

TOWN OF BELVIDERE
COUNTY OF WARREN
REPORT OF AUDIT
2019

NISIVOCCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS

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TOWN OF BELVIDERE

PART I

FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2019

Independent Auditors' Report

The Honorable Mayor and Members
of the Town Council
Town of Belvidere, NJ

Report on the Financial Statements

We have audited the financial statements – *regulatory basis* - of the various funds of the Town of Belvidere, in the County of Warren (the "Town") as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

The Honorable Mayor and Members
of the Town Council
Town of Belvidere
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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the Town on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America the financial position of each fund and account group of the Township as of December 31, 2019 and 2018, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds and account group of the Town as of as of December 31, 2019 and 2018, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds that collectively comprise the Township's financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary data schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the various fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund financial statements or to the various fund financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

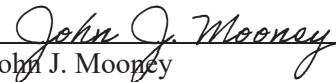
The Honorable Mayor and Members
of the Town Council
Town of Belvidere
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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2020 on our consideration of the Town'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 Town'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 Town's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
June 12, 2020

NISIVOCIA LLP



John J. Mooney
Registered Municipal Accountant No. 560
Certified Public Accountant

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
CURRENT FUND

TOWN OF BELVIDERE
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents:			
Cash - Treasurer	A-4	\$ 1,241,280.56	\$ 1,292,687.28
Petty Cash Fund - Treasurer		750.00	750.00
		<u>1,242,030.56</u>	<u>1,293,437.28</u>
Receivables and Other Assets With			
Full Reserves:			
Delinquent Property Taxes Receivable	A-6	215,192.52	225,712.57
Tax Title Liens Receivable	A-7	34,186.83	79,601.84
Property Acquired for Taxes		71,200.00	36,700.00
Revenue Accounts Receivable	A-8	10,912.05	9,608.73
Other Receivables		6,982.00	6,982.00
Due from:			
Federal and State Grant Fund	A		22,694.25
Animal Control Fund	B	601.38	75.00
Other Trust Funds - Recreation	B		7,091.71
Unemployment Trust Funds	B		348.03
General Capital Fund	C	565.00	
Sewer Utility Operating Fund	E	1,677.50	68,551.44
Swimming Pool Utility Operating Fund	F		12,303.27
Swimming Pool Utility Capital Fund	F		1,922.00
Total Receivables and Other Assets		<u>341,317.28</u>	<u>471,590.84</u>
With Full Reserves			
Total Regular Fund		<u>1,583,347.84</u>	<u>1,765,028.12</u>
Federal and State Grant Fund:			
Cash and Cash Equivalents	A-4A	20,141.71	31,499.15
Federal and State Grants Receivable	A-11	135,039.37	160,863.32
Due from General Capital Fund	C	10,823.95	
Due from Current Fund	A	3,707.59	
Total Federal and State Grant Fund		<u>169,712.62</u>	<u>192,362.47</u>
<u>TOTAL ASSETS</u>		<u>\$ 1,753,060.46</u>	<u>\$ 1,957,390.59</u>

TOWN OF BELVIDERE
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

		December 31,	
	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves:			
Unencumbered	A-3;A-9	\$ 113,667.88	\$ 101,661.83
Encumbered	A-3;A-9	20,906.05	1,371.58
Total Appropriation Reserves		134,573.93	103,033.41
Prepaid Taxes		65,997.24	67,123.28
Tax Overpayments		3,190.60	3,170.28
County Taxes Payable		490.92	11,865.02
Due Federal and State Grant Fund	A	3,707.59	
Due Other Trust Fund - Tax Sale Premium	B	16,498.42	5,700.00
Due Other Trust Fund	B	7,643.40	29,999.74
Due Other Trust Fund -Accumulated Absences	B		10,000.00
Due General Capital Fund	C		268,834.80
Due Payroll Account		107,051.37	34,242.06
Due to State of New Jersey:			
Senior Citizens' and Veteran's Deductions		3,858.94	3,608.94
Marriage License Fees		730.00	405.00
Uniform Construction Code Fees		13,907.00	13,907.00
Local School District Taxes Payable	A-10	148,387.52	148,387.52
Reserve for Recodification of Ordinances		4,235.00	4,235.00
Reserve for Sale of Municipal Assets		33,223.66	127,378.66
Reserve for Third Party Liens		69,605.09	66,140.08
		613,100.68	898,030.79
Reserve for Receivables and Other			
Assets	A	341,317.28	471,590.84
Fund Balance	A-1	628,929.88	395,406.49
Total Regular Fund		1,583,347.84	1,765,028.12
Federal and State Grant Fund:			
Appropriated Reserves	A-12	149,016.47	169,594.99
Unappropriated Reserves	A-13	20,696.15	73.23
Due to Current Fund	A		22,694.25
Total Federal and State Grant Fund		169,712.62	192,362.47
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 1,753,060.46</u>	<u>\$ 1,957,390.59</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

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

	<u>Ref.</u>	<u>Year Ended December 31,</u>	
		<u>2019</u>	<u>2018</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 275,000.00	\$ 211,000.00
Miscellaneous Revenue Anticipated		917,750.26	1,109,433.86
Receipts from:			
Delinquent Taxes		246,176.14	211,736.19
Current Taxes		7,065,886.62	7,196,095.35
Nonbudget Revenue		121,898.88	104,851.95
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		24,338.06	53,732.24
Interfunds Returned		110,141.82	1,367.09
Total Income		<u>8,761,191.78</u>	<u>8,888,216.68</u>
<u>Expenditures</u>			
Budget Appropriations:			
Municipal Purposes		3,049,176.00	3,202,089.25
County Taxes		1,338,476.47	1,408,296.95
Amount Due County for Added and Omitted Taxes		490.92	11,865.02
Local School District Taxes		3,864,525.00	3,864,525.00
Interfunds Advanced			112,985.70
Senior Citizens Deductions Disallowed			250.00
Refund of Prior Year Revenue			38,427.21
Total Expenditures		<u>8,252,668.39</u>	<u>8,638,439.13</u>
Statutory Excess to Fund Balance		508,523.39	249,777.55
<u>Fund Balance</u>			
Balance January 1		<u>395,406.49</u>	<u>356,628.94</u>
		903,929.88	606,406.49
Decreased by:			
Utilized as Anticipated Revenue		<u>275,000.00</u>	<u>211,000.00</u>
Balance December 31	A	<u>\$ 628,929.88</u>	<u>\$ 395,406.49</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 275,000.00		\$ 275,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	4,900.00		4,900.00	
Fines and Costs:				
Municipal Court	80,000.00		137,185.02	\$ 57,185.02
Interest and Costs on Taxes	38,000.00		48,043.42	10,043.42
Energy Receipts Tax	476,140.00		476,140.00	
Garden State Preservation Trust Fund	3,430.00		3,430.00	
Uniform Construction Code Fees	45,000.00		39,087.00	5,913.00 *
Cable Franchise Fee	8,000.00		7,477.77	522.23 *
Anticipated Utility Operating Surplus	36,000.00		36,000.00	
Harmony Township Shared Court	29,000.00		36,745.81	7,745.81
Liberty Township Shared Court	12,000.00		12,486.24	486.24
Reserve for Sale of Municipal Assets	116,255.00		116,255.00	
Total Miscellaneous Revenue	848,725.00		917,750.26	69,025.26
Receipts from Delinquent Taxes	170,000.00		246,176.14	76,176.14
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	2,088,280.85		2,130,224.08	41,943.23
Budget Totals	3,382,005.85		3,569,150.48	187,144.63
Nonbudget Revenue			121,898.88	121,898.88
	<u>\$ 3,382,005.85</u>	<u>\$ -0-</u>	<u>\$ 3,691,049.36</u>	<u>\$ 309,043.51</u>

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Allocation of Current Tax Collections

Revenue from Collection of Current Taxes	\$ 7,065,886.62
Allocated to County and School Taxes	<u>5,203,492.39</u>
Balance for Support of Municipal Budget	1,862,394.23
Add: Appropriation - Reserve for Uncollected Taxes	<u>267,829.85</u>
Realized for Support of Municipal Budget	<u><u>\$ 2,130,224.08</u></u>

Analysis of Delinquent Tax Collections:

Delinquent Taxes	\$ 233,569.56
Tax Title Liens	<u>12,606.58</u>
	<u><u>\$ 246,176.14</u></u>

Analysis of Nonbudget Revenue

Miscellaneous Revenue Not Anticipated:

Treasurer:	
Interest on Investments and Deposits	\$ 22,119.31
Senior Citizens and Veterans Deductions - Administrative Fee	410.00
Clerk Fees	46,336.40
Police Receipts	2,224.68
Planning Board	80.00
Board Adjustment Fees	165.00
Other	15,012.93
Refunds	<u>17,443.57</u>
	\$ 103,791.89
Tax Collector Miscellaneous Revenue	14,753.58
Animal Control - Statutory Excess Due Current Fund	601.38
Grant Fund Interest Earned	603.25
General Capital Fund Interest Earned	1,840.52
Other Trust Funds Interest Earned	<u>308.26</u>
	<u><u>\$ 121,898.88</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Cancelled
	Budget	Budget After Modification			
Operations - Within "CAPS"					
GENERAL GOVERNMENT:					
Mayor and Council:					
Salaries & Wages	\$ 15,350.00	\$ 15,350.00	\$ 15,106.20	\$ 243.80	
Other Expenses	2,000.00	2,000.00	1,244.25	755.75	
Administration (Municipal Clerk):					
Salaries & Wages	109,242.00	109,242.00	107,754.66	1,487.34	
Other Expenses:	30,300.00	30,300.00	27,620.42	2,679.58	
Financial Administration:					
Salaries & Wages	28,357.00	28,357.00	24,182.10	174.90	\$ 4,000.00
Other Expenses	14,500.00	14,793.16	14,793.16		
Audit	21,500.00	21,500.00	20,650.00	850.00	
Tax Assessment Administration:					
Salaries & Wages	21,879.00	21,879.00	21,365.88	513.12	
Other Expenses	1,354.00	1,776.14	1,776.14		
Revenue Administration (Tax Collection):					
Salaries & Wages	12,189.00	12,189.00	11,576.76	612.24	
Other Expenses	1,950.00	1,996.46	1,996.46		
Legal Services and Costs:					
Other Expenses:					
Miscellaneous Other Expenses	35,000.00	35,000.00	28,433.00	6,567.00	
Engineering Services and Costs:					
Other Expenses	20,000.00	20,086.04	20,086.04		

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019
(Continued)

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Cancelled
	Budget	Budget After Modification			
Operations - Within "CAPS" (continued)					
GENERAL GOVERNMENT (continued):					
Public Buildings and Grounds:					
Other Expenses:					
Repairs and Maintenance	\$ 38,000.00	\$ 28,000.00	\$ 24,903.07	\$ 3,096.93	
Scout Home Maintenance	1,000.00	1,000.00		1,000.00	
Municipal Land Use Law (N.J.S.A. 40:55D-1):					
Planning Board:					
Salaries & Wages	3,060.00	3,060.00	3,000.00	60.00	
Other Expenses	7,000.00	7,000.00	4,637.37	2,362.63	
Zoning Officer:					
Salaries & Wages	5,500.00	5,500.00	5,000.06	499.94	
Shade Tree Commission:					
Other Expenses	3,700.00	3,700.00	2,933.53	766.47	
PUBLIC SAFETY:					
Fire:					
Salaries & Wages	2,550.00	2,550.00	2,439.00	111.00	
Donation to Volunteer Fire Company	45,000.00	45,000.00	45,000.00		

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019
(Continued)

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Cancelled
	Budget	Budget After Modification			
Operations - Within "CAPS" (continued)					
PUBLIC SAFETY: (continued)					
Police:					
Salaries & Wages	\$ 687,000.00	\$ 711,464.73	\$ 710,494.43	\$ 970.30	
Other Expenses	74,000.00	69,000.00	68,821.92	178.08	
Emergency Management Services:					
Salaries & Wages	4,275.00	4,275.00	4,120.68	154.32	
Other Expenses	1.00	1.00		1.00	
STREETS AND ROADS:					
Road Repairs and Maintenance:					
Salaries & Wages	226,000.00	211,451.87	197,628.62	823.25	\$ 13,000.00
Other Expenses	174,000.00	174,000.00	121,716.60	12,283.40	40,000.00
HEALTH AND WELFARE:					
Rescue Squad:					
Other Expenses	30,000.00	30,000.00	30,000.00		
Other Expenses - Hepatitis B Shots	2,500.00	2,500.00		2,500.00	
Animal Control:					
Salaries & Wages	6,000.00	6,000.00	6,000.00		
Other Expenses	900.00	900.00		900.00	
RECREATION AND EDUCATION:					
Parks and Playgrounds:					
Other Expenses	3,000.00	3,000.00	3,000.00		
Celebration of Holidays and Anniversaries:					
Other Expenses	1,000.00	1,000.00	297.00	703.00	

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019
(Continued)

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Cancelled
	Budget	Budget After Modification			
Operations - Within "CAPS" (continued)					
RECREATION AND EDUCATION (continued):					
Environmental Commission:					
Other Expenses	\$ 800.00	\$ 800.00	\$ 350.00	\$ 450.00	
Utility Expenses and Bulk Purchases:					
Electricity	58,000.00	53,000.00	49,644.40	3,355.60	
Telephone	23,000.00	24,414.92	24,414.92		
Sewer Rentals					
Bulk Fuel	46,000.00	49,529.31	49,529.31		
Fire Hydrant Services	26,750.00	26,750.00	25,852.21	897.79	
Landfill Tipping Fees:					
Other Expenses	1,500.00	1,500.00	817.03	682.97	
Municipal Court:					
Salaries & Wages	39,700.00	39,700.00	35,700.00		\$ 4,000.00
Other Expenses	5,000.00	5,000.00	5,000.00		
Public Defender:					
Salaries & Wages	1,000.00	1,000.00	473.70	526.30	
Insurance:					
General Liability	190,000.00	190,000.00	151,389.70	38,610.30	
Group Insurance	215,000.00	215,000.00	200,325.07	14,674.93	
Accumulated Sick and Vacation Reserve	5,000.00	5,000.00	5,000.00		
Uniform Construction Code:					
Salaries & Wages	23,000.00	23,000.00	22,804.07	195.93	
Other Expenses	1,000.00	1,000.00	532.94	467.06	

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019
(Continued)

	Appropriations		Paid or	Reserved	Unexpended
	Budget	Budget After Modification	Charged		Balance Cancelled
Operations - Within "CAPS" (continued)					
Total Operations within "CAPS"	\$ 2,263,857.00	\$ 2,259,565.63	\$ 2,098,410.70	\$ 100,154.93	\$ 61,000.00
Contingent	100.00	100.00		100.00	
Total Operations Including Contingent within "CAPS"	2,263,957.00	2,259,665.63	2,098,410.70	100,254.93	61,000.00
Detail:					
Salaries & Wages	1,190,102.00	1,195,018.60	1,172,646.16	6,372.44	21,000.00
Other Expenses (Including Contingent)	1,073,855.00	1,064,647.03	925,764.54	93,882.49	40,000.00
DEFERRED CHARGES:					
Trust Fund Deficit	488.00	488.00	488.00		
STATUTORY EXPENDITURES:					
Contribution to:					
Public Employees Retirement System	69,895.00	70,036.75	70,036.75		
Social Security (FICA)	95,000.00	99,149.62	93,306.70	1,842.92	4,000.00
Unemployment Compensation Insurance	11,000.00	11,000.00		11,000.00	
Police and Firemen's Retirement System of New Jersey	137,266.00	137,266.00	137,266.00		
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	313,649.00	317,940.37	301,097.45	12,842.92	4,000.00
Total General Appropriations for Municipal Purposes Within "CAPS"	2,577,606.00	2,577,606.00	2,399,508.15	113,097.85	65,000.00

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Shared Service Agreements - Excluded from "CAPS":					
Harmony Township Shared Court	\$ 29,000.00	\$ 29,000.00	\$ 29,000.00		
Liberty Township Shared Court	12,000.00	12,000.00	11,429.97	\$ 570.03	
Total Shared Services - Excluded from "CAPS"	41,000.00	41,000.00	40,429.97	570.03	
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	75,000.00	75,000.00	75,000.00		
Total Capital Improvements Excluded from "CAPS"	75,000.00	75,000.00	75,000.00		
Municipal Debt Service - Excluded from "CAPS":					
Payment of Bond Principal	115,000.00	115,000.00	115,000.00		
Payment of Bond Anticipation Notes	233,855.00	233,855.00	233,855.00		
Interest on Bonds	46,100.00	46,100.00	46,100.00		
Interest on Notes	5,615.00	5,615.00	5,615.00		
Total Municipal Debt Service - Excluded from "CAPS"	400,570.00	400,570.00	400,570.00		

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019
(Continued)

	Appropriations		Paid or Charged	Reserved	Unexpended Balance Cancelled
	Budget	Budget After Modification			
Deferred Charges - Municipal - Excluded from "CAPS":					
Funding Ordinance 2004-03	\$ 6,206.80	\$ 6,206.80	\$ 6,206.80		
Funding Ordinance 2000-11	13,793.20	13,793.20	13,793.20		
Total Deferred Charges - Municipal - Excluded from "CAPS"	20,000.00	20,000.00	20,000.00		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	536,570.00	536,570.00	535,999.97	\$ 570.03	
Subtotal General Appropriations	3,114,176.00	3,114,176.00	2,935,508.12	113,667.88	\$ 65,000.00
Reserve for Uncollected Taxes	267,829.85	267,829.85	267,829.85		
Total General Appropriations	\$ 3,382,005.85	\$ 3,382,005.85	\$ 3,203,337.97	\$ 113,667.88	\$ 65,000.00
			<u>Ref.</u>	A	

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019
(Continued)

	<u>Ref.</u>	Analysis of	
		<u>Budget After Modification</u>	<u>Paid or Charged</u>
Adopted Budget		<u>\$ 3,382,005.85</u>	
		<u>\$ 3,382,005.85</u>	
Reserve for Uncollected Taxes			\$ 267,829.85
Cash Disbursed			2,841,168.57
Deferred Charged to Future Taxation - Unfunded - Due to General Capital			20,000.00
Capital Improvement Fund - Due to General Capital			75,000.00
Encumbrances	A		<u>20,906.05</u>
			3,224,904.47
Less: Appropriation Refunds			<u>21,566.50</u>
			<u>\$ 3,203,337.97</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
TRUST FUNDS

TOWN OF BELVIDERE
COMPARATIVE BALANCE SHEET - TRUST FUNDS - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents:			
Treasurer	B-4	\$ 6,642.58	\$ 4,700.95
Change Fund		25.00	25.00
		<u>6,667.58</u>	<u>4,725.95</u>
Unemployment Trust Fund:			
Cash and Cash Equivalents	B-4	2,525.07	989.41
Due From Payroll Account		<u>2,194.25</u>	<u>2,194.25</u>
		<u>4,719.32</u>	<u>3,183.66</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	139,449.89	48,277.70
Deferred Charges - National Night Out			487.29
Due From Current Fund - Tax Sale Premiums	A	16,498.42	5,700.00
Due From Current Fund - Accumulated Absences	A		10,000.00
Due From Current Fund - Other Trust	A	7,643.40	29,999.74
Due From Swimming Pool Utility Operating Fund	F		9,452.18
Due From Payroll Account			<u>7,752.68</u>
		<u>163,591.71</u>	<u>111,669.59</u>
<u>TOTAL ASSETS</u>		<u>\$ 174,978.61</u>	<u>\$ 119,579.20</u>

TOWN OF BELVIDERE
COMPARATIVE BALANCE SHEET - TRUST FUNDS - REGULATORY BASIS

	<u>Ref.</u>	<u>December 31,</u> <u>2019</u>	<u>December 31,</u> <u>2019</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due NJ State Board of Health		\$ 13.80	\$ 12.60
Due Current Fund	A	601.38	75.00
Reserve for Animal Control Fund Expenditures	B-5	6,052.40	4,638.35
		<u>6,667.58</u>	<u>4,725.95</u>
Unemployment Trust Fund:			
Due to Current Fund	A		348.03
Reserve for Unemployment Trust Fund		4,719.32	2,835.63
		<u>4,719.32</u>	<u>3,183.66</u>
Other Trust Funds:			
Due to Current Fund- Recreation Trust	A		7,091.71
Reserve for:			
Escrow Deposits		35,764.27	29,113.04
Historic Trust		333.20	110.00
Parking Offenses Adjudication Act		439.18	381.18
Christmas Tree Lighting Fund		641.14	641.14
Shade Tree Trust Fund		28.72	28.72
Public Defender		242.00	42.00
Tax Sale Premiums		16,498.42	5,700.00
Recreation Trust Fund		21,743.64	11,463.76
National Night Out Trust Fund		134.10	
Police Water Rescue Trust Fund		793.40	793.40
Police Outside Trust Fund		76,973.64	46,304.64
Accumulated Absences		10,000.00	10,000.00
Total Other Trust Funds		<u>163,591.71</u>	<u>111,669.59</u>
<u>TOTAL LIABILITIES AND RESERVES</u>		<u>\$ 174,978.61</u>	<u>\$ 119,579.20</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
GENERAL CAPITAL FUND

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 35,174.80	\$ 45,479.93
Due Current Fund	A		268,834.80
Due Sewer Utility Capital Fund	E	39,740.50	39,740.50
Due White Township			200,000.00
Due Goodwill Fire Company			10,000.00
Due New Jersey Department of Transportation			60,489.25
Deferred Charges to Future Taxation:			
Funded		1,242,000.00	1,357,000.00
Unfunded	C-4	<u>304,692.61</u>	<u>575,977.59</u>
<u>TOTAL ASSETS</u>		<u>\$ 1,621,607.91</u>	<u>\$ 2,557,522.07</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Bond Anticipation Notes Payable	C-7		\$ 233,855.00
Serial Bonds Payable	C-8	\$ 1,242,000.00	1,357,000.00
Improvement Authorizations:			
Funded	C-5	101,804.99	196,399.80
Unfunded	C-5	140,000.00	238,043.00
Due Current Fund	A	565.00	
Due Federal and State Grant Fund	A	10,823.95	
Capital Improvement Fund	C-6	80,331.50	81,242.53
Reserve for:			
Encumbrances		5,043.75	409,943.02
Capital Fund Balance	C-1	<u>41,038.72</u>	<u>41,038.72</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 1,621,607.91</u>	<u>\$ 2,557,522.07</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2018	C	<u>\$ 41,038.72</u>
Balance December 31, 2019	C	<u><u>\$ 41,038.72</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
WATER UTILITY FUND
(NOT APPLICABLE)

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
SEWER UTILITY FUND

TOWN OF BELVIDERE
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	E-5	\$ 401,050.56	\$ 431,667.04
Due from Payroll		100,000.00	77,475.96
		<u>501,050.56</u>	<u>509,143.00</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7	123,469.97	125,964.99
Sewer Liens Receivable	E-7A	18,411.52	18,411.52
		<u>141,881.49</u>	<u>144,376.51</u>
Total Operating Fund		<u>642,932.05</u>	<u>653,519.51</u>
Capital Fund:			
Cash and Cash Equivalents	E-5	160,124.50	135,124.50
Fixed Capital	E-8	3,441,491.18	3,441,491.18
Total Capital Fund		<u>3,601,615.68</u>	<u>3,576,615.68</u>
<u>TOTAL ASSETS</u>		<u>\$ 4,244,547.73</u>	<u>\$ 4,230,135.19</u>

TOWN OF BELVIDERE
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves:			
Unencumbered	E-4; E-10	\$ 37,085.58	\$ 54,307.53
Total Appropriation Reserves		37,085.58	54,307.53
Due Current Fund	A	1,677.50	68,551.44
Prepaid Rents		7,635.79	2,505.00
Sewer Overpayments		904.63	3,610.83
		<u>47,303.50</u>	<u>128,974.80</u>
Reserve for Receivables		141,881.49	144,376.51
Fund Balance	E-1	<u>453,747.06</u>	<u>380,168.20</u>
Total Operating Fund		<u>642,932.05</u>	<u>653,519.51</u>
Capital Fund:			
Due to General Capital Fund	C	39,740.50	39,740.50
Capital Improvement Fund	E-12	119,802.75	94,802.75
Reserve for Amortization	E-13	3,441,491.18	3,441,491.18
Fund Balance	E-2	<u>581.25</u>	<u>581.25</u>
Total Capital Fund		<u>3,601,615.68</u>	<u>3,576,615.68</u>
<u>TOTAL LIABILITIES, RESERVES, AND FUND BALANCE</u>		<u>\$ 4,244,547.73</u>	<u>\$ 4,230,135.19</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN UTILITY OPERATING FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2019	2018
<u>Revenue and Other Income Realized</u>			
Sewer Rents		\$ 749,854.57	\$ 800,081.67
Miscellaneous		15,454.00	22,168.80
Other Credits to Income:			
Appropriation Reserves Lapsed		51,992.29	25,593.41
Total Income		<u>817,300.86</u>	<u>847,843.88</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		670,622.00	699,221.00
Capital Improvement Fund		25,000.00	
Capital Outlay		10,000.00	50,000.00
Deferred Charges and Statutory Expenditures		2,100.00	2,100.00
Total Expenditures		<u>707,722.00</u>	<u>751,321.00</u>
Excess in Revenue		109,578.86	96,522.88
<u>Fund Balance</u>			
Balance January 1		<u>380,168.20</u>	<u>318,645.32</u>
		489,747.06	415,168.20
Decreased by:			
Revenue - Current Fund Budget - Prior Year Balance		<u>36,000.00</u>	<u>35,000.00</u>
Balance December 31	E	<u>\$ 453,747.06</u>	<u>\$ 380,168.20</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2018	E	<u>\$ 581.25</u>
Balance December 31, 2019	E	<u><u>\$ 581.25</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ Deficit*</u>
Sewer Rents	\$ 707,722.00	\$ 749,854.57	\$ 42,132.57
Nonbudget Revenue		15,454.00	15,454.00
	<u>\$ 707,722.00</u>	<u>\$ 765,308.57</u>	<u>\$ 57,586.57</u>

Analysis of Nonbudget Revenue

Interest on Sewer Rents	\$ 7,575.73
Miscellaneous Other	1,665.94
Interest Income	6,212.33
	<u>\$ 15,454.00</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

	Appropriations		Expended by	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operating:				
Salaries and Wages	\$ 31,000.00	\$ 31,000.00	\$ 22,131.78	\$ 8,868.22
Other Expenses	639,622.00	639,622.00	621,827.14	17,794.86
Capital Improvement Fund	25,000.00	25,000.00	25,000.00	
Capital Outlay	10,000.00	10,000.00		10,000.00
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I)	2,100.00	2,100.00	1,677.50	422.50
	<u>\$ 707,722.00</u>	<u>\$ 707,722.00</u>	<u>\$ 670,636.42</u>	<u>\$ 37,085.58</u>

Ref.

E

Paid by Current Fund	\$ 23,809.28
Paid by Sewer Operating Capital Improvement Fund	621,827.14
	25,000.00
	<u>\$ 670,636.42</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
SWIMMING POOL UTILITY FUND

TOWN OF BELVIDERE
SWIMMING POOL UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	Ref.	2019	2018
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	F-5	\$ 25,560.24	\$ 72,612.18
Change Fund		50.00	50.00
Petty Cash		200.00	200.00
		25,810.24	72,862.18
Loan to Swimming Pool Utility Capital Fund	F	57,200.00	
Due from Swimming Pool Utility Capital Fund	F	1.87	
Due from Payroll			25,000.00
Total Operating Fund		83,012.11	97,862.18
Capital Fund:			
Cash and Cash Equivalents	F-5	10,468.75	1,013.02
Due from Swimming Pool Utility Operating Fund	F		11,375.86
Fixed Capital	F-8	790,591.76	787,841.76
Fixed Capital Authorized and Uncompleted	F-9	79,815.00	79,815.00
Total Capital Fund		880,875.51	880,045.64
<u>TOTAL ASSETS</u>		<u>\$ 963,887.62</u>	<u>\$ 977,907.82</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves - Unencumbered	F-4;F-10	\$ 4,450.00	\$ 4,402.94
		4,450.00	4,402.94
Due Current Fund	A		12,303.27
Due Recreation Trust Fund	B		9,452.18
Due Swimming Pool Utility Capital Fund	F		11,375.86
Accrued Interest on Bonds		362.50	406.25
Accrued Interest on Notes			1,256.40
Fund Balance	F-1	78,199.61	58,665.28
Total Operating Fund		83,012.11	97,862.18
Capital Fund:			
Serial Bonds Payable	F-15	58,000.00	65,000.00
Bond Anticipation Notes Payable	F-17		69,800.00
Loan Payable to Swimming Pool Utility Operating Fund	F	57,200.00	
Improvement Authorizations - Funded	F-11	315.00	315.00
Improvement Authorizations - Unfunded	F-11	8,468.17	8,468.17
Due Current Fund	A		1,922.00
Due to Swimming Pool Utility Operating Fund	F	1.87	
Deferred Reserve for Amortization	F-14	4,815.00	4,815.00
Reserve for Amortization	F-13	750,391.76	728,041.76
Fund Balance	F-2	1,683.71	1,683.71
Total Capital Fund		880,875.51	880,045.64
<u>TOTAL LIABILITIES, RESERVES, AND FUND BALANCE</u>		<u>\$ 963,887.62</u>	<u>\$ 977,907.82</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
SWIMMING POOL UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN UTILITY OPERATING
FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	<u>Year Ended December 31,</u>	
		<u>2019</u>	<u>2018</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	\$	24,424.00	\$ 6,440.00
Pool Memberships and Admission Fees		99,003.14	84,164.19
Miscellaneous Revenues		33,590.58	26,190.08
Nonbudget Revenues		13,092.48	1,233.98
Other Credits to Income:			
Appropriation Reserves Lapsed		2,257.94	8,397.69
Total Income		<u>172,368.14</u>	<u>126,425.94</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		95,028.58	78,215.87
Capital Outlay		7,200.00	7,200.00
Debt Service		22,015.81	15,586.25
Deferred Charges and Statutory Expenditures		4,165.42	3,784.13
Total Expenditures		<u>128,409.81</u>	<u>104,786.25</u>
Excess in Revenue		<u>43,958.33</u>	<u>21,639.69</u>
<u>Fund Balance</u>			
Balance January 1		58,665.28	43,465.59
		102,623.61	65,105.28
Decreased by:			
Utilization as Anticipated			
Revenue		<u>24,424.00</u>	<u>6,440.00</u>
Balance December 31	F	<u>\$ 78,199.61</u>	<u>\$ 58,665.28</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2018	F	<u>\$ 1,683.71</u>
Balance December 31, 2019	F	<u><u>\$ 1,683.71</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
SWIMMING POOL UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Revenues:			
Fund Balance Anticipated	\$ 24,424.00	\$ 24,424.00	
Pool Memberships and Admission Fees	84,000.00	99,003.14	\$ 15,003.14
Miscellaneous Revenues	<u>22,000.00</u>	<u>33,590.58</u>	<u>11,590.58</u>
	130,424.00	157,017.72	26,593.72
Nonbudget Revenue		<u>13,092.48</u>	<u>13,092.48</u>
	<u>\$ 130,424.00</u>	<u>\$ 170,110.20</u>	<u>\$ 39,686.20</u>
<u>Analysis of Nonbudget Revenue</u>			
Interest on Investments - Swimming Pool Utility Capital Fund		\$ 20.27	
Interest on Investments - Swimming Pool Utility Operating Fund		2,238.86	
Miscellaneous		<u>10,833.35</u>	
		<u>\$ 13,092.48</u>	

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
SWIMMING POOL UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Mod- ification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 55,000.00	\$ 57,245.57	\$ 57,245.57		
Other Expenses	40,000.00	37,783.01	37,783.01		
Capital Outlay	7,200.00	7,200.00	2,750.00	\$ 4,450.00	
Debt Service:					
Payment of Bond Principal	7,000.00	7,000.00	7,000.00		
Bond Anticipation Notes	12,600.00	12,600.00	12,600.00		
Interest on Bonds	2,023.00	2,023.00	1,979.25		\$ 43.75
Interest on Notes	2,407.00	2,407.00	436.56		1,970.44
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I)	4,194.00	4,165.42	4,165.42		
	<u>\$ 130,424.00</u>	<u>\$ 130,424.00</u>	<u>\$ 123,959.81</u>	<u>\$ 4,450.00</u>	<u>\$ 2,014.19</u>
Ref.				F	
		Cash Disbursed	\$ 121,544.00		
		Accrued Interest on Bonds	1,979.25		
		Accrued Interest on Notes	436.56		
			<u>\$ 123,959.81</u>		

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
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TOWN OF BELVIDERE
COUNTY OF WARREN
2019
PUBLIC ASSISTANCE FUND
(NOT APPLICABLE)

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
BOND AND INTEREST FUND
(NOT APPLICABLE)

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
GENERAL FIXED ASSETS ACCOUNT GROUP

TOWN OF BELVIDERE
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	December 31,	
	2019	2018
<u>ASSETS</u>		
Land	\$ 1,486,800.00	\$ 1,486,800.00
Buildings	1,863,700.00	1,863,700.00
Machinery and Equipment	3,669,544.08	3,241,843.06
<u>TOTAL ASSETS</u>	<u>\$ 7,020,044.08</u>	<u>\$ 6,592,343.06</u>
 <u>RESERVES</u>		
Investments in General Fixed Assets	\$ 7,020,044.08	\$ 6,592,343.06
<u>TOTAL RESERVES</u>	<u>\$ 7,020,044.08</u>	<u>\$ 6,592,343.06</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements of the Town of Belvidere include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Town of Belvidere, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Town of Belvidere do not include the operations of the Volunteer Fire and First Aid Squads

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

The accounting policies of the Town of Belvidere conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such 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 Town of Belvidere accounts for its financial transactions through the following separate funds:

Current Fund - Resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Funds - Receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

General Capital Fund - Receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Sewer Operating Fund - Account for the operations and acquisition of capital facilities of the municipally owned sewer utility.

Swimming Pool Utility Fund – Account for the operating and acquisition of capital facilities of the municipally-owned Swimming Pool Utility.

General Fixed Assets Account Group - Estimated values of land, buildings and certain fixed assets of the Town as discussed in Note 1E.

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The more significant policies in New Jersey follow.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Federal and state grants are generally recognized on the cash basis, except for certain assistance which is not realized until anticipated in the Town's budget. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Other amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Had the Town of Belvidere's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, inventories would not be reflected as expenditures at the time of purchase, investments would generally be stated at fair value, fixed assets purchased by the Swimming Pool and Sewer Utility Capital funds would be depreciated and the Town's net pension liability and related deferred inflows and outflows would be recorded.

D. Other significant accounting policies include:

Management Estimates - The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Investments – Investments are stated at cost.

Grants Receivable - Grants receivable represent the total grant award less amounts collected to date. Because the amount of grant funds to be collected is dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets.

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

- E. General Fixed Assets- In accordance with New Jersey Administrative Code accounting requirements, as promulgated by the Division of Local Government Services, the Town has developed a fixed assets accounting and reporting system based on the following:

General fixed assets are recorded at cost, except for land which is recorded at historic value. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided for on general fixed assets. The total value recorded for general fixed assets is offset by "Investments in General Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the general fixed assets account group may also be recorded in the current fund, general capital fund, swimming pool utility fund and sewer utility fund. The values recorded in the general fixed assets account group, the current fund, the general capital fund, sewer utility fund and swimming pool utility fund may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

Property and equipment purchased by the Utility Funds are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent replacement costs or current value. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Funds represent charges to operations for the costs of acquisitions of property, equipment and improvements. The Utility Funds do not record depreciation on fixed assets.

- F. Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for the Current, Sewer Utility Operating and Swimming Pool Utility Operating Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts reference in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Town during the year.
- G. Deferred Charges to Future Taxation – The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means that debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget, by collecting a grant, by selling bonds, by loans or by capital lease purchase agreements.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 2: Long-Term Debt

The Local Bond Law governs the issuance of bonds to finance the general Town capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Town are general obligation bonds. The Town's full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

Summary of Municipal Debt

	December 31,		
	2019	2018	2017
<u>Issued:</u>			
General:			
Bonds and Notes	\$ 1,242,000.00	\$ 1,590,855.00	\$ 1,882,284.00
Swimming Pool Utility:			
Bonds and Notes	58,000.00	134,800.00	147,000.00
Loans Payable			
Total Issued	<u>1,300,000.00</u>	<u>1,725,655.00</u>	<u>2,029,284.00</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	<u>304,692.61</u>	<u>342,122.59</u>	<u>114,079.59</u>
Total Authorized but not Issued	<u>304,692.61</u>	<u>342,122.59</u>	<u>114,079.59</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 1,604,692.61</u>	<u>\$ 2,067,777.59</u>	<u>\$ 2,143,363.59</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 0.834%.

	Gross Debt	Deductions	Net Debt
General Debt	\$ 1,546,692.61		\$ 1,546,692.61
Swimming Pool Utility Debt	<u>58,000.00</u>	<u>\$ 58,000.00</u>	
	<u>\$ 1,604,692.61</u>	<u>\$ 58,000.00</u>	<u>\$ 1,546,692.61</u>

Net Debt \$1,546,692.61 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$185,466,724 = 0.834%.

Borrowing Power Under N.J.S. 40A:2-5 As Amended

3-1/2% Average Equalized Valuation of Real Property	\$ 6,491,335.34
Net Debt	<u>1,546,692.61</u>
Remaining Borrowing Power	<u>\$ 4,944,642.73</u>

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 2: Long-Term Debt (Cont'd)

Calculation of "Self-Liquidating Purpose", Swimming Pool Utility Per
N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 170,110.20
Deductions:		
Operating and Maintenance Costs	\$ 99,194.00	
Debt Service Costs	22,015.81	
		<u>121,209.81</u>
Excess in Revenue		<u>\$ 48,900.39</u>

Note: If there is a deficit in revenue, swimming pool utility debt is not deductible to the extent of 20 times of said deficit or total debt service, whichever is smaller (40A:2-48).

The foregoing information is in agreement with the annual debt statement as filed by the Chief Financial Officer.

Summary of Municipal Debt Issued and Outstanding – Current Year

	Balance 12/31/2018	Issued	Retirements	Balance 12/31/2019
Serial Bonds:				
General Capital Fund	\$ 1,357,000.00		\$ 115,000.00	\$ 1,242,000.00
Swimming Pool Utility Capital Fund	65,000.00		7,000.00	58,000.00
Bond Anticipation Notes:				
General Capital Fund	233,855.00		233,855.00	
Swimming Pool Utility Capital Fund	69,800.00		69,800.00	
Total	<u>\$ 1,725,655.00</u>	<u>\$ -0-</u>	<u>\$ 425,655.00</u>	<u>\$ 1,300,000.00</u>

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt Issued and Outstanding Prior Year

	<u>Balance</u> <u>12/31/2017</u>	<u>Issued</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/2018</u>
Serial Bonds:				
General Capital Fund	\$ 1,467,000.00		\$ 110,000.00	\$ 1,357,000.00
Swimming Pool Capital Fund	72,000.00		7,000.00	65,000.00
Bond Anticipation Notes:				
General Capital Fund	415,284.00	\$ 233,855.00	415,284.00	233,855.00
Swimming Pool Capital Fund	75,000.00	69,800.00	75,000.00	69,800.00
Total	<u>\$ 2,029,284.00</u>	<u>\$ 303,655.00</u>	<u>\$ 607,284.00</u>	<u>\$ 1,725,655.00</u>

The Town's debt issued and outstanding on December 31, 2019 is described as follows:

<u>Purpose</u>	<u>General Capital Fund:</u> Maturities of Bonds		<u>Interest</u> Rate	<u>Balance</u> Dec. 31, 2019
	<u>Outstanding</u>			
	<u>Date</u>	<u>Amount</u>		
General Obligation	10/1/2020	\$ 120,000.00	3.000%	
	10/1/2021	125,000.00	3.000%	
	10/1/2022	130,000.00	3.000%	
	10/1/2023	135,000.00	3.000%	
	10/1/2024	140,000.00	3.250%	
	10/1/2025	145,000.00	3.375%	
	10/1/2026	150,000.00	4.000%	
	10/1/2027	155,000.00	4.000%	
	10/1/2028	142,000.00	4.000%	\$ 1,242,000.00

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 2: Long-Term Debt (Cont'd)

<u>Swimming Pool Utility Capital Fund:</u>			
Maturities of Bonds			
<u>Purpose</u>	<u>Outstanding</u>		<u>Interest</u>
	<u>Date</u>	<u>Amount</u>	<u>Rate</u>
Acquisition and Installation of Pool Liner	10/1/2020	\$ 8,000.00	3.000%
	10/1/2021	8,000.00	3.000%
	10/1/2022	9,000.00	3.000%
	10/1/2023	9,000.00	3.000%
	10/1/2024	9,000.00	3.250%
	10/1/2025	9,000.00	3.375%
	10/1/2026	6,000.00	4.000%
			<u>\$ 58,000.00</u>

Schedule of Annual Debt Service For Principal and Interest for the Next Five Years and Thereafter for Bonded Debt Issued and Outstanding

<u>Calendar Year</u>	<u>General Capital Fund</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2020	\$ 120,000.00	\$ 42,623.75	\$ 162,623.75
2021	125,000.00	39,023.75	164,023.75
2022	130,000.00	35,273.75	165,273.75
2023	135,000.00	31,373.75	166,373.75
2024	140,000.00	27,323.75	167,323.75
2025-2028	592,000.00	58,213.75	650,213.75
	<u>\$ 1,242,000.00</u>	<u>\$ 233,832.50</u>	<u>\$ 1,475,832.50</u>
<u>Calendar Year</u>	<u>Swimming Pool Utility Capital Fund</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2020	\$ 8,000.00	\$ 1,856.25	\$ 9,856.25
2021	8,000.00	1,616.25	9,616.25
2022	9,000.00	1,376.25	10,376.25
2023	9,000.00	1,106.25	10,106.25
2024	9,000.00	836.25	9,836.25
2025-2026	15,000.00	783.75	15,783.75
	<u>\$ 58,000.00</u>	<u>\$ 7,575.00</u>	<u>\$ 65,575.00</u>

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 3: Deferred Charges to be Raised in Succeeding Years

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2019, the Town had no deferred charges.

Note 4: Fund Balance Appropriated

Fund balances at December 31, 2019, which are appropriated and included in the adopted budget as anticipated revenue in the Current Fund, Sewer Utility Operating Fund and Swimming Pool Utility Operating Fund for the year ending December 31, 2020 are \$274,036.08, \$-0- and \$24,424, respectively.

Note 5: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

Local District Tax has been raised and liabilities deferred by statutes (under provisions of C.63, P.L. 1991, as amended), resulting in the school taxes payable set forth in the current fund liabilities as follows:

	<u>Local School Tax</u>	
	<u>Balance</u>	<u>Balance</u>
	<u>12/31/2019</u>	<u>12/31/2018</u>
Balance of Tax	\$ 1,931,262.67	\$ 1,931,262.67
Deferred	1,782,875.15	1,782,875.15
Tax Payable	<u>\$ 148,387.52</u>	<u>\$ 148,387.52</u>

Note 6: Pension Plans

Town employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee's Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS).

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/financial-reports.shtml.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided (Cont'd)

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members.

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

Town contributions to PERS amounted to \$69,895 for 2019.

The employee contribution rate was 7.50% effective July 1, 2018.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities and Pension Expense

At June 30, 2019, the Township's liability was \$1,295,982 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the Township's proportion was .0071%, which was an increase of 0.0001% from its proportion measured as of June 30, 2018.

For the year ended December 31, 2019, the Town recognized actual pension expense in the amount of \$69,895.

Actuarial Assumptions

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

Inflation Rate:

Price	2.75%
Wage	3.25%

Salary Increases:

Through 2026	2.00 – 6.00% based on years of service
Thereafter	3.00 – 7.00% based on years of service

Investment Rate of Return	7.00%
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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 a 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

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

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2019) 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. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Management Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Market Equit	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Discount Rate

The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based upon the contribution rate in the most recent fiscal year. The local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Discount Rate (Cont'd)

projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the collective net pension liability as of June 30, 2019 calculated using the discount rate as disclosed below, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (5.28%)	At Current Discount Rate (6.28%)	At 1% Increase (7.28%)
Town's proportionate share of the Net Pension Liability	\$ 1,637,036	\$ 1,295,982	\$ 1,008,596

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Police and Firemen's Retirement System (PFRS)

Plan Description

The State of New Jersey Police and Firemen's Retirement System (PFRS), is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/financial-reports.shtml.

Benefits Provided

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

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 6: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

The following represents the membership tiers for PFRS:

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

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

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual amounts over a period of 15 years beginning, with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of the assets.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 6: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Special Funding Situation

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The 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 specified 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. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. The June 30, 2019 State special funding situation net pension liability amount is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense for the fiscal year ended June 30, 2019 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2019. The pension expense is deemed to be a State administrative expense due to the special funding situation.

Town contributions to PFRS amounted to \$137,266 for the year ended December 31, 2019. During the fiscal year ended June 30, 2019, the State of New Jersey contributed \$15,950 to the PFRS for normal pension benefits on behalf of the Town, which is less than the contractually required contribution of \$27,504.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Pension Liabilities and Pension Expense

At June 30, 2019, the Town's liability for its proportionate share of the net pension liability was \$1,499,114. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the Town's proportion was .012%, which was a decrease of .002% from its proportion measured as of June 30, 2018. Additionally, the State's proportionate share of the net pension liability attributable to the Town is \$236,713 as of June 30, 2019. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The State's proportionate share of the net pension liability associated with the Town was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 6: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Pension Liabilities and Pension Expense (Cont'd)

At June 30, 2019, the State's proportion was .012%, which was a decrease of .002% from its proportion measured as of June 30, 2018 which is the same proportion as the Town's.

Town's Proportionate Share of the Net Pension Liability	\$ 1,499,114
State's Proportionate Share of the Net Pension Liability Associated with the Town	<u>236,713</u>
Total Net Pension Liability	<u><u>\$ 1,735,827</u></u>

For the year ended December 31, 2019, the Town recognized total pension expense of \$137,266.

Actuarial Assumptions

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

Inflation Rate:

Price	2.75%
Wage	3.25%

Salary Increases:

Through all future years	3.25 – 15.25% based on years of service
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Investment Rate of Return	7.00%
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Pre-retirement mortality rates were based on the RP-2010 Safety Employee Mortality Table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted Retiree mortality table with a 96.7% adjustment for males and a 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 6: Pension Plans (Cont'd)

C. Police and Firemen's Retirement System (PFRS) (Cont'd)

Actuarial Assumptions (Cont'd)

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

Long Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Management Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Market Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 6: Pension Plans (Cont'd)

A. Police and Firemen's Retirement System (PFRS) (Cont'd)

Discount Rate – PFRS

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

Sensitivity of the Total Net Pension Liability (including the State's proportionate share of the net pension liability attributable to the Town) to Changes in the Discount Rate

The following presents the total net pension liability (including the State's proportionate share of the net pension liability attributable to the Town) as of June 30, 2019 calculated using the discount rate as disclosed above, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	1% Decrease (5.85%)	Current Discount Rate (6.85%)	1% Increase (7.85%)
Town's proportionate share of the NPL and the State's proportionate share of the Net Pension Liability associated with the Town	\$ 2,346,206	\$ 1,735,827	\$ 1,230,651

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 6: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Pension Plan Fiduciary Net Position - PFRS

Detailed information about the PFRS's fiduciary net position is available in the separately issued PFRS financial statements.

Note 7: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 16. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Tax Rate</u>	\$ 5.738	\$ 5.821	\$ 5.633
<u>Apportionment of Tax Rate:</u>			
Municipal	1.643	1.665	1.698
County	1.055	1.111	0.991
Local School Tax	3.040	3.045	2.944
<u>Assessed Valuations:</u>			
2019	<u>\$ 127,081,421</u>		
2018		<u>\$ 126,909,921</u>	
2017			<u>\$ 127,520,024</u>

Comparison of Tax Levies and Collection Currently

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2019	\$ 7,294,602.04	\$ 7,065,886.62	96.86%
2018	7,450,957.03	7,196,095.35	96.57%
2017	7,184,064.93	7,011,241.73	97.59%

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 7: Selected Tax Information (Cont'd)

Comparative Schedule of Tax Rate Information

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

Note 8: Cash and Cash Equivalents

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost. The Town classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the Town in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Town ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Town limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed below and on the following page.

Custodial Credit Risk – The Town's policy with respect to custodial credit risk requires that the Town ensures that Town funds are only deposited in financial institutions in which NJ municipalities are permitted to invest their funds.

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 by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

Deposits:

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

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

In addition to the above collateral requirement, if public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 8: Cash and Cash Equivalents (Cont'd)

Deposits: (Cont'd)

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

Investments

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.)

Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;

- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.313 (C.40A:5A-1 et seq.);
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined section 1 of P.L. 1970, c.236 (C.17:9-41); and

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 8: Cash and Cash Equivalents (Cont'd)

Investments (Cont'd)

- (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2019, cash and cash equivalents of the Town of Belvidere consisted of the following:

	Checking Accounts	New Jersey Cash Management Fund	Cash on Hand	Total
Current Fund	\$ 1,241,280.56		\$ 750.00	\$ 1,242,030.56
Federal and State Grant Fund	20,141.71			20,141.71
Animal Control Fund	6,642.58		25.00	6,667.58
Unemployment Trust Fund	2,525.07			2,525.07
Other Trust Funds	139,449.89			139,449.89
General Capital Fund	35,174.80			35,174.80
Sewer Utility:				
Operating Fund	400,487.39	\$ 563.17		401,050.56
Capital Fund	160,124.50			160,124.50
Swimming Pool:				
Operating Fund	25,560.24		250.00	25,810.24
Capital Fund	10,468.75			10,468.75
	<u>\$ 2,041,855.49</u>	<u>\$ 563.17</u>	<u>\$ 1,025.00</u>	<u>\$ 2,043,443.66</u>

During the year ended December 31, 2019, the Town did not hold any investments. The carrying amount of the Town's cash and cash equivalents at December 31, 2019, was \$2,043,443.66 and the bank balance was \$2,005,462.28. The \$563.17 in the New Jersey Cash Management Fund is uninsured and unregistered.

Note 9: Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Health Benefits are provided to employees through the State Health Benefits Plan.

The Town of Belvidere is currently a member of the Public Alliance Insurance Coverage (the "Fund"). The Fund is risk-sharing public entity risk pool that is an insured and self administered group of governmental entities established for the purpose of providing low-cost insurance coverage for their respective members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund is elected.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 9: Risk Management (Cont'd)

The following coverages are offered by this fund to its members:

- a.) Worker's Compensation and Employers' Liability
- b.) Liability Other than Motor Vehicles
- c.) Property Damage Other Than Motor Vehicles
- d.) Motor Vehicles
- e.) Environmental

As a member of the Fund, the Town could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body.

Selected, summarized financial information for the Fund as of December 31, 2019 is as follows:

Total Assets	\$ 19,413,193
Net Position	\$ 13,678,263
Total Revenue	\$ 6,807,834
Total Expenses	\$ 5,523,872
Change in Net Position	\$ 1,283,962
Member Dividends	\$ -0-

Financial statements for the Fund are available at the office of the Fund's Executive Director:

Public Entity Group Administrative Services
51 Everett Drive
Suite 40B
West Windsor, NJ 08550
(609) 275-1155

New Jersey Unemployment Compensation Insurance

The Town has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Town is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Town is billed quarterly for amounts due to the state.

The following is a summary of Town and employee contributions, interest earned and amounts reimbursed to the State for benefits paid and the ending balance of the Town's expendable trust fund for the current and previous two years.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 9: Risk Management (Cont'd)

New Jersey Unemployment Compensation Insurance (Cont'd)

<u>Year</u>	<u>Town Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019	\$ -0-	\$ 2,160.09	\$ -0-	\$ 276.40	\$ 4,719.32
2018	-0-	2,194.25	-0-	1,066.00	2,835.63
2017	-0-	2,086.89	0.20	5,278.52	1,707.38

Note 10: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at December 31, 2019:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current	\$ 2,843.88	\$ 27,849.41
Federal and State Grant	14,531.54	
Animal Control Trust		601.38
Other Trust	24,141.82	
General Capital	39,740.50	11,388.95
Sewer Utility Operating Fund		1,677.50
Sewer Utility Capital Fund		39,740.50
Swimming Pool Utility Operating	1.87	
Swimming Pool Utility Capital		1.87
	<u>\$ 81,259.61</u>	<u>\$ 81,259.61</u>

Interfund activity between the Current Fund and the Federal and State Grant Fund consists mostly of receipts and expenditures flowing through the Current Fund during the year. The interfund activity between Current Fund and Animal Control Fund consists of statutory excess at year end. The interfund due from the General Capital Fund to the Current Fund consists of funds paid by the Current Fund on behalf of the General Capital Fund and interest not turned over at year end. The amount due from General Capital Fund to Federal and State Grant Fund consists of grants received in the General Capital Fund due to the Federal and State Grant Fund. The amount due to Other Trust Funds from the Current Fund consists mainly of tax sale premiums collected, budgeted accumulated absences reserve, and revenues received and expenses paid from Current Fund on behalf of the Other Trust Funds. The interfund activity between Swimming Pool Operating Utility Fund and Swimming Pool Capital Utility Fund consists of interest not turned over at year end. The interfund activity between the Current Fund and the Sewer Utility Operating Fund consists of expenditures paid by Current Fund on behalf of the Sewer Utility Operating Fund. The amount due from Sewer Utility Capital Fund to General Capital Fund consists of expenses paid by General Capital Fund on behalf of the Sewer Utility Capital Fund

Note 11: Economic Dependency

The Town receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Town's programs and activities.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 12: Contingent Liabilities

The Town is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Town vigorously contests these lawsuits and believes the ultimate resolution will not have a material adverse effect on their financial position.

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Town as revenue would constitute a liability of the applicable funds. The amount if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Town officials expect such amounts, if any, to be immaterial.

Note 13: Deferred Compensation

The Town offers its employees the following deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is administered by the entity listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrator is as follows:

- Variable Annuity Life Insurance Company

Note 14: Accrued Sick and Vacation Benefits

The Town has permitted full-time employees to accrue unused vacation and sick pay and carry over all unused sick days. Sick days may be carried forward up to a maximum of \$15,000 per employee. The current cost of such unpaid compensation has been estimated at approximately \$186,607.35 at December 31, 2019, and is not reported either as an expenditure or liability. However, it is expected that the cost of such unpaid compensation would be included in the Town's budget operating expenditures in the year in which it is used. The Town has established a trust fund for accumulated absences, and as of December 31, 2019 the balance in that account is \$10,000.

Note 15: Fixed Assets

The following schedule is a summarization of the general fixed assets for the year ended December 31, 2019:

	Balance December 31, 2018	Additions	Balance December 31, 2019
Land	\$ 1,486,800.00		\$ 1,486,800.00
Buildings	1,863,700.00		1,863,700.00
Machinery and Equipment	3,241,843.06	\$ 427,701.02	3,669,544.08
	<u>\$ 6,592,343.06</u>	<u>\$ 427,701.02</u>	<u>\$ 7,020,044.08</u>

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 16: Postemployment Benefits Other Than Pensions (OPEB)

State Health Benefit Local Government Retired Employees Plan

General Information about the OPEB Plan

Plan Description

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

Benefits Provided

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

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 16: Postemployment Benefits Other Than Pensions (OPEB)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Contributions

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

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. For New Jersey local governments who report under the regulatory basis of accounting, the net OPEB liability and related deferred inflows are not recorded in the financial statements and there is only note disclosure of this information. 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. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit)/expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit)/expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit)/expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2018 through June 30, 2019. Employer and nonemployer allocation percentages were rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 16: Postemployment Benefits Other Than Pensions (OPEB)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

OPEB Expense

The total OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.

The State's proportionate share of the net OPEB liability attributable to the Town at June 30, 2019 was \$22,112. At June 30, 2019, the State's proportion related to the Town was .030%. This is the percentage of the total State Share of the net OPEB liability of the Plan.

Additionally, during the year ended June 30, 2019, the State of New Jersey's OPEB expense related to the Town was \$22,112.

Actuarial Assumptions and Other Inputs

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% - 6.00%
Rate thereafter	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 15.25%

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

Mortality:

PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 16: Postemployment Benefits Other Than Pensions (OPEB)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Actuarial Assumptions and Other Inputs (Cont'd)

Actuarial assumptions used in the June 30, 2018 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 – 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 rate is initially is 5.7% and decreases to a 4.5% long term trend rate after eight years. For post 65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 is reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long term rate after eight years.

Discount Rate

The discount rate for June 30, 2019 was 3.50%. The discount rate for June 30, 2018 was 3.87%. This represents the municipal bond 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.

Note 17: Subsequent Event

The COVID-19 outbreak in the United States and specifically in New Jersey has caused disruption of the Township's normal financial operations with the municipal office closed to the public and minimal staff working on site. Though the impact on the Township's operations cannot be reasonably estimated at this date, it is likely that there will be an impact on tax collections as well as other revenue in the Operating Funds.

TOWN OF BELVIDERE

SUPPLEMENTARY DATA

TOWN OF BELVIDERE
SCHEDULE OF OFFICIALS IN OFFICE AND SURETY BONDS
YEAR ENDED DECEMBER 31, 2019

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Joseph Kennedy	Mayor	
Kathleen Miers	Council President	
Adam Zmigrodski	Member of Council	
Joseph Roth	Member of Council	
Laurel Napolitani	Member of Council	
Walter Tutka	Member of Council	
Charles A. Makatura, Jr.	Member of Council	
Teresa Yeisley	Clerk/Administrator, Assessment Search Officer, and Registrar	\$ 1,000,000 *
Christine Rolef	Treasurer and Chief Financial Officer	1,000,000 *
Dawn M. Decker	Sewer Utility Clerk, Sewer Assessment Search Officer, Violations Clerk and Court Administrator	1,000,000 *
Rebecca Schneck	Tax Collector	1,000,000 *
David Gill	Tax Assessor and Variance Searcher	1,000,000 *
Nicole Natasha Lenar DeLauri	Magistrate	1,000,000 *
Kevin Benbrook	Attorney	

* There is a bond that covers the Chief Financial Officer, the Magistrate and all other public employees amount of \$950,000 through the MELJIF and \$50,000 through Public Alliance Insurance Coverage Fund. All bonds were examined and were properly executed.

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
CURRENT FUND

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF CASH

Balance December 31, 2018	<u>Ref.</u> A	\$ 1,292,687.28
Increased by Receipts:		
Tax Collector Account	\$ 7,671,876.47	
Revenue Accounts Receivable	753,451.84	
Miscellaneous Revenue Not Anticipated	103,791.89	
Due from State of New Jersey:		
Veterans' and Senior Citizens' Deductions	20,500.00	
Due to Federal and State Grant Fund:		
Unappropriated Reserves	10,927.98	
Federal and State Grants Receivable	15,000.00	
Interfund Advanced	22,694.25	
Interest	574.25	
Due Animal Control Fund:		
Interfund Returned	75.00	
Due from Other Trust Fund:		
Unemployment Trust	348.03	
Escrow Funds	32,575.00	
Recreation	14,183.42	
Other Trust Funds	7,339.24	
Due to State of New Jersey:		
Marriage License Fees	450.00	
Due General Capital Fund:		
Interfund Advanced	934,380.47	
Due Sewer Utility Operating Fund:		
Sewer Rents Collected	1,495.78	
Interfund Returned	89,187.44	
Due Swimming Pool Utility Operating Fund:		
Interfund Returned	12,303.27	
Due Swimming Pool Utility Capital Fund:		
Interfund Returned	1,922.00	
Due Payroll Account:		
Interfund Returned	100,000.00	
Reserve for Sale of Municipal Assets	22,100.00	
Appropriation Reserve Refunds	12,848.00	
Appropriation Refunds	21,566.50	
		<u>9,849,590.83</u>
Decreased by Disbursements:		11,142,278.11
2019 Appropriation Expenditures	2,841,168.57	
2018 Appropriation Reserve Expenditures	91,681.11	
Local School District Taxes	3,864,525.00	
County Taxes	1,350,341.49	
Tax Overpayments Refunded	175.35	
Third Party Liens Redeemed	302,232.07	
Tax Sale Premium Returned	1,701.58	
Due from Federal and State Grant Fund:		
Appropriated Reserves	5,608.88	
Interfund Advanced	16,582.51	
Due to Other Trust Fund:		
Escrow Deposits	25,995.17	
Other Trust Funds	35,967.15	
Accumulated Absences	10,000.00	
Recreation	7,091.71	
Due General Capital Fund:		
Capital Improvement Fund	75,000.00	
Deferred Charges to Future Taxation Unfunded	20,000.00	
Interfunds Advanced	933,104.95	
Interfund Returned	268,834.80	
Due Sewer Utility Operating Fund:		
Interfund Advanced	23,809.28	
Due from Payroll Account	27,052.93	
Due to State of New Jersey:		
Marriage License Fees	125.00	
		<u>9,900,997.55</u>
Balance December 31, 2019	A	<u>\$ 1,241,280.56</u>

TOWN OF BELVIDERE
FEDERAL AND STATE GRANT FUND
SCHEDULE OF CASH

	<u>Ref.</u>		
Balance December 31, 2018	A	\$	31,499.15
Increased by Receipts:			
Due to Current Fund		\$	16,582.51
Interest Earned			603.25
Unappropriated Reserves			9,694.94
			<u>26,880.70</u>
			<u>58,379.85</u>
Decreased by Disbursements:			
Due Current Fund:			
Interfund Returned			22,694.25
Interest			574.25
Appropriated Reserves			14,969.64
			<u>38,238.14</u>
Balance December 31, 2019	A	\$	<u><u>20,141.71</u></u>

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2019

Increased by Receipts:

Taxes Receivable	\$ 7,212,082.90	
2020 Prepaid Taxes	65,997.24	
Third Party Lien Redemptions	305,697.08	
Interest and Costs on Taxes	48,043.42	
Tax Sale Premiums	12,500.00	
Tax Overpayments	195.67	
Tax Title Liens Redeemed	12,606.58	
Miscellaneous	14,753.58	
	<hr/>	\$ 7,671,876.47

Decreased by:

Payments to Treasurer		<u><u>\$ 7,671,876.47</u></u>
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TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2018	2019 Levy	Added Taxes	2018	Collections	2019	State of NJ Veterans' and Senior Citizens' Deductions	County Appeals and Cancellations	Trans- ferred to Tax Title Liens	Balance Dec. 31, 2019
2017	\$ 3,493.70					\$ 3,493.70				
2018	222,218.87		\$ 7,860.02			230,075.86		\$ 3.03		
	225,712.57		7,860.02			233,569.56		3.03		
2019		\$ 7,294,602.04		\$ 67,123.28		6,978,513.34	\$ 20,250.00	4,766.72	\$ 8,756.18	\$ 215,192.52
	\$ 225,712.57	\$ 7,294,602.04	\$ 7,860.02	\$ 67,123.28		7,212,082.90	\$ 20,250.00	4,769.75	\$ 8,756.18	\$ 215,192.52

Ref. A

A

Analysis of 2019 Property Tax Levy

General Purpose Tax
Added Taxes (54:4-63.1 et seq.)

\$ 7,291,931.98
2,670.06
\$ 7,294,602.04

Tax Levy:

Local School District Taxes
County Taxes:
County Taxes
Due County for Added
and Omitted Taxes

\$ 1,338,476.47
490.92
1,338,967.39
5,203,492.39
3,864,525.00

Local Tax for Municipal
Purposes
Add: Additional Tax Levied

2,088,280.85
2,828.80
2,091,109.65
\$ 7,294,602.04

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2018	A	\$ 79,601.84
Increased by:		
2019 Taxes Transferred From Taxes Receivable		8,756.18
		<u>88,358.02</u>
Decreased by:		
Cancelled		\$ 7,064.61
Transferred to Foreclosure		34,500.00
Tax Title Liens Redeemed		<u>12,606.58</u>
		<u>54,171.19</u>
Balance December 31, 2019	A	<u>\$ 34,186.83</u>

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2018	Accrued in 2019	Collected by Tax Collector	Collected by Treasurer	Balance Dec. 31, 2019
Clerk:					
ABC Licenses		\$ 4,900.00		\$ 4,900.00	
Municipal Court:					
Fines and Courts	\$ 9,243.05	138,200.16		137,185.02	\$ 10,258.19
Interest and Costs on Taxes		48,043.42	\$ 48,043.42		
Energy Receipts Tax		476,140.00		476,140.00	
Garden State Trust Preservation Fund		3,430.00		3,430.00	
Uniform Construction Code Fees		39,087.00		39,087.00	
Cable TV Franchise Fee		7,477.77		7,477.77	
Sewer Utility Surplus Anticipated		36,000.00		36,000.00	
Harmony Township Shared Court	272.12	36,822.93		36,745.81	349.24
Liberty Township Shared Court	93.56	12,697.30		12,486.24	304.62
	<u>\$ 9,608.73</u>	<u>\$ 802,798.58</u>	<u>\$ 48,043.42</u>	<u>\$ 753,451.84</u>	<u>\$ 10,912.05</u>

Ref.

A

A

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF 2018 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018	Balance After Modi- fication	Paid or Charged	Balance Lapsed	Over- Expended
Mayor and Council:					
Salaries and Wages	\$ 44.47	\$ 44.47		\$ 44.47	
Other Expenses	978.90	978.90		978.90	
Administration (Municipal Clerk):					
Salaries and Wages	816.25	816.25		816.25	
Other Expenses	4,170.41	4,170.41	\$ 1,372.11	2,798.30	
Financial Administration (Treasury):					
Salaries and Wages	21,167.90	21,167.90	20,000.00	1,167.90	
Other Expenses	223.75	508.38	508.38		
Assessment of Taxes:					
Salaries and Wages	218.72	218.72		218.72	
Miscellaneous Other Expenses	169.13	169.13	123.32	45.81	
Collection of Taxes:					
Salaries and Wages	373.13	373.13		373.13	
Other Expenses	361.36	361.36	35.00	326.36	
Legal Services:					
Miscellaneous Other Expenses	5,231.26	5,231.26	2,841.50	2,389.76	
Engineering Services and Costs:					
Other Expenses	9,401.00	8,493.07	2,972.50	5,520.57	
Bulk Purchases:					
Other Expenses		4,949.14	5,086.90		\$ 137.76
Public Buildings and Grounds:					
Other Expenses - Maintenance and Repairs	269.84	1,008.49	1,008.49		
Planning Board:					
Other Expenses - Miscellaneous	1,059.21	1,059.21	745.53	313.68	
Zoning Officer:					
Salaries and Wages	14.94	14.94		14.94	
Shade Tree Commission:					
Other Expenses	327.26	327.26		327.26	
Fire:					
Salaries and Wages	51.00	51.00		51.00	
Police:					
Other Expenses	1,102.34	3,623.35	3,623.35		
Emergency Management Services:					
Salaries and Wages	69.32	69.32		69.32	
Other Expenses	1.00	1.00		1.00	

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF 2018 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018	Balance After Modi- fication	Paid or Charged	Balance Lapsed	Over- Expended
Streets and Roads:					
Salaries and Wages	\$ 2,303.55	\$ 2,303.55		\$ 2,303.55	
Other Expenses	11,816.81	6,752.40	\$ 6,752.40		
Animal Control:					
Salaries and Wages	286.67	286.67		286.67	
Uniform Construction Code:					
Salaries and Wages	674.61	674.61		674.61	
Other Expenses	280.84	481.00	481.00		
Garbage and Trash Removal:					
Other Expenses	395.71	395.71		395.71	
Utility Expenses and Bulk Purchases:					
Electricity	232.35	1,769.12	1,769.12		
Telephone	66.62	1,324.61	1,324.61		
Bulk Fuel	12.17	12.17		12.17	
Fire Hydrant Services	130.64	130.64		130.64	
Aid to Rescue Squad		30,000.00	30,000.00		
Municipal Court:					
Other Expenses	4,744.46	4,744.46	188.90	4,555.56	
Contingent	100.00	100.00		100.00	
Statutory Expenditures:					
Social Security (FICA)	19.00	19.00		19.00	
Public Employees' Retirement System	402.78	402.78		402.78	
General Liability	35,516.01				
	<u>\$ 103,033.41</u>	<u>\$ 103,033.41</u>	<u>\$ 78,833.11</u>	<u>\$ 24,338.06</u>	<u>\$ 137.76</u>
<u>Analysis of Balance December 31, 2018</u>					
	<u>Ref.</u>				
Unencumbered	A	\$ 101,661.83			
Encumbered	A	<u>1,371.58</u>			
		<u>\$ 103,033.41</u>			
		Cash Disbursed	\$ 91,681.11		
		Less: Refunds	<u>12,848.00</u>		
			<u>\$ 78,833.11</u>		

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE

Ref.

Balance December 31, 2018:

Local School Tax Payable	A	\$ 148,387.52	
Local School Tax Deferred		1,782,875.15	
		1,931,262.67	

Increased by:

Levy - School Year July 1, 2019 through June 30, 2020		3,864,525.00	
		5,795,787.67	

Decreased by:

Payments to Local School District		3,864,525.00	
		\$ 1,931,262.67	

Balance December 31, 2019:

Local School Tax Payable	A	\$ 148,387.52	
Local School Tax Deferred		1,782,875.15	
		\$ 1,931,262.67	

TOWN OF BELVIDERE
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE

	Balance Dec. 31, 2018	Cash Receipts	Balance Dec. 31, 2019
Wastewater Management Plan Grant	\$ 2,181.35		\$ 2,181.35
Reserve for Highlands Master Plan Grant	1,629.51		1,629.51
Warren County Historic Trust Grants	11,451.58	\$ 1,000.00	10,451.58
Emergency Management Grant - Generator	98,265.00		98,265.00
Department of Transportation Grant - Oxford Street Phase 3	27,727.50	24,823.95	2,903.55
Department of Transportation Grant - Oxford Street	19,065.50		19,065.50
Municipal Alliance	542.88		542.88
	<u>\$ 160,863.32</u>	<u>\$ 25,823.95</u>	<u>\$ 135,039.37</u>

Ref. A

A

Received in Current Fund	\$ 15,000.00
Received in General Capital Fund	10,823.95
	<u>\$ 25,823.95</u>

TOWN OF BELVIDERE
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>Cash</u> <u>Disbursed</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
Recycling Tonnage Grant:			
2008	\$ 6,245.12		\$ 6,245.12
2011	10,470.57		10,470.57
2012	4,275.36		4,275.36
2013	3,714.22		3,714.22
2014	3,387.35		3,387.35
2015	2,460.98		2,460.98
2017	2,568.07		2,568.07
2018	2,536.77		2,536.77
Department of Transportation - Front/Mill Streets	42,093.84		42,093.84
Municipal Alliance - State Share	2,480.67		2,480.67
Municipal Alliance - Local Share	1.00		1.00
Reserve for Alcohol Education and Rehabilitation	107.87		107.87
Clean Communities Program:			
2016	2,828.68	\$ 729.64	2,099.04
2017	6,959.68		6,959.68
2018	6,673.33		6,673.33
Forestry Grant:			
2011	118.00		118.00
Body Armor Replacement Grant:			
2015	546.29	546.29	
2016	981.19	562.59	418.60
2017	982.07		982.07
Reserve for Body Armor Replacement Grant	1,846.05		1,846.05
Drunk Driving Enforcement Fund Grant:			
2015	149.54		149.54
Warren County Open Space - Warren Lodge	0.06		0.06
Warren County Historic Trust Grant	16,138.48	4,000.00	12,138.48
New Jersey American Water Company Grant	59.58		59.58
Generator Grant	33,231.78		33,231.78
Department of Transportation - Oxford Street Phase 3	18,738.44	14,740.00	3,998.44
	<u>\$ 169,594.99</u>	<u>\$ 20,578.52</u>	<u>\$ 149,016.47</u>

Ref.

A

A

Cash Disbured in Current Fund	\$ 5,608.88
Cash Disbured in Federal and State Grant Fund	14,969.64
	<u>\$ 20,578.52</u>

TOWN OF BELVIDERE
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>Cash</u> <u>Receipts</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
Body Armor Replacement Grant		\$ 1,045.99	\$ 1,045.99
Recycling Tonnage Grant		4,539.94	4,539.94
Clean Communities Grant		7,448.66	7,448.66
Municipal Alliance		7,588.33	7,588.33
Alcohol Education and Rehabilitation Grant	\$ 73.23		73.23
	<u>\$ 73.23</u>	<u>\$ 20,622.92</u>	<u>\$ 20,696.15</u>
<u>Ref.</u>	A		A
Received in Current Fund		\$ 10,927.98	
Received in Federal and State Grant Fund		9,694.94	
		<u>\$ 20,622.92</u>	

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
TRUST FUNDS

TOWN OF BELVIDERE
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Unemployment Trust Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2018	B	\$ 4,700.95	\$ 989.41	\$ 48,277.70
Increased by Receipts:				
Municipal Licensing Fees		\$ 3,294.20		\$ 9,452.18
Due State Board of Health		490.80		2,246.28
Due from Swimming Pool Operating Fund				7,752.68
Due to Federal and State Grant Fund				
Due From Payroll				
Due Current Fund:				
Interfund Returned				35,967.15
Interfund Returned - Accumulated Sick				10,000.00
Interest Earned				308.26
Recreation Trust				7,091.71
Employee Contributions			\$ 2,160.09	54.00
Parking Offenses Adjudication Act				71.40
Escrow Deposits				30,930.75
Recreation Trust Fund				1,000.00
National Night Out Trust Fund				200.00
Public Defender				25,444.00
Police Outside Trust				560.00
Historic Trust Fund				
Interest Earned		126.88		
		<u>3,911.88</u>	<u>2,160.09</u>	<u>131,078.41</u>
		8,612.83	3,149.50	179,356.11
Decreased by Disbursements:				
Expenditures under R.S. 4:19 - 15.11		1,405.65		
Interfund Returned		75.00		
Prior Year Interfund Returned			348.03	1,622.95
Other Trust				14,183.42
Recreation				
Due to State of New Jersey- Unemployment			276.40	20,650.87
Recreation Trust Fund Expenditures				865.90
National Night Out Trust Fund Expenditures				2,246.28
Due Federal and State Grant Fund - Other Trust				336.80
Historic Trust Fund Expenditures				
Due to State Board of Health		489.60		
		<u>1,970.25</u>	<u>624.43</u>	<u>39,906.22</u>
Balance December 31, 2019	B	\$ 6,642.58	\$ 2,525.07	\$ 139,449.89

TOWN OF BELVIDERE
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2018	B	\$ 4,638.35
Increased by:		
2019 Dog License Fees Collected	\$ 3,294.20	
Interest Earned	<u>126.88</u>	
		<u>3,421.08</u>
		8,059.43
Decreased by:		
Expenditures under R.S.4:19-15.11:		
Cash Disbursements	1,405.65	
Statutory Excess Due Current Fund	<u>601.38</u>	
		<u>2,007.03</u>
Balance December 31, 2019	B	<u><u>\$ 6,052.40</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2018	\$ 2,930.60
2017	<u>3,121.80</u>
Maximum Allowable Reserve	<u><u>\$ 6,052.40</u></u>

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
GENERAL CAPITAL FUND

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>		
Balance December 31, 2018	C	\$	45,479.93
Increased by Receipts:			
Due Current Fund:			
Interfund Returned	\$ 1,288,115.80		
Interest Earned	1,840.52		
Due New Jersey Department of Transportation	60,489.25		
Due Federal and State Grant Fund	10,823.95		
			<u>1,361,269.52</u>
			1,406,749.45
Decreased by Disbursements:			
Improvement Authorization Expenditures	670,018.13		
Due Current Fund:			
Interfund Advanced	701,556.52		
			<u>1,371,574.65</u>
Balance December 31, 2019	C	\$	<u><u>35,174.80</u></u>

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
ANALYSIS OF CASH

Ordinance Date	Improvement Description	Receipts		Disbursements			Balance/(Deficit) December 31, 2019	
		Balance/(Deficit) December 31, 2018	Miscellaneous	Improvement Authorizations	Transfers			
					From	To		
Fund Balance		\$	41,038.72				\$	41,038.72
Capital Improvement Fund			81,242.53					80,331.50
Due Current Fund			(268,834.80)	\$	1,289,956.32	\$	129,000.00	\$ 128,088.97
Due New Jersey Department of Transportation			(60,489.25)		60,489.25	\$	701,556.52	565.00
Due From White Township			(200,000.00)					200,000.00
Due From Goodwill Fire Company			(10,000.00)					10,000.00
Due From Federal and State Grant Fund			(39,740.50)		10,823.95			10,823.95
Due From Sewer Capital Fund			409,943.02					(39,740.50)
Reserve for:								
Encumbrances						409,943.02	5,043.75	5,043.75
					</			

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Date of Ordinance	Improvement Description	Funded by				Paid by			Cancelled		Analysis of Balance December 31, 2019		
		Balance Dec. 31, 2018	Warren County Grant			Budget Appropriation	Improvement Authorizations	Balance Dec. 31, 2019	Expenditures	Unexpended Improvement Authorizations			
07/17/00	Various Improvements	\$ 66,372.79				\$ 13,793.20		\$ 52,579.59	\$ 52,579.59				
03/15/04	Improvements to Fourth Street	6,206.80				6,206.80							
03/19/12	Refunding Bond Ordinance for Payment of Amounts Owring for Taxes	233,855.00				233,855.00							
03/05/12	Improvements to Oxford Street - Phase I	31,500.00						31,500.00	31,500.00				
09/09/18	Improvements to Second and Harwick Street	98,043.00	\$ 14,000.00				\$ 3,429.98	80,613.02	80,613.02				
09/24/18	Improvements to Fifth Street	140,000.00						140,000.00		\$ 140,000.00			
		<u>\$ 575,977.59</u>	<u>\$ 14,000.00</u>			<u>\$ 253,855.00</u>	<u>\$ 3,429.98</u>	<u>\$ 304,692.61</u>	<u>\$ 164,692.61</u>	<u>\$ 140,000.00</u>			

Ref.

C

C

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Ordinance Number	Date	Amount	Balance December 31, 2018		Prior Year Encumbrances Returned	2019 Authorizations Capital Improvement Fund	Paid or Charged	Cancelled	Balance December 31, 2019	
				Funded	Unfunded					Funded	Unfunded
Acquisition of Pumper Fire Truck	18-02	04/23/18	\$ 410,000.00	\$	56.98	\$ 409,943.02		\$ 410,000.00			
Engineering Services for Second and Harwick Streets	18-03	06/25/18	25,000.00		2,241.22			1,865.00	\$ 376.22		
Various Repairs to Town Hall	18-06	07/09/18	39,500.00		39,500.00				39,500.00		
Improvements to Second and Harwick Streets	18-07	09/09/18	340,000.00		127,920.35	\$ 98,043.00		222,533.37	3,429.98		
Improvements to Fifth Street	18-08	09/09/18	150,000.00		9,525.00	140,000.00		7,495.00		\$ 2,030.00	\$ 140,000.00
Additional Road Improvements and Engineering Services for Second and Harwick Streets	18-10	09/24/18	25,000.00		17,156.25			6,777.50	10,378.75		
Improvements to Various Roads	19-02	05/13/19	75,000.00				\$ 75,000.00			75,000.00	
Engineering for Road Improvements	19-03	05/13/19	25,000.00				25,000.00	14,225.01		10,774.99	
Police Equipment	19-04	05/13/19	15,000.00				15,000.00	12,166.00	2,834.00		
Computer Equipment and Upgrades	19-05	05/13/19	14,000.00				14,000.00			14,000.00	
				\$ 196,399.80	\$ 238,043.00	\$ 409,943.02	\$ 129,000.00	\$ 675,061.88	\$ 56,518.95	\$ 101,804.99	\$ 140,000.00
			Ref.	C	C					C	C
				Deferred Charges to Future Taxation - Unfunded Capital Improvement Fund							
				\$ 3,429.98							
				53,088.97							
				\$ 56,518.95							
				Cash Disbursed \$ 670,018.13							
				Encumbrances 5,043.75							
				\$ 675,061.88							

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2018	C	\$ 81,242.53
Increased By:		
Cancellation of Improvement Authorizations	\$ 53,088.97	
2019 Budget Appropriation	<u>75,000.00</u>	
		<u>128,088.97</u>
		209,331.50
Decreased By:		
Appropriated to Finance Improvement Authorizations		<u>129,000.00</u>
Balance December 31, 2019	C	<u><u>\$ 80,331.50</u></u>

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ordinance Number	Improvement Description	Date of			Interest Rate	Balance Dec. 31, 2018	Matured
		Original Issue	Issue	Maturity			
2012-03	Refunding Bond Ordinance for Payment of Amounts Owning for Taxes Levied	05/16/12	03/19/18	03/18/19	2.40%	\$ 233,855.00	\$ 233,855.00
					<u>Ref.</u>	<u>\$ 233,855.00</u>	<u>\$ 233,855.00</u>
					C		
					Paid By Budget Appropriation	\$ 233,855.00	\$ 233,855.00

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2018	Matured	Balance December 31, 2019
			Outstanding	Date				
General Obligation	10/1/2011	\$ 2,022,000.00		10/1/2020		\$ 1,357,000.00	\$ 115,000.00	\$ 1,242,000.00
				10/1/2021	3.000%			
				10/1/2022	3.000%			
				10/1/2023	3.000%			
				10/1/2024	3.250%			
				10/1/2025	3.375%			
				10/1/2026	4.000%			
				10/1/2027	4.000%			
				10/1/2028	4.000%			
						\$ 1,357,000.00	\$ 115,000.00	\$ 1,242,000.00

Ref.

C

C

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance		Improvement Description	Balance	Funded by	Funded By	Improvement	Balance
Number	Date		December 31, 2018	Budget Appropriation	Warren County Grant	Authorizations Cancelled	December 31, 2019
00-11	07/17/00	Various Improvements	\$ 66,372.79	\$ 13,793.20			\$ 52,579.59
04-03	03/15/04	Improvements to Fourth Street	6,206.80	6,206.80			
12-04	03/05/12	Improvements to Oxford Street - Phase I	31,500.00				31,500.00
18-07	09/09/18	Improvements to Second and Harwick Streets	98,043.00		\$ 14,000.00	\$ 3,429.98	80,613.02
18-08	09/09/18	Improvements to Fifth Street	140,000.00				140,000.00
			<u>\$ 342,122.59</u>	<u>\$ 20,000.00</u>	<u>\$ 14,000.00</u>	<u>\$ 3,429.98</u>	<u>\$ 304,692.61</u>

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
WATER UTILITY FUND
(NOT APPLICABLE)

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
SEWER UTILITY FUND

TOWN OF BELVIDERE
SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Sewer Operating</u>	<u>Sewer Capital</u>
Balance December 31, 2018	E	\$ 431,667.04	\$ 135,124.50
Increased by Receipts:			
Consumer Accounts Receivable	\$	742,280.24	
Due Payroll:			
Prior Year Interfund Returned		77,475.96	\$ 25,000.00
Capital Improvement Fund - Budget Appropriation			
Prepaid Sewer Rents		7,635.79	
Overpayments		1,067.35	
Interest on Sewer Rents		7,575.73	
Interest Income		6,212.33	
Miscellaneous Revenue		1,665.94	
		<u>843,913.34</u>	<u>25,000.00</u>
		1,275,580.38	160,124.50
Decreased by Disbursements:			
2019 Appropriation Expenditures		621,827.14	
2018 Appropriation Reserves		2,315.24	
Refund of Overpayment		200.00	
Due to Current Fund:			
Budget Revenue Anticipated		36,000.00	
Return of Prior Year Interfund		68,551.44	
Current Year Interfund Advanced		20,636.00	
Due from Payroll Account		100,000.00	
Due Sewer Utility Capital Fund:			
Capital Improvement Fund		25,000.00	
		<u>874,529.82</u>	
Balance December 31, 2019	E	\$ 401,050.56	\$ 160,124.50

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance Dec. 31, 2018	Receipts Miscellaneous	Balance Dec. 31, 2019
Due General Capital Fund	\$ 39,740.50		\$ 39,740.50
Capital Improvement Fund	94,802.75	\$ 25,000.00	119,802.75
Fund Balance	581.25		581.25
	<u>\$ 135,124.50</u>	<u>\$ 25,000.00</u>	<u>\$ 160,124.50</u>
<u>Ref.</u>	E		E

TOWN OF BELVIDERE
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance December 31, 2018	<u>Ref.</u> E	\$ 125,964.99
Increased by:		
Sewer Rents Levied		<u>747,359.55</u>
		873,324.54
Decreased by:		
Cash Received	\$ 742,280.24	
Collected in Current Fund	1,495.78	
Sewer Overpayment Applied	3,573.55	
Sewer Prepaid Rents Applied	<u>2,505.00</u>	
		<u>749,854.57</u>
Balance December 31, 2019	E	<u>\$ 123,469.97</u>

TOWN OF BELVIDERE
SEWER UTILITY OPERATING FUND
SCHEDULE OF SEWER LIENS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2018	E	<u>\$ 18,411.52</u>
Balance December 31, 2019	E	<u><u>\$ 18,411.52</u></u>

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2018	Balance Dec. 31, 2019
Sanitary Sewer System	\$ 3,349,610.68	\$ 3,349,610.68
Acquisition of DPW Lift Truck	39,000.00	39,000.00
Sewer Manhole Improvements	13,140.00	13,140.00
Purchase of DPW Vehicle	39,740.50	39,740.50
	<u>\$ 3,441,491.18</u>	<u>\$ 3,441,491.18</u>
<u>Ref.</u>	E	E

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2018 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salary and Wages	\$ 1,927.08	\$ 1,927.08		\$ 1,927.08
Other Expenses	4,629.38	4,629.38	\$ 692.23	3,937.15
Capital Outlay	45,651.07	45,651.07	1,623.01	44,028.06
Social Security O.A.S.I.	2,100.00	2,100.00		2,100.00
	<u>\$ 54,307.53</u>	<u>\$ 54,307.53</u>	<u>\$ 2,315.24</u>	<u>\$ 51,992.29</u>

Ref.

Balance December 31, 2018:

Unencumbered	E	<u>\$ 54,307.53</u>
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TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2018	E	\$ 94,802.75
Increased by:		
Budget Appropriation		<u>25,000.00</u>
Balance December 31, 2019	E	<u>\$ 119,802.75</u>

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

<u>Improvement Description</u>	<u>Balance Dec. 31, 2018</u>	<u>Balance Dec. 31, 2019</u>
Sanitary Sewer System	\$ 3,349,610.68	\$ 3,349,610.68
Acquisition of DPW Lift Truck	39,000.00	39,000.00
Sewer Manhole Improvements	52,880.50	52,880.50
	<u>\$ 3,441,491.18</u>	<u>\$ 3,441,491.18</u>
<u>Ref.</u>	E	E

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
SWIMMING POOL UTILITY FUND

TOWN OF BELVIDERE
SWIMMING POOL UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Swimming Pool Operating</u>	<u>Capital</u>
Balance December 31, 2018	F	\$ 72,612.18	\$ 1,013.02
Increased by Receipts:			
Pool Membership and Admission Fees	\$	99,003.14	
Snack Bar Proceeds		33,590.58	
Swimming Pool Capital Interest Earned			\$ 20.27
Swimming Pool Operating Interest Earned		2,238.86	
Miscellaneous		10,833.35	
Due Swimming Pool Capital Fund		18.40	
Due Payroll		25,000.00	
Due Swimming Pool Operating Fund:			
Prior Year Interfund Received		11,375.86	
		<u>170,684.33</u>	<u>11,396.13</u>
Decreased by Disbursements:			
2019 Appropriations		121,544.00	
2018 Appropriation Reserves		2,145.00	
Bond Anticipation Note Matured		57,200.00	
Interest on Bonds		2,023.00	
Interest on Notes		1,692.96	
Due from Other Trust Funds - Recreation Trust		9,452.18	
Due from Swimming Pool Operating Fund			18.40
Due to Current Fund:			
Interfund Advanced		12,303.27	
Due Swimming Pool Capital Fund:			
Prior Year Interfund Returned		11,375.86	
		<u>217,736.27</u>	<u>1,940.40</u>
Balance December 31, 2019	F	\$ 25,560.24	\$ 10,468.75

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
ANALYSIS OF CASH

		Balance/(Deficit)	Receipts	Disbursements	Balance
		Dec. 31, 2018	Miscellaneous	Miscellaneous	Dec. 31, 2019
Due Current Fund		\$ 1,922.00		\$ 1,922.00	
Due Swimming Pool Operating Fund		(11,375.86)	\$ 11,396.13	18.40	\$ 1.87
Fund Balance		1,683.71			1,683.71
Ordinance	Improvement Description				
Date					
5/5/14	Refurbishment of the Children's Pool	315.00			315.00
11/17/14	Improvements to the Municipal Pool	8,468.17			8,468.17
		<u>\$ 1,013.02</u>	<u>\$ 11,396.13</u>	<u>\$ 1,940.40</u>	<u>\$ 10,468.75</u>

TOWN OF BELVIDERE
SWIMMING POOL UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

Account	Balance December 31, 2018	Additions by Budget	Balance December 31, 2019
		Capital Outlay Expenditures	
Swimming Pool Utility	\$ 787,841.76	\$ 2,750.00	\$ 790,591.76
Ref.	F		F
	2019 Budget	\$ 2,750.00	

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Improvement Description</u>	<u>Ord. Date</u>	<u>Ordinance Amount</u>	<u>Balance Dec. 31, 2018</u>	<u>Balance Dec. 31, 2019</u>
Refurbishment of the Children's Pool	5/5/2014	\$ 4,815.00	\$ 4,815.00	\$ 4,815.00
Improvements to the Municipal Pool	11/17/14	75,000.00	75,000.00	75,000.00
			<u>\$ 79,815.00</u>	<u>\$ 79,815.00</u>
		<u>Ref.</u>	F	F

TOWN OF BELVIDERE
SWIMMING POOL UTILITY OPERATING FUND
SCHEDULE OF 2018 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Other Expenses	\$ 1,111.94	\$ 2,145.00	\$ 2,145.00	
Capital Outlay	3,291.00	2,257.94		\$ 2,257.94
	<u>\$ 4,402.94</u>	<u>\$ 4,402.94</u>	<u>\$ 2,145.00</u>	<u>\$ 2,257.94</u>

Ref.

Balance December 31, 2018:

Unencumbered	F	<u>\$ 4,402.94</u>
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TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Number	Ordinance Date	Amount	Balance December 31, 2018		Balance December 31, 2019	
				Funded	Unfunded	Funded	Unfunded
Refurbishment of the Children's Pool	2014-06	5/5/2014	\$ 4,815.00	\$ 315.00		\$ 315.00	
Improvements to the Municipal Pool	2014-11	11/17/14	75,000.00		\$ 8,468.17		\$ 8,468.17
				\$ 315.00	\$ 8,468.17	\$ 315.00	\$ 8,468.17
		Ref.		F	F	F	F

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2018	F	\$ 728,041.76
Increased by:		
Bonds Paid by Operating Budget		\$ 7,000.00
Capital Outlay:		
2019 Budget		2,750.00
Notes Paid by Operating Budget		12,600.00
		<u>22,350.00</u>
Balance December 31, 2019	F	<u>\$ 750,391.76</u>

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ordinance Number	Improvement Description	Balance Dec. 31, 2018	Balance Dec. 31, 2019
2014-06	Refurbishment of the Children's Pool	\$ 4,815.00	\$ 4,815.00
		\$ 4,815.00	\$ 4,815.00
	<u>Ref.</u>	F	F

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2018	Matured	Balance December 31, 2019
			Outstanding Date	December 31, 2019 Amount				
Acquisition and Installation of Pool Liner	10/1/2011	\$ 106,000.00	10/1/2020	\$ 8,000.00	3.000%	\$ 65,000.00	\$ 7,000.00	\$ 58,000.00
			10/1/2021	8,000.00	3.000%			
			10/1/2022	9,000.00	3.000%			
			10/1/2023	9,000.00	3.000%			
			10/1/2024	9,000.00	3.250%			
			10/1/2025	9,000.00	3.375%			
			10/1/2026	6,000.00	4.000%			
						\$ 65,000.00	\$ 7,000.00	\$ 58,000.00
						F		
					Ref.	F		
						F		

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL PROTECTION LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
PUBLIC ASSISTANCE FUND
(NOT APPLICABLE)

TOWN OF BELVIDERE
COUNTY OF WARREN
2019
BOND AND INTEREST FUND
(NOT APPLICABLE)

TOWN OF BELVIDERE

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2019

TOWN OF BELVIDERE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2019

Name of State Agency or Department	Name of Program	Pass-Through Entity ID#/Grant #	C.F.D.A. Number	Grant Period		Grant Award Amount	Amount Received	Program Expenditures	Cumulative Expenditures	Amount to Subrecipients
				From	To					
U.S. Department of Transportation (Pass Through New Jersey Department of Transportation)	Oxford Street - Phase 3	10-480-078- 6320-AKC-6010	20.205	1/1/2017	12/31/2020	\$ 90,000.00	\$ 24,823.95	\$ 14,740.00	\$ 86,001.56	
	Local Municipal Aid FY 16	16-480-078- 6320-AMF-6010	20.205	5/3/2016	12/31/2019	136,957.00		22,920.35	136,957.00	
	Local Municipal Aid FY 17	17-480-078- 6320-AMQ-6010	20.205	6/29/2017	6/29/2019	105,000.00		105,000.00	105,000.00	
Total U.S. Department of Transportation							24,823.95	142,660.35	327,958.56	
Total Federal Awards							\$ 24,823.95	\$ 142,660.35	\$ 327,958.56	\$ -0-

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWN OF BELVIDERE
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2019

Name of State Agency or Department	Name of Program	Program Account No.	Grant Award Amount	Grant Period		Receipts	Expenditures	Total Cumulative Expenditures
				From	To			
Department of Environmental Protection	Clean Communities Grant	765-042-4900- 004-VCMC-6020	\$ 8,192.07	1/1/2016	12/31/2020	\$ 7,448.66	\$ 729.64	\$ 6,093.03
			7,448.66	1/1/2019	12/31/2020	7,448.66	729.64	6,093.03
Total Department of Environmental Protection	Recycling Grant	752-042-4900 001-6020	4,539.94	1/1/2019	12/31/2020	4,539.94		
						4,539.94		
						11,988.60	729.64	6,093.03
Department of Law and Public Safety: Division of Criminal Justice	Body Armor Replacement Grant	1020-718-066-YC5S	1,005.16	1/1/2015	12/31/2019		546.29	1,005.16
			981.19	1/1/2016	12/31/2020		562.59	562.59
			1,045.99	1/1/2019	12/31/2020	1,045.99		
Total Department of Law and Public Safety						1,045.99	1,108.88	1,567.75
Department of the Treasury (Passed through the County of Warren)	Municipal Alliance on Alcoholism and Drug Abuse	2000-475-995120-60	7,588.33	1/1/2019	12/31/2020	7,588.33		
						7,588.33		
						\$ 20,622.92	\$ 1,838.52	\$ 7,660.78

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWN OF BELVIDERE
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2019

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) include the federal and state grant activity of the Town of Belvidere under programs of the federal and state governments for the year ended December 31, 2019. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey’s OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operation of the Town, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Town.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Town has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

The Honorable Mayor and Members
of the Town Council
Town of Belvidere, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("the Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - *regulatory basis* - of the various funds of the Town of Belvidere, in the County of Warren (the "Town") as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements and have issued our report thereon dated June 12, 2020. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Honorable Mayor and Members
of the Town Council
Town of Belvidere
Page 2

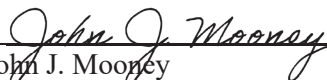
Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mount Arlington, New Jersey
June 12, 2020



John J. Mooney
Certified Public Accountant
Registered Municipal Accountant No. 560

TOWN OF BELVIDERE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2019

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the Town prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the Town which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Town was not subject to the single audit provisions of the Uniform Guidance and New Jersey's OMB Circular 15-08 for the year ended December 31, 2019 as both state and federal grant expenditures were less than the single audit thresholds of \$750,000 identified in the Uniform Guidance and NJOMB 15-08.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the Single Audit threshold.

Findings and Questioned Costs for State Awards:

- Not applicable since state expenditures were below the Single Audit threshold.

TOWN OF BELVIDERE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019

Status of Prior Year Findings:

There were no prior year findings.

TOWN OF BELVIDERE

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2019

TOWN OF BELVIDERE
COMMENTS AND RECOMMENDATIONS

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

N.J.S. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A: 11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L.1971, c.198 (C.40A11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S. 40A: 11-4 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 and subject to subsections b. and c. of this section, 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."

Effective July 1, 2015, the bid threshold in accordance with N.J.S.A. 40A:11-3 is \$17,500, and with a qualified purchasing agent the threshold may be up to \$40,000.

The governing body of the Town of Belvidere has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the year and where question arises as to whether any contract or agreement might result in violation of the statute, the Town Attorney's opinion should be sought before a commitment is made.

The minutes indicated that bids were requested by public advertising per N.J.S. 40A:11-4. The minutes also indicated that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services," and "Extraordinary Unspecifiable Services" per N.J.S.A. 40A:11-5.

TOWN OF BELVIDERE
COMMENTS AND RECOMMENDATIONS
(Continued)

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

Collection of Interest on Delinquent Taxes and Utilities

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or utilities on or before the date when they would become delinquent. On January 1, 2019, the governing body adopted a resolution authorizing interest to be charged at the rate of 8% per annum on the first \$1,500 of delinquent taxes and utilities and 18% per annum for delinquent taxes and utilities in excess of \$1,500, and allows an additional penalty of 6% be collected against a delinquency in excess of \$10,000 on properties that fail to pay the delinquency prior to the end of the calendar year.

From our testing of the Tax Collector's records, it appeared that interest was charged for delinquent tax and utility payments in accordance with the above resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on October 16, 2019, and was complete. Inspection of tax sale certificates revealed that all tax sale certificates were available for audit review.

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

<u>Year</u>	<u>Number of Liens</u>
2019	8
2018	14
2017	16

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and payments was made in accordance with the regulations of the Division of Local Government Services, consisting of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>
Payments of 2020 Taxes	20
Payments of 2019 Taxes	20
Delinquent Taxes	11
Tax Title Liens	3
Payments of 2019 Sewer Utility Rents	20
Unpaid Sewer Utility Rents	10

TOWN OF BELVIDERE
COMMENTS AND RECOMMENDATIONS
 (Continued)

Verification of Delinquent Taxes and Other Charges (Cont'd)

Verification notices were mailed to confirm balances as of December 31, 2019. The items that were returned were checked and in agreement with the Town's records. For receivable items not returned, alternative procedures were performed.

Accounting Requirements Under New Jersey Administrative Code

The Division of Local Government Services has established three (3) accounting requirements which are prescribed in the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. Fixed asset accounting and reporting system.
3. General ledger accounting system.

The Town maintains an encumbrance accounting system, a fixed asset accounting and reporting system and a general ledger accounting system.

Accounting Procedures

1. During our testing, we noted that receipts collected in animal control fund, police department, clerk's office, and construction department, which were not deposited in a timely matter. It is recommended that all animal control fund, the police department, the clerk's office, and the construction department receipts be deposited within forty-eight hours of collection.

Management's Response

All receipts will be deposited within forty-eight hours.

2. During our review of outside offices, it was noted that receipt amounts recorded per the outside office were not always in agreement with that posted to the general ledger. It is recommended that a reconciliation is performed between the outside offices cashbook and the general ledger on a monthly basis.

Management's Response

The Town will ensure that a reconciliation is performed between the outside offices cashbook and the general ledger on a monthly basis.

3. During our review of the receipts log for the Community Center, we were unable to trace individual event receipts to the daily deposit slip/log. It is recommended that the Community Center event receipts log is reconciled to the daily deposit log.

Management's Response

The Town will ensure that a reconciliation is performed between the Community Center event log and the daily deposit log.

TOWN OF BELVIDERE
COMMENTS AND RECOMMENDATIONS
(Continued)

Accounting Procedures

1. During our review of bank reconciliations, it was noted that there were several reconciling items outstanding across the funds for over a year. It is recommended that all reconciling items on the various bank reconciliations are reviewed and addressed in a timely.

Management's Response

The Town will ensure all reconciling items are reviewed and addressed in a timely manner.

Swimming Pool Utility

1. During our audit procedures, we noted that there was no supporting documentation maintained within the swimming pool utility for ending inventory for the food concession inventory sold during the year. The complete inventory was sold off at year end; however, there was no accounting of what that inventory entailed. It is recommended that the swimming pool maintain an inventory of food concession items throughout the season in order to strengthen internal controls and limit potential loss.

Management's Response

A listing of inventory will be maintained by the swimming pool personnel.

Federal and State Grant Fund

1. During our review of federal and state grants, we noted that there were a number of grants receivable and reserve balances that are several years old. It is recommended that a review of the federal and state grants receivable and appropriated grant reserves be conducted to identify those grants which will be collected and disbursed and which grants should be cancelled.

Management's Response

A review of all federal and state grants receivable and appropriated reserves will be performed to ensure that only active receivables and reserve balances are being carried forward.

General Capital Fund

1. During our review of the general capital fund, we noted that the Town has ordinances that are nineteen, fifteen, and seven years old with unfunded balances. The Town is funding these ordinances through budget appropriations annually. At this time, a formal recommendation is deemed unnecessary.

Fixed Assets

1. During our review of the fixed asset report, it was noted that an updated appraisal has not been completed for several years. It was also noted that a vehicle on the current fixed asset listing was not owned by the Town. It is recommended that the Town have an updated fixed asset appraisal performed.

Management's Response

The Town will review the need for a fixed asset appraisal.

TOWN OF BELVIDERE
COMMENTS AND RECOMMENDATIONS
(Continued)

Municipal Court

The Report of the Municipal Court has been forwarded to the Division of Local Government Services and the Town's Magistrate under separate cover. Reflected below is a summary of receipts and disbursements for the year ended December 31, 2019:

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

<u>Agency</u>	<u>Balance Dec. 31, 2018</u>	<u>Cash Received</u>	<u>Cash Disbursed</u>	<u>Balance Dec. 31, 2019</u>
Municipal Treasurer:				
Fines and Costs	\$ 9,608.73	\$ 147,128.29	\$ 145,824.97	\$ 10,912.05
Restitution	105.00	291.20	396.20	
POAA	2.00	56.00	58.00	
Weights and Measures		350.00	350.00	
Public Defender	200.00		200.00	
County Treasurer:				
Fines and Costs	1,216.00	24,315.56	24,784.81	746.75
State Treasurer:				
Motor Vehicle Fines/Violations	3,327.27	50,363.81	51,339.76	2,351.32
Fish and Game	250.00	1,724.00	1,874.00	100.00
Conditional Discharge	67.00	83.00	75.00	75.00
Bail	484.24	893.00	1,143.00	234.24
	<u>\$ 15,260.24</u>	<u>\$ 225,204.86</u>	<u>\$ 226,045.74</u>	<u>\$ 14,419.36</u>

The balance for year ended December 31, 2019 includes the Town of Belvidere, Liberty Township, and Harmony Township. Per the Town of Belvidere's agreement with Liberty Township and Harmony Township, all court revenue remains with the Town of Belvidere and therefore is reported on the court report of the Town.

Corrective Action Plan

The Town has initiated a corrective action plan to resolve comments and recommendations from the 2018 audit report. The prior year recommendations pertaining to a cashbook being maintained for all tickets and snack bar daily sales in the Swimming Pool Utility and ensuring petty cash funds are used for only emergency situations and incidentals not requiring prior approval or they be processed through the standard purchasing procedures were resolved during 2019. The recommendations from the 2018 auditing regarding police department, clerk's office, and construction department receipts being deposited within 48 hours; a reconciliation is performed between the outside offices cashbook and the general ledger on a monthly basis; all reconciling items are reviewed and addressed in a timely; swimming pool maintain an inventory of food concession items; a review of the federal and state grants receivable and appropriated grant reserves; and the Town have an updated appraisal performed have not been resolved and are included in the 2019 audit report.

TOWN OF BELVIDERE
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. All animal control fund, police department, clerk's office, and construction department receipts be deposited within forty-eight hours of collection.
2. A reconciliation is performed between the outside offices cashbook and the general ledger on a monthly basis
3. That the Community Center event receipts log is reconciled to the daily deposit log.
4. All reconciling items on the various bank reconciliations are reviewed and addressed in a timely.
5. The swimming pool maintain an inventory of food concession items throughout the season in order to strengthen internal controls and limit potential loss.
6. A review of the federal and state grants receivable and appropriated grant reserves be conducted to identify those grants which will be collected, and disbursed, and which grants should be cancelled.
7. The Town have an updated fixed asset appraisal performed.

* * * * *