

**TOWN OF WEST NEW YORK**  
**HUDSON COUNTY, NEW JERSEY**  
**REPORT OF AUDIT**  
**YEAR ENDED DECEMBER 31, 2019**

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**TOWN OF WEST NEW YORK**

**HUDSON COUNTY, NEW JERSEY**

**PART I**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2019**

# **LERCH, VINCI & HIGGINS, LLP**

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REGISTERED MUNICIPAL ACCOUNTANTS**

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## **INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and  
Members of the Board of Commissioners  
Town of West New York  
West New York, New Jersey

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

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Town of West New York, as of December 31, 2019 and 2018, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2019, and the related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. 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 misstatements, whether due to fraud or error.

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

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

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

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Town of West New York on the basis of the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the financial reporting requirements of the State of New Jersey for municipal government entities.

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

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Town of West New York as of December 31, 2019 and 2018, or changes in financial position for the years then ended.

***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account group of the Town of West New York as of December 31, 2019 and 2018, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the respective revenues – regulatory basis and expenditures – regulatory basis of the various funds for the year ended December 31, 2019 in accordance with the financial accounting and reporting provisions and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

***Emphasis of a Matter***

As discussed in Note 21 to the financial statements the Parking Authority of the Town of West New York was dissolved on November 26, 2019. The Town of West New York created a Parking Utility Fund and assumed the operations of the Authority effective November 27, 2019. Our opinion is not modified with respect to that matter.

***Other Matters***

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Town of West New York as a whole. The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance and the supplementary data and letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the financial statements of the Town of West New York.

The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole on the basis of accounting described in Note 1.

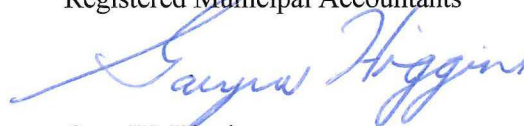
The supplementary data and letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with Government Auditing Standards, we have also issued our report dated September 30, 2020 on our consideration of the Town of West New York'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of West New York's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town of West New York's internal control over financial reporting and compliance.



LERCH, VINCI & HIGGINS, LLP  
Certified Public Accountants  
Registered Municipal Accountants



Gary W. Higgins  
Registered Municipal Accountant  
RMA Number CR00405

Fair Lawn, New Jersey  
September 30, 2020

**TOWN OF WEST NEW YORK**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND**  
**AS OF DECEMBER 31, 2019 AND 2018**

ASSETS	<u>Reference</u>	<u>2019</u>	<u>2018</u>
Regular Fund			
Cash	A-4	\$ 28,667,575	\$ 28,961,677
Cash Held by Third Party	A-4	1,183,279	961,064
Cash - Change Funds	A-5	500	500
Prepaid Debt Service	A-7	<u>822,165</u>	<u>670,015</u>
		<u>30,673,519</u>	<u>30,593,256</u>
Receivables and Other Assets With Full Reserves			
Delinquent Property Taxes Receivable	A-9	20,778	42,964
Tax Title Liens	A-10	395,330	362,061
Due from Federal and State Grant Fund	A-24	293,722	41,179
Due from General Capital Fund	C-13		5,728
Due from Parking Utility Operating Fund	A-8	5,055	
Due from Animal Control Fund	B-2	<u>20,826</u>	<u>20,826</u>
		<u>735,711</u>	<u>472,758</u>
Total Regular Fund		<u>31,409,230</u>	<u>31,066,014</u>
Federal and State Grant Fund			
Cash - Treasurer	A-23	573,991	416,798
Federal and State Grant Receivables	A-25	<u>428,821</u>	<u>352,119</u>
Total Federal and State Grant Fund		<u>1,002,812</u>	<u>768,917</u>
Total Assets		<u>\$ 32,412,042</u>	<u>\$ 31,834,931</u>

**TOWN OF WEST NEW YORK**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND**  
**AS OF DECEMBER 31, 2019 AND 2018**

	<u>Reference</u>	<u>2019</u>	<u>2018</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
<b>Regular Fund</b>			
Appropriation Reserves	A-3,A-12	\$ 4,573,997	\$ 6,670,452
Due to North Hudson Sewerage Authority	A-13	813,837	706,408
Encumbrances Payable	A-14	4,116,400	3,435,072
Accounts Payable	A-22	7,659	18,903
Prepaid Taxes and PILOTS	A-15	1,163,561	605,212
Tax and PILOT Overpayments	A-16	484,604	741,963
County Taxes Payable	A-17	104,446	135,383
Local District School Taxes Payable	A-18		100,000
Due to West New York Parking Authority	A-30		35,119
Due to Other Trust Fund	B-6	2,080,441	1,537,527
Reserve for Tax Appeals	A-20	359,002	246,031
Reserve for Master Tax Plan	A-21	142,967	142,967
Reserve for Bid Deposits Payable	A-31	493,977	256,961
Reserve for Insurance Runout Claims	A-19	1,183,279	961,064
Due to State of New Jersey for Senior Citizens' and Veterans' Deductions	A-6	<u>58,254</u>	<u>58,155</u>
		15,582,424	15,651,217
Reserve for Receivables and Other Assets	A	735,711	472,758
Fund Balance	A-1	<u>15,091,095</u>	<u>14,942,039</u>
<b>Total Regular Fund</b>		<u>31,409,230</u>	<u>31,066,014</u>
<b>Federal and State Grant Fund</b>			
Reserve for Federal and State Grants - Appropriated	A-26	708,751	618,748
Reserve for Federal and State Grants - Unappropriated	A-27		41,074
Encumbrances Payable	A-29		65,674
Due to Other Trust Fund	B-5		1,903
Due to Grantor	A-28	339	339
Due to Current Fund	A-24	<u>293,722</u>	<u>41,179</u>
<b>Total Federal and State Grant Fund</b>		<u>1,002,812</u>	<u>768,917</u>
<b>Total Liabilities, Reserves and Fund Balance</b>		<u>\$ 32,412,042</u>	<u>\$ 31,834,931</u>

**TOWN OF WEST NEW YORK**  
**COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -**  
**REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>Reference</u>	<u>2019</u>	<u>2018</u>
<b>REVENUES AND OTHER INCOME</b>			
Fund Balance Utilized	A-2	\$ 8,320,000	\$ 7,400,000
Miscellaneous Revenue Anticipated	A-2	39,965,783	39,001,405
Receipts from Delinquent Taxes	A-2	30,875	39,188
Receipts from Current Taxes	A-2	69,632,225	68,630,966
Non-Budget Revenue	A-2	1,106,062	992,877
Other Credits to Income			
Unexpended Balances of Appropriation Reserves	A-12	5,136,062	5,636,194
Appropriated Grant Reserves Cancelled	A-1		9,800
Accounts Payable Cancelled	A-22	14,615	5,908
Interfunds Liquidated	A		45,122
Statutory Excess - Animal Control Fund	A-1		2,242
Tax Overpayments Cancelled	A-1	-	62,517
		<u>124,205,622</u>	<u>121,826,219</u>
Total Revenues and Other Income			
<b>EXPENDITURES</b>			
Budget Appropriations			
Operations Within "CAPS"			
Salaries and Wages	A-3	26,207,225	26,546,800
Other Expenses	A-3	29,264,023	27,382,127
Operations Excluded from "CAPS"			
Salaries and Wages	A-3	43,444	19,444
Other Expenses	A-3	16,408,370	15,711,792
Capital Improvements	A-3	125,000	125,000
Municipal Debt Service	A-3	5,339,510	5,809,707
Local School District Purposes	A-3	272,300	280,000
Statutory Expenditures, Deferred Charges and Judgements	A-3	6,382,742	5,930,367
		<u>84,042,614</u>	<u>81,805,237</u>
Total Budget Expenditures			

**TOWN OF WEST NEW YORK**  
**COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -**  
**REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>Reference</u>	<u>2019</u>	<u>2018</u>
EXPENDITURES (Continued)			
County Taxes	A-17	\$ 13,318,481	\$ 12,703,310
County Open Space Preservation	A-17	317,553	284,455
Local District School Tax	A-18	17,743,655	17,199,617
Senior Citizen/Veterans Deduction Disallowed - Prior Years	A-1		5,123
Senior Citizen/Veterans Deduction Disallowed - Taxation Audit	A-1		1,806
Refund of Prior Year Revenue	A-4	62,393	
Interfunds Advanced	A-1	<u>251,870</u>	<u>19,467</u>
Total Expenditures		<u>115,736,566</u>	<u>112,019,015</u>
Excess in Revenue		8,469,056	9,807,204
Fund Balance, January 1	A	<u>14,942,039</u>	<u>12,534,835</u>
		23,411,095	22,342,039
Utilization as Anticipated Revenue	A-2	<u>8,320,000</u>	<u>7,400,000</u>
Fund Balance, December 31	A	<u>\$ 15,091,095</u>	<u>\$ 14,942,039</u>

**TOWN OF WEST NEW YORK**  
**STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Reference</u>	<u>Budget</u>	Added by N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or (Deficit)
<b>SURPLUS ANTICIPATED</b>					
Surplus Anticipated	A-1	\$ 8,320,000	-	\$ 8,320,000	-
<b>MISCELLANEOUS REVENUES</b>					
Licenses					
Alcoholic Beverages	A-11	104,180		109,291	\$ 5,111
Other	A-2	149,400		179,270	29,870
Fees and Permits	A-2	47,800		256,472	208,672
Fines and Costs					
Municipal Court	A-11	2,470,155		2,186,101	(284,054)
Interest and Costs on Taxes	A-11	267,515		130,854	(136,661)
Interest on Investments and Deposits	A-11	270,350		388,746	118,396
Payment in Lieu of Taxes					
Waterfront and All Others	A-11	22,676,650		24,132,607	1,455,957
Cable T.V. Franchise Tax	A-11	394,320		394,320	
Pool Membership Fees	A-11	155,450		154,690	(760)
EMT Service Fees	A-11	677,565		796,223	118,658
Hudson County Sewerage Authority (FOG)	A-11	400,000		400,000	
Consolidated Municipal Property Tax Relief Aid	A-11	1,592,980		1,592,980	
Energy Receipts Tax	A-11	5,217,399		5,217,399	
Uniform Construction Code Fees (N.J.S.A.40A:4-36)					
Uniform Construction Code Fees	A-11	1,575,000		1,354,504	(220,496)
Interlocal Agreements					
Reimbursement for Health Services					
Guttenberg	A-11	28,000			(28,000)

**TOWN OF WEST NEW YORK**  
**STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Reference</u>	<u>Budget</u>	Added by N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or (Deficit)
Municipal Alliance on Alcoholism and Drug Abuse	A-25	\$ 42,943		\$ 42,943	
Summer Food Program	A-25	187,202	\$ 2,152	189,354	
Distracted Driver Grant	A-25	6,600		6,600	
Bulletproof Vest Partnership Grant	A-25	8,000		8,000	
Drive Sober or Get Pulled Over -Holiday Crackdown	A-25	5,500	5,500	11,000	
Recycling Tonnage Grant	A-25	90,822		90,822	
Reserve for Recycling Tonnage Grant	A-27	38,415		38,415	
Clean Communities Program	A-25	72,918		72,918	
Safe and Secure Grant	A-25		180,000	180,000	
Body Armor Replacement Grant	A-25	10,874		10,874	
Reserve for Pedestrian Safety Grant	A-27	2,640		2,640	
Alcohol Education Rehabilitation Grant	A-25		13,423	13,423	
FEMA - Fire Prevention & Safety Grant	A-25		57,334	57,334	
Towing Admin Fees	A-11	32,000			\$ (32,000)
Reserve for Payment of Debt - General Capital Fund	C-14	265,000		265,000	
UEZ Reserve - Other Trust Fund	B-8	122,000		122,000	
West New York Board of Education					
Reimbursement for Recreation Services	A-11	671,684		671,684	
Reimbursement for Police Security	A-11	515,568		600,330	84,762
Reimbursement for Waste Disposal	A-11	195,416		195,416	
Reimbursement for Fuel	A-11	100,000	-	93,573	(6,427)
Total Miscellaneous Revenues	A-1	<u>38,394,346</u>	<u>258,409</u>	<u>39,965,783</u>	<u>1,313,028</u>
RECEIPTS FROM DELINQUENT TAXES	A-1,A-2	<u>41,000</u>	<u>-</u>	<u>30,875</u>	<u>(10,125)</u>
AMOUNT TO BE RAISED BY TAXES FOR SUPPORT OF MUNICIPAL BUDGET:					
Local Tax for Municipal Purposes	A-2	36,867,145		38,089,725	1,222,580
Addition to Local District School Tax	A-2	272,300		272,300	
Minimum Library Tax	A-2	<u>1,035,511</u>	<u>-</u>	<u>1,035,511</u>	<u>-</u>
TOTAL AMOUNT TO BE RAISED BY TAXES BY FOR SUPPORT OF MUNICIPAL BUDGET		<u>38,174,956</u>	<u>-</u>	<u>39,397,536</u>	<u>1,222,580</u>
Total General Revenues	A-3	<u>\$ 84,930,302</u>	<u>\$ 258,409</u>	87,714,194	<u>\$ 2,525,483</u>
Non-Budget Revenue	A-1,A-2,A-4			<u>1,106,062</u>	
				<u>\$ 88,820,256</u>	

**TOWN OF WEST NEW YORK  
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2019**

ANALYSIS OF REALIZED REVENUES	<u>Reference</u>	
Allocation of Current Tax Collection		
Revenue from Collections	A-1,A-9	\$ 69,632,225
Less: Allocated to School and County Taxes	A-17,A-18	<u>31,379,689</u>
Balance for Support of Municipal Budget Appropriations		38,252,536
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>1,145,000</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 39,397,536</u>
Licenses- Other		
Borough Clerk		\$ 106,998
Police		45,717
Board of Health		<u>26,555</u>
	A-2,A-11	<u>\$ 179,270</u>
Fees and Permits - Other		
Zoning Board		\$ 14,046
Fire Safety		221,137
Police		<u>21,289</u>
	A-2,A-11	<u>\$ 256,472</u>
Receipts from Delinquent Taxes		
Taxes Receivable	A-9	\$ 30,281
Tax Title Liens	A-10	<u>594</u>
	A-2	<u>\$ 30,875</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF REVENUES - REGULATORY BASIS - CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2019**

Reference

ANALYSIS OF NON-BUDGET REVENUES

Assessor's Office - Certified Property Lists	\$ 23,347
Street Opening Permits	21,879
Rent Control Board	47,875
Tower Viewer - Donnelly Park	1,119
Municipal Court- Filing Fees/Unclaimed Bail	1,056
LEA/Housing Inspections	28,823
Tax Abatement PILOT	5,200
Property Registrations	65,000
Insurance Reimbursements	730,993
Administrative Fee Senior and Veteran Deductions	582
Miscellaneous	<u>180,188</u>
A-1,A-2,A-4	<u>\$ 1,106,062</u>

**TOWN OF WEST NEW YORK**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

OPERATIONS - WITHIN "CAPS"	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
GENERAL GOVERNMENT					
Department of Public Affairs					
Director's Office					
Salaries and Wages	\$ 75,000	\$ 63,000	\$ 62,584	\$ 416	
Other Expenses	60,000	60,000	42,621	17,379	
Town Clerk					
Salaries and Wages	380,000	390,000	389,629	371	
Other Expenses					
Legal Advertising and Publications	32,000	38,000	35,335	2,665	
Miscellaneous Other Expenses	15,000	15,000	8,966	6,034	
Codifications of Ordinances	6,000	6,000	1,195	4,805	
Poormaster's Fund					
Other Expenses	1,500	1,500		1,500	
Elections					
Salaries and Wages	25,000	25,000		25,000	
Other Expenses	174,000	168,000	126,360	41,640	
Community Development					
Other Expenses	100	100		100	
Board of Health					
Salaries and Wages	351,000	237,800	176,718	61,082	
Other Expenses	143,860	208,860	201,363	7,497	
Vital Statistics - Salaries and Wages	81,500	81,700	81,442	258	
Prosecutor					
Other Expenses	120,000	120,000	76,403	43,597	
Public Relations					
Other Expenses	140,000	140,000	107,528	32,472	
Rent Control Board					
Salaries and Wages	100,000	92,900	84,392	8,508	
Other Expenses	43,000	43,000	21,220	21,780	
Town Funding Program					
Other Expenses	133,000	133,000	120,000	13,000	

**TOWN OF WEST NEW YORK**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

OPERATIONS - WITHIN "CAPS"	<u>Appropriated</u>		<u>Expended</u>		Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
GENERAL GOVERNMENT					
Housing Inspection					
Salaries and Wages	\$ 420,000	\$ 261,400	\$ 259,569	\$ 1,831	
Other Expenses	800	800		800	
Tenants Relations					
Other Expenses	143,920	143,920	87,560	56,360	
School Crossing Guards					
Salaries and Wages	755,000	824,000	822,869	1,131	
Law Department					
Salaries and Wages	15,000	15,000	15,000		
Other Expenses	950,000	950,000	841,424	108,576	
Supervised Play Activity					
Salaries and Wages	800,000	773,000	718,354	54,646	
Other Expenses	303,850	303,850	300,585	3,265	
Senior Citizens Coordinator of Events					
Salaries and Wages	240,000	286,000	282,648	3,352	
Other Expenses	120,000	120,000	87,408	32,592	
Administrative Offices					
Salaries and Wages	280,000	311,000	309,831	1,169	
Other Expenses	68,000	88,000	64,664	23,336	
Insurance/Personnel Department					
Salaries and Wages	46,375	53,475	53,417	58	
Other Expenses	5,510	5,510	3,150	2,360	
Zoning Board					
Other Expenses	55,000	55,000	54,034	966	
Planning Board					
Salaries and Wages	66,150	73,250	73,234	16	
Other Expenses	55,000	55,000	29,201	25,799	
North Hudson Regional Council of Mayors					
Town Share	65,380	65,380	64,035	1,345	

**TOWN OF WEST NEW YORK**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>
OPERATIONS - WITHIN "CAPS"		<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>
GENERAL GOVERNMENT					
North Hudson Regional Council of Mayors Aid Task Force					
Town Share	\$ 11,193	\$ 11,193	\$ 1,345	\$ 9,848	
Urban Enterprise Zone					
Other Expenses	8,000	8,000		8,000	
Department of Revenue and Finance					
Director's Office					
Salaries and Wages	100,000	68,000	67,644	356	
Other Expenses	33,000	33,000	15,670	17,330	
Treasurer's Office					
Salaries and Wages	545,000	433,900	433,472	428	
Other Expenses					
Annual F/S and Annual Audit	559,650	559,650	436,935	122,715	
Miscellaneous Other Expenses	120,000	120,000	75,690	44,310	
Payroll Service Fee	45,000	45,000	41,064	3,936	
Assessment of Taxes					
Salaries and Wages	250,000	230,000	218,335	11,665	
Other Expenses	64,000	64,000	51,237	12,763	
Collection of Taxes					
Salaries and Wages	355,000	345,000	338,647	6,353	
Other Expenses	39,000	49,000	43,933	5,067	
Insurance					
General Liability Insurance	1,303,000	1,303,000	810,420	492,580	
Workers Compensation Insurance	1,005,000	1,005,000	982,114	22,886	
Employee Group Health	13,695,000	13,579,000	12,985,041	593,959	
Unemployment Insurance	165,000	165,000	132,036	32,964	
Health Waiver	25,000	25,000		25,000	
Purchasing Agent					
Salaries and Wages	188,500	212,700	212,272	428	
Other Expenses	18,000	18,000	12,849	5,151	
DEPARTMENT OF PUBLIC SAFETY					
Director's Office					
Salaries and Wages	385,000	429,600	429,488	112	
Other Expenses	67,000	67,000	64,475	2,525	
Police					
Salaries and Wages	14,725,000	14,770,000	14,659,453	110,547	
Other Expenses	575,000	625,000	618,908	6,092	
Public Safety Mechanics					
Salaries and Wages	175,000	135,000	129,239	5,761	
Juvenile Aid					
Other Expenses	4,000	4,000		4,000	

**TOWN OF WEST NEW YORK**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>
OPERATIONS - WITHIN "CAPS"		<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>
GENERAL GOVERNMENT (Continued)					
DEPARTMENT OF PUBLIC SAFETY (Continued)					
Uniform Fire Safety					
Salaries and Wages	\$ 210,000	\$ 199,000	\$ 194,344	\$ 4,656	
Other Expenses	25,000	25,000	21,868	3,132	
Ambulance Squad					
Salaries and Wages	820,000	801,000	795,139	5,861	
Other Expenses	160,000	160,000	155,716	4,284	
Office of Emergency Management					
Other Expenses	9,000	9,000	8,049	951	
Department of Public Works					
Director's Office					
Salaries and Wages	85,000	82,000	70,786	11,214	
Other Expenses	35,000	35,000	27,956	7,044	
Streets and Sewers					
Salaries and Wages	2,000,000	1,850,000	1,845,232	4,768	
Other Expenses	370,000	420,000	415,710	4,290	
Snow Removal	125,000	125,000	54,891	70,109	
Street Lighting					
Other Expenses	680,000	784,000	595,505	188,495	
Fire Hydrant Rental					
Other Expenses	230,000	252,000	215,796	36,204	
Recycling					
Other Expenses	550,000	522,900	252,285	270,615	
Garbage and Trash					
Salaries and Wages	650,000	753,000	750,472	2,528	
Other Expenses	3,094,760	3,094,760	2,675,049	419,711	
Engineering Services and Costs					
Other Expenses	650,000	650,000	331,359	318,641	

**TOWN OF WEST NEW YORK**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>		<u>Cancelled</u>
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT (Continued)					
DEPARTMENT OF PUBLIC SAFETY (Continued)					
Department of Parks and Public Property					
Director's Office					
Salaries and Wages	\$ 215,000	\$ 199,000	\$ 197,264	\$ 1,736	
Other Expenses	18,000	18,000	17,355	645	
Divisions of Parks					
Salaries and Wages	520,000	612,000	602,186	9,814	
Other Expenses	105,000	235,000	188,249	46,751	
Celebration of Public Events Anniversary or Holiday					
Salaries and Wages	180,000	167,000	154,239	12,761	
Other Expenses	68,000	78,000	74,243	3,757	
Public Buildings and Ground Maintenance					
Salaries and Wages	195,700	148,700	147,471	1,229	
Other Expenses	345,000	450,100	442,275	7,825	
Light and Power					
Other Expenses	475,000	440,000	345,716	94,284	
Centralized Postage					
Other Expenses	60,000	70,000	63,521	6,479	
Fuel					
Other Expenses	300,000	300,000	278,288	21,712	
Telephone					
Other Expenses	225,000	225,000	215,039	9,961	
Water					
Other Expenses	165,000	165,000	108,896	56,104	
Sewerage					
Other Expenses	123,500	123,500	66,138	57,362	
Signal Bureau					
Other Expenses	20,000	20,000		20,000	

**TOWN OF WEST NEW YORK  
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>
UNIFORM CONSTRUCTION CODE					
CODE ENFORCEMENT AND ADMINISTRATION					
Uniform Construction Code Enforcement Functions					
Construction Code Official					
Salaries and Wages	\$ 610,000	\$ 597,000	\$ 571,007	\$ 25,993	
Other Expenses	140,000	203,000	200,137	2,863	
UNCLASSIFIED					
Municipal Court					
Salaries and Wages	825,000	686,800	675,023	11,777	
Other Expenses	240,000	240,000	177,371	62,629	
Reserve for Tax Appeals	125,000	125,000	125,000		
Public Defender					
Other Expenses	87,000	87,000	55,759	31,241	-
Total Operations Within "CAPS"	55,467,248	55,466,248	51,478,340	3,987,908	-
Contingent	5,000	5,000	-	5,000	-
Total Operations Including Contingent Within "CAPS"	55,472,248	55,471,248	51,478,340	3,992,908	-
Detail:					
Salaries and Wages	26,669,225	26,207,225	25,821,400	385,825	-
Other Expenses (Including Contingent)	28,803,023	29,264,023	25,656,940	3,607,083	-
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
DEFERRED CHARGES:					
Contribution to:					
Public Employees Retirement System of NJ	1,013,271	1,013,271	1,013,271		
PERS Adjustments	100,000	100,000	31,341	68,659	
Police and Fireman's Retirement System of NJ	3,553,745	3,553,745	3,553,745		
Social Security System (O.A.S.I.)	1,143,300	1,143,300	1,114,057	29,243	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	5,810,316	5,810,316	5,712,414	97,902	-
Total General Appropriations for Municipal Purposes Within "CAPS"	61,282,564	61,281,564	57,190,754	4,090,810	-

**TOWN OF WEST NEW YORK**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>
<b>OPERATIONS - EXCLUDED FROM "CAPS"</b>					
Public Library					
Maintenance of Free Public Library	\$ 1,035,511	\$ 1,035,511	\$ 645,167	\$ 390,344	
Interlocal Municipal Service Agreements					
Reimbursements for Health Services					
Board of Health - Guttenberg					
Salaries and Wages	24,000	24,000	24,000		
Board of Health - Chapter 226 Nursing Services					
Salaries and Wages	19,444	19,444	19,444		
Contribution to North Hudson Regional Fire	14,637,800	14,637,800	14,544,957	92,843	
Public and Private Programs Offset by Revenues					
Summer Food Program	187,202	189,354	189,354		
Clean Communities Program	72,918	72,918	72,918		
Municipal Alliance	42,943	42,943	42,943		
Municipal Alliance-Local Match	10,736	10,736	10,736		
Bulletproof Vest Partnership Grant	8,000	8,000	8,000		
Drive Sober Or Get Pulled Over	5,500	11,000	11,000		
Safe and Secure Communities Grant		180,000	180,000		
Fire Prevention & Safety Grant		57,334	57,334		
Alcohol Education & Rehabilitation Program		13,423	13,423		
Predestrian Safety Grant	2,640	2,640	2,640		
Recycling Tonnage - Reserve	38,415	38,415	38,415		
Distracted Driver	6,600	6,600	6,600		
Recycling Tonnage Grant	90,822	90,822	90,822		
Body Armor Replacement Grant	10,874	10,874	10,874	-	-
Total Operations - Excluded from "CAPS"	16,193,405	16,451,814	15,968,627	483,187	-
Detail:					
Salaries and Wages	43,444	43,444	43,444	-	-
Other Expenses	16,149,961	16,408,370	15,925,183	483,187	-
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>					
Capital Improvement Fund	125,000	125,000	125,000	-	-
Total Capital Improvement Excluded from "CAPS"	125,000	125,000	125,000	-	-
<b>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>					
Payment of Bond Principal	2,790,000	2,790,000	2,790,000		
Payment of Note Principal	290,800	290,800	290,800		
Interest on Bonds	551,290	551,290	551,290		
Interest on Notes	328,140	328,140	327,229		\$ 911
Green Trust Loan Program					
Loan Repayments for Principal and Interest	140,273	141,073	141,066		7
North Hudson Regional Fire Debt Service	1,117,100	1,117,300	1,117,218		82
HCIA Loan Payment	122,000	122,000	121,907	-	93
Total Municipal Debt Service Excluded from "CAPS"	5,339,603	5,340,603	5,339,510	-	1,093

**TOWN OF WEST NEW YORK**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Appropriated</u>	<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>	<u>Cancelled</u>
OPERATIONS - EXCLUDED FROM "CAPS" (Continued)				
Judgements	\$ 572,430	\$ 572,430	\$ 572,426	\$ 4
Total Operations - Excluded from "CAPS"	22,230,438	22,489,847	22,005,563	1,097
For Local School District Purposes - Excluded from "CAPS"				
Type I School District Debt Service				
Payment of Bond Principal	220,000	220,000	220,000	
Interest on School Bonds	52,300	52,300	52,300	-
Total Type I School District Debt Service	272,300	272,300	272,300	-
Total General Appropriations	83,785,302	84,043,711	79,468,617	1,097
Reserve for Uncollected Taxes	1,145,000	1,145,000	1,145,000	-
Total General Appropriations	\$ 84,930,302	\$ 85,188,711	\$ 80,613,617	\$ 1,097
Reference	A-2	A-3	A-3	A

**TOWN OF WEST NEW YORK  
STATEMENT OF EXPENDITURES - REGULATORY BASIS - CURRENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Reference</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>
Budget as Adopted	A-2	\$ 84,930,302	
Added Per N.J.S.A. 40A:4-87	A-2	<u>258,409</u>	
	A-3	<u>\$ 85,188,711</u>	
Cash Disbursed	A-4		\$ 73,407,002
Due to Federal and State Grant Fund	A-26		735,059
Due to General Capital Fund - Budget Appropriation:			
Capital Improvement Fund	C-13		125,000
Principal Payment of BAN	C-13		290,800
Current Fund Expenditures Paid by General Capital Fund	C-13		841
Reserve for Uncollected Taxes	A-2		1,145,000
Encumbrances Payable	A-14		4,114,900
Prepaid Expense	A-7		670,015
Reserve for Tax Appeals	A-20		<u>125,000</u>
			<u>\$ 80,613,617</u>

The Accompanying Notes are an Integral Part of These Financial Statements

**TOWN OF WEST NEW YORK**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUNDS**  
**AS OF DECEMBER 31, 2019 AND 2018**

	<u>Reference</u>	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>			
<b>ANIMAL CONTROL FUND</b>			
Cash	B-1	\$ 21,918	\$ 12,058
Due from Other Trust Fund	B-7	<u>-</u>	<u>15,390</u>
		<u>21,918</u>	<u>27,448</u>
<b>OTHER TRUST FUND</b>			
Cash	B-1	4,263,149	4,577,952
Due from Current Fund	B-6	2,080,441	1,537,527
Due from Federal and State Grant Fund	B-5	<u>-</u>	<u>1,903</u>
		<u>6,343,590</u>	<u>6,117,382</u>
<b>COMMUNITY DEVELOPMENT BLOCK GRANT FUND</b>			
Due from County of Hudson Community Development Block Grant	B-13	<u>114,324</u>	<u>114,324</u>
Total Assets		<u>\$ 6,479,832</u>	<u>\$ 6,259,154</u>

**TOWN OF WEST NEW YORK**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - TRUST FUNDS**  
**AS OF DECEMBER 31, 2019 AND 2018**

	<u>Reference</u>	<u>2019</u>	<u>2018</u>
<b>LIABILITIES AND RESERVES</b>			
<b>ANIMAL CONTROL FUND</b>			
Reserve for Animal Control Expenditures	B-3	\$ 1,091	\$ 6,614
Due to State of New Jersey	B-4	1	8
Due to Current Fund	B-2	<u>20,826</u>	<u>20,826</u>
		<u>21,918</u>	<u>27,448</u>
<b>OTHER TRUST FUND</b>			
Various Trust Reserves	B-8	5,710,638	5,692,220
Reserve for Payroll Deductions Payable	B-9		5,812
Accrued Salaries and Wages	B-10		402
Due to Animal Control Fund	B-7		15,390
Due to Third Party Lienholders	B-11	273,266	141,198
Encumbrances Payable	B-16	258,046	131,239
Due to State of New Jersey - Unemployment	B-12	<u>101,640</u>	<u>131,121</u>
		<u>6,343,590</u>	<u>6,117,382</u>
<b>COMMUNITY DEVELOPMENT BLOCK GRANT FUND</b>			
Reserve for Community Development Block Grant	B-14	114,324	99,001
Encumbrances Payable	B-15	<u>-</u>	<u>15,323</u>
		<u>114,324</u>	<u>114,324</u>
<b>Total Liabilities and Reserves</b>		<u>\$ 6,479,832</u>	<u>\$ 6,259,154</u>

**TOWN OF WEST NEW YORK**  
**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - GENERAL CAPITAL FUND**  
**AS OF DECEMBER 31, 2019 AND 2018**

ASSETS	<u>Reference</u>	<u>2019</u>	<u>2018</u> (Restated)
Cash	C-2,C-3	\$ 4,268,618	\$ 6,756,877
Grants Receivable	C-11	5,327,377	2,042,196
Deferred Charges to Future Taxation - Funded	C-4	28,785,317	20,904,876
Deferred Charges to Future Taxation - Unfunded	C-5	<u>955,058</u>	<u>11,447,858</u>
 Total Assets		 <u>\$ 39,336,370</u>	 <u>\$ 41,151,807</u>
 <b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
General Serial Bonds	C-6	26,827,000	18,597,000
School Serial Bonds	C-7	1,520,000	1,740,000
State of New Jersey - Green Acres Loans Payable	C-8	438,317	567,876
Bond Anticipation Notes Payable	C-9		10,938,000
Contracts Payable	C-15	967,054	1,831,087
Due to Current Fund	C-13		5,728
Capital Improvement Fund	C-10	324,708	277,385
Reserve for Payment of Debt	C-14	313,162	493,659
Improvement Authorizations			
Funded	C-12	7,964,145	975,242
Unfunded	C-12	356,460	5,100,306
Fund Balance	C-1	<u>625,524</u>	<u>625,524</u>
 Total Liabilities, Reserves and Fund Balance		 <u>\$ 39,336,370</u>	 <u>\$ 41,151,807</u>

There were bonds and notes authorized but not issued on December 31, 2019 of \$955,058 and 2018 of \$511,824. (Exhibit C-16)

**TOWN OF WEST NEW YORK**  
**COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS**  
**GENERAL CAPITAL FUND**  
**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>Reference</u>	<u>2019</u>	<u>2018</u>
Balance, January 1	C	\$ 625,524	\$ 725,524
Decreased by:			
Appropriated to Finance Improvement Authorization	C-1	-	100,000
Balance, December 31	C	<u>\$ 625,524</u>	<u>\$ 625,524</u>

**TOWN OF WEST NEW YORK  
BALANCE SHEET - REGULATORY BASIS -  
PARKING UTILITY FUND  
AS OF DECEMBER 31, 2019  
(Inception Year)**

	<u>Reference</u>	<u>2019</u>
<b>ASSETS</b>		
Operating Fund		
Cash	D-4	\$ 2,903,198
Receivables Offset with Reserves		
Other Receivables	D-7	<u>42,399</u>
Total Operating Fund		<u>2,945,597</u>
Capital Fund		
Fixed Capital	D-5	<u>16,384,954</u>
Total Capital Fund		<u>16,384,954</u>
Total Assets		<u>\$ 19,330,551</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>		
Operating Fund		
Appropriation Reserves	D-3	\$ 221,126
Encumbrances Payable	D-8	105,332
Accrued Interest on Bonds	D-9	35,162
Accounts Payable	D-10	268,371
Due to Current Fund	D-6	<u>5,055</u>
		635,046
Reserve for Receivables	D-7	42,399
Fund Balance	D, D-1	<u>2,268,152</u>
Total Operating Fund		<u>2,945,597</u>
Capital Fund		
Serial Bonds Payable	D-12	6,140,000
Reserve for Amortization	D-11	<u>10,244,954</u>
Total Capital Fund		<u>16,384,954</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 19,330,551</u>

There were no bonds and notes authorized but not issued on December 31, 2019.

**TOWN OF WEST NEW YORK**  
**STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE**  
**REGULATORY BASIS - PARKING UTILITY OPERATING FUND**  
**FROM INCEPTION (NOVEMBER 26, 2019) TO DECEMBER 31, 2019**

	<u>Reference</u>	<u>2019</u>
Revenue and Other Income Realized		
Parking Fees	D-2	\$ 322,277
Other Credits to Income		
Assumption of West New York Parking Authority	D-2	<u>2,314,375</u>
		<u>2,636,652</u>
Expenditures		
Budget Appropriations		
Operating	D-3	360,000
Deferred Charges and Statutory Expenditures	D-3	<u>8,500</u>
		<u>368,500</u>
Excess in Revenues Over Expenditures		2,268,152
Fund Balance, Inception	D	<u>-</u>
Fund Balance, End of Year	D	<u>\$ 2,268,152</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF REVENUES - REGULATORY BASIS  
PARKING UTILITY OPERATING FUND  
FOR THE PERIOD NOVEMBER 27, 2019 TO DECEMBER 31, 2019**

	<u>Reference</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Parking Fees	D-1, D-4	\$ 368,500	\$ 322,277	\$ (46,223)
Assumption of West New York Parking Authority	D-1, D-4	<u>-</u>	<u>2,314,375</u>	<u>2,314,375</u>
	D-3	<u>\$ 368,500</u>	<u>\$ 2,636,652</u>	<u>\$ 2,268,152</u>

Analysis of Realized Revenue

Cash Receipts	D-4	<u>\$ 2,636,652</u>
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**TOWN OF WEST NEW YORK**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**PARKING UTILITY OPERATING FUND**  
**FOR THE PERIOD NOVEMBER 27, 2019 TO DECEMBER 31, 2019**

	<u>Appropriated</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
OPERATING				
Salaries and Wages	\$ 110,000	\$ 110,000	\$ 24,517	\$ 85,483
Other Expenses	<u>250,000</u>	<u>250,000</u>	<u>119,270</u>	<u>130,730</u>
Total Operating	<u>360,000</u>	<u>360,000</u>	<u>143,787</u>	<u>216,213</u>
DEFERRED CHARGES AND STATUTORY EXPENDITURES				
Statutory Expenditures				
Contribution to Social Security System (O.A.S.I.)	<u>8,500</u>	<u>8,500</u>	<u>3,587</u>	<u>4,913</u>
Total Deferred Charges and Statutory Expenditures	<u>8,500</u>	<u>8,500</u>	<u>3,587</u>	<u>4,913</u>
	<u>\$ 368,500</u>	<u>\$ 368,500</u>	<u>\$ 147,374</u>	<u>\$ 221,126</u>
<u>Reference</u>	D-3	D-3	D-1	D, D-1
	<u>Reference</u>			
Cash Disbursed	D-4		\$ 36,987	
Encumbrances Payable	D-8		105,332	
Due to Current Fund	D-6		<u>5,055</u>	
			<u>\$ 147,374</u>	

**TOWN OF WEST NEW YORK  
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS  
GENERAL FIXED ASSETS ACCOUNT GROUP  
AS OF DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
General Fixed Assets:		
Land and Improvements	\$ 4,954,573	\$ 4,939,575
Buildings	2,408,050	2,408,050
Building Improvements	13,462,537	11,798,901
Machinery and Equipment	2,915,098	2,294,760
Vehicles	<u>6,282,285</u>	<u>6,131,521</u>
 Total General Fixed Assets	 <u>\$ 30,022,543</u>	 <u>\$ 27,572,807</u>
 Investment in General Fixed Assets	 <u>\$ 30,022,543</u>	 <u>\$ 27,572,807</u>

## **NOTES TO FINANCIAL STATEMENTS**

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town of West New York (the "Town") was incorporated in 1898 and operates under an elected Commission form of government. The Commission members are elected at-large in nonpartisan elections to serve four-year terms of office on a concurrent basis. Each Commissioner is assigned to head one of five departments. The Commission selects one of its members to serve as Mayor. The Mayor is the Chief Executive Officer of the Town and as such presides over all public meetings and makes appointments to various boards. The Commission exercises all legislative powers including final adoption of the municipal budget and bond ordinances and confirmation of the Mayor's appointments, and all executive authority which is not specifically provided to the Mayor, by state law. A Town Administrator is appointed by the Commission and is responsible for the implementation of the policies of the Commission, for the administration of all Town affairs and for the day to day operations of the Town. The Town Administrator is the Chief Administrative Officer for the Town. The Town's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

GASB requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Town is financially accountable. The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board and (1) the Town is able to significantly influence the programs or services performed or provided by the organization; or (2) the Town is legally entitled to or can otherwise access the organization's resources; the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Town is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Town in that the Town approves the budget, the issuance of debt or the levying of taxes. The Town is not includable in any other reporting entity as a component unit.

The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Town do not include the municipal library, housing authority and parking authority which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

**B. Description of Regulatory Basis of Accounting**

The financial statements of the Town of West New York have been prepared on a basis of accounting in conformity with accounting principles and practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a regulatory basis of accounting 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 Town accounts for its financial transactions through separate funds, which differ from the fund structure required by GAAP.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The 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.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements**

The Town 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 Town functions or activities. The Town also uses an account group, which is designed to provide accountability for certain assets that are not recorded in those Funds.

The Town has the following funds and account group:

Current Fund – This fund is used to account for the revenues and expenditures for governmental operations of a general nature and the assets and liabilities related to such activities, including Federal and State grants not accounted for in another fund.

Trust Funds - These funds are used to account for assets held by the government in a trustee capacity. Funds held by the Town as an agent for individuals, private organizations, or other governments are recorded in the Trust Funds.

Animal Control Fund - This fund is used to account for fees collected from dog and cat licenses and expenditures which are regulated by NJS 4:19-15.11.

Other Trust Fund - This fund is established to account for the assets and resources, which are held by the Town as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposits, payroll related deposits and funds deposited with the Town as collateral.

Community Development Block Grant Fund - This fund is used to account for grant proceeds, program income and related expenditures for Federal Block grant entitlements.

General Capital Fund – This fund is used to account for the receipt and disbursement of funds used and related financial transactions related to the acquisition or improvement of general capital facilities and other capital assets, other than those acquired in the Current Fund.

Parking Utility Fund – This fund is used to account for the revenues and expenditures for the operation of the Town's parking facilities and services. Acquisition or improvement of capital facilities and other capital assets for the parking utility is accounted for in the capital section of the fund. The Parking Utility Fund commenced operations on November 26, 2019 upon dissolution of the Parking Authority of the Town of West New York.

General Fixed Assets Account Group - This account group is used to account for all general fixed assets of the Town. The Town's infrastructure is not reported in the account group.

**Comparative Data** - Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

**Reclassifications** - Certain reclassifications may have been made to the December 31, 2018 balances to conform to the December 31, 2019 presentation.

**Financial Statements – Regulatory Basis**

The GASB Codification also requires the financial statements of a governmental unit to be presented in the basic financial statements in accordance with GAAP. The Town presents the regulatory basis financial statements listed in the table of contents which are required by the Division and which differ from the basic financial statements required by GAAP. In addition, the Division requires the regulatory basis financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from reporting requirements under GAAP.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the accounting principles and practices prescribed by the Division in accordance with the regulatory basis of accounting. Measurement focus indicates the type of resources being measured. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Town of West New York follows a modified accrual basis of accounting. Under this method of accounting, revenues, except State/Federal 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 accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

**Cash and Investments** - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government. Investments are reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. GAAP requires that all investments be reported at fair value.

**Inventories** - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires inventories to be recorded as assets in proprietary-type funds.

**Property Tax Revenues/Receivables** - 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. A penalty of up to 6% of the delinquency may be imposed on a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the fiscal year in which the charges become delinquent. 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 December 31, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Town. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April first 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 Town also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11<sup>th</sup> day of the eleventh 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. The Town 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. 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.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

**Miscellaneous Revenues/Receivables** - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Town's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both measurable and available).

**Grant and Similar Award Revenues/Receivables** - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Town's budget. GAAP requires such revenues to be recognized as soon as all eligibility requirements imposed by the grantor or provider have been met.

**Interfunds** - Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve for interfunds and, therefore, does not recognize income in the year liquidated.

**Prepaid Items** - The Town has been allotted and has realized certain state aid that is pledged to the payment of certain debt service in the subsequent calendar year which were issued pursuant to the Municipal Qualified Bond Act. These debt service payments reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items in the current fund, except for prepaid debt service, are offset by a reserve, created by a charge to operations. GAAP does not require the establishment of a reserve for prepaid items.

**Deferred Charges** - Funded and unfunded debt authorizations for general capital projects are also recorded as deferred charges and represent permanent long-term debt issues outstanding (funded) and temporary debt issues outstanding or unissued debt authorizations (unfunded), respectively. GAAP does not permit the recording of deferred charges for funded and unfunded debt authorizations.

**Appropriation Reserves** - Appropriation reserves are recorded as liabilities and 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.

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. 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, as well as expenditures related to compensated absences and claims and judgements, which are recognized when due.

**Encumbrances** - Contractual orders outstanding at December 31, are reported as expenditures and liabilities through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures or liabilities under GAAP.

**Compensated Absences** - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences. 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 are recorded as a long-term obligation in the government-wide financial statements.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

**Incurred But Not Reported (IBNR) Reserves and Claims Payable** - The Town has not created a reserve for any potential unreported self-insurance losses which have taken place but in which the Town has not received notices or report of losses (i.e. IBNR). Additionally, the Town has not recorded a liability for those claims filed, but which have not been paid (i.e. claims payable). 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 potential claims are recorded as a long-term obligation in the government-wide financial statements.

**Tax Appeals and Other Contingent Losses** - Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. GAAP requires such amounts to be recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

**General Fixed Assets** - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the Town of West New York has developed a fixed assets accounting and reporting system. Fixed assets are defined by the Town as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years.

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

General Fixed Assets purchased after June 30, 2008 are stated at cost. Donated fixed assets are recorded at acquisition value at the date of donation.

General Fixed Assets purchased prior to June 30, 2008 are stated as follows:

Land and Buildings	Assessed Value
Building Improvements	Estimated Historical Cost
Vehicles	Estimated Historical Cost
Machinery and Equipment	Estimated Historical Cost

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation for general fixed assets.

Accounting for utility fund "fixed capital" remains unchanged under NJAC 5:30-5.6.

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

GAAP requires that capital assets be recorded in proprietary-type funds as well as the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in proprietary-type funds as well as in the government-wide financial statements.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

**Use of Estimates** - The preparation of financial statements requires management of the Town 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.

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

- A. Budgets and Budgetary Accounting** - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Town and approved by the State Division of Local Government Services as per N.J.S.A. 40A:4 et seq.

The Town is not required to adopt budgets for the following funds:

Trust Funds  
General Capital Fund  
Utility Capital Fund

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last two months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2019 and 2018 the Commissioners increased the original budget by \$258,409 and \$33,853, respectively. The increases were funded by additional aid allotted to the Town. In addition, the governing body approved several budget transfers during 2019 and 2018.

**NOTE 3 CASH DEPOSITS AND INVESTMENTS**

The Town considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as cash and cash equivalents.

**A. Cash Deposits**

The Town's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Town is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC or NCUSIF.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)**

**A. Cash Deposits (Continued)**

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At December 31, 2019 and 2018, the book value of the Town's deposits were \$41,882,228 and \$41,686,926 and bank and brokerage firm balances of the Town's deposits amounted to \$43,016,564 and \$43,220,453, respectively. The Town's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>2019</u>	<u>2018</u>
Insured	\$ 41,833,285	\$ 42,259,389
Uninsured and Uncollateralized	<u>1,183,279</u>	<u>961,064</u>
	<u>\$ 43,016,564</u>	<u>\$ 43,220,453</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Town does not have a formal policy for custodial credit risk. As of December 31, 2019 and 2018, the Town's bank balances of \$1,183,279 and \$961,064 were exposed to custodial credit risk as follows:

<u>Depository Account</u>	<u>2019</u>	<u>2018</u>
Uninsured and Uncollateralized	<u>\$ 1,183,279</u>	<u>\$ 961,064</u>

**B. Investments**

The Town is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the Town or bonds or other obligations of the school districts which are a part of the Town or school districts located within the Town, Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school district, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law, " (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investments in the Department of the Treasury for investment by local units; Local Government investment pools, deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e).

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)**

**B. Investments (Continued)**

Interest Rate Risk – The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 40A:5-15.1 and NJAC 5:30-14.19). The Town does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Town places no limit in the amount the Town may invest in any one issuer.

As of December 31, 2019 and 2018 the Town had no outstanding 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 are assessed to the Utility Operating Funds in accordance with the regulatory basis of accounting.

**NOTE 4 TAXES RECEIVABLE**

Receivables at December 31, 2019 and 2018 consisted of the following:

<b><u>2019</u></b>	
Property Taxes	\$ 20,778
Tax Title Liens	<u>395,330</u>
	<u>\$ 416,108</u>
<b><u>2018</u></b>	
Property Taxes	\$ 42,964
Tax Title Liens	<u>362,061</u>
	<u>\$ 405,025</u>

In 2019 and 2018, the Town collected \$30,875 and \$ 39,188 from delinquent taxes, which represented 8% and 11%, respectively of the prior year delinquent taxes and tax title liens receivable balances.

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 5 DUE TO/FROM OTHER FUNDS**

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

	<u>2019</u>		<u>2018</u>	
	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Current Fund:				
Regular	\$ 319,603	\$ 2,080,441	\$ 67,733	\$ 1,537,527
Federal and State Grant		293,722		43,082
Trust Funds:				
Animal Control		20,826	15,390	20,826
Other Trust	2,080,441		1,539,430	15,390
General Capital Fund				5,728
Parking Utility Operating Fund	-	5,055	-	-
Total	<u>\$ 2,400,044</u>	<u>\$ 2,400,044</u>	<u>\$ 1,622,553</u>	<u>\$ 1,622,553</u>

The above balances are the result of expenditures being paid and/or revenues received by one fund on behalf of another.

The Town expects all interfund balances to be liquidated within one year.

**NOTE 6 FUND BALANCES APPROPRIATED**

Under the regulatory basis of accounting, fund balances in the Current Fund and Parking Utility Operating Fund are comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding year were as follows:

	<u>2019</u>		<u>2018</u>	
	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>	<u>Fund Balance December 31,</u>	<u>Utilized in Subsequent Year's Budget</u>
Current Fund				
Cash Surplus	\$ 14,268,930	\$ 8,550,000	\$ 14,272,024	\$ 8,320,000
Non-Cash Surplus	822,165	-	670,015	-
	<u>\$ 15,091,095</u>	<u>\$ 8,550,000</u>	<u>\$ 14,942,039</u>	<u>\$ 8,320,000</u>
Parking Utility Operating Fund				
Cash Surplus	\$ 2,268,152	\$ 500,000		
Non-Cash Surplus	-	-		
	<u>\$ 2,268,152</u>	<u>\$ 500,000</u>		

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 7 FIXED ASSETS**

**A. General Fixed Assets**

The following is a summary of changes in the general fixed assets account group for the years ended December 31, 2019 and 2018.

	Balance January 1, <u>2019</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2019</u>
<b><u>2019</u></b>				
Land and Improvements	\$ 4,939,575	\$ 14,998		\$ 4,954,573
Buildings	2,408,050			2,408,050
Building Improvements	11,798,901	1,663,636		13,462,537
Machinery and Equipment	2,294,760	641,838	\$ 21,500	2,915,098
Vehicles	6,131,521	366,665	215,901	6,282,285
	<u>\$ 27,572,807</u>	<u>\$ 2,687,137</u>	<u>\$ 237,401</u>	<u>\$ 30,022,543</u>
	Balance January 1, <u>2018</u>	<u>Increases</u>	<u>Decreases</u>	Balance, December 31, <u>2018</u>
<b><u>2018</u></b>				
Land and Improvements	\$ 4,939,575			\$ 4,939,575
Buildings	2,408,050			2,408,050
Building Improvements	11,798,901			11,798,901
Machinery and Equipment	2,105,879	\$ 252,526	\$ 63,645	2,294,760
Vehicles	5,423,317	849,774	141,570	6,131,521
	<u>\$ 26,675,722</u>	<u>\$ 1,102,300</u>	<u>\$ 205,215</u>	<u>\$ 27,572,807</u>

**B. Utility Fund Fixed Assets**

The following is a summary of changes in the utility fund fixed assets for the period November 27, 2019 to December 31, 2019.

	Assumption of Parking Authority	<u>Decreases</u>	Balance, December 31, <u>2019</u>
<b><u>Parking Utility Fund</u></b>			
<b><u>2019</u></b>			
Fixed Capital			
Land	\$ 3,816,901		\$ 3,816,901
Buildings and Improvements	9,160,341		9,160,341
Parking Lot Improvements	1,568,628		1,568,628
Equipment	1,839,084	-	1,839,084
	<u>\$ 16,384,954</u>	<u>\$ -</u>	<u>\$ 16,384,954</u>

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 8 MUNICIPAL DEBT**

The Local Bond Law (N.J.S.A. 40A:2 et.seq.) governs the issuance of bonds and notes used to finance capital expenditures. General obligation bonds have been issued for both general capital and parking utility capital fund projects and acquisition or other purposes permitted by the Local Bond Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and four months or retired by the issuance of bonds.

The Town's debt is summarized as follows:

	<u><b>2019</b></u>	<u><b>2018</b></u>
Issued		
General		
Bonds, Notes and Loans	\$ 27,265,317	\$ 30,102,876
Parking Utility		
Bonds	6,140,000	
Less Funds Temporarily Held to Pay Bonds and Notes	<u>313,162</u>	<u>495,625</u>
Net Debt Issued	33,092,155	29,607,251
Authorized But Not Issued		
General		
Bonds and Notes	<u>955,058</u>	<u>178,824</u>
	<u>34,047,213</u>	<u>29,786,075</u>
Type I Local School District Debt		
Issued and Outstanding		
General Serial Bonds	1,520,000	1,740,000
Authorized But Not Issued	<u>-</u>	<u>333,000</u>
	<u>1,520,000</u>	<u>2,073,000</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u><u>\$ 35,567,213</u></u>	<u><u>\$ 31,859,075</u></u>

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 8 MUNICIPAL DEBT (Continued)**

**Statutory Net Debt**

The statement of debt condition that follows is extracted from the Town's Annual Debt Statement and indicates a statutory net debt of .888% and 1.02% at December 31, 2019 and 2018, respectively.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<b><u>2019</u></b>			
Local School District Debt - Type I	\$ 1,520,000	\$ 1,520,000	
Utility Debt	6,140,000	6,140,000	
Debt Guarantees	4,501,728	4,501,728	
General Debt	<u>28,220,375</u>	<u>313,162</u>	<u>\$ 27,907,213</u>
Total	<u>\$ 40,382,103</u>	<u>\$ 12,474,890</u>	<u>\$ 27,907,213</u>

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
<b><u>2018</u></b>			
Local School District Debt - Type I	\$ 2,073,000	\$ 2,073,000	
Debt Guarantees	12,126,820	12,126,820	
General Debt	<u>30,281,700</u>	<u>495,625</u>	<u>\$ 29,786,075</u>
Total	<u>\$ 44,481,520</u>	<u>\$ 14,695,445</u>	<u>\$ 29,786,075</u>

**Statutory Borrowing Power**

The Town's remaining borrowing power under N.J.S. 40A:2-6, as amended, at December 31, was as follows:

	<u>2019</u>	<u>2018</u>
3-1/2% of Equalized Valuation Basis (Municipal)	\$ 107,621,851	\$ 99,904,987
Less: Net Debt	<u>27,907,213</u>	<u>29,786,075</u>
Remaining Borrowing Power	<u>\$ 79,714,638</u>	<u>\$ 70,118,912</u>

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 8 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt**

The Town's long-term debt consisted of the following at December 31:

**General Obligation Bonds**

The Town levies ad valorem taxes to pay debt service on general obligation bonds. General obligation bonds outstanding at December 31 are as follows:

<b><u>General Obligation Bonds</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
\$8,100,000, 2006A Refunding Bonds, due in annual installments of \$1,350,000 through April 15, 2019, interest at 4.00%		\$ 1,350,000
\$3,910,000, 2013 Series A Qualified General Obligation Bonds, due in annual installments of \$245,000 to \$330,000 through May 15, 2029, interest at 2.00% to 3.00%	\$ 2,845,000	3,035,000
\$6,725,000, 2013 Series B Qualified General Obligation Bonds (Taxable), due in annual installments of \$445,000 to \$630,000 through May 15, 2028, interest at 3.50% to 4.40%	4,760,000	5,100,000
\$5,047,000, 2016 Series A General Obligation Bonds due in annual installments of \$395,000 to \$487,000 through November 1, 2028, interest at 3.00%	3,917,000	4,302,000
\$4,600,000, 2016A General Improvement Refunding Bonds due in annual installments of \$545,000 to \$650,000 through April 15, 2025, interest at 3.00% to 4.00%	3,570,000	4,095,000
\$11,125,000, 2019 Series General Obligation Bonds due in annual installments of \$735,000 to \$985,000 through September 1, 2032, interest at 2.00% to 4.00%	11,125,000	-
\$715,000, 2018 Refunded HCIA Pooled Loan Program Bonds due in annual installments of \$110,000 to \$135,000 through July 15, 2024 interest at 3.75%	610,000	715,000
	<u>\$ 26,827,000</u>	<u>\$ 18,597,000</u>

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 8 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt (Continued)**

**General Obligation Bonds (Continued)**

**School Debt**

The West New York Board of Education is a Type II School District having been reclassified from a Type I during the general election held on November 5, 2013. Bonds and notes previously authorized by the Board of School Estimate prior to November 5, 2013 to finance capital expenditures are general obligations of the Town and are reported on the balance sheet of the Town's General Capital Fund.

**School Bonds**

	<b><u>2019</u></b>	<b><u>2018</u></b>
\$1,960,000, 2016B Series School Refunding Bonds, due in annual installments of \$230,000 to \$280,000 through April 15, 2025, interest rates at 3.00% to 4.00%	\$ 1,520,000	\$ 1,740,000
	<u>\$ 1,520,000</u>	<u>\$ 1,740,000</u>

**Parking Utility Bonds**

	<b><u>2019</u></b>
	<b><u>(Inception Year)</u></b>
\$5,515,000 2019 Parking Utility Refunding Bonds, due in annual installments of \$225,000 to \$445,000 through July 15, 2036 interest at 4.00% to 5.00%	\$ 5,515,000
\$735,000 2018 Refunding HCIA Pooled Loan Governmental Loan Program Bonds, due in annual installments of \$115,000 to \$135,000 through July 15, 2024 interest at 3.75%	<u>625,000</u>
	<u>\$ 6,140,000</u>

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 8 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt (Continued)**

**General Intergovernmental Loans Payable**

The Town has entered into a loan agreements with the State under the New Jersey Green Trust Bond Act of 1983 for the financing relating to various improvements. The Town levies ad valorem taxes to pay debt service on general intergovernmental loans issued. General intergovernmental loans outstanding at December 31 are as follows:

<u>Green Trust Loans</u>	<u>2019</u>	<u>2018</u>
\$500,000, 2000 Loan, due in Semi-Annual installments of \$15,568 to \$15,724 through December 20, 2019, interest at 2%		\$ 31,292
\$475,000, 2001 Loan, due in Semi-Annual installments of \$14,477 to \$14,622 through September 6, 2020, interest at 2%	\$ 29,099	57,625
\$425,000, 2001 Loan, due in Semi-Annual installments of \$12,953 to \$13,083 through September 16, 2020, interest at 2%	26,036	51,559
\$675,000, 2006 Loan, due in Semi-Annual installments of \$18,440 to \$20,779 through February 9, 2026, interest at 2%	\$ 254,648	\$ 290,983
\$170,010, 2013 Loan, due in Semi-Annual installments of \$4,001 to \$5,233 through July 21, 2033, interest at 2%	128,534	136,417
	<u>\$ 438,317</u>	<u>\$ 567,876</u>

The Town's principal and interest for long-term debt issued and outstanding as of December 31, 2019 is as follows:

Calendar Year	General		School		Loans		Parking Utility		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2020	\$ 2,475,000	\$ 830,185	\$ 230,000	\$ 43,300	\$ 100,243	\$ 8,268	\$ 420,000	\$ 179,953	\$ 4,286,949
2021	2,550,000	754,128	240,000	35,100	46,013	6,533	345,000	252,975	4,229,749
2022	2,635,000	668,178	245,000	27,825	46,938	5,608	365,000	239,475	4,233,024
2023	2,745,000	577,178	260,000	20,250	47,881	4,664	380,000	225,188	4,260,161
2024	2,855,000	481,052	265,000	12,375	48,843	3,702	390,000	210,312	4,266,284
2025-2029	10,697,000	1,100,455	280,000	4,200	107,954	7,864	1,495,000	820,250	14,512,723
2030-2034	2,870,000	115,900	-	-	40,445	1,841	1,875,000	440,850	5,344,036
2035-2039	-	-	-	-	-	-	870,000	52,600	922,600
Total	<u>\$ 26,827,000</u>	<u>\$ 4,527,076</u>	<u>\$ 1,520,000</u>	<u>\$ 143,050</u>	<u>\$ 438,317</u>	<u>\$ 38,480</u>	<u>\$ 6,140,000</u>	<u>\$ 2,421,603</u>	<u>\$ 42,055,526</u>

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 8 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt (Continued)**

**Current Refundings of Debt**

On November 26, 2019, the Town issued \$5,515,000 in Parking Utility Refunding Bonds having interest rates of 4.00% to 5.00%. These Bonds were issued in order to currently refund certain principal maturities of Parking Revenue 2006 Series Bonds of the West New York Parking Authority (WNYPA) as a result of the dissolution of the WNYPA. The total principal currently refunded was \$6,515,000. This current refunding resulted in the issuance of \$1,00,000 less in bonds and resulted in an increase of cash flows over the life of this bond issue in the amount \$1,913,491; however, the economic gain (difference between the present value of the old and new debt service payments) was \$1,614,423. The current refunding was undertaken to reduce total debt service payments over the next 17 years by \$1,913,491.

**Debt Guarantees**

**Hudson County Improvement Authority – Lease Revenue Bonds North Hudson Regional Fire and Rescue (NHRFR)**

In August, 2003, the Town guaranteed an amount not to exceed \$3,828,000 for its proportionate share of \$15,000,000 debt authorized by the HCIA in connection with the HCIA's financing of the costs of the public facilities as defined in that ordinance. On January 11, 2004 the HCIA issued Variable Rate Lease Revenue Bonds (federally taxable) in connection with this authorization. The Town's share in the debt service on these bonds is approximately 25.52%, which is proportionate to the Town's share in the contribution to create the NHRFR. These bonds are not considered as bonds payable of the Town, but rather a lease agreement between the Town (acting on behalf of the NHRFR) and the HCIA. Pursuant to the terms of the lease agreement, the town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the HCIA Series 2003 Lease Revenue Bonds.

The 2004 Bonds had an interest rate of 3.01% (the "Initial Interest Rate") until January 1, 2007 (the "Initial Interest Rate Period"). At January 2007 a variable rate of 5.33% was issued for a one year period. Subsequent to year end the bond rate was fixed at rates ranging between 5.80% and 6.640%.

In January 2006, the Town guaranteed an amount not exceed \$2,194,720 for its proportionate share of \$8,600,000 debt authorized as Series A (tax-exempt) and Series B (taxable), and allocated each in accordance with each NHRFR participating municipality's proportionate share as defined above Pursuant to the terms of the lease agreement, the Town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the HCIA Series 2006A and 2006B Lease Revenue Bonds, plus an administrative fee payable to the HCIA (one tenth of one percent of the outstanding principal on the Town's share of the bonds).

The HCIA, at the consent of the NHRFR, as lessee, issued the \$4,760,000 Lease Revenue Refunding Bonds, (North Hudson Regional Fire and Rescue Project Guaranteed Tax-Exempt Series) Series 2011A and the \$10,990,000 Lease Revenue Bonds, (North Hudson Regional Fire and Rescue Project Guaranteed Taxable Series) Series 2011B to call all of the outstanding \$7,010,000 Lease Revenue Bonds Series 1999A Original Parties Tax Exempt Series) and \$15,070,000 Lease Revenue Bonds, Series 1999B (Original Parties Guaranteed Taxable Series). On October 18, 2011, the Town guaranteed an amount not to exceed \$1,214,752 and \$2,804,648, respectively for its proportionate share of the total \$15,750,000 2011A and 2011B Lease Revenue Bonds. Pursuant to the terms of the lease agreement, the Town is required to make rental payments sufficient to pay for its proportionate share of the debt service on the Series 2011A and Series 2011B Lease Revenue Bonds.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 8 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt (Continued)**

**Debt Guarantees (Continued)**

**Hudson County Improvement Authority – Lease Revenue Bonds North Hudson Regional Fire and Rescue (NHRFR) (Continued)**

The Town's proportionate share of the North Hudson Region Fire and Rescue Bonds are as follows:

	<u>2019</u>	<u>2018</u>
HCIA 2004 (Taxable) Lease Revenue Bonds, originally issued on January 1, 2004 for \$3,828,000, maturing annually from January 2009 through 2024, bearing an initial rate of 3.01%. Following expiration of the Initial Interest Rate Period, rates are between 5.80% to 6.64%.	\$ 1,939,520	\$ 2,258,520
HCIA 2006A (Tax-Exempt) Lease Revenue Bonds, originally issued on January 1, 2006 for \$1,143,296, maturing annually from January 1, 2008 through 2024, bearing interest rates of 4.0% to 5.0%.	428,736	501,468
HCIA 2006B (Taxable) Lease Revenue Bonds, originally issued on January 1, 2006 for \$1,051,424, maturing annually from January 1, 2008 to 2015. At January 1, 2015 the issue requires term bond optional redemptions or sinking funds to 2020 and 2024. The bonds bear interest of 4.99% to 5.4%.	409,596	475,948
HCIA 2011A (Tax-Exempt) Lease Revenue Bonds, originally issued on September 1, 2011 for \$1,214,752, maturing annually from September 1, 2012 to 2023. The bonds bears interest of 5.4% to 5.7%.	495,088	672,508
HCIA 2011B (Taxable) Lease Revenue Bonds, originally issued on September 1, 2011 for \$2,804,648, maturing annually from September 1, 2012 to 2023. The bonds bear interest of 5.4% to 5.7%.	1,228,788	1,453,376
	<u>\$ 4,501,728</u>	<u>\$ 5,361,820</u>

TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018

NOTE 8 MUNICIPAL DEBT (Continued)

A. Long-Term Debt (Continued)

Debt Guarantees (Continued)

West New York Parking Authority

On October 4, 2006, the Town adopted a guaranty ordinance #17/06, in which the Town is guaranteeing an amount not to exceed \$9,000,000 in Guaranteed Revenue Bonds for the construction of parking decks. On October 19, 2006, the Parking Authority of the Town of West New York issued \$9,000,000 in Parking Revenue Bonds, Series 2006. As the Guarantor, the Town’s responsibility is limited to the extent of the amounts outstanding in the event of default.

On November 26, 2019 the Parking Authority was dissolved and the operations were transferred to the Town of West New York. The outstanding bonds were refunded by the Town and the refunding bonds are included in the Parking Utility Capital Fund

The Town’s guarantee under the ordinance is as follows:

	<u>2019</u>	<u>2018</u>
Parking Revenue Bonds, Series 2006 issued on October 19, 2006 for \$9,000,000, maturing annually beginning July 1, 2008 through 2024. The Bonds maturing on July 1, 2030 and 2036 are subject to mandatory sinking fund redemptions on July 1 from 2025 through 2036. Interest is paid semi-annually at interest rates ranging from 3.5% to 5%.	<u>\$ -</u>	<u>\$ 6,765,000</u>

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 8 MUNICIPAL DEBT (Continued)**

**A. Long-Term Debt (Continued)**

**Changes in Long-Term Municipal Debt**

The Town's long-term capital debt activity for the years ended December 31, 2019 and 2018 were as follows:

	Balance, January 1, <u>2019</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2019</u>	Due Within <u>One Year</u>
<b><u>2019</u></b>					
General Capital Fund					
Serial Bonds Payable	\$ 18,597,000	\$ 11,125,000	\$ 2,895,000	\$ 26,827,000	\$ 2,475,000
School Bonds Payable	1,740,000		220,000	1,520,000	230,000
Intergovernmental Loans Payable	<u>567,876</u>	<u>-</u>	<u>129,559</u>	<u>438,317</u>	<u>100,243</u>
General Capital Fund Long-Term Liabilities	<u>\$ 20,904,876</u>	<u>\$ 11,125,000</u>	<u>\$ 3,244,559</u>	<u>\$ 28,785,317</u>	<u>\$ 2,805,243</u>
 Parking Utility Capital Fund					
Serial Bonds Payable	\$ -	\$ 6,140,000	\$ -	\$ 6,140,000	\$ 420,000
Parking Utility Capital Fund Long-Term Liabilities	<u>\$ -</u>	<u>\$ 6,140,000</u>	<u>\$ -</u>	<u>\$ 6,140,000</u>	<u>\$ 420,000</u>
	Balance, January 1, <u>2018</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2018</u>	Due Within <u>One Year</u>
<b><u>2018</u></b>					
General Capital Fund					
Serial Bonds Payable	\$ 20,602,000	\$ 715,000	\$ 2,720,000	\$ 18,597,000	\$ 2,895,000
School Bonds Payable	1,960,000		220,000	1,740,000	220,000
Intergovernmental Loans Payable	<u>694,882</u>	<u>-</u>	<u>127,006</u>	<u>567,876</u>	<u>129,558</u>
General Capital Fund Long-Term Liabilities	<u>\$ 23,256,882</u>	<u>\$ 715,000</u>	<u>\$ 3,067,006</u>	<u>\$ 20,904,876</u>	<u>\$ 3,244,558</u>

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 8 MUNICIPAL DEBT (Continued)**

**B. Short-Term Debt**

The Town's short-term debt activity for the years ended December 31, 2019 and 2018 was as follows:

**Bond Anticipation Notes**

<u>Purpose</u>	<u>Rate</u> <u>(%)</u>	<u>Maturity</u> <u>Date</u>	Balance, January 1, <u>2019</u>	<u>Renewed/</u> <u>Issued</u>	<u>Retired/</u> <u>Redeemed</u>	Balance, December 31, <u>2019</u>
<b><u>2019</u></b>						
<u>General Capital Fund</u>						
Acquisition of a Building	3.00	10/3/2019	\$ 1,235,000		\$ 1,235,000	
Various Capital Improvements	3.00	10/3/2019	3,443,437		3,443,437	
Road Improvement Projects	3.00	10/3/2019	1,066,368		1,066,368	
Acquisition of Vehicles	3.00	10/3/2019	1,118,888		1,118,888	
Improvements to Various Parks	3.00	10/3/2019	4,074,307	-	4,074,307	-
			<u>\$ 10,938,000</u>	<u>\$ -</u>	<u>\$ 10,938,000</u>	<u>\$ -</u>

<u>Purpose</u>	<u>Rate</u> <u>(%)</u>	<u>Maturity</u> <u>Date</u>	Balance, January 1, <u>2018</u>	<u>Renewed/</u> <u>Issued</u>	<u>Retired/</u> <u>Redeemed</u>	Balance, December 31, <u>2018</u>
<b><u>2018</u></b>						
<u>General Capital Fund</u>						
Acquisition of a Building	3.00	10/3/2019		\$ 1,235,000		\$ 1,235,000
Various Capital Improvements	3.00	10/3/2019		3,443,437		3,443,437
Road Improvement Projects	3.00	10/3/2019		1,066,368		1,066,368
Acquisition of Vehicles	3.00	10/3/2019		1,118,888		1,118,888
Improvements to Various Parks	3.00	10/3/2019		4,074,307		4,074,307
Acquisition of a Building	2.25	10/18/2018	\$ 1,235,000		\$ 1,235,000	
Various Capital Improvements	2.25	10/18/2018	5,255,000		5,255,000	
Road Improvement Projects	2.25	10/18/2018	1,115,000		1,115,000	
Acquisition of Vehicles	2.25	10/18/2018	1,140,000		1,140,000	
Refunding Tax Appeals	2.25	10/18/2018	383,000	-	383,000	-
			<u>\$ 9,128,000</u>	<u>\$ 10,938,000</u>	<u>\$ 9,128,000</u>	<u>\$ 10,938,000</u>

The purpose of these short-term borrowings was to provide resources for capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq. The amounts issued for governmental activities are accounted for in the General Capital Fund.

State law requires that notes are to be issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year. All bond anticipation notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. In addition any note renewed beyond the third anniversary date of the original note, requires one legally payable installment to be paid.

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 9 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

As of December 31, the Town had the following construction commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Construction/ Other Commitment</u>	<u>Estimated Date of Acquisition/ Completion</u>
<b><u>2019</u></b>		
Drainage Improvements to Centennial Field	\$ 428,000	2020
DPW Garage Roof Replacement	115,338	2020
Acquisition of Network Switches and Related Equipment	236,285	2020
Acquisition of Computer Hardware and Software	150,000	2020
<b><u>2018</u></b>		
Window Replacement at Town Hall	\$ 123,234	2019
Acquisition of Playground Equipment	363,025	2019
Rubber Playground Surface	300,048	2019
Various Road Improvements	378,995	2019
Acquisition of Telephone Equipment	104,706	2019
Drainage Improvements to Centennial Field	428,000	2019

Additionally, the Town has been charged \$182,972 for prior year's assessments, interest and penalties by the State of New Jersey, Department of Labor and Workforce Development related to unemployment reimbursements. The Town is currently reviewing this matter for disposition.

**NOTE 10 OTHER LONG-TERM LIABILITIES**

**A. Compensated Absences**

Under the existing policies and labor agreements of the Town, employees are allowed to accumulate (with certain restrictions) unused vacation benefits, sick leave and compensation time (police only) in lieu of overtime over the life of their working careers and to redeem such unused leave time in cash (with certain limitations) upon death, retirement or by extended absence immediately preceding retirement.

It is estimated that the current cost of such unpaid compensation and salary related payments would approximate \$6,655,613 and \$7,938,387 at December 31, 2019 and 2018, respectively. These amounts which is are considered material to the financial statements, are not reported either as an expenditure or liability.

**B. Deferred Pension Obligation**

During the year ended December 31, 2009 the Town elected to contribute 50% of its normal and accrued liability components of the PFRS and PERS obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$1,589,585 and will be paid back with interest over 15 years beginning in the 2012 year. The Town is permitted to payoff the deferred PFRS and PERS pension obligations at any time. It is estimated that the total deferred liability including accrued interest (7.00% effective July 1, 2017 and 7.65% effective July 1, 2016 through June 30, 2017) at December 31, 2019 and 2018 is \$230,557 and \$436,117, respectively.

**TOWN OF WEST NEW YORK**  
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**NOTE 10 OTHER LONG-TERM LIABILITIES (Continued)**

**B. Deferred Pension Obligation (Continued)**

During the years ended December 31, 2019, 2018 and 2017 the Town was required to contribute for the deferred pension obligation the following amounts which equaled the required contribution for each year.

<u>Years Ended</u> <u>December 31,</u>	<u>PERS</u>	<u>PFRS</u>
2019	\$ 46,956	\$ 173,687
2018	46,695	172,911
2017	46,109	171,177

**Changes in Other Long-Term Liabilities**

Under the regulatory basis of accounting, certain other long-term liabilities which may be considered material to the financial statements are not reported either as an expenditure or a liability. However, under the regulatory basis of accounting, these other long-term liabilities and related information are required to be disclosed in the notes to the financial statements in conformity with the disclosure requirements of the Governmental Accounting Standards Board.

The Town's changes in other long-term liabilities for the years ended December 31, 2019 and 2018 were as follows:

	<u>Balance,</u> <u>January 1,</u> <u>2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance,</u> <u>December 31,</u> <u>2019</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
<b><u>2019</u></b>					
Compensated Absences	\$ 7,938,387		\$ 1,282,774	\$ 6,655,613	\$ 250,000
Net Pension Liability - PERS	19,025,326	\$ 560,880		19,586,206	
Net Pension Liability - PFRS	46,783,493		3,265,461	43,518,032	
Deferred Pension Obligation	436,117	15,083	220,643	230,557	221,901
Net OPEB Obligation	146,126,186	10,108,180	18,452,191	137,782,175	-
<b>Total Other Long-Term Liabilities</b>	<b>\$ 220,309,509</b>	<b>\$ 10,684,143</b>	<b>\$ 23,221,069</b>	<b>\$ 207,772,583</b>	<b>\$ 471,901</b>
	<u>Balance,</u> <u>January 1,</u> <u>2018</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance,</u> <u>December 31,</u> <u>2018</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
<b><u>2018</u></b>					
Compensated Absences	\$ 7,508,693	\$ 429,694		\$ 7,938,387	\$ 250,000
Net Pension Liability - PERS	23,799,526		\$ 4,774,200	19,025,326	
Net Pension Liability - PFRS	53,298,700		6,515,207	46,783,493	
Deferred Pension Obligation	627,192	28,531	219,606	436,117	220,643
Net OPEB Obligation	155,108,127	10,185,998	19,167,939	146,126,186	-
<b>Total Other Long-Term Liabilities</b>	<b>\$ 240,342,238</b>	<b>\$ 10,644,223</b>	<b>\$ 30,676,952</b>	<b>\$ 220,309,509</b>	<b>\$ 470,643</b>

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS**

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those Town employees who are eligible for pension coverage.

**Police and Firemen's Retirement System (PFRS)** – established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after December 31, 1944. Membership is mandatory for such employees. PFRS is a cost-sharing multi-employer defined benefit pension plan with a special funding situation. For additional information about PFRS, please refer to the State Division of Pension and Benefits (Division's) Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tier 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.

**Public Employees' Retirement System (PERS)** – established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost-sharing multi-employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

The following represents the membership tiers for PERS:

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

**TOWN OF WEST NEW YORK  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Public Employees' Retirement System (PERS) (Continued)**

Service retirement benefits of  $1/55^{\text{th}}$  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  $1/60^{\text{th}}$  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, tier 3 and 4 members with 25 or more years 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 age at which member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have a least 25 years of service. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Town employees who are eligible for pension coverage.

**Defined Contribution Retirement Program (DCRP)** – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PERS and new employees who would otherwise be eligible to participate in PERS and do not earn the minimum salary required or do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**Other Pension Funds**

The state established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The cost of living increase for PERS and PERS are funded directly by each of the respective systems, but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Measurement Focus and Basis of Accounting**

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Investment Valuation**

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290, or at [www.state.nj/treasury/doinvest](http://www.state.nj/treasury/doinvest).

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2019 and 2018 is \$18.1 billion and \$19.7 billion, respectively, and the plan fiduciary net position as a percentage of the total pension liability is 56.27% and 53.60% respectively. The collective net pension liability of the participating employers for local PFRS at June 30, 2019 and 2018 is \$14.2 billion and \$15.4 billion, respectively and the plan fiduciary net position as a percentage of total pension liability is 65.00% and 62.48%, respectively.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2018 and 2017 which were rolled forward to June 30, 2019 and 2018, respectively.

**Actuarial Methods and Assumptions**

In the July 1, 2018 and 2017 PERS and PFRS actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**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 for 2019 and 2018 based on 10.0% for PFRS, 7.50% (effective July 1, 2018) and 7.34% (effective July 1, 2017) for PERS and 5.50% for DCRP of employee's annual compensation.

For the years ended December 31, 2019 and 2018 for PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All contributions made by the Town for 2019, 2018 and 2017 were equal to the required contributions.

**TOWN OF WEST NEW YORK**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Employer and Employee Pension Contributions (Contributions)**

During the years ended December 31, 2019, 2018 and 2017, the Town, was required to contribute for normal cost pension contributions, accrued liability pension contributions and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

<u>Year Ended</u> <u>December 31</u>	<u>PFRS</u>	<u>PERS</u>	<u>DCRP</u>
2019	\$ 3,380,058	\$ 961,124	\$ 1,591
2018	3,055,456	947,132	5,666
2017	2,659,779	931,863	471

In addition for the years ended December 31, 2019, 2018 and 2017 the Town contributed for long-term disability insurance premiums (LTDI) \$5,191, \$14,904 and \$6,724, respectively for PERS.

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

The regulatory basis of accounting requires participating employers in PERS and PFRS to disclose in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No.68) their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS and PFRS during the fiscal years ended June 30, 2019 and 2018. Employer allocation percentages have been rounded for presentation purposes.

**Public Employees Retirement System (PERS)**

At December 31, 2019 and 2018, the Town reported a liability of \$19,586,206 and \$19,025,326, respectively, for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019 and 2018, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 and 2017, respectively. The Town's proportionate share of the net pension liability was based on the ratio of the Town's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2019, the Town's proportionate share was 0.10870 percent, which was an increase of .01207 percent from its proportionate share measured as of June 30, 2018 of 0.09663 percent.

**TOWN OF WEST NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Public Employees Retirement System (PERS) (Continued)**

For the years ended December 31, 2019 and 2018, the pension system has determined the Town's pension expense to be \$1,359,828 and \$981,514, respectively, for PERS based on the actuarial valuations which are more than the actual contributions reported in the Town's financial statements of \$961,124 and \$947,132, respectively. At December 31, 2019 and 2018, the Town's deferred outflows of resources and deferred inflows of resources related to PERS pension which are not reported on the Town's financial statements are from the following sources:

	<b>2019</b>		<b>2018</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference Between Expected and Actual Experience	\$ 351,547	\$ 86,523	\$ 362,816	\$ 98,101
Changes of Assumptions	1,955,755	6,798,310	3,135,059	6,083,287
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		309,176		178,458
Changes in Proportion and Differences Between Town Contributions and Proportionate Share of Contributions	<u>2,959,758</u>	<u>1,216,261</u>	<u>1,321,127</u>	<u>1,860,757</u>
Total	<u>\$ 5,267,060</u>	<u>\$ 8,410,270</u>	<u>\$ 4,819,002</u>	<u>\$ 8,220,603</u>

At December 31, 2019 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2020	\$ (2,559)
2021	(1,358,544)
2022	(1,372,967)
2023	(425,088)
2024	15,948
Thereafter	<u>-</u>
	<u>\$ (3,143,210)</u>

**TOWN OF WEST NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**Public Employees Retirement System (PERS) (Continued)**

*Actuarial Assumptions*

The Town's total pension liability reported for the year ended December 31, 2019 was based on the June 30, 2019 measurement date as determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The total pension liability reported for the year ended December 31, 2018 was based on the June 30, 2018 measurement date as determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

<u>PERS</u>	<u>2019</u>	<u>2018</u>
Inflation Rate:		2.25%
Price	2.75%	
Wage	3.25%	
Salary Increases:		
Through 2026	2.00-6.00% Based on Years of Service	1.65-4.15% Based on Age
Thereafter	3.00%-7.00% Based on Years of Service	2.65%-5.15% Based on Age
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	Pub-2010	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale MP for 2019 and AA for 2018.

The actuarial assumptions used in the July 1, 2018 and 2017 valuations were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018 and July 1, 2011 to June 30, 2014, respectively.

**TOWN OF WEST NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Long-Term Expected Rate of Return***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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, 2019 and 2018, as reported for the years ended December 31, 2019 and 2018, respectively, are summarized in the following table:

<u>Asset Class</u>	<u>2019</u>		<u>2018</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%	5.00%	5.51%
Cash Equivalents	5.00%	2.00%	5.50%	1.00%
U.S. Treasuries	5.00%	2.68%	3.00%	1.87%
Investment Grade Credit	10.00%	4.25%	10.00%	3.78%
US Equity	28.00%	8.26%	30.00%	8.19%
Non-US Developed Markets Equity	12.50%	9.00%	11.50%	9.00%
Emerging Markets Equity	6.50%	11.37%	6.50%	11.64%
High Yield	2.00%	5.37%	2.50%	6.82%
Global Diversified Credit	-	-	5.00%	7.10%
Credit Oriented Hedge Funds	-	-	1.00%	6.60%
Debt Related Private Equity	-	-	2.00%	10.63%
Debt Related Real Estate	-	-	1.00%	6.61%
Real Assets	2.50%	9.31%	2.50%	11.83%
Equity Related Real Estate	-	-	6.25%	9.23%
Buyouts/Venture Capital	-	-	8.25%	13.08%
Private Credit	6.00%	7.92%	-	-
Real Estate	7.50%	8.33%	-	-
Private Equity	12.00%	10.85%	-	-

***Discount Rate***

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Calendar Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2019	6.28%
2018	June 30, 2018	5.66%

**TOWN OF WEST NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Discount Rate (Continued)***

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

	<u><b>2019</b></u>	<u><b>2018</b></u>
Period of Projected Benefit Payments for which the Following Rates were Applied:		
Long-Term Expected Rate of Return	Through June 30, 2057	Through June 30, 2046
Municipal Bond Rate *	From July 1, 2057 and Thereafter	From July 1, 2046 and Thereafter

\* The municipal bond return rate used is 3.50% and 3.87% as of the measurement dates of June 30, 2019 and 2018, respectively. 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.

***Sensitivity of Net Pension Liability***

The following presents the Town's proportionate share of the PERS net pension liability as of December 31, 2019 and 2018 calculated using the discount rate of 6.28% and 5.66%, respectively, as well as what the Town's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 5.28% and 4.66%, respectively or 1-percentage-point higher 7.28% and 6.66%, respectively than the current rate:

	<b>1% Decrease <u>(5.28%)</u></b>	<b>Current Discount Rate <u>(6.28%)</u></b>	<b>1% Increase <u>(7.28%)</u></b>
<u><b>2019</b></u>			
Town's Proportionate Share of the PERS Net Pension Liability	<u>\$ 24,740,561</u>	<u>\$ 19,586,206</u>	<u>\$ 15,242,932</u>
	<b>1% Decrease <u>(4.66%)</u></b>	<b>Current Discount Rate <u>(5.66%)</u></b>	<b>1% Increase <u>(6.66%)</u></b>
<u><b>2018</b></u>			
Town's Proportionate Share of the PERS Net Pension Liability	<u>\$ 23,922,155</u>	<u>\$ 19,025,326</u>	<u>\$ 14,917,199</u>

The sensitivity analysis was based on the proportionate share of the Town's net pension liability at December 31, 2019 and 2018. A sensitivity analysis specific to the Town's net pension liability was not provided by the pension system.

**TOWN OF WEST NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Pension Plan Fiduciary Net Position***

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Police and Firemen's Retirement System (PFRS)**

At December 31, 2019 and 2018, the Town reported a liability of \$43,518,032 and \$46,783,493, respectively, for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2019 and 2018, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 and 2017, respectively. The Town's proportionate share of the net pension liability was based on the ratio of the Town's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2019, the Town's proportionate share was 0.35560 percent, which was an increase of 0.00987 percent from its proportionate share measured as of June 30, 2018 of 0.34573 percent.

For the years ended December 31, 2019 and 2018, the pension system has determined the Town pension expense to be \$5,114,261 and \$4,623,280, respectively, for PFRS based on the actuarial valuations which are more than the actual contributions reported in the Town's financial statements of \$3,380,058 and \$3,055,456, respectively. At December 31, 2019 and 2018, the Town's deferred outflows of resources and deferred inflows of resources related to PFRS pension which are not reported on the Town's financial statements are from the following sources:

	<b>2019</b>		<b>2018</b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 367,348	\$ 275,521	\$ 475,961	\$ 193,601
Changes of Assumptions	1,491,165	14,064,629	4,015,733	11,989,802
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		589,655		255,948
Changes in Proportion and Differences Between Town Contributions and Proportionate Share of Contributions	<u>2,855,562</u>	<u>191,257</u>	<u>2,640,717</u>	<u>312,307</u>
Total	<u>\$ 4,714,075</u>	<u>\$ 15,121,062</u>	<u>\$ 7,132,411</u>	<u>\$ 12,751,658</u>

**TOWN OF WEST NEW YORK**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

**Police and Firemen's Retirement System (PFRS) (Continued)**

At December 31, 2019 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS pension will be recognized in pension expense (benefit) as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2020	\$ (1,501,101)
2021	(3,924,302)
2022	(2,775,623)
2023	(1,461,010)
2024	(744,951)
Thereafter	<u>-</u>
	<u>\$ (10,406,987)</u>

***Actuarial Assumptions***

The Town's total pension liability reported for the year ended December 31, 2019 was based on the June 30, 2019 measurement date as determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The total pension liability reported for the year ended December 31, 2018 was based on the June 30, 2018 measurement date as determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

<u>PFRS</u>	<u>2019</u>	<u>2018</u>
Inflation Rate:		2.25%
Price	2.75%	
Wage	3.25%	
Salary Increases:		
Through	All Future Years 3.25%-15.25% Based on Years of Service	2026 2.10%-8.98% Based on Age
Thereafter	Not Applicable	3.10%-9.98% Based on Age
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	Pub - 2010	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale MP for 2019 and AA for 2018.

The actuarial assumptions used in the July 1, 2018 and July 1, 2017 valuations were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018 and July 1, 2010 to June 30, 2013, respectively.

**TOWN OF WEST NEW YORK**  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

**Police and Firemen's Retirement System (PFRS) (Continued)**

***Long-Term Expected Rate of Return***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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, 2019 and 2018, as reported for the years ended December 31, 2019 and 2018, respectively, are summarized in the following table:

<u>Asset Class</u>	<u>2019</u>		<u>2018</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%	5.00%	5.51%
Cash Equivalents	5.00%	2.00%	5.50%	1.00%
U.S. Treasuries	5.00%	2.68%	3.00%	1.87%
Investment Grade Credit	10.00%	4.25%	10.00%	3.87%
US Equity	28.00%	8.26%	30.00%	8.19%
Non-US Developed Markets Equity	12.50%	9.00%	11.50%	9.00%
Emerging Markets Equity	6.50%	11.37%	6.50%	11.64%
High Yield	2.00%	5.37%	2.50%	6.82%
Global Diversified Credit	-	-	5.00%	7.10%
Credit Oriented Hedge Funds	-	-	1.00%	6.60%
Debt Related Private Equity	-	-	2.00%	10.63%
Debt Related Real Estate	-	-	1.00%	6.61%
Real Assets	2.50%	9.31%	2.50%	11.83%
Equity Related Real Estate	-	-	6.25%	9.23%
Buyouts/Venture Capital	-	-	8.25%	13.08%
Private Credit	6.00%	7.92%	-	-
Real Estate	7.50%	8.33%	-	-
Private Equity	12.00%	10.85%	-	-

***Discount Rate***

The discount rate used to measure the total pension liabilities of the PFRS plan was as follows:

<u>Calendar Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2019	6.85%
2018	June 30, 2018	6.51%

**TOWN OF WEST NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

**Police and Firemen's Retirement System (PFRS) (Continued)**

***Discount Rate (Continued)***

The following table represents the crossover period, if applicable, for the PFRS defined benefit plan:

	<u><b>2019</b></u>	<u><b>2018</b></u>
Period of Projected Benefit Payments for which the Following Rates were Applied:		
Long-Term Expected Rate of Return	Through June 30, 2076	Through June 30, 2062
Municipal Bond Rate *	From July 1, 2076 and Thereafter	From July 1, 2062 and Thereafter

\* The municipal bond return rate used is 3.50% and 3.87% as of the measurement dates of June 30, 2019 and 2018, respectively. 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.

***Sensitivity of Net Pension Liability***

The following presents the Town's proportionate share of the PFRS net pension liability as of December 31, 2019 and 2018 calculated using the discount rate of 6.85% and 6.51%, respectively, as well as what the Town's proportionate share of the PFRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 5.85% and 5.51%, respectively or 1-percentage-point higher 7.85% and 7.51%, respectively than the current rate:

	<u><b>1% Decrease (5.85%)</b></u>	<u><b>Current Discount Rate (6.85%)</b></u>	<u><b>1% Increase (7.85%)</b></u>
<u><b>2019</b></u>			
Town's Proportionate Share of the PFRS Net Pension Liability	<u>\$ 58,820,521</u>	<u>\$ 43,518,032</u>	<u>\$ 30,853,018</u>
	<u><b>1% Decrease (5.51%)</b></u>	<u><b>Current Discount Rate (6.51%)</b></u>	<u><b>1% Increase (7.51%)</b></u>
<u><b>2018</b></u>			
Town's Proportionate Share of the PFRS Net Pension Liability	<u>\$ 62,613,900</u>	<u>\$ 46,783,493</u>	<u>\$ 33,726,291</u>

The sensitivity analysis was based on the proportionate share of the Town's net pension liability at December 31, 2019 and 2018. A sensitivity analysis specific to the Town's net pension liability was not provided by the pension system.

**TOWN OF WEST NEW YORK  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

**Police and Firemen's Retirement System (PFRS) (Continued)**

***Special Funding Situation – PFRS***

Under N.J.S.A. 43:16A-15, the Town is responsible for their own PFRS contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the Town by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the Town's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At December 31, 2019 and 2018, the State's proportionate share of the net pension liability attributable to the Town for the PFRS special funding situation is \$6,871,580 and \$6,354,764, respectively. For the years ended December 31, 2019 and 2018, the pension system has determined the State's proportionate share of the pension expense attributable to the Town for the PFRS special funding situation is \$798,421 and \$752,712, respectively, which are more than the actual contributions the State made on behalf of the Town of \$463,002 and \$376,356, respectively. At December 31, 2019 (measurement date June 30, 2019) the State's share of the PFRS net pension liability attributable to the Town was 0.35560 percent, which was an increase of 0.00987 percent from its proportionate share measured as of December 31, 2018 (measurement date June 30, 2018) of 0.34573 percent. The State's proportionate share attributable to the Town was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Town's financial statements.

***Pension Plan Fiduciary Net Position***

Detailed information about the PFRS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS**

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for participating municipalities including the Town.

**Plan Description and Benefits Provided**

The State of New Jersey sponsors and administers the following post-retirement health benefit program covering substantially all eligible local government employees from local participating employers.

**State Health Benefit Program Fund – Local Government Retired (the Plan)** (including Prescription Drug Program Fund) – 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* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retires 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) retires 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.

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 coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be assessed via, the New Jersey, Division of Pensions and Benefits website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**Measurement Focus and Basis of Accounting**

The financial statements of the OPEB plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to government organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the other postemployment benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Investment Valuation**

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

**Collective Net OPEB Liability**

The collective net OPEB liability of the participating employers and the State, as the non-employer contributing entity, of the Plan at June 30, 2019 and 2018 is \$13.5 billion and \$15.7 billion, respectively, and the plan fiduciary net position as a percentage of the total OPEB liability is 1.98% and 1.97%, respectively.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2018 and 2017 which were rolled forward to June 30, 2019 and 2018.

**Actuarial Methods and Assumptions**

In the June 30, 2018 and 2017 OPEB actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Post-Retirement Medical Benefits Contribution**

The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members. The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1967, as disclosed previously. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis.

The employers participating in the OPEB plan made contributions of \$346.4 million and \$421.2 million and the State of New Jersey, as the non-employer contributing entity, contributed \$43.9 million and \$53.5 million for fiscal years 2019 and 2018, respectively.

The State sets the employer contribution rate based on a pay-as-you-go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The Town is not required to make contributions to the State plan under the special funding situation. The State as a non-employer contribution entity makes contributions to the plan on behalf of the Town under a special funding situation.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The regulatory basis of accounting requires participating employers in the State Health Benefit Program Fund – Local Government Retired Plan to disclose in accordance with GASB Statement No. 75, Accounting and *Financial Reporting for Postemployment Benefits other than Pension (GASB No. 75)* their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions. The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer toward the actuarially determined contribution amount to total contributions to the plan during the fiscal years ended June 30, 2019 and 2018. Employer allocation percentages have been rounded for presentation purposes.

***Special Funding Situation***

Under N.J.S.A. 43:3C-24 the Town is responsible for their own OPEB contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 330, P.L. 1997 and Chapter 271, P.L., 1989. Under Chapter 330, P.L. 1997, the State pays the premiums 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. The amounts contributed on behalf of the Town by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Accordingly, the Town's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 75 is zero percent and the State's proportionate share is 100% of OPEB under this legislation.

At December 31, 2019 and 2018, the State's proportionate share of the net OPEB liability attributable to the Town for the OPEB special funding situation is \$20,574,074 and \$23,835,500, respectively. For the years ended December 31, 2019 and 2018 the plan has determined the State's proportionate share of the OPEB expense attributable to the Town for the OPEB special funding situation is \$272,715 and \$721,528, respectively. At December 31, 2019, (measurement date June 30, 2019), the State's share of the OPEB liability attributable to the Town was .37233 percent, which was a decrease of .01126 percent from its proportionate share measured as of December 31, 2018 (measurement date June 30, 2018) of .38359 percent. The State's proportionate share attributable to the Town was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

***OPEB Plan Fiduciary Net Position***

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

**Plan Description**

The Town provides a post employment healthcare plan for its eligible retirees, spouses and dependents. The plan is a single-employer defined benefit healthcare plan administered by the Town. In accordance with Town ordinances, contracts and/or policies, the Town provides medical and prescription benefits to retirees and their covered eligible dependents. The Town pays the full cost for eligible retirees, spouses and dependents. All active employees who retire directly from the Town and meet the eligibility criteria may participate.

**Benefits Provided**

The Town provides postretirement healthcare insurance benefits for retirees and their dependents who meet certain eligibility requirements.

**Employees Covered by Postemployment Benefits**

At December 31, 2019, the following employees were covered by postemployment health care benefits:

Active Employees	304	283
Inactive Employees or Beneficiaries Currently Receiving Benefits	<u>280</u>	<u>292</u>
	<u>584</u>	<u>575</u>

At December 31, 2019 and 2018, the Town's total OPEB liabilities were \$137,782,175 and \$146,126,186, respectively. Net OPEB liability was measured as of December 31, 2019 and December 31, 2018, respectively, and the OPEB liability was determined by an actuarial valuation as of those dates.

For the years ended December 31, 2019 and 2018, the Town has determined it's OPEB expense to be \$580,814 and \$5,359,075, respectively, based on the actuarial valuations which are less and more than the actual contributions reported in the Town's financial statements of \$4,350,860 and \$4,687,171, respectively. At December 31, 2019 and 2018, the Town's deferred outflows of resources and deferred inflows of resources related to the OPEB plan which are not reported on the Town's financial statements are from the following sources:

	2019		2018	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience		\$ 10,408,911		\$ 9,653,845
Changes of Assumptions	\$ 1,008,023	4,826,922		
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments				
Changes in Proportion and Differences Between Town Contributions and Proportionate Share of Contributions				
Contributions made Subsequent to the Measurement Date	-	-	-	-
Total	<u>\$ 1,008,023</u>	<u>\$ 15,235,833</u>	<u>\$ -</u>	<u>\$ 9,653,845</u>

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

At December 31, 2019 the amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense (benefit) as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2020	\$ (9,527,365)
2021	(4,700,445)
2022	-
2023	-
2024	-
Thereafter	-
	<u>\$ (14,227,810)</u>

***Actuarial Assumptions***

The Town's total OPEB liability reported for the year ended December 31, 2019 was based on the December 31, 2019 measurement date as determined by an actuarial valuation as of January 1, 2019, which was rolled forward to December 31, 2019. The total OPEB liability reported for the year ended December 31, 2018 was based on the December 31, 2018 measurement date as determined by an actuarial valuation as of December 31, 2018, which was rolled forward to December 31, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	<u>2019</u>	<u>2018</u>
Inflation Rate	2.50%	2.50%
Salary Increases	3.0%	3.0%
Discount Rate	2.75%	4.10%
Healthcare Cost Trend Rates	4.00%-6.75%	4.00%-9.75%
Retirees' Share of Benefit-Related Costs		

The discount rate was based on Bond Buyer 20-Bond GO Index for both 2019 and for 2018.

Mortality rates were based on the Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale MP-2019.

The actuarial assumptions used were consistent with the assumptions used by the Division of Pensions and Benefits and State Health Benefits Plan as reported in the July 1, 2018 actuarial valuation.

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

*Changes in the Total OPEB Liability*

The change in the Town's OPEB liability for the years ended December 31, 2019 and 2018 based on measurement dates of December 31, 2019 and December 31, 2018, respectively are as follows:

	<b>Total OPEB Liability 2019</b>	<b>Total OPEB Liability 2018</b>
Balance - Beginning of Year	\$ 146,126,186	\$ 155,108,127
Changes for the Year:		
Service Cost	\$ 4,040,537	4,675,593
Interest on the Total OPEB Liability	6,067,643	5,510,405
Actuarial Demographic (gain) or loss	(15,613,366)	
Differences Between Expected and Actual Experience		
Changes in Assumptions	1,512,035	(14,480,768)
Benefit Payments	(4,350,860)	(4,687,171)
<b>Net Changes</b>	<u>(8,344,011)</u>	<u>(8,981,941)</u>
Balance - End of Year	<u>\$ 137,782,175</u>	<u>\$ 146,126,186</u>

Changes of assumptions for 2019 reflect a change in the discount rate from 4.10 percent in 2018 to 2.75 percent in 2019. Changes in assumptions for 2018 reflect a change in the discount rate from 3.50 percent in 2017 to 4.10 percent in 2018.

**TOWN OF WEST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

*Sensitivity of Net OPEB Liability to Changes in the Discount Rate*

The following presents the Town's net OPEB liability as of December 31, 2019 and 2018 calculated using the discount rate of 2.75% and 4.10%, respectively, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower 1.75% and 3.10%, respectively or 1-percentage-point higher 3.75% and 5.10%, respectively than the current rate:

	<b>1% Decrease (1.75%)</b>	<b>Current Discount Rate (2.75%)</b>	<b>1% Increase (3.75%)</b>
<b><u>2019</u></b>			
Net OPEB Liability	<u>\$160,990,689</u>	<u>\$ 137,782,715</u>	<u>\$ 119,449,441</u>
	<b>1% Decrease (3.10%)</b>	<b>Current Discount Rate (4.10%)</b>	<b>1% Increase (5.10%)</b>
<b><u>2018</u></b>			
Net OPEB Liability	<u>\$170,477,858</u>	<u>\$ 146,126,186</u>	<u>\$ 126,887,087</u>

*Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate*

The following presents the Town's net OPEB liability as of December 31, 2019 and 2018 calculated using the healthcare trend rates as disclosed above as well as what the Town's net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
<b><u>2019</u></b>			
Net OPEB Liability	<u>\$117,813,691</u>	<u>\$ 137,782,175</u>	<u>\$ 163,541,728</u>
	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
<b><u>2018</u></b>			
Net OPEB Liability	<u>\$124,447,246</u>	<u>\$ 146,126,186</u>	<u>\$ 173,970,959</u>

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 13 RISK MANAGEMENT**

**Employee Group Health**

The Town of West New York has established a group health and prescription insurance benefit plan for its active employees and eligible dependents. Claims dollars are funded by the Town and employee health contributions and are paid by the plan (Horizon BCBSNJ – Medical and Express Scripts – Prescription). The Town has a Medicare Advantage plan with Horizon BCBSNJ to cover all retired members; the Town assumes all cost to fund the Medicare Advantage plan. Total cost paid by the Town for Medical, Medicare Advantage Plan, Rx and Stop-Loss totals \$15,284,245 for plan year ending December 31, 2019. The plan has a re-insurance agreement with VOYA Financial in place to fund claims in excess of \$175,000 per person. The re-insurance policy also contains an aggregate loss provision in the amount of \$11,660,557 for the policy year ending December 31, 2019. The Town experienced six members and six members that exceeded the specific attachment point of \$175,000 in the calendar years 2019 and 2018, respectively. The Town was reimbursed \$2,046,173 and \$424,686 in the plan years 2019 and 2018, respectively. The Town has not created a liability for loss reserves for claims incurred which were unpaid at December 31, 2019. In addition, the Town has not created a liability for reserves for any potential unreported losses which have taken place but in which the Town has not received notices or report of losses. The effect on the financial statements from these omissions could not be determined, but is presumed to be material. A contingent liability exists with respect to reinsurance, which would become an actual liability in the even the reinsuring company might be unable to meet their obligations to the Town under existing reinsurance agreements.

The Town of West New York is a member of the Public Entity Joint Insurance Fund (PEJIF). The joint insurance fund is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The Fund is a risk-sharing public entity pool. The PEJIF coverage amounts are on file with the Town.

The relationship between the Town and insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Town is contractually obligated to make all annual and supplementary contributions to the insurance fund, to report claims on a timely basis, to cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which the municipality was a member.

The fund provides its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the fund can be obtained by contacting the respective fund's Treasurer.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage in any of the prior three years.

The Town has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the Town is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Town is billed quarterly for amounts due to the State. The following is a summary of Town contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Town's unemployment compensation trust fund for the current and previous two years:

<u>Year Ended December 31</u>	<u>Town Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019	\$ 132,036	\$ 38,191	\$ 136,556	\$ 325,310
2018	165,000	39,023	183,023	291,639
2017	165,000	108,035	166,922	270,639

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 14 CONTINGENT LIABILITIES**

The Town is a party defendant in some lawsuits, none of a kind unusual for a municipality of its size and scope of operation. In the opinion of the Town's Attorney, the potential claims against the Town not covered by insurance policies would not materially affect the financial condition of the Town.

**Pending Tax Appeals** - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2019 and 2018. Amounts claimed have not yet been determined. The Town is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the Town does not recognize a liability, if any, until these cases have been adjudicated. The Town expects such amounts, if any, could be material. As of December 31, 2019 and 2018, the Town reserved \$359,002 and \$246,031, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

**Federal and State Awards** - The Town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. As of December 31, 2019 and 2018, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Town believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Town.

**NOTE 15 FEDERAL ARBITRAGE REGULATIONS**

The Town is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2019 and 2018, the Town has not estimated its estimated arbitrage earnings due to the IRS, if any.

**NOTE 16 RELATED PARTY TRANSACTIONS**

**North Hudson Sewerage Authority**

In October, 1996, the West New York Municipal Utilities Authority (WNYMUA) was acquired by the Hoboken – Union City – Weehawken Sewerage Authority (HUCWSA), and together, these entities were consolidated to create the North Hudson Sewerage Authority (NHSA). The acquisition was executed through the issuance and sale of \$104,945,000 Sewer Revenue Bonds, Series 1996, issued by the NHSA on October 15, 1996. Upon delivery of the bonds on October 31, 1996, the NHSA acquired all of the existing wastewater collection and treatment facilities of the Town and the WNYMUA. On February 16, 2000, the WNYMUA was officially dissolved pursuant to N.J.S. 40A:5A-20, through Town ordinance 25/99. By virtue of this ordinance, the Town assumed all remaining assets and liabilities of the now defunct WNYMUA.

In connection with the creation of the NHSA, a service agreement between the Town (together with the Hudson County municipalities of Hoboken, Union City and Weehawken) and the NHSA was executed. This agreement supersedes a previous agreement between the Town and the WNYMUA. The related obligation of the Town with respect to the current service agreement pertains to service charges and annual charges, as described below.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 16 RELATED PARTY TRANSACTIONS (Continued)**

**North Hudson Sewerage Authority (Continued)**

**Service Charges**

The NHSA will charge (to users of its system) service charges, pursuant to the service agreement, with respect to all sewerage treated or disposed of by the NHSA and for all use and services of its system, in accordance with the New Jersey Sewerage Authorities Law, ch. 138, L. 1946, and in a manner consistent with the submission relied upon by the United States Environmental Protection Agency (EPA) and the New Jersey Department of Environmental Protection (NJDEP) in issuing a federal grant or in such other manner that the EPA and the NJDEP approve. Such service charges shall be established at rates estimated to be sufficient to provide for all amounts necessary to pay or provide for the expense of operation and maintenance of the NHSA's system and the principal and interest on any and all bonds as they become due, to maintain the amounts required to be held on deposit in the sinking fund and the bond reserve fund and to comply in all respects with the terms of provisions of the general bond resolution adopted by the NUCWSA on April 24, 1989, as amended and the New Jersey Sewerage Authorities Law, provided, however, that the NHSA may charge service charges which are less than sufficient to comply with the requirements referred to above if each of the municipalities gives its written consent to such lesser service charges.

**Annual Charges**

Annual charges are based upon application of a formula which is explained in the next two paragraphs. If, but only if, the application of the formula yields a positive dollar amount for any fiscal year during which the service agreement is in effect, the Town shall be obligated to pay to the NHSA its allocable share of such positive dollar amount as an annual charge. Such annual charges shall be the excess, if any of the amount determined by the items in the first paragraph following less the amount determined by the items in the second paragraph following to determine the excess, if any.

The sum of all of the amounts reasonably expected by the NHSA to be expended in the fiscal year of the NHSA (1) to pay or provide for the expenses of construction, acquisition, operation and maintenance of its system, as well as administrative and other expenses of the NHSA related to its system prior to placing the system in operation, and the principal of and interest on all bonds as the same become due; (2) to maintain such reserves or sinking funds as may be required by the terms of the contract of the NHSA or any bond resolution, or as may be deemed necessary by the NHSA; and (3) to comply in all respects with the terms of the general bond resolution adopted by the HUCWSA on April 24, 1989, as amended, and the New Jersey Sewerage Authorities Law.

The sum of the following amounts to the extent available to be used to pay or provide for the amounts described in the preceding paragraph: (1) service charges collected by the NHSA; (2) the proceeds of bonds received by or for account of the NHSA with respect to its system; (3) the proceeds of insurance awards received by or for account of the NHSA with respect to its system; (4) contributions received by or for account of the NHSA with respect to its system and not under any circumstances repayable by the NHSA until after the payment in full of all other obligations of the NHSA including its bonds, original or refunding or both, or (5) any other funds on hand or available therefore.

Annual charges, if any, are assessed to and payable by the Town in the same percentage as the most recent determination by the NHSA of the allocation of the annual flow among the municipalities. The most recent determination by the NHSA of the allocation of the annual flow is as follows: (i) Hoboken 31%, (ii) Union City 35%, (iii) Weehawken 8% and (iv) West New York 26%.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 16 RELATED PARTY TRANSACTIONS (Continued)**

**North Hudson Sewerage Authority (Continued)**

**Annual Charges (Continued)**

On or before January 1 of each fiscal year, the NHSA will make an estimate of the amount of the annual charges, if any, which will become payable by the Town for such fiscal year. On or before February 15 of each fiscal year, the Town will pay to the NHSA the amount of any annual charges not paid relating to any prior fiscal year. The Town will pay to the NHSA that part of the estimated amount of the annual charges for the current fiscal year in four equal installments on March 1, June 1, September 1, and November 1 of such fiscal year.

There was no annual charge due to the NHSA for the years ended December 31, 2019 and 2018.

**NOTE 17 JOINT GOVERNED ORGANIZATION**

**North Hudson Regional Fire and Rescue**

The North Hudson Regional Fire and Rescue was created pursuant to the second Amended and Restated Consolidated Municipal Services Agreement (Agreement) for the Formation of a Joint Meeting Pursuant to N.J.S.A. 40:8B-1 et seq.

**Background of the Agreement**

On October 1, 1998, the Hudson County municipalities of North Bergen, Union City, Weehawken and West New York had formed the Agreement in order to form a joint meeting pursuant to the Consolidated Municipal Services Act, N.J.S.A. 40:8B-1 et seq. (the "Act"). The entity created by the formation of this joint meeting is known as the North Hudson Regional Fire and Rescue (NHRFR), which is a public body, corporate and politic, constituting a political subdivision of the State of New Jersey, having all powers and authorities permitted by the Act. The purpose of the NHRFR is to provide for the joint operation of fire protection, rescue and emergency services, and other related governmental services.

The Town adopted an ordinance on September 30, 1998, authorizing the sale, lease transfer, conveyance or other disposition of an improvement of real and personal property to the NHRFR, pursuant to New Jersey Statutes.

On December 30, 1998, the Town of Guttenberg, duly adopted a resolution approving it to officially enter into the Agreement, and Guttenberg was admitted to participate in the NHRFR.

The terms of the Agreement expires September 30, 2023, but may be subject to earlier termination pursuant to the Act. The operations of the NHRFR commenced on January 1, 1999. The NHRFR is governed by a five member management committee, consisting of one representative from each municipality, and this committee may appoint one or two executive director(s), and other such officers, employees and counsel as it deems necessary. A municipality's admission to or withdrawal from the NHRFR requires four votes from the management committee.

The annual contribution is based on each an allocation formula set for the original four participating municipalities and subsequent agreement with the Town of Guttenberg on the annual budgeted costs of North Hudson Regional Fire and Rescue. The Towns contribution was \$15,662,175 and \$15,426,459 for the years 2019 and 2018, respectively, including health insurance and debt service costs.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 18 ACCELERATED TAX SALE**

Chapter 99 of the Public Laws and 1997 of the State of New Jersey, effective May 12, 1997, authorized any municipality to have an accelerated tax sale. An accelerated tax sale permits a municipality to have a tax sale when a property is in arrears after the 11<sup>th</sup> day of the 11<sup>th</sup> month of each fiscal year. In 2019 and 2018, the Town conducted an accelerated tax sale which resulted in the majority of delinquent taxes being sold to outside lien holders. As a result of the accelerated tax sales, the true collection rate which includes the proceeds of the accelerated tax sale was 99.92% and 99.89% for 2019 and 2018, respectively. The underlying tax collection rate was 98.76% and 98.37% for 2019 and 2018, respectively.

**NOTE 19 TAX ABATEMENTS**

For the years ended December 31, 2019 and 2018, the Town provided property tax abatements through certain programs authorized under State statutes. These programs include the Long Term Tax Exemption Law (the "LTTE Law") and the Five-Year Exemption and Abatement Law (the "FYEA").

- The Long Term Tax Exemption Law (NJSA 40A:20 et.seq.) is focused on broad areas of redevelopment. It allows for a longer abatement term to carry out a larger development plan through declaring an area as being "in need of redevelopment". These long-term property abatements may last up to 30 years from completion of a project or 35 years from execution of the financial agreement. The process is initiated when the municipality passes a resolution calling for the municipal planning board to study the need for designating an area "in need of redevelopment". Upon adopting the planning board's recommendations and formalizing the redevelopment area designation, a municipality adopts a redevelopment plan, engages redevelopment entities to carry out the plan, and may authorize long-term tax abatements in the process. Developers submit abatement applications to the governing body for review. The financial agreement is approved through adoption of a local ordinance. The agreement exempts a project from taxation, but requires a payment in lieu of taxes (PILOTs) in an amount based generally on a percentage of project costs or revenue generated by the project, depending on the type of project. For the years ended December 31, 2019 and 2018 the Town abated property taxes totaling \$34,745,222 and \$31,147,253, respectively under the LTTE program. The Town billed \$22,445,589 and \$21,555,308 in PILOT payments under this program for the years ended December 31, 2019 and 2018, respectively.
- The Five-Year Exemption and Abatement Law (NJSA 40:21et.seq.) generally concerns rehabilitation of particular buildings and structures, with an abatement period that lasts no more than five years. These "short-term" property tax abatements can be structured as reduced property tax bills that exclude all or part of improvement value or as payments in lieu of taxes (PILOTs). Procedurally, a municipality must first adopt an ordinance invoking its five-year abatement authority and setting forth application procedures. This ordinance, referred to as the general ordinance, defines the eligibility criteria, which may include types of structures, types of permissible improvements, as well as qualifying geographic zones or similar designations. An applicant must satisfy all of the criteria stipulated in the statute and general ordinance to be entitled to approval. Applications for individual short-term abatements are presented to the local governing body and must include a general description of the project, plans demonstrating the structure of the project, a statement of reasons for seeking the abatement, claimed benefits to be realized by the applicant if the application is approved, and a statement of taxes currently being assessed and taxes to be paid during the period of the abatement. The application is approved by an ordinance authorizing execution of a tax agreement. If during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the property tax which would have otherwise been payable for each year shall become due and payable from the property owner as if no exemption and abatement had been granted. For the years ended December 31, 2019 and 2018 the Town abated property taxes totaling \$142,823 and \$339,091 respectively under the FYEA program. The Town received \$76,287 and \$166,160 in PILOT payments under this program for the years ended December 31, 2019 and 2018, respectively.

**TOWN OF WEST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 20 INFECTIOUS DISEASE OUTBREAK – COVID-19 PANDEMIC**

The World Health Organization has declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, which was first discovered in China and has since spread to other countries, including the United States (and to the Town) (the “COVID-19 Crisis”). On March 13, 2020, President Trump declared a national emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. Governor Phil Murphy, of the State of New Jersey, has also instituted mandatory measures via various executive orders to contain the spread of the virus, including closing schools and nonessential businesses and limiting social gatherings. These measures, which alter the behavior of businesses and people, are expected to have negative impacts on regional, state and local economies and significant declines in the financial markets in the United States and volatility attributed to concerns about the duration of the pandemic and its continued economic impact. Recently, the United States Congress has passed relief and stimulus legislation. This legislation is intended to address the financial impact of the pandemic on the U.S. economy and financial markets. It is too early to predict if the legislation will have its intended affect.

In compliance with the Governor’s executive orders, the Town has instituted necessary precautions and procedures, so as to allow the Town to continue to provide services during this time. The Town is functioning administratively, and its departments continue to operate both remotely and on-site, where safe and practicable. The Town will continue to collect property taxes and other municipal revenues. At this time, it is not possible to predict any other financial impacts as a result of this pandemic on the Town’s operations; however, such amounts, if any, could be material.

**NOTE 21 ASSUMPTION OF THE PARKING AUTHORITY OF THE TOWN OF WEST NEW YORK OPERATIONS**

In accordance with N.J.S.A. 40A:5A-20 the dissolution of a local authority must be granted prior approval by the Local Finance Board (the “Board”) of the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The Town of West New York applied to the Local Finance Board to dissolve the Authority and appeared at a hearing of the Board on August 22, 2019. Based upon the testimony at that hearing the Board determined that adequate provisions have been made to pay all creditors or obligees of the Authority and adequate provision has been made for the assumption of service provided by the Authority. As a result of the Board’s determination the Board approved the dissolution of the Parking Authority of the Town of West New York. The effective date of the dissolution was November 26, 2019, at which time the Authority transferred the remaining cash on hand of \$2,617,908 and its capital assets to the Town of West New York, which created a Parking Utility Fund and thereby formally assumed the operations of the Parking Authority of the Town of West New York.

**NOTE 22 SUBSEQUENT EVENTS**

**Capital Projects**

Certain capital projects bond ordinances were adopted as of the date of audit authorizing the issuance of \$13,410,000 of bonds and/or notes. No bonds or notes have been issued pertaining to those ordinances as of the date of audit.

**NOTE 23 RESTATEMENT**

The Town’s December 31, 2018 General Capital Fund has been restated to reflect the conversion of an HCIA lease to fixed rate bonds in December 2018. The December 31, 2018 deferred charges to future taxation – funded and serial bonds have been restated by \$715,000 to reflect this conversion.

**CURRENT FUND**

**TOWN OF WEST NEW YORK  
STATEMENT OF CURRENT CASH**

Balance, January 1, 2019		\$29,922,741
Increased by Receipts:		
Taxes Receivable	\$69,236,364	
Non-Budget Revenue	1,106,062	
Senior Citizen's and Veteran's Deductions	29,099	
Tax Title Liens	594	
Prepaid Taxes and PILOTS	1,163,561	
Tax and Pilot Overpayments	113,059	
Bid Deposits Payable	493,977	
Revenue Accounts Receivable	37,584,961	
North Hudson Sewerage Authority	866,458	
Due to West New York Parking Authority	444,108	
Reserve for Insurance Runout Claims	222,215	
Receipts for Federal and State Grant Fund	244,133	
Receipts from Animal Control Trust Fund	106	
Receipts from General Capital Fund	62,106	
Receipts for General Capital Fund	11,704,503	
Receipts from Federal and State Grant Fund	5,873	
Receipts from Other Trust Fund	130,321	
Receipts for Other Trust Fund	<u>2,142,042</u>	
		<u>125,549,542</u>
		155,472,283
Decreased by Disbursements:		
2019 Budget Appropriations	73,407,002	
2018 Appropriation Reserves	1,624,704	
Encumbrances Payable	3,336,703	
Accounts Payable	4,288	
Tax and Pilot Overpayments	368,918	
County Taxes Payable	13,666,971	
School Taxes Payable	17,843,655	
Reserve for Tax Appeals	12,425	
Bid Deposits Payable	256,961	
North Hudson Sewerage Authority	759,029	
Due to West New York Parking Authority	479,227	
Payments to Federal and State Grant Fund	134,325	
Payments for Federal and State Grant Fund	372,256	
Payments to Other Trust Fund	1,403,100	
Payments for Other Trust Fund	34,001	
Payments for General Capital Fund	10,938,000	
Payments to General Capital Fund	912,416	
Payments for Parking Utility Operating Fund	5,055	
Refund of Prior Year Revenue	<u>62,393</u>	
		<u>125,621,429</u>
Balance, December 31, 2019		<u>\$29,850,854</u>
<u>Analysis</u>		
Cash - Treasurer	\$28,667,575	
Cash - Held with Third Party	<u>1,183,279</u>	
		<u>\$29,850,854</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF CHANGE FUNDS**

	Balance, <u>January 1, 2019</u>	Balance, <u>December 31, 2019</u>
Collector	\$ 100	\$ 100
Violations Clerk	<u>400</u>	<u>400</u>
	<u>\$ 500</u>	<u>\$ 500</u>

**STATEMENT OF DUE TO STATE OF NEW JERSEY  
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS**

Balance, January 1, 2019	\$ 58,155
Increased by:	
Cash Received from State	<u>29,099</u>
	87,254
Decreased by:	
Senior Citizen and Veteran's Deductions Allowed Per Tax Duplicate	<u>29,000</u>
Balance, December 31, 2019	<u>\$ 58,254</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF PREPAID DEBT SERVICE**

Balance, January 1, 2019	\$ 670,015
Increased by:	
Qualified Debt Service Received	<u>822,165</u>
	1,492,180
Decreased by:	
Qualified Debt Service Paid on Behalf	<u>670,015</u>
Balance, December 31, 2019	<u>\$ 822,165</u>

**STATEMENT OF DUE FROM PARKING UTILITY OPERATING FUND**

Increased by:	
Payments for Parking Utility Operating Fund	<u>\$ 5,055</u>
Balance, December 31, 2019	<u>\$ 5,055</u>

**TOWN OF WEST NEW YORK**  
**STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

<u>Year</u>	<u>Balance, January 1, 2019</u>	<u>Tax Levy</u>	<u>Senior Citizens' and Veterans' Deductions Disallowed</u>	<u>Collected In</u>		<u>Senior Citizens' and Veterans' Deductions Allowed</u>	<u>Cancelled</u>	<u>Transferred to Tax Title Liens</u>	<u>Balance, December 31, 2019</u>
2013	\$ 1,750						1,750		
2014	554						\$ 554		
2016	489						489		
2017	8				\$ 8				
2018	40,163	-	-	-	30,273	-	9,890	-	-
	42,964	-	-	-	30,281	-	12,683	-	-
2019	-	\$ 69,996,183	-	\$ 397,142	69,206,083	\$ 29,000	309,317	\$ 33,863	\$ 20,778
	<u>\$ 42,964</u>	<u>\$ 69,996,183</u>	<u>\$ -</u>	<u>\$ 397,142</u>	<u>\$ 69,236,364</u>	<u>\$ 29,000</u>	<u>\$ 322,000</u>	<u>\$ 33,863</u>	<u>\$ 20,778</u>

**Analysis of 2019 Tax Levy**

**TAX YIELD**

General Purpose Tax	\$ 69,457,212
Added Taxes (NJSA 54:4-63.1 et seq)	538,971
	<u>\$ 69,996,183</u>

**TAX LEVY**

Local District School Tax	
Local District School Tax Levy	\$ 17,743,655
Additional Local District School Tax Levy	272,300
	<u>18,015,955</u>
County Taxes	
County Tax Levy	13,214,035
Due County for Open Space Preservation	317,553
Added County Taxes	104,446
	<u>13,636,034</u>
Municipal Taxes	
Local Tax for Municipal Purposes	36,867,145
Minimum Library Tax	1,035,511
Additional Tax Levied	441,538
	<u>38,344,194</u>
	<u>\$ 69,996,183</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF TAX TITLE LIENS**

Balance, January 1, 2019	\$ 362,061
Increased by:	
Transfers from 2019 Taxes Receivable	<u>33,863</u>
	395,924
Decreased by:	
Cash Received	<u>594</u>
Balance, December 31, 2019	<u><u>\$ 395,330</u></u>

**TOWN OF WEST NEW YORK**  
**STATEMENT OF REVENUE ACCOUNTS RECEIVABLE**

	Balance, January 1, <u>2019</u>	Accrued <u>in 2019</u>	<u>Collected</u>	Balance, December 31, <u>2019</u>
Licenses				
Alcoholic Beverages		\$ 109,291	\$ 109,291	
Other		179,270	179,270	
Fines and Costs				
Municipal Court		2,186,101	2,186,101	
Fees and Permits		256,472	256,472	
Interest and Costs on Taxes		130,854	130,854	
Interest on Investments and Deposits		388,746	388,746	
Payment in Lieu of Taxes:				
Waterfront and All Other		24,132,607	24,132,607	
Cable T.V. Franchise Tax		394,320	394,320	
Pool Membership Fees		154,690	154,690	
Hudson County Sewerage Authority (FOG)		400,000	400,000	
Consolidated Municipal Property Tax Relief Aid		1,592,980	1,592,980	
Energy Receipts Tax		5,217,399	5,217,399	
Uniform Construction Code Fees (N.J.S.A. 40A:4_36)				
Uniform Construction Code Fees		1,354,504	1,354,504	
EMT Service Fees		796,223	796,223	
West New York Board of Education				
Reimbursement for:				
Recreation Services		671,684	671,684	
Police Security		600,330	600,330	
Waste Disposal		195,416	195,416	
Fuel	-	93,573	93,573	-
	<u>\$ -</u>	<u>\$38,854,460</u>	<u>\$ 38,854,460</u>	<u>\$ -</u>
			Cash Receipts	\$ 37,584,961
			Due from Federal and State Grant Fund	6,704
			Due from Other Trust Fund	170,348
			Due from Animal Control Fund	106
			Due from General Capital Fund	62,106
			Transferred from Prepaid PILOTS	208,070
			Prepaid Debt Service	822,165
				<u>\$38,854,460</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF 2018 APPROPRIATION RESERVES**

	Balance, January 1, 2019	Transfers	Cancelled Encumbrances	Balance After Modification	Paid or Charged	Balance Lapsed
Department of Public Affairs						
Director's Office						
Salaries and Wages	\$ 42,156			\$ 42,156		\$ 42,156
Other Expenses	21,146			21,146	\$ 2,376	18,770
Town Clerk						
Salaries and Wages	844			844		844
Other Expenses						
Legal Advertising and Publications	4,656			4,656	1,723	2,933
Miscellaneous Other Expenses	4,126			4,126	1,688	2,438
Codification of Ordinances	2,140			2,140		2,140
Poormaster's Fund						
Other Expenses	1,500			1,500		1,500
Elections						
Salaries and Wages	25,000			25,000		25,000
Other Expenses	130,250			130,250	185	130,065
Community Development						
Other Expenses	100			100		100
Board of Health						
Salaries and Wages	129,382			129,382		129,382
Other Expenses	51,480			51,480	35,906	15,574
Vital Statistics	12,083			12,083	-	12,083
Prosecutor						
Other Expenses	45,038			45,038	6,188	38,850
Public Relations						
Other Expenses	65,867			65,867	14,900	50,967
Rent Control Board						
Salaries and Wages	41,042			41,042	12	41,030
Other Expenses	18,496			18,496	3,251	15,245
Town Funding Program						
Other Expenses	19,000			19,000	19,000	
Housing Inspection						
Salaries and Wages	22,492			22,492		22,492
Other Expenses	800			800	155	645
Tenants Relations						
Other Expenses	86,167			86,167	43,087	43,080
School Crossing Guards						
Salaries and Wages	71,663			71,663	62,921	8,742
Law Department						
Other Expenses	25,763			25,763	15,211	10,552
Supervised Play Activity						
Salaries and Wages	17,474		\$ 17,885	35,359		35,359
Other Expenses	33,812		13,665	47,477		47,477

**TOWN OF WEST NEW YORK  
STATEMENT OF 2018 APPROPRIATION RESERVES**

	Balance, January 1, <u>2019</u>	<u>Transfers</u>	Cancelled <u>Encumbrances</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Senior Citizens Coordinator of Events						
Salaries and Wages	\$ 3,565			\$ 3,565		\$ 3,565
Other Expenses	44,426			44,426	\$ 3,593	40,833
Administrative Offices						
Salaries and Wages	4,906			4,906		4,906
Other Expenses	9,661		\$ 10,597	20,258		20,258
Insurance/Personnel Department						
Salaries and Wages	7,150			7,150		7,150
Other Expenses	5,460			5,460		5,460
Zoning Board						
Other Expenses	9,260			9,260	7,074	2,186
Planning Board						
Salaries and Wages	3,927			3,927		3,927
Other Expenses	7,220			7,220	138	7,082
North Hudson Council of Mayors						
Town Share	6,354			6,354		6,354
North Hudson Regional Council of Mayors Aid Task Force						
Town Share	4,839			4,839	1,082	3,757
Urban Enterprise Zone						
Other Expenses	8,000			8,000		8,000
Department of Revenue and Finance						
Director's Office						
Salaries and Wages	12,187			12,187		12,187
Other Expenses	23,432			23,432	4,704	18,728
Treasurer's Office						
Salaries and Wages	147,437			147,437		147,437
Other Expenses						
Annual Audit	34,718			34,718		34,718
Miscellaneous Other Expenses	222,355			222,355	47,094	175,261
Payroll Service Fee	15,658			15,658	15,330	328
Assessment of Taxes						
Salaries and Wages	15,206			15,206		15,206
Other Expenses	42,998			42,998	508	42,490
Collection of Taxes						
Salaries and Wages	29,775			29,775	9,000	20,775
Other Expenses	14,490			14,490	13,841	649
Insurance						
General Liability Insurance	382,109		1,992	384,101		384,101
Workers Compensation Insurance	29,487			29,487		29,487
Employee Group Health	1,160,688			1,160,688	627,201	533,487
Health Waiver	25,000			25,000		25,000
Purchasing Agent						
Salaries and Wages	33			33		33
Other Expenses	4,375			4,375	309	4,066

TOWN OF WEST NEW YORK  
STATEMENT OF 2018 APPROPRIATION RESERVES

	Balance, January 1, <u>2019</u>	<u>Transfers</u>	Cancelled <u>Encumbrances</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
DEPARTMENT OF PUBLIC SAFETY						
Director's Office						
Salaries and Wages	\$ 16,144			\$ 16,144	\$ 1,402	\$ 14,742
Other Expenses	41,220			41,220	3,920	37,300
Police						
Salaries and Wages	388,103			388,103	119,033	269,070
Other Expenses	38,417			38,417	5,544	32,873
Public Safety Mechanics						
Salaries and Wages	24,175			24,175		24,175
Uniform Fire Safety						
Salaries and Wages	63,886			63,886		63,886
Ambulance Squad						
Salaries and Wages	5,384			5,384		5,384
Other Expenses	20,966			20,966	10,415	10,551
Office of Emergency Management						
Other Expenses	3,528			3,528	1,194	2,334
Department of Public Works						
Director's Office						
Salaries and Wages	16,913			16,913	160	16,753
Other Expenses	16,204			16,204	618	15,586
Streets and Sewers						
Salaries and Wages	414,128			414,128	510	413,618
Other Expenses	121,819			121,819	6,315	115,504
Snow Removal	54,110			54,110		54,110
Street Lighting						
Other Expenses	231,782			231,782	142,202	89,580
Fire Hydrant Rental						
Other Expenses	61,197			61,197	25,667	35,530
Recycling						
Other Expenses	13,633		\$ 26,518	40,151		40,151
Garbage and Trash						
Salaries and Wages	97,597			97,597		97,597
Other Expenses						
Miscellaneous Other Expenses	574,920			574,920	94,792	480,128

TOWN OF WEST NEW YORK  
STATEMENT OF 2018 APPROPRIATION RESERVES

	Balance, January 1, 2019	Transfers	Cancelled Encumbrances	Balance After Modification	Paid or Charged	Balance Lapsed
Engineering Services and Costs						
Other Expenses	\$ 307,145			\$ 307,145	\$ 213,159	\$ 93,986
Department of Parks and Public Property						
Director's Office						
Salaries and Wages	12,102			12,102		12,102
Other Expenses	533			533	78	455
Divisions of Parks						
Salaries and Wages	33,488			33,488	6,000	27,488
Other Expenses	6,321			6,321	4,629	1,692
Celebration of Public Events Anniversary or Holiday						
Salaries and Wages	153			153		153
Other Expenses	12,700			12,700	1,232	11,468
Public Buildings and Ground Maintenance						
Salaries and Wages	49,641			49,641		49,641
Other Expenses	102,292		\$ 8,503	110,795		110,795
Light and Power						
Other Expenses	1,760		8,813	10,573		10,573
Centralized Postage						
Other Expenses	283		10,000	10,283		10,283
Fuel						
Other Expenses	18,999			18,999	9,715	9,284
Telephone						
Other Expenses	11,974			11,974	11,219	755
Water						
Other Expenses	13,426			13,426	3,283	10,143
Sewerage						
Other Expenses	81,571			81,571		81,571
Signal Bureau						
Other Expenses	18,186			18,186	541	17,645
Construction Code Official						
Salaries and Wages	21,870			21,870		21,870
Other Expenses	16,760			16,760	10,429	6,331
UNCLASSIFIED						
Municipal Court						
Salaries and Wages	85,701			85,701	1,141	84,560
Other Expenses	42,760			42,760	19,503	23,257

TOWN OF WEST NEW YORK  
STATEMENT OF 2018 APPROPRIATION RESERVES

	Balance, January 1, <u>2019</u>	<u>Transfers</u>	Cancelled <u>Encumbrances</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Public Defender						
Other Expenses	\$ 36,033			\$ 36,033	\$ 1,800	\$ 34,233
Contingent	5,000			5,000		5,000
STATUTORY CHARGES						
Contribution to:						
Public Employees Retirement System	30,704			30,704		30,704
PERS Adjustments	99,699			99,699		99,699
Social Security System (O.A.S.I.)	101,635			101,635	829	100,806
Maintenance of Free Public Library	110,928			110,928	556	110,372
Interlocal Municipal Service Agreements						
Reimbursements for Health Services	24,000			24,000		24,000
Board of Health - Guttenberg						
Salaries and Wages	19,444			19,444		19,444
Contribution to North Hudson Regional Fire	<u>50,025</u>	<u>-</u>	<u>-</u>	<u>50,025</u>	<u>-</u>	<u>50,025</u>
Total General Appropriations	<u>\$ 6,670,452</u>	<u>\$ -</u>	<u>\$ 97,973</u>	<u>\$ 6,768,425</u>	<u>\$ 1,632,363</u>	<u>\$ 5,136,062</u>
Transferred to Accounts Payable						\$ 7,659
Cash Disbursements						<u>1,624,704</u>
						<u>\$ 1,632,363</u>

**TOWN OF WEST NEW YORK**  
**STATEMENT OF DUE TO NORTH HUDSON SEWERAGE AUTHORITY**

Balance, January 1, 2019	\$ 706,408
Increased by:	
Cash Receipts	<u>866,458</u>
	1,572,866
Decreased by:	
Cash Disbursements	<u>759,029</u>
Balance, December 31, 2019	<u>\$ 813,837</u>

EXHIBIT A-14

**STATEMENT OF ENCUMBRANCES PAYABLE**

Balance, January 1, 2019	\$ 3,435,072
Increased by:	
Charges to 2019 Budget Appropriations	\$ 4,114,900
Charges to Tax and PILOT Overpayments	<u>1,500</u>
	<u>4,116,400</u>
	7,551,472
Decreased by:	
Cancelled to Appropriation Reserves	97,973
Cancelled to Reserve for Tax Appeals	396
Cash Disbursements	<u>3,336,703</u>
	<u>3,435,072</u>
Balance, December 31, 2019	<u>\$ 4,116,400</u>

EXHIBIT A-15

**STATEMENT OF PREPAID TAXES AND PILOTS**

Balance, January 1, 2019	\$ 605,212
Increased by:	
Cash Received	<u>1,163,561</u>
	1,768,773
Decreased by:	
Applied to 2019 Taxes Receivable	\$ 397,142
Transferred to Anticipated Revenues - PILOTS	<u>208,070</u>
	<u>605,212</u>
Balance, December 31, 2019	<u>\$ 1,163,561</u>
<u>Analysis</u>	
Taxes	\$ 994,151
Pilots	<u>169,410</u>
	<u>\$ 1,163,561</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF TAX AND PILOT OVERPAYMENTS**

Balance, January 1, 2019		\$	741,963
Increased by:			
			855,022
Decreased by:			
Cash Disbursements	\$	368,918	
Cancelled to Operations			
Encumbrances Payable		<u>1,500</u>	
			<u>370,418</u>
Balance, December 31, 2019		\$	<u>484,604</u>
<u>Analysis</u>			
Taxes	\$	376,895	
Pilots		<u>107,709</u>	
			<u>\$ 484,604</u>

EXHIBIT A-17

**STATEMENT OF COUNTY TAXES PAYABLE**

Balance, January 1, 2019		\$	135,383
Increased by:			
2019 Levy			
General County Tax (Abstract)	\$	13,214,035	
County Open Space Preservation		317,553	
Added County Taxes		<u>104,446</u>	
			<u>13,636,034</u>
			13,771,417
Decreased by:			
Cash Disbursed			<u>13,666,971</u>
Balance, December 31, 2019		\$	<u>104,446</u>

EXHIBIT A-18

**STATEMENT OF LOCAL DISTRICT SCHOOL TAXES PAYABLE**

Balance, January 1, 2019		\$	100,000
Increased by:			
Levy - 2019			<u>17,743,655</u>
			17,843,655
Decreased by:			
Cash Disbursed			<u>17,843,655</u>
Balance, December 31, 2019		\$	<u>-</u>

**TOWN OF WEST NEW YORK  
SCHEDULE OF RESERVE FOR INSURANCE RUNOUT CLAIMS**

Balance, January 1, 2019	\$ 961,064
Increased by:	
Cash Receipts	<u>222,215</u>
Balance, December 31, 2019	<u>\$ 1,183,279</u>

**STATEMENT OF RESERVE FOR TAX APPEALS**

Balance, January 1, 2019	\$ 246,031
Increased by:	
Transferred from 2019 Budget Appropriations	\$ 125,000
Cancelled Encumbrances Payable	<u>396</u>
	371,427
Decreased by:	
County and State Board Judgements Paid	<u>12,425</u>
Balance, December 31, 2019	<u>\$ 359,002</u>

**STATEMENT OF RESERVE FOR MASTER PLAN**

Balance, January 1, 2019	<u>\$ 142,967</u>
Balance, December 31, 2019	<u>\$ 142,967</u>

**TOWN OF WEST NEW YORK  
SCHEDULE OF ACCOUNTS PAYABLE**

Balance, January 1, 2019		\$ 18,903
Increased by:		
Transferred from 2018 Appropriation Reserves		<u>7,659</u>
		26,562
Decreased by:		
Cash Disbursements	\$ 4,288	
Cancelled to Operations	<u>14,615</u>	
		<u>18,903</u>
Balance, December 31, 2019		<u>\$ 7,659</u>

**STATEMENT OF CURRENT CASH - FEDERAL AND STATE GRANT FUND**

Balance, January 1, 2019		\$ 416,798
Increased by Receipts:		
Grants Receivable	\$ 362,414	
Receipts from Current Fund	134,325	
Interest Earned	<u>6,704</u>	
		<u>503,443</u>
		920,241
Decreased by Disbursements:		
Payments to Current Fund	5,873	
Payments to Other Trust Fund	1,903	
Encumbrances Payable	65,274	
Appropriated Grant Reserves	<u>273,200</u>	
		<u>346,250</u>
Balance, December 31, 2019		<u>\$ 573,991</u>

**STATEMENT OF DUE TO CURRENT FUND  
FEDERAL AND STATE GRANT FUND**

Balance, January 1, 2019		\$ 41,179
Increased by:		
Federal and State Grant Fund Expenditures Paid by Current Fund	\$ 372,256	
Receipts from Current Fund	134,325	
Interest Earned	<u>6,704</u>	
		<u>513,285</u>
		554,464
Decreased by:		
Payments to Current Fund	5,873	
Grant Receipts Deposited in Current Fund	244,133	
Local Match	<u>10,736</u>	
		<u>260,742</u>
Balance, December 31, 2019		<u><u>\$ 293,722</u></u>

**TOWN OF WEST NEW YORK  
STATEMENT OF GRANTS RECEIVABLE  
FEDERAL AND STATE GRANT FUND**

	Balance, January 1, <u>2019</u>	2019 Budget Revenue <u>Realized</u>	<u>Decreased by:</u>  <u>Cash Receipts</u>	Balance, December 31, <u>2019</u>
NJ Dept of Law and Public Safety:				
Direct Aid				
Safe and Secure Communities - 2019		\$ 60,000	\$ 45,000	\$ 15,000
Safe and Secure Communities - 2018		60,000	60,000	
Safe and Secure Communities - 2017		60,000	60,000	
Pedestrian Safety Grant - 2018		2,640	2,640	
Pedestrian Safety Grant - 2016	\$ 16,000			16,000
Fire Prevention & Safety Grant		57,334		57,334
FEMA Hazard Mitigation Grant				
NJ Department of Environmental Protection:				
Direct Aid				
Clean Communities Program - 2019		72,918	72,918	-
Clean Communities Program - 2017	16,733			16,733
Recycling Tonnage Grant - 2019		90,822	90,822	-
Recycling Tonnage Grant - 2018		38,415	38,415	-
Green Acres Trust Fund:				-
Miller Stadium - Phase II	159,980			159,980
NJ Department of Community Affairs:				
Direct Aid				
Bulletproof Vest Partnership Grant - 2019		8,000		8,000
Body Armor Grant - 2019		10,874	10,874	
Body Armor Grant - 2018	8,000			8,000

**TOWN OF WEST NEW YORK  
STATEMENT OF GRANTS RECEIVABLE  
FEDERAL AND STATE GRANT FUND**

	Balance, January 1, <u>2019</u>	2019 Budget Revenue <u>Realized</u>	<u>Decreased by:</u>  <u>Cash Receipts</u>	Balance, December 31, <u>2019</u>
NJ Department of Transportation (NJTTFAA):				
Direct Aid				
FY10 Road Resurfacing Program	\$ 2,074			\$ 2,074
Hudson County Dept. of Finance and Administration				
Municipal Alliance - 2019		\$ 42,943	\$ 3,000	39,943
Municipal Alliance - 2018	32,100		32,100	
Recreational Opportunities Grant (ROID)	8,673			8,673
Recreation Grant - 2011	4,400			4,400
US Department of Agriculture:				
Direct Aid				
Summer Food Program - 2019	-	189,354	189,354	
U.S. Dept of Justice				
Direct Aid				
Alcohol Education Rehabilitation Grant -2019	-	13,423	13,423	
Distracted Driver- 2019	-	6,600		6,600
Drive Sober Get Pulled Over- 2019		11,000	5,500	5,500
Drive Sober Get Pulled Over-Holiday Crackdown - 2018	5,500		5,500	

**TOWN OF WEST NEW YORK  
STATEMENT OF GRANTS RECEIVABLE  
FEDERAL AND STATE GRANT FUND**

	Balance, January 1, <u>2019</u>	2019 Budget Revenue <u>Realized</u>	<u>Decreased by:</u>  <u>Cash Receipts</u>	Balance, December 31, <u>2019</u>
U.S. Dept of Justice				
Passed through Hudson County Prosecutor's Office				
Justice Assistance Grant - 2016	\$ 18,125		\$ 18,075	\$ 50
Justice Assistance Grant - 2017	<u>80,534</u>	<u>-</u>	<u>-</u>	<u>80,534</u>
	<u>\$ 352,119</u>	<u>\$ 724,323</u>	<u>\$ 647,621</u>	<u>\$ 428,821</u>
		Due from Current Fund	\$ 244,133	
		Unappropriated Grants	41,074	
		Cash Receipts	<u>362,414</u>	
			<u>\$ 647,621</u>	

**TOWN OF WEST NEW YORK  
STATEMENT OF APPROPRIATED GRANT RESERVES  
FEDERAL AND STATE GRANT FUND**

	Balance, January 1, 2019	2019 Budget	Cancelled Encumbrances	Expended	Balance, December 31, 2019
Green Acres Trust Fund - Miller Stadium Phase II	\$ 168,848				\$ 168,848
FEMA Hazard Mitigation Grant	132,854			\$ 132,854	-
Fire Prevention & Safety Grant - 2018		\$ 57,334		53,990	3,344
2016 Pedestrian Safety Grant	16,000				16,000
2018 Pedestrian Safety Grant		2,640			2,640
2016 Body Armor Fund	4,413			4,413	-
2018 Body Armor Fund	8,000				8,000
2019 Body Armor Fund		10,874		5,765	5,109
2019 Bulletproof Vest Partnership Grant		8,000			8,000
Hudson County - Justice Assistance Grant 2016	17,805			17,754	51
Hudson County - Justice Assistance Grant 2017	80,534				80,534
Hudson County - Justice Assistance Grant 2015	11,235				11,235
2011 Recreation Grant - Hudson County	4,400				4,400
2019 Summer Food Program		189,354		160,717	28,637
Clean Communities 2017	16,733		\$ 400		17,133
Clean Communities 2018		72,918			72,918
Recycling Tonnage Grant 2019		90,822		1,651	89,171
Recycling Tonnage Grant 2018	50,000	38,415			88,415
Municipal Alliance - 2019		42,943			42,943
Municipal Alliance-Local Match - 2019		10,736		10,000	736
Municipal Alliance - 2018	42,943			42,943	-
Municipal Alliance-Local Match - 2018	4,736			4,736	-
Drive Sober, Get Pulled Over - Year End Crackdown - 2017	5,500			5,500	-
Drive Sober, Get Pulled Over - Holiday Crackdown - 2018	5,500			5,500	-
Drive Sober, Get Pulled Over - 2019		11,000		5,060	5,940
Distracted Driver - 2019		6,600			6,600
Distracted Driver - 2018	6,600			6,600	-
Alcohol Education Rehabilitation Grant - 2018	18,647			7,973	10,674
Alcohol Education Rehabilitation Grant - 2019		13,423			13,423
Safe and Secure 2019		60,000		60,000	-
Safe and Secure 2018		60,000		60,000	-
Safe and Secure 2017		60,000		60,000	-
Recreational Opportunities Individual Disabilities (ROID)	20,000				20,000
ROID - Local Match	4,000	-	-	-	4,000
	<u>\$ 618,748</u>	<u>\$ 735,059</u>	<u>\$ 400</u>	<u>\$ 645,456</u>	<u>\$ 708,751</u>
Grants Receivable		\$ 724,323			
Local Match		<u>10,736</u>			
		<u>\$ 735,059</u>			
				Due to Current Fund \$ 372,256	
				Cash Disbursement <u>273,200</u>	
				<u>\$ 645,456</u>	

**TOWN OF WEST NEW YORK  
STATEMENT OF UNAPPROPRIATED GRANT RESERVES  
FEDERAL AND STATE GRANT FUND**

	Balance, January 1, 2019	Transfer to Grants Receivable	Anticipated Revenue Current Fund	Balance, December 31, 2019
Recycling Tonnage	\$ 38,415		\$ 38,415	
Pedestrian Safety Grant	2,640		2,640	
Alcohol Education Rehabilitation Grant	<u>19</u>	\$ 19	<u>-</u>	<u>-</u>
	<u>\$ 41,074</u>	<u>\$ 19</u>	<u>\$ 41,055</u>	<u>\$ -</u>

**STATEMENT OF DUE TO GRANTOR  
FEDERAL AND STATE GRANT FUND**

Balance, January 1, 2019	\$ <u>339</u>
Balance, December 31, 2019	\$ <u><u>339</u></u>

**STATEMENT OF ENCUMBRANCES PAYABLE  
FEDERAL AND STATE GRANT FUND**

Balance, January 1, 2019	\$ 65,674
Decreased by:	
Cancelled to Appropriated Grant Reserves	\$ 400
Cash Disbursements	<u>65,274</u>
	<u>65,674</u>
Balance, December 31, 2019	\$ <u><u>-</u></u>

**TOWN OF WEST NEW YORK  
STATEMENT OF DUE TO WEST NEW YORK PARKING AUTHORITY  
CURRENT FUND**

Balance, January 1, 2019	\$ 35,119
Increased by:	
Cash Receipts	<u>444,108</u>
	479,227
Decreased by:	
Cash Disbursements	<u>479,227</u>
Balance, December 31, 2019	<u><u>\$ -</u></u>

**STATEMENT OF BID DEPOSITS PAYABLE  
CURRENT FUND**

Balance, January 1, 2019	\$ 256,961
Increased by:	
Cash Receipts	<u>493,977</u>
	750,938
Decreased by:	
Cash Disbursements	<u>256,961</u>
Balance, December 31, 2019	<u><u>\$ 493,977</u></u>

## **TRUST FUND**

**TOWN OF WEST NEW YORK  
STATEMENT OF TRUST CASH**

	<u>Animal Control Fund</u>	<u>Community Development Block Grant Fund</u>	<u>Other Trust Fund</u>
Balance, January 1, 2019	\$ 12,058	\$ -	\$ 4,577,952
Increased by Receipts:			
Various Reserves and Deposits			\$ 2,263,680
Payroll Deductions	\$ 17		16,145,422
Accrued Salaries and Wages			17,515,782
Animal License Fees-Due to State	1,025		
Animal License Fees	2,734		
Third Party Lienholders			2,802,473
Receipts from Current Fund			1,403,100
Receipts for Current Fund			121,452
Receipts from Federal and State Grant Fund			1,903
Receipts from Other Trust Fund	15,390		
Interest Earned	<u>106</u>	<u>-</u>	<u>48,896</u>
Total Receipts	<u>19,272</u>	<u>-</u>	<u>40,302,708</u>
Total Receipts and Beginning Balance	31,330	-	44,880,660
Decreased by Disbursements:			
Various Reserves and Deposits			3,877,271
Unemployment Claims Paid			162,595
Payroll Deductions			16,151,234
Accrued Salaries and Wages			17,516,184
Third Party Lienholders			2,633,277
Encumbrances Payable			131,239
Animal Control Fund Expenditures	8,274		
Payments to Current Fund	106		130,321
Payments to Animal Control Fund			15,390
Due to State of NJ - Animal Control Fund	<u>1,032</u>	<u>-</u>	<u>-</u>
Total Disbursements	<u>9,412</u>	<u>-</u>	<u>40,617,511</u>
Balance, December 31, 2019	<u>\$ 21,918</u>	<u>\$ -</u>	<u>\$ 4,263,149</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF DUE TO CURRENT FUND  
ANIMAL CONTROL FUND**

Balance, January 1, 2019	\$ 20,826
Increased by:	
Interest Earned	<u>106</u>
	20,932
Decreased by:	
Payments to Current Fund	<u>106</u>
Balance, December 31, 2019	<u>\$ 20,826</u>

**STATEMENT OF RESERVE FOR EXPENDITURES  
ANIMAL CONTROL FUND**

Balance, January 1, 2019	\$ 6,614
Increased by:	
Current Year Fees Collected	\$ 2,734
Other	<u>17</u>
	<u>2,751</u>
	9,365
Decreased by:	
Cash Disbursements	<u>8,274</u>
Balance, December 31, 2019	<u>\$ 1,091</u>

**STATEMENT OF DUE TO STATE OF NEW JERSEY  
ANIMAL CONTROL FUND**

Balance, January 1, 2019	\$ 8
Increased by:	
State Fees Collected	<u>1,025</u>
	1,033
Decreased by:	
Payments to State of New Jersey	<u>1,032</u>
Balance, December 31, 2019	<u>\$ 1</u>

## EXHIBIT B-5

**TOWN OF WEST NEW YORK  
STATEMENT OF DUE FROM FEDERAL AND STATE GRANT FUND  
OTHER TRUST FUND**

Balance, January 1, 2019	\$ 1,903
Decreased by:	
Cash Receipts	<u>1,903</u>
Balance, December 31, 2019	<u>\$ -</u>

## EXHIBIT B-6

**STATEMENT OF DUE FROM CURRENT FUND  
OTHER TRUST FUND**

Balance, January 1, 2019	\$ 1,537,527
Increased by:	
Payments to Current Fund	\$ 130,321
Other Trust Receipts Deposited in Current Fund	<u>2,142,042</u>
	<u>2,272,363</u>
	3,809,890
Decreased by:	
Interest Earned	48,896
Receipts from Current Fund	1,403,100
Other Trust Expenditures Paid by Current Fund	34,001
Anticipated Revenue - UEZ Reserve	122,000
Current Fund Receipts Deposited in Other Trust Fund	<u>121,452</u>
	<u>1,729,449</u>
Balance, December 31, 2019	<u>\$ 2,080,441</u>

## EXHIBIT B-7

**STATEMENT OF DUE TO ANIMAL CONTROL FUND  
OTHER TRUST FUND**

Balance, January 1, 2019	\$ 15,390
Decreased by:	
Payments to Animal Control Fund	<u>15,390</u>
Balance, December 31, 2019	<u>\$ -</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF VARIOUS TRUST RESERVES  
OTHER TRUST FUND**

	Balance, January 1, <u>2019</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2019</u>
Housing and Community Development Act of 1974	\$ 1,449,714			\$ 1,449,714
Escrow Deposits	601,664	\$ 210,393	\$ 250,636	561,421
Unemployment Reserve	291,639	170,227	136,556	325,310
Parking Offenses Adjudication Act	116,768	55,144	1,439	170,473
Special Law Enforcement	52,508	101,758	100,207	54,059
Uniform Fire Safety Act Penalties	74,931	10,773	24,883	60,821
Performance Bond Deposits	62,913	80,131		143,044
Premium on Tax Sale	2,240,944	1,871,653	1,800,374	2,312,223
Public Defender	5,365	6,280		11,645
Recreation Reserve	24,576	11,317	12,069	23,824
Elevator Inspections	62,558	112,491	50,455	124,594
UEZ Assistance Fund	280,452		122,000	158,452
Reserve for Police	251,191	88,800	260,499	79,492
Federal Law Enforcement	126,456	177,710	204,757	99,409
DUI Fund	14,567	1	1,904	12,664
Other Miscellaneous	31,150	36,664	67,566	248
Cultural Affairs	4,000	7,943	6,500	5,443
Police Outside Services	824	1,452,377	1,347,459	105,742
Parking Utility Security Deposits	-	12,060	-	12,060
	<u>\$ 5,692,220</u>	<u>\$ 4,405,722</u>	<u>\$ 4,387,304</u>	<u>\$ 5,710,638</u>
Cash Receipts/Cash Disbursements	\$ 2,263,680		\$ 3,877,271	
Unemployment Claims Accrued			133,114	
UEZ Assistance Fund			122,000	
Due to/from Current Fund	2,142,042		34,001	
Encumbrances Payable	-		220,918	
		<u>\$ 4,405,722</u>	<u>\$ 4,387,304</u>	

**TOWN OF WEST NEW YORK  
STATEMENT OF RESERVE FOR PAYROLL DEDUCTIONS PAYABLE  
OTHER TRUST FUND**

Balance, January 1, 2019	\$ 5,812
Increased by:	
Payroll Deductions	<u>16,145,422</u>
	16,151,234
Decreased by:	
Payroll Deductions Paid	<u>16,151,234</u>
Balance, December 31, 2019	<u>\$ -</u>

**STATEMENT OF ACCRUED SALARIES AND WAGES  
OTHER TRUST FUND**

Balance, January 1, 2019	\$ 402
Increased by:	
Accrued Salaries and Wages Earned	<u>17,515,782</u>
	17,516,184
Decreased by:	
Salaries and Wages Paid	<u>17,516,184</u>
Balance, December 31, 2019	<u>\$ -</u>

**STATEMENT OF DUE TO THIRD PARTY LIENHOLDERS  
OTHER TRUST FUND**

Balance, January 1, 2019	\$ 141,198
Increased by:	
Cash Receipts	<u>2,802,473</u>
	2,943,671
Decreased by:	
Cash Disbursements	\$ 2,633,277
Encumbrances Payable	<u>37,128</u>
	<u>2,670,405</u>
Balance, December 31, 2019	<u>\$ 273,266</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF DUE TO STATE OF NEW JERSEY - UNEMPLOYMENT**

Balance, January 1, 2019	\$ 131,121
Increased by:	
Unemployment Claims Payable	<u>133,114</u>
	264,235
Decreased by:	
Cash Disbursements	<u>162,595</u>
Balance, December 31, 2019	<u>\$ 101,640</u>

**STATEMENT OF DUE FROM COUNTY OF HUDSON  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, January 1, 2019	\$ 114,324
Increased by:	
2019 Grant Award	<u>-</u>
Balance, December 31, 2019	<u>\$ 114,324</u>

**STATEMENT OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, January 1, 2019	\$ 99,001
Increased by:	
Encumbrances Payable Cancelled	<u>15,323</u>
Balance, December 31, 2019	<u>\$ 114,324</u>

Analysis

2014-2016 Miller Stadium Field Surface Improvements	<u>\$ 114,324</u>
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**TOWN OF WEST NEW YORK  
STATEMENT OF ENCUMBRANCES PAYABLE  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

Balance, January 1, 2019	\$ 15,323
Decreased by:	
Cancelled to Reserve for Community Development Block Grant Fund	<u>15,323</u>
Balance, December 31, 2019	<u>\$ -</u>

**STATEMENT OF ENCUMBRANCES PAYABLE  
OTHER TRUST FUND**

Balance, January 1, 2019	\$ 131,239
Increased by:	
Charges to Various Trust Reserves	\$ 220,918
Charges to Third Party Lienholders	<u>37,128</u>
	<u>258,046</u>
	389,285
Decreased by:	
Cash Disbursements	<u>131,239</u>
Balance, December 31, 2019	<u>\$ 258,046</u>

**GENERAL CAPITAL FUND**

**TOWN OF WEST NEW YORK  
STATEMENT OF CASH  
GENERAL CAPITAL FUND**

Balance, January 1, 2019		\$ 6,756,877
Increased by:		
Interest Earned	\$ 62,106	
Grants Receivable	200,578	
Receipts from Current Fund	<u>912,416</u>	
		<u>1,175,100</u>
		7,931,977
Decreased by:		
Improvement Authorizations	1,972,764	
Contracts Payable	1,627,648	
Payments to Current Fund	62,106	
Payments for Current Fund	<u>841</u>	
		<u>3,663,359</u>
Balance, December 31, 2019		<u>\$ 4,268,618</u>

**TOWN OF WEST NEW YORK**  
**ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS**

		Balance, December 31, <u>2019</u>
Capital Improvement Fund		\$ 324,708
Grants Receivable		(5,327,377)
Contracts Payable		967,054
Reserve for Payment of Debt		313,162
Fund Balance		625,524
Improvement Authorizations:		
Ordinance		
<u>Number</u>	<u>Improvement Description</u>	
31/97	Reconstruction of Various Streets	(31,228)
7/5	Tax Refunding Ordinance	(55,000)
17/10; 23/13; 15/15; 2/16; 6/18	Various Capital Improvements	257,727
27/10	Installation of Electronic Smoke Detection System	(200)
3/13	Various Capital Improvements	28,150
4/13	Acq of All Right, Title and Interest DPW Garage	(49,933)
16/13	Road Improvement Projects	114,123
7/14	Road Improvement Projects	136,945
8/14	Various Capital Improvements	4,383
16/14	Acquisition of Vehicles and Equipment	6,537
7/15, 22/18	Road Improvement Projects	1,082,832
16/15	Various Capital Improvements	368,672
7/16	Road Improvement Projects	191,414
3/17	Acquisition of Vehicles	3,563
21/17	Acquisition of Real Property	41,006
32/17	Improvements to Various Parks	1,323,628
33/17	Improvements to Various Parks	94,394
3/19	Improvements to Centennial Field	947,029
4/19	Improvements to Patricia McEldowney Field	1,363,956
5/19	Improvements to Miller Stadium	1,999,786
12/19	Improvements to Municipal Buildings	<u>(462,237)</u>
		<u>\$ 4,268,618</u>

**TOWN OF WEST NEW YORK**  
**STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**

Balance, January 1, 2019 (Restated)			\$ 20,904,876
Increased by:			
Serial Bonds Issued			<u>11,125,000</u>
			32,029,876
Decreased by:			
Payments for:			
General Serial Bonds	\$ 2,895,000		
School Serial Bonds	220,000		
State of New Jersey Green Trust Loan Payable	<u>129,559</u>		
			<u>3,244,559</u>
Balance, December 31, 2019			<u>\$ 28,785,317</u>

**TOWN OF WEST NEW YORK**  
**STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

Ordinance Number	Improvement Description	Balance, January 1, 2019	Authorized 2019	Paid By Budget	Serial Bonds Issued	Balance, December 31, 2019	Analysis of Balance December 31, 2019	
							Expenditures	Unexpended Improvement Authorizations
1836	Improvements to Schools	\$ 275,000			\$ 275,000			
2072	Reconstruction and Repair of School Buildings	39,000			39,000			
2081	Purchase of Land for a New Capital Project - School	19,000			19,000			
24/94	Improvement to Donnelly Park	27,097			27,097			
31/97	Reconstruction of Various Streets	31,228				\$ 31,228	\$ 31,228	
07/05	Tax Refunding	55,000				55,000	55,000	
17/10, 23/13, 15/15, 2/16, 6/18	Various Capital Improvements	3,209,000		\$ 28,000	3,180,718	282		\$ 282
27/10	Installation of Electronic Smoke Detection System	200				200	200	
3/13	Various Capital Improvements	12,500				12,500		12,500
4/13	Acq of All Right, Title and Interest DPW Garage	49,933				49,933	49,933	
16/13	Road Improvement Projects	525				525		525
7/14	Road Improvement Projects	390				390		390
16/14	Acquisition of Vehicles and Equipment	166,922		21,200	145,722			
17/14	Acq of 911 Public Safety Equip and Other Imprvts	856,727		55,300	801,427			
7/15	Road Improvement Projects	875,997		48,700	827,297			
16/15	Various Capital Improvements	2,027,710		78,300	1,949,410			
7/16	Road Improvement Projects	191,629		10,100	181,529			
8/16	Various Park Improvements	1,425,000		49,200	1,375,800			
3/17	Acquisition of Vehicles	950,000			950,000			
17/17	Acquisition of Building	1,235,000			1,235,000			
3/19	Improvements to Centennial Field		\$ 106,000		106,000			
4/19	Improvements to Patricia McEldowney Field		470,000		470,000			
5/19	Improvements to Miller Stadium		37,000		37,000			
12/19	Improvements to Municipal Buildings	-	805,000	-	-	805,000	462,237	342,763
		<u>\$ 11,447,858</u>	<u>\$ 1,418,000</u>	<u>\$ 290,800</u>	<u>\$ 11,620,000</u>	<u>\$ 955,058</u>	<u>\$ 598,598</u>	<u>\$ 356,460</u>
					Serial Bonds \$ 11,125,000			
					Transferred from Reserve for Payment of Debt 495,000			
					<u>\$ 11,620,000</u>			

**TOWN OF WEST NEW YORK  
STATEMENT OF GENERAL SERIAL BONDS**

<u>Purpose</u>	<u>Amount of Original of Issue</u>	<u>Maturities of Bond Outstanding December 31, 2019</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2019 (Restated)</u>	<u>Issued</u>	<u>Decreased</u>	<u>Balance, December 31, 2019</u>
		<u>Date</u>	<u>Amount</u>					
General Obligation Refunding Bonds, Series 2006A	\$ 8,100,000				\$ 1,350,000		\$ 1,350,000	
General Obligation Bonds, Series 2013 A	3,910,001	5/15/2020	245,000	2.00%				
		5/15/2021	255,000	2.00%				
		5/15/2022	260,000	2.50%				
		5/15/2023	270,000	2.50%				
		5/15/2024	280,000	2.50%				
		5/15/2025	285,000	2.50%				
		5/15/2026	295,000	3.00%				
		5/15/2027	305,000	3.00%				
		5/15/2028	320,000	3.00%				
		5/15/2029	330,000	3.00%	3,035,000		190,000	\$ 2,845,000
General Obligation Bonds, Series 2013 B	6,725,000	5/15/2020	445,000	3.50%				
		5/15/2021	465,000	3.50%				
		5/15/2022	480,000	3.50%				
		5/15/2023	500,000	4.00%				
		5/15/2024	525,000	4.00%				
		5/15/2025	545,000	4.10%				
		5/15/2026	570,000	4.20%				
		5/15/2027	600,000	4.30%				
		5/15/2028	630,000	4.40%	5,100,000		340,000	4,760,000

**TOWN OF WEST NEW YORK  
STATEMENT OF GENERAL SERIAL BONDS**

<u>Purpose</u>	<u>Amount of Original of Issue</u>	<u>Maturities of Bond Outstanding December 31, 2019</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2019 (Restated)</u>	<u>Issued</u>	<u>Decreased</u>	<u>Balance, December 31, 2019</u>
		<u>Date</u>	<u>Amount</u>					
General Obligation Bonds, Series 2016	\$ 5,047,000	11/1/2020	395,000	3.00%				
		11/1/2021	400,000	3.00%				
		11/1/2022	410,000	3.00%				
		11/1/2023	425,000	3.00%				
		11/1/2024	435,000	3.00%				
		11/1/2025	445,000	3.00%				
		11/1/2026	455,000	3.00%				
		11/1/2027	465,000	3.00%				
		11/1/2028	487,000	3.00%	\$ 4,302,000		\$ 385,000	\$ 3,917,000
General Improvement Refunding Bonds, Series 2016	4,600,000	4/15/2020	545,000	4.00%				
		4/15/2021	560,000	3.00%				
		4/15/2022	580,000	3.00%				
		4/15/2023	605,000	3.00%				
		4/15/2024	630,000	3.00%				
		4/15/2025	650,000	3.00%	4,095,000		525,000	3,570,000
General Obligation Bonds, Series 2019	11,125,000	9/1/2020	735,000	4.00%				
		9/1/2021	755,000	4.00%				
		9/1/2022	785,000	4.00%				
		9/1/2023	815,000	4.00%				
		9/1/2024	850,000	4.00%				
		9/1/2025	885,000	4.00%				
		9/1/2026	810,000	4.00%				
		9/1/2027	840,000	3.00%				
		9/1/2028	875,000	2.00%				
		9/1/2029	905,000	2.00%				
		9/1/2030	930,000	2.00%				
		9/1/2031	955,000	2.00%				
		9/1/2032	985,000	2.00%		\$ 11,125,000		11,125,000
2018 Refunded HCIA Pooled Loan Program Bonds	715,000	7/15/2020	110,000	3.75%				
		7/15/2021	115,000	3.75%				
		7/15/2022	120,000	3.75%				
		7/15/2023	130,000	3.75%				
		7/15/2024	135,000	3.75%	715,000	-	105,000	610,000
					<u>\$ 18,597,000</u>	<u>\$ 11,125,000</u>	<u>\$ 2,895,000</u>	<u>\$ 26,827,000</u>
					Paid by Budget Appropriation			<u>\$ 2,895,000</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF SCHOOL SERIAL BONDS**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Amount</u>	<u>Maturities of Bond Outstanding December 31, 2019</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2019</u>		<u>Balance, December 31, 2019</u>
			<u>Date</u>	<u>Amount</u>		<u>Decreased</u>		
School Refunding Bonds, Series 2016B	10/19/2016	\$ 1,960,001	4/15/2020	\$ 230,000	4.00%			
			4/15/2021	240,000	3.00%			
			4/15/2022	245,000	3.00%			
			4/15/2023	260,000	3.00%			
			4/15/2024	265,000	3.00%			
			4/15/2025	280,000	3.00%			
						\$ 1,740,000	\$ 220,000	\$ 1,520,000
						<u>\$ 1,740,000</u>	<u>\$ 220,000</u>	<u>\$ 1,520,000</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF STATE OF NEW JERSEY GREEN TRUST LOANS PAYABLE**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Amount</u>	<u>Maturities of Loan Outstanding December 31, 2019</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2019</u>	<u>Decreased</u>	<u>Balance, December 31, 2019</u>
			<u>Date</u>	<u>Amount</u>				
Miller Park & Stadium	12/20/2000	\$ 500,000				\$ 31,292	\$ 31,292	
Donnelly Park II	03/09/01	475,000	03/06/20	\$ 14,477	2.00%	57,625	28,526	\$ 29,099
			09/06/20	14,622				
Miller Stadium Ph II	3/20/01	425,000	03/16/20	12,953	2.00%	51,559	25,523	26,036
			09/16/20	13,083				
Donnelly and Veterans Park	05/09/06	675,000	02/09/20	18,440	2.00%	290,983	36,335	254,648
			08/09/20	18,625				
			02/09/21	18,811				
			08/09/21	18,999				
			02/09/22	19,189				
			08/09/22	19,381				
			02/09/23	19,575				
			08/09/23	19,770				
			02/09/24	19,968				
			08/09/24	20,168				
			02/09/25	20,370				
			08/09/25	20,573				
			02/09/26	20,779				
Miller Stadium II	10/16/2013	170,010	1/21/2020	4,001				
			7/21/2020	4,040				
			1/21/2021	4,081				
			7/21/2021	4,122				
			1/21/2022	4,163				
			7/21/2022	4,205				
			1/21/2023	4,247				
			7/21/2023	4,289				
			1/21/2024	4,332				
			7/21/2024	4,375				
			1/21/2025	4,419				
			7/21/2025	4,463				

**TOWN OF WEST NEW YORK**  
**STATEMENT OF STATE OF NEW JERSEY GREEN TRUST LOANS PAYABLE**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Amount</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance, January 1, 2019</u>	<u>Decreased</u>	<u>Balance, December 31, 2019</u>
			<u>Outstanding</u>	<u>December 31, 2019</u>				
			<u>Date</u>	<u>Amount</u>				
Miller Stadium II	10/16/2013	\$ 170,010	1/21/2026	\$ 4,508				
			7/21/2026	4,553				
			1/21/2027	4,599				
			7/21/2027	4,644				
			1/21/2028	4,691				
			7/21/2028	4,738				
			1/21/2029	4,785				
			7/21/2029	4,833				
			1/21/2030	4,882				
			7/21/2030	4,930				
			1/21/2031	4,980				
			7/21/2031	5,029				
			1/21/2032	5,080				
			7/21/2032	5,130				
			1/21/2033	5,182				
			7/21/2033	5,233	2.00%	\$ 136,417	\$ 7,883	\$ 128,534
						<u>\$ 567,876</u>	<u>\$ 129,559</u>	<u>\$ 438,317</u>

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**TOWN OF WEST NEW YORK  
STATEMENT OF CAPITAL IMPROVEMENT FUND  
GENERAL CAPITAL FUND**

Balance, January 1, 2019	\$ 277,385
Increased by:	
Budget Appropriation	<u>125,000</u>
	402,385
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>77,677</u>
Balance, December 31, 2019	<u>\$ 324,708</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF GRANTS RECEIVABLES**

	Grand Totals	Green Acres Grant (Ordinance 3/13) Improvements to Parks	NJ DOT (Ordinance 16/13) Road Improvement Projects	NJ DOT (Ordinance 7/14) Road Improvement Projects	NJ DOT Municipal Aid (Ordinance 7/15) Road Improvement Projects	NJ DOT Urban Aid (Ordinance 7/15) Road Improvement Projects	NJ OEM (Ordinance 16/15) Acq of Generator Police Department	CDBG (Ordinance 2/16) Installation/Repair of Traffic Signals	NJ DOT Municipal Aid (Ordinance 7/16) Road Improvement Projects	NJ DOT Municipal Aid (Ordinance 22/18) Road Improvement Projects	NJ DOT Municipal Aid (Ordinance 22/18) Road Improvement Projects	Totals From Page 2
Balance, January 1, 2019	\$ 2,042,196	\$ 28,498	\$ 45,376	\$ 134,267	\$ 270,000	\$ 40,371	\$ 132,000	\$ 99,001	\$ 320,371	\$ 354,249	\$ 618,063	
Increased by:												
Grants Awarded	<u>3,724,323</u>	-	-	-	-	-	-	-	-	-	-	\$ 3,724,323
	5,766,519	28,498	45,376	134,267	270,000	40,371	132,000	99,001	320,371	354,249	618,063	3,724,323
Decreased by:												
Cash Receipts	200,578			68,578			132,000					
Cancelled	<u>238,564</u>	<u>28,498</u>	<u>45,376</u>	<u>65,689</u>	-	-	-	<u>99,001</u>	-	-	-	-
	<u>439,142</u>	<u>28,498</u>	<u>45,376</u>	<u>134,267</u>	-	-	<u>132,000</u>	<u>99,001</u>	-	-	-	-
Balance, December 31, 2019	\$ <u>5,327,377</u>	\$ -	\$ -	\$ -	\$ <u>270,000</u>	\$ <u>40,371</u>	\$ -	\$ -	\$ <u>320,371</u>	\$ <u>354,249</u>	\$ <u>618,063</u>	\$ <u>3,724,323</u>
<u>Balance Pledged to:</u>												
Improvement Authorization	\$ <u>5,327,377</u>	\$ -	\$ -	\$ -	\$ <u>270,000</u>	\$ <u>40,371</u>	\$ -	\$ -	\$ <u>320,371</u>	\$ <u>354,249</u>	\$ <u>618,063</u>	\$ <u>3,724,323</u>

TOWN OF WEST NEW YORK  
STATEMENT OF GRANTS RECEIVABLES

		Hudson County Open Space Trust (Ordinance 3/19) Improvements to <u>Centennial Field</u>	Hudson County CDBG (Ordinance 3/19) Improvements to <u>Centennial Field</u>	Hudson County Open Space Trust (Ordinance 4/19) Imprvts to Patricia <u>McEldowney Field</u>	Hudson County CDBG (Ordinance 4/19) Imprvts to Patricia <u>McEldowney Field</u>	Hudson County Open Space Trust (Ordinance 5/19) Improvements to <u>Miller Stadium</u>	Hudson County CDBG (Ordinance 5/19) Improvements to <u>Miller Stadium</u>	NJ DEP Green Acres (Ordinance 5/19) Improvements to <u>Miller Stadium</u>
	<u>Totals</u>							
Balance, January 1, 2019	\$	-						
Increased by:								
Grants Awarded	<u>3,724,323</u>	<u>\$ 500,000</u>	<u>\$ 378,000</u>	<u>\$ 500,000</u>	<u>\$ 386,000</u>	<u>\$ 473,999</u>	<u>\$ 486,324</u>	<u>\$ 1,000,000</u>
	<u>3,724,323</u>	<u>500,000</u>	<u>378,000</u>	<u>500,000</u>	<u>386,000</u>	<u>473,999</u>	<u>486,324</u>	<u>1,000,000</u>
Decreased by:								
Cash Receipts								
Cancelled	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2019	<u>\$ 3,724,323</u>	<u>\$ 500,000</u>	<u>\$ 378,000</u>	<u>\$ 500,000</u>	<u>\$ 386,000</u>	<u>\$ 473,999</u>	<u>\$ 486,324</u>	<u>\$ 1,000,000</u>
<u>Balance Pledged to:</u>								
Improvement Authorization	<u>\$ 3,724,323</u>	<u>\$ 500,000</u>	<u>\$ 378,000</u>	<u>\$ 500,000</u>	<u>\$ 386,000</u>	<u>\$ 473,999</u>	<u>\$ 486,324</u>	<u>\$ 1,000,000</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Improvement Description	Date	Amount	Balance, January 1, 2019		2019 Authorizations				Contracts Payable Cancelled	Authorizations Cancelled	Expended	Balance, December 31, 2019	
				Funded	Unfunded	Capital Improvement Fund	Deferred Charges to Future Taxation	Grants Receivable					Funded	Unfunded
17/10, 23/13, 15/15, 2/16	Various Capital Improvements	9/15/2010, 11/18/2013 9/16/2015, 4/21/16	\$ 5,797,006		\$ 225,380					\$ 131,630	\$ 99,001		\$ 257,727	\$ 282
3/13	Various Capital Improvements	3/20/2013	2,730,000	\$ 78,154	12,500						28,498	\$ 21,506	28,150	12,500
16/13	Road Improvement Projects	8/21/2013	1,089,385	173,694	525						45,376	14,195	114,123	525
7/14	Road Improvement Projects	7/16/2014	675,000	224,986	390						65,689	22,352	136,945	390
8/14	Various Capital Improvements	7/16/2014	400,000	11,863								7,480	4,383	
16/14	Acquisition of Vehicles and Equipment	12/17/2014	200,000		7,813							1,276	6,537	
17/14	Acq of 911 Public Safety Equip and Other Imprvts	12/17/2014	960,000		252,862							252,862		
7/15, 22/18	Road Improvement Projects	7/17/2015	1,235,000	347,050	924,629							188,847	1,082,832	
16/15	Various Capital Improvements	9/16/2015	2,348,195		908,893							540,221	368,672	
7/16	Road Improvement Projects	5/19/2016	512,000		119,605				71,809				191,414	
3/17	Acquisition of Vehicles	3/23/2017	1,000,000		161,267							157,704	3,563	
17/17	Acquisition of a Building	6/15/2017	1,300,000		934,159							934,159		
21/17	Acquisition of Real Property	9/21/2017	430,000	45,101								4,095	41,006	
32/17	Improvements to Various Parks	1/18/2018	2,170,000		1,552,283							228,655	1,323,628	
33/17	Improvements to Various Parks	1/18/2018	527,758	94,394									94,394	
3/19	Improvements to Centennial Field	6/19/2019	990,000			\$ 6,000	\$ 106,000	\$ 878,000				42,971	947,029	
4/19	Improvements to Patricia McEldowney Field	6/19/2019	1,380,000			24,000	470,000	886,000				16,044	1,363,956	
5/19	Improvements to Miller Stadium	6/19/2019	2,000,000			2,677	37,000	1,960,323				214	1,999,786	
12/19	Improvements to Municipal Buildings	8/7/2019	850,000	-	-	45,000	805,000	-		-	-	507,237	-	342,763
				<u>\$ 975,242</u>	<u>\$ 5,100,306</u>	<u>\$ 77,677</u>	<u>\$ 1,418,000</u>	<u>\$ 3,724,323</u>		<u>\$ 203,439</u>	<u>\$ 238,564</u>	<u>\$ 2,939,818</u>	<u>\$ 7,964,145</u>	<u>\$ 356,460</u>
												Cash Disbursements	\$ 1,972,764	
												Contracts Payable	967,054	
													<u>\$ 2,939,818</u>	
											Grants Receivable	\$ 238,564		

**TOWN OF WEST NEW YORK  
STATEMENT OF DUE TO CURRENT FUND**

Balance January 1, 2019		\$ 5,728
Increased by:		
Anticipated Revenue in Current Fund Budget - Reserve for Payment of Debt	\$ 265,000	
General Capital Bond Anticipation Notes Paid by Current Fund	10,938,000	
Interest Earned	62,106	
Cash Receipts from Current Fund	<u>912,416</u>	
		<u>12,177,522</u>
		12,183,250
Decreased by:		
Budget Appropriation - Capital Improvement Fund	125,000	
Budget Appropriation - Paydown of Bond Anticipation Notes	290,800	
Serial Bonds Issued - Deposited in Current Fund	11,125,000	
Current Fund Expenditures Paid by General Capital Fund	841	
Premium on Serial Bonds Issued - Deposited in Current Fund	579,503	
Payments to Current Fund	<u>62,106</u>	
		<u>12,183,250</u>
Balance, December 31, 2019		<u>\$ -</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF RESERVE FOR PAYMENT OF DEBT**

Balance, January 1, 2019		\$ 493,659
Increased by:		
Premium on Serial Bonds Issued		<u>579,503</u>
		1,073,162
Decreased by:		
Anticipated Revenue in Current Fund Budget	\$ 265,000	
Transferred to Deferred Charges Unfunded	<u>495,000</u>	
		<u>760,000</u>
Balance, December 31, 2019		<u>\$ 313,162</u>

**STATEMENT OF CONTRACTS PAYABLE**

Balance, January 1, 2019		\$ 1,831,087
Increased by:		
Contracts Payable		<u>967,054</u>
		2,798,141
Decreased by:		
Cancelled	\$ 203,439	
Cash Disbursements	<u>1,627,648</u>	
		<u>1,831,087</u>
Balance, December 31, 2019		<u>\$ 967,054</u>

**TOWN OF WEST NEW YORK  
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance, January 1, <u>2019</u>	2019 <u>Authorizations</u>	Serial Bonds <u>Issued</u>	Balance, December 31, <u>2019</u>
1836	Improvements to Schools	\$ 275,000		\$ 275,000	
2072	Reconstruction and Repair of School Buildings	39,000		39,000	
2081	Purchase of Land for a New Capital Project - School	19,000		19,000	
24/94	Improvement to Donnelly Park	27,097		27,097	
31/97	Reconstruction of Various Streets	31,228			\$ 31,228
07/05	Tax Refunding	55,000			55,000
27/10	Installation of Electronic Smoke Detection System	200			200
3/13	Various Capital Improvements	12,500			12,500
4/13	Acq of All Right, Title and Interest DPW Garage	49,933			49,933
16/13	Road Improvement Projects	525			525
17/10, 23/13, 15/15	Various Capital Improvements	693		411	282
7/14	Road Improvement Projects	390			390
7/15	Road Improvement Projects	629		629	
7/16	Road Improvement Projects	629		629	
3/19	Improvements to Centennial Field		\$ 106,000	106,000	
4/19	Improvements to Patricia McElowney Field		470,000	470,000	
5/19	Improvements to Miller Stadium		37,000	37,000	
12/19	Improvements to Municipal Buildings	-	805,000	-	805,000
		<u>\$ 511,824</u>	<u>\$ 1,418,000</u>	<u>\$ 974,766</u>	<u>\$ 955,058</u>
	General Obligation	\$ 178,824			\$ 955,058
	School	<u>333,000</u>			<u>-</u>
		<u>\$ 511,824</u>			<u>\$ 955,058</u>

**PARKING UTILITY FUND**

**TOWN OF WEST NEW YORK  
PARKING UTILITY CASH  
STATEMENT OF CASH**

Operating

Increased by Receipts:

Parking Fees	\$ 322,277
Transfer from WNY Parking Authority - Accrued Interest on Bonds	35,162
Transfer from WNY Parking Authority - Accounts Payable	268,371
Transfer from WNY Parking Authority - Assumption of Operations	<u>2,314,375</u>
	\$ 2,940,185

Decreased by Disbursements:

2019 Budget Appropriations	<u>36,987</u>
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Balance, December 31, 2019	<u>\$ 2,903,198</u>
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**TOWN OF WEST NEW YORK  
STATEMENT OF FIXED CAPITAL  
PARKING UTILITY CAPITAL FUND**

<u>Account</u>	<u>Increased by:</u> Transfer from West New York Parking <u>Authority</u>	Balance, December 31, <u>2019</u>
Land	\$ 3,816,901	\$ 3,816,901
Buildings and Improvements	9,160,341	9,160,341
Parking Lot Improvements	1,568,628	1,568,628
Equipment	<u>1,839,084</u>	<u>1,839,084</u>
	<u>\$ 16,384,954</u>	<u>\$ 16,384,954</u>

## EXHIBIT D-6

**TOWN OF WEST NEW YORK  
STATEMENT OF DUE TO CURRENT FUND  
PARKING UTILITY OPERATING FUND**

Increased by:

Parking Utility Expenditures Paid by Current Fund	\$ <u>5,055</u>
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Balance, December 31, 2019	\$ <u><u>5,055</u></u>
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## EXHIBIT D-7

**STATEMENT OF OTHER RECEIVABLES  
PARKING UTILITY OPERATING FUND**

Increased by:

Parking Fees Unpaid at December 31, 2019	\$ <u>42,399</u>
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Balance, December 31, 2019	\$ <u><u>42,399</u></u>
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## EXHIBIT D-8

**STATEMENT OF ENCUMBRANCES PAYABLE  
PARKING UTILITY OPERATING FUND**

Increased by:

Charges to 2019 Appropriations	\$ <u>105,332</u>
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Balance, December 31, 2019	\$ <u><u>105,332</u></u>
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**TOWN OF WEST NEW YORK  
STATEMENT OF ACCRUED INTEREST ON BONDS  
PARKING UTILITY OPERATING FUND**

Increased by:

Transfer from West New York Parking Authority	\$ <u>35,162</u>
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Balance, December 31, 2019	\$ <u>35,162</u>
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**STATEMENT OF ACCOUNTS PAYABLE  
PARKING UTILITY OPERATING FUND**

Increased by:

Transfer from West New York Parking Authority	\$ <u>268,371</u>
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Balance, December 31, 2019	\$ <u>268,371</u>
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**STATEMENT OF RESERVE FOR AMORTIZATION  
PARKING UTILITY OPERATING FUND**

Increased by:

Transfer from West New York Parking Authority	\$ <u>10,244,954</u>
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Balance, December 31, 2019	\$ <u>10,244,954</u>
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**TOWN OF WEST NEW YORK  
STATEMENT OF GENERAL SERIAL BONDS  
PARKING UTILITY CAPITAL FUND**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2019</u>		<u>Interest Rate</u>	<u>Increased</u>	<u>Balance, December 31, 2019</u>
			<u>Date</u>	<u>Amount</u>			
2019 Parking Utility Refunding Bonds	11/7/2019	\$ 5,515,000	7/15/2020	\$ 305,000	4.00	%	
			7/15/2021	225,000	4.00		
			7/15/2022	240,000	4.00		
			7/15/2023	250,000	4.00		
			7/15/2024	255,000	5.00		
			7/15/2025	270,000	5.00		
			7/15/2026	285,000	5.00		
			7/15/2027	300,000	5.00		
			7/15/2028	310,000	5.00		
			7/15/2029	330,000	5.00		
			7/15/2030	345,000	4.00		
			7/15/2031	360,000	4.00		
			7/15/2032	375,000	4.00		
			7/15/2033	390,000	5.00		
			7/15/2034	405,000	5.00		
			7/15/2035	425,000	4.00		
			7/15/2036	445,000	4.00		
						\$ 5,515,000	\$ 5,515,000
2018 RefundedHCIA Pooled Loan Governmental Loan Program Bonds	12/10/2018	735,000	7/15/2020	115,000	3.75		
			7/15/2021	120,000	3.75		
			7/15/2022	125,000	3.75		
			7/15/2023	130,000	3.75		
			7/15/2024	135,000	3.75		
						<u>625,000</u>	<u>625,000</u>
						<u>\$ 6,140,000</u>	<u>\$ 6,140,000</u>

## **GOVERNMENT AUDITING STANDARDS**



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

### INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the Board of Commissioners  
Town of West New York  
West New York, 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 audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the Town of West New York as of and for the year ended December 31, 2019, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2020. Our report on the financial statements – regulatory basis was modified to indicate that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the financial reporting requirements of the State of New Jersey for municipal government entities as described in Note 1.

### **Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019-001 that we consider to be a significant deficiency in internal control over financial reporting.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of West New York's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which is described in the accompanying schedule of findings and questioned costs as item 2019-001.

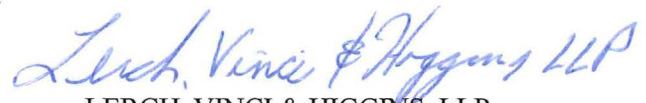
We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Town of West New York in Part III of this report of audit entitled; "Letter of Comments and Recommendations".

### **Town of West New York's Responses to Findings**

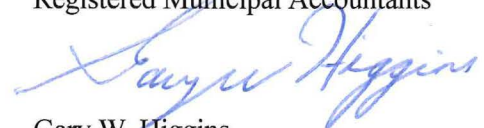
The Town of West New York's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town of West New York's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

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



LERCH, VINCI & HIGGINS, LLP  
Certified Public Accountants  
Registered Municipal Accountants



Gary W. Higgins  
Registered Municipal Accountant  
RMA Number CR00405

Fair Lawn, New Jersey  
September 30, 2020

**TOWN OF WEST NEW YORK**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Federal CFDA Number	Grant or State Proj. Number	Grant Period		Grant Receipts	Grant Award Amount	Balance, January 1, 2019	Revenue Realized	Budgetary Expenditures	Adjustments	Balance, December 31, 2019	Cumulative Expenditures
			From	To								
<b>U.S. Department of Agriculture</b>												
<b>Passed - Through NJ Dept of Agriculture</b>												
Summer Food Program	10.559	100-010-3350-033/034	7/1/2018	6/30/2019	\$ 189,354	\$ 189,354	-	\$ 189,354	\$ 160,717	-	\$ 28,637	\$ 160,717
Total U.S. Department of Agriculture							-	189,354	160,717	-	28,637	160,717
<b>U.S. Department of Housing &amp; Urban Development</b>												
<b>Passed-Through Hudson County Dept. of</b>												
<b>FINANCE &amp; ADMINISTRATION</b>												
Community Development Block Grant	14.218	N/A	9/1/2015	6/30/2016		500,010	\$ 99,001			\$ 15,323	\$ 114,324	385,686
CDBG - Improvements to Centennial Field - Ordinance #03/19	14.218	N/A	9/1/2018	6/30/2019		378,000		378,000			378,000	-
CDBG - Improvements to Patricia McElowney Field - Ord #04/19	14.218	N/A	9/1/2018	6/30/2019		386,000		386,000			386,000	-
CDBG - Improvements to Miller Stadium - Ord #05/19	14.218	N/A	9/1/2018	6/30/2019		486,324	-	486,324	-	-	486,324	-
Total U.S. Department of Housing & Urban Development							99,001	1,250,324	-	15,323	1,364,648	385,686
<b>U.S. Dept. of Justice</b>												
<b>Direct Aid</b>												
<i>Passed Through NJ Dept of Law and Public Safety</i>												
Justice Assistance Grant 2016	16.592	N/A	7/1/2015	6/30/2016	18,075	18,125	17,805		17,754		51	18,074
Justice Assistance Grant 2017	16.592	N/A	7/1/2016	6/30/2017		80,534	80,534				80,534	-
Justice Assistance Grant 2019	16.592	N/A	7/1/2017	6/30/2018		17,369	11,235				11,235	6,134
FEMA Hazard Mitigation Grant	97.039	N/A	1/1/2017	12/31/2017		132,854	132,854		132,854			132,854
Drive Sober or Get Pulled Over -Year End Crackdown	20.616	100-066-1160-157	7/1/2016	6/30/2017		5,500	5,500		5,500			5,500
Drive Sober or Get Pulled Over -Holiday Crackdown	20.616	100-066-1160-157	7/1/2017	6/30/2018	5,500	5,500	5,500		5,500			5,500
Drive Sober or Get Pulled Over -Year End Crackdown	20.616	100-066-1160-157	7/1/2018	6/30/2019	5,500	5,500		5,500	5,060		440	5,060
Drive Sober or Get Pulled Over -Holiday Crackdown	20.616	100-066-1160-157	7/1/2018	6/30/2019		5,500		5,500			5,500	-
Distracted Driver	20.601	100-066-1160-057	7/1/2017	6/30/2018		6,600	6,600		6,600			6,600
Distracted Driver	20.601	100-066-1160-057	7/1/2018	6/30/2019		6,600	-	6,600	-	-	6,600	-
Total U.S. Dept. of Justice							260,028	17,600	173,268	-	104,360	179,722
<b>Total Federal Financial Awards</b>							<b>\$ 359,029</b>	<b>\$ 1,457,278</b>	<b>\$ 333,985</b>	<b>\$ 15,323</b>	<b>\$ 1,497,645</b>	<b>\$ 726,125</b>

The above schedule is not subject to a Single Audit as defined by U.S. Uniform Guidance.

**TOWN OF WEST NEW YORK**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

State Grant Program	Grant Number	Grant Period		Grant Receipts	Award Amount	Balance,	Revenue	Budgetary	Adjustments	Balance,	Cumulative
		From	To			January 1, 2019	Realized	Expenditures		December 31, 2019	Expenditures
NJ Dept. of Community Affairs											
Direct Aid											
Recreational Opportunities Individual Disabilities (ROID)	100-022-8050-035	7/01/2013	6/30/2014		\$ 20,000	\$ 20,000				\$ 20,000	
Recreational Opportunities Individual Disabilities (ROID) - Local Match	100-022-8050-035	7/01/2013	6/30/2014						\$ 4,000	4,000	
Alcohol Education and Rehabilitation	098-760-9735-001	7/1/2017	6/30/2018		19,553	18,647		\$ 7,973		10,674	\$ 8,879
Alcohol Education and Rehabilitation	098-760-9735-001	7/1/2018	6/30/2019	\$ 13,423	13,423		\$ 13,423			13,423	-
Bulletproof Vest Partnership Grant	718-066-1020-001	7/1/2018	6/30/2019		8,000		8,000			8,000	-
Police Body Armor Replacement	718-066-1020-001	7/1/2015	6/30/2016		7,997	4,413		4,413		-	7,997
Police Body Armor Replacement	718-066-1020-001	7/1/2017	6/30/2018		8,000	8,000				8,000	-
Police Body Armor Replacement	718-066-1020-001	7/1/2018	6/30/2019	10,874	10,874	-	10,874	5,765	-	5,109	5,765
Total NJ Dept. of Community Affairs						51,060	32,297	18,151	4,000	69,206	22,641
NJ Dept. of Environmental Protection											
Direct Aid											
Clean Communities Program	765-042-4900-004	7/01/2016	6/30/2017		85,000	16,733			400	17,133	68,267
Clean Communities Program	765-042-4900-004	7/01/2018	6/30/2019	72,918	72,918		72,918			72,918	-
Recycling Tonnage Grant	752-042-4900-001	7/01/2016	6/30/2017		88,415	50,000	38,415			88,415	-
Recycling Tonnage Grant	752-042-4900-001	7/01/2017	6/30/2018	90,822	90,822		90,822	1,651		89,171	1,651
Green Acres Trust Fund:											
Miller Stadium - Phase II	533-042-4800-003	7/1/2000	6/30/2004		500,000	168,848				168,848	331,152
Improvements to Miller Stadium - Ordinance #05/19	533-042-4800-003	1/01/2019	12/31/2019		1,000,000		1,000,000			1,000,000	-
Improvements to Veterans Park & Donnelly Park -Ordinance #32/17	582-042-4800-002	1/01/2017	12/31/2017		1,100,000	586,418	-	228,655	-	357,763	742,237
Total NJ Dept. of Environmental Protection						821,999	1,202,155	230,306	400	1,794,248	1,143,307

**TOWN OF WEST NEW YORK**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>State Grant Program</u>	<u>Grant Number</u>	<u>Grant Period</u>		<u>Grant Receipts</u>	<u>Award Amount</u>	<u>Balance, January 1, 2019</u>	<u>Revenue Realized</u>	<u>Budgetary Expenditures</u>	<u>Adjustments</u>	<u>Balance, December 31, 2019</u>	<u>Cumulative Expenditures</u>
		<u>From</u>	<u>To</u>								
<b>NJ Dept. of Law &amp; Public Safety</b>											
Direct Aid											
Pedestrian Safety Grant	N/A	1/1/2015	12/31/2015		\$ 16,000	\$ 16,000				\$ 16,000	
Pedestrian Safety Grant	N/A	1/1/2019	12/31/2019			2,640	\$ 2,640			2,640	
NJ OEM - Ordinance #16/15	N/A	1/1/2015	12/31/2015	\$ 132,000	132,000	113,750		\$ 113,750		-	\$ 132,000
Fire Prevention & Safety Grant	N/A	1/1/2019	12/31/2019		57,334		57,334	53,990		3,344	53,990
Safe and Secure	232-066-1020-100	1/1/2019	12/31/2019	45,000	60,000		60,000	60,000			60,000
Safe and Secure	232-066-1020-100	1/1/2018	12/31/2018	60,000	60,000		60,000	60,000			60,000
Safe and Secure	232-066-1020-100	1/1/2017	12/31/2017	60,000	60,000	-	60,000	60,000	-	-	60,000
Total NJ Dept. of Law & Public Safety						129,750	239,974	347,740	-	21,984	365,990
<b>NJ Dept. of the Treasury</b>											
Passed-Through Hudson County Dept. of Finance & Administration											
Municipal Alliance on Alcoholism & Drug Abuse -											
County Share	100-082-2000-046	1/1/2018	12/31/2018	32,100	42,943	42,943		42,943		-	42,943
County Share	100-082-2000-046	1/1/2019	12/31/2019	3,000	42,943		42,943			42,943	-
Local Share	100-082-2000-046	1/1/2018	12/31/2018		10,736		4,736	4,736			10,736
Local Share	100-082-2000-046	1/1/2019	12/31/2019		10,736	-	10,736	10,000	-	736	10,000
Total NJ Dept. of the Treasury						47,679	53,679	57,679	-	43,679	63,679
<b>U.S. Dept. of Transportation</b>											
Direct Aid											
Passed through NJ Department of Transportation											
Road Improvement Projects - Ordinance #22/18	480-078-6320-XXXX	1/1/2018	12/31/2018		354,249	347,050	-	-	-	347,050	7,199
Total U.S. Dept. of Transportation						347,050	-	-	-	347,050	7,199
<b>Total State Financial Awards</b>						\$ 1,397,538	\$ 1,528,105	\$ 653,876	\$ 4,400	\$ 2,276,167	\$ 1,602,816

The above schedule is not subject to a single audit as defined by New Jersey OMB Circular 15-08.

**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE**

**TOWN OF WEST NEW YORK**  
**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**YEAR ENDED DECEMBER 31, 2019**

**NOTE 1 GENERAL**

The accompanying schedules present the activity of all federal awards and state financial assistance programs of the Town of West New York. The Town is defined in Note 1(A) to the Town's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and state financial assistance.

**NOTE 2 BASIS OF ACCOUNTING**

The accompanying schedules are prepared and presented using the regulatory basis of accounting as prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. This basis of accounting is described in Note 1 to the Town's financial statements.

**NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedules agree with amounts reported in the Town's financial statements. Financial assistance revenues are reported in the Town's financial statements on a basis of accounting described above as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund	\$ 206,954	\$ 528,105	\$ 735,059
General Capital Fund	<u>1,250,324</u>	<u>1,000,000</u>	<u>2,250,324</u>
Total Financial Awards	<u>\$ 1,457,278</u>	<u>\$ 1,528,105</u>	<u>\$ 2,985,383</u>

**NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the Town's fiscal year and grant program year.

**TOWN OF WEST NEW YORK**  
**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS**  
**AND STATE FINANCIAL ASSISTANCE**  
**YEAR ENDED DECEMBER 31, 2019**

**NOTE 5 STATE LOANS OUTSTANDING**

The Town's state loans outstanding at December 31, 2019, which are not required to be reported on the schedule of expenditures of state financial assistance, are as follows:

<u>Loan Program</u>	<u>State</u>
N.J. Dept. of Environmental Protection Green Acres Loans	\$ <u>438,317</u>

**TOWN OF WEST NEW YORK  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

*Part I – Summary of Auditor's Results*

**Financial Statements**

Type of auditor's report issued:	<u>Unmodified, Regulatory Basis</u>	
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ yes	<u>X</u> no
2) Were significant deficiencies identified that were not considered to be material weaknesses?	<u>X</u> yes	_____ no
Noncompliance material to financial statements noted?	<u>X</u> yes	_____ no

**Federal Awards Section**

NOT APPLICABLE

**State Awards Section**

NOT APPLICABLE

**TOWN OF WEST NEW YORK  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

*Part 2 – Schedule of Financial Statement Findings*

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

**Finding 2019-001**

Our audit noted the following with regards to compliance with the Local Public Contracts Law:

- Quotes were not solicited for the plumbing services and gasoline purchases.
- The Political Contribution Disclosure Form was not on file for certain vendors.
- Three state contracts utilized in excess of the bid threshold were not approved in the official minutes.
- Business Registration Certificates were not on file for certain vendors.

**Criteria or Specific Requirements**

Local Public Contracts Law and Regulations (N.J.S.A. 40A:11-1 et seq. and N.J.A.C. 5:34).

**Condition**

See Finding 2019-001

**Questioned Cost**

Undeterminable.

**Context**

- Competitive quotes for plumbing services - \$12,000 and gasoline purchases - \$20,084 were not solicited.
- The Political Contribution Disclosure Forms for eight vendors tested were not on file.
- State contract awards for live scan system, fire alarms/supplies and diesel fuel purchases in the amounts of \$27,127, \$107,120 and \$87,568, respectively, were not approved in the official minutes.
- Business Registration Certificates for seven vendors were not on file.

**Cause**

Unknown.

**Effects**

Noncompliance with the requirements of the Local Public Contracts Law.

**Recommendation**

Procedures over purchasing be reviewed and revised to ensure all contract awards and purchases are made in accordance with the requirements of the Local Public Contracts Law.

**View of Responsible Officials and Planned Corrective Action**

Management has reviewed this finding and has indicated it has revised its procedures to ensure corrective action is taken.

**TOWN OF WEST NEW YORK  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

This section identified the status of prior-year findings related to the financial statements – regulatory basis and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB’s Circular 15-08.

**STATUS OF PRIOR YEAR FINDINGS**

**Finding 2018-001:**

Our audit noted the following with regards to compliance with the Local Public Contracts Law:

- Quotes were not solicited for the contract for elevator inspections, police body armor and recreation program shirts.
- There was one instance where a resolution was not approved for emergency purchases of gasoline.
- The Political Contribution Disclosure Form was not on file for certain vendors.
- Two state contracts utilized in excess of the bid threshold were not approved in the official minutes.

**Status:**

See Finding 2019-001.

**TOWN OF WEST NEW YORK**

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**PART III**

**SUPPORTING DATA**

**LETTER OF COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2019**

**TOWN OF WEST NEW YORK**  
**COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -**  
**CURRENT FUND**

	<u>Year 2019</u>			<u>Year 2018</u>	
	<u>Amount</u>	<u>Percent</u>		<u>Amount</u>	<u>Percent</u>
REVENUE AND OTHER INCOME REALIZED					
Fund Balance Utilized	\$ 8,320,000	6.70 %	\$	7,400,000	6.07 %
Miscellaneous - From Other Than Local					
Property Tax Levies	41,071,845	33.07		39,994,282	32.83
Collection of Delinquent Taxes and Tax Title Liens	30,875	0.02		39,188	0.03
Collection of Current Tax Levy	69,632,225	56.06		68,630,966	56.34
Other Credits	<u>5,150,677</u>	<u>4.15</u>		<u>5,761,783</u>	<u>4.73</u>
Total Income	<u>124,205,622</u>	<u>100.00 %</u>		<u>121,826,219</u>	<u>100.00 %</u>
EXPENDITURES					
Budget Expenditures					
Municipal Purposes	84,042,614	72.62 %		81,805,237	73.03 %
County Taxes	13,636,034	11.78		12,987,765	11.59
Local District School Tax	17,743,655	15.33		17,199,617	15.35
Other Expenditures	<u>314,263</u>	<u>0.27</u>		<u>26,396</u>	<u>0.02</u>
Total Expenditures	<u>115,736,566</u>	<u>100.00 %</u>		<u>112,019,015</u>	<u>100.00 %</u>
Excess in Revenue	8,469,056			9,807,204	
Fund Balance, January 1	<u>14,942,039</u>			<u>12,534,835</u>	
	23,411,095			22,342,039	
Less Utilization as Anticipated Revenue	<u>8,320,000</u>			<u>7,400,000</u>	
Fund Balance, December 31	<u>\$ 15,091,095</u>			<u>\$ 14,942,039</u>	

**TOWN OF WEST NEW YORK**  
**STATEMENT OF OPERATING AND CHANGES IN FUND BALANCES**  
**PARKING UTILITY OPERATING FUND**

	<u>Year 2019</u>		
	<u>Amount</u>	<u>Percent</u>	
REVENUE AND OTHER INCOME REALIZED			
Revenue and Other Income Realized			
Parking Fees	\$ 322,277	12.22	
Other Credits to Income			
Assumption of West New York Parking Authority	<u>2,314,375</u>	<u>87.78</u>	
Total Income	<u>2,636,652</u>	<u>100.00</u>	%
EXPENDITURES			
Budget Expenditures			
Operating	360,000	97.69	%
Deferred Charges and Statutory Expenditures	<u>8,500</u>	<u>2.31</u>	
Total Expenditures	368,500	<u>100.00</u>	%
Excess in Revenue	2,268,152		
Fund Balance, January 1	<u>-</u>		
Fund Balance, December 31	<u>\$ 2,268,152</u>		

**TOWN OF WEST NEW YORK**  
**COMPARATIVE SCHEDULE OF TAX RATE INFORMATION**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Tax Rate</u>	<u>\$7.562</u>	<u>\$7.527</u>	<u>\$7.494</u>
<u>Apportionment of Tax Rate</u>			
Municipal	4.126	4.192	4.185
County	1.474	1.414	1.460
Local School	1.932	1.891	1.818
Local School Required by Local Municipal Budget	.030	.030	.031

Assessed Valuation

2019	<u>\$918,503,202</u>	
2018		<u>\$909,916,526</u>
2017		<u>\$904,715,851</u>

**COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY**

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

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2019	\$ 69,996,183	\$ 69,632,225	99.48%
2018	69,201,344	68,630,966	99.17%
2017	68,871,143	68,589,858	99.59%

**TOWN OF WEST NEW YORK**  
**DELINQUENT TAXES AND TAX TITLE LIENS**

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last five years.

December 31 <u>Year</u>	Amount of Tax Title <u>Liens</u>	Amount of Delinquent <u>Taxes</u>	Total <u>Delinquent</u>	Percentage of <u>Tax Levy</u>
2019	\$ 395,330	\$ 20,778	\$ 416,108	0.59%
2018	362,061	42,964	405,025	0.59%
2017	340,265	77,767	418,032	0.61%

**COMPARATIVE SCHEDULE OF FUND BALANCE**

	<u>Year</u>	<u>Balance Year End</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2019	\$15,091,095	\$8,550,000
	2018	14,942,039	8,320,000
	2017	12,534,835	7,400,000
	2016	8,397,110	5,400,000
Parking Utility Fund	2019 (Inception)	\$2,268,152	\$500,000

**TOWN OF WEST NEW YORK  
OFFICIALS IN OFFICE AND SURETY BONDS  
AS OF DECEMBER 31, 2019**

<u>Name</u>	<u>Title</u>	<u>Term</u>	<u>Amount of Bond</u>
Gabriel Rodriguez	Mayor; Director of Department Public Safety	May 1, 2019-2023	(A)
Cosmo A. Cirillo	Commissioner; Director of Department of Public Affairs	May 1, 2019-2023	(A)
Margarita A. Guzman	Commissioner; Director of Department of Revenue and Finance	May 1, 2019-2023	(A)
Yolesy Yanez	Commissioner; Director of Department of Public Works	May 1, 2019-2023	(A)
Victor M. Barrera	Commissioner; Director of Department of Parks and Public Property	May 1, 2019-2023	(A)
Jonathan Castaneda	Administrator		(A)
Luis Baez	Deputy Municipal Administrator		(A)
Jonathan M. DeJoseph	Chief Financial Officer		(A)
Carmela Riccie	Town Clerk		(A)
Adelinny Plaza	Deputy Town Clerk		
Kerri Tierney	Tax Collector		(A)
Sal Bonnaccorsi	Tax Assessor; Tax Searcher		(A)
Armando Hernandez	Judge		(A)
Charles D'Amico	Chief Judge		(A)
Karen Gomez	Court Administrator		(A)
Nelson Diaz	Treasurer		(A)

(A) All employees and public officials were covered for employee theft in the amount of \$1,000,000 with the Public Entity Joint Insurance Fund, through Fidelity and Deposit Company of Maryland.

**TOWN OF WEST NEW YORK  
GENERAL COMMENTS**

Our comments with respect to our examination and any error, omission, irregularity, violation of law, discrepancy or other nonconformity to the law or regulation found during the examination are herewith set forth.

**Current Year Findings**

***FINANCE***

**Finding** – The audit indicated that there exists certain outstanding tax and pilot overpayments from the years 2017 and 2018.

**Recommendation** – The prior year tax and pilot overpayment balances be reviewed and cleared of record.

**Prior Year Findings Unresolved**

***FINANCE***

**Finding** – Record keeping of compensated absences is not integrated with the payroll system for the Police Department and the liability is not calculated on a periodic basis.

**Recommendation** – The function for calculating the Police Department liability for compensated absences be integrated with the payroll system and prepared on a periodic basis.

***DEPARTMENTS***

**Finding** – The audit of the Municipal Court indicated numerous tickets included on the “Tickets Assigned Not Issued Report” were outstanding in excess of six months.

**Recommendation** – All tickets outstanding in excess of six months on the Municipal Court’s “Tickets Assigned Not Issued Report” be recalled.

**Finding** – Our audit of the Municipal Court Fines and Bail bank account reconciliations revealed numerous miscellaneous adjustments are not being entered into the ATS/ACS System and/or cleared of record.

**Recommendation** – Miscellaneous adjustments on the Municipal Court Fines and Bail bank account reconciliations be entered into the ATS/ACS System and cleared of record.

**Finding** – Our audit of the Construction Code department revealed the required annual Uniform Construction Code Annual Report was not filed with the State of New Jersey.

**Recommendation** – Uniform Construction Code Annual Report be prepared and filed with the State, as required.

**TOWN OF WEST NEW YORK  
GENERAL COMMENTS**

**Contracts and Agreements Required to be Advertised for NJS 40A:11-4**

NJS 40A:11-4 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 bid threshold, except by contract or agreement."

If the Town's purchasing agent is qualified pursuant to subsection b. of Section 9 of P.L. 1971, c. 198 (C.40A:11-9), the Town may establish the bid threshold up to a maximum of \$40,000. The Town's Purchasing Director is qualified and the Town by resolution, has increased the bid threshold to \$40,000.

The Purchasing Agent and the Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$40,000 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Town Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

DPW Garage Roof Replacement  
General Contracting Services  
Holiday Decoration Installation

Summer Food Program  
Elevator Inspection Services

The minutes indicate that resolutions were adopted and advertised, authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

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

**Collection of Interest on Delinquent Taxes and Assessments**

The statutes provide the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

No record was found in the minutes of the period under audit, but upon inquiry, the municipal clerk could produce a prior minute record of the action of the governing body authorizing the rate of interest to be charged on delinquent taxes. The governing body on April 15, 1992 adopted the following resolution authorizing interest to be charged on delinquent taxes.

"BE IT RESOLVED, that in accordance with N.J.S.A. 54:4-67 as amended by Chapter 435, New Jersey Laws of 1979, that interest shall be charged for the non-payment of taxes or assessments on real property in the Town of West New York, on or after the date when they would become delinquent; and

**TOWN OF WEST NEW YORK  
GENERAL COMMENTS**

**Collection of Interest on Delinquent Taxes and Assessments (Continued)**

BE IT FURTHER RESOLVED, that the rate of interest for the non-payment of taxes or assessments on real property in the Town of West New York, on or after the date when they would become delinquent, shall be eight percent (8%) per annum on the first \$1,500 provided, however, that no interest shall be charged if payment of any installment is made within the tenth calendar day following the date upon which the same become payable. Installments of taxes or assessments received after the expiration of the grace period herein granted shall bear interest from the due date of the installment. A six (6%) percent penalty made be charged on any delinquency in excess of \$10,000 if not paid by the end of the fiscal year; and

BE IT FURTHER RESOLVED, that the provisions of this resolution shall be effective with respect to all payments of taxes and assessments, and interest upon delinquent installments thereon, which shall be assessed from and after the date of this resolution, and

BE IT FURTHER RESOLVED, that any resolution heretofore adopted with respect to the payment of interest by reason of the non-payment of delinquent installments upon taxes and assessments herewith, are hereby rescinded; and

BE IT FURTHER RESOLVED, that the Assistant Tax Collector be authorized to hold an annual sale on back taxes pursuant to N.J.S.A. 54:5-19; and

BE IT FURTHER RESOLVED that the provisions of this resolution be effective upon adoption”.

An accelerated tax sale was held on December 19, 2019 and was incomplete.

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

<u>Year</u>	<u>Number of Liens</u>
2019	12
2018	13
2017	11

## TOWN OF WEST NEW YORK RECOMMENDATIONS

It is recommended that:

1. With respect to the Municipal Court:
  - \* • Miscellaneous adjustments on the Municipal Court Fines and Bail bank account reconciliations be entered into the ATS/ACS system and/or cleared of record.
  - \* • All tickets outstanding in excess of six months on the Municipal Court's "Tickets Assigned Not Issued Report" be recalled.
- \* 2. The function for calculating the Police Department liability for compensated absences be integrated with the payroll system and prepared on a periodic basis.
- \* 3. The Uniform Construction Code Annual Report be prepared and filed with the State, as required.
- \* 4. Procedures over purchasing be reviewed and revised to ensure all contract awards and purchases are made in accordance with the requirements of the Local Public Contracts Law.
5. The prior year tax and pilot overpayment balances be reviewed and cleared of record.

\* \* \* \* \*

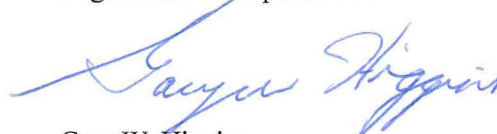
A review was performed on all prior years' recommendations and corrective action was taken with the exception of those recommendations denoted with an asterisk (\*).

The findings noted in our audit were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to our comments and recommendations, or should you desire assistance in implementing our recommendations, please do not hesitate to call us.



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