.43</u> |
| Decreased by: | | |
| Settlements | C-2 | <u>10,573.43</u> |
| | | <u>\$ -</u> |

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

RESERVE FOR GRANTS RECEIVABLE

| | | | | | <u>C-10</u> |
|-----------------------------|-------------------------|----------------------------------|---------------------|------------------|-------------|
| | | | | | |
| <u>Ordinance Number</u> | <u>Grant Amount</u> | <u>Balance Dec. 31, 2020</u> | <u>Collections</u> | <u>Cancelled</u> | |
| 875, 889 | <u>\$499,000.00</u> | <u>\$236,755.86</u> | <u>\$175,064.07</u> | | |
| | | <u>C</u> | <u>C-6</u> | | <u>C-4</u> |
| | | | <u>\$61,691.79</u> | | |

State Grants
New Jersey Department of Transportation:
Transportation Trust Fund:
Improvements to Rockaway
Valley Road

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

RESERVE FOR GRIFFITH POND

C-11

| | <u>Ref.</u> | |
|---------------------------|-------------|---------------------|
| Balance December 31, 2020 | C | <u>\$117,848.10</u> |
| Balance December 31, 2021 | C | <u>\$117,848.10</u> |

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

C-12
Sheet #1

BOND ANTICIPATION NOTES

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Date of Original Issue</u> | <u>Date of Issue</u> | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Balance Dec. 31, 2020</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance Dec. 31, 2021</u> |
|-----------------------------|---|---------------------------------------|------------------------------|-----------------------------|--------------------------|----------------------------------|-----------------|-----------------|----------------------------------|
| | | | | | 1.00 % | \$ 21,000.00 | \$ | \$ 21,000.00 | \$ |
| 793 | Improvements of Various Roads | 9-29-11 | 9-03-20 | 9-03-21 | | | | | |
| 810 | Improvements to Rockaway Valley Road - South Section | 9-25-12 | 9-03-20 | 9-03-21 | 1.00 | 6,118.00 | | 6,118.00 | |
| 810 | Improvements to Oak Road | 9-25-12 | 9-03-20 9-02-21 | 9-03-21 9-02-22 | 1.00 1.00 | 16,200.00 | 7,098.00 | 16,200.00 | 7,098.00 |
| 824 | Improvements of Various Roads | 9-13-13 | 9-03-20 9-02-21 | 9-03-21 9-02-22 | 1.00 1.00 | 41,875.00 | 27,875.00 | 41,875.00 | 27,875.00 |
| 828 | Acquisition of New and Additional Fire Equipment | 9-11-14 | 9-03-20 9-02-21 | 9-03-21 9-02-22 | 1.00 1.00 | 128,550.00 | 85,700.00 | 128,550.00 | 85,700.00 |
| 833 | Improvements to RVA Recreational Fields and Valley Road | 9-11-14 | 9-03-20 9-02-21 | 9-03-21 9-02-22 | 1.00 1.00 | 161,250.00 | 120,850.00 | 161,250.00 | 120,850.00 |
| 842 | Improvements to RVA Recreational Fields, Road Resurfacing and James Road Retaining Wall | 9-10-15 | 9-03-20 9-02-21 | 9-03-21 9-02-22 | 1.00 1.00 | 155,750.00 | 124,600.00 | 155,750.00 | 124,600.00 |
| 848 | Improvement of Various Roads | 9-08-16 | 9-03-20 9-02-21 | 9-03-21 9-02-22 | 1.00 1.00 | 228,000.00 | 190,000.00 | 228,000.00 | 190,000.00 |
| 855 | Improvement of Various Roads | 9-07-17 | 9-03-20 9-02-21 | 9-03-21 9-02-22 | 1.00 1.00 | 224,000.00 | 192,000.00 | 224,000.00 | 192,000.00 |
| 855 | Improvement of Various Roads | 9-06-18 | 9-03-20 9-02-21 | 9-03-21 9-02-22 | 1.00 1.00 | 200,000.00 | 175,000.00 | 200,000.00 | 175,000.00 |
| 875, 889 | Various Capital Improvements | 9-04-19 | 9-03-20 9-02-21 | 9-03-21 9-02-22 | 1.00 1.00 | 376,200.00 | 204,100.00 | 376,200.00 | 204,100.00 |

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES

C-12
Sheet #2

| Ordinance Number | Improvement Description | Date of Original Issue | Date of Issue | Date of Maturity | Interest Rate | Balance Dec. 31, 2020 | Increase | Decrease | Balance Dec. 31, 2021 |
|---------------------|-------------------------------|------------------------------|---------------------|---------------------|------------------|------------------------------|------------------------|------------------------|--------------------------|
| 875, 889 | Various Capital Improvements | 9-03-20 | 9-03-20 | 9-03-21 | 1.00 % | \$ 233,800.00 | \$ - | \$ 233,800.00 | \$ - |
| | | 9-02-21 | 9-02-21 | 9-02-22 | 1.00 | | 233,800.00 | | 233,800.00 |
| 884, 894 | Various Capital Improvements | 9-02-21 | 9-02-21 | 9-02-22 | 1.00 | | 152,000.00 | | 152,000.00 |
| 887 | Acquisition of New Fire Truck | 9-02-21 | 9-02-21 | 9-02-22 | 1.00 | | 564,300.00 | | 564,300.00 |
| 893 | Improvements to Roads | 9-02-21 | 9-02-21 | 9-02-22 | 1.00 | | 145,350.00 | | 145,350.00 |
| 897 | Improvements to Oak Road | 9-02-21 | 9-02-21 | 9-02-22 | 1.00 | | 95,000.00 | | 95,000.00 |
| | | | | | | <u>\$ 1,792,743.00</u> | <u>\$ 2,317,673.00</u> | <u>\$ 1,792,743.00</u> | <u>\$ 2,317,673.00</u> |
| | | | | | | C | Below | Below | C |
| | | | | | | Ref. | | | |
| | | | | | | Issued for Cash | | | |
| | | | | | | Cash Disbursed | \$ 956,650.00 | \$ 172,100.00 | |
| | | | | | | Paid by Budget Appropriation | | 259,620.00 | |
| | | | | | | Renewals | 1,361,023.00 | 1,361,023.00 | |
| | | | | | | Above | <u>\$ 2,317,673.00</u> | <u>\$ 1,792,743.00</u> | |

TOWNSHIP OF BOONTON
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

| | | <u>C-13</u> | | | | |
|---------------------------------------|----------------------------------|--------------------------------|-------------------------|---|----------------------------------|---|
| <u>Ordinance Number</u> | <u>Balance Dec. 31, 2020</u> | <u>2021 Authorizations</u> | <u>Cash on Hand</u> | <u>Bond Anticipation Notes Redeemed</u> | <u>Budget Appropriations</u> | <u>Grant Collections</u> |
| | | | | | | <u>Bond Anticipation Notes Issued</u> |
| <u>General Improvements</u> | | | | | | |
| 875, 889 Various Capital Improvements | \$ 2,955.86 | \$ | \$8.21 | \$172,100.00 | \$ | \$ 152,000.00 |
| 884, 894 Various Capital Improvements | 152,000.00 | | | | | 564,300.00 |
| 887 Acquisition of New Fire Truck | 627,000.00 | 145,350.00 | | | 62,700.00 | 145,350.00 |
| 893 Improvements to Roads | | 95,000.00 | | | | 95,000.00 |
| 897 Improvements to Oak Road | | | | | | |
| | <u>\$781,955.86</u> | <u>\$240,350.00</u> | <u>\$8.21</u> | <u>\$172,100.00</u> | <u>\$62,700.00</u> | <u>\$175,064.07</u> |
| <u>Reference</u> | <u>C</u> | <u>C-6</u> | <u>C-3</u> | <u>C-12</u> | <u>C-6</u> | <u>C-4</u> |
| | | | | | | <u>C-12</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS
TREASURER

D-5

| | Ref. | Operating Fund | Assessment Trust Fund | Capital Fund |
|---------------------------------------|------|----------------------|-----------------------|----------------------|
| Balance December 31, 2020 | D | \$ 824,866.82 | \$ 601.80 | \$ 120,750.00 |
| Increased by Receipts: | | | | |
| Interest on Delinquent Water Accounts | D-3a | \$ 632.99 | \$ | \$ |
| Interest on Deposits | D-3a | 1,635.98 | | |
| Interfunds Receivable | D-9 | 845.86 | | |
| Consumer Accounts Receivable | D-10 | 332,629.02 | | |
| Assessments Receivable | D-11 | | 1,241.78 | |
| Water Rent Overpayments | D-14 | 2,078.10 | | |
| Capital Improvement Fund | D-15 | | | 6,000.00 |
| Interfunds Payable | D-16 | | 53.13 | 190.93 |
| | | <u>337,821.95</u> | <u>1,294.91</u> | <u>6,190.93</u> |
| | | 1,162,688.77 | 1,896.71 | 126,940.93 |
| Decreased by Disbursements: | | | | |
| Budget Appropriations | D-4 | 236,889.35 | | |
| Appropriation Reserves | D-13 | 50,782.94 | | |
| Interfunds Payable | D-16 | | 654.93 | 190.93 |
| | | <u>287,672.29</u> | <u>654.93</u> | <u>190.93</u> |
| Balance December 31, 2021 | D | <u>\$ 875,016.48</u> | <u>\$ 1,241.78</u> | <u>\$ 126,750.00</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

CASH RECONCILIATION
DECEMBER 31, 2021

D-6

| | <u>Operating Fund</u> | <u>Assessment Trust Fund</u> | <u>Capital Fund</u> |
|---------------------------------------|----------------------------|----------------------------------|----------------------------|
| <u>Cash Reconciliation</u> | | | |
| Balance per Statements: | | | |
| Lakeland Bank, | | | |
| Boonton, New Jersey: | | | |
| #624603869 - Water Operating | | | |
| Account | \$854,600.04 | \$ | \$ |
| #624603850 - Water and Sewer | 26,503.73 | | |
| #624603877 - Water Capital | | | 126,765.58 |
| Peapack-Gladstone Bank, | | | |
| Boonton, New Jersey: | | | |
| #800046904 - Water Assessment Account | | 1,242.33 | |
| Plus: Deposit-in-Transit | 28,157.26 | | |
| | <u>909,261.03</u> | <u>1,242.33</u> | <u>126,765.58</u> |
| Less: Outstanding Checks | 34,244.55 | 0.55 | 15.58 |
| | <u><u>\$875,016.48</u></u> | <u><u>\$1,241.78</u></u> | <u><u>\$126,750.00</u></u> |

TOWNSHIP OF BOONTON
WATER UTILITY

ANALYSIS OF ASSESSMENT TRUST CASH AND INVESTMENTS

D-7

| | Balance Dec. 31, 2020 | Receipts | | Disbursements Other | Transfers | | Balance Dec. 31, 2021 |
|---------------------------|--------------------------|---------------------------|-------------|------------------------|---------------|---------------|--------------------------|
| | | Assessments Receivable | Other | | From | To | |
| Other Accounts: | | | | | | | |
| Water Operating Interfund | \$ 601.80 | \$ 1,241.78 | \$ 53.13 | \$ 654.93 | \$ 601.80 | \$ 601.80 | \$ 1,241.78 |
| Fund Balance | \$ 601.80 | \$ 1,241.78 | \$ 53.13 | \$ 654.93 | \$ 601.80 | \$ 601.80 | \$ 1,241.78 |
| Reference | <u>D</u> | <u>D-11</u> | <u>D-16</u> | <u>D-16</u> | <u>Contra</u> | <u>Contra</u> | <u>D</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

D-8

| | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>Receipts</u> <u>Other</u> | <u>Disbursements</u> <u>Other</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|---------------------------|--|---------------------------------|--------------------------------------|--|
| Other Accounts: | | | | |
| Capital Improvement Fund | \$120,750.00 | \$6,000.00 | \$ | \$126,750.00 |
| Water Operating Interfund | | 190.93 | 190.93 | |
| | <u>\$120,750.00</u> | <u>\$6,190.93</u> | <u>\$190.93</u> | <u>\$126,750.00</u> |
| <u>Reference</u> | <u>D</u> | <u>Below</u> | <u>D-16</u> | <u>D</u> |
| | <u>Ref.</u> | | | |
| Capital Improvement Fund | D-15 | \$6,000.00 | | |
| Interfunds Payable | D-16 | <u>190.93</u> | | |
| | Above | <u>\$6,190.93</u> | | |

TOWNSHIP OF BOONTON
WATER UTILITY

INTERFUNDS RECEIVABLE

D-9

| | <u>Ref.</u> | <u>Total Water Operating Fund</u> | <u>Water Operating Fund Water Assessment Trust Fund</u> | <u>Water Capital Fund</u> |
|--------------------------------|-------------|---|---|-----------------------------------|
| Increased by: | | | | |
| Water Assessment Fund Balance | | | | |
| Anticipated in Water Operating | | | | |
| Fund Budget | D-3 | \$601.80 | \$ 601.80 | \$ |
| Interest on Water Assessment | | | | |
| Accounts | D-3a | 51.32 | 51.32 | |
| Interest on Deposits | D-3a | 192.74 | 1.81 | 190.93 |
| | | <u>845.86</u> | <u>654.93</u> | <u>190.93</u> |
| Decreased by: | | | | |
| Settlements | D-5 | <u>845.86</u> | <u>654.93</u> | <u>190.93</u> |
| | | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE

D-10

| | <u>Ref.</u> | | |
|---------------------------|-------------|-----------------|---------------------|
| Balance December 31, 2020 | D | | \$ 51,423.90 |
| Increased by: | | | |
| Water Billings | Reserve | | <u>316,656.32</u> |
| | | | 368,080.22 |
| Decreased by: | | | |
| Collections | D-5 | \$332,629.02 | |
| Overpayments Applied | D-14 | <u>5,627.32</u> | |
| | D-3 | | <u>338,256.34</u> |
| Balance December 31, 2021 | D | | <u>\$ 29,823.88</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

D-11

ASSESSMENTS RECEIVABLE

| <u>Ordinance Number</u> | <u>Purpose</u> | <u>Confirmation</u> | | | <u>Balance Dec. 31, 2020 Unpledged</u> | <u>Balance Dec. 31, 2021 Unpledged</u> |
|-----------------------------|--|---------------------|---------------------|----------------------|--|--|
| | | <u>Date</u> | <u>Installments</u> | <u>Due Dates</u> | | |
| 663 | Water Supply and Distribution System: McCaffrey Lane | 12-08-03 | 20 | 3-03-22/23 | \$ 1,904.25 | \$ 662.47 |
| | | | | <u>Reference</u> | <u>D</u> | <u>D-5.7</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

FIXED CAPITAL

D-12

| | Balance <u>Dec. 31, 2020</u> | Additions by <u>Budget</u> | Balance <u>Dec. 31, 2021</u> |
|--|---------------------------------|----------------------------------|---------------------------------|
| Fire Hydrants | \$ 10,787.93 | \$ | \$ 10,787.93 |
| Water Meters | 18,782.52 | 359.00 | 19,141.52 |
| McCaffrey Lane Water Supply and Distribution System | 108,897.84 | | 108,897.84 |
| Installation of New Water Meters and Fire Hydrants | <u>20,000.00</u> | <u> </u> | <u>20,000.00</u> |
| | <u>\$ 158,468.29</u> | <u>\$ 359.00</u> | <u>\$ 158,827.29</u> |
| <u>Reference</u> | <u>D</u> | <u>D-18</u> | <u>D</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

APPROPRIATION RESERVES

D-13

| | <u>Balance</u> <u>Dec. 31, 2020</u> | | <u>Balance</u> <u>After</u> <u>Transfers</u> | <u>Paid or</u> <u>Charged</u> | <u>Balance</u> <u>Lapsed</u> |
|-------------------------------|--|----------------------|--|----------------------------------|---------------------------------|
| | <u>Encumbered</u> | <u>Unencumbered</u> | | | |
| Operating: | | | | | |
| Salaries and Wages | \$ | \$ 4,871.47 | \$ 4,871.47 | \$ | \$ 4,871.47 |
| Other Expenses | 2,500.00 | 170,342.37 | 172,842.37 | 50,782.94 | 122,059.43 |
| | <u>2,500.00</u> | <u>175,213.84</u> | <u>177,713.84</u> | <u>50,782.94</u> | <u>126,930.90</u> |
| Capital Improvements: | | | | | |
| Capital Outlay | | 4,000.00 | 4,000.00 | | 4,000.00 |
| Statutory Expenditures: | | | | | |
| Contribution to: | | | | | |
| Social Security System (OASI) | | 379.90 | 379.90 | | 379.90 |
| | <u>\$ 2,500.00</u> | <u>\$ 179,593.74</u> | <u>\$ 182,093.74</u> | <u>\$ 50,782.94</u> | <u>\$ 131,310.80</u> |
| <u>Reference</u> | <u>D</u> | <u>D</u> | | <u>D-5</u> | <u>D-1</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

WATER RENT OVERPAYMENTS

D-14

| | <u>Ref.</u> | |
|--|-------------|--------------------------|
| Balance December 31, 2020 | D | \$5,627.32 |
| Increased by: | | |
| Collections | D-5 | <u>2,078.10</u> |
| | | 7,705.42 |
| Decreased by: | | |
| Applied to Consumer Accounts Receivable | D-10 | <u>5,627.32</u> |
| Balance December 31, 2021 | D | <u><u>\$2,078.10</u></u> |

TOWNSHIP OF BOONTON
WATER UTILITY

CAPITAL IMPROVEMENT FUND

D-15

| | <u>Ref.</u> | |
|---------------------------|-------------|----------------------------|
| Balance December 31, 2020 | D | \$120,750.00 |
| Increased by: | | |
| Budget Appropriation | D-5 | <u>6,000.00</u> |
| Balance December 31, 2021 | D | <u><u>\$126,750.00</u></u> |

TOWNSHIP OF BOONTON
WATER UTILITY

INTERFUNDS PAYABLE

D-16

| | <u>Ref.</u> | Water Assessment Trust Fund <u>Water Operating Fund</u> | Water Capital Fund <u>Water Operating Fund</u> |
|---------------------------------------|-------------|--|---|
| Increased by: | | | |
| Interest on Water Assessment Accounts | | \$ 51.32 | \$ |
| Interest on Deposits | | <u>1.81</u> | <u>190.93</u> |
| | D-5 | 53.13 | 190.93 |
| Water Assessment Fund Balance | | | |
| Anticipated in Water Operating | | | |
| Fund Budget | D-2 | <u>601.80</u> | <u>190.93</u> |
| | | 654.93 | |
| Decreased by: | | | |
| Settlements | D-5 | <u>654.93</u> | <u>190.93</u> |
| | | <u>\$ -</u> | <u>\$ -</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

RESERVE FOR ASSESSMENTS

D-17

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Balance Dec. 31, 2020</u> | <u>Collections</u> | <u>Balance Dec. 31, 2021</u> |
|-----------------------------|--|----------------------------------|--------------------|----------------------------------|
| 663 | Water Supply and Distribution System: McCaffrey Lane | <u>\$1,904.25</u> | <u>\$1,241.78</u> | <u>\$662.47</u> |
| | <u>Reference</u> | <u>D</u> | <u>D-2</u> | <u>D</u> |

TOWNSHIP OF BOONTON
WATER UTILITY

AMORTIZATION FUND

D-18

| | <u>Ref.</u> | |
|---------------------------|-------------|----------------------------|
| Balance December 31, 2020 | D | \$158,468.29 |
| Increased by: | | |
| Capital Outlay: | | |
| Budget Appropriation | D-12 | <u>359.00</u> |
| Balance December 31, 2021 | D | <u><u>\$158,827.29</u></u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

CASH RECEIPTS AND DISBURSEMENTS
TREASURER

E-5

| | <u>Ref.</u> | <u>Operating Fund</u> | <u>Assessment Trust Fund</u> | <u>Capital Fund</u> |
|---------------------------------------|-------------|-----------------------|------------------------------|---------------------|
| Balance December 31, 2020 | E | \$ 524,341.18 | \$ 16,192.10 | \$ 70,753.69 |
| Increased by Receipts: | | | | |
| Interest on Delinquent Sewer Accounts | E-3a | \$ 1,721.41 | \$ | |
| Bank Error | E-3a | 0.10 | | |
| Interest on Deposits | E-3a | 803.30 | | |
| Interfunds Receivable | E-9 | 17,680.29 | | |
| Consumer Accounts Receivable | E-10 | 236,368.54 | | |
| Assessments Receivable | E-11 | | 13,388.03 | |
| Sewer Rent Overpayments | E-14 | 754.19 | | |
| Capital Improvement Fund | E-15 | | | 6,000.00 |
| Interfunds Payable | E-16 | | 1,376.26 | 111.93 |
| | | <u>257,327.83</u> | <u>14,764.29</u> | <u>6,111.93</u> |
| | | 781,669.01 | 30,956.39 | 76,865.62 |
| Decreased by Disbursements: | | | | |
| Budget Appropriations | E-4 | 180,434.60 | | |
| Appropriation Reserves | E-13 | 4,518.44 | | |
| Interfunds Payable | E-16 | | 17,568.36 | 111.93 |
| | | <u>184,953.04</u> | <u>17,568.36</u> | <u>111.93</u> |
| Balance December 31, 2021 | E | <u>\$ 596,715.97</u> | <u>\$ 13,388.03</u> | <u>\$ 76,753.69</u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

CASH RECONCILIATION
DECEMBER 31, 2021

E-6

| | <u>Operating Fund</u> | <u>Assessment Trust Fund</u> | <u>Capital Fund</u> |
|---------------------------------------|----------------------------|----------------------------------|---------------------------|
| <u>Cash Reconciliation</u> | | | |
| Balance per Statements: | | | |
| Lakeland Bank, | | | |
| Boonton, New Jersey: | | | |
| #624603893 - Sewer Operating Account | \$582,783.69 | \$ | \$ |
| #624603907 - Sewer Capital Account | | | 76,762.90 |
| Peapack-Gladstone Bank, | | | |
| Boonton, New Jersey: | | | |
| #800046891 - Sewer Assessment Account | | 12,623.25 | |
| Plus: Deposit-in-Transit | <u>13,932.28</u> | <u>778.92</u> | |
| | 596,715.97 | 13,402.17 | <u>76,762.90</u> |
| Less: Outstanding Checks | | <u>14.14</u> | <u>9.21</u> |
| | <u><u>\$596,715.97</u></u> | <u><u>\$13,388.03</u></u> | <u><u>\$76,753.69</u></u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

ANALYSIS OF ASSESSMENT TRUST CASH AND INVESTMENTS

E-7

| | Balance Dec. 31, 2020 | Receipts | | Disbursements Other | Transfers | | Balance Dec. 31, 2021 |
|---------------------------|--------------------------|---------------------------|--------------------|------------------------|---------------------|---------------------|--------------------------|
| | | Assessments Receivable | Other | | From | To | |
| Other Accounts: | | | | | | | |
| Sewer Operating Interfund | \$ 16,192.10 | \$ 13,388.03 | \$ 1,376.26 | \$ 17,568.36 | \$ 16,192.10 | \$ 16,192.10 | \$ 13,388.03 |
| Fund Balance | <u>\$ 16,192.10</u> | <u>\$ 13,388.03</u> | <u>\$ 1,376.26</u> | <u>\$ 17,568.36</u> | <u>\$ 16,192.10</u> | <u>\$ 16,192.10</u> | <u>\$ 13,388.03</u> |
| Reference | E | E-11 | E-16 | E-16 | Contra | Contra | E |

TOWNSHIP OF BOONTON
SEWER UTILITY

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

E-8

| | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>Receipts</u> <u>Other</u> | <u>Disbursements</u> <u>Other</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|---------------------------|--|---------------------------------|--------------------------------------|--|
| Other Accounts: | | | | |
| Capital Improvement Fund | \$70,753.69 | \$6,000.00 | \$ | \$76,753.69 |
| Sewer Operating Interfund | | 111.93 | 111.93 | |
| | <u>\$70,753.69</u> | <u>\$6,111.93</u> | <u>\$ 111.93</u> | <u>\$76,753.69</u> |
| <u>Reference</u> | <u>E</u> | <u>Below</u> | <u>E-16</u> | <u>E</u> |
| | <u>Ref.</u> | | | |
| Capital Improvement Fund | E-15 | \$6,000.00 | | |
| Interfunds Payable | E-16 | 111.93 | | |
| | Above | <u>\$6,111.93</u> | | |

TOWNSHIP OF BOONTON
SEWER UTILITY

INTERFUNDS RECEIVABLE

E-9

| | <u>Ref.</u> | <u>Total Sewer Operating Fund</u> | <u>Sewer Operating Fund Sewer Assessment Trust Fund</u> | <u>Sewer Capital Fund</u> |
|--------------------------------|-------------|---|---|-----------------------------------|
| Increased by: | | | | |
| Sewer Assessment Fund Balance | | | | |
| Anticipated in Sewer Operating | | | | |
| Fund Budget | E-3 | \$16,192.10 | \$16,192.10 | \$ |
| Interest on Sewer Assessment | | | | |
| Accounts | E-3a | 1,117.12 | 1,117.12 | |
| Interest on Delinquent Sewer | | | | |
| Assessment Accounts | E-3a | 211.15 | 211.15 | |
| Interest on Deposits | E-3a | 159.92 | 47.99 | 111.93 |
| | | <u>17,680.29</u> | <u>17,568.36</u> | <u>111.93</u> |
| Decreased by: | | | | |
| Settlements | E-5 | <u>17,680.29</u> | <u>17,568.36</u> | <u>111.93</u> |
| | | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

CONSUMER ACCOUNTS RECEIVABLE

E-10

| | <u>Ref.</u> | | |
|---------------------------|-------------|-----------------|----------------------------|
| Balance December 31, 2020 | E | | \$ 21,216.98 |
| Increased by: | | | |
| Sewer Billings | Reserve | | <u>239,757.38</u> |
| | | | 260,974.36 |
| Decreased by: | | | |
| Collections | E-5 | \$236,368.54 | |
| Overpayments Applied | E-14 | <u>2,183.61</u> | |
| | E-3 | 238,552.15 | |
| Cancelled | Reserve | <u>1.21</u> | |
| | | | <u>238,553.36</u> |
| Balance December 31, 2021 | E | | <u><u>\$ 22,421.00</u></u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

ASSESSMENTS RECEIVABLE

E-11

| <u>Ordinance Number</u> | <u>Purpose</u> | <u>Confirmation</u> | | <u>Balance Dec. 31, 2020 Unpledged</u> | <u>Balance Dec. 31, 2021 Unpledged</u> |
|-----------------------------|--|---------------------|----------------------|---|--|
| | | <u>Date</u> | <u>Installments</u> | <u>Due Dates</u> | <u>Collected</u> |
| 654 | Sanitary Sewerage System: McCaffrey Lane | 12-08-03 | 20 | 3-03-22/23 | \$ 7,761.75 |
| 680 | Sanitary Sewerage System: North Main Street | 9-26-05 | 20 | 11-27-22/24 | 2,922.77 |
| 727,745 | Sanitary Sewerage System: Sylvan Lane | 11-13-07 | 20 20 20 20 | 3-15-22/27 6-15-22/27 9-15-22/27 12-15-22/27 | 2,703.51 |
| | | | | | <u>19,742.25</u> |
| | | | | | <u>\$ 13,388.03</u> |
| | | | | | <u>\$ 49,327.46</u> |
| | | | | | <u>\$ 35,939.43</u> |
| | | | | <u>E</u> | <u>E-5,7</u> |
| | | | | | <u>E</u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

FIXED CAPITAL

E-12

| | Balance <u>Dec. 31, 2020</u> | Balance <u>Dec. 31, 2021</u> |
|--|---------------------------------|---------------------------------|
| North Main Street Line: | | |
| Pipe Line | \$ 10,931.62 | \$ 10,931.62 |
| Glenbourne Drive Pumping Station | 3,075.00 | 3,075.00 |
| McCaffrey Lane Sewer | 125,000.00 | 125,000.00 |
| North Main Street Sanitary Sewer | 75,000.00 | 75,000.00 |
| Sylvan Lane Sanitary Sewer | 110,400.12 | 110,400.12 |
| Generator at the Glenbourne Pump Station | <u>37,236.00</u> | <u>37,236.00</u> |
| | <u>\$361,642.74</u> | <u>\$361,642.74</u> |
| <u>Reference</u> | <u>E</u> | <u>E</u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

APPROPRIATION RESERVES

E-13

| | <u>Balance</u> <u>Dec. 31, 2020</u> | | <u>Balance</u> <u>After</u> <u>Transfers</u> | <u>Paid or</u> <u>Charged</u> | <u>Balance</u> <u>Lapsed</u> |
|-------------------------------|--|---------------------|--|----------------------------------|---------------------------------|
| | <u>Encumbered</u> | <u>Unencumbered</u> | | | |
| Operating: | | | | | |
| Salaries and Wages | \$ 3,287.42 | \$ 78.47 | \$ 78.47 | \$ | \$ 78.47 |
| Other Expenses | <u>3,287.42</u> | <u>61,779.16</u> | <u>65,066.58</u> | <u>4,518.44</u> | <u>60,548.14</u> |
| | | 61,857.63 | 65,145.05 | 4,518.44 | 60,626.61 |
| Capital Improvements: | | | | | |
| Capital Outlay | | 2,000.00 | 2,000.00 | | 2,000.00 |
| Statutory Expenditures: | | | | | |
| Contribution to: | | | | | |
| Social Security System (OASI) | | 81.04 | 81.04 | | 81.04 |
| | <u>\$ 3,287.42</u> | <u>\$ 63,938.67</u> | <u>\$ 67,226.09</u> | <u>\$ 4,518.44</u> | <u>\$ 62,707.65</u> |
| <u>Reference</u> | <u>E</u> | <u>E</u> | | <u>E-5</u> | <u>E-1</u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

SEWER RENT OVERPAYMENTS

E-14

| | <u>Ref.</u> | |
|--|-------------|------------------|
| Balance December 31, 2020 | E | \$2,183.61 |
| Increased by: | | |
| Collections | E-5 | <u>754.19</u> |
| | | 2,937.80 |
| Decreased by: | | |
| Applied to Consumer Accounts Receivable | E-10 | <u>2,183.61</u> |
| Balance December 31, 2021 | E | <u>\$ 754.19</u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

CAPITAL IMPROVEMENT FUND

E-15

| | <u>Ref.</u> | |
|---------------------------|-------------|----------------------------|
| Balance December 31, 2020 | E | \$ 70,753.69 |
| Increased by: | | |
| Budget Appropriation | E-5 | <u>6,000.00</u> |
| Balance December 31, 2021 | E | <u><u>\$ 76,753.69</u></u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

INTERFUNDS PAYABLE

E-16

| | <u>Ref.</u> | <u>Sewer Assessment Trust Fund Sewer Operating Fund</u> | <u>Sewer Capital Fund Sewer Operating Fund</u> |
|--|-------------|---|--|
| Increased by: | | | |
| Interest on Sewer Assessment Accounts | | \$ 1,117.12 | \$ |
| Interest on Delinquent Sewer Assessment Accounts | | 211.15 | |
| Interest on Deposits | | <u>47.99</u> | <u>111.93</u> |
| | E-5 | 1,376.26 | 111.93 |
| Sewer Assessment Fund Balance Anticipated in Sewer Operating Fund Budget | E-2 | <u>16,192.10</u> 17,568.36 | <u>111.93</u> |
| Decreased by: | | | |
| Settlements | E-5 | <u>17,568.36</u> | <u>111.93</u> |
| | | <u>\$ -</u> | <u>\$ -</u> |

TOWNSHIP OF BOONTON
SEWER UTILITY

RESERVE FOR CONTINGENCY

E-17

| | <u>Ref.</u> | |
|---------------------------|-------------|----------------------------|
| Balance December 31, 2020 | E | <u>\$ 35,000.00</u> |
| Balance December 31, 2021 | E | <u><u>\$ 35,000.00</u></u> |

RESERVE FOR ASSESSMENTS

E-18

| | <u>Ref.</u> | |
|-------------------------------------|-------------|----------------------------|
| Balance December 31, 2020 | E | \$ 49,327.46 |
| Decreased by: | | |
| Collection of Unpledged Assessments | E-2 | <u>13,388.03</u> |
| Balance December 31, 2021 | E | <u><u>\$ 35,939.43</u></u> |

AMORTIZATION FUND

E-19

| | <u>Ref.</u> | |
|---------------------------|-------------|----------------------------|
| Balance December 31, 2020 | E | <u>\$361,642.74</u> |
| Balance December 31, 2021 | E | <u><u>\$361,642.74</u></u> |

TOWNSHIP OF BOONTON
PUBLIC ASSISTANCE TRUST FUND

RESERVE FOR EXPENDITURES
TRUST FUND ACCOUNT #1

F-1

| | <u>Ref.</u> | |
|---------------------------|-------------|---------------------------|
| Balance December 31, 2020 | F | \$21,507.78 |
| Increased by: | | |
| Interest on Deposits | F-2 | <u>33.99</u> |
| Balance December 31, 2021 | F | <u><u>\$21,541.77</u></u> |

TOWNSHIP OF BOONTON
PUBLIC ASSISTANCE TRUST FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION

F-2

| | <u>Ref.</u> | <u>Trust Fund Account #1</u> |
|--|-------------|----------------------------------|
| Balance December 31, 2020 | F | \$21,507.78 |
| Increased by Receipts: | | |
| Interest on Deposits | F-1 | <u>33.99</u> |
| Balance December 31, 2021 | F | <u><u>\$21,541.77</u></u> |
| <u>Bank Reconciliation December 31, 2021</u> | | |
| Balance per Statements: | | |
| Lakeland Bank, | | |
| Boonton, New Jersey: | | |
| #624603923 - Public Assistance | | |
| Trust Fund #1 | | |
| | | <u><u>\$21,541.77</u></u> |

PART II

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING**

ROSTER OF OFFICIALS

GENERAL COMMENTS, FINDINGS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2021

SAMUEL KLEIN AND COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S 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

The Honorable Mayor and Members
of the Township Committee
Township of Boonton
Boonton, New Jersey 07005

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the various funds - regulatory basis of the Township of Boonton, State of New Jersey as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township of Boonton, State of New Jersey's basic financial statements, and have issued our report thereon dated August 24, 2022. These financial statements - regulatory basis have been prepared in conformity with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township of Boonton, State of New Jersey'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 of Boonton, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Boonton, State of New Jersey's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



SAMUEL KLEIN AND COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS



JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
August 24, 2022

ROSTER OF OFFICIALS FOR THE YEAR 2021

| <u>Name</u> | <u>Title</u> |
|----------------------------------|---|
| <u>Township Committee</u> | |
| Thomas R. Donadio | Mayor |
| Paul Allieri | Committeeman |
| Patricia Collins | Committeewoman to August 13, 2021 |
| Brian Honan | Committeeman |
| William Klingener | Committeeman |
| Thomas SanFilippo, Jr. | Committeeman from September 7, 2021 |
| <u>Other Officials</u> | |
| Douglas Cabana | Township Administrator Township Clerk from December 30, 2021 Acting Township Clerk to December 30, 2021 |
| Norman M. Eckstein | Chief Financial Officer/Treasurer Tax Collector |
| Jacqueline Cardini | Tax Assessor |
| Andrew Wubbenhorst | Judge |
| Joan Egan | Court Administrator |
| Fred Semrau | Township Attorney |

All employees were bonded by a Public Employees' Dishonesty Bond issued by Morris County Municipal Joint Insurance Fund in the sum of \$1,000,000.00 per loss.

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

N.J.S. 40A:11-4a states "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

It is pointed out that the Township Committee has 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 statutory bidding threshold effective July 1, 2020 was the sum of \$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.

P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-20.5, known as the "Pay-to-Play-Law", however, 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 minutes indicate that bids were requested by public advertising for the following item:

Service and Construction Contracts:
Resurfacing of Oak Road

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 19:44A-20.5.

Collection of Interest on Delinquent Taxes and Water and Sewer Charges

N.J.S. 53:4-67, 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 adopted the following resolution on January 3, 2021, authorizing interest to be charged on delinquent payments:

"BE IT RESOLVED, by the Township Committee of the Township of Boonton, in the County of Morris, State of New Jersey, that for the year 2021, the Tax Collector be authorized and he/she is hereby directed to collect interest on delinquent taxes at the rate of eight percent (8%) per annum on the first \$1,500 of the delinquency and eighteen percent (18%) per annum on any amount in excess of \$1,500 for non-payment of taxes in accordance with Chapter 435 of the laws of 1979, provided however, that no interest shall be charged if payment of any installment is made within ten days after the date upon which the same became payable, and that no discount be allowed on taxes paid in advance.

BE IT FURTHER RESOLVED, that the Utility Collector be authorized and he/she is hereby directed to collect interest on delinquent water and sewer payments at the rate of eight percent (8%) per annum on the first \$1,500 of the delinquency, and eighteen percent (18%) per annum on any amount in excess of \$1,500 for non-payment of water and sewer charges from the due date for the water and sewer bills."

Our review of the records of the Tax Collector indicated that interest on delinquent tax, water and sewer bills were generally collected in accordance with the provisions of the above resolution.

On October 15, 2020, the Governor signed Executive Order 190 which bars 1) all municipal water utilities from shutting off the water supply to residential accounts, or accounts primarily serving residential customers due to nonpayment, and 2) collecting fees and charges for late or otherwise untimely water payments or water supply service reconnections that have accrued, and will continue to accrue, during the Public Health Emergency declared in response to COVID-19. As a result, municipalities cannot bring delinquent water charges to tax sale for the remainder of the Public Health Emergency. This Order shall take effect on October 15, 2020 and shall remain in effect until March 15, 2021. On March 3, 2021, the Governor signed Executive Order 229 which extended the expiration date to June 30, 2021. On June 14, 2021, the Governor signed Executive Order 246 which extended the expiration date to December 31, 2021.

Delinquent Taxes

There were no delinquent taxes, exclusive of 2021, as of December 31, 2021.

The last tax sale was held on December 8, 2021 and was complete.

Tax Title Liens

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</u> |
|-------------|---------------|
| 2021 | 4 |
| 2020 | 4 |
| 2019 | 4 |

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

Our review of the tax title lien accounts resulted in the following comment:

- The property owner of Block 40901, Lot 12, represented by Tax Title Lien Certificate #2013-04 is recorded in the tax duplicate as "Unknown".

The Township has started foreclosure proceedings on four of the Township-Owned Tax Title Liens, including Tax Title Lien Certificate #2013-04.

Revenue Collecting Officials

Construction Code Official:

Receipting and record maintenance procedures implemented in the Office of the Construction Code Official appear to be in accordance with the provisions of the Uniform Construction Code of New Jersey and the precepts and directives of the New Jersey Division of Housing and Development in the Department of Community Affairs. The system mandates the use of standardized forms prepared and distributed by the State to all Chief Construction Code Officials. Supplies of application forms may also be maintained by private contractors. The forms are not prenumbered and their prescribed use eliminates such time-proven and inherent assurances of accountability, control of inspections and fiscal activity thus afforded. Reliance of the accuracy and integrity of all departmental activity is therefore necessarily placed upon internal numbering systems and recording practices.

Sales Tax

The Township ran a concession stand during 2021. Sales tax was not collected. According to the Township Attorney, the concession stand would not be subject to sales tax.

Payroll Fund

The Township of Boonton contracted with R and L Data Centers, Inc. to be the third party payroll service provider.

Municipal Court

A statutory report on the operations of the Municipal Court has been prepared and copies filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Township Clerk.

Collections of the Court are summarized as follows:

| <u>Agency</u> | <u>Balance Dec. 31, 2020</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Balance Dec. 31, 2021</u> |
|-------------------------------|----------------------------------|--------------------|----------------------|----------------------------------|
| State of New Jersey | \$ 405.24 | \$ 9,511.25 | \$ 9,701.32 | \$ 215.17 |
| County | 135.00 | 5,415.00 | 5,262.00 | 288.00 |
| Municipality | 587.54 | 14,515.20 | 14,626.10 | 476.64 |
| Other Agencies and Sources | (25.00) | 903.43 | 878.43 | |
| Cash Bail | | 300.00 | 150.00 | 150.00 |
| | <u>\$1,102.78</u> | <u>\$30,644.88</u> | <u>\$30,617.85</u> | <u>\$1,129.81</u> |

Corrective Action Plan

In accordance with regulations promulgated by the Single Audit Act and the Division of Local Government Services, all municipalities are required to prepare and submit to the Division of Local Government Services, a Corrective Action Plan with regard to audit deficiencies. This plan must be approved by formal resolution of the Governing Body and submitted within 60 days from the date the audit is received.

A Corrective Action Plan was not required for the year ended December 31, 2020.

Status of Prior Years' Audit Recommendations

There were no prior years' recommendations.

Miscellaneous

Revenue and receipts were established and verified as to source and amount only insofar as the local records permitted.

In verifying expenditures, computations were tested on 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 the municipality were confirmed as received by the Secretary of the Board of Education for the year 2021.

Change and Petty Cash Funds were verified by physical counts during the course of audit.

All sums of outstanding checks shown in cash reconciliations herein are in agreement with the records of the Treasurer.

A report summarizing collections of Dog License Fees and remittances of State Registration Fees was prepared and filed with the New Jersey Department of Health and the Division of Local Government Services for the year 2021.

An exit conference was held with the Mayor, Township Administrator and Chief Financial Officer.

A summary or 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.

RECOMMENDATIONS

NONE

* * *

The foregoing comments are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.


We shall be pleased to confer on any questions that might arise with respect to any matters in this report.

We desire to express our appreciation for the assistance and courtesies rendered by the Township officials and employees during the course of the audit.

Respectfully submitted,

A handwritten signature in black ink that reads "Samuel Klein and Company LLP". The signature is written in a cursive, flowing style.

SAMUEL KLEIN AND COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS

A handwritten signature in black ink that reads "Joseph J. Faccone". The signature is written in a cursive, flowing style.

JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
August 24, 2022

