



BOROUGH OF GLEN RIDGE
ESSEX COUNTY, NEW JERSEY
REPORT ON
EXAMINATION OF ACCOUNTS
DECEMBER 31, 2021 AND 2020

BOROUGH OF GLEN RIDGE
COUNTY OF ESSEX, NEW JERSEY

TABLE OF CONTENTS

<u>PART I</u>	<u>PAGE</u>
Independent Auditors' Report	1
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	4

REGULATORY BASIS FINANCIAL STATEMENTS

CURRENT FUND

EXHIBIT

A	Comparative Balance Sheets	6
A-1	Comparative Statements of Operations and Change in Fund Balance	8
A-2	Statement of Revenue	9
A-2a	Revenue - Analysis of Realized Revenue	10
A-2b	Revenue - Analysis of Nonbudget Revenue	11
A-3	Statement of Expenditures	12

TRUST FUND

B	Comparative Balance Sheets	17
B-1	Statement of Fund Balance	18

GENERAL CAPITAL FUND

C	Comparative Balance Sheets	19
C-1	Statement of Fund Balance	20

WATER UTILITY

D	Comparative Balance Sheets	21
D-1	Comparative Statements of Operations and Change in Fund Balance - Operating Fund	22
D-2	Statement of Water Capital Fund Balance	23
D-3	Statement of Revenue - Operating Fund	24
D-4	Statement of Expenditures	25

FINANCIAL STATEMENTS
(Continued)

POOL UTILITY

<u>EXHIBIT</u>		<u>PAGE</u>
E	Comparative Balance Sheets	26
E-1	Comparative Statements of Operations and Change in Fund Balance - Operating Fund	27
E-2	Statement of Fund Balance	28
E-3	Statement of Revenue - Operating Fund	29
E-4	Statement of Expenditures.....	30

FIXED ASSETS

F	Comparative Balance Sheets	31
NOTES TO FINANCIAL STATEMENTS.....		32-64

PART II - SUPPLEMENTARY INFORMATION – REGULATORY BASIS

CURRENT FUND

A-4	Cash Receipts and Disbursements - Treasurer.....	65
A-5	Change Funds.....	66
A-5a	Petty Cash Fund	67
A-6	Due to State of New Jersey Per Chapter 129, P.L. 1976 (Senior Citizens' and Veterans' Tax Exemptions)	68
A-7	Taxes Receivable and Analysis of Property Tax Levy.....	69
A-8	Tax Title Liens	70
A-9	Property Acquired for Taxes at Assessed Valuation	71
A-10	Revenue Accounts Receivable	72
A-11	Interfund Accounts	73
A-12	Federal and State Grants Receivable.....	74
A-13	Deferred Charges N.J.S.A. 40A:4-53 Special Emergency	75
A-14	Appropriation Reserves	76
A-15	Due to State of New Jersey (Other Fees).....	78
A-16	Tax Overpayments	78
A-17	Inspection Fees Payable.....	79
A-18	County Taxes Payable	79
A-19	Local District School Tax	80
A-20	Emergency Note Payable	81
A-21	Reserve for Revaluations.....	81
A-22	Reserve for Prepaid Taxes	82
A-23	Accounts Payable	82
A-24	Interfunds	83
A-25	Reserve for Federal and State Grants - Appropriated	84
A-26	Reserve for Federal and State Grants - Unappropriated	85

SUPPLEMENTARY INFORMATION – REGULATORY BASIS
(Continued)

TRUST FUND

<u>EXHIBIT</u>		<u>PAGE</u>
B-2	Cash Receipts and Disbursements Treasurer	86
B-3	Community Development Block Grant Receivable	87
B-4	Due to the State of New Jersey	88
B-5	Reserve for Community Development Block Grant	89
B-6	Reserve for State Unemployment Compensation Insurance Trust Fund	89
B-7	Payroll Deductions Payable	90
B-8	Interfunds	91
B-9	Reserve for Animal Control Fund Expenditures	92
B-10	Reserve for Special Deposits	93

GENERAL CAPITAL FUND

C-2	Cash Receipts and Disbursements – Collector-Treasurer	94
C-3	Analysis of Cash and Investments	95
C-4	Due from State of New Jersey Grants Receivable	96
C-4a	Environmental Infrastructure Loan Receivable	97
C-5	Interfunds	98
C-6	Deferred Charges to Future Taxation - Funded	99
C-7	Deferred Charges to Future Taxation - Unfunded	100
C-8	Improvement Authorizations	101
C-9	Capital Improvement Fund	102
C-10	Green Trust Loan Payable	103
C-10a	Due from Essex County	103
C-11	Environmental Infrastructure Loan Payable	104
C-11a	Environmental Infrastructure Loan Reserve	105
C-12	General Improvement Bonds	106
C-13	Bond Anticipation Notes	107
C-14	Bond and Notes Authorized but Not Issued	108

WATER UTILITY

D-5	Cash Receipts and Disbursements – Collector-Treasurer	109
D-6	Analysis of Cash and Investments – Water Capital Fund	110
D-7	Consumer Accounts Receivable	111
D-8	Fixed Capital	112
D-9	Fixed Capital Authorized and Uncompleted	113
D-10	Interfunds	114
D-11	Appropriation Reserves	115
D-12	Overpaid Water Rents	116
D-13	Improvement Authorizations	117
D-14	New Jersey Environmental Loans Payable	118
D-15	Capital Improvement Fund	118

SUPPLEMENTARY INFORMATION – REGULATORY BASIS
(Continued)

WATER UTILITY

<u>EXHIBIT</u>		<u>PAGE</u>
D-16	Accrued Interest on Loans And Notes	119
D-17	Reserve for Future Improvement Authorizations	120
D-18	Reserve for Amortization	120
D-19	New Jersey Environmental Infrastructure Interim Financing Payable	121
D-20	New Jersey Environmental Infrastructure Interim Financing Receivable ...	122
D-21	Bond and Notes Authorized but Not Issued.....	123

POOL UTILITY

E-5	Cash Receipts and Disbursements - Collector-Treasurer	124
E-6	Change Fund	125
E-7	Fixed Capital	125
E-8	Appropriation Reserves	126
E-9	Accrued Interest on Notes	127
E-10	Reserve for Amortization	128
E-11	Bond Anticipation Notes.....	129
E-12	Deferred Charges.....	130

PART III

COMMENTS AND RECOMMENDATIONS

Officials in Office and Report of Surety Bonds.....	131
Findings and Recommendations	132

**BOROUGH OF GLEN RIDGE
ESSEX COUNTY, NEW JERSEY**

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2021 AND 2020



Independent Auditors' Report

The Honorable Mayor and Members
of the Borough Council
Borough of Glen Ridge
Glen Ridge, New Jersey

Report on the Audit of the Regulatory Basis Financial Statements

Opinions on Regulatory Basis Financial Statements

We have audited the regulatory basis financial statements of the various funds and the governmental fixed assets of the Borough of Glen Ridge, New Jersey ("Borough"), which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of operations and changes in fund balance for the years then ended, the statements of changes in fund balance, the statements of revenues and statements of expenditures for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying regulatory basis financial statements present fairly, in all material respects, the regulatory basis balance sheets of the Borough as of December 31, 2021 and 2020, and the regulatory basis revenues, expenditures, and changes in fund balances for the years then ended, the statement of changes in fund balance, the statements of revenue and statements of expenditures of the utility funds for the year ended December 31, 2021 and the related notes to the financial statements, in accordance with the financial reporting provisions of the Department of Community Affairs, Division of Local Government, State of New Jersey ("Division") described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2021 and 2020, or its revenues, expenditures and changes in fund balance thereof for the years then ended.

Basis for Opinions

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

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

As described in Note 2 of the financial statements, the financial statements are prepared by the Borough on the basis of the financial reporting provisions of the Division (regulatory basis), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions of the Division. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The information included in Part II – Supplementary Schedules - Supplementary Information Required by the Division and Part III – General Comments - Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis as required by the Division and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 17, 2022 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough'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 Borough's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Cranford, New Jersey
August 17, 2022

Robert E. Provost

Robert Provost, CPA
Registered Municipal Accountant, No. 582



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

Independent Auditors' Report

**The Honorable Mayor and Members
of the Borough Council
Borough of Glen Ridge
Glen Ridge, New Jersey**

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"), the regulatory basis financial statements of the Borough of Glen Ridge, New Jersey ("Borough") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated August 17, 2022 in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the financial reporting provisions of the Division.

Report on Internal Control Over Financial Reporting

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

PKF O'Connor Davies, LLP

Cranford, New Jersey
August 17, 2022

Robert E. Provost

Robert Provost, CPA
Registered Municipal Accountant, No. 582

BOROUGH OF GLEN RIDGE
CURRENT FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2021 AND 2020

A
Sheet # 1

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
Cash	A-4	\$ 7,685,598.23	\$ 7,053,192.22
Change Funds	A-5	370.00	370.00
Petty Cash Fund			600.00
		<u>7,685,968.23</u>	<u>7,054,162.22</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-7	371,705.60	425,001.30
Tax Title Liens	A-8	39,308.60	38,782.74
Property Acquired for Taxes at Assessed Valuation	A-9	410.00	410.00
Revenue Accounts Receivable	A-10	2,816.42	1,357.92
		<u>414,240.62</u>	<u>465,551.96</u>
Deferred Charges:			
Special Emergency N.J.S.A. 40A:4-53	A-13	55,000.00	110,000.00
Deferred Charge Special Emergency (COVID-19)	A-13	160,000.00	160,000.00
		<u>215,000.00</u>	<u>270,000.00</u>
		<u>8,315,821.76</u>	<u>7,789,714.18</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	A-12	79,512.38	79,512.38
Interfunds Receivable	A-24	491,830.56	89,143.58
		<u>571,342.94</u>	<u>168,655.96</u>
		<u>\$ 8,887,164.70</u>	<u>\$ 7,958,370.14</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
CURRENT FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2021 AND 2020

A
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
Expenditure Reserves:			
Appropriation Reserves:			
Encumbered	A-3, A-14	\$ 281,129.34	\$ 529,684.71
Unencumbered	A-3, A-14	894,540.68	807,526.66
Due to State of New Jersey:			
Ch. 129, P.L. 1976	A-6	13,077.36	10,940.64
Interfunds Payable	A-11	524,097.65	124,260.87
Due to State of New Jersey:			
Other Fees	A-15	5,990.00	11,619.00
Tax Overpayments	A-16	119,136.72	281,257.72
Inspection Fees Payable			3,936.00
School Taxes Payable	A-19	2,565,619.81	2,190,906.81
County Taxes Payable	A-18	19,575.76	34,529.51
Emergency Note Payable	A-20	55,000.00	110,000.00
Reserve for Revaluation	A-21	32,795.81	32,795.81
Accounts Payable	A-23	2,483.99	1,703.99
Prepaid Taxes	A-22	291,603.09	382,273.68
Sub-Total		<u>4,805,050.21</u>	<u>4,521,435.40</u>
Reserve for Receivables and Other Assets		414,240.62	465,551.96
Fund Balance	A-1	<u>3,095,918.02</u>	<u>2,802,726.82</u>
		<u>8,315,821.76</u>	<u>7,789,714.18</u>
Federal and State Grant Fund:			
Appropriated Reserves	A-25	159,765.46	153,664.02
Unappropriated Reserves	A-26	411,577.48	14,991.94
		<u>571,342.94</u>	<u>168,655.96</u>
		<u>\$ 8,887,164.70</u>	<u>\$ 7,958,370.14</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2021 AND 2020

A-1

	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	A-2	\$ 1,650,000.00	\$ 1,550,000.00
Miscellaneous Revenue Anticipated	A-2	1,487,665.48	1,627,095.07
Receipts from Delinquent Taxes	A-2a	426,728.02	202,076.82
Receipts from Current Taxes	A-2a	55,314,269.16	54,071,572.28
Nonbudget Revenue	A-2b	206,880.33	112,553.81
Other Credits to Income:			
Prior Year Interfunds Liquidated			16,923.54
Excess Dog License Fees	A-11	2,850.20	4,592.36
Appropriation Reserves Lapsed	A-14	797,022.85	514,488.85
Accounts Payable Cancelled	A-14	26,642.22	
Tax Overpayments Cancelled	A-16	191,983.30	
Total Revenue and Other Income		60,104,041.56	58,099,302.73
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages		5,871,543.32	5,292,051.87
Other Expenses		6,760,435.77	6,739,321.85
Capital Improvements		275,000.00	575,000.00
Debt Service		749,076.09	764,570.60
Statutory Expenditures and Deferred Charges		1,543,336.00	1,442,128.00
	A-3	15,199,391.18	14,813,072.32
Prior Year Senior Citizen Deduction Disallowed	A-6	1,726.72	
County Taxes	A-18	9,213,118.46	9,077,297.61
Local District School Tax	A-19	33,746,614.00	32,997,188.00
Total Expenditures		58,160,850.36	56,887,557.93
Excess in Revenue		1,943,191.20	1,211,744.80
Adjustments to Income before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year			160,000.00
Statutory Excess to Fund Balance		1,943,191.20	1,371,744.80
<u>Fund Balance</u>			
Balance, Beginning of Year	A	2,802,726.82	2,980,982.02
		4,745,918.02	4,352,726.82
Decreased by:			
Utilized as Anticipated Revenue	Above	1,650,000.00	1,550,000.00
Balance, End of Year	A	\$ 3,095,918.02	\$ 2,802,726.82

See accompanying note to financial statements.

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

A-2

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Appropriated	A-1	\$ 1,650,000.00	\$ 1,650,000.00	
<u>Miscellaneous Revenues</u>				
Alcoholic Beverage Licenses	A-10	10,000.00	10,000.00	
Other Licenses	A-10		2,508.00	\$ 2,508.00
Fees and Permits	A-10	80,000.00	74,616.62	(5,383.38)
Municipal Court Fines and Costs	A-10	40,000.00	27,571.64	(12,428.36)
Other Fines and Costs	A-10		3,900.00	3,900.00
Interest and Cost on Taxes	A-10	65,000.00	103,124.04	38,124.04
Parking Lot Fees	A-10	95,000.00	34,887.70	(60,112.30)
Interest on Investments and Deposits	A-10	30,000.00	12,493.79	(17,506.21)
Recreation Receipts	A-10	50,000.00	151,478.66	101,478.66
Rental of Hurrell Field	A-10	75,000.00	75,000.00	
Cable TV Franchise Fee	A-10	94,271.00	94,371.89	100.89
Energy Receipts Tax	A-10	399,540.00	399,540.00	
Uniform Construction Code Fees	A-10	250,000.00	285,225.00	35,225.00
PILOT - Project Live	A-10	4,500.00		(4,500.00)
PILOT - Clarius	A-10	85,514.00	85,913.00	399.00
Jitney Fees	A-10	25,000.00	4,155.00	(20,845.00)
Utility Operating Surplus of Prior Year Water	A-10	75,000.00	75,000.00	
Mountainside Hospital Sewer Fee	A-10	10,500.00		(10,500.00)
Library Cleaning Contract	A-10	15,300.00	20,900.00	5,600.00
		<u>1,404,625.00</u>	<u>1,460,685.34</u>	<u>56,060.34</u>
<u>Federal and State Grants:</u>				
Clean Communities Program		11,811.27	11,811.27	
Recycling Tonnage Grant		10,076.40	10,076.40	
Alcohol, Education and Rehabilitation		750.18	750.18	
State Body Armor Replacement Fund		4,342.29	4,342.29	
	A-11	<u>26,980.14</u>	<u>26,980.14</u>	
Total Miscellaneous Revenue	A-1	<u>1,431,605.14</u>	<u>1,487,665.48</u>	<u>56,060.34</u>
Receipts from Delinquent Taxes	A-2a	<u>210,000.00</u>	<u>426,728.02</u>	<u>216,728.02</u>
<u>Amount to be Raised by Taxes for Support of Municipal Budget:</u>				
Local Tax for Municipal Purpose		11,979,139.66	12,421,235.82	
Minimum Library Tax		633,800.88	633,800.88	
	A-2a	<u>12,612,940.54</u>	<u>13,055,036.70</u>	<u>442,096.16</u>
		15,904,545.68	16,619,430.20	714,884.52
Nonbudget Revenue	A-2b		<u>206,880.33</u>	<u>206,880.33</u>
	A-3	<u>\$ 15,904,545.68</u>	<u>\$ 16,826,310.53</u>	<u>\$ 921,764.85</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF REALIZED REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

A-2a

<u>Allocation of Tax Collections</u>	<u>Ref.</u>	<u>Total</u>	<u>Receipts from Delinquent Taxes</u>	<u>Current Tax Collections</u>
Taxes Receivable Cash Receipts	A-7	\$ 55,338,223.50	\$ 426,728.02	\$ 54,911,495.48
Exemptions Granted	A-7	20,500.00		20,500.00
Prepaid Taxes Applied	A-7	<u>382,273.68</u>		<u>382,273.68</u>
 Total Revenue	 A-1	 55,740,997.18	 426,728.02	 55,314,269.16
Allocated to:				
County Levy and Added Taxes	A-18	(9,213,118.46)		(9,213,118.46)
Local District School Taxes	A-19	(33,746,614.00)		(33,746,614.00)
Plus: Reserve for Uncollected Taxes	A-3	<u>700,500.00</u>		<u>700,500.00</u>
 Realized Revenue	 A-2	 <u>\$ 13,481,764.72</u>	 <u>\$ 426,728.02</u>	 <u>\$ 13,055,036.70</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF NONBUDGET REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

A-2b

Ref.

Miscellaneous Revenue Not Anticipated

Cash Receipts:

Photocopies	\$ 485.00
Board of Adjustment	2,500.00
Cost of Sale	300.00
Towing	450.00
FEMA Reimbursement	133,825.62
Trust Account Balances Cancelled	16,576.75
Govdeals Auction Sales	46,839.24
Misc. Refunds	5,633.72
Duplicate Bills/Tax Fees	150.00
Bad Check Charges	120.00

A-1, A-2, A-4

\$ 206,880.33

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

A-3
Sheet # 1

Appropriation	Appropriations		Expended Paid or Charged	Reserved		Canceled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT</u>						
Administrative and Executive:						
Salaries and Wages	\$ 215,000.00	\$ 215,000.00	\$ 197,622.39		\$ 17,377.61	
Other Expenses	68,000.00	69,500.00	64,872.56	\$ 4,625.28	2.16	
Elections:						
Other Expenses	4,750.00	4,750.00			4,750.00	
Financial Administration:						
Salaries and Wages	5,600.00	5,600.00	5,463.60		136.40	
Other Expenses	110,000.00	105,000.00	86,424.90	10,197.36	8,377.74	
Annual Audit	48,000.00	48,000.00	43,000.00		5,000.00	
Assessment of Taxes:						
Salaries and Wages	40,000.00	40,000.00	39,330.48		669.52	
Other Expenses	40,000.00	42,000.00	41,590.72		409.28	
Collection of Taxes:						
Salaries and Wages	91,000.00	91,000.00	90,969.60		30.40	
Other Expenses	10,500.00	10,500.00	7,553.36	329.18	2,617.46	
Community Affairs and Public Relations:						
Other Expenses	70,000.00	70,000.00	46,518.44	17,768.21	5,713.35	
Legal Services and Costs:						
Other Expenses	260,000.00	250,000.00	141,341.77	30,117.50	78,540.73	
Engineering Services and Costs:						
Salaries and Wages	105,000.00	105,000.00	102,684.24		2,315.76	
Other Expenses	55,500.00	55,500.00	47,626.82	4,971.86	2,901.32	
Public Buildings and Grounds:						
Salaries and Wages	69,650.00	79,650.00	76,501.14		3,148.86	
Other Expenses	85,000.00	85,000.00	61,974.89	11,420.51	11,604.60	
Planning Board:						
Other Expenses	20,000.00	20,000.00	14,487.00	980.00	4,533.00	
Board of Adjustment:						
Other Expenses	5,000.00	5,000.00	2,876.68		2,123.32	
Shade Tree Commission:						
Salaries and Wages	2,000.00	2,000.00	302.54		1,697.46	
Other Expenses	116,000.00	116,000.00	95,093.65	10,590.77	10,315.58	
Insurance:						
General Liability	366,275.00	366,275.00	346,067.10		20,207.90	
Workers Compensation	202,311.00	202,311.00	197,709.00		4,602.00	
Employee Group Health	825,000.00	795,000.00	707,797.41		87,202.59	
Health Benefits Waiver	40,000.00	40,000.00	33,693.87		6,306.13	
Municipal Court:						
Salaries and Wages	148,320.00	154,000.00	152,543.54		1,456.46	
Other Expenses	20,000.00	20,000.00	13,101.49	1,295.33	5,603.18	
Public Defender:						
Salaries and Wages	7,000.00	7,000.00	6,505.44		494.56	

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

A-3
Sheet # 2

Appropriation	Appropriations		Expended	Reserved		Canceled
	Budget	Modified Budget	Paid or Charged	Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>PUBLIC SAFETY</u>						
Department of Public Safety:						
Salaries and Wages	\$ 2,730,339.00	\$ 2,740,339.00	\$ 2,635,509.99	\$ 94,556.33	\$ 10,272.68	
Other Expenses	224,146.65	224,146.65	167,606.69	48,077.21	8,462.75	
Crossing Guards:						
Salaries and Wages	167,393.10	167,393.10	157,467.51		9,925.59	
Police Dispatchers:						
Salaries and Wages	349,230.00	339,230.00	282,057.93		57,172.07	
Aid to Volunteer Ambulance Companies:						
Other Expenses	12,000.00	12,000.00	12,000.00			
Municipal Prosecutor:						
Salaries and Wages	28,111.20	28,111.20	27,441.12		670.08	
<u>STREETS AND ROADS</u>						
Road Repair and Maintenance:						
Salaries and Wages	290,000.00	300,000.00	293,375.40		6,624.60	
Other Expenses	90,000.00	92,000.00	88,218.47	2,732.57	1,048.96	
<u>SANITATION</u>						
Sewer System:						
Salaries and Wages	7,000.00	7,000.00	1,339.00		5,661.00	
Other Expenses	10,000.00	10,000.00	5,882.69		4,117.31	
Garbage and Trash Removal:						
Other Expenses	1,300,000.00	1,289,500.00	1,183,562.30	12,192.00	93,745.70	
<u>HEALTH AND WELFARE</u>						
Board of Health:						
Salaries and Wages	57,300.00	57,300.00	57,112.08		187.92	
Other Expenses	10,000.00	10,000.00	5,314.33	280.00	4,405.67	

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

A-3
Sheet # 3

Appropriation	Appropriations		Expended	Reserved		Canceled
	Budget	Modified Budget	Paid or Charged	Encumbered	Unencumbered	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>RECREATION AND EDUCATION</u>						
Parks and Playgrounds:						
Salaries and Wages	\$ 261,345.00	\$ 261,345.00	\$ 245,613.02		\$ 15,731.98	
Other Expenses	150,000.00	150,000.00	144,642.51	\$ 5,356.04	1.45	
Hurrell Field:						
Salaries and Wages	85,530.00	85,530.00	79,989.15		5,540.85	
Other Expenses	63,000.00	63,000.00	51,585.55	7,991.77	3,422.68	
Recreation:						
Salaries and Wages	244,650.00	259,650.00	255,598.73		4,051.27	
Other Expenses	67,000.00	72,000.00	64,167.02	2,420.90	5,412.08	
Storms:						
Salaries and Wages	65,000.00	65,000.00	55,193.79		9,806.21	
Other Expenses	35,000.00	35,000.00	34,916.34		83.66	
Jitney Operation:						
Salaries and Wages	108,742.25	108,742.00	99,565.85		9,176.15	
Other Expenses	21,000.00	21,000.00	9,628.12	1,553.96	9,817.92	
<u>UNIFORM CONSTRUCTION CODE</u>						
Construction Code Officials:						
Inspection of Buildings:						
Salaries and Wages	185,400.00	185,400.00	168,971.98	280.00	16,148.02	
Other Expenses	30,000.00	30,000.00	15,772.37	5,871.14	8,356.49	
<u>UNCLASSIFIED</u>						
Electricity	153,000.00	153,000.00	95,699.37		57,300.63	
Gasoline, Diesel Fuel and Lubricants	85,000.00	85,000.00	68,838.87		16,161.13	
Street Lighting	200,000.00	200,000.00	177,746.45		22,253.55	
<u>CONTINGENT</u>	20,000.00	20,000.00	14,070.59		5,929.41	
Total Operations Within "CAPS"	10,080,093.20	10,075,772.95	9,122,539.85	273,607.92	679,625.18	
Detail:						
Salaries and Wages	5,263,610.55	5,239,290.30	4,975,964.73		168,489.24	
Other Expenses	4,816,482.65	4,836,482.65	4,146,575.12	273,607.92	511,135.94	
<u>STATUTORY EXPENDITURES</u>						
Contributions to:						
Public Employees' Retirement System	305,123.00	305,123.00	305,123.00			
DCRP Match	6,500.00	6,500.00	3,962.40		2,537.60	
Social Security System (OASI)	192,500.00	192,500.00	167,037.26		25,462.74	
Police and Firemen's Retirement System	822,066.00	822,066.00	822,066.00			
State Unemployment Insurance	162,147.00	162,147.00	73.89		162,073.11	
	1,488,336.00	1,488,336.00	1,298,262.55		190,073.45	
Total Appropriations Within "CAPS"	11,568,429.20	11,564,108.95	10,420,802.40	273,607.92	869,698.63	

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

A-3
Sheet # 4

Appropriation	Appropriations		Expended Paid or Charged	Reserved		Canceled
	Budget	Modified Budget		Encumbered	Unencumbered	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>OTHER OPERATIONS</u>						
Maintenance of Free Public Library	\$ 732,360.00	\$ 732,360.00	\$ 727,089.35	\$ 173.92	\$ 5,096.73	
Joint Outlet Sewer Maintenance	802,128.00	802,128.00	800,503.15		1,624.85	
	<u>1,534,488.00</u>	<u>1,534,488.00</u>	<u>1,527,592.50</u>	<u>173.92</u>	<u>6,721.58</u>	
<u>Interlocal Municipal Service Agreements</u>						
Township of Bloomfield:						
Health Services	35,000.00	35,000.00	22,042.50	7,347.50	5,610.00	
Borough of Glen Ridge:						
Fire Prevention Suppression Contract						
Other Expenses	910,738.00	910,738.00	910,738.00			
<u>HEALTH AND WELFARE</u>						
Township of Bloomfield:						
Animal Control Services						
Other Expenses	19,000.00	19,000.00	17,478.72		1,521.28	
Borough of Glen Ridge:						
Sanitary Sewer						
Other Expenses	30,000.00	30,000.00	19,141.79		10,858.21	
	<u>994,738.00</u>	<u>994,738.00</u>	<u>969,401.01</u>	<u>7,347.50</u>	<u>17,989.49</u>	
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET</u>						
<u>BY REVENUES</u>						
Clean Communities Grant	11,811.27	11,811.27	11,811.27			
Alcohol Education and Rehabilitation	750.18	750.18	750.18			
Recycling Tonnage Grant	10,076.40	10,076.40	10,076.40			
Body Armor Fund	4,342.29	4,342.29	4,342.29			
Total Public and Private Programs	<u>26,980.14</u>	<u>26,980.14</u>	<u>26,980.14</u>			
Total Operations Excluded from "CAPS"	<u>2,556,206.14</u>	<u>2,556,206.14</u>	<u>2,523,973.65</u>	<u>7,521.42</u>	<u>24,711.07</u>	
Detail:						
Salaries and Wages			727,089.35			
Other Expenses	2,556,206.14	2,556,206.14	1,796,884.30	7,521.42	24,711.07	
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	175,000.00	175,000.00	175,000.00			
Public Works Equipment	50,000.00	50,000.00	50,000.00			
Public Safety Equipment	50,000.00	50,000.00	49,869.02		130.98	
	<u>275,000.00</u>	<u>275,000.00</u>	<u>274,869.02</u>		<u>130.98</u>	

**BOROUGH OF GLEN RIDGE
CURRENT FUND**

**STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021**

A-3
Sheet # 5

Appropriation	Appropriations		Expended	Reserved		Canceled
	Budget	Modified Budget	Paid or Charged	Encumbered	Unencumbered	
APPROPRIATIONS EXCLUDED FROM "CAPS"						
DEBT SERVICE						
Payment of Bond Principal	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00			
Payment of Bond Anticipation Notes and Cap Notes	228,000.00	228,000.00	228,000.00			
Interest on Bonds	50,500.00	50,500.00	50,500.00			
Interest on Notes	59,900.00	64,220.25	59,857.80			\$ 4,362.45
Loan Repayments for Principal	36,641.62	36,641.62	36,641.62			
Clean Water Infrastructure Loan	22,993.72	22,993.72	22,701.67			292.05
Emergency Note Interest	1,375.00	1,375.00	1,375.00			
	<u>749,410.34</u>	<u>753,730.59</u>	<u>749,076.09</u>			<u>4,654.50</u>
DEFERRED CHARGES						
Special Emergency Authorizations - 5 Years	55,000.00	55,000.00	55,000.00			
	<u>55,000.00</u>	<u>55,000.00</u>	<u>55,000.00</u>			
Total Appropriations Excluded from "CAPS"	<u>3,635,616.48</u>	<u>3,639,936.73</u>	<u>3,602,918.76</u>	<u>\$ 7,521.42</u>	<u>\$ 24,842.05</u>	<u>4,654.50</u>
Sub-Total Appropriations	15,204,045.68	15,204,045.68	14,023,721.16	281,129.34	894,540.68	4,654.50
Reserve for Uncollected Taxes	<u>700,500.00</u>	<u>700,500.00</u>	<u>700,500.00</u>			
Total General Appropriations	<u>\$ 15,904,545.68</u>	<u>\$ 15,904,545.68</u>	<u>\$ 14,724,221.16</u>	<u>\$ 281,129.34</u>	<u>\$ 894,540.68</u>	<u>\$ 4,654.50</u>
	<u>Ref.</u>	Below	Below	A	A	Below
	<u>Ref.</u>					
Adopted Budget	A-2, Above	\$ 15,904,545.68				
Deferred Charge	A-13		\$ 55,000.00			
Reserve for Uncollected Taxes	A-2a	(700,500.00)	700,500.00			
Cash Disbursements	A-4		13,941,741.02			
Canceled	Above	(4,654.50)				
Interfunds Payable	A-11		26,980.14			
	A-1	<u>\$ 15,199,391.18</u>	<u>\$ 14,724,221.16</u>			

BOROUGH OF GLEN RIDGE
TRUST FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2021 AND 2020

B

<u>ASSETS</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>Animal Control Fund</u>			
Cash	B-2	\$ 13,430.11	\$ 10,197.51
Interfund Receivable		<u>13,430.11</u>	<u>12,434.80</u>
<u>General Trust Fund</u>			
Cash	B-2	814,012.28	518,924.72
Community Development Block Grant Receivable	B-3	117,863.00	156,826.00
Interfund Receivable	B-8	<u>28,013.45</u>	<u>675,750.72</u>
		<u>959,888.73</u>	<u>675,750.72</u>
<u>Payroll Account</u>			
Cash	B-2	26,283.97	41,868.84
Prepays	B-7	<u>1,729.48</u>	<u>41,868.84</u>
		<u>28,013.45</u>	<u>41,868.84</u>
		<u>\$ 1,001,332.29</u>	<u>\$ 730,054.36</u>
<u>LIABILITIES AND RESERVES</u>			
<u>Animal Control Fund</u>			
Interfunds Payable	B-8	\$ 612.91	
Due to State of New Jersey	B-4	215.40	
Reserve for Expenditures	B-9	<u>12,601.80</u>	<u>\$ 12,434.80</u>
		<u>13,430.11</u>	<u>12,434.80</u>
<u>General Trust Fund</u>			
Reserves for:			
Special Deposits	B-10	815,107.73	597,651.67
State Unemployment Compensation			
Insurance	B-6	27,789.65	107.70
Community Development Block Grant	B-5	116,963.00	77,963.00
Fund Balance	B-1	<u>28.35</u>	<u>28.35</u>
		<u>959,888.73</u>	<u>675,750.72</u>
<u>Payroll Account</u>			
Interfunds Payable	B-7, B-8	<u>28,013.45</u>	<u>41,868.84</u>
		<u>\$ 1,001,332.29</u>	<u>\$ 730,054.36</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
TRUST FUND

STATEMENT OF FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

B-1

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	B	<u>\$ 28.35</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2021 AND 2020

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
Cash	C-2	\$ 1,210,668.37	\$ 1,111,638.63
Due from State of New Jersey	C-4	1,062,831.31	1,063,770.00
Due from County Open Space	C-10a	150,000.00	
New Jersey Infrastructure Loan Receivable			233,051.00
Interfunds Receivable	C-5	1,212,880.00	1,212,880.00
Deferred Charges to Future Taxation:			
Funded	C-6	2,780,980.13	1,410,228.26
Unfunded	C-7	4,742,858.00	6,808,625.00
		<u>\$ 11,160,217.81</u>	<u>\$ 11,840,192.89</u>
<u>LIABILITIES AND RESERVES</u>			
Improvement Authorizations:			
Funded	C-8	\$ 1,733,937.46	\$ 768,698.54
Unfunded	C-8	1,988,399.47	2,973,958.09
Capital Improvement Fund	C-9	214.51	214.51
Green Trust Loan Payable	C-10	106,177.78	140,184.89
Reserve for Receivable			233,051.00
Infrastructure Interim Financing Payable			1,604,716.00
Infrastructure Loan Payable	C-11	1,944,802.35	190,043.37
Serial Bonds Payable	C-12	730,000.00	1,080,000.00
Bond Anticipation Note	C-13	4,560,625.00	4,788,625.00
Fund Balance	C-1	96,061.24	60,701.49
		<u>\$ 11,160,217.81</u>	<u>\$ 11,840,192.89</u>
Bonds and Notes Authorized but Not Issued	C-14	<u>\$ 182,233.00</u>	<u>\$ 415,284.00</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

C-1

	<u>Ref.</u>	
Balance, December 31, 2020	C	\$ 60,701.49
Increased by:		
Premium on Sale of Notes	C-2	<u>35,359.75</u>
Balance, December 31, 2021	C	<u>\$ 96,061.24</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
WATER UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2021 AND 2020

D

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>Operating Fund</u>			
Cash	D-5	\$ 913,487.46	\$ 757,791.95
Receivables With Full Reserves:			
Consumer Accounts Receivable	D-7	169,725.57	234,861.99
		<u>1,083,213.03</u>	<u>992,653.94</u>
<u>Capital Fund</u>			
Cash	D-5	816,889.83	212,859.31
Fixed Capital	D-8	8,303,185.92	8,303,185.92
Fixed Capital - Authorized and Uncompleted	D-9	2,510,000.00	2,510,000.00
Environmental Infrastructure Interim Financing Receivable			628,804.00
Interfunds Receivable	D-10	5,950.00	5,950.00
		<u>11,636,025.75</u>	<u>11,660,799.23</u>
		<u>\$ 12,719,238.78</u>	<u>\$ 12,653,453.17</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Appropriation Reserves - Encumbered	D-4	\$ 11,982.60	\$ 9,338.13
Appropriation Reserves - Reserved	D-4	281,071.57	205,690.33
Interfunds Payable	D-10	5,950.00	5,950.00
Accrued Interest on Loans	D-16	31,998.65	31,998.65
Overpaid Water Rents	D-12	17,071.09	22,892.38
		<u>348,073.91</u>	<u>275,869.49</u>
Reserve for Receivables	Above	169,725.57	234,861.99
Fund Balance	D-1	565,413.55	481,922.46
		<u>1,083,213.03</u>	<u>992,653.94</u>
<u>Capital Fund</u>			
Improvement Authorizations:			
Unfunded	D-13	214,012.87	238,786.35
Funded	D-13	657.50	657.50
Environmental Infrastructure Interim Financing Payable	D-19	1,886,311.00	1,886,311.00
Loans Payable	D-14	1,497,039.93	1,788,601.88
Capital Improvement Fund	D-15	4,665.19	4,665.19
Reserves for:			
Future Improvement Authorizations	D-17	11,000.00	11,000.00
Amortization	D-18	6,836,145.99	6,544,584.04
Interfunds Payable	D-10	1,180,000.00	1,180,000.00
Fund Balance	D-2	6,193.27	6,193.27
		<u>11,636,025.75</u>	<u>11,660,799.23</u>
		<u>\$ 12,719,238.78</u>	<u>\$ 12,653,453.17</u>
Bonds and Notes Authorized but Not Issued	D-21	<u>\$ 593,689.00</u>	<u>\$ 1,222,493.00</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
WATER UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - OPERATING FUND
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2021 AND 2020

D-1

	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 250,000.00	\$ 250,000.00
Rents	D-3	1,637,509.97	1,378,965.03
Miscellaneous Revenue Anticipated	D-3	2,960.09	115,970.77
Other Credits to Income:			
Appropriation Reserves Lapsed	D-11	197,763.79	187,664.41
Total Revenue and Other Income		2,088,233.85	1,932,600.21
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages		365,000.00	330,000.00
Other Expenses		937,940.00	818,784.02
Debt Service		376,802.76	475,120.01
Total Expenditures	D-4	1,679,742.76	1,623,904.03
Statutory Excess to Fund Balance		408,491.09	308,696.18
<u>Fund Balance</u>			
Balance, Beginning of Year	D	481,922.46	523,226.28
		890,413.55	831,922.46
Decreased by:			
Amount Anticipated as Revenue	Above	250,000.00	250,000.00
Amount Anticipated as Revenue - Current Fund	D-5	75,000.00	100,000.00
		325,000.00	350,000.00
Balance, End of Year	D	\$ 565,413.55	\$ 481,922.46

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
WATER UTILITY

STATEMENT OF WATER CAPITAL FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

D-2

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	D	<u>\$ 6,193.27</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
WATER UTILITY

STATEMENT OF REVENUE - OPERATING FUND
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

D-3

<u>Source</u>	<u>Ref.</u>	<u>Budget Revenue</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance Utilized	D-1	\$ 250,000.00	\$ 250,000.00	
Rents	D-1, D-7	1,405,560.00	1,637,509.97	\$ 231,949.97
Miscellaneous	D-1, D-5	25,445.00	2,960.09	(22,484.91)
	D-4	<u>\$ 1,681,005.00</u>	<u>\$ 1,890,470.06</u>	<u>\$ 209,465.06</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
WATER UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

D-4

Appropriation	Appropriations		Expended		Reserved	Canceled
	Budget	Modified Budget	Paid or Charged	Encumbered		
<u>Operating</u>						
Salaries and Wages	\$ 365,000.00	\$ 365,000.00	\$ 309,866.56		\$ 55,133.44	
Other Expenses	937,940.00	937,940.00	700,019.27	\$ 11,982.60	225,938.13	
<u>Debt Service</u>						
Interest on Loans	84,965.00	84,965.00	83,702.76			\$ 1,262.24
Water Supply Rehabilitation Loan	293,100.00	293,100.00	293,100.00			
	<u>\$ 1,681,005.00</u>	<u>\$ 1,681,005.00</u>	<u>\$ 1,386,688.59</u>	<u>\$ 11,982.60</u>	<u>\$ 281,071.57</u>	<u>\$ 1,262.24</u>
	Ref. D-3	D-3	D-5	D	D	Below
		Ref.				
Adopted Budget	Above	\$ 1,681,005.00				
Canceled	Above	<u>(1,262.24)</u>				
	D-1	<u>\$ 1,679,742.76</u>				

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
POOL UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2021 AND 2020

E

<u>ASSETS</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>Operating Fund</u>			
Cash	E-5	\$ 257,681.18	\$ 258,498.04
Cash - Change Fund	E-6	100.00	100.00
Deferred Charge - Special Emergency (COVID-19)	E-12	275,000.00	275,000.00
		<u>532,781.18</u>	<u>533,598.04</u>
 <u>Capital Fund</u>			
Cash	E-5	19,413.26	19,413.26
Fixed Capital	E-7	2,465,683.50	2,465,683.50
		<u>2,485,096.76</u>	<u>2,485,096.76</u>
		<u>\$ 3,017,877.94</u>	<u>\$ 3,018,694.80</u>
 <u>LIABILITIES AND RESERVES</u>			
<u>Operating Fund</u>			
Liabilities:			
Appropriation Reserves:			
Encumbered	E-4, E-8	\$ 5,956.02	\$ 1,959.14
Reserved	E-4, E-8	77,991.14	104,022.70
Accrued Interest on Notes	E-9	3,751.00	3,751.00
Fund Balance	E-1	445,083.02	423,865.20
		<u>532,781.18</u>	<u>533,598.04</u>
 <u>Capital Fund</u>			
Bond Anticipation Note	E-11	316,000.00	396,000.00
Reserve for Amortization	E-10	2,149,683.50	2,069,683.50
Fund Balance	E-2	19,413.26	19,413.26
		<u>2,485,096.76</u>	<u>2,485,096.76</u>
		<u>\$ 3,017,877.94</u>	<u>\$ 3,018,694.80</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
POOL UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE - OPERATING FUND
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2021 AND 2020

E-1

	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	E-3	\$ 90,000.00	\$ 90,000.00
Membership Fees	E-3	312,759.50	109,338.00
Miscellaneous Revenue	E-3	12,141.74	1,616.74
Other Credits to Income:			
Appropriation Reserves Lapsed	E-8	96,266.58	38,885.60
Total Income		<u>511,167.82</u>	<u>239,840.34</u>
 <u>Expenditures</u>			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages		175,000.00	160,000.00
Other Expenses		125,000.00	123,000.00
Capital Improvements		15,000.00	28,000.00
Debt Service		84,950.00	7,187.18
	E-4	<u>399,950.00</u>	<u>318,187.18</u>
Excess (deficit) in revenues		111,217.82	(78,346.84)
Adjustment to Income Before Fund Balance:			
Charges Which are by Statute Deferred			
Charges to Budgets of Succeeding Years			
Special Emergency COVID-19	E-12		275,000.00
Statutory Excess to Fund Balance		111,217.82	196,653.16
 <u>Fund Balance</u>			
Balance, Beginning of Year	E	<u>423,865.20</u>	<u>317,212.04</u>
		535,083.02	513,865.20
Decreased by:			
Amount Utilized as Anticipated Revenue	Above	<u>90,000.00</u>	<u>90,000.00</u>
Balance, End of Year	E	<u>\$ 445,083.02</u>	<u>\$ 423,865.20</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
POOL UTILITY

STATEMENT OF FUND BALANCE
REGULATORY BASIS
CAPITAL FUND
YEAR ENDED DECEMBER 31, 2021

E-2

	<u>Ref.</u>	
Balance December 31, 2021 and 2020	E	<u>\$ 19,413.26</u>

BOROUGH OF GLEN RIDGE
POOL UTILITY

STATEMENT OF REVENUE - OPERATING FUND
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

E-3

<u>Source</u>	<u>Ref.</u>	<u>Budget Revenue</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance Utilized	E-1	\$ 90,000.00	\$ 90,000.00	
Pool Fees	E-1, E-5	292,000.00	312,759.50	\$ 20,759.50
Miscellaneous	E-1, E-5	18,000.00	12,141.74	(5,858.26)
		<u>\$ 400,000.00</u>	<u>\$ 414,901.24</u>	<u>\$ 14,901.24</u>

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
POOL UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

E-4

<u>Appropriation</u>	Appropriations		Expended		<u>Reserved</u>	<u>Canceled</u>
	Budget	Modified Budget	Paid or Charged	Encumbered		
<u>Operating</u>						
Salaries and Wages	\$ 175,000.00	\$ 175,000.00	\$ 129,422.57		\$ 45,577.43	
Other Expenses	125,000.00	125,000.00	101,630.27	\$ 5,956.02	17,413.71	
<u>Capital Improvements</u>						
Capital Outlay	15,000.00	15,000.00			15,000.00	
<u>Debt Service</u>						
Payment of Bond Anticipation Notes	80,000.00	80,000.00	80,000.00			
Interest on Notes	5,000.00	5,000.00	4,950.00			\$ 50.00
	<u>\$ 400,000.00</u>	<u>\$ 400,000.00</u>	<u>\$ 316,002.84</u>	<u>\$ 5,956.02</u>	<u>\$ 77,991.14</u>	<u>\$ 50.00</u>
<u>Ref.</u>	E-3	E-3	Below	E	E	Below
<u>Ref.</u>						
Modified Budget	E-3	\$ 400,000.00				
Cash Disbursements	E-5		\$ 311,052.84			
Accrued Interest on Bonds	E-9		4,950.00			
Canceled	Above	(50.00)				
	E-1	<u>\$ 399,950.00</u>	<u>\$ 316,002.84</u>			

See accompanying notes to financial statements.

BOROUGH OF GLEN RIDGE
CAPITAL FIXED ASSETS

BALANCE SHEET
REGULATORY BASIS
DECEMBER 31, 2021 AND 2020

E

<u>CAPITAL FIXED ASSETS</u>	<u>2021</u>	<u>2020</u>
Land	\$ 30,790,710.00	\$ 30,790,710.00
Building and Equipment	3,657,619.96	3,657,619.96
Vehicles	<u>2,435,714.39</u>	<u>2,296,616.39</u>
	<u>\$ 36,884,044.35</u>	<u>\$ 36,744,946.35</u>
 <u>RESERVE</u>		
Investment in Capital Fixed Assets	<u>\$ 36,884,044.35</u>	<u>\$ 36,744,946.35</u>

See accompanying notes to financial statements.

NOTES TO REGULATORY BASIS FINANCIAL STATEMENTS

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

1. REPORTING ENTITY

The Borough of Glen Ridge, County of Essex, New Jersey (the "Borough"), incorporated in 1895 is governed as a Mayor-Council form of government. The Mayor is elected in a general election to a four-year term. There are six councilpersons, each elected to three-year terms which are staggered. Two councilpersons run every year.

The Governmental Accounting Standards Board and subsequent Codification (collectively, "GASB") establishes certain standards for defining and reporting on the financial reporting entity. In accordance with these standards, the reporting entity should include the primary government and those component units which are fiscally accountable to the primary government.

The financial statements of the Borough include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough, as required by the provisions of N.J.S.A. 40A:5-5. The Borough's Free Public Library is not included in these financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement Focus, Basis of Accounting and Basis of Presentation

The accounting policies of the Borough conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), which is another reporting framework other than accounting principles generally accepted in the United States of America ("GAAP"). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through the separate funds, which differ from the fund structure in accordance with GAAP.

The Governmental Accounting Standards Board and subsequent Codification (collectively, "GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles for state and local governments. The GASB establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with GAAP.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by the provisions of N.J.S.A. 40A:5-5.

The Borough uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Borough functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Borough has the following funds and account groups:

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Animal Control Trust Fund, General Trust Fund, and Payroll Trust Fund.

General Capital Fund - The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this Fund, as well as related long-term debt accounts.

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

General Fixed Asset Account Group - These accounts reflect estimated valuations of land, buildings and certain moveable fixed assets of the Borough as discussed under the caption of “Basis of Accounting”. The Borough has no current financial data for these accounts.

Basis of Accounting

The Borough follows the regulatory basis of accounting. Under this method of accounting, revenues, except for Federal and State Aid, are recognized when received and expenditures are recorded when incurred. The accounting principles and practices prescribed or permitted for municipalities by the Division (“regulatory basis of accounting”) differ in certain respects from US GAAP applicable to local government units.

The more significant differences are as follows:

Property Taxes and Other Revenue

Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one-quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. The School levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30 of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April 1 in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing the property on a standard tax sale. The Borough also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11th day of the 11th month in the fiscal year when the taxes or lien became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing property on an accelerated tax sale, provided that the sale is conducted and completed no earlier than in the last month of the fiscal year.

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Borough may institute annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the tax receivable and tax title liens that are uncollectible. US GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both levied and available), reduced by an allowance for doubtful accounts.

Grant Revenue

Federal and State grants, entitlements or shared revenue received for purposes normally financed through the Current Fund are recognized when anticipated in the Borough budget. GAAP requires such revenue to be recognized in the accounting period when they become subject to accrual.

Expenditures

Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been canceled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

Grant appropriations are charged upon budget adoption to create spending reserves.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

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

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances

As of January 1, 1986, all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31st are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Compensated Absences

Expenditures relating to obligations for unused vested accumulated sick, vacation and compensatory pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Acquired for Taxes

Property acquired for taxes ("Foreclosed Property") is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the capital fixed assets at market value on the date of acquisition.

Interfunds Receivable/Payable

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfunds Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the corresponding fund. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies

The cost of inventories for all funds are recorded as expenditures at the time individual items are purchased.

Governmental Fixed Assets

General:

In accordance with the Administrative Code, Accounting for Governmental Fixed Assets, as promulgated by the Division, which differs in certain respects from GAAP, the Borough has developed a fixed asset accounting and reporting system.

Fixed assets used in governmental operations (capital fixed assets) are accounted for in the Capital Fixed Assets. Public domain ("infrastructure") capital fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems, are not capitalized.

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual fixed asset record. Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established fixed assets are valued at cost.

Depreciation of assets is not recorded as an operating expense of the Borough.

Utilities:

Capital acquisitions, including utility infrastructure costs of the Water and Swimming Pool Utilities, are recorded at cost upon purchase or project completion in the Fixed Capital Account of the Utilities. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include moveable fixed assets of the Utility, but are not specifically identified and are considered as duplicated in the Capital Fixed Assets. The duplication is considered as insignificant on its effect on the financial statements taken as a whole.

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

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed Capital of the Utilities are offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift, as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset acquisition.

The Fixed Capital Accounts reflected herein are as recorded in the records of the Borough and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only.

Basic Financial Statements

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

Long-term Debt

The Borough's Long-term debt is stated at face value. The debt is not traded and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the Borough's long-term debt is provided in Note 11 to the financial statements.

Net Pension Liability and Pension Related Deferred Outflows of Resources and Deferred Inflows of Resources and Pension Expense

The requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68* require governmental entities to record their distributive shares of net pension liability, deferred outflows of resources, deferred inflows of resources and total pension related expense. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these liabilities, deferrals and expenses, but do require the disclosure of these amounts. The audited financial information related to pensions is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements. Due to delays in the availability of the information needed for disclosure, the Division issued Local Finance Notice 2022-12 on June 16, 2022. To ensure the timely filing of county and municipal audits, Local Finance Board regulations allow the Division discretion to permit the most recent available audited GASB 68 financial information to be incorporated into the audited financial statements and only requires one year to be disclosed. Refer to Note 9 for these disclosures.

Other Post-Employment Benefits Other Than Pensions

The requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)* that is provided by other entities require governmental entities to record in their financial statements a share of the other governments net OPEB liability, deferred outflows of resources, deferred inflows of resources and total OPEB expense. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these liabilities, deferrals and expenses, but do require the disclosure of the amounts. Since the Borough does not follow generally accepted accounting principles, the GASB did not result in a change in the Borough's assets, liabilities and contribution requirements. However, it did result in additional note disclosures as required by the GASB. See Note 10 for these disclosures. The audited financial information related to OPEBs is released annually by the State's Division of

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Pensions and Benefits and is required to be included as note disclosures in the financial statements. Due to delays in the availability of the information needed for disclosure, the Division issued Local Finance Notice 2022-12 on June 16, 2022. To ensure the timely filing of county and municipal audits, Local Finance Board regulations allow the Division discretion to permit the most recent available audited GASB 75 financial information related to the State Plan to be incorporated into the audited financial statements and only requires one year to be disclosed. See Note 10 and 11 for these disclosures.

3. DEPOSITS AND INVESTMENTS

Use of Estimates

The preparation of financial statements requires management of the Borough to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of accrued revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

Deposits

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

Cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000.00 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit

Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

Based on GASB criteria, the Borough considers cash and cash equivalents to include petty cash, change funds, demand deposits, money market accounts, short-term investments and cash management money market mutual funds. The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year.

Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of fund investments is generally not required.

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

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

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

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

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

3. DEPOSITS AND INVESTMENTS (continued)

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

Cash and cash equivalents have original maturities of three months or less from the date of purchase. Investments are stated at cost, which approximates fair value.

At December 31, 2021 and 2020, the book values of the deposits of the Borough consisted of the following:

	Book Balance	
	December 31, 2021	December 31, 2020
<u>Depository Account</u>		
Cash (Demand Accounts)	\$ 11,757,464.69	\$ 9,984,384.48
Change Funds and Petty Cash (On-Hand)	470.00	1,070.00
	\$ 11,757,934.69	\$ 9,985,454.48

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Borough's deposits may not be returned. The government does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute and to deposit all of its funds in banks covered by FDIC and GUDPA. At least five percent of the Borough's deposits were fully collateralized by funds held by the financial institution, but not in the name of the Borough. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

At December 31, 2021 and 2020 the Borough had the following depository accounts. All deposits are carried at cost. \$99,061.18 and \$85,417.57 held in agency and payroll accounts for the years ended December 31, 2021 and 2020, respectively, are not covered by GUDPA.

	Bank Balance	
	December 31, 2021	December 31, 2020
<u>Depository Account</u>		
FDIC Insured	\$ 250,000.00	\$ 467,226.51
GUPDA Insured	11,435,544.86	10,063,580.48
	\$ 11,685,544.86	\$ 10,530,806.99

Investments

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

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury Bills, Notes and Bonds
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

3. DEPOSITS AND INVESTMENTS (continued)

- Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

As of December 31, 2021 and 2020, the Borough had no investments.

Interest earned in the General Capital Fund, Animal Control Fund and certain Other Trust Funds are assigned to the Current Fund in accordance with the regulatory basis of accounting. Interest earned in the Utility Capital Funds is assigned to the Utility Operating Funds in accordance with the regulatory basis of accounting.

4. TAXES AND TAX TITLE LIENS RECEIVABLE

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Borough, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation (the "Board") by each taxing district. The tax rate is determined by the Board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and are calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000.00 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes become in arrears are subject to the tax sale provisions of the New Jersey Statutes. The Borough may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections:

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

4. TAXES AND TAX TITLE LIENS RECEIVABLE

Comparative Schedule of Tax Rates

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Tax Rate	<u>\$ 3.245</u>	<u>\$ 3.187</u> *	<u>\$ 3.091</u>
Apportionment of Tax Rate:			
Municipal	\$ 0.700	\$ 0.682	\$ 0.667
Municipal Library	0.037	0.036	0.035
County	0.520	0.515	0.492
County Open Space	0.017	0.017	0.016
School	<u>1.971</u>	<u>1.937</u>	<u>1.881</u>

* Revaluation

Assessed Valuations

<u>Year</u>	<u>Amount</u>
2021	\$ 1,712,143,200.00
2020	1,703,366,100.00
2019*	1,701,070,200.00

*Revaluation performed in 2019.

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2021	\$ 55,677,317.85	\$ 55,314,269.16	99.35 %
2020	54,559,900.79	54,071,572.28	99.10
2019	52,677,277.65	52,410,554.34	99.49

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2021	\$ 39,308.60	\$ 371,705.60	\$ 411,014.20	0.74 %
2020	38,782.74	425,001.30	463,784.04	0.85
2019	37,731.03	228,043.55	265,774.58	0.50

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

5. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2021	\$ 410.00
2020	410.00
2019	410.00

6. WATER CONSUMER ACCOUNTS RECEIVABLE

The Borough maintains a Utility fund for the billing and collection of water rents. The Borough is divided into three sections for the purposes of billings which are done on a quarterly basis.

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

<u>Year</u>	<u>Billing</u>	<u>Collection*</u>
2021	\$ 1,572,373.55	\$ 1,631,688.68
2020	1,516,097.99	1,378,965.03
2019	1,345,091.11	1,391,312.30

*Collections of prior year balances are included in the above sum amounts.

7. SWIMMING POOL MEMBERSHIP FEES

A comparison of Swimming Pool Membership Fees for the past three years are as follows:

<u>Year</u>	<u>Collection</u>
2021	\$ 312,759.50
2020	109,338.00
2019	379,164.75

8. FUND BALANCES APPROPRIATED

		<u>Balance December 31,</u>	<u>Anticipated Succeeding Year</u>
Current Fund:	2021	\$ 3,095,918.02	\$ 1,750,000.00
	2020	2,802,726.82	1,650,000.00
	2019	2,980,982.02	1,550,000.00
Water Utility Operating Fund:	2021	565,413.55	300,000.00
	2020	481,922.46	250,000.00
	2019	523,226.28	250,000.00
Pool Utility Operating Fund:	2021	445,083.02	150,000.00
	2020	423,865.20	90,000.00
	2019	317,212.04	90,000.00

BOROUGH OF GLEN RIDGE

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

9. PENSION PLANS

Public Employee Retirement System

The Public Employee Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PERS Plan are as follows:

Plan Membership and Contributing Employers- Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or other jurisdiction's pension fund. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2020 and 2019:

	<u>2020</u>
Inactive plan members or beneficiaries currently receiving benefits	182,492
Inactive plan members entitled to but not yet receiving benefits	942
Active plan members	<u>249,045</u>
Total	<u><u>432,479</u></u>
Contributing Employers – 1,691	

Significant Legislation – For State of New Jersey contributions to PERS, Chapter 1, P.L. 2010, effective May 21, 2010, required the State to resume making actuarially recommended contributions to the pension plan on a phased-in basis over a seven-year period beginning in the fiscal year ended June 30, 2012.

Chapter 19, P.L. 2009, effective March 17, 2009, provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State Fiscal Year 2009. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of PERS, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

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

For the year ended December 31, 2020, the Borough's total payroll for all employees was \$9,908,347.27. For the year ended December 31, 2020, total PERS covered payroll was \$2,166,850.00. Due to payroll system limitations, covered payroll refers to pensionable compensation, rather than total compensation, paid by the Borough to active employees covered by the Plan.

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A 43:15 and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contributions are based on an amortization of the unfunded accrued liability. Funding or noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

Employers' contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. Borough contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated.

It is assumed that the local employers will contribute 100% of their actuarially determined contribution and 100% of their Non-Contributory Group Insurance Premium Fund (NCGIPF) contribution while the State will contribute 70% of its actuarially determined contribution and 100% of its NCGIPF contribution. The 70% contribution rate is the actual total State contribution rate paid in fiscal year ending June 30, 2020 with respect to the actuarially determined contribution for the fiscal year ending June 30, 2020 for all State administered retirement systems.

In accordance with Chapter 98, P.L. 2017, PERS receives 21.02% of the proceeds of the Lottery Enterprise for a period of 30 years. Revenues received from lottery proceeds are assumed to be contributed to the System on a monthly basis.

Borough payments to PERS for the year ending December 31, 2020 consisted of the following:

	2020
Total Regular Billing	\$ 266,793.00

The Borough recognizes liabilities to PERS and records expenditures for same in the fiscal period that bills become due.

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

The following represents the membership tiers for PERS:

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 on or after November 2, 2008 and prior to May 21, 2010
4	Members who were eligible to enroll on or after May 21, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

A service retirement benefit of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, to tier 3 and 4 members with 25 years or more of service credit before age 62 and tier 5 members with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age of his/her respective tier.

Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

At June 30, 2020, the PERS reported a net pension liability of \$16,435,616,426.00 for its Non-State Employer Member Group. The Borough's proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the Borough was \$4,381,050.00 or 0.0268654982%, which was a decrease of 0.0005622297% from its proportion measured as of June 30, 2019.

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

At December 31, 2020, the Borough's deferred outflows of resources and deferred inflows of resources related to PERS were from the following sources, if GASB Statement No. 68 was recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 79,772.00	\$ 15,493.00
Changes in assumptions	142,127.00	1,834,391.00
Net difference between projected and actual earnings on pension plan investments	149,748.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	223,627.00	582,814.00
Borough contributions subsequent to the measurement date	293,895.00	
	<u>\$ 889,169.00</u>	<u>\$ 2,432,698.00</u>

\$293,895.00 is reflected above as deferred outflows of resources related to pensions resulting from Borough contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense on the GAAP basis as follows:

<u>Year ended December 31,</u>	<u>Amount</u>
2021	\$ (634,622.00)
2022	(600,564.00)
2023	(425,459.00)
2024	(148,570.00)
2025	(28,209.00)
Total	<u>\$ (1,837,424.00)</u>

Actuarial Assumptions- The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>June 30, 2020</u>
Inflation Prices:	2.75%
Inflation Wages:	3.25%
Salary Increases:	
Through 2026	2.00% - 6.00%
	Based on years of service
Thereafter	7.00%
	Based on years of service

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 in the following table:

June 30, 2020		
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	100.00%	

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

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

Sensitivity of Net Pension Liability – the following presents the net pension liability of PERS calculated using the discount rates as disclosed below as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
PERS	\$ 5,515,011.00	\$ 4,381,050.00	\$ 3,418,853.00

Plan Fiduciary Net Position – The plan fiduciary net position for PERS, including the State of New Jersey, at June 30, 2020 was \$29,045,369,302.00. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2020 was \$22,997,176,445.00.

Additional Information

Collective balances at June 30, 2020 are as follows:

Collective deferred outflows of resources	\$ 2,347,583,337.00
Collective deferred inflows of resources	7,849,949,467.00
Collective net pension liability – Local group	16,435,616,426.00
Borough’s Proportion	0.0268654982%

Collective pension expense for the Local Group for the measurement period ended June 30, 2020 was \$407,705,399.00. The average of the expected remaining service lives of all plan members is 5.16, 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014, respectively.

State Contribution Payable Dates

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

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

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

Receivable Contributions

The Fiduciary Net Position (FNP) includes Local employers' contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits. The receivable contributions for the year ended June 30, 2020 are \$1,144,889,253.00.

Police and Firemen's Retirement System

The Police and Firemen's Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PFRS Plan are as follows:

Plan Membership and Contributing Employers- Substantially all full-time county and municipal police and firemen and state firemen or officer employees with police powers appointed after June 30, 1944 are enrolled in PFRS Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2020:

	2020
Inactive plan members or beneficiaries currently receiving benefits	45,537
Inactive plan members entitled to but not yet receiving benefits	65
Active plan members	42,520
Total	88,122

* Contributing Employers 582

Significant Legislation – For State of New Jersey contributions to PFRS, Chapter 1, P.L. 2010, effective May 21, 2010, required the State to resume making actuarially recommended contributions to the pension plan on a phased-in basis over a seven-year period beginning in the fiscal year ended June 30, 2012.

For the year ended June 30, 2020, it is assumed that the Local employers will contribute 100% of their actuarially determined contribution and 100% of their Non-Contributory Group Insurance Premium Fund (NCGIPF) contribution while the State will contribute 78% of its actuarially determined contribution and 100% of its NCGIPF contribution. The 78% contribution rate is the actual total State contribution rate paid in the fiscal year ending June 30, 2021 with respect to the actuarially determined contribution for the fiscal year ending June 30, 2021 for all State administered retirement systems.

In accordance with Chapter 98, P.L. 2017, PFRS receives 1.2% of the proceeds of the Lottery Enterprise for a period of 30 years. Revenues received from the lottery proceeds are assumed to be contributed to the System on a monthly basis.

Consistent with Chapter 83, P.L. 2016, it is assumed that the State will make pension contributions in equal amounts at the end of each quarter. It is assumed the Local employers' contributions are expected to be received on April 1st, 21 months after the associated valuation date.

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

For the year ended December 31, 2020, the Borough's total payroll for all employees was \$9,908,347.27. For the year ended December 31, 2020, total PFRS covered payroll was \$2,319,303.00. Due to payroll system limitations, covered payroll refers to pensionable compensation, rather than total compensation, paid by the Borough to active employees covered by the Plan.

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

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

Borough payments to PFRS for the years ending December 31, 2020 consisted of the following:

	2020
Total Regular Billing	\$ 656,371.00

The Borough recognizes liabilities to PFRS and records expenditures for same in the fiscal period that bills become due.

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

The following represents the membership tiers for PFRS:

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

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

At June 30, 2020, the PFRS reported a net pension liability of \$14,926,648,722.00 for its Non-State, Non-Special Funding Situation Employer Member Group. The Borough's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$8,370,126.00, or 0.0647776477% which was a decrease of 0.0002024646% from its proportion, measured as of June 30, 2019. Then pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020.

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

At December 31, 2020, the Borough's deferred outflows of resources and deferred inflows of resources related to PFRS were from the following sources; if GASB Statement No. 68 was recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 84,385.00	\$ 30,039.00
Changes in assumptions	21,063.00	2,243,981.00
Net difference between projected and actual earnings on pension plan investments	490,780.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	560,264.00	306,841.00
Borough contributions subsequent to the measurement date	723,677.00	
	<u>\$ 1,880,169.00</u>	<u>\$ 2,580,861.00</u>

\$723,677.00 is reflected above as deferred outflows of resources related to pensions resulting from Borough contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense on the GAAP basis as follows:

<u>Year ended December 31,</u>	<u>Amount</u>
2021	\$ (661,277.00)
2022	(451,213.00)
2023	(212,614.00)
2024	(24,535.00)
2025	(74,730.00)
Total	<u>\$ (1,424,369.00)</u>

Actuarial Assumptions- The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>June 30, 2020</u>
Inflation Prices:	2.75%
Inflation Wages:	3.25%
Salary Increases:	
Through 2026	
Thereafter	3.25% - 15.25% Based on years of service
Investment rate of return	7.00%

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2020 are summarized in the following table:

June 30, 2020		
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	100.00%	

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

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

Sensitivity of Net Pension Liability – the following presents the net pension liability of PFRS calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
PFRS	\$ 11,130,545.00	\$ 8,370,126.00	\$ 6,077,387.00

Plan Fiduciary Net Position – The plan fiduciary net position for PFRS at June 30, 2020 was \$27,412,127,845.00.

Additional Information

Collective balances at June 30, 2020 are as follows:

Collective deferred outflows of resources	\$ 1,601,195,680.00
Collective deferred inflows of resources	4,191,274,402.00
Collective net pension liability – Local group	14,926,648,722.00
Borough’s Proportion	0.0647776477%

Collective pension expense for the Local Group for the measurement period ended June 30, 2020 was \$949,220,570.00. The average of the expected remaining service lives of all plan members is 5.90, 5.92, 5.73, 5.59, 5.58, 5.53 and 6.17 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014, respectively.

State Contribution Payable Dates

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

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

Receivable Contributions

The Fiduciary Net Position (FNP) includes Local employers’ contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits. The receivable contributions for the year ended June 30, 2020 are \$1,194,176,430.00.

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

Local contributions expected to be paid the April 1st, following the valuation are discounted by the interest rate used at the valuation date.

Under N.J.S.A 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation and state is treated as a non-employer entity. The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Borough as of June 30, 2020 for police and fire is 0.0647776477%. The non-employer contributing entities' contribution for the year ended June 30, 2020 was \$99,958.00. The state's proportionate share of net pension liability attributable to the Borough as of June 30, 2020 was \$1,299,005.00.

Defined Contribution Retirement Plan

DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. Prudential is acting on behalf of the NJ Division of Pensions and Benefits as the record keeper and investment funds manager. Chapter 1, P.L. 2010 increased the minimum annual salary required for eligibility in the DCRP. An employee must earn an annual salary of at least \$5,000.00 to be eligible or to continue participation. The Defined Contribution Retirement Plan (DCRP) is a multiple employer defined contribution plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the DCRP are as follows:

Plan Membership and Contributing Employers - Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in PFRS or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PFRS or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PFRS or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least \$5,000.00 annually. At June 30, 2020, the membership in the DCRP, based on the information within the Division's database, was 60,336.00.

Contribution Requirement and Benefit Provisions - State and local government employers contribute 3% of the employee's base salary. Active members contribute 5.5% of base salary.

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

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

9. PENSION PLANS (continued)

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on 7.50% for PERS, 10% for PFRS and 5.5% for DCRP of employees' base wages.

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

State of New Jersey's OPEB Plan

General Information about the OPEB Plan

Plan Description - The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost sharing multiple employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*; therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Benefits Provided - The Plan provides medical and prescription drug coverage to retirees and their dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A. 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

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

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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

Plan membership and contributing employers/nonemployers consisted of the following at June 30, 2020:

	June 30, 2020
Inactive plan members or beneficiaries currently receiving benefits	24,294
Active plan members	72,485
 Total	 96,779
 Contributing employers	 590
Contributing nonemployers	1

Nonspecial Funding Situation – The State of New Jersey’s Total OPEB Liability for nonspecial funding situation was \$12,484,309,814 at June 30, 2020.

Components of Net OPEB Liability – The components of the collective net OPEB liability for Local Government Retired Employees Plan, including the State of New Jersey, is as follows:

	June 30, 2020
Total OPEB Liability	\$ 18,111,475,228
Plan Fiduciary Net Position	164,862,282
Net OPEB Liability	\$ 17,946,612,946
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	 0.92%

Actuarial Assumptions and Other Inputs – The total OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. These actuarial valuations used the following actuarial assumptions, applied to 2020 in the measurement:

	June 30, 2019
Inflation	2.50%
 Salary Increases*:	
Public Employees' Retirement System (PERS)	
Rate through 2026	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 15.25%

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

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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

Preretirement and postretirement mortality rates were based on the Pub-2010 Safety Headcount-Weighted mortality table with fully generational mortality improvement projections from the central year using the MP-2020 scale.

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

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

Healthcare Trend Assumptions - For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.00% and decreases to a 4.5% long-term rate after seven years.

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

Sensitivity of the State's Net OPEB Liability to Changes in the Discount Rate - The following presents the net OPEB liability as of June 30, 2020, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	At Discount Rate	1% Increase
Total Net OPEB Liability - 2020	\$ 21,216,688,254	\$ 17,946,612,946	\$ 15,358,051,000

Sensitivity of the State's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability as of June 30, 2020, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total Net OPEB Liability - 2020	\$ 14,850,840,718	\$ 17,946,612,946	\$ 22,000,569,109

Special Funding Situation - The State of New Jersey's Total OPEB Liability for special funding situation was \$5,462,303,132 at June 30, 2020.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer. The participating employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the OPEB expense allocated to the State of New Jersey under the special funding situation.

The amounts of the State's Non-employer OPEB Liability that are attributable to employees and retirees of the Borough of Glen Ridge was \$9,893,050.00 (44 members) at June 30, 2020. These allocated liabilities represent 0.1181115% of the State's total Nonemployer OPEB Liability for June 30, 2020. The OPEB Expense attributed to the Borough was \$(492,478) at June 30, 2020.

11. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within 10 years and 5 months or retired by the issuance of bonds.

The Borough's debt as of December 31st is summarized as follows:

Summary of Municipal Debt (Excluding Current and Operating Debt)

	2021	2020
General:		
Bonds, Notes and Loans	\$ 7,341,605.13	\$ 6,198,853.26
Water Utility:		
Loans and Notes	1,497,039.93	1,788,601.88
Pool Utility:		
Notes	316,000.00	396,000.00
	9,154,645.06	8,383,455.14
Authorized But Not Issued:		
General:		
Bonds and Notes	\$ 182,233.00	\$ 415,284.00
Water:		
Bonds and Notes	593,689.00	1,222,493.00
	775,922.00	1,637,777.00
Total Bonds and Notes Issued and Authorized But Not Issued	\$ 9,930,567.06	\$ 10,021,232.14

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

11. MUNICIPAL DEBT (continued)

The summarized statement of debt condition that follows is extracted from the Borough's Annual Debt Statement and indicates a statutory net debt of 0.393% at December 31, 2021:

	Gross Debt	Deductions	Net Debt
Local School District	\$ 22,363,000.00	\$ 22,363,000.00	
Water Utility	3,481,812.99	3,481,812.99	
General Capital	7,523,838.13		\$ 7,523,838.13
Pool Utility	316,000.00	316,000.00	
	\$ 33,684,651.12	\$ 26,160,812.99	\$ 7,523,838.13

Net debt, \$7,523,838.13 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$1,930,160,451.00 equals 0.390%.

Summary of Statutory Debt Condition - Annual Debt Statement Borrowing Power Under N.J.S.A. 40A:2-6 as Amended

3 1/2 of Equalized Valuation Basis	\$ 67,555,615.79
Net Debt	7,523,838.13
Remaining Borrowing Power	\$ 60,031,777.66

School Debt Deductions

School debt is deductible up to the extent of 4.0% of the Average Equalized Assessed Valuations of real property for the Local District.

Calculation of "Self-Liquidating Purposes" Water Utility per N.J.S.A. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges and Surplus Anticipated	\$ 1,890,470.06
Deductions:	
Operating and Maintenance Cost	\$ 1,302,940.00
Debt Service per Water Utility Operating Fund	376,802.76
	1,679,742.76
Excess in Revenue	\$ 210,727.30

As there is an excess in revenue, all Water Utility Debt is deductible for Debt Statement purposes.

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

11. MUNICIPAL DEBT (continued)

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

Cash Receipts from Fees, Rents or Other		\$ 414,901.24
Charges and Surplus Anticipated		\$ 414,901.24
Deductions:		
Operating and Maintenance Cost	\$ 300,000.00	
Debt Service	<u>84,950.00</u>	
		<u>384,950.00</u>
Excess in Revenue		<u>\$ 29,951.24</u>

As there is an excess in revenue, all Pool Utility debt is deductible for debt statement purposes.

The foregoing debt information is in material agreement with the Annual Debt Statement, as amended, as filed by the Chief Financial Officer.

General Capital Improvement Bonds

As of December 31, 2021 and 2020, the Borough's long-term debt is as follows:

<u>General Improvement Bonds</u>	<u>2021</u>	<u>2020</u>
\$2,130,000 Refunding Bond, due in annual installments of \$360,000 to \$370,000 through August 2023, remaining interest at 5.00%	<u>\$ 730,000.00</u>	<u>\$ 1,080,000.00</u>

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

11. MUNICIPAL DEBT (continued)

Changes in Long-Term Municipal Debt

The Borough's long-term debt activity for 2021 and 2020 is as follows:

Changes in Long-Term Municipal Debt

	Balance, December 31, 2020	Additions	Reductions	Balance, December 31, 2021
Bonds Payable				
General Capital Fund	\$ 1,080,000.00	\$ -	\$ 350,000.00	\$ 730,000.00
Green Acres Loans Payable				
General Capital Fund	\$ 140,184.89		\$ 34,007.11	\$ 106,177.78
Environmental Infrastructure				
Loans Payable:				
General Capital Fund	\$ 190,043.37	\$ 1,837,767.00	\$ 83,008.02	\$ 1,944,802.35
Water Capital Fund	1,788,601.88		291,561.95	1,497,039.93
Total Environmental Infrastructure Loans Payable	<u>\$ 1,978,645.25</u>	<u>\$ 1,837,767.00</u>	<u>\$ 374,569.97</u>	<u>\$ 3,441,842.28</u>
Total Long-Term Debt	<u>\$ 3,198,830.14</u>	<u>\$ 1,837,767.00</u>	<u>\$ 758,577.08</u>	<u>\$ 4,278,020.06</u>
	Balance, December 31, 2019	Additions	Reductions	Balance, December 31, 2020
Bonds Payable				
General Capital Fund	\$ 1,430,000.00	\$ -	\$ 350,000.00	\$ 1,080,000.00
Green Acres Loans Payable				
General Capital Fund	\$ 173,521.92		\$ 33,337.03	\$ 140,184.89
Environmental Infrastructure				
Loans Payable:				
General Capital Fund	\$ 208,222.09		\$ 18,178.72	\$ 190,043.37
Water Capital Fund	2,197,301.54		408,699.66	1,788,601.88
Total Environmental Infrastructure Loans Payable	<u>\$ 2,405,523.63</u>		<u>\$ 426,878.38</u>	<u>\$ 1,978,645.25</u>
Total Long-Term Debt	<u>\$ 4,009,045.55</u>	<u>\$ -</u>	<u>\$ 810,215.41</u>	<u>\$ 3,198,830.14</u>

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

11. MUNICIPAL DEBT (continued)

A schedule of annual debt service for future principal and interest for bonded debt is as follows:

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 406,500.00	\$ 370,000.00	\$ 36,500.00
2023	378,000.00	360,000.00	18,000.00
	<u>\$ 784,500.00</u>	<u>\$ 730,000.00</u>	<u>\$ 54,500.00</u>

A schedule of annual debt service for future principal and interest for Green Acres debt is as follows:

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 36,641.62	\$ 34,690.65	\$ 1,950.97
2023	36,641.60	35,387.92	1,253.68
2024	36,641.59	36,099.21	542.38
	<u>\$ 109,924.81</u>	<u>\$ 106,177.78</u>	<u>\$ 3,747.03</u>

Environmental Infrastructure Loans:

The Borough entered into a loan agreement with the State of New Jersey, Department of Environmental Protection Environmental Infrastructure Trust Financing Program for waterworks improvements. A loan was awarded in the sum of \$1,680,784.00. A loan repayment schedule provided by the State of New Jersey showed a total loan payable of \$1,655,392.00.

The Borough entered into a loan agreement in 2003 for \$1,192,053.00 and in 2005 for \$255,000.00. A fourth loan in the amount of \$1,614,785.00 was entered into in 2006. Three loans were initiated in 2010. Two of the loans were established in the Water Utility Fund, while the third loan related to sanitary sewer, was established in the General Capital Fund. The two loans in the Utility Fund were for \$1,413,287.00 and \$765,863.00. The General Capital Fund was for \$350,515.00. In 2021 the Borough received permanent financing for a loan reported in The General Capital Fund for sewer improvements in the amount of \$1,803,465.00.

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

11. MUNICIPAL DEBT (continued)

General Capital Fund - Infrastructure Loan

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 91,184.67	\$ 73,969.67	\$ 17,215.00
2023	90,234.67	73,969.67	16,265.00
2024	89,284.67	73,969.67	15,315.00
2025	88,334.67	73,969.67	14,365.00
2026	87,384.67	73,969.67	13,415.00
2027-2031	422,245.80	369,925.80	52,320.00
2032-2036	338,454.75	303,954.75	34,500.00
2037-2041	333,404.75	308,954.75	24,450.00
2042-2046	343,954.75	328,954.75	15,000.00
2047-2050	267,663.95	263,163.95	4,500.00
	<u>\$ 2,152,147.35</u>	<u>\$ 1,944,802.35</u>	<u>\$ 207,345.00</u>

Water Utility Capital Fund - Infrastructure Loan

<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 325,418.10	\$ 296,341.97	\$ 29,076.13
2023	323,827.86	300,460.72	23,367.14
2024	216,974.14	199,433.09	17,541.05
2025	223,995.07	207,338.77	16,656.30
2026	195,920.67	184,012.35	11,908.32
2027-2031	326,823.03	309,453.03	17,370.00
	<u>\$ 1,612,958.87</u>	<u>\$ 1,497,039.93</u>	<u>\$ 115,918.94</u>

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

11. MUNICIPAL DEBT (continued)

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

Short-Term Debt

Changes in Short-Term Debt

	Balance, December 31, 2020	Additions	Reductions	Balance, December 31, 2021
Bond Anticipation Notes				
General Capital Fund	\$ 4,788,625.00	\$ 4,788,625.00	\$ 5,016,625.00	\$ 4,560,625.00
Pool Utility Capital Fund	396,000.00	316,000.00	396,000.00	316,000.00
Emergency Notes	110,000.00		55,000.00	55,000.00
	<u>\$ 5,294,625.00</u>	<u>\$ 5,104,625.00</u>	<u>\$ 5,467,625.00</u>	<u>\$ 4,931,625.00</u>
	Balance, December 31, 2019	Additions	Reductions	Balance, December 31, 2020
Bond Anticipation Notes				
General Capital Fund	\$ 5,013,625.00	\$ 5,013,625.00	\$ 5,238,625.00	\$ 4,788,625.00
Water Utility Capital Fund	2,380,000.00		2,380,000.00	
Pool Utility Capital Fund	396,000.00	396,000.00	396,000.00	396,000.00
Emergency Notes	165,000.00		55,000.00	110,000.00
	<u>\$ 7,954,625.00</u>	<u>\$ 5,409,625.00</u>	<u>\$ 8,069,625.00</u>	<u>\$ 5,294,625.00</u>

12. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2021 and 2020, interfund receivables and payables that resulted from various interfund transactions were as follows:

Fund	2021		2020	
	Due from Other Funds	Due to Other Funds	Due from Other Funds	Due to Other Funds
Current Fund	\$ 612.91	\$ 524,710.56		\$ 124,260.87
Federal and State Grant Fund	491,830.56		\$ 89,143.58	
Animal Control Trust Fund		612.91	2,237.29	
General Trust Fund	28,013.45			
Payroll Trust Fund		28,013.45		
General Capital Fund	1,212,880.00		1,212,880.00	
Water/Sewer Operating Fund		5,950.00		5,950.00
Water/Sewer Capital Fund	5,950.00	1,180,000.00	5,950.00	1,180,000.00
	<u>\$ 1,739,286.92</u>	<u>\$ 1,739,286.92</u>	<u>\$ 1,310,210.87</u>	<u>\$ 1,310,210.87</u>

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

13. DEFERRED SCHOOL TAX

The Local School District Tax was raised on the school year basis and liability deferred by statute, resulting in school tax payable set forth in liabilities computed as follows:

	<u>Dec. 31, 2021</u>	<u>Dec. 31, 2020</u>	<u>Increase</u>
*Balance of Tax	\$ 16,486,440.81	\$ 16,111,727.81	\$ 374,713.00
Amount Deferred	<u>13,920,821.00</u>	<u>13,920,821.00</u>	
Tax Payable (Cash Liability)	<u>\$ 2,565,619.81</u>	<u>\$ 2,190,906.81</u>	<u>\$ 374,713.00</u>

	<u>Dec. 31, 2020</u>	<u>Dec. 31, 2019</u>	<u>Increase</u>
*Balance of Tax	\$ 16,111,727.81	\$ 15,613,398.85	\$ 498,328.96
Amount Deferred	<u>13,920,821.00</u>	<u>13,920,821.00</u>	
Tax Payable (Cash Liability)	<u>\$ 2,190,906.81</u>	<u>\$ 1,692,577.85</u>	<u>\$ 498,328.96</u>

*Required for school operations for the six-month period following December 31st.

14. RISK MANAGEMENT

The Borough is a member of the North Jersey Intergovernmental Insurance Fund for various insurance coverages.

15. CONTINGENT LIABILITIES

a. Compensated Absences

The Borough permits its employees to accrue unused vacation and sick pay, which may be taken as compensatory time off or paid at a later date, at an agreed upon rate. It is estimated that the sum of \$1,077,876.17 and \$974,093.43 is due and payable to employees and officials of the Borough as of December 31, 2021 and 2020, respectively upon their retirements or other separations. This amount was not verified by audit.

b. Tax Appeals

As of December 31, 2021, the Borough Attorney indicated that there were several State Tax Appeals pending before the New Jersey Tax Court.

Judgments, adverse to the Borough, would apply to the year of appeal plus at least two subsequent years. Refunds or tax credits, including statutory interest thereon, would be chargeable to operations or future budget appropriations.

County taxes paid on the reductions in assessed valuations are subject to credits against County Tax Levy of the year subsequent to the year in which appeals were adjudicated.

c. Federal and State Awards

The Borough participates in several Federal and State grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the Borough has not complied with the rules and regulations governing the grant, refunds of any money received may be required and the collectability of any related receivable at December 31, 2021 and 2020 may be

BOROUGH OF GLEN RIDGE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

15. CONTINGENT LIABILITIES (continued)

impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

d. Litigation

The Borough is involved in claims incidental to its operation which has been referred to and are being handled by the Borough's liability insurance carrier. No claims are to be in excess of insurance coverage limits.

16. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS BUDGET

The following deferred charges are shown on the December 31, 2021 and 2020 balance sheet of the Borough's Current Fund:

	December 31, 2021		December 31, 2020	
	Amount	Raised in Succeeding Year Budget	Amount	Raised in Succeeding Year Budget
Current Fund (COVID-19)	\$ 160,000.00		\$ 160,000.00	
Current Fund (Tax Revaluation)	55,000.00	\$ 55,000.00	110,000.00	\$ 55,000.00
Total Current Fund	\$ 215,000.00	\$ 55,000.00	\$ 270,000.00	\$ 55,000.00
 Pool Utility	\$ 275,000.00	\$ -	\$ 275,000.00	\$ -

In 2019 deferred charges in the Current Fund resulted from a special emergency authorization of \$275,000.00 for the revaluation of the Borough's tax assessments. The remaining deferred charge of \$55,000.00 will be raised in the Borough's 2021-2022 budget. The COVID-19 special emergency declared for the year ended December 31, 2020 in the amount of \$160,000.00 and \$275,000.00 in the Current Fund and Pool Utility Fund, respectively was raised to cover anticipated revenue deficits in both the Current Fund and the Pool Utility as a direct result of the expected revenue losses impacted by the global pandemic, COVID-19. One-fifth of these deferred charges will be raised in the Borough's Current Fund and Pool Utility Fund 2022-2027 budgets.

17. SUBSEQUENT EVENTS

The Borough has evaluated subsequent events occurring after December 31, 2021 through the date of August 17, 2022, which is the date the financial statements were available to be issued. Based on this evaluation, the Borough has determined no subsequent events have occurred which requires disclosure in the financial statements.

**BOROUGH OF GLEN RIDGE
ESSEX COUNTY, NEW JERSEY**

**PART II
ROSTER OF OFFICIALS
COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2021**

BOROUGH OF GLEN RIDGE
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER
YEAR ENDED DECEMBER 31, 2021

A-4

	<u>Ref.</u>	<u>Current Fund</u>	
Balance, December 31, 2020	A		\$ 7,053,192.22
Increased by Cash Receipts:			
Nonbudget Revenue	A-2b	\$ 206,880.33	
Tax Exemptions Due from State	A-6	20,910.00	
Taxes Receivable	A-7	55,338,223.50	
Revenue Accounts Receivable	A-10	1,460,685.34	
Interfund Settlements	A-11	448,564.68	
Petty Cash Funds Returned	A-5a	600.00	
Fees Payable to State	A-15	15,963.00	
Tax Overpayments	A-16	45,689.13	
Inspection Fees Payable	A-17	30,182.00	
Accounts Payable	A-23	1,610.00	
Prepaid Taxes	A-22	<u>291,603.09</u>	
			<u>57,860,911.07</u>
			64,914,103.29
Decreased by Cash Disbursed:			
Budget Appropriations	A-3	13,941,741.02	
Interfund Settlements	A-11	45,877.70	
Appropriation Reserves	A-14	513,546.30	
Accounts Payable	A-23	830.00	
Due to State of New Jersey	A-15	21,592.00	
Refund of Tax Overpayments	A-16	15,826.83	
Inspection Fees Payable	A-17	34,118.00	
County Taxes Payable	A-18	9,228,072.21	
Local School District Tax	A-19	33,371,901.00	
Emergency Note Payable	A-20	<u>55,000.00</u>	
			<u>57,228,505.06</u>
Balance, December 31, 2021	A		<u>\$ 7,685,598.23</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2021

A-5

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	A	<u>\$ 370.00</u>
 <u>Analysis of Balance</u>		
Tax Collector		\$ 50.00
Recreation		100.00
Public Works		50.00
Vital Statistics		100.00
Library		<u>70.00</u>
	Above	<u>\$ 370.00</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

PETTY CASH FUND
YEAR ENDED DECEMBER 31, 2021

A-5a

	<u>Ref.</u>	
Balance, December 31, 2020	A	\$ 600.00
Decreased by:		
Petty Cash Funds Returned	A-4	<u>600.00</u>
Balance, December 31, 2021	A	<u>\$ -</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

DUE TO STATE OF NEW JERSEY
PER CHAPTER 129, P.L. 1976
(SENIOR CITIZENS AND VETERANS TAX EXEMPTIONS)
YEAR ENDED DECEMBER 31, 2021

A-6

	<u>Ref.</u>		
Balance, December 31, 2020 (Due To)	A		\$ (10,940.64)
Increased by:			
Deductions per Tax Duplicate:			
Senior Citizens		\$ 750.00	
Veterans		<u>19,750.00</u>	
	A-7		<u>20,500.00</u>
			<u>9,559.36</u>
Decreased by:			
Prior Year Senior Citizens' Deduction			
Disallowed by Tax Collector	A-1	1,726.72	
Cash Received	A-4	<u>20,910.00</u>	
			<u>22,636.72</u>
Balance, December 31, 2021 (Due To)	A		<u><u>\$ (13,077.36)</u></u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
YEAR ENDED DECEMBER 31, 2021

A-7

Year	Balance	2021 Levy	Added Taxes	Collected		Exemptions Granted	Canceled	Transferred to Tax Title Liens	Balance
	December 31, 2020			2020	2021				December 31, 2021
2017	\$ 12,292.59				\$ 12,292.59				
2018	13,173.16				13,173.16				
2019	1,843.67				1,843.67				
2020	397,691.88		\$ 1,726.72		399,418.60				
	425,001.30		1,726.72		426,728.02				
2021		\$ 55,677,317.85	10,039.62	\$ 382,273.68	54,911,495.48	\$ 20,500.00	\$ 856.85	\$ 525.86	\$ 371,705.60
	\$ 425,001.30	\$ 55,677,317.85	\$ 11,766.34	\$ 382,273.68	\$ 55,338,223.50	\$ 20,500.00	\$ 856.85	\$ 525.86	\$ 371,705.60
<u>Ref.</u>	A	Below	A-7	A-2a, A-22	A-4	A-2a, A-6	Reserve	A-8	A

Analysis of Property Tax Yield and Levy

	<u>Ref.</u>	
<u>Tax Yield</u>		
General Purpose Tax		\$ 55,559,052.90
Added Taxes		118,264.95
	Above	\$ 55,677,317.85
<u>Tax Levy</u>		
Local District School Tax (Abstract)	A-19	\$ 33,746,614.00
County Taxes:		
Regular County Tax (Abstract)	A-18	\$ 8,904,582.10
Added Taxes	A-18	19,575.82
Open Space	A-18	288,960.54
		9,213,118.46
Local Taxes:		
For Municipal Purposes	A-2	11,979,139.66
Minimum Library	A-2	633,800.88
Additional Tax Levied	Reserve	104,644.85
		12,717,585.39
	Above	\$ 55,677,317.85

BOROUGH OF GLEN RIDGE
CURRENT FUND

TAX TITLE LIENS
YEAR ENDED DECEMBER 31, 2021

A-8

<u>Block</u>	<u>Lot</u>	<u>Date of Sale</u>	<u>Lien Number</u>	<u>Balance Dec. 31, 2020</u>	<u>Transferred from Taxes Receivable</u>	<u>Balance Dec. 31, 2021</u>
06	12	11-16-64	2-96	\$ 8,454.04		\$ 8,454.04
06	12A	11-16-64	3-96	3,308.22		3,308.22
63	15	06-17-09	9-06	25,968.77		25,968.77
63	15	12-21-20	9-06	1,051.71		1,051.71
63	15	7-1-21	9-06	<u> </u>	<u>\$ 525.86</u>	<u>525.86</u>
				<u>\$ 38,782.74</u>	<u>\$ 525.86</u>	<u>\$ 39,308.60</u>
			<u>Ref.</u>	A	A-7	A

BOROUGH OF GLEN RIDGE
CURRENT FUND

PROPERTY ACQUIRED FOR TAXES AT ASSESSED VALUATION
YEAR ENDED DECEMBER 31, 2021

A-9

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	A	<u>\$ 410.00</u>

List of Property as of December 31, 2021

<u>Location</u>	<u>Block</u>	<u>Lot</u>	
Carteret Street	17.00	15A	\$ 100.00
Carteret Street	17	16	300.00
Mitchell Place	123	7.00	<u>10.00</u>
	Above		<u>\$ 410.00</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2021

A-10

		<u>Balance</u>			<u>Balance</u>
<u>Ref.</u>		<u>Dec. 31, 2020</u>	<u>Accrued</u>	<u>Collected</u>	<u>Dec. 31, 2021</u>
Borough Clerk:					
Alcoholic Beverage Licenses	A-2		\$ 10,000.00	\$ 10,000.00	
Other Licenses	A-2		2,508.00	2,508.00	
Fees and Permits	A-2		74,616.62	74,616.62	
Other Fines and Costs	A-2		3,900.00	3,900.00	
Interest on Investments and Deposits	A-2		12,493.79	12,493.79	
Tax Collector:					
Interest and Cost on Taxes	A-2		103,124.04	103,124.04	
Department of Public Safety:					
Parking Lot Fees	A-2		34,887.70	34,887.70	
Construction Official:					
Building Permits	A-2		285,225.00	285,225.00	
Municipal Court	A-2	\$ 1,357.92	29,030.14	27,571.64	\$ 2,816.42
Library Contract	A-2		20,900.00	20,900.00	
Recreation Receipts	A-2		151,478.66	151,478.66	
Jitney Fees	A-2		4,155.00	4,155.00	
Rental of Hurrell Field	A-2		75,000.00	75,000.00	
Cable TV Franchise Fee	A-2		94,371.89	94,371.89	
PILOT - Clarius	A-2		85,913.00	85,913.00	
Water Utility Operating Surplus	A-2		75,000.00	75,000.00	
State of New Jersey:					
Energy Receipts Tax	A-2		399,540.00	399,540.00	
		<u>\$ 1,357.92</u>	<u>\$ 1,462,143.84</u>	<u>\$ 1,460,685.34</u>	<u>\$ 2,816.42</u>
<u>Ref.</u>	A		Reserve	A-4	A

BOROUGH OF GLEN RIDGE
CURRENT FUND

INTERFUND ACCOUNTS
YEAR ENDED DECEMBER 31, 2021

A-11

	<u>Ref.</u>	<u>Total</u>	<u>Federal and State Grant Fund</u>	<u>Animal Control Trust Fund</u>	<u>General Capital Fund</u>
Balance, December 31, 2020:					
From	A	<u>\$ (35,117.29)</u>		<u>\$ (2,237.29)</u>	<u>\$ (32,880.00)</u>
(To)	A	<u>\$ (89,143.58)</u>	<u>\$ (89,143.58)</u>		
Increased by:					
Excess Dog License Fees	A-1	2,850.20		2,850.20	
Anticipated Revenue	A-2	26,980.14	26,980.14		
Cash Disbursed	A-4	<u>45,877.70</u>	<u>45,877.70</u>		
		<u>(48,552.83)</u>	<u>(16,285.74)</u>	<u>612.91</u>	<u>(32,880.00)</u>
Decreased by:					
Cash Receipts	A-4	448,564.68	448,564.68		
Budget Appropriations	A-3	<u>26,980.14</u>	<u>26,980.14</u>		
		<u>475,544.82</u>	<u>475,544.82</u>		
Balance, December 31, 2021:					
(To)	A	<u>\$ (524,097.65)</u>	<u>\$ (491,830.56)</u>	<u>\$ 612.91</u>	<u>\$ (32,880.00)</u>

BOROUGH OF GLEN RIDGE
FEDERAL AND STATE GRANT FUND

FEDERAL AND STATE GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2021

A-12

	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Budget</u> <u>Revenue</u> <u>Realized</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2021</u>
Clean Communities		\$ 11,811.27	\$ 11,811.27	
Municipal Alliance on Alcohol and Drug Abuse:				
2013	\$ 5,608.74			\$ 5,608.74
2014	26,001.52			26,001.52
2015	24,659.59			24,659.59
2016	662.18			662.18
2020	8,637.11			8,637.11
Body Armor Replacement Fund		4,342.29	4,342.29	
Recycling Program	10,838.18	10,076.40	10,076.40	10,838.18
Click-It-Or-Ticket	2,592.97			2,592.97
Alcohol, Education and Rehabilitation	512.09	750.18	750.18	512.09
	<u>\$ 79,512.38</u>	<u>\$ 26,980.14</u>	<u>\$ 26,980.14</u>	<u>\$ 79,512.38</u>
	A	A-24	Below	A
		Cash Collected A-24	\$ 11,988.20	
		Transferred from Grants Unappropriated A-26	<u>14,991.94</u>	
		Above	<u>\$ 26,980.14</u>	

BOROUGH OF GLEN RIDGE
CURRENT FUND

DEFERRED CHARGES
N.J.S.A. 40A:4-53 SPECIAL EMERGENCY
YEAR ENDED DECEMBER 31, 2021

A-13

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2020</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2021</u>
12/21/2017	Revaluation	\$ 275,000.00	\$ 55,000.00	\$ 110,000.00	\$ 55,000.00	\$ 55,000.00
11/1/2020	Special Emergency COVID-19	160,000.00	32,000.00	160,000.00		160,000.00
				<u>\$ 270,000.00</u>	<u>\$ 55,000.00</u>	<u>\$ 215,000.00</u>
	<u>Ref.</u>			A	A-3	A

**BOROUGH OF GLEN RIDGE
CURRENT FUND**

**APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2021**

A-14
Sheet # 1

Appropriations	Balance Dec. 31, 2020		Balance After Transfers	Expended (Refunded)	Balance Lapsed
	Encumbered	Unencumbered			
GENERAL GOVERNMENT					
Administrative and Executive:					
Salaries and Wages		\$ 3,772.56	\$ 3,772.56		\$ 3,772.56
Other Expenses	\$ 9,130.52	21,516.92	30,647.44	\$ 27,688.20	2,959.24
Elections:					
Other Expenses		922.48	922.48		922.48
Financial Administration:					
Salaries and Wages		99.53	99.53		99.53
Annual Audit	14,926.50	2,823.78	17,750.28	14,926.50	2,823.78
Other Expenses		6,000.00	6,000.00		6,000.00
Assessment of Taxes:					
Salaries and Wages		295.03	295.03		295.03
Other Expenses	1,347.50	1,248.05	2,595.55	(4,322.50)	6,918.05
Collection of Taxes:					
Salaries and Wages		39.86	39.86		39.86
Other Expenses	113.95	9.37	123.32	113.95	9.37
Community Affairs and Public Relations:					
Other Expenses	4,965.99	4,199.27	9,165.26	888.25	8,277.01
Legal Services and Costs:					
Other Expenses	20,149.50	21,524.51	41,674.01	41,305.98	368.03
Engineering Services and Costs:					
Salaries and Wages		703.99	703.99		703.99
Other Expenses	2,976.71	4,661.72	7,638.43	4,457.78	3,180.65
Public Buildings and Grounds:					
Salaries and Wages		1,368.07	1,368.07		1,368.07
Other Expenses	19,335.99	1,157.97	20,493.96	20,286.55	207.41
Planning Board:					
Other Expenses		2,407.22	2,407.22		2,407.22
Board of Adjustment:					
Other Expenses		1,684.28	1,684.28		1,684.28
Shade Tree Commission:					
Salaries and Wages		1,465.96	1,465.96		1,465.96
Other Expenses	24,932.99	864.71	25,797.70	14,000.99	11,796.71
Insurance:					
General Liability		4,738.22	4,738.22		4,738.22
Workmen's Compensation		168.00	168.00		168.00
Group Health	83,936.07	39,776.16	123,712.23	362.85	123,349.38
Health Benefits Waiver		1,637.33	1,637.33		1,637.33
Municipal Court:					
Salaries and Wages		12,231.90	12,231.90		12,231.90
Other Expenses	2,457.42	3,403.89	5,861.31	1,408.53	4,452.78
Public Defender:					
Salaries and Wages		684.14	684.14		684.14
PUBLIC SAFETY					
Department of Public Safety:					
Salaries and Wages		41,608.12	41,608.12	(2,160.00)	43,768.12
Other Expenses	39,162.66	12,464.37	51,627.03	45,059.21	6,567.82
Crossing Guards:					
Salaries and Wages		26,181.31	26,181.31		26,181.31
Police Dispatchers:					
Salaries and Wages		40,306.91	40,306.91		40,306.91
Municipal Prosecutor:					
Salaries and Wages		918.30	918.30		918.30
STREETS AND ROADS					
Road Repair and Maintenance:					
Salaries and Wages		76,577.30	76,577.30		76,577.30
Other Expenses	22,048.10	4,696.46	26,744.56	26,735.61	8.95
Storms:					
Salaries and Wages		44,821.97	44,821.97		44,821.97
Other Expenses	1,478.04	3,412.26	4,890.30	1,478.04	3,412.26

**BOROUGH OF GLEN RIDGE
CURRENT FUND**

**APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2021**

A-14
Sheet # 2

Appropriations	Balance Dec. 31, 2020		Balance After Transfers	Expended (Refunded)	Balance Lapsed
	Encumbered	Unencumbered			
<u>SANITATION</u>					
Sewer System:					
Salaries and Wages		\$ 5,150.22	\$ 5,150.22		\$ 5,150.22
Other Expenses		2,842.19	2,842.19		2,842.19
Garbage and Trash Removal:					
Other Expenses	\$ 23,997.00	43,779.14	67,776.14	\$ 23,752.92	44,023.22
<u>HEALTH AND WELFARE</u>					
Board of Health:					
Salaries and Wages		1,231.27	1,231.27		1,231.27
Other Expenses	280.00	3,502.33	3,782.33	280.00	3,502.33
<u>RECREATION AND EDUCATION</u>					
Parks and Playgrounds:					
Salaries and Wages		21,220.37	21,220.37		21,220.37
Other Expenses	33,090.50	2,216.03	35,306.53	19,406.53	15,900.00
Hurrell Field:					
Salaries and Wages		5,263.06	5,263.06		5,263.06
Other Expenses	21,000.00	13,426.78	34,426.78	21,000.00	13,426.78
Recreation:					
Salaries and Wages		9,993.71	9,993.71		9,993.71
Other Expenses	5,460.28	6,577.56	12,037.84	6,741.50	5,296.34
Jitney Operation:					
Salaries and Wages		3,424.47	3,424.47		3,424.47
Other Expenses	1,828.32	6,900.33	8,728.65		8,728.65
<u>UNIFORM CONSTRUCTION CODE</u>					
Construction Code Officials:					
Inspection of Buildings:					
Salaries and Wages		5,858.34	5,858.34	2,550.34	3,308.00
Other Expenses	6,450.00	5,815.34	12,265.34	182.79	12,082.55
<u>UNCLASSIFIED</u>					
Electricity		53,346.84	53,346.84	33,922.83	19,424.01
Gasoline, Diesel Fuel and Lubricants		9,143.23	9,143.23	9,143.23	
Street Lighting	28,456.51	36,737.33	65,193.84	13,688.50	51,505.34
<u>CONTINGENT</u>					
		3,005.00	3,005.00		3,005.00
<u>STATUTORY EXPENDITURES</u>					
Contributions to:					
Social Security System		998.51	998.51		998.51
DCRP Match		1,802.97	1,802.97		1,802.97
State Unemployment Insurance		72,458.48	72,458.48	6,421.16	66,037.32
<u>OTHER OPERATIONS</u>					
Maintenance of Free Public Library					
Salaries and Wages	7,334.08	21,208.62	28,542.70	28,542.70	
Other Expenses		11,341.08	11,341.08		11,341.08
<u>Interlocal Municipal Service Agreements</u>					
Township of Bloomfield:					
Health Services		6,186.00	6,186.00		6,186.00
<u>HEALTH AND WELFARE</u>					
Township of Bloomfield:					
Animal Control Services					
Other Expenses		1,864.00	1,864.00		1,864.00
Borough of Glen Ridge:					
Sanitary Sewer					
Other Expenses		11,415.74	11,415.74		11,415.74
<u>CAPITAL IMPROVEMENTS</u>					
Public Works Equipment	12,138.08	48,113.80	60,251.88	39,638.08	20,613.80
Public Safety Equipment	142,688.00	2,312.00	145,000.00	142,688.00	2,312.00
	<u>\$ 529,684.71</u>	<u>\$ 807,526.66</u>	<u>\$ 1,337,211.37</u>	<u>\$ 540,188.52</u>	<u>\$ 797,022.85</u>

Ref.	A	A	Ref.	Below	A-1
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Cash Disbursements	A-4	\$ 513,546.30
Accounts Payable	A - 1	<u>26,642.22</u>
	Above	<u>\$ 540,188.52</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

DUE TO STATE OF NEW JERSEY
(OTHER FEES)
YEAR ENDED DECEMBER 31, 2021

A-15

	<u>Ref.</u>	<u>Total</u>	<u>Marriage License/ Burial Fees</u>	<u>Building Construction Training Fee</u>
Balance, December 31, 2020	A	\$ 11,619.00	\$ 325.00	\$ 11,294.00
Increased by:				
Cash Receipts	A-4	15,963.00	400.00	15,563.00
		<u>15,963.00</u>	<u>400.00</u>	<u>15,563.00</u>
		27,582.00	725.00	26,857.00
Decreased by:				
Paid to State	A-4	21,592.00	275.00	21,317.00
		<u>21,592.00</u>	<u>275.00</u>	<u>21,317.00</u>
Balance, December 31, 2021	A	<u>\$ 5,990.00</u>	<u>\$ 450.00</u>	<u>\$ 5,540.00</u>

TAX OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2021

A-16

	<u>Ref.</u>		
Balance, December 31, 2020	A		\$ 281,257.72
Increased by:			
Cash Receipts	A-4		45,689.13
			<u>326,946.85</u>
Decreased by:			
Refunds	A-4	\$ 15,826.83	
Canceled	A-1	191,983.30	
		<u>207,810.13</u>	
Balance, December 31, 2021	A		<u>\$ 119,136.72</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

INSPECTION FEES PAYABLE
YEAR ENDED DECEMBER 31, 2021

A-17

	<u>Ref.</u>	
Balance, December 31, 2020	A	\$ 3,936.00
Increased by:		
Cash Receipts	A-4	30,182.00
		<u>34,118.00</u>
Decreased by:		
Cash Disbursements	A-4	34,118.00
		<u>34,118.00</u>
Balance, December 31, 2021	A	<u>\$ -</u>

COUNTY TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2021

A-18

	<u>Ref.</u>	
Balance, December 31, 2020	A	\$ 34,529.51
Increased by:		
2021 Levy:		
General County	A-7	\$ 8,904,582.10
Open Space Preservation	A-7	288,960.54
Due County for Added Taxes	A-7	19,575.82
	A-1, A-2a	<u>9,213,118.46</u>
		<u>9,247,647.97</u>
Decreased by:		
Payments	A-4	9,228,072.21
		<u>9,228,072.21</u>
Balance, December 31, 2021		<u>\$ 19,575.76</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

LOCAL DISTRICT SCHOOL TAX
YEAR ENDED DECEMBER 31, 2021

A-19

	<u>Ref.</u>	<u>Payable</u>	<u>Deferred</u>
Balance, December 31, 2020	A	\$ 2,190,906.81	\$ 13,920,821.00
Increased by:			
School Tax Levy - July 1, 2021 to June 30, 2022	A-1, A-2a, A-7	33,746,614.00	
		<u>35,937,520.81</u>	<u>13,920,821.00</u>
Decreased by:			
Paid	A-4	33,371,901.00	
		<u>33,371,901.00</u>	
Balance, December 31, 2021	A	<u>\$ 2,565,619.81</u>	<u>\$ 13,920,821.00</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

EMERGENCY NOTE PAYABLE
YEAR ENDED DECEMBER 31, 2021

A-20

	<u>Ref.</u>	
Balance, December 31, 2020	A	\$ 110,000.00
Decreased by:		
Cash Disbursed	A-4	<u>55,000.00</u>
Balance, December 31, 2021	A	<u>\$ 55,000.00</u>

RESERVE FOR REVALUATIONS
YEAR ENDED DECEMBER 31, 2021

A-21

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	A	<u>\$ 32,795.81</u>

BOROUGH OF GLEN RIDGE
CURRENT FUND

A-22

PREPAID TAXES
YEAR ENDED DECEMBER 31, 2021

	<u>Ref.</u>	
Balance, December 31, 2020	A	\$ 382,273.68
Increased by:		
Cash Collections	A-4	<u>291,603.09</u> 673,876.77
Decreased by:		
Applied to Current Taxes Receivable	A-7	<u>382,273.68</u>
Balance, December 31, 2021	A	<u>\$ 291,603.09</u>

ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2021

A-23

	<u>Ref.</u>	
Balance, December 31, 2020	A	\$ 1,703.99
Increased by:		
Cash Collections	A-4	<u>1,610.00</u> 3,313.99
Decreased by:		
Cash Disbursements	A-4	<u>830.00</u>
Balance, December 31, 2021	A	<u>\$ 2,483.99</u>

BOROUGH OF GLEN RIDGE
FEDERAL AND STATE GRANT FUND

INTERFUNDS
YEAR ENDED DECEMBER 31, 2021

A-24

	<u>Ref.</u>		<u>Current Fund</u>
Balance, December 31, 2020:			
Due From	A		\$ 89,143.58
Increased by:			
Unappropriated Grants Received	A-26	\$ 411,577.48	
Cash Collections through Current Fund	A-12	11,988.20	
Budget Appropriations	A-25	<u>26,980.14</u>	
			<u>450,545.82</u>
			539,689.40
Decreased by:			
Anticipated Revenue	A-12	26,980.14	
Expenditures Paid through Current Fund	A-25	<u>20,878.70</u>	
			<u>47,858.84</u>
Balance, December 31, 2021:			
Due From	A		<u>\$ 491,830.56</u>

BOROUGH OF GLEN RIDGE
FEDERAL AND STATE GRANT FUND

RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED
YEAR ENDED DECEMBER 31, 2021

A-25

	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Transferred from 2021</u> <u>Budget Appropriations</u> <u>Budget</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Dec. 31, 2021</u>
Recycling Tonnage Aid	\$ 49,308.10	\$ 10,076.40	\$ 1,400.00	\$ 57,984.50
Clean Communities Program:	12,865.25	11,811.27		24,676.52
Municipal Alliance on Alcohol and Drug Abuse:				
2013	9,885.61			9,885.61
2019	695.61			695.61
2020	22,261.46		12,092.70	10,168.76
Body Worn Camera Assistance Program	9,000.00			9,000.00
Drunk Driving Enforcement Fund	15,190.07		1,073.00	14,117.07
Body Armor Replacement Fund:	6,369.80	4,342.29	6,313.00	4,399.09
Domestic Violence Response Team	1,001.75			1,001.75
NJ Historic Trust	6,090.00			6,090.00
DCA - Second Chance	1,178.48			1,178.48
Click-It-Or-Ticket	2,592.97			2,592.97
Alcohol Education and Rehabilitation Fund	<u>17,224.92</u>	<u>750.18</u>		<u>17,975.10</u>
	<u>\$ 153,664.02</u>	<u>\$ 26,980.14</u>	<u>\$ 20,878.70</u>	<u>\$ 159,765.46</u>
<u>Ref.</u>	A	A-24	A-24	A

See Independent Auditors' Report

BOROUGH OF GLEN RIDGE
FEDERAL AND STATE GRANT FUND

RESERVE FOR GRANTS - UNAPPROPRIATED
YEAR ENDED DECEMBER 31, 2021

A-26

	<u>Ref.</u>	
Balance, December 31, 2020	A	\$ 14,991.94
Increased by:		
Due from Current Fund	A-24	411,577.48
		426,569.42
Decreased by:		
Anticipated Revenue	A-12	14,991.94
		14,991.94
Balance, December 31, 2021	A	\$ 411,577.48
 <u>Analysis of Balance</u>		
Drunk Driving Enforcement		\$ 2,625.67
Clean Communities Program		12,572.00
American Rescue Plan		396,379.81
	Above	\$ 411,577.48

BOROUGH OF GLEN RIDGE
TRUST FUND

CASH RECEIPTS AND DISBURSEMENTS
TREASURER
YEAR ENDED DECEMBER 31, 2021

B-2

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>General Trust Fund</u>	<u>Payroll Account</u>
Balance, December 31, 2020	B	\$ 10,197.51	\$ 518,924.72	\$ 41,868.84
Increased by Receipts:				
CDBG Receivable	B-3		\$ 77,963.00	
Net Payroll and Deductions	B-7			\$ 7,418,393.18
Animal Control Fees	B-9	\$ 3,669.16		
Due to State of New Jersey	B-4	277.20		
Special Deposits	B-10		<u>623,602.03</u>	
		<u>3,946.36</u>	<u>701,565.03</u>	<u>7,418,393.18</u>
		14,143.87	1,220,489.75	7,460,262.02
Decreased by Disbursements:				
State Unemployment Insurance	B-6		331.50	
Due to State of New Jersey	B-4	61.80		
Interfunds Receivable	B-4			
Net Payroll and Deductions	B-7			7,433,978.05
Animal Control Fund Expenditures	B-9	651.96		
Special Deposits	B-10		<u>406,145.97</u>	
		<u>713.76</u>	<u>406,477.47</u>	<u>7,433,978.05</u>
Balance, December 31, 2021	B	<u><u>\$ 13,430.11</u></u>	<u><u>\$ 814,012.28</u></u>	<u><u>\$ 26,283.97</u></u>

BOROUGH OF GLEN RIDGE
TRUST FUND

COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE
YEAR ENDED DECEMBER 31, 2021

B-3

	<u>Ref.</u>	<u>General Trust Fund</u>
Balance, December 31, 2020	B	\$ 156,826.00
Increased by		
Grant Award	B-5	39,000.00
		<u>195,826.00</u>
Decreased by:		
Cash Receipts	B-2	77,963.00
		<u>77,963.00</u>
Balance, December 31, 2021	B	<u>\$ 117,863.00</u>
 <u>Analysis of Balance</u>		
Program Year 2015		\$ 100.00
Program Year 2016		40,000.00
Program Year 2020		38,763.00
Program Year 2021		39,000.00
	Above	<u>\$ 117,863.00</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

DUE TO STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2021

B-4

	<u>Ref.</u>	
Balance, December 31, 2020	B	\$ -
Increased by:		
Issued Dog Licenses	B-2	<u>277.20</u>
		277.20
Decreased by:		
Disbursements	B-2	<u>61.80</u>
Balance, December 31, 2021	B	<u><u>\$ 215.40</u></u>

BOROUGH OF GLEN RIDGE
TRUST FUND

RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT B-5
YEAR ENDED DECEMBER 31, 2021

	<u>Ref.</u>	
Balance, December 31, 2020	B	\$ 77,963.00
Increased by:		
Grant Award	B-3	<u>39,000.00</u>
Balance, December 31, 2021	B	<u>\$ 116,963.00</u>
 <u>Analysis of Balance</u>		
Fiscal Year 2016		
Fiscal Year 2018		\$ 437.00
Fiscal Year 2019		38,763.00
Fiscal Year 2020		38,763.00
Fiscal Year 2021		<u>39,000.00</u>
Above		<u>\$ 116,963.00</u>

RESERVE FOR STATE UNEMPLOYMENT
COMPENSATION INSURANCE TRUST FUND
YEAR ENDED DECEMBER 31, 2021

B-6

	<u>Ref.</u>	
Balance, December 31, 2020	B	\$ 107.70
Increased by:		
Due From Payroll Agency	B-7, B-8	<u>28,013.45</u> 28,121.15
Decreased by:		
Cash Disbursements	B-2	<u>331.50</u>
Balance, December 31, 2021	B	<u>\$ 27,789.65</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

PAYROLL DEDUCTIONS PAYABLE
YEAR ENDED DECEMBER 31, 2021

B-7

	<u>Ref.</u>		
Balance, December 31, 2020	B		\$ 41,868.84
Increased by:			
Cash Receipts:			
Gross Payroll		\$ 6,289,458.76	
Annual PERS, PFRS Contributions		1,127,189.00	
Other Refunds		<u>1,745.42</u>	
	B-2		<u>7,418,393.18</u>
			<u>7,460,262.02</u>
Decreased by:			
Net Payroll and Agency Payments	B-2	7,405,964.60	
Due to Unemployment Compensation Insurance Trust Fund	B-6, B-8	<u>28,013.45</u>	
			<u>7,433,978.05</u>
Balance, December 31, 2021	B		<u>\$ 26,283.97</u>
<u>Analysis of Balance</u>			
PERS			\$ (2,279.79)
PFRS			(1,670.13)
Federal and State Taxes			11,471.23
AXA Equitable			9,298.44
Other Deductions			<u>9,464.22</u>
	Above		<u>\$ 26,283.97</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

INTERFUNDS
YEAR ENDED DECEMBER 31, 2021

B-8

		<u>Animal Control Fund</u>	<u>Payroll Account</u>
	<u>Ref.</u>	<u>Current Fund</u>	<u>General Trust</u>
Balance, December 31, 2020			
(Due From)	B	\$ (2,237.29)	\$ _____
(Due from)			
Increased by:			
Excess Dog License Fees	B-9	2,850.20	
Unemployment Insurance Deductions	B-6		28,013.45
		<u>2,850.20</u>	<u>28,013.45</u>
		<u>612.91</u>	<u>_____</u>
Balance, December 31, 2021:			
Due To	B	<u>\$ 612.91</u>	<u>\$ -</u>
(Due from)	B	<u>\$ -</u>	<u>\$ (28,013.45)</u>

BOROUGH OF GLEN RIDGE
TRUST FUND

RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
YEAR ENDED DECEMBER 31, 2021

B-9

	<u>Ref.</u>		
Balance, December 31, 2020	B		\$ 12,434.80
Increased by:			
Dog Licenses Issued	B-2	\$ 3,292.80	
Other Fees Collected	B-2	<u>376.36</u>	
			<u>3,669.16</u>
			16,103.96
Decreased by:			
Expenditures	B-2	651.96	
Due to Current Fund	B-8	<u>2,850.20</u>	
			<u>3,502.16</u>
Balance, December 31, 2021	B		<u>\$ 12,601.80</u>

License Fees Collected

2019		\$ 6,316.80	
2020		<u>6,285.00</u>	
		<u>\$ 12,601.80</u>	

Note: R.S. 4:19-15.11

"...there shall be transferred from such special account to the general funds of the municipality any amount then in such special account which is in excess of the total amount paid into such special account during the last two fiscal years next preceding".

BOROUGH OF GLEN RIDGE
TRUST FUND

RESERVE FOR SPECIAL DEPOSITS
YEAR ENDED DECEMBER 31, 2021

B-10

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2021</u>
Law Enforcement - Confiscated Funds	\$ 5,780.83	\$ 9.53	\$ 750.00	\$ 5,040.36
Leaf Bags	5,281.48		5,281.48	
Municipal Court POAA	27,987.14	108.00		28,095.14
Municipal Drug Alliance Committee	31,094.21	200.00		31,294.21
Tax Title Lien Premiums	193,200.00	302,100.00	94,000.00	401,300.00
Tax Title Lien Redemptions	6,712.20	170,972.53	108,008.52	69,676.21
Cable Local Access	42.47			42.47
Adopt-A-Cop Program	657.87		657.87	
Public Defender	2,608.00			2,608.00
Construction Code Fines	250.00	500.00		750.00
Board of Adjustment Escrow	3,765.00		300.00	3,465.00
Recreation Programs	11,942.09	74,695.00	69,114.60	17,522.49
Recreation Donations	4,400.00			4,400.00
Glen Ridge Restoration	2,614.38		2,614.38	
Builders' Escrow	17,095.71	5,169.12	20,670.34	1,594.49
Senior Community Center Fund	400.00		400.00	
Planning Board Escrow	635.00	1,450.00	1,465.00	620.00
Library Accumulated Absence	41,641.00	4,373.48		46,014.48
Glen Ridge Pool Fund	865.00		865.00	
Tree Replacement	9,372.40		9,372.40	
Library Gifts and Donations	2,520.00			2,520.00
Police Outside Service	56,121.41	64,024.37	49,311.05	70,834.73
Environmental Advisory	6,284.96		207.62	6,077.34
Affordable Housing	165,304.05		43,127.71	122,176.34
Domestic Violence	1,076.47			1,076.47
	<u>\$ 597,651.67</u>	<u>\$ 623,602.03</u>	<u>\$ 406,145.97</u>	<u>\$ 815,107.73</u>
<u>Ref.</u>	<u>B</u>	<u>B-2</u>	<u>B-2</u>	<u>B</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR - TREASURER
YEAR ENDED DECEMBER 31, 2021

C-2

	<u>Ref.</u>		
Balance, December 31, 2020	C		\$ 1,111,638.63
Increased by:			
Improvement Authorizations	C-8	\$ 16,030.00	
Capital Improvement Fund	C-9	175,000.00	
Bond Anticipation Note	C-13	4,788,625.00	
Premium on Sale of Notes	C-1	35,359.75	
New Jersey DOT	C-4	1,055,938.69	
New Jersey Environmental Infrastructure Loan Receivable	C-4a	<u>233,051.00</u>	
			<u>6,304,004.44</u>
			7,415,643.07
Decreased by:			
Bond Anticipation Note	C-13	4,788,625.00	
Improvement Authorizations	C-8	<u>1,416,349.70</u>	
			<u>6,204,974.70</u>
Balance, December 31, 2021	C		<u><u>\$ 1,210,668.37</u></u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

ANALYSIS OF CASH AND INVESTMENTS
YEAR ENDED DECEMBER 31, 2021

C-3

Ordinance Number	Balance		Disbursed	Transfers		Balance December 31, 2021
	December 31, 2020	Receipts		From	To	
	\$ 214.51	\$ 175,000.00		\$ 175,000.00		\$ 214.51
Capital Improvement Fund						
Due from Current Fund	(32,880.00)					(32,880.00)
Due from Water Capital Fund	(1,180,000.00)					(1,180,000.00)
Fund Balance	60,701.49	35,359.75				96,061.24
Due from NJDOT	(1,063,770.00)	1,055,938.69		1,055,000.00		(1,062,831.31)
Due from Essex County Open Space					\$ 150,000.00	(150,000.00)
New Jersey Infrastructure Loan Receivable	(233,051.00)	233,051.00				
Reserve for NJEIT Receivable	233,051.00			233,051.00		
<u>Improvement Authorizations</u>						
1640	Various Capital Improvements	29.05				29.05
1673	Various Capital Improvements for Roads	23,675.02	\$ 10,275.00			13,400.02
1674	Various Capital Improvements and Equipment	6,306.05	4,441.00			1,865.05
1677	Various Capital Improvements and Equipment	7,403.04				7,403.04
1689	Various Sanitary Sewer Improvements	(100,000.00)				(100,000.00)
1691	Various Sanitary Sewer Improvements	(176,824.67)	16,030.00	121,404.90	233,051.00	(49,148.57)
1705	Various Capital Improvements for Roads	550,000.00		59,933.48		490,066.52
1707	Engineering and Public Works	2,078.35		1,861.97		216.38
1718	Capital Projects and Equipment	2,835,498.76		880,183.72		1,955,315.04
1720	Various Capital Improvements and Equipment	7,740.95		7,740.95		
1735	Various Capital Improvements and Equipment	171,466.08		120,639.89		50,826.19
1743	Various Capital Improvements for Roads			3,001.11	525,000.00	521,998.89
1744	Various Capital Improvements for Roads				530,000.00	530,000.00
1751	Hurrell Track Capital Improvements			150,000.00	150,000.00	
1752	Various Capital Improvements and Equipment			56,867.68	175,000.00	118,132.32
	<u>\$ 1,111,638.63</u>	<u>\$ 1,515,379.44</u>	<u>\$ 1,416,349.70</u>	<u>\$ 1,613,051.00</u>	<u>\$ 1,613,051.00</u>	<u>\$ 1,210,668.37</u>
<u>Ref.</u>	C	C-2	C-2	Contra	Contra	C

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

DUE FROM STATE OF NEW JERSEY
GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2021

C-4

	<u>Ref.</u>	
Balance, December 31, 2020	C	\$ 1,063,770.00
Increased by:		
Grant Award	C-8	1,055,000.00
		<u>2,118,770.00</u>
Decreased by:		
Cash Receipts	C-2	1,055,938.69
		<u>1,055,938.69</u>
Balance, December 31, 2021	C	<u>\$ 1,062,831.31</u>

Analysis of Balance

Department of Transportation:

Ord #1673 Various Streets		
Ord #1705 Various Capital Improvements for Roads		\$ 7,831.31
Ord #1743 Various Capital Improvements for Roads		525,000.00
Ord #1744 Various Capital Improvements for Roads		<u>530,000.00</u>
Above		<u>\$ 1,062,831.31</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

NJ ENVIRONMENTAL INFRASTRUCTURE LOAN RECEIVABLE
YEAR ENDED DECEMBER 31, 2021

C-4a

	<u>Ref.</u>	
Balance, December 31, 2020	C	\$ 233,051.00
Decreased by:		
Cash Receipts	C-2	<u>233,051.00</u>
Balance, December 31, 2021	C	<u>\$ -</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

INTERFUNDS
YEAR ENDED DECEMBER 31, 2021

C-5

	<u>Ref.</u>	<u>Total</u>	<u>Current</u>	<u>Water Capital Fund</u>
Balance, December 31, 2021 and 2020	C	<u>\$ 1,212,880.00</u>	<u>\$ 32,880.00</u>	<u>\$ 1,180,000.00</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2021

C-6

	<u>Ref.</u>		
Balance, December 31, 2020	C		\$ 1,410,228.26
Increased by:			
Transferred from Deferred Charges to Future Taxation - Unfunded	C-7		1,837,767.00
			<u>3,247,995.26</u>
Decreased by:			
Bonds Paid By Budget	C-12	\$ 350,000.00	
NJEIT Loan Paid By Budget	C-11	18,178.72	
Principal Savings Credits	C-11	64,829.30	
Green Trust Loans Paid By Budget	C-10	<u>34,007.11</u>	
			<u>467,015.13</u>
Balance, December 31, 2021	C		<u>\$ 2,780,980.13</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

C-7

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2021

Ordinance Number	Improvement Authorization	Balance Dec. 31, 2020	Decrease	Transferred to Deferred Taxation - Funded	Balance Dec. 31, 2021	Analysis of Balance		
						Bond Anticipation Note	Expenditures	Unexpended Improvement Authorization
1612	Various Capital Improvements	\$ 1,143,000.00	\$ 228,000.00		\$ 915,000.00	\$ 915,000.00		
1689	Various Sanitary Sewer Improvements	100,000.00			100,000.00		\$ 100,000.00	
1691	Various Sanitary Sewer Improvements	1,920,000.00		\$ 1,837,767.00	82,233.00		49,148.57	\$ 33,084.43
1718	Capital Projects and Equipment	3,645,625.00			3,645,625.00	3,645,625.00		
		<u>\$ 6,808,625.00</u>	<u>\$ 228,000.00</u>	<u>\$ 1,837,767.00</u>	<u>\$ 4,742,858.00</u>	<u>\$ 4,560,625.00</u>	<u>\$ 149,148.57</u>	<u>\$ 33,084.43</u>
<u>Ref.</u>	C		Below	C-6	C	C-13	C-3	Below
	Budget Appropriation		\$ 228,000.00					
			<u>\$ 228,000.00</u>					
							C-8	\$ 1,988,399.47
					Less: Unexpended Proceeds of Bond Anticipation Notes Issued		Ordinance # 1718	<u>1,955,315.04</u>
							Above	<u>\$ 33,084.43</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2021

C-8

Description	Ordinance Number	Date	Original Amount	Balance Dec. 31, 2020		2021 Authorized	Cash Receipts	Paid or Charged	Balance Dec. 31, 2021	
				Funded	Unfunded				Funded	Unfunded
Various Capital Improvements	1640	3-28-16	\$ 200,000.00	\$ 29.05					\$ 29.05	
Various Capital Improvements for Roads	1673	11-13-17	250,000.00	23,675.02				\$ 10,275.00	13,400.02	
Various Capital Improvements and Equipment	1674	12-11-17	200,000.00	6,306.05				4,441.00	1,865.05	
Various Capital Improvements and Equipment	1677	2-27-18	250,000.00	7,403.04					7,403.04	
Various Sanitary Sewer Improvements	1691	9-24-18	1,920,000.00		\$ 138,459.33		\$ 16,030.00	121,404.90		\$ 33,084.43
Various Capital Improvements for Roads	1705	6-10-19	550,000.00	550,000.00				59,933.48	490,066.52	
Public Safety Equipment	1706	5-13-19	100,000.00							
Engineering and Public Works	1707	5-13-19	150,000.00	2,078.35				1,861.97	216.38	
Capital Projects and Equipment	1718	9-09-19	3,837,500.00		2,835,498.76			880,183.72		1,955,315.04
Various Capital Improvements and Equipment	1720	10-15-19	85,125.00	7,740.95				7,740.95		
Various Capital Improvements and Equipment	1735	10-13-20	180,000.00	171,466.08				120,639.89	50,826.19	
Various Capital Improvements for Roads	1743	4-12-21	525,000.00			\$ 525,000.00		3,001.11	521,998.89	
Various Capital Improvements for Roads	1744	4-12-21	530,000.00			530,000.00			530,000.00	
Hurrell Track Capital Improvements	1751	9-13-21	150,000.00			150,000.00		150,000.00		
Various Capital Improvements and Equipment	1752	9-13-21	175,000.00			175,000.00		56,867.68	118,132.32	
				<u>\$ 768,698.54</u>	<u>\$ 2,973,958.09</u>	<u>\$ 1,380,000.00</u>	<u>\$ 16,030.00</u>	<u>\$ 1,416,349.70</u>	<u>\$ 1,733,937.46</u>	<u>\$ 1,988,399.47</u>

Ref.	C	C	Below	C-2	C-2	C	C
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	Ref.	
Open Space	C-10a	\$ 150,000.00
NJDOT	C-4	1,055,000.00
Capital Improvement Fund	C-9	175,000.00
Above		<u>\$ 1,380,000.00</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2021

C-9

	<u>Ref.</u>	
Balance, December 31, 2020	C	\$ 214.51
Increased by:		
Current Fund Budget Appropriation	C-2	<u>175,000.00</u>
		175,214.51
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-8	<u>175,000.00</u>
Balance, December 31, 2021	C	<u><u>\$ 214.51</u></u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

GREEN TRUST LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2021

C-10

	<u>Ref.</u>	
Balance, December 31, 2020	C	\$ 140,184.89
Decreased by:		
Paid By Budget Appropriation	C-6	<u>34,007.11</u>
Balance, December 31, 2021	C	<u><u>\$ 106,177.78</u></u>

DUE FROM ESSEX COUNTY OPEN SPACE
YEAR ENDED DECEMBER 31, 2021

C-10a

	<u>Ref.</u>	
Balance, December 31, 2020	C	\$ -
Increased by:		
Current Fund Budget Appropriation Fund Ordinance 1751	C-8	<u>150,000.00</u> <u>150,000.00</u>
Balance, December 31, 2021	C	<u><u>\$ 150,000.00</u></u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

ENVIRONMENTAL INFRASTRUCTURE LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2021

C-11

	<u>Ref.</u>		
Balance, December 31, 2020	C		\$ 190,043.37
Increased by:			
2021 New Jersey Environmental Infastructure Loan	C-6		<u>1,837,767.00</u>
			2,027,810.37
Decreased by:			
Cancellations	C-6	\$ 64,829.30	
Paid By Budget Appropriation	C-6	<u>18,178.72</u>	
			<u>83,008.02</u>
Balance, December 31, 2021	C		<u><u>\$ 1,944,802.35</u></u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

ENVIRONMENTAL INFRASTRUCTURE LOAN RESERVE
YEAR ENDED DECEMBER 31, 2021

C-11a

	<u>Ref.</u>	
Balance, December 31, 2020	C	\$ 233,051.00
Decreased by:		
Cash Receipts	C-2	<u>233,051.00</u>
Balance, December 31, 2021	C	<u>\$ -</u>

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

GENERAL IMPROVEMENT BONDS
YEAR ENDED DECEMBER 31, 2021

C-12

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2021		Interest Rate	Balance Dec. 31, 2020	Decrease	Balance Dec. 31, 2021
			Date	Amount				
General Improvement Refunding Bonds	9-19-2017	\$ 2,130,000.00	8-15-22	\$ 370,000.00	5.00 %			
			8-15-23	360,000.00	5.00	\$ 1,080,000.00	\$ 350,000.00	\$ 730,000.00
						<u>\$ 1,080,000.00</u>	<u>\$ 350,000.00</u>	<u>\$ 730,000.00</u>
					<u>Ref.</u>	C	C-6	C

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2021

C-13

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Original Issue</u>	<u>Date of Maturity</u>	<u>Rate of Interest</u>	<u>Balance Dec. 31, 2020</u>	<u>Notes Issued</u>	<u>Notes Redeemed</u>	<u>Balance Dec. 31, 2021</u>
1612	Various Capital Improvements	07-25-14	07-15-22	1.00%	\$ 1,143,000.00	\$ 1,143,000.00	\$ 1,371,000.00	\$ 915,000.00
1718	Capital Projects and Equipment	09-09-19	07-15-22	1.00%	3,645,625.00	3,645,625.00	3,645,625.00	3,645,625.00
					<u>\$ 4,788,625.00</u>	<u>\$ 4,788,625.00</u>	<u>\$ 5,016,625.00</u>	<u>\$ 4,560,625.00</u>
				<u>Ref.</u>	C	C-2	Below	C
							\$ 228,000.00	
				Paid by Budget Appropriation	C-6		<u>4,788,625.00</u>	
				Notes Renewed	C-2			
				Above			<u>\$ 5,016,625.00</u>	

BOROUGH OF GLEN RIDGE
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2021

C-14

<u>Improvement Description</u>	<u>Number</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2020</u>	<u>Loan Proceeds Received</u>	<u>Balance Dec. 31, 2021</u>
Various Sanitary Sewer Improvements	1689	9-24-18	\$ 100,000.00	\$ 100,000.00		\$ 100,000.00
Various Sanitary Sewer Improvements	1691	9-24-18	1,920,000.00	315,284.00	\$ 233,051.00	82,233.00
				<u>\$ 415,284.00</u>	<u>\$ 233,051.00</u>	<u>\$ 182,233.00</u>
			<u>Ref.</u>	C	C-4a	C

BOROUGH OF GLEN RIDGE
WATER UTILITY

CASH RECEIPTS AND DISBURSEMENTS COLLECTOR - TREASURER
YEAR ENDED DECEMBER 31, 2021

D-5

	<u>Ref.</u>	<u>Operating</u>		<u>Capital</u>
Balance, December 31, 2020	D	\$ 757,791.95		\$ 212,859.31
Increased by Receipts:				
Miscellaneous Revenue	D-3	\$ 2,960.09		
Consumer Accounts Receivable	D-7	1,631,688.68		
New Jersey Environmental Infrastructure Interim Financing Receivable	D-20		\$ 628,804.00	
		<u>1,634,648.77</u>		<u>628,804.00</u>
		2,392,440.72		841,663.31
Decreased by Disbursements:				
Anticipated Revenue - Current Fund	D-1	75,000.00		
Budget Appropriations	D-4	1,386,688.59		
Improvement Authorizations	D-13		24,773.48	
Appropriation Reserves	D-11	<u>17,264.67</u>		<u>24,773.48</u>
		1,478,953.26		24,773.48
Balance, December 31, 2021	D	<u>\$ 913,487.46</u>		<u>\$ 816,889.83</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

ANALYSIS OF CASH AND INVESTMENTS
WATER CAPITAL FUND
YEAR ENDED DECEMBER 31, 2021

D-6

	Balance Dec. 31, 2020	Balance Dec. 31, 2021
Capital Improvement Fund	\$ 4,665.19	\$ 4,665.19
Fund Balance	6,193.27	6,193.27
Due To/(From) General Capital Fund	1,180,000.00	1,180,000.00
Interfund Receivable	(5,950.00)	(5,950.00)
Reserve for Future Improvements	11,000.00	11,000.00
Improvement Authorizations:		
#1502 Various Improvements	657.50	657.50
#1690 Various Improvements	(983,706.65)	(379,676.13)
	\$ 212,859.31	\$ 816,889.83
<u>Ref.</u>	D	D

BOROUGH OF GLEN RIDGE
WATER UTILITY

CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2021

D-7

	<u>Ref.</u>		
Balance, December 31, 2020	D		\$ 234,861.99
Increased by:			
Rent Billings	Reserve		<u>1,572,373.55</u>
			1,807,235.54
Decreased by:			
Collections	D-5	\$ 1,631,688.68	
Overpaid Applied	D-12	<u>5,821.29</u>	
			<u>1,637,509.97</u>
Balance, December 31, 2021	D		<u><u>\$ 169,725.57</u></u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2021

D-8

Ref.

Balance, December 31, 2021 and 2020

D

\$ 8,303,185.92

BOROUGH OF GLEN RIDGE
WATER UTILITY

FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2021

D-9

<u>Description</u>	<u>Ordinance</u>		<u>Amount</u>	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Balance</u> <u>Dec. 31, 2021</u>
	<u>Number</u>	<u>Date</u>			
Various Improvements	1502	11-24-08	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
Various Water Improvements	1688	10-22-18	100,000.00	100,000.00	100,000.00
Various Water Improvements	1690	9-24-18	2,380,000.00	2,380,000.00	2,380,000.00
				<u>\$ 2,510,000.00</u>	<u>\$ 2,510,000.00</u>
				<u>Ref.</u> D	D

BOROUGH OF GLEN RIDGE
WATER UTILITY

INTERFUNDS
YEAR ENDED DECEMBER 31, 2021

D-10

	Ref.	Water Operating Fund		Water Capital Fund		
		Total	Water Capital	Total	General Capital	Water Operating
Balance, December 31, 2020 To(From)	D	<u>\$ 5,950.00</u>	<u>\$ 5,950.00</u>		\$ 1,180,000.00	\$ (5,950.00)
Balance, December 31, 2021 (From)	D	<u>\$ -</u>		<u>\$ (5,950.00)</u>		<u>\$ (5,950.00)</u>
To	D	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,180,000.00</u>		

BOROUGH OF GLEN RIDGE
WATER UTILITY

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2021

D-11

	Balance After Transfers Dec. 31, 2021		Paid or Charged	Balance Lapsed
	Encumbered	Reserved		
Other Expenses	\$ 9,338.13	\$ 205,690.33	\$ 17,264.67	\$ 197,763.79
	\$ 9,338.13	\$ 205,690.33	\$ 17,264.67	\$ 197,763.79
<u>Ref.</u>	D	D	D-5	D-1

BOROUGH OF GLEN RIDGE
WATER UTILITY

OVERPAID WATER RENTS
YEAR ENDED DECEMBER 31, 2021

D-12

	<u>Ref.</u>	
Balance, December 31, 2020	D	\$ 22,892.38
Decreased by:		
Applied to Rents Receivable	D-7	<u>5,821.29</u>
Balance, December 31, 2021	D	<u>\$ 17,071.09</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2021

D-13

Description	Number	Ordinance		Balance Dec. 31, 2020		Expended	Balance Dec. 31, 2021	
		Date	Amount	Funded	Unfunded		Funded	Unfunded
Various Water Improvements	1502	11-24-08	\$ 30,000.00	\$ 657.50			\$ 657.50	
Various Water Improvements	1688	10-22-18	100,000.00		\$ 100,000.00			\$ 100,000.00
Various Water Improvements	1690	9-24-18	2,380,000.00		138,786.35	\$ 24,773.48		114,012.87
				<u>\$ 657.50</u>	<u>\$ 238,786.35</u>	<u>\$ 24,773.48</u>	<u>\$ 657.50</u>	<u>\$ 214,012.87</u>
			<u>Ref.</u>	D	D	D-5	D	D

BOROUGH OF GLEN RIDGE
WATER UTILITY

NEW JERSEY ENVIRONMENTAL LOANS PAYABLE
YEAR ENDED DECEMBER 31, 2021

D-14

	<u>Ref.</u>	
Balance, December 31, 2020	D	\$ 1,788,601.88
Decreased by:		
Loan Repayment	D-18	<u>291,561.95</u>
Balance, December 31, 2021	D	<u>\$ 1,497,039.93</u>

CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2021

D-15

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	D	<u>\$ 4,665.19</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

ACCRUED INTEREST ON LOANS AND NOTES
YEAR ENDED DECEMBER 31, 2021

D-16

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	D	<u>\$ 31,998.65</u>

Analysis of Accrued Interest on Loans at December 31, 2021

<u>NJEIT Loan</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Interest Payable</u>	<u>Period</u>	<u>Amount</u>
	11/01/2003	5.00%	1,719.72	5 Months	\$ 1,433.10
	11/01/2005	4.50%	730.65	5 Months	608.88
	11/01/2006	4.00%	3,887.33	5 Months	3,239.44
	11/01/2010	5.00%	3,520.00	5 Months	2,933.33
	11/01/2010	5.00%	2,182.50	5 Months	1,818.75
	11/01/2010	5.00%	4,750.00	5 Months	3,958.33
	11/01/2021	5.00%	6,425.00	5 Months	5,354.17
					<u>19,346.00</u>
				Add: Amount to be Utilized in Subsequent Year's Budget	<u>12,652.65</u>
					<u>\$ 31,998.65</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

RESERVE FOR FUTURE IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2021

D-17

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	D	<u>\$ 11,000.00</u>

RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2021

D-18

	<u>Ref.</u>	
Balance, December 31, 2020	D	\$ 6,544,584.04
Increased by:		
Loan Repayment	D-14	<u>291,561.95</u>
Balance, December 31, 2021	D	<u>\$ 6,836,145.99</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE INTERIM FINANCING PAYABLE
YEAR ENDED DECEMBER 31, 2021

D-19

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	D	<u>\$ 1,886,311.00</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE INTERIM FINANCING RECEIVABLE
YEAR ENDED DECEMBER 31, 2021

D-20

	<u>Ref.</u>	
Balance, December 31, 2020	D	\$ 628,804.00
Decreased by:		
Loan Proceeds	D-5, D-21	<u>628,804.00</u>
Balance, December 31, 2021	D	<u>\$ -</u>

BOROUGH OF GLEN RIDGE
WATER UTILITY

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2021

D-21

<u>Improvement Description</u>	<u>Number</u>	<u>Ordinance Date</u>	<u>Amount</u>	<u>Balance Dec. 31, 2020</u>	<u>Loan Proceeds</u>	<u>Balance Dec. 31, 2021</u>
Various Water Improvements	1688	10-22-18	\$ 100,000.00	\$ 100,000.00		\$ 100,000.00
Various Water Improvements	1690	9-24-18	2,380,000.00	1,122,493.00	\$ 628,804.00	493,689.00
				<u>\$ 1,222,493.00</u>	<u>\$ 628,804.00</u>	<u>\$ 593,689.00</u>
			<u>Ref.</u>	D	D-5, D-20	D

BOROUGH OF GLEN RIDGE
POOL UTILITY

CASH RECEIPTS AND DISBURSEMENTS
COLLECTOR-TREASURER
YEAR ENDED DECEMBER 31, 2021

E-5

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2020	E	\$ 258,498.04	\$ 19,413.26
Increased by Receipts:			
Miscellaneous Income	E-3	\$ 12,141.74	
Pool Fees	E-3	312,759.50	
Bond Anticipation Note	E-11		<u>\$ 316,000.00</u>
		<u>324,901.24</u>	<u>316,000.00</u>
		583,399.28	335,413.26
Decreased by Disbursements:			
Budget Appropriations	E-4	311,052.84	
Appropriation Reserves	E-8	9,715.26	
Accrued Interest Payable	E-9	4,950.00	
Bond Anticipation Note	E-11		<u>316,000.00</u>
		<u>325,718.10</u>	<u>316,000.00</u>
Balance, December 31, 2021	E	<u>\$ 257,681.18</u>	<u>\$ 19,413.26</u>

BOROUGH OF GLEN RIDGE
POOL UTILITY

CHANGE FUND
DECEMBER 31, 2021

E-6

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	E	<u>\$ 100.00</u>

FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2021

E-7

	<u>Ref.</u>	
Balance, December 31, 2021 and 2020	E	<u>\$ 2,465,683.50</u>

BOROUGH OF GLEN RIDGE
POOL UTILITY

APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2021

E-8

	Balance December 31, 2020		Paid or Charged	Unexpended Balance Canceled
	<u>Encumbered</u>	<u>Reserved</u>		
Salaries and Wages		\$ 59,335.46		\$ 59,335.46
Other Expenses	\$ 784.14	27,937.24	\$ 9,715.26	19,006.12
Capital Outlay	1,175.00	16,750.00		17,925.00
	<u>\$ 1,959.14</u>	<u>\$ 104,022.70</u>	<u>\$ 9,715.26</u>	<u>\$ 96,266.58</u>
<u>Ref.</u>	E	E	E-5	E-1

BOROUGH OF GLEN RIDGE
POOL UTILITY

ACCRUED INTEREST ON NOTES
YEAR ENDED DECEMBER 31, 2021

E-9

	<u>Ref.</u>	
Balance, December 31, 2020	E	\$ 3,751.00
Increased by:		
Budget Appropriation	E-4	4,950.00
		<u>8,701.00</u>
Decreased by:		
Cash Disbursements	E-5	4,950.00
		<u>4,950.00</u>
Balance, December 31, 2021	E, Below	<u><u>\$ 3,751.00</u></u>

Analysis of Accrued Interest on Notes at December 31, 2021

<u>Date of Issue</u>	<u>Principal</u>	<u>Rate</u>	<u>Period</u>	<u>Amount</u>
07/16/21	\$ 316,000.00	1.00%	168 Days	\$ 1,474.67
			Add: Amount to be Utilized in Subsequent Years Budget	<u>2,276.33</u>
				<u><u>\$ 3,751.00</u></u>

Ref. Above

BOROUGH OF GLEN RIDGE
POOL UTILITY

RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2021

E-10

	<u>Ref.</u>	
Balance, December 31, 2020	E	\$ 2,069,683.50
Increased by:		
Paydown on Bond Anticipation Note	E-4, E-11	<u>80,000.00</u>
Balance, December 31, 2021	E	<u><u>\$ 2,149,683.50</u></u>

BOROUGH OF GLEN RIDGE
POOL UTILITY CAPITAL FUND

BOND ANTICIPATION NOTES
YEAR ENDED DECEMBER 31, 2021

E-11

<u>Purpose</u>	<u>Original Date of Issue</u>	<u>Original Amount Issued</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Balance Dec. 31, 2020</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance Dec. 31, 2021</u>
Pool Utility Improvements	7-25-2014	\$ 780,000.00	07-15-2022	1.00%	\$ 396,000.00	\$ 316,000.00	\$ 396,000.00	\$ 316,000.00
					<u>\$ 396,000.00</u>	<u>\$ 316,000.00</u>	<u>\$ 396,000.00</u>	<u>\$ 316,000.00</u>
			<u>Ref.</u>		E	E-5	E-5	E

BOROUGH OF GLEN RIDGE
POOL UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES
YEAR ENDED DECEMBER 31, 2021

E-12

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Balance</u> <u>Dec. 31, 2021</u>
Special Emergency COVID-19	<u>\$ 275,000.00</u>	<u>\$ 275,000.00</u>
	E	E

**BOROUGH OF GLEN RIDGE
ESSEX COUNTY, NEW JERSEY**

**PART III
SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2021 AND 2020**

**ROSTER OF OFFICIALS AS OF DECEMBER 31, 2021
AND REPORT ON SURETY BONDS**

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Stuart Patrick	Mayor	\$
Peter Hughes	Council President	
Paul Lisovicz	Councilman	
David Lefkovits	Councilman	
Ann Marie Morrow	Councilwoman	
Rich Law	Councilman	
Deborah Mans	Councilwoman	
Michael Zichelli	Borough Administrator	
Tara Ventola	Borough Clerk	
Erik DeLine	Director of Planning and Development	
	Tax Search Officer	
	Officer for Searches for Municipal Improvements	
Matthew Laracy	Chief Financial Officer	1,000,000.00
Denise Iandolo	Municipal Court Administrator	50,000.00
George F. Librizzi	Tax Assessor	
Mark Clemente	Judge - Municipal Court	50,000.00
Donna Altschuler	Tax Collector	1,000,000.00
	Water Collector	1,000,000.00
John Malyska	Borough Attorney	

The Borough is covered through the Municipal Excess Liability Joint Insurance Fund. The coverage is \$1,000,000.00 for covered employees (Tax/Water Collector, Chief Financial Officer and the Court Magistrate, Clerk and Administrator). All other employees are covered in the amount of \$50,000.00.

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

N.J.S.A. 40A:11-4, as amended, states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to (N.J.S.A. 40A:11-3c) except by contract or agreement."

It is pointed out that the Borough Council has the responsibility of determining whether the expenditures in any category will exceed the threshold set for the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the opinion of the Borough Attorney should be sought before a commitment is made.

The bidding threshold for the period under review was \$44,000.00 in accordance with the provisions of N.J.S.A. 40A:11-3a, based on the appointment of a qualified purchasing agent.

Notwithstanding N.J.S.A. 40:11-3a, P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-20.5, known as the "Pay to Play Law", provides that a municipality is prohibited from executing any contract in excess of \$17,500.00, on or after January 1, 2006, to a business entity that made certain reportable contributions to any municipal committee of a political party if a member of that party is in office as a member of the governing body of the municipality when the contract is awarded unless proposals or qualifications are solicited through a fair and open process.

It is further noted that contracts between \$17,500.00 and the municipal bidding threshold, known as "window contracts", can be issued by resolution of the governing body without competitive bidding if a non-fair and open process is implemented which prohibits reportable contributions by the business entity. This procedure has been implemented by the Borough.

The minutes indicate that bids were requested by public advertising for all required purchases.

Inasmuch as the system of records did not provide for an accumulation of payments for categories of materials and supplies or related work or labor, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The minutes indicate that proposals were solicited for "Professional Services" in accordance with N.J.S.A. 19:44A:20-5.

It is also noted that certain contracts were awarded under the provisions of N.J.S.A. 40A:11-12, New Jersey State purchasing contracts.

Purchases, Contracts or Agreements Not Required to be Advertised (N.J.S.A. 40A:11-6.1)

N.J.S.A. 40A:11-6.1 states "Except contracts which require the performance of professional services, all contracts or agreements which do not require public advertising for bids and the estimated cost or price exceeds \$6,600.00 at least two quotations as to the cost of price are required. Quotations, whenever practicable, shall be solicited by the contracting agent, and the contract or agreement shall be made with and awarded to the lowest responsible bidder."

Property Acquired by Tax Title Lien Liquidation

There are three properties which remain in tax title lien. If these properties are not readily saleable, they should be placed in the exempt category or otherwise disposed of.

Delinquent Taxes and Tax Title Liens-

Delinquent taxes and tax title liens at December 31, 2021 were \$411,014.20.

Revenues

Receipts from licenses, fees, fines and costs, etc., for all departments, including the Municipal Court, were checked to the records maintained to the extent deemed necessary. The following exception was noted.

Finding 2021-001:

Our examination of animal control receipts and animal control licenses recorded in the monthly reports submitted to the State of New Jersey revealed an immaterial difference from the posting made in the software system. It was noted during testing that license numbers reported by the animal control department did not align with the sequential license numbers submitted to the State of New Jersey.

We recommend the Borough submit monthly dog license reports at the end of each month and perform department reconciliations from department records to submitted remittance reports to the State of New Jersey.

Payment of Claims

The examination did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. Authorization for payment of claims is delegated to the Chief Financial Officer and bill lists are submitted to the Borough Council for approval and recorded as a supplement to the official minutes.

Claims were examined on a test basis for the year under audit and the following opportunity for improvement was noted:

2021-002

In accordance with N.J.A.C. 5:30-5.3, a certification of availability of funds must be made prior to any commitment of rendered services or purchased goods. During our testing, we noted certain transactions were committed prior to the certification of availability of funds.

We recommend that all requisitions are submitted and the CFO certify the availability of funds prior to any commitment of services or receipt of goods.

Purchase Order System and Encumbrance System

The Borough's budgetary operation is on a full encumbrance system with the exception of payrolls and other direct costs. All purchases are made directly by the purchasing department or subsequently confirmed on an emergency basis. Blanket orders and other outstanding encumbrances were reviewed at the close of the year, and adjustments and cancellations were made where appropriate to reflect actual commitments outstanding for budgetary control.

Status of Prior Years' Audit Recommendations

In accordance with regulations promulgated by the Single Audit Act and the Division of Local Government Services, all municipalities are required to prepare and submit to the Division of Local Government Services, a Corrective Action Plan with regard to audit deficiencies. This plan must be approved by formal resolution of the Governing Body and submitted within 60 days from the date the audit is received. A plan was prepared for items found in the CY 2020 Report on Examination of Accounts.

A review was performed on all prior years' recommendations and findings. Finding 2021-002 is repeated from the prior year.

Miscellaneous

A statutory report on the operations of the Municipal Court was prepared as part of our examination and copies filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Borough Clerk.

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

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

A separate Trust Fund for State Unemployment Insurance Compensation is detailed in Section "B" herein.

As a separate report on the operations of the Uniform Construction Code Office was also prepared and filed with the New Jersey Division of Local Government Services.

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

A copy of this report was filed with the New Jersey Division of Local Government Services.

A summary or synopsis of this report was prepared for publication and filed with the Borough Clerk.

RECOMMENDATIONS

Revenues:

The Borough should submit monthly dog license reports at the end of each month and perform reconciliations from department records to submitted remittance reports.

Payment of Claims:

The Borough should certify to the availability of funds prior to any commitment of rendered services or purchase of goods.

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

We shall be pleased to confer with the members of the Borough Council on questions that might arise with respect to any matters in this report.

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

PKF O'Connor Davies, LLP

Cranford, New Jersey
August 17, 2022

Robert E. Provost

Robert Provost, CPA
Licensed Registered Municipal Accountant, No. 582