

TOWN OF BELVIDERE
COUNTY OF WARREN
REPORT OF AUDIT
2021

NISIVOCCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS

TOWN OF BELVIDERE

COUNTY OF WARREN

REPORT OF AUDIT

2021

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TOWN OF BELVIDERE
PART I
FINANCIAL STATEMENTS
AND SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2021

Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements – *regulatory basis* - of the various funds and account group of the Town of Belvidere, in the County of Warren (the "Town") as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of each fund and account group of the Town as of December 31, 2021 and 2020, and the results of operations and changes in fund balance, where applicable, of such funds and account group, thereof for the years then ended in accordance with the accounting practices prescribed or permitted, as described in Note 1, by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division").

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 section of our report, the accompanying 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 Town as of December 31, 2021 and 2020, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Town on the basis of the financial reporting provisions prescribed or permitted by the Division, which is a basis of accounting other than accounting principles generally accepted in the United State of America, to meet the requirements of the Division's regulatory basis of accounting and the budget laws of New Jersey.

The Honorable Mayor and Members
of the Town Council
Town of Belvidere
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The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

The Honorable Mayor and Members
of the Town Council
Town of Belvidere
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Supplementary Information

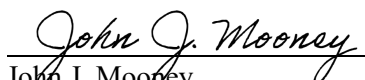
Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds and account group that collectively comprise the Town's financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the various fund and account group financial statements. The 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 and account group financial statements or to the various fund and account group 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 various fund and account group financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2022 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
May 30, 2022


NISIVOC CIA LLP



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

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
CURRENT FUND

TOWN OF BELVIDERE
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents:			
Cash - Treasurer	A-4	\$ 1,602,725.16	\$ 1,263,732.02
Petty Cash Fund - Treasurer		750.00	750.00
		<u>1,603,475.16</u>	<u>1,264,482.02</u>
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-6	109,913.11	139,947.87
Tax Title Liens Receivable	A-7	73,115.94	43,784.85
Property Acquired for Taxes		189,000.00	71,200.00
Revenue Accounts Receivable	A-8	20,363.82	5,799.09
Other Receivables - Library			6,982.00
Due from:			
Animal Control Fund	B	<u>953.78</u>	
Total Receivables and Other Assets With Full Reserves		<u>393,346.65</u>	<u>267,713.81</u>
Deferred Charges:			
Special Emergency Authorizations	A-3	<u>120,000.00</u>	
Total Regular Fund		<u>2,116,821.81</u>	<u>1,532,195.83</u>
Federal and State Grant Fund:			
Cash and Cash Equivalents	A-4A	44,613.16	15,228.84
Federal and State Grants Receivable	A-11	111,307.88	135,039.37
Due from Current Fund	A	276,599.06	
Due from General Capital Fund	C	<u>10,823.95</u>	<u>10,823.95</u>
Total Federal and State Grant Fund		<u>443,344.05</u>	<u>161,092.16</u>
<u>TOTAL ASSETS</u>		<u>\$ 2,560,165.86</u>	<u>\$ 1,693,287.99</u>

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

		December 31,	
	Ref.	2021	2020
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves:			
Unencumbered	A-3;A-9	\$ 96,738.98	\$ 158,496.36
Encumbered	A-3;A-9	10,151.12	21,244.27
Total Appropriation Reserves		106,890.10	179,740.63
Prepaid Taxes		57,604.75	86,719.12
Tax Overpayments		4,378.92	256.27
County Taxes Payable		198.55	460.48
Due Federal and State Grant Fund	A	276,599.06	
Due Other Trust Fund - Tax Sale Premium	B	200.00	22,200.00
Due Other Trust Fund	B	26,867.29	9,467.15
Due General Capital Fund	C		4,532.00
Due Sewer Utility Operating Fund	E		8,054.16
Due Payroll Account		33,128.01	
Due to State of New Jersey:			
Senior Citizens' and Veteran's Deductions		3,358.94	3,358.94
Marriage License Fees		275.00	480.00
Uniform Construction Code Fees		957.00	647.00
Local School District Taxes Payable	A-10	143,387.25	143,387.25
Reserve for Garden State Preservation Trust		1,852.00	
Reserve for Recodification of Ordinances		4,235.00	4,235.00
Reserve for Sale of Municipal Assets		22,110.66	7,223.66
Reserve for Pending Tax Appeals		25,000.00	25,000.00
Reserve for Revaluation		95,000.00	
Reserve for Codification of Ordinances		25,000.00	
Reserve for Third Party Liens		45,416.07	32,773.29
		872,458.60	528,534.95
Reserve for Receivables and Other Assets	A	393,346.65	267,713.81
Fund Balance	A-1	851,016.56	735,947.07
Total Regular Fund		2,116,821.81	1,532,195.83
Federal and State Grant Fund:			
Appropriated Reserves	A-12	209,656.33	157,075.12
Unappropriated Reserves	A-13	233,687.72	4,017.04
Total Federal and State Grant Fund		443,344.05	161,092.16
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		\$ 2,560,165.86	\$ 1,693,287.99

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

	Year Ended December 31,	
Ref.	2021	2020
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 375,000.00	\$ 269,709.00
Miscellaneous Revenue Anticipated	1,041,417.65	843,517.07
Receipts from:		
Delinquent Taxes	138,198.99	219,296.69
Current Taxes	7,035,560.82	7,087,004.53
Nonbudget Revenue	76,333.46	72,262.68
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	150,240.90	45,392.02
Interfunds Returned		2,843.88
Grant Reserves Cancelled	66,399.80	
Cancellation of Amount Due State of NJ for UCC Fees		12,969.00
Total Income	<u>8,883,151.62</u>	<u>8,552,994.87</u>
<u>Expenditures</u>		
Budget Appropriations:		
Municipal Purposes	3,296,693.04	2,929,412.15
County Taxes	1,324,480.27	1,362,339.05
Amount Due County for Added and Omitted Taxes	198.55	460.48
Local School District Taxes	3,854,525.00	3,854,525.00
Interfunds Advanced	953.78	
Reserve for Pending Tax Appeals		25,000.00
Grant Receivables Cancelled	36,231.49	4,532.00
Total Expenditures	<u>8,513,082.13</u>	<u>8,176,268.68</u>
Excess in Revenue	370,069.49	376,726.19
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year:		
Special Emergency	<u>120,000.00</u>	
Statutory Excess to Fund Balance	490,069.49	376,726.19
<u>Fund Balance</u>		
Balance January 1	<u>735,947.07</u>	<u>628,929.88</u>
	1,226,016.56	1,005,656.07
Decreased by:		
Utilized as Anticipated Revenue	<u>375,000.00</u>	<u>269,709.00</u>
Balance December 31	A <u>\$ 851,016.56</u>	<u>\$ 735,947.07</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, 2021

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 375,000.00		\$ 375,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	4,900.00		6,831.00	\$ 1,931.00
Fines and Costs:				
Municipal Court	91,000.00		138,903.47	47,903.47
Interest and Costs on Taxes	41,861.00		48,323.65	6,462.65
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		37,596.00	7,404.00 *
Department of Community Affairs				
Neighborhood Preservation Grant		\$ 125,000.00	125,000.00	
Municipal Alliance	2,929.50		2,929.50	
Reserve for Body Armor Replacement Grant	1,087.54		1,087.54	
Anticipated Utility Operating Surplus	46,000.00		46,000.00	
General Capital Fund Balance	20,000.00		20,000.00	
Harmony Township Shared Court	35,644.00		36,707.67	1,063.67
Liberty Township Shared Court	12,245.00		11,454.56	790.44 *
Frelinghuysen Shared Court	25,000.00		33,188.35	8,188.35
Franklin Township Shared Court	35,000.00		46,602.91	11,602.91
Reserve for Sale of Municipal Assets	7,223.00		7,223.00	
Total Miscellaneous Revenue	847,460.04	125,000.00	1,041,417.65	68,957.61
Receipts from Delinquent Taxes	135,000.00		138,198.99	3,198.99
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	2,018,527.40		2,124,025.40	105,498.00
Budget Totals	3,375,987.44	125,000.00	3,678,642.04	177,654.60
Nonbudget Revenue			76,333.46	76,333.46
	<u>\$3,375,987.44</u>	<u>\$ 125,000.00</u>	<u>\$3,754,975.50</u>	<u>\$ 253,988.06</u>

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Allocation of Current Tax Collections

Revenue from Collection of Current Taxes	\$ 7,035,560.82
Allocated to County and School Taxes	5,179,203.82
Balance for Support of Municipal Budget	<u>1,856,357.00</u>
Add: Appropriation - Reserve for Uncollected Taxes	<u>267,668.40</u>
Realized for Support of Municipal Budget	<u><u>\$ 2,124,025.40</u></u>

Analysis of Delinquent Tax Collections:

Delinquent Taxes	\$ 120,131.06
Tax Title Liens Redeemed	<u>18,067.93</u>
	<u><u>\$ 138,198.99</u></u>

Analysis of Nonbudget Revenue:

Miscellaneous Revenue Not Anticipated:

Treasurer:	
Interest on Investments and Deposits	\$ 727.83
Cable TV Franchise Fee	7,715.40
Senior Citizens and Veterans Deductions - Administrative Fee	360.00
Clerk Fees	27,358.00
Police Receipts	667.50
Planning Board Fees	120.00
Road Opening Fees	15,000.00
Board of Adjustment Fees	3,060.00
Other	20,116.14
Refunds	<u>154.10</u>
	\$ 75,278.97
Animal Control Fund - Statutory Excess Due Current Fund	953.78
Federal and State Grant Fund Interest Earned	23.83
General Capital Fund Interest Earned	15.50
Other Trust Funds Interest Earned	32.66
Due from Recreation Trust Fund - Other	<u>28.72</u>
	<u><u>\$ 76,333.46</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, 2021

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations - Within "CAPS"					
GENERAL GOVERNMENT:					
Mayor and Council:					
Salaries & Wages	\$ 18,300.00	\$ 18,300.00	\$ 17,498.24	\$ 801.76	
Other Expenses	2,000.00	2,000.00	1,930.11	69.89	
Administration (Municipal Clerk):					
Salaries & Wages	114,240.00	114,240.00	113,320.20	919.80	
Other Expenses (N.J.S.A. 40A:4-53, \$25,000.00)	28,300.00	57,300.00	54,887.61	2,412.39	
Financial Administration:					
Salaries & Wages	25,000.00	25,000.00	24,900.04	99.96	
Other Expenses	14,500.00	14,500.00	13,235.09	1,264.91	
Audit	22,900.00	22,900.00	22,900.00		
Tax Assessment Administration:					
Salaries & Wages	22,000.00	22,000.00	21,780.92	219.08	
Other Expenses (N.J.S.A. 40A:4-53, \$95,000.00)	750.00	95,750.00	95,718.18	31.82	
Revenue Administration (Tax Collection):					
Salaries & Wages	12,400.00	12,400.00	12,045.02	354.98	
Other Expenses	2,000.00	2,000.00	1,935.49	64.51	
Legal Services and Costs:					
Other Expenses:					
Miscellaneous Other Expenses	37,000.00	37,000.00	34,328.65	2,671.35	
Engineering Services and Costs:					
Other Expenses	22,000.00	22,000.00	20,215.34	1,784.66	

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021
(Continued)

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations - Within "CAPS" (continued)					
GENERAL GOVERNMENT (continued):					
Public Buildings and Grounds:					
Other Expenses:					
Repairs and Maintenance	\$ 43,580.00	\$ 43,580.00	\$ 42,506.43	\$ 1,073.57	
Scout Home Maintenance	1,000.00	1,000.00			\$ 1,000.00
LAND USE ADMINISTRATION:					
Municipal Land Use Law (N.J.S.A. 40:55D-1):					
Planning Board:					
Salaries & Wages	3,000.00	3,000.00	3,000.00		
Other Expenses	9,500.00	4,500.00	1,905.00	2,595.00	
Zoning Officer:					
Salaries & Wages	5,400.00	5,400.00	5,000.06	399.94	
PUBLIC SAFETY:					
Fire:					
Salaries & Wages	4,500.00	4,500.00	2,439.00	2,061.00	
Donation to Volunteer Fire Company	45,000.00	62,500.00	62,500.00		
Police:					
Salaries & Wages	760,000.00	799,000.00	790,989.60	8,010.40	
Other Expenses	59,215.00	53,715.00	47,391.06	6,323.94	
Emergency Management Services:					
Salaries & Wages	4,275.00	4,275.00	4,120.68	154.32	
Other Expenses	1.00	1.00		1.00	

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021
(Continued)

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations - Within "CAPS" (continued)					
STREETS AND ROADS:					
Road Repairs and Maintenance:					
Salaries & Wages	\$ 215,000.00	\$ 195,100.00	\$ 195,064.66	\$ 35.34	
Other Expenses	195,000.00	162,132.05	131,611.42	17,520.63	\$ 13,000.00
Shade Tree Commission:					
Other Expenses	3,250.00	3,250.00	150.00	3,100.00	
HEALTH AND WELFARE:					
Rescue Squad:					
Other Expenses	30,000.00	30,000.00	30,000.00		
Animal Control:					
Salaries & Wages	10,000.00	10,000.00	10,000.00		
RECREATION AND EDUCATION:					
Parks and Playgrounds:					
Other Expenses	3,000.00	3,000.00	3,000.00		
Celebration of Holidays and Anniversaries:					
Other Expenses	2,000.00	2,000.00		500.00	1,500.00
Environmental Commission:					
Other Expenses	800.00	800.00	375.00	425.00	
UTILITY EXPENSES AND BULK PURCHASES:					
Electricity	51,000.00	51,000.00	46,906.11	4,093.89	
Telephone	25,000.00	25,000.00	24,075.63	924.37	
Bulk Fuel	50,000.00	49,328.75	49,328.75		
Fire Hydrant Services	26,750.00	26,750.00	26,033.94	716.06	

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021
(Continued)

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations - Within "CAPS" (continued)					
Landfill Tipping Fees:					
Other Expenses	\$ 1,500.00	\$ 1,500.00		\$ 1,500.00	
Municipal Court:					
Salaries & Wages	52,611.00	52,611.00	\$ 46,482.12	6,128.88	
Other Expenses	5,000.00	5,000.00		5,000.00	
Insurance:					
General Liability	195,000.00	195,000.00	187,609.00	7,391.00	
Group Insurance	215,000.00	215,000.00	208,158.57	6,841.43	
Accumulated Sick and Vacation Reserve	5,000.00	5,000.00	5,000.00		
Uniform Construction Code:					
Salaries & Wages	25,850.00	25,850.00	25,227.54	622.46	
Other Expenses	2,300.00	2,300.00		2,300.00	
Total Operations within "CAPS"	2,370,922.00	2,487,482.80	2,383,569.46	88,413.34	\$ 15,500.00
Contingent	100.00	100.00		100.00	
Total Operations Including Contingent within "CAPS"	2,371,022.00	2,487,582.80	2,383,569.46	88,513.34	15,500.00
Detail:					
Salaries & Wages	1,277,576.00	1,296,676.00	1,276,868.08	19,807.92	
Other Expenses (Including Contingent)	1,093,446.00	1,190,906.80	1,106,701.38	68,705.42	15,500.00

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021
(Continued)

STATUTORY EXPENDITURES:

Contribution to:

Public Employees Retirement System
Social Security (FICA)
Unemployment Compensation Insurance
Police and Firemen's Retirement System of New Jersey
Defined Contribution Retirement Program (DCRP)

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
\$	64,629.00	\$ 65,568.20	\$ 65,568.20		
	103,000.00	105,500.00	105,121.26	\$ 378.74	
	8,000.00	8,000.00	154.10	7,845.90	
	164,631.00	164,631.00	164,631.00		
	1.00	1.00		1.00	

Total Deferred Charges and Statutory Expenditures -
Municipal Within "CAPS"

	340,261.00	343,700.20	335,474.56	8,224.64	
	2,711,283.00	2,831,283.00	2,719,044.02	96,737.98	\$ 15,500.00

Total General Appropriations for Municipal Purposes Within "CAPS"

Operations - Excluded from "CAPS"

Public and Private Programs Offset by Revenue:

Municipal Alliance - State Share
Municipal Alliance - Local Share
Department of Community Affairs Neighborhood
Preservation Grant (N.J.S.A. 40A:4-87 +\$125,000)
Body Armor Replacement Grant

	2,929.50	2,929.50	2,929.50		1,126.00
	1,126.00	1,126.00			
		125,000.00	125,000.00		
	1,087.54	1,087.54	1,087.54		

Total Public and Private Programs Offset by Revenues

	5,143.04	130,143.04	129,017.04		1,126.00
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TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021
(Continued)

	Appropriations		Expended by		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
Shared Service Agreements - Excluded from "CAPS":					
Harmony Township Shared Court	\$ 35,644.00	\$ 35,644.00	\$ 30,644.00		\$ 5,000.00
Liberty Township Shared Court	12,245.00	12,245.00	7,245.00		5,000.00
Franklin Township Shared Court	35,000.00	35,000.00	30,000.00		5,000.00
Frelinghuysen Township Shared Court	25,000.00	25,000.00	20,000.00		5,000.00
Total Shared Services - Excluded from "CAPS"	107,889.00	107,889.00	87,889.00		20,000.00
Total Operations - Excluded from "CAPS"	113,032.04	238,032.04	216,906.04		21,126.00
Detail:					
Other Expenses	113,032.04	238,032.04	216,906.04		21,126.00
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	75,000.00	75,000.00	75,000.00		
Improvements to Municipal Building	20,000.00	20,000.00			20,000.00
Total Capital Improvements Excluded from "CAPS"	95,000.00	95,000.00	75,000.00		20,000.00
Municipal Debt Service - Excluded from "CAPS":					
Payment of Bond Principal	125,000.00	125,000.00	125,000.00		
Interest on Bonds	39,004.00	39,004.00	39,004.00		
Total Municipal Debt Service - Excluded from "CAPS"	164,004.00	164,004.00	164,004.00		

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021
(Continued)

	Appropriations		Expended by		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
Deferred Charges - Municipal - Excluded from "CAPS": Funding Ordinance 2000-11	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00		
Total Deferred Charges - Municipal - Excluded from "CAPS"	25,000.00	25,000.00	25,000.00		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	397,036.04	522,036.04	480,910.04		\$ 41,126.00
Total General Appropriations - Excluded from "CAPS"	397,036.04	522,036.04	480,910.04	\$ 41,126.00	41,126.00
Subtotal General Appropriations Reserve for Uncollected Taxes	3,108,319.04 267,668.40	3,353,319.04 267,668.40	3,199,954.06 267,668.40	96,738.98	56,626.00
Total General Appropriations	\$3,375,987.44	\$3,620,987.44	\$3,467,622.46	\$ 96,738.98	\$ 56,626.00
		<u>Ref.</u>		<u>A</u>	

TOWN OF BELVIDERE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021
(Continued)

		Analysis of	
	<u>Ref.</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>
Adopted Budget		\$ 3,375,987.44	
Added by N.J.S.A. 40A:4-87		125,000.00	
Added by N.J.S.A. 40A:4-53	A	120,000.00	
		<u>\$ 3,620,987.44</u>	
Reserve for Uncollected Taxes			\$ 267,668.40
Cash Disbursed			2,920,296.10
Due to Federal and State Grant Fund			129,017.04
Due to Payroll Account			33,128.01
Due to Other Trust Fund			5,000.00
Reserve for Revaluation			95,000.00
Reserve for Codification of Ordinances			25,000.00
Encumbrances	A		10,151.12
			<u>3,485,260.67</u>
Less: Appropriation Refunds			17,638.21
			<u>\$ 3,467,622.46</u>

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

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
TRUST FUNDS

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

		December 31,	
	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents:			
Treasurer	B-4	\$ 7,279.33	\$ 6,072.18
Change Fund		25.00	25.00
		<u>7,304.33</u>	<u>6,097.18</u>
Unemployment Trust Fund:			
Cash and Cash Equivalents	B-4	6,420.93	6,709.96
Due From Payroll Account		<u>2,558.79</u>	
		<u>8,979.72</u>	<u>6,709.96</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	182,435.28	117,221.54
Due From Current Fund - Tax Sale Premiums	A	200.00	22,200.00
Due From Current Fund - Other Trust	A	<u>26,867.29</u>	<u>9,467.15</u>
		<u>209,502.57</u>	<u>148,888.69</u>
<u>TOTAL ASSETS</u>		<u>\$ 225,786.62</u>	<u>\$ 161,695.83</u>

TOWN OF BELVIDERE
COMPARATIVE BALANCE SHEET - TRUST FUNDS - REGULATORY BASIS
(Continued)

		December 31,	
	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due To NJ State Board of Health		\$ 32.40	\$ 13.80
Due Current Fund	A	953.78	
Reserve for Animal Control Fund Expenditures	B-5	6,318.15	6,083.38
		7,304.33	6,097.18
Unemployment Trust Fund:			
Reserve for Unemployment Trust Fund		8,979.72	6,709.96
		8,979.72	6,709.96
Other Trust Funds:			
Reserve for:			
Accumulated Absences		20,000.00	15,000.00
Christmas Tree Lighting Fund			641.14
Escrow Deposits		55,551.10	35,040.83
Historic Trust		393.20	393.20
National Night Out Trust Fund		576.81	99.10
Parking Offenses Adjudication Act		449.18	443.18
Police Outside Trust Fund		35,280.17	36,711.74
Police Water Rescue Trust Fund		793.40	793.40
Public Defender		242.00	242.00
Recreation Trust Fund		16,918.29	17,196.96
Shade Tree Trust Fund			28.72
Storm Recovery		5,000.00	5,000.00
Tax Sale Premiums		74,298.42	37,298.42
Total Other Trust Funds		209,502.57	148,888.69
<u>TOTAL LIABILITIES AND RESERVES</u>		\$ 225,786.62	\$ 161,695.83

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, 2021

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, 2021

NOT APPLICABLE

TOWN OF BELVIDERE
ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

NOT APPLICABLE

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

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
GENERAL CAPITAL FUND

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

		December 31,	
	Ref.	2021	2020
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 76,564.17	\$ 47,370.47
Due Current Fund	A		4,532.00
Due Sewer Utility Capital Fund	E	39,740.50	39,740.50
Deferred Charges to Future Taxation:			
Funded		997,000.00	1,122,000.00
Unfunded	C-4	2,644,692.61	144,692.61
<u>TOTAL ASSETS</u>		<u>\$3,757,997.28</u>	<u>\$1,358,335.58</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-8	\$ 997,000.00	\$1,122,000.00
Improvement Authorizations:			
Funded	C-5	1,964.63	8,096.94
Unfunded	C-5	2,313,269.01	
Due Federal and State Grant Fund	A	10,823.95	10,823.95
Due Sewer Utility Operating Fund	E	110,858.84	110,858.84
Capital Improvement Fund	C-6	55,331.50	55,331.50
Reserve for:			
To Pay Debt Service		237,525.00	
Capital Fund Balance	C-1	31,224.35	51,224.35
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$3,757,997.28</u>	<u>\$1,358,335.58</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, 2020	C	\$ 51,224.35
Decreased by:		
Anticipated Fund Balance in Current Fund		<u>20,000.00</u>
Balance December 31, 2021	C	<u><u>\$ 31,224.35</u></u>

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

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
WATER UTILITY FUND
(NOT APPLICABLE)

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
SEWER UTILITY FUND

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

		December 31,	
	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	E-5	\$ 473,539.51	\$ 402,542.54
Due from Current Fund	A		8,054.16
Due from General Capital Fund	C	110,858.84	110,858.84
		<u>584,398.35</u>	<u>521,455.54</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7	82,587.61	102,381.38
Sewer Liens Receivable	E-7A	19,591.52	18,411.52
		<u>102,179.13</u>	<u>120,792.90</u>
Total Operating Fund		<u>686,577.48</u>	<u>642,248.44</u>
Capital Fund:			
Cash and Cash Equivalents	E-5	185,124.50	185,124.50
Fixed Capital	E-8	3,441,491.18	3,441,491.18
Total Capital Fund		<u>3,626,615.68</u>	<u>3,626,615.68</u>
<u>TOTAL ASSETS</u>		<u>\$ 4,313,193.16</u>	<u>\$ 4,268,864.12</u>

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

		December 31,	
	<u>Ref.</u>	2021	2020
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves:			
Unencumbered	E-4; E-10	\$ 83,049.35	\$ 46,708.65
Encumbered	E-4		375.00
Total Appropriation Reserves		83,049.35	47,083.65
Prepaid Rents		9,124.92	9,620.38
Sewer Overpayments		895.00	484.63
		93,069.27	57,188.66
Reserve for Receivables		102,179.13	120,792.90
Fund Balance	E-1	491,329.08	464,266.88
Total Operating Fund		686,577.48	642,248.44
Capital Fund:			
Due to General Capital Fund	C	39,740.50	39,740.50
Capital Improvement Fund	E-12	144,802.75	144,802.75
Reserve for Amortization	E-13	3,441,491.18	3,441,491.18
Fund Balance	E-2	581.25	581.25
Total Capital Fund		3,626,615.68	3,626,615.68
<u>TOTAL LIABILITIES, RESERVES, AND FUND BALANCE</u>		\$ 4,313,193.16	\$ 4,268,864.12

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

	Year Ended December 31,	
Ref.	2021	2020
<u>Revenue and Other Income Realized</u>		
Sewer Rents	\$ 726,168.48	\$ 713,149.02
Miscellaneous	11,532.07	13,007.22
Other Credits to Income:		
Appropriation Reserves Lapsed	47,083.65	37,085.58
Interfunds and Other Receivables Returned	8,054.16	
Total Income	<u>784,784.20</u>	<u>763,241.82</u>
<u>Expenditures</u>		
Budget Expenditures:		
Operating	654,622.00	654,622.00
Capital Improvement Fund	30,000.00	35,000.00
Capital Outlay	25,000.00	25,000.00
Deferred Charges and Statutory Expenditures	2,100.00	2,100.00
Total Expenditures	<u>711,722.00</u>	<u>716,722.00</u>
Excess in Revenue	73,062.20	46,519.82
<u>Fund Balance</u>		
Balance January 1	464,266.88	453,747.06
	<u>537,329.08</u>	<u>500,266.88</u>
Decreased by:		
Revenue - Current Fund Budget - Prior Year Balance	<u>46,000.00</u>	<u>36,000.00</u>
Balance December 31	E <u>\$ 491,329.08</u>	<u>\$ 464,266.88</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, 2020	E	\$	581.25
Balance December 31, 2021	E	\$	<u>581.25</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, 2021

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Sewer Rents	\$ 711,722.00	\$ 726,168.48	\$ 14,446.48
Nonbudget Revenue		11,532.07	11,532.07
	<u>\$ 711,722.00</u>	<u>\$ 737,700.55</u>	<u>\$ 25,978.55</u>
<u>Analysis of Nonbudget Revenue</u>			
Interest on Sewer Rents		\$ 8,401.59	
Miscellaneous Other		2,818.19	
Interest Income		312.29	
		<u>\$ 11,532.07</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, 2021

	Appropriations		Expended by	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operating:				
Salaries and Wages	\$ 15,000.00	\$ 15,000.00	\$ 11,472.90	\$ 3,527.10
Other Expenses	639,622.00	639,622.00	617,199.75	22,422.25
Capital Outlay	30,000.00	30,000.00		30,000.00
Capital Improvement Fund	25,000.00	25,000.00		25,000.00
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I)	2,100.00	2,100.00		2,100.00
	<u>\$ 711,722.00</u>	<u>\$ 711,722.00</u>	<u>\$ 628,672.65</u>	<u>\$ 83,049.35</u>
<u>Ref.</u>				E

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

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
SWIMMING POOL UTILITY FUND

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

		December 31,	
	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	F-5	\$ 60,699.55	\$ 33,118.72
Change Fund		50.00	50.00
Petty Cash		200.00	200.00
		<u>60,949.55</u>	<u>33,368.72</u>
Loan to Swimming Pool Utility Capital Fund	F	17,200.00	32,200.00
Due from Swimming Pool Utility Capital Fund	F	6,537.20	6,531.87
		<u>6,537.20</u>	<u>6,531.87</u>
Total Operating Fund		<u>84,686.75</u>	<u>72,100.59</u>
Capital Fund:			
Cash and Cash Equivalents	F-5	10,474.08	10,468.75
Fixed Capital	F-8	790,591.76	790,591.76
Fixed Capital Authorized and Uncompleted	F-9	79,815.00	79,815.00
		<u>79,815.00</u>	<u>79,815.00</u>
Total Capital Fund		<u>880,880.84</u>	<u>880,875.51</u>
<u>TOTAL ASSETS</u>		<u>\$ 965,567.59</u>	<u>\$ 952,976.10</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves - Unencumbered	F-4;F-10	\$ 1,523.32	\$ 4,777.90
Accrued Interest on Bonds		315.00	312.50
		<u>3,361.64</u>	<u>9,868.30</u>
Fund Balance	F-1	82,848.43	67,010.19
		<u>82,848.43</u>	<u>67,010.19</u>
Total Operating Fund		<u>84,686.75</u>	<u>72,100.59</u>
Capital Fund:			
Serial Bonds Payable	F-15	42,000.00	50,000.00
Loan Payable to Swimming Pool Utility Operating Fund	F	17,200.00	32,200.00
Improvement Authorizations - Funded	F-11	315.00	315.00
Improvement Authorizations - Unfunded	F-11	1,938.17	1,938.17
Due to Swimming Pool Utility Operating Fund	F	6,537.20	6,531.87
Deferred Reserve for Amortization	F-14	4,815.00	4,815.00
Reserve for Amortization	F-13	806,391.76	783,391.76
Fund Balance	F-2	1,683.71	1,683.71
		<u>1,683.71</u>	<u>1,683.71</u>
Total Capital Fund		<u>880,880.84</u>	<u>880,875.51</u>
<u>TOTAL LIABILITIES, RESERVES, AND FUND BALANCE</u>		<u>\$ 965,567.59</u>	<u>\$ 952,976.10</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

		Year Ended December 31,	
	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 34,620.00	\$ 24,424.00
Pool Memberships and Admission Fees		117,454.65	91,486.18
Miscellaneous Revenues		32,784.34	26,340.60
Nonbudget Revenues		1,440.10	484.80
Other Credits to Income:			
Appropriation Reserves Lapsed		4,777.90	4,450.00
Total Income		<u>191,076.99</u>	<u>147,185.58</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		110,616.76	95,000.00
Debt Service		24,618.75	34,757.00
Deferred Charges and Statutory Expenditures		5,383.24	4,194.00
Total Expenditures		<u>140,618.75</u>	<u>133,951.00</u>
Excess in Revenue		<u>50,458.24</u>	<u>13,234.58</u>
<u>Fund Balance</u>			
Balance January 1		<u>67,010.19</u>	<u>78,199.61</u>
		117,468.43	91,434.19
Decreased by:			
Utilization as Anticipated			
Revenue		<u>34,620.00</u>	<u>24,424.00</u>
Balance December 31	F	<u>\$ 82,848.43</u>	<u>\$ 67,010.19</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, 2020	F	\$	1,683.71
Balance December 31, 2021	F	\$	<u>1,683.71</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, 2021

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Revenues:			
Fund Balance Anticipated	\$ 34,620.00	\$ 34,620.00	
Pool Memberships and Admission Fees	90,000.00	117,454.65	\$ 27,454.65
Miscellaneous Revenues	25,000.00	32,784.34	7,784.34
	<u>149,620.00</u>	<u>184,858.99</u>	<u>35,238.99</u>
Nonbudget Revenue		1,440.10	1,440.10
	<u>\$ 149,620.00</u>	<u>\$ 186,299.09</u>	<u>\$ 36,679.09</u>

Analysis of Nonbudget Revenue

Interest on Investments:

Swimming Pool Utility Capital Fund	\$ 5.33
Swimming Pool Utility Operating Fund	39.77
Miscellaneous	<u>1,395.00</u>
	<u>\$ 1,440.10</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, 2021

	Appropriations		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 65,000.00	\$ 70,599.81	\$ 70,599.81		
Other Expenses	50,000.00	44,016.95	38,493.63	\$ 1,523.32	\$ 4,000.00
Capital Outlay	5,000.00	5,000.00			5,000.00
Debt Service:					
Payment of Bond Principal	8,000.00	8,000.00	8,000.00		
Capital Loans	15,000.00	15,000.00	15,000.00		
Interest on Bonds	1,620.00	1,620.00	1,618.75		1.25
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I)	5,000.00	5,383.24	5,383.24		
	<u>\$ 149,620.00</u>	<u>\$ 149,620.00</u>	<u>\$ 139,095.43</u>	<u>\$ 1,523.32</u>	<u>\$ 9,001.25</u>
<u>Ref.</u>				F	
		Cash Disbursed	\$ 122,476.68		
		Accrued Interest on Bonds	1,618.75		
		Pool Utility Capital Loan	15,000.00		
			<u>\$ 139,095.43</u>		

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

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
PUBLIC ASSISTANCE FUND
(NOT APPLICABLE)

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
BOND AND INTEREST FUND
(NOT APPLICABLE)

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
GENERAL FIXED ASSETS ACCOUNT GROUP

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

	December 31,	
	2021	2020
<u>ASSETS</u>		
Land	\$ 1,486,800.00	\$ 1,486,800.00
Buildings	1,863,700.00	1,863,700.00
Machinery and Equipment	3,739,021.08	3,739,021.08
<u>TOTAL ASSETS</u>	<u>\$ 7,089,521.08</u>	<u>\$ 7,089,521.08</u>
<u>RESERVES</u>		
Investments in General Fixed Assets	\$ 7,089,521.08	\$ 7,089,521.08
<u>TOTAL RESERVES</u>	<u>\$ 7,089,521.08</u>	<u>\$ 7,089,521.08</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, 2021

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except noted below, 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, 2021
(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 Utility 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, 2021
(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, 2021
(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 at historic value or estimated historical cost. 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 not 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, 2021
(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

	<u>December 31,</u>		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Issued:</u>			
General:			
Bonds and Notes	\$ 997,000.00	\$ 1,122,000.00	\$ 1,242,000.00
Swimming Pool Utility:			
Bonds and Notes	<u>42,000.00</u>	<u>50,000.00</u>	<u>58,000.00</u>
Total Issued	<u>1,039,000.00</u>	<u>1,172,000.00</u>	<u>1,300,000.00</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	<u>2,644,692.61</u>	<u>144,692.61</u>	<u>304,692.61</u>
Total Authorized but not Issued	<u>2,644,692.61</u>	<u>144,692.61</u>	<u>304,692.61</u>
Less: Reserve to Pay Debt Service	<u>237,525.00</u>		
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 3,446,167.61</u>	<u>\$ 1,316,692.61</u>	<u>\$ 1,604,692.61</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 0.496%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General Debt	\$ 3,641,692.61	\$ 237,525.00	\$ 3,404,167.61
Swimming Pool Utility Debt	<u>42,000.00</u>	<u>42,000.00</u>	
	<u>\$ 3,683,692.61</u>	<u>\$ 279,525.00</u>	<u>\$ 3,404,167.61</u>

Net Debt \$3,404,167.61 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$196,127,142.33 = 0.496%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 6,864,449.98
Net Debt	<u>3,404,167.61</u>
Remaining Borrowing Power	<u>\$ 3,460,282.37</u>

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(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	\$	186,299.09
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Deductions:

Operating and Maintenance Costs	\$	116,000.00	
Debt Service Costs		24,618.75	
			140,618.75

Excess in Revenue	\$	45,680.34
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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 12/31/2020	Retirements	Balance 12/31/2021
Serial Bonds:			
General Capital Fund	\$ 1,122,000.00	\$ 125,000.00	\$ 997,000.00
Swimming Pool Utility Capital Fund	50,000.00	8,000.00	42,000.00
Total	\$ 1,172,000.00	\$ 133,000.00	\$ 1,039,000.00

Summary of Municipal Debt Issued and Outstanding – Prior Year

	Balance 12/31/2019	Retirements	Balance 12/31/2020
Serial Bonds:			
General Capital Fund	\$ 1,242,000.00	\$ 120,000.00	\$ 1,122,000.00
Swimming Pool Utility Capital Fund	58,000.00	8,000.00	50,000.00
Total	\$ 1,300,000.00	\$ 128,000.00	\$ 1,172,000.00

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

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

The Town's debt issued and outstanding on December 31, 2021 is described as follows:

<u>Purpose</u>	<u>General Capital Fund:</u> Maturities of Bonds Outstanding		<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>
	<u>Date</u>	<u>Amount</u>		
General Obligation	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%	<u>\$ 997,000.00</u>

<u>Purpose</u>	<u>Swimming Pool Utility Capital Fund:</u> Maturities of Bonds Outstanding		<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>
	<u>Date</u>	<u>Amount</u>		
Acquisition and Installation of Pool Liner	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>\$ 42,000.00</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>	
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	145,000.00	22,773.75	167,773.75
2026	150,000.00	17,880.00	167,880.00
2027-2028	297,000.00	17,560.00	314,560.00
	<u>\$ 997,000.00</u>	<u>\$ 152,185.00</u>	<u>\$ 1,149,185.00</u>

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

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

<u>Calendar Year</u>	<u>Swimming Pool Utility Capital Fund</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
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	9,000.00	534.75	9,534.75
2026	6,000.00	240.00	6,240.00
	<u>\$ 42,000.00</u>	<u>\$ 4,093.50</u>	<u>\$ 46,093.50</u>

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, 2021, the following deferred charge is shown on the balance sheet of the Current Fund:

	<u>Balance Dec. 31, 2021</u>	<u>Required 2022 Budget Appropriation</u>	<u>Balance to Succeeding Years' Budget</u>
Current Fund:			
Special Emergency	<u>\$ 120,000.00</u>	<u>\$ 24,000.00</u>	<u>\$ 96,000.00</u>

The appropriation in the 2022 budget is not less than that required by statute.

Note 4: Fund Balance Appropriated

Fund balances at December 31, 2021, 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, 2022 are \$400,000.00, \$-0- and \$42,000, respectively. \$46,000 of Sewer Utility Operating Fund Balance was anticipated as revenue in current fund for the year ending December 31, 2022.

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 12/31/2021</u>	<u>Balance 12/31/2020</u>
Balance of Tax	\$ 1,926,262.40	\$ 1,926,262.40
Deferred	1,782,875.15	1,782,875.15
Tax Payable	<u>\$ 143,387.25</u>	<u>\$ 143,387.25</u>

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

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 annual financial statements can be found at www.state.nj.us/treasury/pensions/annual-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.

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.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 6: Pension Plans (Cont'd)

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

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 \$65,568.20 for 2021.

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

Pension Liabilities and Pension Expense

At June 30, 2020, the Town's liability was \$963,417 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. 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, 2020, the Town's proportion was .0059%, which was a decrease of 0.0012% from its proportion measured as of June 30, 2019. The Town has rolled forward the net pension liability as of June 30, 2020 with no adjustments. The State of New Jersey Public Employees' Retirement System (PERS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities to include the June 30, 2020 pension information in the Notes to the Financial Statements as the June 30, 2021 pension information has not been released as of the date of this audit.

For the year ended December 31, 2021, the Town recognized actual pension expense in the amount of \$65,568.20.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 6: Pension Plans (Cont'd)

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

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. 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%

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-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

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, 2020) 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, 2020 are summarized in the following table:

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 6: Pension Plans (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments 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, 2020 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:

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 6: Pension Plans (Cont'd)

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

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

	June 30, 2020		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
Town's proportionate share of the Net Pension Liability	\$ 1,210,095	\$ 963,417	\$ 750,159

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). Additional information about the PFRS, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-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.

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.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 6: Pension Plans (Cont'd)

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

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.

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.

Town contributions to PFRS amounted to \$164,631 for the year ended December 31, 2021. During the fiscal year ended June 30, 2020, the State of New Jersey contributed \$22,740 to the PFRS for normal pension benefits on behalf of the Town, which is less than the contractually required contribution of \$33,491.

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

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 6: Pension Plans (Cont'd)

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

Pension Liabilities and Pension Expense

At June 30, 2020, the Town's liability for its proportionate share of the net pension liability was \$1,904,140. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. 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, 2020, the Town's proportion was .015%, which was an increase of .003% from its proportion measured as of June 30, 2019. The Town rolled forward the net pension liability as of June 30, 2020 with no adjustments. The State of New Jersey Police and Fireman Retirement System (PFRS)' valuation cycle is July 1 instead of December 31. The roll forward methodology put them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities to include the June 30, 2020 pension information in the Notes to the Financial Statements as the June 30, 2021 pension information has not been released as of the date of this audit.

Additionally, the State's proportionate share of the net pension liability attributable to the Town is \$295,514 as of June 30, 2020. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. 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.

At June 30, 2020, the State's proportion was .015%, which was an increase of .003% from its proportion measured as of June 30, 2019 which is the same proportion as the Town's.

Town's Proportionate Share of the Net Pension Liability	\$ 1,904,140
State's Proportionate Share of the Net Pension Liability Associated with the Town	<u>295,514</u>
Total Net Pension Liability	<u>\$ 2,199,654</u>

For the year ended December 31, 2021, the Town recognized total pension expense of \$164,631.00.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 6: Pension Plans (Cont'd)

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

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. 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
Investment Rate of Return	7.00%

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-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

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, 2020) 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, 2020 are summarized in the following table:

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 6: Pension Plans (Cont'd)

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

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

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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, 2020 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:

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 6: Pension Plans (Cont'd)

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

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 (Cont'd)

	June 30, 2020		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town's proportionate share of the NPL and the State's proportionate share of the Net Pension Liability associated with the Town	\$ 2,925,087	\$ 2,199,654	\$ 1,597,126

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 1. 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.

	2021	2020	2019
<u>Tax Rate</u>	\$ 5.672	\$ 5.695	\$ 5.738
<u>Apportionment of Tax Rate:</u>			
Municipal	1.590	1.591	1.643
County	1.045	1.073	1.055
Local School Tax	3.037	3.031	3.040
<u>Assessed Valuations:</u>			
2021	\$ 126,914,221		
2020		\$ 127,138,572	
2019			\$ 127,081,421

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 7: Selected Tax Information (Cont'd)

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>
2021	\$ 7,199,652.27	\$ 7,035,560.82	97.72%
2020	7,242,990.85	7,087,004.53	97.84%
2019	7,294,602.04	7,065,886.62	96.86%

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 in the section of this note on investments.

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.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

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

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%.

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

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

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

Investments (Cont'd)

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

As of December 31, 2021, cash and cash equivalents of the Town of Belvidere consisted of the following:

	Checking Accounts	New Jersey Cash Manage- ment Fund	Cash on Hand	Total
Current Fund	\$ 1,602,725.16		\$ 750.00	\$ 1,603,475.16
Federal and State Grant Fund	44,613.16			44,613.16
Animal Control Fund	7,279.33		25.00	7,304.33
Unemployment Trust Fund	6,420.93			6,420.93
Other Trust Funds	182,435.28			182,435.28
General Capital Fund	76,564.17			76,564.17
Sewer Utility:				
Operating Fund	472,960.47	\$ 579.04		473,539.51
Capital Fund	185,124.50			185,124.50
Swimming Pool:				
Operating Fund	60,699.55		250.00	60,949.55
Capital Fund	10,474.08			10,474.08
	<u>\$ 2,649,296.63</u>	<u>\$ 579.04</u>	<u>\$ 1,025.00</u>	<u>\$ 2,650,900.67</u>

During the year ended December 31, 2021, the Town did not hold any investments. The carrying amount of the Town's cash and cash equivalents at December 31, 2021, was \$2,650,900.67 and the bank balance was \$3,133,293.21. The \$579.04 in the New Jersey Cash Management Fund is uninsured and unregistered.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

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.

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.

The December 31, 2021 audit report for the Fund was not available as of the date of this report. Selected, summarized financial information for the Fund as of December 31, 2020 is as follows:

Total Assets	\$ 20,442,128
Net Position	\$ 15,103,878
Total Revenue	\$ 6,885,844
Total Expenses	\$ 5,460,229
Change in Net Position	\$ 1,425,615
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

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 9: Risk Management (Cont'd)

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.

<u>Year</u>	<u>Town Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021	\$ -0-	\$ 2,558.79	\$ -0-	\$ 289.03	\$ 8,979.72
2020	-0-	2,271.47	-0-	280.83	6,709.96
2019	-0-	2,160.09	-0-	276.40	4,719.32

Note 10: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at December 31, 2021:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 953.78	\$ 303,666.35
Federal and State Grant Fund	287,423.01	
Animal Control Trust Fund		953.78
Other Trust Fund	27,067.29	
General Capital Fund	39,740.50	121,682.79
Sewer Utility Operating Fund	110,858.84	
Sewer Utility Capital Fund		39,740.50
Swimming Pool Utility Operating Fund	6,537.20	
Swimming Pool Utility Capital Fund		6,537.20
	<u>\$ 472,580.62</u>	<u>\$ 472,580.62</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 due from Animal Control to Current Fund is for the 2021 statutory excess in the Reserve for Animal Control Expenditures. The interfund due from the General Capital Fund to the Federal and State Grant Fund consists of grant receipts received in General Capital Fund not turned over at year end. The amount due to Other Trust Funds from the Current Fund consists mainly of developer's escrow activity in current fund that was not cleared as of the end of the year.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 10: Interfund Receivables and Payables (Cont'd)

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. The interfund activity between General Capital Fund and Sewer Utility Operating Fund consists of a transfer received in General Capital Fund that was not turned back over to Sewer Utility Operating Fund at year end. The interfund activity between Swimming Pool Operating Utility Fund and Swimming Pool Capital Utility Fund consists of interest not turned over at year end.

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.

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.

The Town, as the collector of property taxes for the county and School District, is subject to the appeal of property assessments and the resulting property tax loss. The Town has a \$25,000 Reserve for tax appeals at December 31, 2021, which is believed to be sufficient for future cash disbursements.

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

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

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 \$168,911.91 at December 31, 2021, 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, 2021 the balance in that account is \$20,000.

Note 15: Fixed Assets

The following schedule is a summarization of the general fixed assets for the year ended December 31, 2021:

	Balance December 31, 2020	Additions	Balance December 31, 2021
Land	\$ 1,486,800.00		\$ 1,486,800.00
Buildings	1,863,700.00		1,863,700.00
Machinery and Equipment	3,739,021.08		3,739,021.08
	<u>\$ 7,089,521.08</u>	<u>\$ -0-</u>	<u>\$ 7,089,521.08</u>

The following schedule is a summarization of the general fixed assets for the year ended December 31, 2020:

	Balance December 31, 2019	Additions	Balance December 31, 2020
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	\$ 69,477.00	3,739,021.08
	<u>\$ 7,020,044.08</u>	<u>\$ 69,477.00</u>	<u>\$ 7,089,521.08</u>

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(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) annual financial statements, which can be found at 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.

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.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 16: Postemployment Benefits Other Than Pensions (OPEB)

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

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, 2019 through June 30, 2020. 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.

OPEB Expense

The Town has rolled forward the net OPEB liability as of June 30, 2020 with no adjustments. The Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting municipalities and counties to include the June 30, 2020 OPEB information in the Notes to the Financial Statements as the June 30, 2021 information has not been released as of the date of this report.

The total OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020.

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 16: Postemployment Benefits Other Than Pensions (OPEB)

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

OPEB Expense (Cont'd)

The State's proportionate share of the net OPEB benefit attributable to the Town at June 30, 2020 was \$2,023,565. At June 30, 2020, the State's proportion related to the Town was .037%. This is the percentage of the total State Share of the net OPEB liability of the Plan.

Additionally, during the year ended June 30, 2020, the State of New Jersey's OPEB benefit related to the Town was \$100,734.

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

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

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

TOWN OF BELVIDERE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021
(Continued)

Note 16: Postemployment Benefits Other Than Pensions (OPEB)

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long term trend rate after seven years. For post 65 medical benefits, the actual fully insured Medicare Advantage trend rate for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively trending to 4.5% for all years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long term rate after seven years.

Discount Rate

The discount rate for June 30, 2020 was 2.21%. The discount rate for June 30, 2019 was 3.50%. 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.

TOWN OF BELVIDERE

SUPPLEMENTARY DATA

TOWN OF BELVIDERE
SCHEDULE OF OFFICIALS IN OFFICE AND SURETY BONDS
YEAR ENDED DECEMBER 31, 2021

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

Name	Title	Amount of Bond
Joseph Kennedy	Mayor	
Laurel Napolitani	Council President	
Glen Matlock	Member of Council	
Kathleen Miers	Member of Council	
Joseph Roth	Member of Council	
Don Mitchell	Member of Council	
Adam Zmigrodski	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	Violations Clerk and Court Administrator	1,000,000 *
Rebecca Schneck	Tax Collector, Sewer Utility Clerk, and Sewer Assessment Search Officer	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 in the 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
2021
CURRENT FUND

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF CASH

Balance December 31, 2020	<u>Ref.</u> A	\$ 1,263,732.02
Increased by Receipts:		
Tax Collector Account	\$ 7,441,444.90	
Revenue Accounts Receivable	856,853.96	
Miscellaneous Revenue Not Anticipated	75,278.97	
Due from State of New Jersey:		
Veterans' and Senior Citizens' Deductions	18,000.00	
Due to Federal and State Grant Fund:		
Unappropriated Reserves	233,687.72	
Federal and State Grants Receivable	112,500.00	
Due from Other Trust Fund:		
Escrow Funds	50,170.00	
Due to State of New Jersey:		
Uniform Construction Code Fees	2,358.00	
Marriage License Fees	70.00	
Due General Capital Fund:		
Interest Earned	15.50	
Reserve for Sale of Municipal Assets	22,110.00	
Reserve for Garden State Trust Fund	1,852.00	
Appropriation Refunds	17,638.21	
		<u>8,831,979.26</u>
		10,095,711.28
Decreased by Disbursements:		
2021 Appropriation Expenditures	2,920,296.10	
2020 Appropriation Reserve Expenditures	29,499.73	
Local School District Taxes	3,854,525.00	
County Taxes	1,324,940.75	
Tax Overpayments Refunded	7,779.08	
Third Party Liens Redeemed	175,631.30	
Due from Federal and State Grant Fund:		
Appropriated Reserves	4,396.52	
Interfund Returned	35,000.00	
Due to Other Trust Fund:		
Escrow Deposits	29,681.60	
Tax Sale Premiums	88,300.00	
Other Trust	2,797.88	
POAA	4.00	
Police Outside Trust	5,225.00	
Due General Capital Fund:		
Interfund Returned	4,532.00	
Due Sewer Utility Operating Fund:		
Interfund Returned	8,054.16	
Due to State of New Jersey:		
Marriage License Fees	275.00	
Uniform Construction Code Fees	2,048.00	
		<u>8,492,986.12</u>
Balance December 31, 2021	A	<u><u>\$ 1,602,725.16</u></u>

TOWN OF BELVIDERE
FEDERAL AND STATE GRANT FUND
SCHEDULE OF CASH

	<u>Ref.</u>		
Balance December 31, 2020	A	\$	15,228.84
Increased by Receipts:			
Due From Current Fund:			
Interfund Returned		\$	35,000.00
Interest Earned			<u>23.83</u>
			<u>35,023.83</u>
			50,252.67
Decreased by Disbursements:			
Appropriated Reserves			<u>5,639.51</u>
Balance December 31, 2021	A	\$	<u><u>44,613.16</u></u>

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2021

Increased by Receipts:

Taxes Receivable	\$ 7,050,716.49	
2022 Prepaid Taxes	57,604.75	
Third Party Lien Redemptions	188,274.08	
Interest and Costs on Taxes	48,323.65	
Tax Sale Premiums	66,300.00	
Tax Overpayments	12,158.00	
Tax Title Liens Redeemed	<u>18,067.93</u>	
		\$ 7,441,444.90

Decreased by:

Payments to Treasurer		<u><u>\$ 7,441,444.90</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, 2020	2021 Levy	Collections		Over- payments Applied	State of NJ Veterans' and Senior Citizens' Deductions	County Appeals and Cancellations	Transferred to Tax Title Liens	Balance Dec. 31, 2021
			2020	2021					
2020	\$ 139,947.87			\$ 120,131.06			\$ 521.19	\$ 16,418.04	\$ 2,877.58
2021		\$ 7,199,652.27	\$ 86,719.12	6,930,585.43	\$ 256.27	\$ 18,000.00	34,248.80	22,807.12	107,035.53
	<u>\$ 139,947.87</u>	<u>\$ 7,199,652.27</u>	<u>\$ 86,719.12</u>	<u>\$ 7,050,716.49</u>	<u>\$ 256.27</u>	<u>\$ 18,000.00</u>	<u>\$ 34,769.99</u>	<u>\$ 39,225.16</u>	<u>\$ 109,913.11</u>
<u>Ref.</u>	A								A
<u>Analysis of 2021 Property Tax Levy</u>									
General Purpose Tax			\$ 7,198,574.59						
Added Taxes (54:4-63.1 et seq.)			<u>1,077.68</u>						
				<u>\$ 7,199,652.27</u>					
Tax Levy:									
Local School District Taxes									
County Taxes:									
County Taxes			\$ 1,324,480.27						
Added and Omitted Taxes			<u>198.55</u>						
				<u>1,324,678.82</u>					
				<u>5,179,203.82</u>					
Local Tax for Municipal Purposes			2,018,527.40						
Add: Additional Tax Levied			<u>1,921.05</u>						
				<u>2,020,448.45</u>					
				<u>\$ 7,199,652.27</u>					

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2020	A	\$ 43,784.85
Increased by:		
2020 Taxes Transferred From Taxes Receivable	\$ 16,418.04	
2021 Taxes Transferred From Taxes Receivable	22,807.12	
Interest and Costs on Tax Title Lien Sale	8,407.56	
		<u>47,632.72</u>
		91,417.57
Decreased by:		
Transferred to Foreclosure	233.70	
Tax Title Liens Redeemed	18,067.93	
		<u>18,301.63</u>
Balance December 31, 2021	A	<u>\$ 73,115.94</u>

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2020	Accrued in 2021	Collected by Tax Collector	Collected by Treasurer	Balance Dec. 31, 2021
Clerk:					
ABC Licenses		\$ 6,831.00		\$ 6,831.00	
Municipal Court:					
Fines and Fees	\$ 5,674.01	142,446.17		138,903.47	\$ 9,216.71
Interest and Costs on Taxes		48,323.65	\$ 48,323.65		
Energy Receipts Tax		476,140.00		476,140.00	
Garden State Trust Preservation Fund		3,430.00		3,430.00	
Uniform Construction Code Fees		37,596.00		37,596.00	
Sewer Utility Surplus Anticipated		46,000.00		46,000.00	
Harmony Township Shared Court	73.52	43,464.89		36,707.67	6,830.74
Liberty Township Shared Court	51.56	13,940.68		11,454.56	2,537.68
Frelinghuysen Shared Court		34,159.88		33,188.35	971.53
Franklin Township Shared Court		47,410.07		46,602.91	807.16
General Capital Fund Balance		20,000.00		20,000.00	
	<u>\$ 5,799.09</u>	<u>\$ 919,742.34</u>	<u>\$ 48,323.65</u>	<u>\$ 856,853.96</u>	<u>\$ 20,363.82</u>

Ref.

A

A

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF 2020 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Balance Dec. 31, 2020	Balance After Modification	Paid or Charged	Balance Lapsed
Mayor and Council:				
Salaries and Wages	\$ 243.80	\$ 243.80		\$ 243.80
Other Expenses	1,520.00	1,520.00		1,520.00
Administration (Municipal Clerk):				
Salaries and Wages	2,235.15	2,235.15		2,235.15
Other Expenses	4,045.42	4,045.42	\$ 1,481.75	2,563.67
Financial Administration (Treasury):				
Salaries and Wages	4,817.98	4,817.98		4,817.98
Other Expenses	1,900.18	1,900.18	1,518.43	381.75
Audit	1,800.00	1,800.00		1,800.00
Assessment of Taxes:				
Salaries and Wages	513.12	513.12		513.12
Miscellaneous Other Expenses	250.00	250.00		250.00
Revenue Administration (Tax Collection):				
Salaries and Wages	591.19	591.19		591.19
Other Expenses	342.87	342.87	35.00	307.87
Legal Services:				
Miscellaneous Other Expenses	4,233.40	4,233.40	2,500.00	1,733.40
Engineering Services and Costs:				
Other Expenses	6,442.53	6,442.53	2,510.02	3,932.51
Public Buildings and Grounds:				
Other Expenses - Maintenance and Repairs	116.82	2,447.42	2,447.42	
Other Expenses - Scout Home Maintenance	1,000.00	1,000.00		1,000.00
Planning Board:				
Salaries and Wages	310.00	310.00		310.00
Other Expenses - Miscellaneous	6,020.00	6,020.00	240.00	5,780.00
Zoning Officer:				
Salaries and Wages	749.94	749.94		749.94
Shade Tree Commission:				
Other Expenses	4,464.16	4,464.16		4,464.16
Fire:				
Salaries and Wages	2,061.00	2,061.00		2,061.00
Police:				
Other Expenses	2,791.19	5,507.24	5,507.24	
Emergency Management Services:				
Salaries and Wages	154.32	154.32		154.32
Other Expenses	1.00	3,311.58	3,311.58	
Streets and Roads:				
Salaries and Wages	9,112.33	9,112.33	2,213.70	6,898.63
Other Expenses	19,177.43	10,686.03	3,426.32	7,259.71

TOWN OF BELVIDERE
CURRENT FUND
SCHEDULE OF 2020 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2021
 (Continued)

	Balance Dec. 31, 2020	Balance After Modification	Paid or Charged	Balance Lapsed
Parks and Playgrounds:				
Other Expenses	\$ 3,000.00	\$ 3,000.00		\$ 3,000.00
Celebration of Holidays and Anniversaries:				
Other Expenses	1,552.21	1,552.21		1,552.21
Uniform Construction Code:				
Other Expenses	1,272.72	1,272.72		1,272.72
Environmental Commission:				
Other Expenses	425.00	425.00		425.00
Tipping Fees:				
Other Expenses	1,402.98	1,402.98		1,402.98
Utility Expenses and Bulk Purchases:				
Electricity	8,438.92	8,438.92	\$ 2,981.29	5,457.63
Telephone	475.47	609.64	609.64	
Bulk Fuel	8,535.34	8,535.34	717.34	7,818.00
Fire Hydrant Services	154.45	154.45		154.45
Municipal Court:				
Other Expenses	603.54	603.54		603.54
Contingent	100.00	100.00		100.00
Municipal Alliance	1,000.00	1,000.00		1,000.00
Statutory Expenditures:				
Unemployment Compensation Insurance	11,000.00	11,000.00		11,000.00
Social Security (FICA)	6,336.97	6,336.97		6,336.97
Public Employees' Retirement System	4,465.30	4,465.30		4,465.30
Police and Firemen's Retirement System	16,263.00	16,263.00		16,263.00
Group Insurance	19,819.90	19,819.90		19,819.90
Defined Contribution Retirement Program (DRCP)	1.00	1.00		1.00
Liberty Township Shared Court	6,000.00	6,000.00		6,000.00
Harmony Township Shared Court	14,000.00	14,000.00		14,000.00
	<u>\$ 179,740.63</u>	<u>\$ 179,740.63</u>	<u>\$ 29,499.73</u>	<u>\$ 150,240.90</u>
<u>Analysis of Balance December 31, 2020</u>				
Unencumbered	\$ 158,496.36			
Encumbered	<u>21,244.27</u>			
	<u>\$ 179,740.63</u>			

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

	<u>Ref.</u>	
Balance December 31, 2020:		
Local School Tax Payable	A	\$ 143,387.25
Local School Tax Deferred		1,782,875.15
		<u>1,926,262.40</u>
Increased by:		
Levy - School Year July 1, 2021		
through June 30, 2022		3,854,525.00
		<u>5,780,787.40</u>
Decreased by:		
Payments to Local School District		3,854,525.00
		<u>1,926,262.40</u>
Balance December 31, 2021:		
Local School Tax Payable	A	143,387.25
Local School Tax Deferred		1,782,875.15
		<u>\$ 1,926,262.40</u>

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

	Balance Dec. 31, 2020	2021 Budget Revenue Realized	Cash Receipts	Transfer From Unappropriated Reserve	Cancelled	Balance Dec. 31, 2021
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	10,451.58				10,451.58	
Emergency Management Grant - Generator	98,265.00					\$ 98,265.00
Department of Transportation Grant - Oxford Street Phase 3	2,903.55				2,903.55	
Department of Transportation Grant - Oxford Street	19,065.50				19,065.50	
Municipal Alliance	542.88	\$ 2,929.50		\$ 2,929.50		542.88
Body Armor Replacement Grant		1,087.54		1,087.54		
DCA Neighborhood Preservation Grant		125,000.00	\$ 112,500.00			12,500.00
	<u>\$ 135,039.37</u>	<u>\$ 129,017.04</u>	<u>\$ 112,500.00</u>	<u>\$ 4,017.04</u>	<u>\$ 36,231.49</u>	<u>\$ 111,307.88</u>

Ref A A

Received in Current Fund \$ 112,500.00

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

	Balance Dec. 31, 2020	Transferred from 2021 Budget Appropriations	Cash Disbursed	Cancelled	Balance Dec. 31, 2021
Recycling Tonnage Grant:					
2008	\$ 4,745.12				\$ 4,745.12
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
2019	4,539.94				4,539.94
Department of Transportation - Front/Mill Streets	42,093.84			\$ 42,093.84	
Municipal Alliance - State Share	5,284.90	\$ 2,929.50	\$ 223.00	7,991.40	
Reserve for Alcohol Education and Rehabilitation	181.10				181.10
Clean Communities Program:					
2017	6,158.72		6,158.72		
2018	6,673.33		2,137.80		4,535.53
2019	7,448.66				7,448.66
Forestry Grant:					
2011	118.00			118.00	
Body Armor Replacement Grant:					
2019	840.31				840.31
2021		1,087.54			1,087.54
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	12,138.48			12,138.48	
New Jersey American Water Company Grant	59.58			59.58	
Emergency Management Grant - Generator	33,231.78				33,231.78
Department of Transportation - Oxford Street Phase 3	3,998.44			3,998.44	
DCA Neighborhood Preservation Grant		125,000.00	1,516.51		123,483.49
	<u>\$ 157,075.12</u>	<u>\$ 129,017.04</u>	<u>\$ 10,036.03</u>	<u>\$ 66,399.80</u>	<u>\$ 209,656.33</u>
<u>Ref.</u>	A				A
Cash Disbursed in Current Fund			\$ 4,396.52		
Cash Disbursed in Federal and State Grant Fund			<u>5,639.51</u>		
			<u>\$ 10,036.03</u>		

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

	Balance Dec. 31, 2020	Cash Receipts	Transfer to 2021 Budget Revenue	Balance Dec. 31, 2021
Body Armor Replacement Grant	\$ 1,087.54	\$ 991.06	\$ 1,087.54	\$ 991.06
Recycling Tonnage Grant		485.20		485.20
Clean Communities Grant		7,146.01		7,146.01
Municipal Alliance	2,929.50	223.00	2,929.50	223.00
American Rescue Plan		134,028.08		134,028.08
NJ Department of Transportation - 5th Street Project		90,814.37		90,814.37
	<u>\$ 4,017.04</u>	<u>\$ 233,687.72</u>	<u>\$ 4,017.04</u>	<u>\$ 233,687.72</u>
<u>Ref.</u>	A			A
Received in Current Fund		<u>\$ 233,687.72</u>		

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
TRUST FUNDS

TOWN OF BELVIDERE
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	Animal Control Fund	Unemployment Trust Fund	Other Trust Funds
Balance December 31, 2020	B	\$ 6,072.18	\$ 6,709.96	\$ 117,221.54
Increased by Receipts:				
Municipal Licensing Fees		\$ 3,299.40		
Due State Board of Health		510.60		
Miscellaneous/Refunds		89.65		
Budget Appropriation:				
Animal Control Fund - Salaries and Wages		10,000.00		\$ 3,000.00
Recreation Trust - Other Expenses				5,000.00
Accumulated Absences				
Due Current Fund:				
Interfund Returned:				
Parking Offenses Adjudication Act				4.00
Police Outside Services				5,225.00
Tax Sale Premiums				59,000.00
Interest Earned				32.66
Parking Offenses Adjudication Act				6.00
Escrow Deposits				21.87
Recreation Trust Fund				2,718.00
Police Outside Trust				12,585.93
Interest Earned		1.50		14.50
		<u>13,901.15</u>	<u>6,709.96</u>	<u>87,607.96</u>
		19,973.33		204,829.50
Decreased by Disbursements:				
Expenditures under R.S. 4:19 - 15.11		12,202.00		
Due Current Fund:				
Prior Year Interfund Returned				1,628.03
Other Trust				28.72
Interest Earned				32.66
Due to State of New Jersey- Unemployment			\$ 289.03	
Recreation Trust Fund Expenditures				6,652.31
National Night Out Trust Fund Expenditures				35.00
Police Outside Trust Fund Expenditures				14,017.50
Due to State Board of Health		492.00		
		<u>12,694.00</u>	<u>289.03</u>	<u>22,394.22</u>
Balance December 31, 2021	B	\$ 7,279.33	\$ 6,420.93	\$ 182,435.28

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

	<u>Ref.</u>	
Balance December 31, 2020	B	\$ 6,083.38
Increased by:		
Budget Appropriation		\$ 10,000.00
2021 Dog License Fees Collected		2,989.40
Late Fees		310.00
Miscellaneous		89.65
Interest Earned		1.50
		<u>13,390.55</u>
		19,473.93
Decreased by:		
Expenditures under R.S.4:19-15.11:		
Cash Disbursements		12,202.00
Statutory Excess Due Current Fund		953.78
		<u>13,155.78</u>
Balance December 31, 2021	B	<u><u>\$ 6,318.15</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2020	\$ 3,023.95
2019	3,294.20
	<u>6,318.15</u>
Maximum Allowable Reserve	<u><u>\$ 6,318.15</u></u>

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
GENERAL CAPITAL FUND

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2020	C	\$ 47,370.47
Increased by Receipts:		
Budget Appropriation:		
Capital Improvement Fund	\$ 75,000.00	
Deferred Charges to Future Taxation Unfunded	25,000.00	
Due Current Fund:		
Interfund Returned	4,532.00	
Interest Earned	15.50	
Reserve to Pay Debt Service:		
New Jersey Department of Transportation Grant	237,525.00	
		<u>342,072.50</u>
		389,442.97
Decreased by Disbursements:		
Improvement Authorization Expenditures	292,863.30	
Due Current Fund:		
Interest Earned	15.50	
Capital Fund Balance Anticipated in Current Fund	20,000.00	
		<u>312,878.80</u>
Balance December 31, 2021	C	<u>\$ 76,564.17</u>

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance/(Deficit) Dec. 31, 2020	Receipts		Disbursements		Transfers		Balance/(Deficit) Dec. 31, 2021
		Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 51,224.35				\$ 20,000.00			\$ 31,224.35
Capital Improvement Fund	55,331.50	\$ 75,000.00				\$ 75,000.00		55,331.50
Due Current Fund	(4,532.00)		\$ 4,547.50		15.50			
Due From Federal and State Grant Fund	10,823.95							10,823.95
Due From Sewer Utility Capital Fund	(39,740.50)							(39,740.50)
Due From Sewer Utility Operating Fund	110,858.84							110,858.84
Reserve for:								
To Pay Debt Service			237,525.00					237,525.00
Ordinance								
Number	Improvement Description							
00-11	Various Improvements	25,000.00						(7,579.59)
12-04	Improvements to Oxford Street - Phase I							(31,500.00)
18-07	Improvements to Second and Harwick Street							(80,613.02)
19-03	Engineering for Road Improvements			\$ 577.32				11.42
20-01	Engineering for Road Improvements			5,554.99				1,953.21
21-05	Paul and Wall Street Improvements			205,117.15			\$ 25,000.00	(180,117.15)
21-09	Road Overlay and Alley Project			81,613.84			50,000.00	(31,613.84)
		\$ 100,000.00	\$ 242,072.50	\$ 292,863.30	\$ 20,015.50	\$ 75,000.00	\$ 75,000.00	\$ 76,564.17

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2020	2021 Authorizations	Paid by Budget Appropriation	Balance Dec. 31, 2021	Analysis of Balance Dec. 31, 2021	
						Expenditures	Unexpended Improvement Authorizations
00-11	Various Improvements	\$ 32,579.59		\$ 25,000.00	\$ 7,579.59	\$ 7,579.59	
12-04	Improvements to Oxford Street - Phase I	31,500.00			31,500.00	31,500.00	
18-07	Improvements to Second and Harwick Street	80,613.02			80,613.02	80,613.02	
21-05	Paul and Wall Street Improvements		\$ 475,000.00		475,000.00	180,117.15	\$ 294,882.85
21-09	Road Overlay and Alley Project		950,000.00		950,000.00	31,613.84	918,386.16
21-10	Refunding of General Obligation Bonds		1,100,000.00		1,100,000.00		1,100,000.00
		<u>\$ 144,692.61</u>	<u>\$ 2,525,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ 2,644,692.61</u>	<u>\$ 331,423.60</u>	<u>\$ 2,313,269.01</u>

Ref.

C

C

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2020	C	\$ 55,331.50
Increased By:		
2021 Budget Appropriation		<u>75,000.00</u>
		130,331.50
Decreased By:		
Appropriated to Finance Improvement Authorizations		<u>75,000.00</u>
Balance December 31, 2021	C	<u><u>\$ 55,331.50</u></u>

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

NOT APPLICABLE

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 Dec. 31, 2020	Matured	Balance Dec. 31, 2021
			Date	Outstanding Dec. 31, 2021 Amount				
General Obligation	10/1/2011	\$ 2,022,000.00	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%			
						\$ 1,122,000.00	\$ 125,000.00	\$ 997,000.00
						<u>\$ 1,122,000.00</u>	<u>\$ 125,000.00</u>	<u>\$ 997,000.00</u>

Ref.

C

C

TOWN OF BELVIDERE
GENERAL CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
YEAR ENDED DECEMBER 31, 2021

NOT APPLICABLE

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

Ordinance Number	Date	Improvement Description	Balance Dec. 31, 2020	2021 Authorizations	Funded by		Balance Dec. 31, 2021
					Budget Appropriation		
00-11	07/17/00	Various Improvements	\$ 32,579.59		\$ 25,000.00	\$	7,579.59
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	80,613.02				80,613.02
21-05	03/08/21	Paul and Wall Street Improvements		\$ 475,000.00			475,000.00
21-09	12/13/21	Road Overlay and Alley Project		950,000.00			950,000.00
21-10	12/13/21	Refunding of General Obligation Bonds		1,100,000.00			1,100,000.00
			\$ 144,692.61	\$ 2,525,000.00	\$ 25,000.00	\$	\$ 2,644,692.61

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
WATER UTILITY FUND
(NOT APPLICABLE)

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
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, 2020	E	\$ 402,542.54	\$ 185,124.50
Increased by Receipts:			
Consumer Accounts Receivable	\$	716,063.47	
Due Current Fund:			
Prior Year Interfund Returned		8,054.16	
Prepaid Sewer Rents		9,124.92	
Overpayments		895.00	
Interest on Sewer Rents		8,401.59	
Interest Income		312.29	
Miscellaneous Revenue		2,818.19	
		<u>745,669.62</u>	
		1,148,212.16	185,124.50
Decreased by Disbursements:			
2021 Appropriation Expenditures		628,672.65	
Due to Current Fund:			
Budget Revenue Anticipated		<u>46,000.00</u>	
		674,672.65	
Balance December 31, 2021	E	<u>\$ 473,539.51</u>	<u>\$ 185,124.50</u>

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance Dec. 31, 2020	Balance Dec. 31, 2021
Due General Capital Fund	\$ 39,740.50	\$ 39,740.50
Capital Improvement Fund	144,802.75	144,802.75
Fund Balance	581.25	581.25
	<u>\$ 185,124.50</u>	<u>\$ 185,124.50</u>

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

Balance December 31, 2020	<u>Ref.</u> E	\$ 102,381.38
Increased by:		
Sewer Rents Levied		<u>707,554.71</u>
		809,936.09
Decreased by:		
Cash Received	\$ 716,063.47	
Sewer Prepaid Rents Applied	9,620.38	
Sewer Overpayment Applied	484.63	
Transferred to Lien	<u>1,180.00</u>	
		<u>727,348.48</u>
Balance December 31, 2021	E	<u><u>\$ 82,587.61</u></u>

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

	<u>Ref.</u>	
Balance December 31, 2020	E	\$ 18,411.52
Increased by:		
Transfer from Consumer Accounts Receivable		<u>1,180.00</u>
Balance December 31, 2021	E	<u><u>\$ 19,591.52</u></u>

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2020	Balance Dec. 31, 2021
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>

Ref.

E

E

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2021

NOT APPLICABLE

TOWN OF BELVIDERE
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2020 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2021

	Balance Dec. 31, 2020	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salary and Wages	\$ 4,999.88	\$ 4,999.88		\$ 4,999.88
Other Expenses	4,983.77	4,983.77		4,983.77
Capital Outlay	35,000.00	35,000.00		35,000.00
Social Security O.A.S.I.	2,100.00	2,100.00		2,100.00
	<u>\$ 47,083.65</u>	<u>\$ 47,083.65</u>	<u>\$ -0-</u>	<u>\$ 47,083.65</u>

Ref.

Balance December 31, 2020:

Unencumbered	E	\$ 46,708.65
Encumbered	E	<u>375.00</u>
		<u>\$ 47,083.65</u>

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021

NOT APPLICABLE

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

	<u>Ref.</u>	
Balance December 31, 2020	E	\$ 144,802.75
Balance December 31, 2021	E	<u>\$ 144,802.75</u>

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

<u>Improvement Description</u>	<u>Balance Dec. 31, 2020</u>	<u>Balance Dec. 31, 2021</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, 2021

NOT APPLICABLE

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2021

NOT APPLICABLE

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2021

NOT APPLICABLE

TOWN OF BELVIDERE
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2021

NOT APPLICABLE

TOWN OF BELVIDERE
COUNTY OF WARREN
2021
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, 2020	F	\$ 33,118.72	\$ 10,468.75
Increased by Receipts:			
Pool Membership and Admission Fees	\$	117,454.65	
Snack Bar Proceeds		32,784.34	
Swimming Pool Capital Interest Earned			\$ 5.33
Swimming Pool Operating Interest Earned		39.77	
Miscellaneous		1,395.00	
		<u>151,673.76</u>	<u>5.33</u>
		184,792.48	10,474.08
Decreased by Disbursements:			
2021 Appropriations		122,476.68	
Interest on Bonds		1,616.25	
		<u>124,092.93</u>	
Balance December 31, 2021	F	\$ 60,699.55	\$ 10,474.08

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
ANALYSIS OF CASH

		<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Receipts</u> <u>Miscellaneous</u>	<u>Balance</u> <u>Dec. 31, 2021</u>
Due Swimming Pool Operating Fund		\$ 6,531.87	\$ 5.33	\$ 6,537.20
Fund Balance		1,683.71		1,683.71
Ordinance				
<u>Number</u>	<u>Improvement Description</u>			
2014-06	Refurbishment of the Children's Pool	315.00		315.00
2014-11	Improvements to the Municipal Pool	1,938.17		1,938.17
		<u>\$ 10,468.75</u>	<u>\$ 5.33</u>	<u>\$ 10,474.08</u>

TOWN OF BELVIDERE
SWIMMING POOL UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2021

NOT APPLICABLE

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

Account	Balance Dec. 31, 2020	Balance Dec. 31, 2021
Swimming Pool Utility	\$ 790,591.76	\$ 790,591.76
	Ref. F	F

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, 2020</u>	<u>Balance Dec. 31, 2021</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	<u>75,000.00</u>	<u>75,000.00</u>
			<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 2020 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2021

	Balance Dec. 31, 2020	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 4,270.55	\$ 4,270.55		\$ 4,270.55
Other Expenses	244.88	244.88		244.88
Social Security O.A.S.I.	262.47	262.47		262.47
	<u>\$ 4,777.90</u>	<u>\$ 4,777.90</u>	<u>\$ -0-</u>	<u>\$ 4,777.90</u>

Ref.

Balance December 31, 2020:

Unencumbered	F	<u>\$ 4,777.90</u>
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TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Ordinance Number	Date	Amount	Balance December 31, 2020		Balance December 31, 2021	
				Funded	Unfunded	Funded	Unfunded
Refurbishment of the Children's Pool	2014-06	05/05/14	\$ 4,815.00	\$ 315.00		\$ 315.00	
Improvements to the Municipal Pool	2014-11	11/17/14	75,000.00		\$ 1,938.17		\$ 1,938.17
				<u>\$ 315.00</u>	<u>\$ 1,938.17</u>	<u>\$ 315.00</u>	<u>\$ 1,938.17</u>
	Ref.			F	F	F	F

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2021

NOT APPLICABLE

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

	<u>Ref.</u>	
Balance December 31, 2020	F	\$ 783,391.76
Increased by:		
Bonds Paid by Operating Budget		\$ 8,000.00
Loans Paid by Operating Budget		15,000.00
		<u>23,000.00</u>
Balance December 31, 2021	F	<u>\$ 806,391.76</u>

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2020</u>	<u>Balance Dec. 31, 2021</u>
2014-06	Refurbishment of the Children's Pool	\$ 4,815.00	\$ 4,815.00
		<u>\$ 4,815.00</u>	<u>\$ 4,815.00</u>
	<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 Dec. 31, 2020	Matured	Balance Dec. 31, 2021
			Outstanding	Dec. 31, 2021 Amount				
Acquisition and Installation of Pool Liner	10/1/2011	\$ 106,000.00	10/1/2022	9,000.00	3.000%	\$ 50,000.00	\$ 8,000.00	\$ 42,000.00
			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%			
						\$ 50,000.00	\$ 8,000.00	\$ 42,000.00
					<u>Ref.</u>	F	F	F

TOWN OF BELVIDERE
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2020

NOT APPLICABLE

TOWN OF BELVIDERE

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2021

TOWN OF BELVIDERE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2021

Name of State Agency or Department	Name of Program	Pass Through Entity ID	Assistance Listing	Grant Period From To	Grant Award Amount	Amount Received	Program Expenditures	Cumulative Expenditures	Amount to Subrecipients
U.S. Department of Treasury: (Passed through the New Jersey Department of Community Affairs)	COVID-19 - Coronavirus State and Local Government Fiscal Recovery Funds	100-022-8030- 687-046010	21.019	3/1/20 12/31/24	\$ 268,056.16	\$ 134,028.08			
Total U.S. Department of Treasury					134,028.08				
Total Federal Awards					\$ 134,028.08	\$ -0-	\$ -0-		\$ -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, 2021

Name of State Agency or Department	Name of Program	Program Account No.	Grant Period		Grant Award Amount	Receipts	Expenditures	Total Cumulative Expenditures
			From	To				
Department of Environmental Protection	Clean Communities Grant	100-042-4910	1/1/2017	12/31/2021	\$ 6,959.68		\$ 6,158.72	\$ 6,959.68
		224-238490	1/1/2018	12/31/2022	6,673.33		2,137.80	2,137.80
			1/1/2021	12/31/2022	7,146.01	\$ 7,146.01		
						7,146.01	8,296.52	9,097.48
Total Department of Environmental Protection	Recycling Grant	100-042-4910						
		224-238490	1/1/2021	12/31/2022	485.20	485.20		
						485.20		
						7,631.21	8,296.52	9,097.48
Department of Law and Public Safety: Division of Criminal Justice	Body Armor Replacement Grant	718-066-1020						
		001-090160	1/1/2020	12/31/2022	991.06	991.06		
						991.06		
Total Department of Law and Public Safety								
Department of the Treasury (Passed through the County of Warren)	Municipal Alliance on Alcoholism and Drug Abuse	2000-475-	1/1/2019	12/31/2022	7,588.33		223.00	2,526.43
		995120-60	1/1/2020	12/31/2022	223.00	223.00		
						223.00	223.00	2,526.43
Total Department of the Treasury						223.00	223.00	2,526.43
NJ Department of Community Affairs	Neighborhood Preservation	100-022-8020						
		055-025130	1/1/2021	12/31/2022	125,000.00	112,500.00	1,516.51	1,516.51
						112,500.00	1,516.51	1,516.51
Total NJ Department of Community Affairs								
Department of Transportation	Municipal Aid: 5th Street Project	480-078-6320						
		AM2-605178	05/02/16	12/31/2022	328,339.37	328,339.37		
						328,339.37		
Total Department of Transportation						\$449,684.64	\$ 10,036.03	\$ 13,140.42

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, 2021

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, 2021. 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, 2021 and 2020, and the related notes to the financial statements and have issued our report thereon dated May 30, 2022. 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.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as Finding 2021-001, that we consider to be a significant deficiency.

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

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Town's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Responses. The Town's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
May 30, 2022

Nisivoccia LLP
NISIVOCCIA LLP

John J. Mooney

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, 2021

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.
- A significant deficiency disclosed during the audit of the financial statements is 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 material weaknesses are reported.
- 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, 2021 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 disclosed the following significant deficiency required to be reported under Generally Accepted Government Auditing Standards:

Finding 2021-001 - Segregation of Duties

Criteria

Concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

Condition

The Town does not maintain an adequate segregation of duties with respect to the recording and treasury functions.

The various departments/offices of the Town are responsible for the issuance of permits and licenses; collections of taxes and permit and license fees; and recording of collections. Also, the reconciliation of bank accounts and the preparation of the general ledger are performed by one person with limited oversight review.

Cause

This is due, in part, to the limited number of personnel of the Town and the decentralized nature of governmental collection procedures.

TOWN OF BELVIDERE
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2021
(Continued)

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

Finding 2021-001 - Segregation of Duties (Cont'd)

Effect or Potential Effect

Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time.

Recommendation

It is recommended that an adequate segregation of duties is maintained with respect to the recording and treasury functions.

Management's Response

The finding was evaluated, however, due to budgetary constraints, no resolution can be made at this time.

Findings and Questioned Costs for Federal Awards:

- Not Applicable – Grant expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- Not Applicable – Grant expenditures were below the single audit threshold.

TOWN OF BELVIDERE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021

Status of Prior Year Findings:

There were no prior year findings.

TOWN OF BELVIDERE

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2021

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 those 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, 2020 and thereafter, the bid thresholds in accordance with N.J.S.A. 40A:11-3 are \$17,500 for a contracting unit without a qualified purchasing agent and \$44,000 for a contracting unit with a qualified purchasing agent.

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, 2021, 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 27, 2021, 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>
2021	10
2020	9
2019	8

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 2022 Taxes	20
Payments of 2021 Taxes	20
Delinquent Taxes	10
Tax Title Liens	3
Payments of 2021 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, 2021. 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, pool, and construction department, were not deposited in a timely matter. It is recommended that all animal control fund, the police department, the clerk's office, the pool, 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 the receipts log for the Community Center, we were unable to trace receipts to the finance department records. It is recommended that the Community Center event receipts are reconciled to the finance department records on a monthly basis.

Management's Response

The Town will ensure that the Community Center event receipts are reconciled to the finance department records on a monthly basis.

General Capital Fund

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

TOWN OF BELVIDERE
COMMENTS AND RECOMMENDATIONS
(Continued)

Fixed Assets

3. During our review of the fixed asset report, it was noted that an updated appraisal has not been completed for several years. 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.

Large Interfund Balances at Year End

4. Throughout the testing of funds, it was found that there were large interfund balances which existed at year end. It is recommended that all interfunds be liquidated and every effort is made to avoid or limit interfund transactions.

Management's Response

Interfunds will be liquidated prior to the end of the year.

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, 2021:

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

<u>Agency</u>	<u>Balance Dec. 31, 2020</u>	<u>Cash Received</u>	<u>Cash Disbursed</u>	<u>Balance Dec. 31, 2021</u>
Municipal Treasurer:				
Fines and Costs	\$ 5,799.08	\$ 147,093.49	\$ 143,277.10	\$ 9,615.47
Restitution		80.00	80.00	
POAA		6.00	6.00	
Weights and Measures		100.00	100.00	
Public Defender		1,200.00	1,200.00	
County Treasurer:				
Fines and Costs	529.00	9,541.50	9,461.00	609.50
State Treasurer:				
Motor Vehicle Fines/Violations	828.13	33,571.47	31,533.56	2,866.04
Fish and Game	200.00	680.00	880.00	
Conditional Discharge		125.00	125.00	
Bail	179.00	1,201.00	1,250.00	130.00
	<u>\$ 7,535.21</u>	<u>\$ 193,598.46</u>	<u>\$ 187,912.66</u>	<u>\$ 13,221.01</u>

The balance for year ended December 31, 2021 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.

TOWN OF BELVIDERE
COMMENTS AND RECOMMENDATIONS
(Continued)

Management Suggestions

Governmental Accounting Standards Board (GASB) Statements

GASB Statement No. 87, *Leases*, is effective for the year ended December 31, 2022. Previously leases were either categorized as capital leases or operating leases. This statement will likely affect most leases formerly classified as operating leases. There will be required disclosures for leases for which the Town is either a lessee or a lessor although there will be no impact on the actual financial statements. It is likely that a lease software or similar spreadsheets will need to be utilized to perform the various calculations necessary to implement this standard.

COVID-19 Federal Funding

It is possible that the Town will undergo some review of its COVID-19 funding by the federal government. We strongly suggest that the Town ensures that these funds are utilized in accordance with the applicable federal requirements especially with respect to procurement. Additionally, we strongly suggest that the Town ensures that these funds are separately accounted for in the Town's accounting records and that any applicable Town policies are current with respect to federal grant requirements.

Because of the nature of these funds, being new programs, generally of a significant dollar amount, and some of which may be expended over a period of years, they may be subject to federal or state audit several years from now. It is important that the grant files maintained by local governments be complete, self-explanatory, and fully document the program(s) undertaken as part of the funding.

Corrective Action Plan

The Town has initiated a corrective action plan to resolve comments and recommendations from the 2020 audit report. The prior year recommendations pertaining to reconciling items on grant receivables and reserves being reviewed for cancellation and the court cash deposits being made within 48 hours of receipt were resolved in 2021. The recommendations from the 2020 audit regarding police department, clerk's office, the pool, and the construction department receipts being deposited within 48 hours; a reconciliation being performed between the Community Center cashbook and the general ledger on a monthly basis; and the Town having an updated appraisal of fixed assets performed have not been resolved and are included in the 2021 audit report.

TOWN OF BELVIDERE
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. All animal control fund, the police department, the clerk's office, the pool, and the construction department receipts be deposited within forty-eight hours of collection.
2. The Community Center event receipts are reconciled to the finance department records on a monthly basis.
3. The Town have an updated fixed asset appraisal performed.
4. All transactions be liquidated to avoid or limit interfund transactions.
5. An adequate segregation of duties is maintained with respect to the recording and treasury functions.

* * * * *