

**TOWNSHIP OF GREENWICH  
COUNTY OF GLOUCESTER  
REPORT OF AUDIT  
FOR THE YEAR ENDED DECEMBER 31, 2018**



**TOWNSHIP OF GREENWICH**  
**TABLE OF CONTENTS**

<u>Exhibit No.</u>		<u>Page No.</u>
	<b><u>PART 1</u></b>	
	<b><u>Independent Auditor's Report</u></b>	<b>2</b>
	<b>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</b>	<b>5</b>
	<b><u>CURRENT FUND</u></b>	
A	Statements of Assets, Liabilities, Reserves and Fund Balances-- Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance-- Regulatory Basis	9
A-2	Statement of Revenues--Regulatory Basis	10
A-3	Statement of Expenditures--Regulatory Basis	13
	<b><u>TRUST FUND</u></b>	
B	Statements of Assets, Liabilities and Reserves--Regulatory Basis	19
	<b><u>GENERAL CAPITAL FUND</u></b>	
C	Statements of Assets, Liabilities, Reserves and Fund Balances-- Regulatory Basis	20
	<b><u>WATER UTILITY FUND</u></b>	
D	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	21
D-1	Statements of Operations and Changes in Fund Balance-- Regulatory Basis	23
D-2	Statement of Revenues--Regulatory Basis	24
D-3	Statement of Expenditures--Regulatory Basis	25
	<b><u>GENERAL FIXED ASSET GROUP OF ACCOUNTS</u></b>	
G	Statement of General Fixed Asset Group of Accounts-- Regulatory Basis	26
	Notes to Financial Statements	27

**TOWNSHIP OF GREENWICH**  
**TABLE OF CONTENTS (CONT'D)**

<u>Exhibit No.</u>		<u>Page No.</u>
<b><u>SUPPLEMENTAL EXHIBITS</u></b>		
<b><u>CURRENT FUND</u></b>		
SA-1	Statement of Current Cash--Chief Financial Officer	65
SA-2	Statement of Current Cash--Tax Collector	66
SA-3	Statement of Current Cash--Sewer Collector	67
SA-4	Statement of Taxes Receivable and Analysis of Property Tax Levy	68
SA-5	Statement of Sewer Rents Receivable	69
SA-6	Statement of Tax Title Liens	70
SA-7	Statement of Sewer Liens Receivable	70
SA-8	Statement of Revenue Accounts Receivable	71
SA-9	Statement of 2017 Appropriation Reserves	72
SA-10	Statement of Reserve for State Tax Appeals Pending	75
SA-11	Statement of Due to State of New Jersey--Marriage License Fees	75
SA-12	Statement of Due to State of New Jersey Veterans' and Senior Citizens' Deductions	76
SA-13	Statement of Prepaid Taxes	77
SA-14	Statement of Tax Overpayments	77
SA-15	Statement of County Taxes Payable	78
SA-16	Statement of Amount Due to County for Added and Omitted Taxes	78
SA-17	Statement of Local School District Tax	79
SA-18	Federal and State Grant Fund--Statement of Due Current Fund	79
SA-19	Federal and State Grant Fund--Statement of Federal and State Grants Receivable	80
SA-20	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants --Unappropriated	81
SA-21	Federal and State Grant Fund--Statement of Reserve for Federal and State Grants--Appropriated	82
<b><u>TRUST FUND</u></b>		
SB-1	Statement of Trust Cash--Chief Financial Officer	85
SB-2	Statement of Trust Cash--Tax Collector	86
SB-3	Statement of Investments – Length of Service Awards Program	87
SB-4	Statement of Trust Cash – Animal Control Collector	88
SB-5	Statement of Amount Due to Current Fund--Animal Control Fund	88
SB-6	Statement of Reserve for Animal Control Fund	89
SB-7	Statement of Due to State of New Jersey--Department of Health	89
SB-8	Statement of Due Current Fund--Trust Other Fund	90
SB-9	Statement of Due From Self Insurance Management Company- Trust Other Fund	90
SB-10	Statement of Miscellaneous Trust Reserves	91

**TOWNSHIP OF GREENWICH**  
**TABLE OF CONTENTS (CONT'D)**

<u>Exhibit No.</u>		<u>Page No.</u>
<b><u>GENERAL CAPITAL FUND</u></b>		
SC-1	Statement of General Capital Cash -- Chief Financial Officer	93
SC-2	Analysis of General Capital Cash	94
SC-3	Statement of Deferred Charges to Future Taxation--Funded	95
SC-4	Statement of Deferred Charges to Future Taxation--Unfunded	96
SC-5	Statement of Contracts Payable	97
SC-6	Statement of Capital Improvement Fund	97
SC-7	Statement of Improvement Authorizations	98
SC-8	Statement of Reserve for Preliminary Costs	99
SC-9	Statement of Bond Anticipation Notes	100
SC-10	Statement of General Serial Bonds	101
SC-11	Statement of Green Trust Loan Payable	102
SC-12	Statement of Bonds and Notes Authorized But Not Issued	103
<b><u>WATER UTILITY FUND</u></b>		
SD-1	Statement of Water Utility Cash--Chief Financial Officer	105
SD-2	Statement of Water Utility Cash--Water Collector	106
SD-3	Water Capital Fund--Analysis of Water Utility Capital Cash	107
SD-4	Water Operating Fund--Statement of Consumer Accounts Receivable	108
SD-5	Water Capital Fund--Schedule of Fixed Capital	109
SD-6	Water Capital Fund--Statement of Fixed Capital Authorized and Uncompleted	110
SD-7	Water Operating Fund--Statement of Appropriation Reserves	111
SD-8	Water Operating Fund--Statement of Interest on Bonds and Analysis of Balance	112
SD-9	Water Operating Fund--Statement of Water Rent Overpayments	113
SD-10	Water Operating Fund--Statement of Due Water Capital Fund	113
SD-11	Water Operating Fund--Statement of Due Current Fund	114
SD-12	Water Capital Fund--Statement of Contracts Payable	115
SD-13	Water Capital Fund--Statement of Due Current Fund	115
SD-14	Water Capital Fund--Statement of Improvement Authorizations	116
SD-15	Water Capital Fund--Statement of Reserve for Amortization	117
SD-16	Water Capital Fund--Deferred Reserve for Amortization	118
SD-17	Water Capital Fund--Statement of Bond Anticipation Notes	119
SD-18	Water Capital Fund--Statement of Water Serial Bonds	120
SD-19	Water Capital Fund--Statement of Bonds and Notes Authorized But Not Issued	121

**TOWNSHIP OF GREENWICH**  
**TABLE OF CONTENTS (CONT'D)**

Exhibit No.

Page No.

**PART 2**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

Schedule of Financial Statement Findings	123
Summary Schedule of Prior Year Audit Findings and Recommendations As Prepared by Management	124

<b><u>OFFICIALS IN OFFICE AND SURETY BONDS</u></b>	125
--	-----

<b><u>APPRECIATION</u></b>	126
----------------------------	-----

**TOWNSHIP OF GREENWICH**  
**PART 1**  
**REPORT OF AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and  
Members of the Township Council  
Township of Greenwich  
Gibbstown, New Jersey 08027

### **Report on the Financial Statements**

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Greenwich, in the County of Gloucester, State of New Jersey, as of December 31, 2018 and 2017, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

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

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

## ***Opinions***

### ***Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America***

As described in note 1 to the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### ***Adverse Opinion on Accounting Principles Generally Accepted in the United States of America***

In our opinion, because of the significance of the matter discussed in the *"Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America"* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Greenwich, in the County of Gloucester, State of New Jersey, as of December 31, 2018 and 2017, or the results of its operations and changes in fund balance for the years then ended.

### ***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Greenwich, in the County of Gloucester, State of New Jersey, as of December 31, 2018 and 2017, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2018, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

### ***Emphasis of Matter***

#### ***Adoption of New Accounting Principles***

As discussed in note 1 to the financial statements, during the year ended December 31, 2018, the Township adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The adoption of this new accounting principle resulted in a material note disclosure (see note 10). As a result of the regulatory basis of accounting, described in the previous paragraph, the implementation of this Statement only required financial statement disclosures. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2019 on our consideration of the Township of Greenwich, in the County of Gloucester, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Greenwich's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Greenwich's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael J. Welding  
Certified Public Accountant  
Registered Municipal Accountant

Woodbury, New Jersey  
December 2, 2019

**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 Township Council  
Township of Greenwich  
Gibbstown, New Jersey 08027

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Township of Greenwich, in the County of Gloucester, State of New Jersey, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated December 2, 2019. That report indicated that the Township of Greenwich's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting pronouncement.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township of Greenwich's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Greenwich's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Greenwich's internal control.

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael J. Welding  
Certified Public Accountant  
Registered Municipal Accountant

Woodbury, New Jersey  
December 2, 2019

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves, and Fund Balances - Regulatory Basis  
 As of December 31, 2018 and 2017

	Ref.	2018	2017
Assets:			
Regular Fund:			
Cash:			
Treasurer	SA-1	\$ 7,172,110.50	\$ 6,861,220.29
Tax Collector	SA-2	48,614.28	-
Sewer Collector	SA-3	30,108.62	26,215.87
Change Fund	A	400.00	400.00
Petty Cash	A	<u>125.00</u>	<u>125.00</u>
		<u>7,251,358.40</u>	<u>6,887,961.16</u>
Other Receivables			
Due from State - Senior's and Veteran's Deductions	SA-12	<u>1,048.82</u>	<u>-</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	267,245.63	327,647.53
Tax Title Liens Receivable	SA-6	152,177.55	122,369.62
Property Acquired / Assessed Valuation	A	339,070.00	339,070.00
Sewer Rents Receivable	SA-5	109,006.54	119,136.98
Sewer Liens Receivable	SA-7	3,231.04	2,856.04
Revenue Accounts Receivable	SA-8	4,973.45	5,703.25
Due from Animal Control Fund	SB-5	2.68	3,028.80
Due from Trust Other Fund	SB-8	11.86	19.52
Due from Water Utility Operating Fund	SD-11	<u>150,003.22</u>	<u>23,192.70</u>
		<u>1,025,721.97</u>	<u>943,024.44</u>
		<u>8,278,129.19</u>	<u>7,830,985.60</u>
Federal and State Grant Fund:			
Due from Current Fund	SA-18	201,525.64	190,001.12
Grants Receivable	SA-19	<u>33,901.79</u>	<u>34,901.79</u>
		<u>235,427.43</u>	<u>224,902.91</u>
		<u>\$ 8,513,556.62</u>	<u>\$ 8,055,888.51</u>

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves, and Fund Balances - Regulatory Basis  
 As of December 31, 2018 and 2017

	Ref.	2018	2017
Liabilities, Reserves and Fund Balance:			
Regular Fund:			
Appropriation Reserves	A-3;SA-9	\$ 1,231,436.72	\$ 1,189,917.95
Reserve for Encumbrances	A-3;SA-9	301,640.15	351,413.57
Accounts Payable	A	13,635.53	13,635.53
Due to State of New Jersey:			
Senior Citizen's and Veteran's Deductions	SA-12	- 994.33	
Marriage License Fees	SA-11	125.00 -	
Prepaid Taxes	SA-13	164,965.90	267,947.54
Tax Overpayments	SA-14	31,744.40	60,953.11
Sewer Rent Overpayments	SA-5	- 1,368.17	
Due County for Added and Omitted Taxes	SA-16	4,495.26	3,771.67
Due to Federal and State Grant Fund	SA-18	201,525.64	190,001.12
Due to Water Utility Capital Fund	SD-13	6,376.97	4,398.75
Reserve for State Tax Appeals Pending	SA-10	<u>2,135,667.36</u>	<u>2,130,667.36</u>
		<u>4,091,612.93</u>	<u>4,215,069.10</u>
Reserves for Receivables	A	1,025,721.97	943,024.44
Fund Balance	A-1	<u>3,160,794.29</u>	<u>2,672,892.06</u>
		<u>8,278,129.19</u>	<u>7,830,985.60</u>
Federal and State Grant Fund:			
Reserve for Encumbrances	SA-21	3,083.33	2,800.00
Appropriated Reserves	SA-21	226,404.71	204,003.44
Unappropriated Reserves	SA-20	<u>5,939.39</u>	<u>18,099.47</u>
		<u>235,427.43</u>	<u>224,902.91</u>
		<u>\$ 8,513,556.62</u>	<u>\$ 8,055,888.51</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance - Regulatory Basis  
 For the Years Ended December 31, 2018 and 2017

	2018	2017
<b>Revenue and Other Income Realized:</b>		
Fund Balance Utilized	\$ 1,542,000.00	\$ 1,340,000.00
Miscellaneous Revenues Anticipated	2,287,636.88	1,837,544.47
Receipts from Delinquent Taxes	330,415.81	325,822.17
Receipts from Current Taxes	23,487,140.96	23,078,329.75
Nonbudget Revenues	297,219.46	399,021.31
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,182,622.50	714,998.89
Overpayments Canceled	10,662.27	-
Prior Year Utility Appropriation Reserves Cancelled	97,250.35	30,558.82
Statutory Excess - Animal Control Fund	-	3,029.10
Interfund Returned	3,033.78	18.87
	<hr/> 29,237,982.01	<hr/> 27,729,323.38
<b>Expenditures:</b>		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	3,652,927.00	3,495,440.00
Other Expenses	5,060,123.00	5,183,100.00
Deferred Charges and Statutory Expenditures	1,167,360.47	775,080.00
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	2,848.68	423.02
Other Expenses	66,069.21	67,030.50
Capital Improvements	20,000.00	40,000.00
Municipal Debt Service	1,156,997.07	1,143,518.87
County Taxes	5,742,286.68	5,684,934.57
Due County for Added and Omitted Taxes	4,495.26	3,771.67
Local District School Tax	10,189,783.00	9,989,985.00
Interfund Created	126,810.52	19,200.35
Prior Year Senior Citizen Deduction Disallowed	1,052.05	1,000.00
Refund of Prior Year Revenue	17,326.84	1,038.29
	<hr/> 27,208,079.78	<hr/> 26,404,522.27
Excess in Revenues	2,029,902.23	1,324,801.11
Fund Balance January 1	<hr/> 2,672,892.06	<hr/> 2,688,090.95
Total	4,702,794.29	4,012,892.06
Decreased by:		
Utilization as Anticipated Revenue	<hr/> 1,542,000.00	<hr/> 1,340,000.00
Fund Balance December 31	<hr/> \$ 3,160,794.29	<hr/> \$ 2,672,892.06

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Revenues - Regulatory Basis**  
**For the Year Ended December 31, 2018**

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess
Fund Balance Anticipated	\$ 1,542,000.00		\$ 1,542,000.00	
<b>Miscellaneous Revenues:</b>				
Fines and Costs:				
Municipal Court	90,000.00		98,186.05	\$ 8,186.05
Interest and Costs on Taxes	60,000.00		67,636.16	7,636.16
Sewer Rents	755,000.00		846,693.70	91,693.70
Consolidated Municipal Property Tax Relief Aid	46,646.00		46,646.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	676,078.00		676,078.00	
Uniform Construction Code Fees	100,000.00		236,334.00	136,334.00
Uniform Fire Safety Act	30,000.00		41,413.00	11,413.00
PILOT - DRP Urban Renewal 1, LLC	235,616.82		235,617.08	0.26
<b>Public and Private Revenues Offset With Appropriations:</b>				
Alcohol Education and Rehabilitation Fund	128.68		128.68	
Body Armor Replacement Fund	1,946.21		1,946.21	
Bulletproof Vest Partnership	1,992.00		1,992.00	
Clean Communities Program		\$ 11,393.42	11,393.42	
Drive Sober or Get Pulled Over	2,720.00		2,720.00	
Municipal Alliance on Alcoholism and Drug Abuse	9,540.00		9,540.00	
Recycling Tonnage Grant	11,312.58		11,312.58	
	2,020,980.29	\$ 11,393.42	2,287,636.88	255,263.17
Receipts from Delinquent Taxes	300,000.00		330,415.81	30,415.81
Subtotal General Revenues	3,862,980.29	11,393.42	4,160,052.69	285,678.98
Amount to be Raised by Taxes for Support to Municipal Budget - Local Tax for Municipal Purposes	7,833,446.73		8,086,513.57	253,066.84
Budget Totals	11,696,427.02	11,393.42	12,246,566.26	538,745.82
Nonbudget Revenues			297,219.46	297,219.46
	\$ 11,696,427.02	\$ 11,393.42	\$ 12,543,785.72	\$ 835,965.28

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statement of Revenues - Regulatory Basis  
 For the Year Ended December 31, 2018

---

Analysis of Realized Revenue:Allocation of Current Tax Collections:

Revenue from Collections	\$ 23,487,140.96
<hr/>	
Allocated to:	
School and County Taxes	<u>15,936,564.94</u>
<hr/>	
Balance for Support of Municipal Budget Revenues	7,550,576.02
<hr/>	
Add:	
Appropriation: "Reserve for Uncollected Taxes"	<u>535,937.55</u>
<hr/>	
Amount for Support of Municipal Budget Appropriations	<u>\$ 8,086,513.57</u>
<hr/>	

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 327,194.82
Tax Title Lien Collections	<u>3,220.99</u>
	<u>\$ 330,415.81</u>

Sewer Rents:

Collections	\$ 838,112.19
Overpayments Applied	1,368.17
Collections Deposited to Water Utility Operating	<u>7,213.34</u>
	<u>\$ 846,693.70</u>

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Revenues - Regulatory Basis**  
**For the Year Ended December 31, 2018**

---

Analysis of Realized Revenue (Continued):

Analysis of Non-Budget Revenue

Chief Financial Officer:

Administrative Fees -- Senior Citizens' and Veterans' Deductions	\$ 1,418.10
Administrative Fees -- Homestead Rebate	633.60
Appropriation Refunds	4,162.33
Cable Television Franchise Fees	21,920.60
Insurance Proceeds	23,414.73
Interest on Deposits	29,639.22
Landlord Registration Fees	37,180.00
LEA Rebates	16,361.75
Licenses	2,476.00
Miscellaneous Other	14,121.43
Motor Vehicle Inspection Fines	304.69
Outside Police Administrative Costs and Vehicle Usage Fee	49,127.50
Payment in Lieu of Taxes	28,656.56
Poll Rentals	600.00
Prior Year Refund	6,801.37
Retiree Medical Insurance Reimbursement	25,957.75
Tax Collector Premiums - Forfeited	19,900.00
Cancellation of Trust Other Reserves	<u>1,965.72</u>
	\$ 284,641.35

Tax Collector:

Miscellaneous Other	\$ 2,707.54
---------------------	-------------

Utility Collector:

Interest and Costs on Sewer Rents	\$ 4,104.50
Sewer Connection Fees	5,100.00
Clerk Fees - Miscellaneous	<u>666.07</u>
	<u>9,870.57</u>
	<u>\$ 297,219.46</u>

Cash - Tax Collector	\$ 2,707.54
Cash - Utility Collector	9,870.57
Cash - Chief Financial Officer	284,630.26
Interfunds	<u>11.09</u>
	<u>\$ 297,219.46</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2018**

	Appropriations		Expended			Unexpended Balance Cancelled	
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
<b><u>OPERATIONS WITHIN "CAPS"</u></b>							
Department of Administration and Finance:							
General Administration:							
Salaries and Wages	\$ 85,650.00	\$ 85,650.00	\$ 84,658.13	\$ 991.87			
Other Expenses	25,000.00	25,000.00	17,703.95	4,827.49	2,468.56		
Mayor and Council:							
Salaries and Wages	51,700.00	51,700.00	51,652.12		47.88		
Other Expenses	3,000.00	3,000.00	1,631.04		1,368.96		
Municipal Clerk:							
Salaries and Wages	72,400.00	72,400.00	69,915.88		2,484.12		
Other Expenses	53,000.00	53,000.00	39,981.71	4,812.58	8,205.71		
Financial Administration:							
Salaries and Wages	79,750.00	80,275.00	79,736.93		538.07		
Other Expenses	8,500.00	8,500.00	7,986.81	500.00	13.19		
Audit Services:							
Other Expenses	60,000.00	60,000.00	60,000.00				
Revenue Administration:							
Salaries and Wages	34,350.00	34,350.00	29,624.62		4,725.38		
Other Expenses	6,000.00	6,000.00	4,241.29		1,758.71		
Legal Services and Costs:							
Other Expenses:							
Industrial Appeals (N.J.S.A. 40A:4-46)	500,000.00	500,200.00	394,263.50	105,899.98	36.52		
Miscellaneous Other	140,000.00	139,800.00	120,803.44	9,335.69	9,660.87		
Engineering Services and Costs:							
Other Expenses	22,500.00	22,500.00	1,425.00		21,075.00		
Economic Development:							
Other Expenses	1,000.00	1,000.00			1,000.00		
Historical Committee:							
Salaries and Wages	1,515.00	1,515.00	1,511.70		3.30		
Other Expenses	3,000.00	3,000.00	1,956.73		1,043.27		
Planning Board:							
Salaries and Wages	4,200.00	4,200.00	4,193.92		6.08		
Other Expenses	7,000.00	7,000.00	6,124.64	397.68	477.68		
Zoning Board:							
Salaries and Wages	10,750.00	10,896.00	10,895.04		0.96		
	1,325.00	1,325.00			1,325.00		

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2018**

	Appropriations		Expended			Unexpended Balance Cancelled	
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
<b>OPERATIONS WITHIN "CAPS" (CONT'D)</b>							
Department of Administration and Finance (Cont'd):							
Insurance:							
General Liability	\$ 200,000.00	\$ 180,000.00	\$ 146,781.03	\$ 2,947.00	\$ 30,271.97		
Worker's Compensation	210,000.00	210,000.00	210,000.00				
Employee Group Health	1,980,000.00	1,972,873.00	1,341,109.19		631,763.81		
Unemployment Compensation	10,000.00	10,000.00	10,000.00				
Public Safety Functions:							
Police:							
Salaries and Wages	1,880,000.00	1,880,000.00	1,822,494.35		57,505.65		
Other Expenses	131,350.00	131,350.00	68,079.47	29,237.68	34,032.85		
Office of Emergency Management:							
Salaries and Wages	18,025.00	18,025.00	18,001.98		23.02		
Other Expenses	11,050.00	11,050.00	4,371.33	125.00	6,553.67		
Aid to Volunteer Fire Company:							
Other Expenses	80,000.00	80,000.00	67,664.29	11,920.17	415.54		
Fire Department (Uniform Fire Safety Act P.L. 1983 Ch. 383):							
Salaries and Wages	35,215.00	35,215.00	29,468.73		5,746.27		
Other Expenses	14,000.00	14,000.00	9,954.67	3,585.00	460.33		
Municipal Prosecutor:							
Salaries and Wages	15,450.00	15,450.00	15,433.44		16.56		
Other Expenses	300.00	300.00			300.00		
Department of Public Works:							
Streets and Roads Maintenance:							
Salaries and Wages	525,000.00	525,000.00	521,001.24		3,998.76		
Other Expenses	60,300.00	60,300.00	44,234.93	15,499.79	565.28		
Drainage:							
Salaries and Wages	3,000.00	3,000.00			3,000.00		
Other Expenses	31,500.00	31,500.00	28,967.83	323.75	2,208.42		
Solid Waste Collection:							
Salaries and Wages	170,000.00	170,000.00	165,536.36		4,463.64		
Other Expenses	202,000.00	202,000.00	120,373.73	39,649.98	41,976.29		
Public Buildings and Grounds:							
Salaries and Wages	10,000.00	12,302.00	12,301.18		0.82		
Other Expenses	57,500.00	57,500.00	35,603.57	5,425.91	16,470.52		
Sewerage Processing and Disposal:							
Salaries and Wages	321,000.00	321,000.00	279,855.17		41,144.83		

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2018**

	Appropriations		Expended			Unexpended Balance Cancelled	
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
<b>OPERATIONS WITHIN "CAPS" (CONT'D)</b>							
Department of Public Works (Cont'd):							
Sewerage Processing and Disposal (Cont'd):							
Other Expenses:							
Sludge Disposal	\$ 60,000.00	\$ 70,000.00	\$ 61,627.49	\$ 3,025.20	\$ 5,347.31		
Miscellaneous Other	156,500.00	156,500.00	98,808.27	15,375.68	42,316.05		
Vehicle Maintenance:							
Other Expenses	93,750.00	93,750.00	54,269.45	14,586.41	24,894.14		
Health & Human Services Functions:							
Public Health Services:							
Salaries and Wages	10,500.00	10,500.00	10,467.95		32.05		
Other Expenses	7,500.00	7,500.00	6,798.00	170.00	532.00		
Environmental Health Services:							
Salaries and Wages	1,515.00	1,515.00	1,511.70		3.30		
Other Expenses	1,300.00	1,300.00	732.70		567.30		
Animal Control Services:							
Other Expenses	100.00	100.00			100.00		
Park & Recreation Functions:							
Recreation Services and Programs:							
Salaries and Wages	5,630.00	5,630.00	5,624.27		5.73		
Other Expenses	80,000.00	80,000.00	58,726.98	5,800.00	15,473.02		
Maintenance of Parks:							
Other Expenses	12,500.00	12,500.00	2,943.81	1,125.00	8,431.19		
Other Common Operating Functions:							
Accumulated Leave Absence:							
Salaries and Wages	100,000.00	100,000.00	100,000.00				
Celebration of Public Events:							
Other Expenses	1,000.00	1,000.00	221.98		778.02		
Senior Citizen Public Transportation:							
Other Expenses	12,800.00	12,800.00	12,456.00		344.00		
Unclassified:							
Gasoline	130,500.00	125,500.00	64,963.55	8,401.21	52,135.24		
Fuel Oil	45,000.00	45,000.00	33,832.73	873.53	10,293.74		
Electricity	190,000.00	190,000.00	136,132.04		53,867.96		
Telephone and Telegraph	75,000.00	75,000.00	66,273.98	699.81	8,026.21		
Street Lighting	145,000.00	145,000.00	132,178.09		12,821.91		
Landfill/Solidwaste Disposal Costs:							
Other Expenses	195,000.00	195,000.00	173,325.86	16,490.71	5,183.43		

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2018**

	Appropriations		Expended			Unexpended Balance Cancelled	
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
<b><u>OPERATIONS WITHIN "CAPS" (CONT'D)</u></b>							
State Uniform Construction Code (N.J.S.A. 52:27D - 120 et seq):							
Construction Code Official:							
Salaries and Wages	\$ 65,560.00	\$ 75,560.00	\$ 70,967.22	\$ 241.00	\$ 4,592.78		
Other Expenses	30,750.00	30,750.00	22,294.99		8,214.01		
Sub - Code Officials:							
Plumbing Inspector:							
Salaries and Wages	10,045.00	10,429.00	10,428.07		0.93		
Fire Protection Official:							
Salaries and Wages	7,900.00	7,900.00	7,863.18		36.82		
Building Inspector:							
Salaries and Wages	12,100.00	12,486.00	12,485.40		0.60		
Electrical Inspector:							
Salaries and Wages	10,045.00	10,429.00	10,428.07		0.93		
Municipal Court:							
Salaries and Wages	97,500.00	97,500.00	96,739.17		760.83		
Other Expenses (N.J.S.A. 40A:4-48, \$2,500.00)	14,225.00	14,225.00	13,823.84	363.90	37.26		
Public Defender:							
Other Expenses	5,000.00	13,000.00	9,650.00		3,350.00		
Total Operations Within "CAPS"	<u>8,713,050.00</u>	<u>8,713,050.00</u>	<u>7,215,113.73</u>	<u>301,640.15</u>	<u>1,196,296.12</u>	<u>-</u>	
Detail:							
Salaries and Wages	3,638,800.00	3,652,927.00	3,522,795.82		130,131.18		
Other Expenses	5,074,250.00	5,060,123.00	3,692,317.91	301,640.15	1,066,164.94		
<b><u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u></b>							
Statutory Expenditures:							
Contribution to:							
Public Employees' Retirement System	207,700.00	207,700.00	207,695.90		4.10		
Defined Contribution Retirement Program	5,000.00	5,000.00	4,338.21		661.79		
Police and Fireman's Retirement System	434,200.00	434,200.00	434,118.00		82.00		
Social Security System (O.A.S.I.)	175,000.00	175,000.00	163,107.29		11,892.71		
Anticipated Deficit in Water Utility	<u>391,000.00</u>	<u>391,000.00</u>	<u>345,460.47</u>			\$ 45,539.53	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	<u>1,212,900.00</u>	<u>1,212,900.00</u>	<u>1,154,719.87</u>	<u>-</u>	<u>12,640.60</u>	<u>45,539.53</u>	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	<u>9,925,950.00</u>	<u>9,925,950.00</u>	<u>8,369,833.60</u>	<u>301,640.15</u>	<u>1,208,936.72</u>	<u>45,539.53</u>	

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Expenditures - Regulatory Basis**  
**For the Year Ended December 31, 2018**

	Appropriations			Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>						
Reserve for Tax Appeals	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00			
Length of Service Award	22,500.00	22,500.00			\$ 22,500.00	
Public and Private Programs Offset by Revenues:						
Clean Communities Program (N.J.S.A. 40A: 4-87)		11,393.42	11,393.42			
Bulletproof Vest Partnership	1,992.00	1,992.00	1,992.00			
Drive Sober or Get Pulled Over	2,720.00	2,720.00	2,720.00			
Alcohol Education and Rehabilitation Fund	128.68	128.68	128.68			
Municipal Drug Alliance Grant Program:						
State Share	9,540.00	9,540.00	9,540.00			
Local Share	2,385.00	2,385.00	2,385.00			
Body Armor Replacement Fund	1,946.21	1,946.21	1,946.21			
Recycling Tonnage Grant	11,312.58	11,312.58	11,312.58			
<b>TOTAL OPERATIONS - EXCLUDED FROM "CAPS"</b>	<b>57,524.47</b>	<b>68,917.89</b>	<b>46,417.89</b>	<b>-</b>	<b>22,500.00</b>	<b>-</b>
Detail:						
Salaries and Wages	2,848.68	2,848.68	2,848.68	-	-	-
Other Expenses	54,675.79	66,069.21	43,569.21		22,500.00	-
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>						
Capital Improvement Fund	20,000.00	20,000.00	20,000.00			
<b>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":</b>						
Payment of Bond Principal	1,005,000.00	1,005,000.00	1,005,000.00			
Interest on Bonds	119,460.00	119,460.00	119,457.50		\$ 2.50	
Interest on Notes	6,390.00	6,390.00	6,376.97			13.03
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	26,165.00	26,165.00	26,162.60			2.40
<b>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>	<b>1,157,015.00</b>	<b>1,157,015.00</b>	<b>1,156,997.07</b>	<b>-</b>	<b>-</b>	<b>17.93</b>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</b>						
	<b>1,234,539.47</b>	<b>1,245,932.89</b>	<b>1,223,414.96</b>	<b>-</b>	<b>22,500.00</b>	<b>17.93</b>
<b>SUBTOTAL GENERAL APPROPRIATIONS</b>	<b>11,160,489.47</b>	<b>11,171,882.89</b>	<b>9,593,248.56</b>	<b>\$ 301,640.15</b>	<b>1,231,436.72</b>	<b>45,557.46</b>
Reserve for Uncollected Taxes	535,937.55	535,937.55	535,937.55			
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 11,696,427.02</b>	<b>\$ 11,707,820.44</b>	<b>\$ 10,129,186.11</b>	<b>\$ 301,640.15</b>	<b>\$ 1,231,436.72</b>	<b>\$ 45,557.46</b>

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
Statement of Expenditures - Regulatory Basis  
For the Year Ended December 31, 2018

---

	Budget After Modification	Paid or Charged
Appropriation by N.J.S.A. 40A: 4-87	\$ 11,393.42	
Budget	<u>11,696,427.02</u>	
	<u>\$ 11,707,820.44</u>	
Reserve for State Tax Appeals Pending	\$ 5,000.00	
Federal and State Grants	41,417.89	
Reserve for Uncollected Taxes	535,937.55	
Interfunds	6,376.97	
Disbursed	<u>9,540,453.70</u>	
	<u>\$ 10,129,186.11</u>	

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
**TRUST FUND**  
 Statements of Assets, Liabilities and Reserves -- Regulatory Basis  
 As of December 31, 2018 and 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<b>Assets:</b>			
Animal Control Fund:			
Cash - Chief Financial Officer	SB-1	\$ 2,773.96	\$ 9,132.80
Cash - Animal Control Collector	SB-4	<u>15.60</u>	-
		<u>2,789.56</u>	<u>9,132.80</u>
Other Funds:			
Cash - Chief Financial Officer	SB-1	555,909.16	598,907.15
Cash - Tax Collector	SB-2	92,565.37	181,002.66
Investments - Length of Service Awards Program	SB-3	341,021.41	375,856.62
Due from Self Insurance Management Company	SB-9	<u>135,477.15</u>	<u>131,930.69</u>
		<u>1,124,973.09</u>	<u>1,287,697.12</u>
		<u>\$ 1,127,762.65</u>	<u>\$ 1,296,829.92</u>
<b>Liabilities and Reserves:</b>			
Animal Control Fund:			
Due to Current Fund	SB-5	\$ 2.68	\$ 3,028.80
Due State of New Jersey	SB-7	3.60	-
Reserve for Animal Control Fund Expenditures	SB-6	<u>2,783.28</u>	<u>6,104.00</u>
		<u>2,789.56</u>	<u>9,132.80</u>
Other Funds:			
Due to Current Fund	SB-8	11.86	19.52
Miscellaneous Trust Reserves:			
Fire Safety Penalties	SB-10	10,072.04	6,672.04
USGS Study Costs	SB-10	67,287.92	71,394.69
Sanitary Landfill Closure Escrow	SB-10	19,077.91	19,872.82
Self Insurance	SB-10	135,477.15	131,930.69
Unemployment Compensation Trust	SB-10	15,657.83	11,315.59
Developers' Escrow	SB-10	319,804.33	296,994.54
Payroll Deductions Payable	SB-10	10,492.05	6,567.28
Tax Sale Certificate Redemption	SB-10	13,665.37	14,202.66
Recreation Fees	SB-10	3,073.45	5,454.11
Tax Sale Premiums	SB-10	78,900.00	166,800.00
Federal Forfeited Funds	SB-10	812.70	812.70
Municipal Forfeited Funds	SB-10	3,481.98	1,775.98
Accumulate Leave Absence	SB-10	73,127.39	87,807.36
Police Outside Employment	SB-10	24,074.29	81,051.79
Trust Other	SB-10	500.00	500.00
Public Defender	SB-10	382.50	807.50
Environmental Commission Nature Trail	SB-10	7,685.00	7,685.00
FSA - Cafeteria Plan	SB-10	367.91	176.23
Length of Service Awards Program	SB-10	<u>341,021.41</u>	<u>375,856.62</u>
		<u>1,124,973.09</u>	<u>1,287,697.12</u>
		<u>\$ 1,127,762.65</u>	<u>\$ 1,296,829.92</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balances -- Regulatory Basis  
 As of December 31, 2018 and 2017

Assets:	Ref.	2018		2017	
Cash	SC-1	\$ 1,309,901.14		\$ 1,704,759.34	
Deferred Charges to Future Taxation:					
Funded	SC-3	3,510,105.36		4,537,528.94	
Unfunded	SC-4	<u>1,466,000.00</u>		450,000.00	
		<u>\$ 6,286,006.50</u>		<u>\$ 6,692,288.28</u>	
Liabilities, Reserves and Fund Balance:					
Contracts Payable	SC-5	\$ 62,096.75		\$ 425,312.95	
Capital Improvement Fund	SC-6	140,974.25		239,974.25	
Improvement Authorizations:					
Funded	SC-7	1,035,572.81		1,004,204.81	
Unfunded	SC-7	1,050,094.05		34,914.05	
Reserve for Preliminary Costs	SC-8	36,810.00		-	
Bond Anticipation Notes	SC-9	450,000.00		450,000.00	
General Serial Bonds	SC-10	3,340,000.00		4,345,000.00	
Green Trust Loan Payable	SC-11	170,105.36		192,528.94	
Fund Balance	C	<u>353.28</u>		<u>353.28</u>	
		<u>\$ 6,286,006.50</u>		<u>\$ 6,692,288.28</u>	

The accompanying Notes to Financial Statement are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
**WATER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2018 and 2017

	Ref.	2018	2017
<b>Assets:</b>			
<b>Operating Fund:</b>			
Cash -- Chief Financial Officer	SD-1	\$ 261,539.22	\$ 96,233.65
Cash -- Water Collector	SD-2	39,919.27	1,479.47
Due from Utility Capital Fund	SD-10	117,310.13	-
		<hr/> <u>418,768.62</u>	<hr/> <u>97,713.12</u>
<b>Receivables With Full Reserves</b>			
Consumer Accounts Receivable	SD-4	115,283.96	125,960.00
Water Utility Liens	SD-5	<hr/> 103.15	<hr/> 103.15
		<hr/> <u>115,387.11</u>	<hr/> <u>126,063.15</u>
<b>Deferred Charges:</b>			
Deficit in Operations	D-1	-	174,378.85
Emergency Authorizations (N.J.S.A. 40A:4-48)	D-3	<hr/> 18,000.00	<hr/> -
		<hr/> <u>552,155.73</u>	<hr/> <u>398,155.12</u>
<b>Capital Fund:</b>			
Cash -- Chief Financial Officer	SD-1	407,520.57	486,069.14
Fixed Capital	SD-5	15,118,849.16	15,118,849.16
Fixed Capital Authorized and Uncompleted	SD-6	1,225,132.09	875,132.09
Due Water Utility Operating Fund	SD-10	-	17,869.52
Due Current Fund	SD-13	<hr/> 6,376.97	<hr/> 4,398.75
		<hr/> <u>16,757,878.79</u>	<hr/> <u>16,502,318.66</u>
		<hr/> <u>\$ 17,310,034.52</u>	<hr/> <u>\$ 16,900,473.78</u>

(Continued)

**TOWNSHIP OF GREENWICH**  
**WATER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2018 and 2017

	Ref.	2018	2017
Liabilities, Reserves and Fund Balance:			
Operating Fund:			
Appropriation Reserves	D-3;SD-7	\$ 112,618.94	\$ 107,330.29
Encumbrances Payable	D-3;SD-7	80,239.42	33,784.14
Accrued Interest on Bonds and Notes	SD-8	60,572.30	58,880.92
Overpayments	SD-9	2,455.92	155.58
Due Water Utility Capital Fund	SD-10	-	17,869.52
Due to Current Fund	SD-11	150,003.22	23,192.70
		<hr/> 405,889.80	<hr/> 241,213.15
Reserve for Receivables	D	115,387.11	126,063.15
Fund Balance	D-1	30,878.82	30,878.82
Total Operating Fund		<hr/> 552,155.73	<hr/> 398,155.12
Capital Fund:			
Due Water Operating Fund	SD-10	117,310.13	-
Contracts Payable	SD-12	252,111.12	176,111.12
Improvement Authorizations -			
Funded	SD-14	105,582.09	134,582.09
Unfunded	SD-14	263,086.05	189,836.05
Capital Improvement Fund	D	7,784.20	7,784.20
Reserve for Amortization	SD-15	10,498,849.16	10,008,849.16
Deferred Reserve for Amortization	SD-16	283,132.09	241,132.09
Bond Anticipation Notes	SD-17	1,910,000.00	1,934,000.00
Serial Bonds	SD-18	3,320,000.00	3,810,000.00
Fund Balance	D	<hr/> 23.95	<hr/> 23.95
Total Capital Fund		<hr/> 16,757,878.79	<hr/> 16,502,318.66
	\$ 17,310,034.52	<hr/> \$ 16,900,473.78	

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
**WATER UTILITY FUND**  
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis  
 For the Years Ended December 31, 2018 and 2017

	2018	2017
Revenue and Other Income Realized:		
Rents	\$ 1,227,810.72	\$ 1,164,300.91
Deficit (General Budget)	345,460.47	-
Miscellaneous Other	41,426.98	64,174.26
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>-</u>	<u>44,131.01</u>
Total Income	<u>1,614,698.17</u>	<u>1,272,606.18</u>
Expenditures:		
Operations:		
Salaries and Wages	215,000.00	210,000.00
Other Expenses	520,130.00	540,275.00
Capital Improvements	38,000.00	40,000.00
Debt Service	668,248.17	638,485.03
Deferred Charges and Statutory Expenditures	<u>191,320.00</u>	<u>18,225.00</u>
Total Expenditures	<u>1,632,698.17</u>	<u>1,446,985.03</u>
Deficit in Revenues	(18,000.00)	(174,378.85)
Adjustments to Income before Fund Balance:		
Expenditures included above which are by Statute Deferred		
Charges to Budget of Succeeding Year	18,000.00	-
Operating Deficit to be Raised in Budget of Succeeding Year	<u>-</u>	<u>174,378.85</u>
Statutory Excess to Fund Balance	-	-
Fund Balance January 1	<u>30,878.82</u>	<u>30,878.82</u>
Total	<u>30,878.82</u>	<u>30,878.82</u>
Fund Balance December 31	<u>\$ 30,878.82</u>	<u>\$ 30,878.82</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
**WATER UTILITY FUND**  
**Statement of Revenues -- Regulatory Basis**  
**For the Year Ended December 31, 2018**

	Anticipated Budget	Realized	Excess or (Deficit)
Water Rents	\$ 1,164,000.00	\$ 1,227,810.72	\$ 63,810.72
Deficit (General Budget)	391,000.00	345,460.47	(45,539.53)
Miscellaneous Other	60,000.00	41,426.98	(18,573.02)
	<b><u>\$ 1,615,000.00</u></b>	<b><u>\$ 1,614,698.17</u></b>	<b><u>\$ (301.83)</u></b>

Analysis of Realized Revenue:

Water Rents:

Consumer Accounts Receivable Received	\$ 1,227,655.14
Overpayments Applied	155.58
	<b><u>\$ 1,227,810.72</u></b>

Miscellaneous Other:

Connection Fees	\$ 5,100.00
Interest Earnings	1,729.76
Penalties	3,419.11
Antenna Rental	31,178.11
	<b><u>\$ 41,426.98</u></b>

Chief Financial Officer - Operating Fund	\$ 32,213.24
Chief Financial Officer - Capital Fund	697.70
Collector	8,516.04
	<b><u>\$ 41,426.98</u></b>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
**WATER UTILITY FUND**  
**Statement of Expenditures -- Regulatory Basis**  
**For the Year Ended December 31, 2018**

	Appropriations		Expended			Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<b>Operations:</b>						
Salaries and Wages	\$ 215,000.00	\$ 215,000.00	\$ 213,349.11		\$ 1,650.89	
Other Expenses	526,000.00	520,130.00	344,948.82	\$ 80,239.42	94,941.76	
<b>Total Operations</b>	<b>741,000.00</b>	<b>735,130.00</b>	<b>558,297.93</b>	<b>80,239.42</b>	<b>96,592.65</b>	<b>-</b>
<b>Capital Improvements:</b>						
Down Payment on Improvements (N.J.S.A. 40A:4-48)		18,000.00	18,000.00			
Capital Outlay	20,000.00	20,000.00	5,250.00		14,750.00	
	20,000.00	38,000.00	23,250.00	-	14,750.00	-
<b>Debt Service:</b>						
Payment of Bond Principal	490,000.00	490,000.00	490,000.00			
Payment of Bond Anticipation Notes	24,000.00	24,000.00	24,000.00			
Interest on Bonds	120,250.00	120,250.00	120,250.00			
Interest on Notes	28,430.00	34,300.00	33,998.17			\$ 301.83
	662,680.00	668,550.00	668,248.17	-	-	301.83
<b>Deferred Charges and Statutory Expenditures:</b>						
<b>Deferred Charges:</b>						
Deficit In Operations	174,378.85	174,378.85	174,378.85			
<b>Statutory Expenditures:</b>						
Contribution to:						
Social Security System (O.A.S.I.)	16,941.15	16,941.15	15,664.86		1,276.29	
<b>Total Deferred Charges and Statutory Expenditures</b>	<b>191,320.00</b>	<b>191,320.00</b>	<b>190,043.71</b>	<b>-</b>	<b>1,276.29</b>	<b>-</b>
	<b>\$ 1,615,000.00</b>	<b>\$ 1,633,000.00</b>	<b>\$ 1,439,839.81</b>	<b>\$ 80,239.42</b>	<b>\$ 112,618.94</b>	<b>\$ 301.83</b>
<b>Budget</b>	<b>\$ 1,615,000.00</b>					
Emergency Appropriation (N.J.S.A. 40A:4-48)		18,000.00				
Deferred Charged to Future Revenue			\$ 174,378.85			
Accrued Interest on Bonds			154,248.17			
Disbursed			1,111,212.79			
	<b>\$ 1,633,000.00</b>	<b>\$ 1,439,839.81</b>				

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
**GENERAL FIXED ASSET GROUP OF ACCOUNTS**  
 Statement of General Fixed Asset Group of Accounts - Regulatory Basis  
 For the Year Ended December 31, 2018

---

	Balance Dec. 31, 2017	Additions	Deletions	Balance Dec. 31, 2018
<b>General Fixed Assets:</b>				
Land	\$ 3,595,900.00			\$ 3,595,900.00
Buildings and Improvements	5,628,600.00			5,628,600.00
Machinery and Equipment	7,022,330.00		\$ 1,108,213.00	5,914,117.00
<b>Total General Fixed Assets</b>	<b>\$ 16,246,830.00</b>	<b>\$ -</b>	<b>\$ 1,108,213.00</b>	<b>\$ 15,138,617.00</b>
 <b>Total Investment in General Fixed Assets</b>	 <b>\$ 16,246,830.00</b>	 <b>\$ -</b>	 <b>\$ 1,108,213.00</b>	 <b>\$ 15,138,617.00</b>

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF GREENWICH**  
Notes to Financial Statements  
For the Year Ended December 31, 2018

---

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Financial Reporting Entity** - The Township of Greenwich (hereafter referred to as the "Township") was incorporated as a township by an act of the New Jersey legislature on February 21, 1798. The Township, located in Gloucester County, New Jersey, has a total area of approximately two square miles, and is located approximately twenty miles southeast of the City of Philadelphia. The Township borders East Greenwich Township, Logan Township, and Paulsboro Borough. According to the 2010 census, the population is 4,899.

The Township is governed under the Mayor-Council form of government, with a five-member Council. The Mayor and Council are elected directly by the voters in partisan elections, the Mayor to serve a three-year term in office and the Council to serve three-year terms in office on a staggered basis, with two seats coming up for election each year. Executive and administrative responsibility is vested with the Mayor, who is assisted by the Township Administrator. Legislative and executive power is vested in the Council.

**Component Units** - The Township had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39, No. 61 and No. 80.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation** - The financial statements of the Township contain all funds and account groups in accordance with the *Requirements of Audit* (the "Requirements") as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these Requirements. In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this note.

In accordance with the Requirements, the Township accounts for its financial transactions through the use of separate funds and an account group which are described as follows:

**Current Fund** - The current fund accounts for resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

**Trust Funds** - The various trust funds account for receipts, custodianship, and disbursement of funds in accordance with the purpose for which each reserve was created.

**General Capital Fund** - The general capital fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the current fund.

**Water Utility Operating and Capital Funds** - The water utility operating and capital funds account for the operations and acquisition of capital facilities of the municipally owned water operations.

**General Fixed Asset Group of Accounts** - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Budgets and Budgetary Accounting** - The Township must adopt an annual budget for its current and water utility funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval, and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded. Investments recorded in the trust fund for the Township's length of service awards program, however, are stated at fair value.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

**Interfunds** - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. 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.

**Inventories of Supplies** - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**General Fixed Assets** - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that include accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

**Utility Fixed Assets** - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment, improvements, and contributed capital.

**Foreclosed Property** - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the general fixed asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

**Deferred Charges** - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

**Liens Sold for Other Governmental Units** - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

**Fund Balance** - Fund balances included in the current fund and water utility operating fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

**Property Tax Revenues** - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Gloucester and the Township of Greenwich School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The Township is responsible for levying, collecting, and remitting school taxes for the Township of Greenwich School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

**County Taxes** - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Gloucester. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year, and due to be paid to the County by February 15 of the following year.

**Reserve for Uncollected Taxes** - The inclusion of the "reserve for uncollected taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

**Appropriation Reserves** - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end 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 year. Lapsed appropriation reserves are recorded as income.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Long-Term Debt** - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital and utility capital funds. Where an improvement is a "local Improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the trust fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

**Compensated Absences and Postemployment Benefits** - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

**Impact of Recently Issued Accounting Principles****Recently Issued and Adopted Accounting Pronouncements**

For the year ended December 31, 2018, the Township adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result of adopting Statement No. 75, the Township was required to measure and disclose liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to their postemployment benefits plan. As a result of the regulatory basis of accounting previously described in note 1, the implementation of this Statement only required financial statement disclosures. There exists no impact on the financial statements of the Township.

**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of December 31, 2018, the Township's bank balances of \$10,165,477.32 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$10,008,350.71
Uninsured and Uncollateralized	<u>157,126.61</u>
Total	<u>\$10,165,477.32</u>

**Note 3: PROPERTY TAXES**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years:

**Comparative Schedule of Tax Rates**

	<b>Year Ended</b>				
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Tax Rate	<u>\$ 3.184</u>	<u>\$ 3.107</u>	<u>\$ 3.073</u>	<u>\$ 2.974</u>	<u>\$ 2.846</u>
Apportionment of Tax Rate:					
Municipal	1.049	1.029	1.028	0.979	0.929
County	0.771	0.754	0.762	0.723	0.732
Local School	1.364	1.324	1.283	1.272	1.185

**Assessed Valuation**

<b>Year</b>	<b>Amount</b>
2018	\$ 746,625,206.00
2017	754,417,466.00
2016	762,934,668.00
2015	764,471,237.00
2014	815,198,897.00

**Comparison of Tax Levies and Collections**

<b>Year</b>	<b>Tax Levy</b>	<b>Collections</b>	<b>Percentage of Collections</b>
2018	\$ 23,793,255.20	\$ 23,487,140.96	98.71%
2017	23,463,516.82	23,078,329.75	98.36%
2016	23,522,241.08	23,196,689.43	98.62%
2015	22,751,752.17	22,371,139.48	98.33%
2014	23,239,160.11	22,814,013.92	98.17%

**Note 3: PROPERTY TAXES (CONT'D)****Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2018	\$ 152,177.55	\$ 267,245.63	\$ 419,423.18	1.76%
2017	122,369.62	327,647.53	450,017.15	1.92%
2016	87,463.96	305,767.13	393,231.09	1.67%
2015	55,631.18	328,645.83	384,277.01	1.69%
2014	171,288.60	393,445.12	564,733.72	2.43%

The following comparison is made of the number of tax title liens receivable on December 31 for the current and previous four calendar years:

<u>Year</u>	<u>Number</u>
2018	81
2017	28
2016	58
2015	54
2014	54

**Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 339,070.00
2017	339,070.00
2016	443,370.00
2015	352,470.00
2014	10,070.00

**Note 5: UTILITY SERVICE CHARGES**

**Water Utility** - The following is a five-year comparison of water utility service charges (rents) for the current and previous four years:

<u>Year</u>	<u>Balance Beginning of Year</u>	<u>Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
2018	\$125,960.00	\$ 103.15	\$ 1,218,369.97	\$ 1,344,433.12	\$ 1,227,810.72	
2017	107,054.64	96.44	1,183,242.36	1,290,393.44	1,164,300.91	
2016	118,814.38	3,094.05	1,210,421.11	1,332,329.54	1,214,449.94	
2015	111,263.49	2,979.40	1,152,043.78	1,266,286.67	1,143,689.28	
2014	164,276.23	2,979.40	947,614.27	1,114,869.90	1,000,427.01	

**Note 5: UTILITY SERVICE CHARGES (CONT'D)**

**Current Fund** - The following is a five-year comparison of sewer utility service charges (rents) for the current and previous four years which are collected in the Current Fund:

<u>Year</u>	<u>Balance Beginning of Year</u>	<u>Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
2018	\$ 119,136.98	\$ 2,856.04	\$ 836,938.26	\$ 958,931.28	\$ 846,693.70	
2017	85,994.91	2,263.41	791,299.82	879,558.14	757,107.75	
2016	83,084.52	15,656.31	670,072.63	768,813.46	667,885.80	
2015	109,961.32	14,479.99	668,350.48	792,791.79	691,228.33	
2014	74,923.42	11,779.99	679,217.10	765,920.51	641,479.20	

**Note 6: FUND BALANCES APPROPRIATED**

The following schedules detail the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

**Current Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2018	\$ 3,160,794.29	\$ 1,580,000.00	49.99%
2017	2,672,892.06	1,542,000.00	57.69%
2016	2,685,090.95	1,340,000.00	49.91%
2015	2,926,264.78	1,500,000.00	51.26%
2014	3,037,858.32	1,400,000.00	46.09%

**Water Utility Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2018	\$ 30,878.82	---	---
2017	30,878.82	---	---
2016	30,878.82	---	---
2015	90,878.82	\$ 60,000.00	66.02%
2014	90,878.82	---	---

**Note 7: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2018:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 150,017.76	\$ 207,902.61
Federal and State Grant	201,525.64	
Trust - Animal Control		2.68
Trust - Other		11.86
Water Utility - Operating	117310.13	150,003.22
Water Utility - Capital	6,376.97	<u>117310.13</u>
<b>Totals</b>	<b>\$ 475,230.50</b>	<b>\$ 475,230.50</b>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2019, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 8: PENSION PLANS**

A substantial number of the Township's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several Township employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS and PFRS plan's fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey  
 Division of Pensions and Benefits  
 P.O. Box 295  
 Trenton, New Jersey 08625-0295  
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

**General Information about the Pension Plans****Plan Descriptions**

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Township, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

**Police and Firemen's Retirement System** - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Township. The PFRS' Board of Trustees is primarily responsible for the administration of the PFRS.

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Vesting and Benefit Provisions**

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The following represents the membership tiers for PERS:

**Tier Definition**

- 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 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> 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 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 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.

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Police and Firemen's Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

**Tier Definition**

- 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 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.

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.34% in State fiscal year 2018. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) was 10% in State fiscal year 2018. Employers' contribution are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2018 was 13.98% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** - Based on the most recent PERS measurement date of June 30, 2018, the Township's contractually required contribution to the pension plan for the year ended December 31, 2018 is \$211,281.00, and was payable by April 1, 2019. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 was \$205,508.00, which was paid on April 1, 2018. Employee contributions to the Plan during the year ended December 31, 2018 were \$112,445.00.

**Police and Firemen's Retirement System** - The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the active member contribution rate was 10% in State fiscal year 2018. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

**Special Funding Situation Component** - 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 specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Township's contractually required contribution rate for the year ended December 31, 2018 was 27.28% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2018, the Township's contractually required contribution to the pension plan for the year ended December 31, 2018 is \$402,478.00, and was payable by April 1, 2019. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 was \$434,118.00, which was paid on April 1, 2018. Employee contributions to the Plan during the year ended December 31, 2018 were \$147,515.80.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2018 was 3.04% of the Township's covered payroll.

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Police and Firemen's Retirement System (Cont'd)** - Based on the most recent PFRS measurement date of June 30, 2018, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2018 is \$44,814.00, and was payable by April 1, 2019. Based on the PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2017 was \$42,414.00, which was paid on April 1, 2018.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the year ended December 31, 2018, employee contributions totaled \$6,911.52, and the Township's contributions were \$4,338.21. There were no forfeitures during the year.

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

**Public Employees' Retirement System** - At December 31, 2018, the Township's proportionate share of the PERS net pension liability was \$4,182,280.00. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2018. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2018 measurement date, the Township's proportion was .0212411685%, which was a decrease of .0009425004% from its proportion measured as of June 30, 2017.

At December 31, 2018, the Township's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2018 measurement date is \$69,321.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2018, the Township's contribution to PERS was \$205,508.00, and was paid on April 1, 2018.

**Police and Firemen's Retirement System** - At December 31, 2018, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 5,570,711.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>756,689.00</u>
	<u><u>\$ 6,327,400.00</u></u>

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Police and Firemen's Retirement System (Cont'd)** - The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2018. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2018 measurement date, the Township's proportion was .0411680149%, which was a decrease of .0078838434% from its proportion measured as of June 30, 2017. Likewise, at June 30, 2018, the State of New Jersey's proportion, on-behalf of the Township, was .0411680149%, which was a decrease of .0078838434% from its proportion, on-behalf of the Township, measured as of June 30, 2017.

At December 31, 2018, the Township's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2018 measurement date is \$292,267.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2018, the Township's contribution to PFRS was \$434,118.00, and was paid on April 1, 2018.

At December 31, 2018, the State's proportionate share of the PFRS pension expense, associated with the Township, calculated by the Plan as of the June 30, 2018 measurement date is \$89,629.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - At December 31, 2018, the Township had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 79,757.00	\$ 56,675.00	\$ 136,432.00	\$ 21,565.00	\$ 23,053.00	\$ 44,618.00
Changes of Assumptions	689,170.00	478,171.00	1,167,341.00	1,337,271.00	1,427,677.00	2,764,948.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	39,230.00	30,477.00	69,707.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	166,263.00	157,239.00	323,502.00	443,994.00	1,032,435.00	1,476,429.00
Township Contributions Subsequent to the Measurement Date	105,641.00	201,239.00	306,880.00	-	-	-
	<u>\$ 1,040,831.00</u>	<u>\$ 893,324.00</u>	<u>\$ 1,934,155.00</u>	<u>\$ 1,842,060.00</u>	<u>\$ 2,513,642.00</u>	<u>\$ 4,355,702.00</u>

\$105,641.00 and \$201,239.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2019. These amounts were based on an estimated April 1, 2020 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2018 to the Township's year end of December 31, 2018.

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - The Township will amortize the above other deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

	<b>PERS</b>	<b>PFRS</b>		
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2014	-	5.00	-	5.00
June 30, 2015	5.00	-	5.00	-
June 30, 2016	5.00	-	5.00	-
June 30, 2017	-	5.00	-	5.00
June 30, 2018	-	5.00	-	5.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

<b>Year Ending</b> <b>Dec 31.</b>	<b>PERS</b>	<b>PFRS</b>	<b>Total</b>
2019	\$ (133,497.00)	\$ (91,889.00)	\$ (225,386.00)
2020	(125,379.00)	(330,404.00)	(455,783.00)
2021	(279,588.00)	(643,189.00)	(922,777.00)
2022	(264,629.00)	(506,868.00)	(771,497.00)
2023	<u>(103,777.00)</u>	<u>(249,207.00)</u>	<u>(352,984.00)</u>
	<u>\$ (906,870.00)</u>	<u>\$ (1,821,557.00)</u>	<u>\$ (2,728,427.00)</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b>PERS</b>	<b>PFRS</b>
Inflation Rate	2.25%	2.25%
Salary Increases:		
Through 2026	1.65% - 4.15% Based on Age	2.10% - 8.98% Based on Age
Thereafter	2.65% - 5.15% Based on Age	3.10% - 9.98% Based on Age
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2011 - June 30, 2014	July 1, 2010 - June 30, 2013

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

For PERS, preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and using a generational approach based on the Conduent modified 2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

For PFRS, preretirement mortality rates were based on the RP-2000 Combined Healthy Mortality tables projected on a generational basis from the base year of 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. For preretirement accidental mortality, a custom table with representative rates was used and there is no mortality improvements assumed. Postretirement mortality rates for male service retirements are based the RP-2000 Combined Healthy Mortality Tables projected on a generational basis using Projection Scale AA from the base year of 2012 to 2013 and the Conduent modified 2014 projection scale thereafter. Postretirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected on a generational basis from the base year 2000 to 2013 using Projection Scale BB and the Conduent modified 2014 projection scale thereafter. Disability mortality rates were based on a custom table with representative rates and no mortality improvements assumed.

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2018) 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 rates of return for each major asset class included in PERS' and PFRS' target asset allocation as of June 30, 2018 are summarized in the following table:

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability at June 30, 2018 was 5.66% for PERS and 6.51% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension Plan investments of 7.00%, and a municipal bond rate of 3.87% as of June 30, 2018, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current Plan members through 2046 for PERS and through 2062 for PFRS; therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2046 for PERS and through 2062 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

**Note 8: PENSION PLANS (CONT'D)****Sensitivity of Township's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Public Employees' Retirement System (PERS)** - The following presents the Township's proportionate share of the net pension liability at June 30, 2018, the Plan's measurement date, calculated using a discount rate of 5.66%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>PERS</b>		
	<b>1% Decrease <u>(4.66%)</u></b>	<b>Current Discount Rate <u>(5.66%)</u></b>	<b>1% Increase <u>(6.66%)</u></b>
Township's Proportionate Share of the Net Pension Liability	\$ 5,258,735.00	\$ 4,182,280.00	\$ 3,279,203.00

**Police and Firemen's Retirement System (PFRS)** - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Township's annual required contribution. As such, the net pension liability as of June 30, 2018, the Plan's measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 6.51%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	<b>PFRS</b>		
	<b>1% Decrease <u>(5.51%)</u></b>	<b>Current Discount Rate <u>(6.51%)</u></b>	<b>1% Increase <u>(7.51%)</u></b>
Township's Proportionate Share of the Net Pension Liability	\$ 7,455,705.00	\$ 5,570,711.00	\$ 4,015,934.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	1,012,734.33	756,689.00	545,498.25
	<u>\$ 8,468,439.33</u>	<u>\$ 6,327,400.00</u>	<u>\$ 4,561,432.25</u>

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about PERS and PFRS, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information**

In accordance with GASBS 68, the following information is also presented for the PERS and PFRS Pension Plans. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

***Schedule of the Township's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Six Years)***

	<b>Measurement Date Ended June 30,</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
Township's Proportion of the Net Pension Liability	0.0212411685%	0.0221836689%	0.0209827777%
Township's Proportionate Share of the Net Pension Liability	\$ 4,182,280.00	\$ 5,164,004.00	\$ 6,214,497.00
Township's Covered Payroll (Plan Measurement Period)	\$ 1,505,424.00	\$ 1,539,292.00	\$ 1,462,416.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	277.81%	335.48%	424.95%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%
	<b>Measurement Date Ended June 30,</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
Township's Proportion of the Net Pension Liability	0.0210528445%	0.0229515175%	0.0265282573%
Township's Proportionate Share of the Net Pension Liability	\$ 4,725,942.00	\$ 4,297,152.00	\$ 5,070,077.00
Township's Covered Payroll (Plan Measurement Period)	\$ 1,455,356.00	\$ 1,605,040.00	\$ 1,847,128.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	324.73%	267.73%	274.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Public Employees' Retirement System (PERS) (Last Six Years)***

	<b>Year Ended December 31,</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
Township's Contractually Required Contribution	\$ 211,281.00	\$ 205,508.00	\$ 186,408.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(211,281.00)</u>	<u>(205,508.00)</u>	<u>(186,408.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 1,510,899.00	\$ 1,491,772.00	\$ 1,473,353.00
Township's Contributions as a Percentage of Covered Payroll	13.98%	13.78%	12.65%
	<b>Year Ended December 31,</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
Township's Contractually Required Contribution	\$ 180,998.00	\$ 189,209.00	\$ 199,885.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(180,998.00)</u>	<u>(189,209.00)</u>	<u>(199,885.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 1,426,113.00	\$ 1,459,739.00	\$ 1,608,770.00
Township's Contributions as a Percentage of Covered Payroll	12.69%	12.96%	12.42%

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the Township's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Six Years)***

	<b>Measurement Date Ended June 30,</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
Township's Proportion of the Net Pension Liability	0.0411680149%	0.0490518583%	0.0490527521%
Township's Proportionate Share of the Net Pension Liability	\$ 5,570,711.00	\$ 7,572,659.00	\$ 9,370,330.00
State's Proportionate Share of the Net Pension Liability associated with the Township	756,689.00	848,202.00	786,875.00
<b>Total</b>	<b>\$ 6,327,400.00</b>	<b>\$ 8,420,861.00</b>	<b>\$ 10,157,205.00</b>
Township's Covered Payroll (Plan Measurement Period)	\$ 1,365,768.00	\$ 1,558,188.00	\$ 1,567,844.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	407.88%	485.99%	597.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.48%	58.60%	52.01%
	<b>Measurement Date Ended June 30,</b>		
	<b>2015</b>	<b>2014</b>	<b>2013</b>
Township's Proportion of the Net Pension Liability	0.0473047427%	0.0474880471%	0.0457438569%
Township's Proportionate Share of the Net Pension Liability	\$ 7,879,321.00	\$ 5,973,556.00	\$ 6,081,233.00
State's Proportionate Share of the Net Pension Liability associated with the Township	690,990.00	643,252.00	566,845.00
<b>Total</b>	<b>\$ 8,570,311.00</b>	<b>\$ 6,616,808.00</b>	<b>\$ 6,648,078.00</b>
Township's Covered Payroll (Plan Measurement Period)	\$ 1,498,056.00	\$ 1,499,900.00	\$ 1,435,592.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	525.97%	398.26%	423.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.31%	62.41%	58.70%

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Police and Firemen's Retirement System (PFRS) (Last Six Years)***

	<u>Year Ended December 31,</u>		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Contractually Required Contribution	\$ 402,478.00	\$ 434,118.00	\$ 399,947.00
Township's Contribution in Relation to the Contractually Required Contribution	(402,478.00)	(434,118.00)	(399,947.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 1,475,158.00	\$ 1,353,704.00	\$ 1,532,802.00
Township's Contributions as a Percentage of Covered Payroll	27.28%	32.07%	26.09%
	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 384,517.00	\$ 364,741.00	\$ 333,737.00
Township's Contribution in Relation to the Contractually Required Contribution	(384,517.00)	(364,741.00)	(333,737.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 1,569,312.00	\$ 1,501,582.00	\$ 1,553,104.00
Township's Contributions as a Percentage of Covered Payroll	24.50%	24.29%	21.49%

**Note 8: PENSION PLANS (CONT'D)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)*****Changes in Benefit Terms**

None

**Changes in Assumptions**

The Discount Rate changed at June 30th over the following years, 5.39% 2014, 4.90% 2015, 3.98% 2016, 5.00% 2017 and 5.66% 2018.

The Long-term Expected Rate of Return changed at June 30<sup>th</sup> over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017 and 2018.

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the Plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter.

For 2015, the social security wage base was set at \$118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000.00 for 2015, increasing 3.00% per annum, compounded annually.

***Police and Firemen's Retirement System (PFRS)*****Changes in Benefit Terms**

In 2017, Chapter 26, P.L. 2016 increased the accidental death benefit payable to children if there is no surviving spouse to 70% of final compensation.

**Changes in Assumptions**

The Discount Rate changed at June 30th over the following years, 6.32% 2014, 5.79% 2015, 5.55% 2016, 6.14% 2017 and 6.51% 2018.

The Long-term Expected Rate of Return changed at June 30<sup>th</sup> over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017 and 2018.

For 2016, the mortality improvement scale incorporated the Plan actuary's modified 2014 projection scale. Further, salary increases were assumed to increase between 2.10% and 8.98% (based on age) through fiscal year 2026 and 3.10% and 9.98% (based on age) for each fiscal year thereafter.

For 2015, demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study.

**Note 9: LENGTH OF SERVICE AWARDS PROGRAM**

**Plan Description** - The Township's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Township's trust fund, was created by a Township Resolution adopted on April 15, 2005 pursuant to Section 457(e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*.

The voters of the Township approved the adoption of the Plan at the general election held on November 8, 2005, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2006. The Plan provides tax deferred income benefits to active volunteer firefighters and is administered by Lincoln National Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The Township's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

The tax deferred income benefits for emergency service volunteers of the Gibbstown Volunteer Fire Company No. 1, consisting of the volunteer fire department, come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**Plan Amendments** - The Township may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the Township, and the following procedures must be followed: (a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the Township's governing body, provided, however, that any amendment required by the IRS, may be adopted by the Township's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the Township shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The Township may amend the Plan agreement to accommodate changes in the Internal Revenue Code, Federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the Township shall notify all participants in writing prior to making any amendment to the Plan.

**Contributions** - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually.

The Township elected to contribute between \$750.00 and \$1,150.00 for the year ended December 31, 2018 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2018, the Township's total expenditure to the Plan was \$12,550.00.

**Note 9: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)**

**Participant Accounts** - Each participant's account is credited with the Township's contribution and Plan earnings, and charged with administrative expenses. For the year ended December 31, 2018, the Township elected to pay substantially all of the Plan's administrative costs. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Township has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the Township to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Township. These funds, however, are not available for funding the operations of the Township.

**Vesting** - The Township, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-11.63 may make a yearly contribution to the length of service awards program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

**Payment of Benefits** - Upon separation from volunteer service, retirement or disability, termination of the Plan, participants may select various payout options of vested accumulated deferrals, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate.

In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

**Forfeited Accounts** - For the year ended December 31, 2018, no accounts were forfeited.

**Investments** - The investments of the length of service awards program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

**Plan Information** - Additional information about the Township's length of service awards program can be obtained by contacting the Plan Administrator.

## **Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

**Plan Description and Benefits Provided** - The Township provides postretirement health care benefits through a health plan for retirees, which includes a medical and prescription plan. The Township's provides a single employer post-employment healthcare plan, which is not administered through a trust that meets the criteria in paragraph 4 of the GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*, and covers employees retiring with twenty (20) full-time years of service with the Township, or twenty-five (25) or more years of service credit in a state or locally administered retirement system and a minimum of three (3) years of full-time employment with the Township, regardless of age , or employees retiring on an accidental disability pension, to receive fully paid health and prescription benefits. The Plan is administered by the Township; therefore, premium payments are made directly to the insurance providers.

**Employees Covered by Benefit Terms** - As of December 31, 2018, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	15
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	24
Active Employees	36
	<hr/>
	75
	<hr/>

### **Total OPEB Liability**

The Township's total OPEB liability of \$24,750,579.00 was measured as of December 31, 2018 and was determined by an actuarial valuation as of this same date.

**Actuarial Assumptions and Other Inputs** - The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00% Annually
Discount Rate	3.64%
Healthcare Cost Inflation	Pre-Medicare increase at a rate of 7.0% Post-Medicare increase at a rate of 5.0%
Retirees' Share of Benefit-Related Costs	none

Mortality rates were based on the RP-2000 Combined Mortality Table for males or females as appropriate.

Assumed discounted future costs at the rate of 3.64% compounded annually. The rate is based upon the S&P Municipal Bond 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years as of December 2018. For December 2017, we have discounted future costs at the rate of 3.16% compounded annually. Eligible bonds are rated at least AA by Standard and Poor's Ratings Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating was used. Prior to 2017, an interest rate of 5% was assumed.

Assumed no terminations of employment due to disability. Retirees resulting from a disability were factored into our determination of age at retirement.

The discount rate was based on the 20-Bond General Obligation (GO) Index.

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

**Actuarial Assumptions and Other Inputs (Cont'd)** - Assumed that terminations of employment other than for death or retirement will occur in the future in accordance with The U.S. Office of Personnel Management regarding the experience of the employee group covered by the Federal Employees Retirement System some excerpts from which are:

<u>AGE</u>	<u>% TERMINATING</u>
20	70.40%
40	15.90%
50	0.00%

Assumed that the active participants, on average, will receive their benefits when eligible but no earlier than age 55. Furthermore, we have assumed that participants who are not eligible at age 65 will not become eligible for benefits.

Assumed that married employees will remain married.

Assumed that the annual cost to administer the retiree claims, approximately 2%, is included in the annual health care costs.

An experience study was not performed on the actuarial assumptions used in the December 31, 2018 valuation since the Plan had insufficient data to produce a study with credible results. The actuary has used their professional judgement in applying these assumptions to this Plan.

**Changes in Total OPEB Liability**

Balance at December 31, 2017	\$ 27,228,227.00
Changes for the Year:	
Service Cost	\$ 725,098.00
Interest Cost	979,462.00
Benefit Payments	(639,822.00)
Changes in Assumptions	(2,053,160.00)
Difference Between Expected and Actual Experience	<u>(1,489,226.00)</u>
Net Changes	<u>(2,477,648.00)</u>
Balance at December 31, 2018	<u>\$ 24,750,579.00</u>

Retirees' do not share in the payment of the health insurance premiums.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.16% at December 31, 2017 to 3.64% at December 31, 2018.

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

**Sensitivity of Total OPEB Liability to Changes in Discount Rate** - The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated for using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<b>1.00% Decrease (2.64%)</b>	<b>Current Discount Rate (3.64%)</b>	<b>1.00% Increase (4.64%)</b>
Total OPEB Liability	<u>\$ 29,017,361.00</u>	<u>\$ 24,750,579.00</u>	<u>\$ 21,343,391.00</u>

**Sensitivity of Total OPEB Liability to Changes in Healthcare Cost Trend Rates** - The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1.00% Decrease</b>	<b>Healthcare Cost Trend Rate</b>	<b>1.00% Increase</b>
Total OPEB Liability	<u>\$ 21,055,573.00</u>	<u>\$ 24,750,579.00</u>	<u>\$ 29,434,216.00</u>

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** - For the year ended December 31, 2018, the Township recognized OPEB expense of \$1,362,367.00. As of December 31, 2018, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes of Assumptions	\$ -	\$ 2,053,160.00
Difference Between Expected and Actual Experience	-	\$ 1,489,226.00
Contributions Subsequent to the Measurement Date	<u>3,301,240.00</u>	-
	<u>\$ 3,301,240.00</u>	<u>\$ 3,542,386.00</u>

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)** - Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ending</b>	<b><u>Dec. 31,</u></b>
2019	\$ (590,397.00)
2020	(590,397.00)
2021	(590,397.00)
2022	(590,397.00)
2023	(590,397.00)
Thereafter	<u>(590,401.00)</u>
	 <u>\$ (3,542,386.00)</u>

**Supplementary OPEB Information**

In accordance with GASBS No. 75, the following information is also presented for the Township's OPEB Plan. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**Total OPEB Liability**

Service Cost	\$ 725,098.00
Interest Cost	979,462.00
Benefit Payments	(639,822.00)
Changes in Assumptions	(2,053,160.00)
Difference Between Expected and Actual Experience	<u>(1,489,226.00)</u>
Net Change in Total OPEB Liability	(2,477,648.00)
Total OPEB Liability - Beginning of Year	<u>27,228,227.00</u>
Total OPEB Liability - End of Year	<u>\$ 24,750,579.00</u>
Covered-Employee Payroll	\$ 2,986,057.00
Total OPEB Liability as a Percentage of Covered-Employee Payroll	828.87%

**Other Notes to Supplementary OPEB Information****Changes in Benefit Terms**

None

**Changes in Assumptions**

Changes of assumptions and other inputs reflect a change in the discount rate from 3.16% at December 31, 2017 to 3.64% at December 31, 2018.

**Note 11: COMPENSATED ABSENCES**

Under the existing policy of the Township, full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Vacation days not used during the year may be accumulated up to a maximum of five days, and carried forward for one year. More than 5 days may be carried forward with proper approval by council.

The Township compensates employees for unused sick leave upon retirement. The current policy provides that 35% of the value of unused sick leave be paid at retirement.

The Township has established a compensated absences trust fund to set aside funds for future payments of compensated absences. At December 31, 2018, the balance of the fund was \$73,127.39. It is estimated that, at December 31, 2018, accrued benefits for compensated absences are valued at \$608,835.73.

**Note 12: CAPITAL DEBT****General Improvement Bonds**

General Improvement Bonds, Series 2010 - On September 21, 2010, the Township issued \$7,585,000.00 of general improvement bonds, with interest rates ranging from 2.0% to 3.0%. The bonds were issued for the purpose of funding various capital projects in the Township. The final maturity of the bonds is September 1, 2022.

General Improvement Refunding Bonds, Series 2012 - On July 18, 2012, the Township issued \$1,990,000.00 in general improvement refunding bonds, with interest rates ranging from 2.0% to 3.0%, to advance refund \$1,965,000.00 outstanding 2004 general improvement bonds with an interest rate of 4.0%. The final maturity of the bonds is September 1, 2019.

Utility Refunding Bonds, Series 2012 - On July 18, 2012, the Township issued \$5,705,000.00 in utility refunding bonds, with interest rates ranging from 2.0% to 4.0%, to advance refund \$5,690,000.00 outstanding 2004 utility improvement bonds with interest rates ranging from 4.0% to 4.25%. The final maturity of the bonds is September 1, 2024.

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

<u>Year</u>	<u>General</u>		<u>Water Utility</u>			<u>Total</u>
	<u>Principal</u>	<u>Interest</u>				
2019	\$ 1,055,000.00	\$ 93,962.50	\$ 510,000.00	\$ 110,450.00	\$ 1,769,412.50	
2020	730,000.00	65,812.50	530,000.00	95,150.00	1,420,962.50	
2021	760,000.00	46,650.00	555,000.00	73,950.00	1,435,600.00	
2022	795,000.00	23,850.00	580,000.00	51,750.00	1,450,600.00	
2023	-	-	575,000.00	34,350.00	609,350.00	
2024			570,000.00	17,100.00	587,100.00	
	<u>\$ 3,340,000.00</u>	<u>\$ 230,275.00</u>	<u>\$ 3,320,000.00</u>	<u>\$ 382,750.00</u>	<u>\$ 7,273,025.00</u>	

**Note 12: CAPITAL DEBT (CONT'D)****General Debt - New Jersey Green Acres Loans**

On August 18, 2008, the Township settled on a loan agreement with the New Jersey Department of Environmental Protection in the amount of \$375,468.26, at an interest rate of 2.0%. The proceeds were used to fund the construction of the North School Street Recreation Complex. Semianual debt payments are due May 22nd and November 22nd through 2025.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 22,874.30	\$ 3,288.30	\$ 26,162.60
2020	23,334.07	2,828.53	26,162.60
2021	23,803.09	2,359.51	26,162.60
2022	24,281.53	1,881.07	26,162.60
2023	24,769.59	1,393.01	26,162.60
2024-2025	<u>51,042.78</u>	<u>1,282.42</u>	<u>52,325.20</u>
	<u>\$ 170,105.36</u>	<u>\$ 13,032.84</u>	<u>\$ 183,138.20</u>

The following schedule represents the Township's summary of debt for the current and two previous years:

	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b><u>Issued</u></b>			
General:			
Bonds and Notes	\$ 3,960,105.36	\$ 4,987,528.94	\$ 5,979,510.70
Water Utility:			
Bonds and Notes	<u>5,230,000.00</u>	<u>5,744,000.00</u>	<u>6,114,000.00</u>
Total Issued	<u>9,190,105.36</u>	<u>10,731,528.94</u>	<u>12,093,510.70</u>

**Authorized but not Issued**

General:			
Bonds, Loans and Notes	1,016,000.00		
Water Utility:			
Bonds and Notes	<u>332,000.00</u>	<u>-</u>	<u>110,000.00</u>
Total Authorized but not Issued	<u>1,348,000.00</u>	<u>-</u>	<u>110,000.00</u>
Total Issued and Authorized but not Issued	<u>10,538,105.36</u>	<u>10,731,528.94</u>	<u>12,203,510.70</u>

**Deductions**

Water Utility:			
Self-Liquidating	<u>5,562,000.00</u>	<u>2,173,802.80</u>	<u>6,224,000.00</u>
<b>Net Debt</b>	<b><u>\$ 4,976,105.36</u></b>	<b><u>\$ 8,557,726.14</u></b>	<b><u>\$ 5,979,510.70</u></b>

**Note 12: CAPITAL DEBT (CONT'D)****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 indicated a statutory net debt of .685%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Water and Sewer Utility	\$ 5,562,000.00	\$ 5,562,000.00	\$ -
General	<u>4,976,105.36</u>	-	<u>4,976,105.36</u>
	<u>\$ 10,538,105.36</u>	<u>\$ 5,562,000.00</u>	<u>\$ 4,976,105.36</u>

Net debt \$4,976,105.36 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$726,247,206.00 equals .685%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 25,418,652.21
Less: Net Debt	<u>4,976,105.36</u>
Remaining Borrowing Power	<u>\$ 20,442,546.85</u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$ 1,614,698.17
Deductions:	
Operating and Maintenance	\$ 926,450.00
Debt Service	<u>668,248.17</u>
Total Deductions	<u>1,594,698.17</u>
Excess in Revenue	<u>\$ 20,000.00</u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

**Note 13: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2018, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

<u>Description</u>	<u>Balance December 31, 2018</u>	<u>2019</u>	
		<u>Budget</u>	<u>Appropriation</u>
Water Utility Operating Fund:			
Emergency Authorization	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00

The appropriations in the 2019 Budget as adopted are not less than that required by the statutes.

**Note 14: RISK MANAGEMENT**

The Township 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.

**New Jersey Unemployment Compensation Insurance** - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township 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 Township is billed quarterly for amounts due to the State.

The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township's trust fund for the current and previous two years:

<u>Year</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2018	\$ 10,000.00	\$ 5,595.20	\$ 27.24	\$ 11,280.20	\$ 15,657.83
2017	10,000.00	5,701.99	23.60	13,777.81	11,315.59
2016	10,000.00	5,087.45	19.09	11,538.96	9,367.81

**Joint Insurance Pool** - The Township of Greenwich is a member of the Gloucester Salem Cumberland Counties Municipal Insurance Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation including Employer's Liability  
General Liability including Police Professional and Employee Benefit Liability  
Automobile Liability  
Blanket Crime including Public Employee Dishonesty  
Property Including Boiler and Machinery  
Public Officials and Employment Practices Liability  
Volunteer Directors and Officers Liability  
Cyber Liability

**Note 14: RISK MANAGEMENT (CONT'D))**

**Joint Insurance Pool (Cont'd)** - The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation  
Excess General Liability  
Non-Owned Aircraft Liability  
Excess Auto Liability  
Fidelity and Performance (Blanket)  
Excess Property including Boiler and Machinery  
Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The Township's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report for the year ended December 31, 2018, which can be obtained from:

Gloucester Salem Cumberland Counties  
Municipal Joint Insurance Fund  
P.O. Box 442  
Hammonton, New Jersey 08037

**Self-Insurance Plan** - The Township has adopted a plan of self-insurance for medical/surgical and major medical coverage for the employees of the Township and has established the Reserve for Self-Insurance Trust in the Trust-- Other Fund to account for and finance its related uninsured risks of loss up to \$250,000.00 per any one claim. The coverage is administered by the Township of Greenwich Employees Health Plan and the plan supervisor, Insurance Design Administrators.

At December 31, 2018, the estimated balance of funds in escrow held by the plan administrator on behalf of the Township was \$135,477.15. The Township is required to maintain an escrow balance to pay for future claims. Any additional funds required for claims in excess of the amounts escrowed will be paid and charged to the 2019 or future budgets.

There have been no settlements that exceed the Township's coverage for years ended December 31, 2018, 2017, and 2016.

**Note 15: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Township expects such amount, if any, to be immaterial.

**Litigation** - The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

**Note 15: CONTINGENCIES (CONT'D)**

**Tax Appeal Litigation** - As of December 31, 2018, there is one industrial tax assessment appeal filed against the Township for tax years 1998 to 2010 and then from 2016 to 2018.

The appeals were filed with the Tax Court of New Jersey for the tax year 1998 on the refinery owned by Mobil Oil Company. The refinery was sold by Mobil to Valero of N.J. in September of 1998 which filed appeals for the tax years 1999 to 2010. The refinery was subsequently sold to Paulsboro Refining Company LLC in 2010 which filed appeals for the tax years 2012 to 2014 and 2016 to 2018. The appeals for 2012 to 2014 have been previously settled. The remaining appeals involve extremely complicated properties and concern difficult constitutional, legal and factual issues. The financial exposure to the Township cannot be predicted as of December 31, 2018, with any accuracy because a definitive analysis as to the value of the subject property has not been prepared for any of the tax years at issue.

Subsequent to December 31, 2018, on November 14, 2019, the Tax Court of New Jersey entered a judgement approving stipulations settling the 1998 to 2010 tax appeals for \$15,000,000.00. The Township is required to pay the plaintiffs by April 30, 2020. For further details see Note 17.

The County of Gloucester, the official tax assessor for the Township, is defending the open 2016 to 2018 tax appeals. The County has engaged experts to assist in the evaluation of these cases and is aggressively defending these appeals, although attempts to reach a reasonable settlement have been pursued. The parties are in the process of exchanging information relevant to the valuation of the properties. A loss of these pending tax appeals could have a material adverse impact upon the Township's financial position.

**Note 16: CONCENTRATIONS**

The Township depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Township is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

**Note 17: SUBSEQUENT EVENTS**

**Tax Appeals** – As described in Note 15, the Tax Court of New Jersey entered a judgement approving stipulations settling the 1998 to 2010 tax appeals for \$15,000,000.00. The Township has submitted an application to the State of New Jersey Local Finance seeking approval for funding the judgement. The application is seeking approval to issue \$13,000,000.00 in notes and bonds in addition to using \$2,100,000.00 in cash reserves to fund the judgement.

**Authorization of Debt** - Subsequent to December 31, the Township authorized additional bonds and notes as follows:

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
<b>General Improvements</b>		
Acquisition of Various Capital Equipment	08/19/19	\$ 152,000.00

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statement of Current Cash -- Chief Financial Officer  
 For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 6,861,220.29
---------------------------	-----------------

Increased by Receipts:

Tax Collector	\$ 23,653,134.67
Sewer Collector	844,090.01
Revenue Accounts Receivable	1,334,274.13
Miscellaneous Revenue Not Anticipated	284,630.26
Due from State of New Jersey	69,654.80
Due to State -- Marriage License Fees	625.00
Federal and State Grants Receivable	27,872.81
Due Animal Control Fund	3,025.35
Due Trust Other Fund	19.52
Due Utility Operating Fund	<u>23,192.70</u>
	26,240,519.25
	33,101,739.54

Decreased by Disbursements:

2017 Appropriation Reserves	\$ 358,709.02
2018 Appropriations	9,540,453.70
County Taxes	5,742,286.68
Due County for Added and Omitted Taxes	3,771.67
Local District School Tax	10,189,783.00
Refund Tax Overpayments	25,453.40
Due to State -- Marriage License Fees	500.00
Federal and State Grants Expenditures	18,733.29
Due Utility Operating Fund	45,539.53
Due Utility Capital Fund	<u>4,398.75</u>
	25,929,629.04

Balance December 31, 2018	\$ <u>7,172,110.50</u>
---------------------------	------------------------

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
Statement of Current Cash --Tax Collector  
For the Year Ended December 31, 2018

---

## Increased by:

Taxes Receivable	\$ 23,458,826.39
Tax Title Liens Receivable	3,220.99
Prepaid Taxes	164,965.90
Tax Overpayments	4,391.97
Revenue Accounts Receivable	67,636.16
Miscellaneous Revenue Not Anticipated	<u>2,707.54</u>
	\$ <u>23,701,748.95</u>
	23,701,748.95

## Decreased by:

Payments to Chief Financial Officer	<u>23,653,134.67</u>
Balance December 31, 2018	\$ <u>48,614.28</u>

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
Statement of Current Cash -- Sewer Collector  
For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 26,215.87
Increased by:	
Sewer Rents Receivable	\$ 838,112.19
Miscellaneous Revenue Not Anticipated	<u>9,870.57</u>
	<u><u>847,982.76</u></u>
	874,198.63
Decreased by:	
Payments to Chief Financial Officer	<u>844,090.01</u>
Balance December 31, 2018	<u><u>\$ 30,108.62</u></u>

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Taxes Receivable and Analysis of Property Tax Levy**  
**For the Year Ended December 31, 2018**

Year	Balance	2018 Levy	Added Taxes	Collections		Over-Payments Applied	Cancelled	Transferred To Tax Title Liens	Balance
	Dec. 31, 2017			2017	2018			Dec. 31, 2018	
2013	\$ 4.18				\$ 4.18				
2015									
2016	11.99		\$ 2,947.26		11.99				\$ 2,947.26
2017	327,631.36		1,052.05		327,178.65		\$ 1,254.76		250.00
	327,647.53	-	3,999.31	-	327,194.82	-	1,254.76	-	3,197.26
2018		\$ 23,793,255.20		\$ 267,947.54	23,204,381.57	\$ 14,811.85	14,554.71	\$ 27,511.16	264,048.37
	\$ 327,647.53	\$ 23,793,255.20	\$ 3,999.31	\$ 267,947.54	\$ 23,531,576.39	\$ 14,811.85	\$ 15,809.47	\$ 27,511.16	\$ 267,245.63
Taxes Receivable				\$ 23,458,826.39					
Senior Citizens and Veterans				<u>72,750.00</u>					
				<u>\$ 23,531,576.39</u>					
<u>Analysis of 2018 Property Tax Levy</u>									
<u>Tax Yield:</u>									
General Property Tax					\$ 23,774,693.82				
Added Taxes (54:4-63.1 et. seq.)					<u>18,561.38</u>				
						\$ 23,793,255.20			
<u>Tax Levy:</u>									
Local School District Tax					\$ 10,189,783.00				
<u>County Taxes:</u>									
County Tax					\$ 5,742,286.68				
Due County for Added Taxes					<u>4,495.26</u>				
						5,746,781.94			
<u>Local Tax for Municipal Purposes</u>									
Add: Additional Tax Levied					\$ 7,833,446.73				
					<u>23,243.53</u>				
						<u>7,856,690.26</u>			
							\$ 23,793,255.20		

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
Statement of Sewer Rents Receivable  
For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 119,136.98
<b>Increased by:</b>	
Sewer Rents Levied	<u>836,938.26</u>
	956,075.24
<b>Decreased by:</b>	
Collections	\$ 838,112.19
Transfers to Sewer Liens	375.00
Overpayments Applied	1,368.17
Due from Water Utility Operating	<u>7,213.34</u>
	<u>847,068.70</u>
Balance December 31, 2018	<u>\$ 109,006.54</u>

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Tax Title Liens**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017	\$ 122,369.62
<b>Increased by:</b>	
Transfers from Taxes Receivable	\$ 27,511.16
Prior Year Adjustment	4,888.00
Interest and Costs on Sale	<u>629.76</u>
	<u>33,028.92</u>
	155,398.54
<b>Decreased by:</b>	
Collections	<u>3,220.99</u>
Balance December 31, 2018	<u>\$ 152,177.55</u>

## Exhibit SA-7

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Sewer Liens Receivable**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017	\$ 2,856.04
<b>Increased by:</b>	
Transfers from Sewer Rents Receivable	<u>375.00</u>
Balance December 31, 2018	<u>\$ 3,231.04</u>

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Revenue Accounts Receivable**  
**For the Year Ended December 31, 2018**

	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Accrued</u> <u>In 2018</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
<b>Miscellaneous Revenue Anticipated:</b>				
Fines and Costs:				
Municipal Court	\$ 5,703.25	\$ 97,456.25	\$ 98,186.05	\$ 4,973.45
Interest and Costs on Taxes		67,636.16		67,636.16
Consolidated Municipal Property Tax Relief Aid		46,646.00		46,646.00
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)		676,078.00		676,078.00
Uniform Fire Safety Act		41,413.00		41,413.00
Uniform Construction Code Fees		236,334.00		236,334.00
PILOT - DRP Urban Renewal 1, LLC	<u>235,617.08</u>	<u>235,617.08</u>		
	<u><u>\$ 5,703.25</u></u>	<u><u>\$ 1,401,180.49</u></u>	<u><u>\$ 1,401,910.29</u></u>	<u><u>\$ 4,973.45</u></u>
Chief Financial Officer			\$ 1,334,274.13	
Tax Collector			<u>67,636.16</u>	
			<u><u>\$ 1,401,910.29</u></u>	

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statement of 2017 Appropriation Reserves  
 For the Year Ended December 31, 2018

	Balance December 31, 2017		Balance After Modification	Disbursed	Balance Lapsed
	Encumbered	Reserved			
<b>OPERATIONS -- WITHIN "CAPS"</b>					
General Administration:					
Salaries and Wages		\$ 705.87	\$ 705.87		\$ 705.87
Other Expenses	\$ 2,159.66	\$ 2,686.52	\$ 4,846.18	\$ 2,158.24	\$ 2,687.94
Mayor and Council:					
Salaries and Wages		806.82	806.82		806.82
Other Expenses		1,806.54	1,806.54	450.00	1,356.54
Municipal Clerk:					
Salaries and Wages		4,480.88	4,480.88		4,480.88
Other Expenses	2,970.74	8,620.09	11,590.83	2,689.88	8,900.95
Financial Administration:					
Salaries and Wages		526.17	526.17		526.17
Other Expenses	3,000.82	1,497.45	4,498.27	1,713.92	2,784.35
Audit Services:					
Other Expenses		570.00	570.00		570.00
Revenue Administration:					
Salaries and Wages		7,227.29	7,227.29		7,227.29
Other Expenses		4,067.16	4,067.16		4,067.16
Legal Services and Costs:					
Other Expenses					
Industrial Appeals	137,432.20		137,432.20	134,317.21	3,114.99
Miscellaneous Other	10,000.00	31,252.77	41,252.77	13,168.48	28,084.29
Engineering Services and Costs:					
Other Expenses		10,000.00	10,000.00		10,000.00
Economic Development:					
Other Expenses		1,000.00	1,000.00		1,000.00
Historical Committee:					
Salaries and Wages		17.64	17.64		17.64
Other Expenses	300.00	494.07	794.07		794.07
Planning Board:					
Salaries and Wages		38.34	38.34		38.34
Other Expenses		2,275.54	2,275.54	637.50	1,638.04
Zoning Board:					
Salaries and Wages		548.56	548.56		548.56
Other Expenses	103.98	978.06	1,082.04	103.98	978.06
Insurance:					
General Liability	3,557.00	28,359.19	31,916.19	2,425.00	29,491.19
Employee Group Health	21,028.75	470,841.72	491,870.47	21,028.75	470,841.72
Police:					
Salaries and Wages		68,767.91	68,767.91		68,767.91
Other Expenses	40,584.56	1,381.17	41,965.73	38,142.68	3,823.05
Office of Emergency Management					
Salaries and Wages		2,962.31	2,962.31		2,962.31
Other Expenses	2,471.50	6,886.30	9,357.80	2,470.95	6,886.85
Aid to Volunteer Fire Company					
Other Expenses	20,851.20	3,006.22	23,857.42	22,912.17	945.25
Fire Department					
Salaries and Wages		3,808.99	3,808.99		3,808.99
Other Expenses	1,000.00	1,211.26	2,211.26	1,038.14	1,173.12
Municipal Prosecutor:					
Salaries and Wages		69.28	69.28		69.28
Other Expenses		300.00	300.00		300.00

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statement of 2017 Appropriation Reserves  
 For the Year Ended December 31, 2018

		Balance December 31, 2017		Balance		
		Encumbered	Reserved	After Modification	Disbursed	Balance Lapsed
<b>OPERATIONS -- WITHIN "CAPS" -- (CONT'D)</b>						
Streets and Road Maintenance:						
Salaries and Wages		\$ 34,296.16	\$ 34,296.16			\$ 34,296.16
Other Expenses	\$ 7,808.38	\$ 15,733.16	\$ 23,541.54		\$ 6,202.91	\$ 17,338.63
Drainage:						
Salaries and Wages		3,000.00	3,000.00			3,000.00
Other Expenses		33,464.00	33,464.00			33,464.00
Solid Waste Collection:						
Salaries and Wages		1,243.84	1,243.84			1,243.84
Other Expenses	17,255.13	17,256.98	34,512.11		17,617.38	16,894.73
Public Building and Grounds						
Salaries and Wages		1,121.01	1,121.01			1,121.01
Other Expenses	830.13	13,676.92	14,507.05		2,514.99	11,992.06
Sewerage Processing and Disposal:						
Salaries and Wages		35,639.71	35,639.71			35,639.71
Other Expenses:						
Sludge Disposal	3,512.60	13,504.40	17,017.00		6,426.00	10,591.00
Miscellaneous	12,916.12	67,720.13	80,636.25		7,476.44	73,159.81
Vehicle Maintenance:						
Other Expenses	23,257.18	31,621.54	54,878.72		16,465.64	38,413.08
Public Health Services						
Salaries and Wages		2,000.08	2,000.08			2,000.08
Other Expenses	155.00	950.00	1,105.00		155.00	950.00
Environmental Health Services						
Salaries and Wages		7.64	7.64			7.64
Other Expenses		424.21	424.21			424.21
Animal Control Services						
Other Expenses		100.00	100.00			100.00
Recreation Services and Program						
Salaries and Wages		106.55	106.55			106.55
Other Expenses	7,716.69	12,289.57	20,006.26		6,615.65	13,390.61
Maintenance of Parks						
Other Expenses	71.00	1,836.69	1,907.69			1,907.69
Celebration of Public Events						
Other Expenses		730.00	730.00			730.00
Senior Citizen Public Transportation						
Other Expenses		1,015.00	1,015.00			1,015.00
Unclassified:						
Gasoline	3,908.98	63,574.99	67,483.97			67,483.97
Fuel Oil	1,780.57	24,472.79	26,253.36		5,115.52	21,137.84
Electricity		36,615.65	36,615.65			36,615.65
Telephone and Telegraph	185.88	18,022.89	18,208.77		460.29	17,748.48
Street Lighting		18,687.12	18,687.12			18,687.12
Landfill/Solidwaste Disposal Costs						
Other Expenses	1,555.50	28,268.18	29,823.68		12,114.99	17,708.69
Construction Code Official						
Salaries and Wages		8,174.36	8,174.36			8,174.36
Other Expenses		9,823.29	9,823.29		1,117.11	8,706.18
Sub - Code Officials:						
Plumbing Inspector						
Salaries and Wages		55.01	55.01			55.01

(Continued)

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statement of 2017 Appropriation Reserves  
 For the Year Ended December 31, 2018

	Balance December 31, 2017		Balance		
	Encumbered	Reserved	After Modification	Disbursed	Balance Lapsed
<b>OPERATIONS -- WITHIN "CAPS" -- (CONT'D)</b>					
Fire Protection Official					
Salaries and Wages	\$ 90.92	\$ 90.92			\$ 90.92
Building Inspector					
Salaries and Wages	42.42		42.42		
Electrical Inspector					
Salaries and Wages	55.01		55.01		
Municipal Court:					
Salaries and Wages	5,380.52		5,380.52		5,380.52
Other Expenses	410.03		410.03		410.03
Public Defender:					
Other Expenses	455.88		455.88		455.88
<b>Total Operations Within "CAPS"</b>	<b>\$ 326,413.57</b>	<b>1,169,060.77</b>	<b>1,495,474.34</b>	<b>\$ 346,159.02</b>	<b>1,149,315.32</b>
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES-WITHIN CAPS</b>					
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	3.38		3.38		3.38
Defined Contribution Retirement Program	1,922.78		1,922.78		1,922.78
Police and Fireman's Retirement System	57.59		57.59		57.59
Social Security System (O.A.S.I.)	18,873.43		18,873.43		18,873.43
<b>Total Deferred Charges and Statutory Expenditures - Within "CAPS"</b>	<b>-</b>	<b>20,857.18</b>	<b>20,857.18</b>	<b>-</b>	<b>20,857.18</b>
<b>Total General Appropriations for Municipal Purposes within "CAPS"</b>	<b>326,413.57</b>	<b>1,189,917.95</b>	<b>1,516,331.52</b>	<b>346,159.02</b>	<b>1,170,172.50</b>
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>					
Length of Service Award	25,000.00		25,000.00	12,550.00	12,450.00
<b>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</b>	<b>25,000.00</b>	<b>-</b>	<b>25,000.00</b>	<b>12,550.00</b>	<b>12,450.00</b>
<b>Grand Total</b>	<b>\$ 351,413.57</b>	<b>\$ 1,189,917.95</b>	<b>\$ 1,541,331.52</b>	<b>\$ 358,709.02</b>	<b>\$ 1,182,622.50</b>

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statement of Reserve for State Tax Appeals Pending  
 For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 2,130,667.36
<b>Increased by:</b>	
Budget Appropriation	<u>5,000.00</u>
Balance December 31, 2018	<u>\$ 2,135,667.36</u>

Exhibit SA-11

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statement of Due to State of New Jersey - Marriage License Fees  
 For the Year Ended December 31, 2018

---

Increased by:	
State Fees Collected	\$ 625.00
<b>Decreased by:</b>	
Disbursements	<u>500.00</u>
Balance December 31, 2018	<u>\$ 125.00</u>

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**

Statement of Due State of New Jersey - Veterans' And Senior Citizens' Deductions  
For the Year Ended December 31, 2018

---

Balance December 31, 2017 (Due to)	\$ 994.33
<b>Increased by:</b>	
Deductions per Tax Billing:	
Senior Citizens	\$ 10,750.00
Veterans	59,500.00
Deductions Allowed by Collector - 2018 Taxes	<u>2,750.00</u>
	<u>73,000.00</u>
	72,005.67
<b>Decreased by:</b>	
Received from State of New Jersey	69,654.80
Deductions Disallowed by Collector - 2018 Taxes	250.00
Deductions Disallowed by Collector - 2017 Taxes	<u>1,052.05</u>
	<u>70,956.85</u>
Balance December 31, 2018 (Due from)	<u>\$ 1,048.82</u>
<b>Analysis of Amount Realized:</b>	
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$ 70,250.00
Senior Citizens' and Veterans'	
Deductions Allowed by Tax Collector - 2018	<u>2,750.00</u>
	<u>\$ 73,000.00</u>
<b>Less:</b>	
Senior Citizens' and Veterans'	
Deductions Disallowed by Tax Collector - 2018	<u>250.00</u>
	<u>\$ 72,750.00</u>

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Prepaid Taxes**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017 (2018 Taxes)	\$ 267,947.54
Increased by:	
Collection (2019 Taxes)	<u>164,965.90</u>
	432,913.44
Decreased by:	
Application to 2018 Taxes	<u>267,947.54</u>
Balance December 31, 2018 (2019 Taxes)	\$ <u>164,965.90</u>

## Exhibit SA-14

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
**Statement of Tax Overpayments**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017	\$ 60,953.11
Increased by:	
Overpayments Received	\$ 4,391.97
Overpayments Created	<u>17,326.84</u>
	<u>21,718.81</u>
	82,671.92
Decreased by:	
Overpayments Refunded	25,453.40
Overpayments Cancelled	10,662.27
Applied to Taxes Receivable	<u>14,811.85</u>
	<u>50,927.52</u>
Balance December 31, 2018	\$ <u>31,744.40</u>

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statement of County Taxes Payable  
 For the Year Ended December 31, 2018

---

Increased by:

2018 Levy -

County General	\$ 5,055,285.09
County Library	370,887.65
County Open Space	<u>316,113.94</u>
	\$ 5,742,286.68

Decreased by:

Disbursements	<u>\$ 5,742,286.68</u>
---------------	------------------------

**Exhibit SA-16**

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statement of Amount Due to County for Added and Omitted Taxes  
 For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 3,771.67
---------------------------	-------------

Increased by:

Added Taxes -- 2018 (R.S. 54:4-63.1 et seq.)	<u>4,495.26</u>
--	-----------------

8,266.93

Decreased by:

Disbursements	<u>3,771.67</u>
---------------	-----------------

Balance December 31, 2018	<u>\$ 4,495.26</u>
---------------------------	--------------------

**TOWNSHIP OF GREENWICH**  
**CURRENT FUND**  
 Statement of Local School District Tax  
 For the Year Ended December 31, 2018

---

Levy -- Calendar Year	\$ 10,189,783.00
Decreased by: Payments	<u>\$ 10,189,783.00</u>

## Exhibit SA-18

**TOWNSHIP OF GREENWICH**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Due Current Fund  
 For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 190,001.12
Increased by:	
Grant Revenues deposited in Current Fund	\$ 27,872.81
Local Match due from Current Fund	<u>2,385.00</u>
	<u>30,257.81</u>
	220,258.93
Decreased by:	
Grant Expenditures paid by Current Fund	<u>18,733.29</u>
Balance December 31, 2018	<u>\$ 201,525.64</u>

**TOWNSHIP OF GREENWICH**  
**FEDERAL AND STATE GRANT FUND**  
**Statement of Federal and State Grants Receivable**  
**For the Year Ended December 31, 2018**

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
<b>Federal Grants:</b>				
Chemical Buffer Zone Protection Program	\$ 92.59			\$ 92.59
Distracted Driving		\$ 2,200.00	\$ 2,200.00	
Drive Sober or Get Pulled Over		2,200.00	2,200.00	
Over the Limit Under Arrest	<u>1,369.90</u>			<u>1,369.90</u>
<b>Total Federal Grants</b>	<b><u>1,462.49</u></b>	<b><u>4,400.00</u></b>	<b><u>4,400.00</u></b>	<b><u>1,462.49</u></b>
<b>State Grants:</b>				
Alcohol, Education, Rehabilitation and Enforcement Grant		439.39	439.39	
Clean Communities Program		11,393.42	11,393.42	
Drunk Driving Enforcement Fund		1,100.00	1,100.00	
Municipal Drug Alliance Grant				
2017 Grant	1,770.00		1,770.00	
2018 Grant	<u>9,540.00</u>		<u>8,770.00</u>	<u>770.00</u>
<b>Total State Grants</b>	<b><u>1,770.00</u></b>	<b><u>22,472.81</u></b>	<b><u>23,472.81</u></b>	<b><u>770.00</u></b>
<b>Private Grants Receivable</b>				
Valero Refinery Grants:				
Construction of Silvestro Lake Park Pavilion	12,043.60			12,043.60
Community Early Warning System	<u>19,625.70</u>			<u>19,625.70</u>
<b>Total Private Grants</b>	<b><u>31,669.30</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>31,669.30</u></b>
	<b><u>\$ 34,901.79</u></b>	<b><u>\$ 26,872.81</u></b>	<b><u>\$ 27,872.81</u></b>	<b><u>\$ 33,901.79</u></b>

**TOWNSHIP OF GREENWICH**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Reserve for Federal and State Grants -- Unappropriated  
 For the Year Ended December 31, 2018

<u>Program</u>	<u>Balance Dec. 31, 2017</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2018 Budget</u>	<u>Balance Dec. 31, 2018</u>
<b>Federal Grants:</b>				
Bulletproof Vest Partnership	\$ 1,992.00		\$ 1,992.00	
Distracted Driving		\$ 2,200.00		\$ 2,200.00
Drive Sober or Get Pulled Over	2,720.00	2,200.00	2,720.00	2,200.00
<b>Total Federal Grants</b>	<b>4,712.00</b>	<b>4,400.00</b>	<b>4,712.00</b>	<b>4,400.00</b>
<b>State Grants:</b>				
Alcohol, Education, Rehabilitation and Enforcement Grant	128.68	439.39	128.68	439.39
Body Armor Replacement Grant	1,946.21		1,946.21	
Clean Communities Program		11,393.42	11,393.42	
Municipal Drug Alliance Grant		9,540.00	9,540.00	
Recycling Tonnage Grant	11,312.58		11,312.58	
<b>Total State Grants</b>	<b>13,387.47</b>	<b>22,472.81</b>	<b>34,320.89</b>	<b>1,539.39</b>
	<b>\$ 18,099.47</b>	<b>\$ 26,872.81</b>	<b>\$ 39,032.89</b>	<b>\$ 5,939.39</b>

**TOWNSHIP OF GREENWICH**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Reserve for Federal and State Grants -- Appropriated  
 For the Year Ended December 31, 2018

Program	Balance Dec. 31, 2017		Transferred from 2018 Budget Appropriation	Paid or Charged	Encumbered	Balance Dec. 31, 2018
	Appropriated	Encumbered				
<b>Federal Grants:</b>						
Chemical Buffer Zone Protection Program	\$ 9,257.01					\$ 9,257.01
Click It or Ticket It	6,004.19					6,004.19
Community Development Block Grant	1,028.40					1,028.40
CDBG - ADA Improvements	3,740.00					3,740.00
Buckle Up for Safety	2,611.85					2,611.85
Bulletproof Vest			\$ 1,992.00			1,992.00
Drive Sober or Get Pulled Over	3,600.00		2,720.00			6,320.00
Emergency Management Assistance Grant	35,000.00					35,000.00
Municipal Stormwater Regulation	13,644.00					13,644.00
Over the Limit Under Arrest	6,000.00					6,000.00
Delaware Estuary Grant	470.32					470.32
<b>Total Federal Grants</b>	<b>81,355.77</b>	<b>-</b>	<b>4,712.00</b>	<b>-</b>	<b>-</b>	<b>86,067.77</b>
<b>State Grants:</b>						
Cultural & Heritage Funds	6,692.00					6,692.00
Clean Communities Program - 2010	9,305.75					9,305.75
Clean Communities Program - 2011	597.04					597.04
Clean Communities Program - 2012	96.41					96.41
Clean Communities Program - 2013	2,050.16					2,050.16
Clean Communities Program - 2014	7,879.65					7,879.65
Clean Communities Program - 2015	584.68					584.68
Clean Communities Program - 2016	49.03					49.03
Clean Communities Program - 2017	5,766.99	\$ 2,500.00	\$ 6,262.97			2,004.02
Clean Communities Program - 2018			11,393.42	\$ 4,250.00	\$ 1,500.00	5,643.42
Livable Communities Grant	555.00					555.00
Municipal Drug Alliance Grant						
2009 Grant	10,152.59					10,152.59
2011 Grant	10,955.00					10,955.00
2012 Grant	1,691.04					1,691.04
2013 Grant	1,376.95					1,376.95
2014 Grant	390.36					390.36
2015 Grant	422.97					422.97
2016 Grant	64.10					64.10
2017 Grant	1,449.29	300.00	11,925.00	8,220.32	1,583.33	1,749.29
2018 Grant						2,121.35

(Continued)

**TOWNSHIP OF GREENWICH**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Reserve for Federal and State Grants -- Appropriated  
 For the Year Ended December 31, 2018

Program	Balance Dec. 31, 2017		Transferred from 2018 Budget Appropriation		Paid or Charged	Encumbered	Balance Dec. 31, 2018
	Appropriated	Encumbered					
<b>State Grants (Cont'd):</b>							
Alcohol, Education, Rehabilitation and Enforcement Grant	\$ 7,847.41		\$ 128.68				\$ 7,976.09
Body Armor Grant	9,475.14		1,946.21				11,421.35
Drunk Driving Enforcement Fund	9,505.53						9,505.53
Recycling Tonnage Grant	6,252.33		11,312.58				17,564.91
HEOP Grant	2,405.72						2,405.72
<b>Total State Grants</b>	<b>95,565.14</b>	<b>\$ 2,800.00</b>	<b>\$ 36,705.89</b>	<b>\$ 18,733.29</b>	<b>\$ 3,083.33</b>	<b></b>	<b>113,254.41</b>
<b>Private Grants</b>							
Valero Refinery Grants:							
Construction of Silvestro Lake Park Pavilion	12,043.60						12,043.60
Community Early Warning System	9,207.43						9,207.43
Stewart Trust Foundation	5,831.50						5,831.50
<b>Total Private Grants</b>	<b>27,082.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,082.53</b>
	<b>\$ 204,003.44</b>	<b>\$ 2,800.00</b>	<b>\$ 41,417.89</b>	<b>\$ 18,733.29</b>	<b>\$ 3,083.33</b>	<b>\$ 226,404.71</b>	
Realized as Revenue in 2018 Budget			\$ 39,032.89				
Local Match Due From Current Fund			2,385.00				
			<b>\$ 41,417.89</b>				

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**TOWNSHIP OF GREENWICH  
TRUST FUND**

	Animal Control		Other Trust	
Balance December 31, 2017	\$	9,132.80	\$	598,907.15
Increased by Receipts:				
Animal Control Collector	\$	5,246.00		
Due Current Fund		14.91	\$	31.38
Miscellaneous Trust Reserves				5,142,662.02
		<u>5,260.91</u>		<u>5,142,693.40</u>
			14,393.71	5,741,600.55
Decreased by Disbursements:				
Due Current Fund		3,041.03		39.04
Dog Fund Expenditures		8,578.72		
Miscellaneous Trust Reserves				5,185,652.35
		<u>11,619.75</u>		<u>5,185,691.39</u>
Balance December 31, 2018	\$	2,773.96	\$	555,909.16

**TOWNSHIP OF GREENWICH**  
**TRUST FUND**  
Statement of Trust Cash - Tax Collector  
For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 181,002.66
<b>Increased by Receipts:</b>	
Miscellaneous Trust Reserves	<u>136,657.23</u>
	317,659.89
<b>Decreased by Disbursements:</b>	
Miscellaneous Trust Reserves	<u>225,094.52</u>
Balance December 31, 2018	<u>\$ 92,565.37</u>

**TOWNSHIP OF GREENWICH**  
**TRUST FUND**  
 Statement of Investments - Length of Service Awards Program  
 For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 375,856.62
Increased by:	
Township Contributions	<u>12,550.00</u>
	388,406.62
Decreased by:	
Benefits Paid to Participants	\$ 22,861.86
Unrealized Loss on Investments	23,623.35
Administration Expenses	<u>900.00</u>
	<u>47,385.21</u>
Balance December 31, 2018	<u>\$ 341,021.41</u>

Schedule of Investments, December 31, 2018

<u>Description</u>	
Fixed Annuity Contract	\$ 26,949.11
Mutual Funds	<u>314,072.30</u>
	<u>\$ 341,021.41</u>

**TOWNSHIP OF GREENWICH**  
**TRUST FUND**  
 Statement of Trust Cash - Animal Control Collector  
 For the Year Ended December 31, 2018

---

Increased by:

Dog License Fees	\$ 5,258.00
State Dog License Fees	<u>1,400.40</u>
	\$ 6,658.40

Decreased by:

Due to State of New Jersey	1,396.80
Transferred to Treasurer	<u>5,246.00</u>
	6,642.80
Balance December 31, 2018	<u><u>\$ 15.60</u></u>

**TOWNSHIP OF GREENWICH**  
**TRUST FUND**  
 Statement of Amount Due to Current Fund -- Animal Control Fund  
 For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 3,028.80
---------------------------	-------------

Increased by:

Interest Earned on Investments	<u>14.91</u>
	3,043.71

Decreased by:

Disbursed to Current Fund	<u>3,041.03</u>
Balance December 31, 2018	<u><u>\$ 2.68</u></u>

**TOWNSHIP OF GREENWICH**  
**TRUST FUND**  
 Statement of Reserve for Animal Control Fund  
 For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 6,104.00
<b>Increased by:</b>	
Dog License Fees Collected	\$ 3,268.00
Late Fees Collected	<u>1,990.00</u>
	<u>5,258.00</u>
	11,362.00
<b>Decreased by:</b>	
Dog Fund Expenditures	<u>8,578.72</u>
Balance December 31, 2018	<u>\$ 2,783.28</u>

License Fees Collected

Year	Amount
2016	\$ 3,140.00
2017	<u>3,922.00</u>
	<u>\$ 7,062.00</u>

**TOWNSHIP OF GREENWICH**  
**TRUST FUND**  
 Statement of Due to State of New Jersey - Department of Health  
 For the Year Ended December 31, 2018

---

Increased by:	
2018 State License Fees	\$ 1,400.40
<b>Decreased by:</b>	
Disbursements to the State	<u>1,396.80</u>
Balance December 31, 2018	<u>\$ 3.60</u>

**TOWNSHIP OF GREENWICH**  
**TRUST FUND**  
 Statement of Due Current Fund -- Trust Other Fund  
 For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 19.52
Increased by:	
Interest Earned	<u>31.38</u>
	50.90
Decreased by:	
Disbursed to Current Fund	<u>39.04</u>
Balance December 31, 2018	<u>\$ 11.86</u>

## Exhibit SB-9

**TOWNSHIP OF GREENWICH**  
**TRUST FUND**  
 Statement of Due From Self Insurance Management Company -- Trust Other Fund  
 For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 131,930.69
Increased by:	
Funds Deposited to Account	<u>1,360,136.07</u>
	1,492,066.76
Decreased by:	
Fund Expenses Disbursed	<u>1,356,589.61</u>
Balance December 31, 2018	<u>\$ 135,477.15</u>

**TOWNSHIP OF GREENWICH**  
**TRUST - OTHER FUND**  
Statement of Miscellaneous Trust Reserves  
For the Year Ended December 31, 2018

	Balance Dec. 31, 2017	Increased		Decreased		Balance Dec. 31, 2018
		Receipts	Disbursements	Unrealized Loss on Investments		
Fire Safety Penalties	\$ 6,672.04	\$ 4,500.00	\$ 1,100.00			\$ 10,072.04
USGS Study Costs	71,394.69		4,106.77			67,287.92
Sanitary Landfill Closure Escrow	19,872.82		794.91			19,077.91
Self Insurance	131,930.69	1,360,136.07	1,356,589.61			135,477.15
Unemployment Compensation Trust	11,315.59	15,622.44	11,280.20			15,657.83
Developers' Escrow	296,994.54	201,511.20	178,701.41			319,804.33
Payroll Deductions Payable	6,567.28	4,696,136.06	4,692,211.29			10,492.05
Tax Sale Certificate Redemption	14,202.66	128,257.23	128,794.52			13,665.37
Recreation Fees	5,454.11	7,101.36	9,482.02			3,073.45
Tax Sale Premiums	166,800.00	8,400.00	96,300.00			78,900.00
Federal Forfeited Funds	812.70					812.70
Municipal Forfeited Funds	1,775.98	1,706.00				3,481.98
Accumulated Leave Absence	87,807.36	100,000.00	114,679.97			73,127.39
Police Outside Employment	81,051.79	109,557.30	166,534.80			24,074.29
Trust Other	500.00					500.00
Public Defender	807.50	3,375.00	3,800.00			382.50
Environmental Commission Nature Trail	7,685.00					7,685.00
FSA - Cafeteria Plan	176.23	3,152.66	2,960.98			367.91
Length of Service Awards Program	<u>375,856.62</u>	<u>12,550.00</u>	<u>23,761.86</u>	<u>\$ 23,623.35</u>	<u>\$ 23,623.35</u>	<u>341,021.41</u>
	<u>\$ 1,287,677.60</u>	<u>\$ 6,652,005.32</u>	<u>\$ 6,791,098.34</u>	<u>\$ 23,623.35</u>	<u>\$ 23,623.35</u>	<u>\$ 1,124,961.23</u>
Chief Financial Officer		\$ 5,142,662.02	\$ 5,185,652.35			
Tax Collector		136,657.23	225,094.52			
Self Insurance		1,360,136.07	1,356,589.61			
Investments		<u>12,550.00</u>	<u>23,761.86</u>			
		<u>\$ 6,652,005.32</u>	<u>\$ 6,791,098.34</u>			

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash - Chief Financial Officer  
For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 1,704,759.34
Increased by Receipts:	
Capital Improvement Fund	<u>20,000.00</u>
	1,724,759.34
Decreased by Disbursements:	
Contracts Payable	\$ 363,216.20
Improvement Authorizations	23,452.00
Reserve for Preliminary Expenses	<u>28,190.00</u>
	<u>414,858.20</u>
Balance December 31, 2018	<u>\$ 1,309,901.14</u>

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
**Analysis of General Capital Cash**  
**For the Year Ended December 31, 2018**

	Balance Dec. 31, 2017	Disbursements				Balance Dec. 31, 2018
		Receipts Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers From	
					To	
Fund Balance	\$ 353.28					\$ 353.28
Capital Improvement Fund	239,974.25	\$ 20,000.00			\$ 119,000.00	140,974.25
Contracts Payable	425,312.95			\$ 363,216.20		62,096.75
Reserve for Preliminary Costs				28,190.00		\$ 36,810.00
<b>Improvement Authorizations:</b>						
<u>Ordinance</u>						
<u>Number</u>						
9-04 Improvements to Sewerage Plant	110,433.23					110,433.23
10-04 Various Building Improvements	180,648.25					180,648.25
11-10a Reconstruction of Various Roads	257,418.37					257,418.37
11-10b Modifications to Sewer Pump Stations	72,081.45					72,081.45
11-10c Acq & Install. of Sewer Plant Equipment	81,048.10		\$ 22,632.00			58,416.10
11-10d Acq. & Install. of Aux Equip at Muni Bldgs	116,108.42					116,108.42
11-10e Acq. & Install. of a Diesel Storage Tank	118,839.10					118,839.10
14-13 Sanitary Sewer Improvements	10,513.89					10,513.89
15-13 Sanitary Sewer Improvements Phase II	48,050.00					48,050.00
3-2016 Acquisition and Installation of Gas Generators	34,914.05		820.00			34,094.05
5-2016a Acquisition of Various Equipment	3,042.00					3,042.00
5-2016b Acquisition of Aeration System	2,122.00					2,122.00
08-2017/ Municipal Building and Firehouse HVAC and						
12-2017 Miscellaneous Repairs and Improvements	3,900.00					3,900.00
08-2018a Reconstruction / Repaving of Various Roads					\$ 30,000.00	30,000.00
08-2018b Repair / Replacement Sanitary Sewer Mains					\$ 8,000.00	8,000.00
08-2018c Acquisition of Various Public Works Equipment					\$ 16,000.00	16,000.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 1,704,759.34	\$ 20,000.00	\$ 23,452.00	\$ 391,406.20	\$ 119,000.00	\$ 119,000.00
						\$ 1,309,901.14

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation -- Funded  
For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 4,537,528.94
Decreased by:	
2018 Budget Appropriation to Pay:	
Serial Bonds	\$ 1,005,000.00
Green Acres Loan Payable	<u>22,423.58</u>
	<u>1,027,423.58</u>
Balance December 31, 2018	<u><u>\$ 3,510,105.36</u></u>

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
**Statement of Deferred Charges to Future Taxation -- Unfunded**  
**For the Year Ended December 31, 2018**

Ordinance Number	Improvement Description	Balance Dec. 31, 2017	2018 Authorizations	Balance Dec. 31, 2018	Analysis of Balance Dec. 31, 2018		Unexpended Improvement Authorization
					Financed by Notes		
3-2016	Acquisition and Installation of Gas Generators	\$ 450,000.00		\$ 450,000.00	\$ 450,000.00		
08-2018a	Reconstruction / Repaving of Various Roads		\$ 570,000.00	570,000.00		\$ 570,000.00	
08-2018b	Repair / Replacement Sanitary Sewer Mains		142,000.00	142,000.00			142,000.00
08-2018c	Acquisition of Various Public Works Equipment		304,000.00	304,000.00			304,000.00
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		\$ 450,000.00	\$ 1,016,000.00	\$ 1,466,000.00	\$ 450,000.00	\$ 1,016,000.00	

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
**Statement of Contracts Payable**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017	\$ 425,312.95
Decreased by:	
Disbursements	<u>363,216.20</u>
Balance December 31, 2018	<u>\$ 62,096.75</u>

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
**Statement of Capital Improvement Fund**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017	\$ 239,974.25
Increased by:	
Budget Appropriation	<u>20,000.00</u>
	259,974.25
Decreased by:	
Appropriated to Finance Improvement Authorizations	\$ 54,000.00
Appropriated to Finance Preliminary Cost Resolutions	<u>65,000.00</u>
	<u>119,000.00</u>
Balance December 31, 2018	<u>\$ 140,974.25</u>

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
**Statement of Improvement Authorizations**  
**For the Year Ended December 31, 2018**

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2017		2018 Authorizations	Paid or Charged	Balance Dec. 31, 2018	
		Date	Amount	Funded	Unfunded			Funded	Unfunded
9-04	Improvements to Sewerage Plant	7/19/04	\$ 1,500,000.00	\$ 110,433.23				\$ 110,433.23	
10-04	Various Building Improvements	7/19/04	500,000.00	180,648.25				180,648.25	
11-10a	Reconstruction of Various Roads	8/16/10	2,350,000.00	257,418.37				257,418.37	
11-10b	Modifications to Sewer Pump Stations	8/16/10	1,605,000.00	72,081.45				72,081.45	
11-10c	Acq. and Install. of Sewer Plant Equipment	8/16/10	120,000.00	81,048.10			\$ 22,632.00	58,416.10	
11-10d	Acq. and Install. of Aux Equip at Muni Bldgs	8/16/10	200,000.00	116,108.42				116,108.42	
11-10e	Acq. and Install. of a Diesel Storage Tank	8/16/10	120,000.00	118,839.10				118,839.10	
14-13	Sanitary Sewer Improvements	9/16/13	45,000.00	10,513.89				10,513.89	
15-13	Sanitary Sewer Improvements Phase II	11/18/13	50,000.00	48,050.00				48,050.00	
3-2016	Acquisition and Installation of Gas Generators	3/22/16	475,000.00		\$ 34,914.05		820.00		\$ 34,094.05
5-2016a	Acquisition of Various Equipment	4/18/16	75,000.00	3,042.00				3,042.00	
5-2016b	Acquisition of Aeration System	4/18/16	5,000.00	2,122.00				2,122.00	
08-2017	Municipal Building and Firehouse HVAC and	8/21/17							
12-2017	Miscellaneous Repairs and Improvements	11/20/17	20,000.00	3,900.00				3,900.00	
08-2018a	Reconstruction / Repaving of Various Roads	11/19/18	600,000.00		\$ 600,000.00			30,000.00	570,000.00
08-2018b	Repair / Replacement Sanitary Sewer Mains	11/19/18	150,000.00		150,000.00			8,000.00	142,000.00
08-2018c	Acquisition of Various Public Works Equipment	11/19/18	320,000.00		320,000.00			16,000.00	304,000.00
			\$ 1,004,204.81	\$ 34,914.05	\$ 1,070,000.00	\$ 23,452.00	\$ 1,035,572.81	\$ 1,050,094.05	
	Deferred Charges to Future Taxation - Unfunded				\$ 1,016,000.00				
	Capital Improvement Fund				54,000.00				
	Cash Disbursements					\$ 23,452.00			
						\$ 1,070,000.00	\$ 23,452.00		

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
Statement of Reserve for Preliminary Costs  
For the Year Ended December 31, 2018

---

Improvement Description	Authorized	Paid or Charged	Balance Dec. 31, 2018
Underground Storage Tank Investigation	\$ 35,000.00	\$ 28,190.00	\$ 6,810.00
Study for Lighting the Township Recreation Fields	30,000.00		30,000.00
	<u>\$ 65,000.00</u>	<u>\$ 28,190.00</u>	<u>\$ 36,810.00</u>

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
**Statement of Bond Anticipation Notes**  
**For the Year Ended December 31, 2018**

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Maturity Date	Interest Rate	Balance Dec. 31, 2017	Increased	Decreased	Balance Dec. 31, 2018
3-2016	Acquisition and Installation of Natural Gas Generators	5/10/16	5/8/17 5/4/18	5/7/18 5/3/19	1.42% 1.99%	\$ 450,000.00	\$ 450,000.00	\$ 450,000.00	\$ 450,000.00

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
**Statement of General Serial Bonds**  
**For the Year Ended December 31, 2018**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2018			Interest Rate	Balance Dec. 31, 2017	Decreased	Balance Dec. 31, 2018
			Date	Amount					
General Obligation Bonds	9/1/10	\$ 7,585,000.00	9/1/19	\$ 700,000.00	2.500%				
			9/1/20	730,000.00	2.625%				
			9/1/21	760,000.00	3.000%				
			9/1/22	795,000.00	3.000%	\$ 3,650,000.00	\$ 665,000.00	\$ 2,985,000.00	
General Obligation Refunding Bonds	8/1/12	1,990,000.00	9/1/19	355,000.00	3.000%	\$ 695,000.00	\$ 340,000.00	\$ 355,000.00	
									\$ 4,345,000.00
						\$ 1,005,000.00	\$ 3,340,000.00		

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
**Statement of Green Trust Loan Payable**  
**For the Year Ended December 31, 2018**

---

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2017	Decreased	Balance Dec. 31, 2018
			Date	Amount				
North School Street Recreation Improvement	8/14/08	\$ 375,468.26	2019	\$ 22,874.30				
			2020	23,334.07				
			2021	23,803.09				
			2022	24,281.53				
			2023	24,769.59				
			2024	25,267.45				
			2025	25,775.33	2.00%	\$ 192,528.94	\$ 22,423.58	\$ 170,105.36

**TOWNSHIP OF GREENWICH**  
**GENERAL CAPITAL FUND**  
Statement of Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2018

---

Ordinance Number	Improvement Description	2018 Authorizations	Balance Dec. 31, 2018
08-2018a	Reconstruction / Repaving of Various Roads	\$ 570,000.00	\$ 570,000.00
08-2018b	Repair / Replacement Sanitary Sewer Mains	142,000.00	142,000.00
08-2018c	Acquisition of Various Public Works Equipment	304,000.00	304,000.00
		<hr/> \$ 1,016,000.00	<hr/> \$ 1,016,000.00

**SUPPLEMENTAL EXHIBITS**

**WATER UTILITY FUND**

**TOWNSHIP OF GREENWICH**  
**WATER UTILITY FUND**  
 Statement of Water Utility Cash - Chief Financial Officer  
 For the Year Ended December 31, 2018

	Operating	Capital
Balance December 31, 2017	\$ 96,233.65	\$ 486,069.14
Increased by Receipts:		
Water Collector	\$ 1,200,187.30	
Deficit (General Budget)	345,460.47	
Miscellaneous Revenues	32,213.24	\$ 697.70
Down Payment on Improvements		18,000.00
Due Water Utility Capital Fund	730.78	
Due Water Utility Operating Fund		17,869.52
Due Current Fund	<u>52,752.87</u>	<u>4,398.75</u>
	<u>1,631,344.66</u>	<u>40,965.97</u>
	1,727,578.31	527,035.11
Decreased by Disbursements:		
2018 Appropriations	1,111,212.79	
2017 Appropriation Reserves	43,864.08	
Accrued Interest on Bonds and Notes	125,150.00	
Improvement Authorizations		85,000.00
Due Water Utility Operating Fund		28,137.57
Due Water Utility Capital Fund	162,619.52	
Due Current Fund	<u>23,192.70</u>	<u>6,376.97</u>
	<u>1,466,039.09</u>	<u>119,514.54</u>
Balance December 31, 2018	<u>\$ 261,539.22</u>	<u>\$ 407,520.57</u>

**TOWNSHIP OF GREENWICH**  
**WATER UTILITY FUND**  
Statement of Water Utility Cash -- Water Collector  
For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 1,479.47
<b>Increased by:</b>	
Water Rents Receivable	\$ 1,227,655.14
Water Rent Overpayments	2,455.92
Miscellaneous Revenues	<u>8,516.04</u>
	<u>1,238,627.10</u>
	1,240,106.57
<b>Decreased by:</b>	
Payments to Chief Financial Officer	<u>1,200,187.30</u>
Balance December 31, 2018	<u>\$ 39,919.27</u>

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
 Analysis of Water Utility Capital Cash  
 For the Year Ended December 31, 2018

---

	Receipts		Disbursements		Transfers		Balance Dec. 31, 2018
	Balance Dec. 31, 2017	Miscellaneous	Improvement Authorizations	Disbursements Miscellaneous	From	To	
Fund Balance	\$ 23.95						\$ 23.95
Capital Improvement Fund	7,784.20						7,784.20
Down Payment on Improvements		\$ 18,000.00					
Due Water Utility Operating Fund	(17,869.52)	18,567.22		\$ 28,137.57		\$ 144,750.00	117,310.13
Due Current Fund	(4,398.75)	4,398.75		6,376.97			(6,376.97)
Contracts Payable	176,111.12					76,000.00	252,111.12
<b>Improvement Authorizations:</b>							
<u>Ordinance</u>							
<u>Number</u>							
8-04d Water Transition Main and Well No. 5 Treatment Plant Upgrades		103,264.32					103,264.32
8-04e Acquisition and Installation of Water Meters	29,063.77		\$ 29,000.00				63.77
3-09 Acquisition/Installation of Water Meters	2,254.00						2,254.00
06-13 Replacement of Water Transmission Mains	31,929.19						31,929.19
05-15a Improvements and Upgrades to Washington Avenue and Memorial Avenue Water Treatment Plants - Installation of Carbon Filters		431.64					431.64
05-15b Improvements and Upgrades to Memorial Avenue Water Treatment Plants - Sand Filter Rehabilitation and Pump Replacement	136,128.92		56,000.00		56,000.00		24,128.92
05-15c Rehabilitation and/or Redevelopment of Well No. 4	21,346.30				20,000.00		1,346.30
09-18 Acquisition & Installation of Water Meters and Transmitters					144,750.00	18,000.00	(126,750.00)
	<hr/> \$ 486,069.14	<hr/> \$ 40,965.97	<hr/> \$ 85,000.00	<hr/> \$ 34,514.54	<hr/> \$ 238,750.00	<hr/> \$ 238,750.00	<hr/> \$ 407,520.57

**TOWNSHIP OF GREENWICH**  
**WATER OPERATING FUND**  
Statement of Consumer Accounts Receivable  
For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 125,960.00
<b>Increased by:</b>	
Water Rents Levied	<u>1,218,369.97</u>
	1,344,329.97
<b>Decreased by:</b>	
Collections	\$ 1,227,655.14
Overpayments Applied	155.58
Cancelled	<u>1,235.29</u>
	<u>1,229,046.01</u>
Balance December 31, 2018	<u>\$ 115,283.96</u>

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
**Schedule of Fixed Capital**  
**As of December 31, 2018**

---

	Balance Dec. 31, 2018
Source of Supply -- Springs, Wells and Tanks	\$ 3,566,049.74
Water Treatment Plant:	
Chemical Treatment	12,989.77
Filtration Plant	199,333.73
Transmission and Distribution:	
Distribution Mains (Including Laterals, Corporation Stops and Curb Stops)	898,933.12
Insertion and Gate Valves	8,372.00
Meters, Meter Boxes and Vaults	302,179.74
Fire Hydrants	6,246.21
General Plant and Equipment	58,726.77
Engineering Services	33,235.79
Motorized Equipment	102,964.33
Fencing	1,980.00
Disc Chamber	2,159.69
Computer	9,500.00
Chlorine Contact Tank	66,886.40
Miscellaneous Items	2,169.96
Treatment Plant for Wells 4A and 6	3,465,000.00
Water Main Replacement in the Village of Gibbstown	2,335,000.00
Replacement of Valves and Hydrants	740,000.00
Water Transition Main and Treatment Plant Upgrades for Well 5	1,536,735.41
Water Meters and Meter System	470,386.50
Improvements and Upgrades to Washington Avenue and Memorial Avenue Water Treatment Plants -	
Installation of Carbon Filters	<u>1,300,000.00</u>
	<u><u>\$ 15,118,849.16</u></u>

The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital.

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
 Statement of Fixed Capital Authorized and Uncompleted  
 For the Year Ended December 31, 2018

Ord. No.	Improvement Description	Date	Amount	Balance Dec. 31, 2017	2018 Authorizations		Balance Dec. 31, 2018
					Deferred Reserve for Amortization	Deferred Charges To Future Revenue	
8-04d	Water Transition Main and Well No. 5 Treatment Plant Upgrades	7/19/04 4/7/08	\$ 1,640,000.00	\$ 103,264.32			\$ 103,264.32
8-04e	Acquisition and Installation of Water Meters	4/7/08	520,000.00	49,613.77			49,613.77
3-09	Acquisition/Installation of Water Meters	1/20/09	200,000.00	2,254.00			2,254.00
06-13	Replacement of Water Transmission Mains	7/15/13	500,000.00	500,000.00			500,000.00
05-15b	Improvements and Upgrades to Memorial Avenue Water Treatment Plants - Sand Filter Rehabilitation and Pump Replacement	4/6/15	145,000.00	145,000.00			145,000.00
05-15c	Rehabilitation and/or Redevelopment of Well No. 4	4/6/15	75,000.00	75,000.00			75,000.00
09-18	Acquisition & Installation of Water Meters and Transmitters	11/19/18	350,000.00		\$ 18,000.00	\$ 332,000.00	\$ 350,000.00
				\$ 875,132.09	\$ 18,000.00	\$ 332,000.00	\$ 1,225,132.09

**TOWNSHIP OF GREENWICH**  
**WATER OPERATING FUND**  
**Statement of Appropriation Reserves**  
**For the Year Ended December 31, 2018**

	<u>Balance December 31, 2017</u>		<u>Balance After</u>		<u>Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Transfers</u>	<u>Disbursed</u>	<u>Lapsed</u>
<b>Operating:</b>					
Salaries and Wages		\$ 3,363.16			\$ 3,363.16
Other Expenses	\$ 33,784.14	76,602.29	110,386.43	\$ 43,864.08	66,522.35
<b>Capital Improvements:</b>					
Capital Outlay		24,195.00		24,195.00	
<b>Statutory Expenditures:</b>					
Contribution to:					
Social Security System		<u>3,169.84</u>			<u>3,169.84</u>
	<u>\$ 33,784.14</u>	<u>\$ 107,330.29</u>	<u>\$ 141,114.43</u>	<u>\$ 43,864.08</u>	<u>\$ 97,250.35</u>
<b>Cash Disbursements</b>					
Appropriation Reserves Lapsed Due Current Fund				\$ 43,864.08	\$ 97,250.35
				<u>\$ 43,864.08</u>	<u>\$ 97,250.35</u>

**TOWNSHIP OF GREENWICH**  
**WATER OPERATING FUND**  
**Statement of Interest on Bonds and Analysis of Balance**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017	\$ 58,880.92
<b>Increased by:</b>	
Budget Appropriation:	
Interest on Bonds	\$ 120,250.00
Interest on Notes	<u>33,998.17</u>
	<u>154,248.17</u>
	213,129.09
<b>Decreased by:</b>	
Interest Paid on Bonds	125,150.00
Interest Paid on Notes	<u>27,406.79</u>
	<u>152,556.79</u>
Balance December 31, 2018	<u>\$ 60,572.30</u>

Analysis of Accrued Interest December 31, 2018

Principal Outstanding Dec. 31, 2018	Interest Rate	From	To	Period	Amount
\$ 3,320,000.00	Various	9/1/2018	12/31/2018	4 months	\$ 36,816.67
1,910,000.00	1.99%	5/4/2018	12/31/2018	7 1/2 months	<u>23,755.63</u>
					<u>\$ 60,572.30</u>

**TOWNSHIP OF GREENWICH**  
**WATER OPERATING FUND**  
**Statement of Water Rent Overpayments**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017	\$ 155.58
<b>Increased by:</b>	
Overpayments Received	<u>2,455.92</u>
	2,611.50
<b>Decreased by:</b>	
Applied	<u>155.58</u>
Balance December 31, 2018	<u>\$ 2,455.92</u>

## Exhibit SD-10

**TOWNSHIP OF GREENWICH**  
**WATER OPERATING FUND**  
**Statement of Due Water Utility Capital Fund**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017 (Due To)	\$ 17,869.52
<b>Increased by:</b>	
Interest Earned	\$ 730.78
Interest on Notes Paid by Capital	<u>27,406.79</u>
	<u>28,137.57</u>
	46,007.09
<b>Decreased by:</b>	
Interest Earned	697.70
Expenditures paid for Utility Capital	144,750.00
Interfund Disbursed	<u>17,869.52</u>
	<u>163,317.22</u>
Balance December 31, 2018 (Due From)	<u>\$ 117,310.13</u>

**TOWNSHIP OF GREENWICH**  
**WATER OPERATING FUND**  
**Statement of Due Current Fund**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017		\$ 23,192.70
<b>Increased by:</b>		
Appropriation Reserves Lapsed Due Current Fund for Prior Year Deficit	\$ 97,250.35	
Excess Revenue Funds Due Current Fund for Prior Year Deficit	45,539.53	
Sewer Rent Receipt due to Current Fund	<u>7,213.34</u>	
		<u>150,003.22</u>
		173,195.92
<b>Decreased by:</b>		
Received from Current Fund		<u>23,192.70</u>
Balance December 31, 2018	\$	<u>150,003.22</u>

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
**Statement of Contracts Payable**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017	\$ 176,111.12
<b>Increased by:</b>	
Improvement Authorizations	<u>76,000.00</u>
Balance December 31, 2018	<u>\$ 252,111.12</u>

## Exhibit SD-13

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
**Statement of Due Current Fund**  
**For the Year Ended December 31, 2018**

---

Balance December 31, 2017	\$ 4,398.75
<b>Increased by:</b>	
Expenditure paid for Current Fund	<u>6,376.97</u>
	10,775.72
<b>Decreased by:</b>	
Cash Received	<u>4,398.75</u>
Balance December 31, 2018	<u>\$ 6,376.97</u>

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For the Year Ended December 31, 2018

Ord. No.	Improvement Description	Date	Amount	Balance Dec. 31, 2017		2018 Authorizations			Balance Dec. 31, 2018	
				Funded	Unfunded	Down Payment on Improvements	Deferred Charges To Future Revenue	Paid or Charged	Funded	Unfunded
8-04d	Water Transition Main and Well No. 5 Treatment Plant Upgrades	7/19/04 4/7/08	\$ 1,640,000.00	\$ 103,264.32					\$ 103,264.32	
8-04e	Acquisition and Installation of Water Meters	4/7/08	520,000.00	29,063.77				\$ 29,000.00	63.77	
3-09	Acquisition/Installation of Water Meters	1/20/09	200,000.00	2,254.00					2,254.00	
06-13	Replacement of Water Transmission Mains	7/15/13	500,000.00		\$ 31,929.19				\$ 31,929.19	
05-15a	Improvements and Upgrades to Washington Avenue and Memorial Avenue Water Treatment Plants - Installation of Carbon Filters	4/6/15	1,300,000.00		431.64				431.64	
05-15b	Improvements and Upgrades to Memorial Avenue Water Treatment Plants - Sand Filter Rehabilitation and Pump Replacement	4/6/15	145,000.00		136,128.92			112,000.00	24,128.92	
05-15c	Rehabilitation and/or Redevelopment of Well No. 4	4/6/15	75,000.00		21,346.30			20,000.00	1,346.30	
09-18	Acquisition & Installation of Water Meters and Transmitters	11/19/18	350,000.00		\$ 18,000.00	\$ 332,000.00	\$ 144,750.00		205,250.00	
			\$ 134,582.09	\$ 189,836.05	\$ 18,000.00	\$ 332,000.00	\$ 305,750.00	\$ 105,582.09	\$ 263,086.05	
							Cash Disbursements Due to Water Operating Contracts Payable			
							\$ 85,000.00			
							144,750.00			
							76,000.00			
							\$ 305,750.00			

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2018

---

Balance December 31, 2017	\$ 10,008,849.16
Increased by:	
Bonds Paid by Operating Budget	<u>490,000.00</u>
Balance December 31, 2018	<u>\$ 10,498,849.16</u>

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
**Statement of Deferred Reserve for Amortization**  
**For the Year Ended December 31, 2018**

Ordinance Number	Improvement Description	Ordinance Date	Balance Dec. 31, 2017	Fixed Capital Authorized	BAN Paid By Operating Budget	Balance Dec. 31, 2018
8-04d	Water Transition Main and Well No. 5 Treatment Plant Upgrades	7/19/04	\$ 103,264.32			\$ 103,264.32
8-04e	Acquisition and Installation of Water Meters	7/19/04	49,613.77			49,613.77
3-09	Acquisition/Installation of Water Meter	1/20/09	2,254.00			2,254.00
06-13	Replacement of Water Transmission Mains	7/15/16	10,000.00		\$ 5,000.00	15,000.00
05-15a	Improvements and Upgrades to Washington Avenue and Memorial Avenue Water Treatment Plants - Installation of Carbon Filters	4/6/15	65,000.00		16,250.00	81,250.00
05-15b	Improvements and Upgrades to Memorial Avenue Water Treatment Plants - Sand Filter Rehabilitation and Pump Replacement	4/6/15	7,250.00		1,800.00	9,050.00
05-15c	Rehabilitation and/or Redevelopment of Well No. 4	4/6/15	3,750.00		950.00	4,700.00
09-18	Acquisition & Installation of Water Meters and Transmitters	11/19/18	\$ 18,000.00			\$ 18,000.00
			\$ 241,132.09	\$ 18,000.00	\$ 24,000.00	\$ 283,132.09

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2018

---

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2017	Increased	Decreased	Balance Dec. 31, 2018
06-13	Replacement of Water Transmission Mains	8/16/13	5/8/17 5/4/18	5/7/18 5/3/19	1.42% 1.99%	\$ 380,000.00	\$ 375,000.00	\$ 380,000.00	\$ 375,000.00
05-15	Various Water Utility Improvements	5/12/15	5/8/17 5/4/18	5/7/18 5/3/19	1.42% 1.99%	1,444,000.00	1,425,000.00	1,444,000.00	1,425,000.00
06-13	Replacement of Water Transmission Mains	5/8/17	5/8/17 5/4/18	5/7/18 5/3/19	1.42% 1.99%	110,000.00	110,000.00	110,000.00	110,000.00
						\$ 1,934,000.00	\$ 1,910,000.00	\$ 1,934,000.00	\$ 1,910,000.00
						Paid by Budget Appropriation Rollover		\$ 24,000.00	
							\$ 1,910,000.00	\$ 1,910,000.00	
							\$ 1,910,000.00	\$ 1,934,000.00	

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
**Statement of Water Serial Bonds**  
**For the Year Ended December 31, 2018**

Improvement Description	Date of Issue	Original Issue	Maturities of Bonds Outstanding						Balance Dec. 31, 2018	
			December 31, 2018		Interest Rate	Balance Dec. 31, 2017	Decreased			
			Date	Amount						
Utility Refunding Bonds	8/1/12	\$ 5,705,000.00	9/1/19	\$ 510,000.00	3.00%					
			9/1/20	530,000.00	4.00%					
			9/1/21	555,000.00	4.00%					
			9/1/22	580,000.00	3.00%					
			9/1/23	575,000.00	3.00%					
			9/1/24	570,000.00	3.00%	\$ 3,810,000.00	\$ 490,000.00	\$ 3,320,000.00		

**TOWNSHIP OF GREENWICH**  
**WATER CAPITAL FUND**  
Statement of Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2018

---

Ordinance Number	Improvement Description	2018 Authorizations	Balance Dec. 31, 2018
09-2018	Acquisition & Installation of Water Meters and Transmitters	\$ <u>332,000.00</u>	\$ <u>332,000.00</u>

**PART 2**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

**TOWNSHIP OF GREENWICH**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2018

---

***Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**None**

**TOWNSHIP OF GREENWICH**  
Summary Schedule of Prior Year Audit Findings  
and Recommendations as Prepared by Management

---

This section identifies the status of prior year findings related to the financial that are required to be reported in accordance with *Government Auditing Standards*.

**FINANCIAL STATEMENT FINDINGS**

**None**

**TOWNSHIP OF GREENWICH**  
 Officials in Office and Surety Bonds

---

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
George Shivery, Jr.	Mayor	
Joseph DiMenna	Council President	
William Franklin	Councilman	
Vince Giovannitti	Councilman	
Antonio Chila	Councilman	
Jeff Godfrey	Township Assistant Administrator	
Merrie Ann Schmidt	Chief Financial Officer / Deputy Township Clerk	\$1,000,000.00
Lori Biermann	Township Clerk, Deputy Treasurer, Municipal Improvement Search Officer	1,000,000.00
Suzanne D. Pierce	Tax Collector / Tax Search Officer	1,000,000.00
Thomas North	Magistrate	1,000,000.00
Sherri Futie	Court Administrator	1,000,000.00
Thomas Ward	Solicitor	
Clancy & Associates	General Engineer	

**APPRECIATION**

I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael J. Welding  
Certified Public Accountant  
Registered Municipal Accountant