GREENWICH TOWNSHIP

COUNTY OF WARREN

REPORT OF AUDIT

2019

NISIVOCCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS

GREENWICH TOWNSHIP

COUNTY OF WARREN

REPORT OF AUDIT

2019

GREENWICH TOWNSHIP
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GREENWICH TOWNSHIP

PART I

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2019

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Independent Member
BKR International

Independent Auditors' Report

The Honorable Mayor and Members
of the Township Committee
Greenwich Township
Stewartsville, New Jersey

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2020 on our consideration of Greenwich Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township'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 Greenwich Township's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
June 15, 2020

NISIVOCCIA, LLP

John J. Mooney

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

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
CURRENT FUND

GREENWICH TOWNSHIP
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31, 2019	December 31, 2018
ASSETS			
Regular Fund:			
Cash and Cash Equivalents:			
Treasurer	A-4	$ 3,787,244.72	$ 4,111,182.98
Due from State of New Jersey:			
Senior Citizens and Veterans Deductions		1,293.84	2,043.84
		3,788,538.56	4,113,226.82
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	363,829.53	391,345.74
Revenue Accounts Receivable	A-9	10,759.47	2,182.29
Property Acquired for Taxes		316,200.00	316,200.00
Due from Animal Control Fund	B		0.78
Due from Other Trust Funds	B	947.29	421.43
Due from Other Trust Funds - Open Space	B	119,200.00	
Due from General Capital Fund	C	9.67	444.14
Due from Sewer Utility Operating Fund	E	18,591.18	
Due from Payroll Account		108,186.79	58,186.79
Total Receivables and Other Assets With Full Reserves		937,723.93	768,781.17
Deferred Charges:			
Overexpenditure of Appropriated Grant Reserves		1,411.50	
Total Deferred Charges		1,411.50	
Total Regular Fund		4,727,673.99	4,882,007.99
Federal and State Grant Fund:			
Due from Current Fund	A	113,378.64	104,096.27
Federal and State Grants Receivable	A-10	254,710.91	
Deferred Charges:			
Overexpenditure of Grant Appropriation	A-14	1,411.50	
Total Federal and State Grant Fund		369,501.05	104,096.27
TOTAL ASSETS		$ 5,097,175.04	$ 4,986,104.26

GREENWICH TOWNSHIP
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31, 2019	December 31, 2018
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund:			
Appropriation Reserves:			
Encumbered	A-3;A-11	$ 105,136.14	$ 25,113.45
Unencumbered	A-3;A-11	312,306.91	380,533.71
		417,443.05	405,647.16
Prepaid Taxes		136,570.72	159,058.29
Tax Overpayments		93,757.61	52,940.78
Accounts Payable - Vendors		340.56	
School Taxes Payable	A-12	2,229,495.00	2,347,199.48
County Taxes Payable		874.03	7,000.87
Due to State of New Jersey:			
Marriage License Fees		75.00	150.00
Due to Federal and State Grant Fund	A	113,378.64	104,096.27
Due to Other Trust Funds - Open Space	B	30,126.42	315.65
Due to Other Trust Funds - Tax Sale Premiums	B	120,500.00	
Due to Other Trust Funds - Accumulated Absences	B	5,000.00	5,000.00
Reserve for:			
Codification of Ordinances		12,356.00	12,356.00
Third Party Liens		55,402.90	55,402.90
Payment of Debt Service			36,389.16
		3,215,319.93	3,185,556.56
Reserve for Receivables and Other Assets	A	937,723.93	768,781.17
Fund Balance	A-1	574,630.13	927,670.26
Total Regular Fund		4,727,673.99	4,882,007.99
Federal and State Grant Fund:			
Appropriated Reserve for Grants	A-13	346,502.53	89,991.97
Unappropriated Reserve for Grants	A-14	22,998.52	14,104.30
Total Federal and State Grant Fund		369,501.05	104,096.27
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		$ 5,097,175.04	$ 4,986,104.26

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

GREENWICH TOWNSHIP
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31, 2019	2018
Revenue and Other Income Realized			
Fund Balance Utilized		$ 890,000.00	$ 920,000.00
Miscellaneous Revenue Anticipated		851,321.12	676,814.80
Receipts from:			
Delinquent Taxes		391,590.85	335,308.12
Current Taxes		19,126,129.64	19,017,480.75
Nonbudget Revenue		163,866.54	181,338.79
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		309,545.90	31,349.35
Increase in Deferred School Tax		250,000.00	400,000.00
Cancellation of Accounts Payable			311.75
Interfunds Returned			120,192.62
Total Income		21,982,454.05	21,682,796.18
Expenditures			
Municipal Purposes		4,921,580.15	4,332,971.68
County Taxes		4,977,973.73	5,316,848.29
Local School District Taxes		11,023,506.00	10,758,915.00
Municipal Open Space Taxes		239,305.19	239,801.43
Refund of Prior Year Revenue - Tax Appeals		115,000.00	150,000.00
Prior Year Senior Citizen Deductions Disallowed		250.00	
Interfunds Advanced		169,290.61	
Total Expenditures		21,446,905.68	20,798,536.40
Statutory Excess to Fund Balance		535,548.37	884,259.78
Adjustment to Excess Before Fund Balance:			
Expenditures included above which are by Statute			
Deferred Charges to Budget of Succeeding Year		1,411.50	
Statutory Excess to Fund Balance		536,959.87	884,259.78
Fund Balance			
Balance January 1		927,670.26	963,410.48
		1,464,630.13	1,847,670.26
Decreased by:			
Utilized as Anticipated Revenue		890,000.00	920,000.00
Balance December 31	A	$ 574,630.13	$ 927,670.26

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

GREENWICH TOWNSHIP
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *	
Fund Balance Anticipated	$ 890,000.00		$ 890,000.00		
Miscellaneous Revenue:					
Municipal Court - Fines and Costs	50,000.00		28,035.12	$ 21,964.88	*
Interest on Investments	30,000.00		42,793.71	12,793.71	
Interest and Costs on Taxes	60,000.00		31,749.92	28,250.08	*
Utility Operating Surplus	8,900.00		8,900.00		
Open Space Trust Fund:					
Debt Service Payment	119,200.00		119,200.00		
Energy Receipts Tax	315,438.00		315,438.00		
Reserve to Pay Debt Service	36,350.00		36,389.16	39.16	
Public and Private Revenues					
Offset with Appropriations:					
New Jersey Department of Transportation Grant:					
Dumont Road	95,000.00		95,000.00		
Washington Street	155,000.00		155,000.00		
National Night Out Grant	1,500.00		1,500.00		
Clean Communities Grant	12,605.00		12,605.00		
Drunk Driving Enforcement Fund		$ 4,710.21	4,710.21		
	883,993.00	4,710.21	851,321.12	37,382.09	*
Receipts from Delinquent Taxes	345,000.00		391,590.85	46,590.85	
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	3,245,334.48		3,332,748.20	87,413.72	
Total Amount to be Raised by Taxes	3,245,334.48		3,332,748.20	87,413.72	
Budget Totals	5,364,327.48	4,710.21	5,465,660.17	$ 96,622.48	
Nonbudget Revenue			163,866.54		
	$ 5,364,327.48	$ 4,710.21	$ 5,629,526.71		

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

Allocation of Current Tax Collections:		
Revenue from Collection of Current Taxes - Tax Collector Collections		$ 19,107,538.46
Revenue from Collection of Current Taxes - Utility Collector Collections		18,591.18
Allocated to:		
Local School Taxes	$ 11,023,506.00	
County Taxes	4,977,973.73	
Local Municipal Open Space Tax Levy	239,305.19	
		16,240,784.92
Balance for Support of Municipal Budget		2,885,344.72
Add: Appropriation "Reserve for Uncollected Taxes"		447,403.48
Realized for Support of Municipal Budget		$ 3,332,748.20
Analysis of Interest on Investments:		
Collected/Received by Treasurer		$ 37,589.48
Due from Animal Control Trust Fund		21.85
Due from Other Trust Fund		796.36
Due from General Capital Fund		4,386.02
		$ 42,793.71

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

Analysis of Nonbudget Revenue:		
Treasurer:		
Alcoholic Beverage Licenses	$ 12,150.00	
Cable Television Franchise Fees	15,070.00	
Fees:		
Smoke Detector	5,576.00	
Planning Board Fees	35,584.46	
Zoning Permits	1,140.00	
Police	6,875.43	
Clerk	15,227.00	
Hotel Occupancy Fees	25,812.48	
Fire Safety Rebates	6,885.44	
2% Administration Fee - Senior Citizens and Veterans Deductions	525.00	
Prior Year Unanticipated Grant Revenue	30,000.00	
Other Miscellaneous	5,782.98	
		$ 160,628.79
Tax Collector:		
Miscellaneous		3,237.75
		$ 163,866.54

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

GREENWICH TOWNSHIP
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

	Appropriations		Expended By		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
GENERAL GOVERNMENT:					
General Administration:					
Other Expenses	$ 54,000.00	$ 50,000.00	$ 48,632.04	$ 1,367.96	
Mayor & Council:					
Salaries & Wages	21,902.00	21,902.00	21,901.74	0.26	
Other Expenses	1,500.00	1,500.00	200.00	1,300.00	
Municipal Clerk:					
Salaries & Wages	56,728.00	58,728.00	58,237.40	490.60	
Other Expenses	3,000.00	3,000.00	2,838.61	161.39	
Election	1,050.00	2,100.00	2,053.30	46.70	
Financial Administration:					
Salaries & Wages	30,090.00	25,090.00	24,068.50	1,021.50	
Other Expenses	7,000.00	24,000.00	23,890.68	109.32	
Payroll Services	7,000.00	7,000.00	5,170.48	1,829.52	
Audit:					
Other Expenses	24,000.00	26,000.00	25,460.00	540.00	
Tax Assessment Administration:					
Salaries & Wages	22,500.00	22,500.00	22,500.00		
Other Expenses	18,000.00	12,000.00	11,100.35	899.65	
Revenue Administration (Tax Collection):					
Salaries & Wages	41,000.00	36,000.00	27,374.69	8,625.31	
Other Expenses	14,000.00	9,000.00	8,292.77	707.23	
Legal Services and Costs:					
Other Expenses	135,000.00	113,050.00	72,812.11	40,237.89	
Engineering Services:					
Other Expenses	17,000.00	17,000.00	16,677.50	322.50	

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

	Appropriations		Expended By		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
GENERAL GOVERNMENT:					
Historical Site Office:					
Other Expenses	$ 2,000.00	$ 2,000.00	$ 2,000.00		
LAND USE ADMINISTRATION:					
COAH Officer:					
Salaries and Wages	2,103.00	2,103.00	2,030.00	$ 73.00	
Environmental Commission:					
Other Expenses	450.00	450.00		450.00	
Municipal Land Use Law (NJSA 40A:55D-1):					
Planning Board					
Salaries and Wages	11,959.00	11,959.00	11,958.32	0.68	
Other Expenses	35,000.00	35,000.00	15,324.42	19,675.58	
Insurance (P.L. 2003, C.92):					
Employee Group Insurance	226,000.00	226,000.00	207,835.12	18,164.88	
General Liability Insurance	164,262.00	164,262.00	158,571.00	5,691.00	
PUBLIC SAFETY :					
Fire Inspector:					
Salaries & Wages	2,047.00	2,047.00	2,046.57	0.43	
Aid to Volunteer Fire Companies	87,000.00	87,000.00	85,606.22	1,393.78	
Fire Hydrant Service	106,000.00	93,000.00	92,509.23	490.77	
Fire and Safety Code Enforcement:					
Salaries & Wages	3,491.00	3,491.00	3,490.71	0.29	
Other Expenses	1,100.00	1,100.00	655.00	445.00	
Police:					
Salaries & Wages	1,276,000.00	1,311,000.00	1,296,149.18	14,850.82	

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

	Appropriations		Expended By		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
PUBLIC SAFETY (Cont'd):					
Police (Cont'd):					
Purchase of Police Cars	$ 17,000.00	$ 17,000.00	$ 16,618.80	$ 381.20	
Other Expenses	71,130.00	71,130.00	50,293.20	20,836.80	
First Aid Organization Contribution:					
Other Expenses	53,000.00	53,000.00	52,833.53	166.47	
School Crossing Guard:					
Salaries & Wages	25,700.00	25,700.00	20,622.70	5,077.30	
Police Dispatch/911 Coordinator:					
Salaries & Wages	516.00	516.00	502.30	13.70	
Office of Emergency Management:					
Salaries & Wages	6,559.00	6,559.00	6,395.46	163.54	
Other Expenses	425.00	425.00		425.00	
Public Defender:					
Salaries & Wages	2,000.00	2,400.00	2,400.00		
STREETS AND ROADS:					
Road Repair and Maintenance:					
Salaries & Wages	254,237.00	254,237.00	248,228.20	6,008.80	
Other Expenses	184,902.00	184,902.00	162,685.61	22,216.39	
Public Building and Grounds:					
Other Expenses	50,000.00	50,000.00	35,256.66	14,743.34	

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

	Appropriations		Expended By		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
HEALTH AND WELFARE:					
Animal Control:					
Salaries & Wages	$ 4,378.00	$ 4,378.00	$ 4,377.54	$ 0.46	
Other Expenses	2,000.00	2,000.00	608.00	1,392.00	
Board of Health:					
Other Expenses	175.00	175.00		175.00	
Contributions to Social Services Agencies:					
Senior Citizen Center	1,000.00	1,000.00	1,000.00		
RECREATION AND EDUCATION:					
Maintenance of Parks:					
Other Expenses	25,000.00	25,000.00	4,515.35	20,484.65	
Celebration of Public Events:					
Other Expenses	12,000.00	12,000.00	10,925.08	1,074.92	
Unclassified:					
Utilities:					
Electricity	20,000.00	27,000.00	22,646.25	4,353.75	
Street Lighting	27,000.00	20,000.00	15,692.79	4,307.21	

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

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Unclassified (Cont'd):					
Utilities (Cont'd):					
Telephone	$ 17,500.00	$ 20,000.00	$ 18,283.52	$ 1,716.48	
Water	2,000.00	2,000.00	614.60	1,385.40	
Gasoline & Diesel Fuel	50,000.00	50,000.00	42,866.10	7,133.90	
Reserve for Accumulated Absences Compensation:					
Salaries & Wages	5,000.00	5,000.00	5,000.00		
Total Operations Within "CAPS"	3,202,704.00	3,202,704.00	2,971,751.63	230,952.37	
Detail:					
Salaries & Wages	1,766,210.00	1,793,610.00	1,757,283.31	36,326.69	
Other Expenses	1,436,494.00	1,409,094.00	1,214,468.32	194,625.68	
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to Social Security System (O.A.S.I.)	140,000.00	140,000.00	133,162.41	6,837.59	
Police and Firemen's Retirement System (P.L. 2003, C.108)	225,449.00	225,449.00	225,449.00		
Public Employees Retirement System of NJ (P.L. 2003, C.108)	41,759.00	41,759.00	41,759.00		
Defined Contribution Retirement Program	2,000.00	2,000.00	978.43	1,021.57	
State Unemployment Insurance	8,000.00	8,000.00	5,604.98	2,395.02	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	417,208.00	417,208.00	406,953.82	10,254.18	
Total General Appropriations for Municipal Purposes Within "CAPS"	3,619,912.00	3,619,912.00	3,378,705.45	241,206.55	

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

	Appropriations		Expended By		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
Operations Excluded from "CAPS":					
Greenwich Township School District:					
Lawn & Field Cutting	$ 29,700.00	$ 29,700.00	$ 29,200.00	$ 500.00	
State and Federal Programs Offset by Revenues:					
Clean Communities Grant	12,605.00	12,605.00	12,605.00		
Drunk Driving Enforcement Fund (N.J.S.A. 40A:4-87 + $4,710.21)		4,710.21	4,710.21		
Municipal Alliance - Local Share	1,792.00	1,792.00	1,792.00		
National Night Out Grant	1,500.00	1,500.00	1,500.00		
Total Operations Excluded from "CAPS"	45,597.00	50,307.21	49,807.21	500.00	
Detail:					
Other Expenses	45,597.00	50,307.21	49,807.21	500.00	
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	100,000.00	100,000.00	100,000.00		
Capital Projects - Road Improvements	307,500.00	307,500.00	236,899.64	70,600.36	
New Jersey Department of Transportation Grant:					
Dumont Road	95,000.00	95,000.00	95,000.00		
Washington Street	155,000.00	155,000.00	155,000.00		
Total Capital Improvements - Excluded from "CAPS"	657,500.00	657,500.00	586,899.64	70,600.36	

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

	Appropriations		Expended By		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
Municipal Debt Service - Excluded from "CAPS":					
Payment of Bond Principal	$ 80,000.00	$ 80,000.00	$ 80,000.00		
Interest on Bonds	32,900.00	32,900.00	32,900.00		
Payment of Bond Anticipation Notes	347,250.00	347,250.00	347,250.00		
Interest on Notes	86,265.00	86,265.00	86,265.00		
Fire Truck Loan:					
Loan Repayment for Principal and Interest	47,500.00	47,500.00	47,445.94		$ 54.06
Total Municipal Debt Service - Excluded from "CAPS"	593,915.00	593,915.00	593,860.94		54.06
Total General Appropriations - Excluded from "CAPS"	1,297,012.00	1,301,722.21	1,230,567.79	$ 71,100.36	54.06
Subtotal General Appropriations	4,916,924.00	4,921,634.21	4,609,273.24	312,306.91	54.06
Reserve for Uncollected Taxes	447,403.48	447,403.48	447,403.48		
Total General Appropriations	$ 5,364,327.48	$ 5,369,037.69	$ 5,056,676.72	$ 312,306.91	$ 54.06
Ref.				A	

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

	Ref.	Analysis of Budget After Modification	Paid or Charged
Adopted Budget		$ 5,364,327.48	
Added by NJSA 40A:4-87		4,710.21	
		$ 5,369,037.69	
Cash Disbursed			$ 4,399,989.19
Reserve for Uncollected Taxes			447,403.48
Reserve for Encumbrances	A		105,136.14
Due to Other Trust Fund - Accumulated Absences	A		5,000.00
Transfer to Appropriated Grant Reserves:			
Federal and State Grants			268,815.21
Local Matching Funds			1,792.00
			5,228,136.02
Less: Appropriation Refunds			171,459.30
			$ 5,056,676.72

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

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
TRUST FUNDS

GREENWICH TOWNSHIP
COMPARATIVE BALANCE SHEET - TRUST FUNDS - REGULATORY BASIS

	Ref.	December 31, 2019	December 31, 2018
ASSETS			
Animal Control Fund:			
Cash and Cash Equivalents:			
Treasurer	B-4	$ 1,911.82	$ 694.93
		1,911.82	694.93
Open Space Trust Fund:			
Cash and Cash Equivalents	B-4	815,352.60	835,243.12
Due From Current Fund - Open Space Tax Levy	A	30,126.42	315.65
		845,479.02	835,558.77
Other Trust Funds:			
Cash and Cash Equivalents	B-4	1,373,701.04	1,556,950.64
Due From Current Fund:			
Tax Sale Premiums	A	120,500.00	
Accumulated Absences	A	5,000.00	5,000.00
		1,499,201.04	1,561,950.64
TOTAL ASSETS		$ 2,346,591.88	$ 2,398,204.34
LIABILITIES, RESERVES AND FUND BALANCE			
Animal Control Fund:			
Due to Current Fund	A		$ 0.78
Due to the State of New Jersey		$ 69.00	61.00
Reserve for Animal Control Expenditures	B-5	1,842.82	633.15
		1,911.82	694.93
Open Space Trust Fund:			
Due to Current Fund - Budget Appropriation	A	119,200.00	
Reserve for Open Space Expenditures		726,279.02	835,558.77
		845,479.02	835,558.77
Other Trust Funds:			
Due To Current Fund	A	947.29	421.43
Reserve for:			
Accumulated Absences		9,386.00	5,000.00
Recreation Commission		30,140.04	46,775.38
Small Cities Grant		79,861.77	76,110.18
Escrow Deposits		250,265.32	315,195.22
Council on Affordable Housing		962,535.94	1,036,711.19
Tax Sale Premiums		147,590.01	73,990.01
Community Day		1,549.18	369.18
Storm Recovery		1,265.92	1,265.92
Public Defender		1,725.05	1,325.05
Fire Inspection Penalties		6,393.52	3,829.08
Parking Offenses Adjudication Act		471.00	458.00
Police Department Donation		170.00	500.00
Historical Commission		6,900.00	
		1,499,201.04	1,561,950.64
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		$ 2,346,591.88	$ 2,398,204.34

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

GREENWICH TOWNSHIP
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

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

GREENWICH TOWNSHIP
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

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

NOT APPLICABLE

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
GENERAL CAPITAL FUND

GREENWICH TOWNSHIP
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31, 2019	December 31, 2018
ASSETS			
Cash and Cash Equivalents	C-2	$ 547,062.16	$ 550,496.69
Due from State of New Jersey:			
Department of Transportation		45,000.00	45,000.00
Deferred Charges to Future Taxation:			
Funded		800,000.00	880,000.00
Unfunded	C-4	2,306,875.00	2,654,125.00
TOTAL ASSETS		$ 3,698,937.16	$ 4,129,621.69
LIABILITIES, RESERVES AND FUND BALANCE			
Serial Bonds Payable	C-8	$ 800,000.00	$ 880,000.00
Bond Anticipation Notes Payable	C-7	2,306,875.00	2,654,125.00
Improvement Authorizations:			
Funded	C-5	3,342.89	38,239.81
Unfunded	C-5	275,105.74	401,186.53
Due to Current Fund	A	9.67	444.14
Capital Improvement Fund	C-6	130,374.00	67,974.00
Reserve For:			
Payment of Debt Service		66,336.56	
Encumbrances		4,699.06	6,327.77
Recreational Facility Improvements			4,275.50
Fund Balance	C-1	112,194.24	77,048.94
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		$ 3,698,937.16	$ 4,129,621.69

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

GREENWICH TOWNSHIP
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	Ref		
Balance December 31, 2018	C	$	77,048.94
Increased by:			
Cancellation of Improvement Authorizations			35,145.30
Balance December 31, 2019	C	$	112,194.24

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

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
WATER UTILITY FUND

NOT APPLICABLE

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
SEWER UTILITY FUND

GREENWICH TOWNSHIP
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31, 2019	2018
ASSETS			
Operating Fund:			
Cash and Cash Equivalents	E-4	$ 1,279,787.93	$ 1,249,096.31
Due From Sewer Utility Capital Fund	E	461.57	461.57
Receivable with Full Reserve:			
Consumer Accounts Receivable	E-6	75,501.55	270,541.96
Total Operating Fund		1,355,751.05	1,520,099.84
Capital Fund:			
Cash and Cash Equivalents	E-4	617,099.69	517,099.69
Total Capital Fund		617,099.69	517,099.69
TOTAL ASSETS		$ 1,972,850.74	$ 2,037,199.53
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	E-3;E-9	$ 224,943.11	$ 169,483.63
Encumbered	E-3;E-9	2,150.47	
Total Appropriation Reserves		227,093.58	169,483.63
Prepaid Sewer Rents		19,880.30	17,956.00
Sewer Overpayments		2,421.97	3,607.76
Due to Current Fund	A	18,591.18	
Total Liabilities		267,987.03	191,047.39
Reserve for Receivables	E	75,501.55	270,541.96
Reserve for Sewer Buybacks		19,740.87	19,740.87
Fund Balance	E-1	992,521.60	1,038,769.62
Total Operating Fund		1,355,751.05	1,520,099.84
Capital Fund:			
Capital Improvement Fund	E-11	609,592.62	509,592.62
Due to Sewer Utility Operating Fund	E	461.57	461.57
Reserve for Preliminary Costs		7,045.50	7,045.50
Total Capital Fund		617,099.69	517,099.69
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		$ 1,972,850.74	$ 2,037,199.53

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

GREENWICH TOWNSHIP
SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31 2019	2018
Revenue and Other Income Realized			
Fund Balance Utilized		$ 274,500.00	$ 274,500.00
Rents		594,490.52	613,540.94
Nonbudget Revenue		57,512.60	30,292.02
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		160,148.86	187,317.31
Total Income		1,086,651.98	1,105,650.27
Expenditures			
Budget Expenditures:			
Operating		746,000.00	746,000.00
Capital Improvements		100,000.00	100,000.00
Statutory Expenditures		3,500.00	3,500.00
Total Expenditures		849,500.00	849,500.00
Excess in Revenue/Statutory Excess to Fund Balance		237,151.98	256,150.27
Fund Balance			
Balance January 1		1,038,769.62	1,066,019.35
		1,275,921.60	1,322,169.62
Decreased by:			
Utilized as Anticipated Revenue		274,500.00	274,500.00
Utilized as Anticipated Revenue- Current Fund		8,900.00	8,900.00
Balance December 31	E	$ 992,521.60	$ 1,038,769.62

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

GREENWICH TOWNSHIP
SEWER UTILITY CAPITAL FUND
STATEMENT OF SEWER CAPITAL FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Anticipated	Realized	Excess or Deficit *
Operating Surplus Anticipated	$ 274,500.00	$ 274,500.00	
Sewer Rents	575,000.00	594,490.52	$ 19,490.52
	849,500.00	868,990.52	19,490.52
Nonbudget Revenue		57,512.60	57,512.60
	$ 849,500.00	$ 926,503.12	$ 77,003.12

Analysis of Sewer Rents:

Collections	$ 573,204.51
Prepaid Sewer Rents Applied	17,956.00
	$ 594,490.52

Analysis of Nonbudget Revenue

Treasurer:	
Interest on Investments - Sewer Utility Operating Fund	$ 11,733.05
Interest on Investments - Sewer Utility Capital Fund	4,369.07
Miscellaneous	35,358.88
	51,461.00
Collector:	
Interest on Sewer Rents	6,051.60
	$ 57,512.60

GREENWICH TOWNSHIP
SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Appropriations		Expended	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operating:				
Salaries and Wages	$ 36,000.00	$ 36,000.00	$ 36,000.00	
Other Expenses	230,000.00	230,000.00	56,165.81	$ 173,834.19
Contractual- Town of Phillipsburg	480,000.00	480,000.00	428,891.08	51,108.92
Capital Improvements:				
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	2,800.00	2,800.00	2,800.00	
Unemployment Compensation Insurance	700.00	700.00	700.00	
	$ 849,500.00	$ 849,500.00	$ 624,556.89	$ 224,943.11
		Ref.		E
Analysis of Paid or Charged				
Cash Disbursed			$ 622,406.42	
Encumbrances		E	2,150.47	
			$ 624,556.89	

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

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
PUBLIC ASSISTANCE FUND

NOT APPLICABLE

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
BOND AND INTEREST FUND

NOT APPLICABLE

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
GENERAL FIXED ASSETS ACCOUNT GROUP

GREENWICH TOWNSHIP
GENERAL FIXED ASSETS ACCOUNT GROUP
BALANCE SHEET - REGULATORY BASIS

	December 31, 2019	December 31, 2018
ASSETS		
Land	$ 3,539,800.00	$ 3,539,800.00
Buildings	377,400.00	377,400.00
Equipment and Vehicles	4,008,932.00	4,008,932.00
TOTAL ASSETS	$ 7,926,132.00	$ 7,926,132.00
RESERVES		
Reserve for Fixed Assets	$ 7,926,132.00	$ 7,926,132.00
TOTAL RESERVES	$ 7,926,132.00	$ 7,926,132.00

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

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Description of Funds

The accounting policies of Greenwich Township conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, Greenwich Township accounts for its financial transactions through the following separate funds:

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

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

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

Sewer Utility and Capital Funds – Account for the operations, resources and expenditures for the payment of and acquisition of capital facilities of the municipally owned Sewer Utility.

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

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

B. Description of Funds (Cont'd)

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

C. Basis of Accounting

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

The more significant accounting policies in New Jersey follow.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey and for the prepayment of future years' revenue. Grant revenue is realized in the operating funds when it is budgeted and in the capital funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

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

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.

2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.

3. Principal and interest on long-term debt are recognized when due.

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

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

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

C. Basis of Accounting (Cont'd)

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

The cash basis of accounting is followed in the Trust Funds.

D. Deferred Charges to Future Taxation

The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded deferred charges represent improvement authorizations where permanent financing has been obtained. Unfunded deferred charges represent improvement authorizations where no or temporary financing has been obtained. A municipality can permanently finance unfunded deferred charges through budget appropriation, grant funds, or by issuing bonds, loans or capital lease purchase agreements.

E. Other significant accounting policies include:

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

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

Investments – Investments are stated at cost.

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

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

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

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

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

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

E. Other significant accounting policies include (Cont'd):

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

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

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

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

Property and equipment purchased by the Sewer 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 replacement costs or current value. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Sewer Utility Capital Fund represent charges to operations for the costs of acquisitions of property, equipment and improvements. The Sewer Utility Fund do not record depreciation on fixed assets.

F. Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for the Current, Open Space Trust and Sewer Utility Operating Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Township during the year.

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 2: Long-Term Debt

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

Summary of Municipal Debt

	December 31,		
	2019	2018	2017
Issued			
General:			
Bonds and Notes	$ 3,106,875.00	$ 3,534,125.00	$ 3,951,375.00
Subtotal Debt	3,106,875.00	3,534,125.00	3,951,375.00
Less: Reserve to Pay Debt Service	66,336.56	36,389.16	96,389.16
Net Bonds and Notes Issued and Authorized but not Issued	$ 3,040,538.44	$ 3,497,735.84	$ 3,854,985.84

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.426%.

	Gross Debt	Deductions	Net Debt
School Debt	$ 1,979,464.00	$ 1,979,464.00	
General Debt	3,106,875.00	66,336.56	$ 3,040,538.44
	$ 5,086,339.00	$ 2,045,800.56	$ 3,040,538.44

Net Debt: $3,040,538.44 divided by Average Equalized Valuations of $712,945,378 of Real Property = 0.426%.

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

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

Borrowing Power Under N.J.S. 40A:2-6 As Amended	
3-1/2% Average Equalized Valuation of Real Property	$ 24,953,088.23
Net Debt	3,040,538.44
Remaining Borrowing Power	$ 21,912,549.79
Calculation of "Self-Liquidating Purpose", Sewer Utility Per N.J.S.40A:2-45	
Cash Receipts from Fees, Rents or Other Charges for Year	$ 926,503.12
Deductions:	
Operating and Maintenance Costs	749,500.00
Excess in Revenue	$ 177,003.12

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

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

Summary of Municipal Debt Issued and Outstanding - Current Year

	Balance 12/31/2018	Additions	Retirements	Balance 12/31/2019
Serial Bonds:				
General Capital Fund	$ 880,000.00		$ 80,000.00	$ 800,000.00
Bond Anticipation Notes:				
General Capital Fund	2,654,125.00	$ 2,306,875.00	2,654,125.00	2,306,875.00
	$ 3,534,125.00	$ 2,306,875.00	$ 2,734,125.00	$ 3,106,875.00

Summary of Municipal Debt Issued and Outstanding - Prior Year

	Balance 12/31/2017	Additions	Retirements	Balance 12/31/2018
Serial Bonds:				
General Capital Fund	$ 950,000.00		$ 70,000.00	$ 880,000.00
Bond Anticipation Notes:				
General Capital Fund	3,001,375.00	$ 2,654,125.00	3,001,375.00	2,654,125.00
	$ 3,951,375.00	$ 2,654,125.00	$ 3,071,375.00	$ 3,534,125.00

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

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

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

	General Capital		
Calendar Year	Principal	Interest	Total
2020	$ 80,000.00	$ 30,500.00	$ 110,500.00
2021	80,000.00	28,100.00	108,100.00
2022	80,000.00	25,600.00	105,600.00
2023	80,000.00	22,400.00	102,400.00
2024	80,000.00	19,200.00	99,200.00
2025-2028	320,000.00	44,800.00	364,800.00
2029	80,000.00	3,200.00	83,200.00
	$ 800,000.00	$ 173,800.00	$ 973,800.00

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

General Capital Serial Bonds

Purpose	Final Maturity Date	Interest Rate	Balance Outstanding Dec. 31, 2019
General Improvement Bonds	7/15/2029	3.00-4.00%	$ 400,000.00
General Improvement Term Bonds - Sinking Funds	7/15/2026	4.00%	400,000.00
			$ 800,000.00

General Capital Bond Anticipation Notes

Purpose	Final Maturity Date	Interest Rate	Balance Outstanding Dec. 31, 2019
Various Capital Improvements	10/8/2020	1.36%	$ 2,306,875.00
Total Debt Issued and Outstanding			$ 3,106,875.00

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2019, which is appropriated and included as anticipated revenue in the introduced budget for the Current Fund and Sewer Utility Operating Fund budgets for the year ending December 31, 2020, are $425,000 and $274,500 respectively.

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 4: Local School Taxes

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

Local School Taxes have been raised and the liability deferred by statute, resulting in the school taxes payable set forth in the Current Fund Liabilities as follows:

	Local School Tax		
	Balance Dec. 31, 2019	Balance Dec. 31, 2018	Increase/ (Decrease)
Balance of Tax	$ 5,531,744.00	$ 5,399,448.48	$ 132,295.52
Amount Deferred	3,302,249.00	3,052,249.00	250,000.00
Local School District Tax Payable	$ 2,229,495.00	$ 2,347,199.48	$ (117,704.48)

Note 5: Pension Plans

Township employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee's Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 20
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

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 5: Pension Plans (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability is being paid by the employer in level annual payments over a period of 15 years, which began with the payments due in the fiscal year ended June 30, 2012 and are adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to $41,759 for 2019.

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

Pension Liabilities and Pension Expense

At June 30, 2018, the Township's liability was $824,318 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017 which was rolled forward to June 30, 2018. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2018, the Township's proportion was 0.0042%, which was a increase of 0.0004% from its proportion measured as of June 30, 2017. The Township has rolled forward the net pension liability to December 31, 2018 with no adjustments. The State of New Jersey Public

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 5: Pension Plans (Cont'd)

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

Pension Liabilities and Pension Expense (Cont'd)

Employee's Retirement System (PERS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities to include the June 30, 2018 pension information in the Notes to the Financial Statements as the June 30, 2019 pension information has not been released as of the date of this audit.

For the year ended December 31, 2019, the Township recognized actual pension expense in the amount of $41,759.

Actuarial Assumptions

The total pension liability for the June 30, 2018 measurement date was 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:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65 – 4.15% based on age
Thereafter	2.65 – 5.15% based on age
Investment Rate of Return	7.00%

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

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 5: Pension Plans (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2018 are summarized in the following table:

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

Discount Rate

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

Note 5: Pension Plans (Cont'd)

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

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

The following presents the Township's proportionate share of the collective net pension liability as of June 30, 2018 calculated using the discount rate as disclosed below, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2018		
	1% Decrease (4.66%)	Current Discount Rate (5.66%)	1% Increase (6.66%)
Township's proportionate share of the Net Pension Liability	$ 1,036,485	$ 824,318	$ 1,508,648

Pension Plan Fiduciary Net Position

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

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

Plan Description

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

Benefits Provided

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

The following represents the membership tiers for PFRS:

Tier	Definition
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 201
3	Members who were eligible to enroll on or after June 28, 2011

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 5: Pension Plans (Cont'd)

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

Benefits Provided (Cont'd)

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years.

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

Contributions

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

Special Funding Situation

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. The June 30, 2018 State special funding situation net pension liability amount is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2018 State special funding situation pension expense is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2018. The pension expense is deemed to be a State administrative expense due to the special funding situation. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific funded amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer

Note 5: Pension Plans (Cont'd)

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

Special Funding Situation (Cont'd)

contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer.

Township contributions to PFRS amounted to $225,449 for the year ended December 31, 2019. During the fiscal year ended June 30, 2018, the State of New Jersey contributed $25,103 to the PFRS for normal pension benefits on behalf of the Township, which is less than the contractually required contribution of $50,206.

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

Pension Liabilities and Pension Expense

At June 30, 2018, the Township's liability for its proportionate share of the net pension liability was $3,120,447. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017 which was rolled forward to June 30, 2018. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2018, the Township's proportion was 0.023%, which was an increase of 0.003% from its proportion measured as of June 30, 2017. The Township has rolled forward the net pension liability to December 31, 2018 with no adjustments. The State of New Jersey Police and Firemen's Retirement System (PFRS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities to include the June 30, 2018 pension information in the Notes to the Financial Statements as the June 30, 2019 pension information has not been released as of the date of this audit.

Additionally, the State's proportionate share of the net pension liability attributable to the Township is $423,861 as of June 30, 2018. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017 which was rolled forward to June 30, 2018. The State's proportionate share of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2018, the State's proportion was 0.023%, which was an increase of 0.003% from its proportion measured as of June 30, 2017 which is the same proportion as the Township's. The Township has rolled forward the net pension liability to June 30, 2018 with no adjustments. The State of New Jersey Police and Firemen's Retirement System (PFRS) valuation cycle is July 1 instead of

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 5: Pension Plans (Cont'd)

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

Pension Liabilities and Pension Expense (Cont'd)

December 31. The roll forward methodology puts them a year in arrears in terms of valuation.

Township's Proportionate Share of the Net Pension Liability	$	3,120,447
State's Proportionate Share of the Net Pension Liability Associated with the Township		423,861
Total Net Pension Liability	$	3,544,308

For the year ended December 31, 2019, the Township recognized total pension expense of $225,449.

Actuarial Assumptions

The total pension liability for the June 30, 2018 measurement date was 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:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	2.10% - 8.98% based on age
Thereafter	3.10% - 9.98% based on age
Investment Rate of Return	7.00%

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

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

Note 5: Pension Plans (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS' target asset allocation as of June 30, 2018 are summarized in the following table:

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

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 6.51% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.87% as of June 30, 2018 based on the Bond Buyer Go 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on contribution rate in the most recent fiscal year. The

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 5: Pension Plans (Cont'd)

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

Discount Rate – PFRS (Cont'd)

State employer contributed 50% of the actuarially determined contributions and the local employees contributed 100% of their actuarially determined contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through 2062, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the total net pension liability (including the State's proportionate share of the net pension liability attributable to the Township) as of June 30, 2018 calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

June 30, 2018	1% Decrease (5.51%)	Current Discount Rate (6.51%)	1% Increase (7.51%)
Township's proportionate share of the NPL and the State's proportionate share of the Net Pension Liability associated with the Township	$ 4,743,617	$ 3,544,308	$ 2,555,097

Plan Fiduciary Net Position - PFRS

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

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

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 DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 5: Pension Plans (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (Cont'd)

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the Township recognized pension expense of $978.43 for the year ended December 31, 2019. Employee contributions to DCRP amounted to $2,719.77 for the year ended December 31, 2019.

Note 6: Accrued Sick and Vacation Benefits

The Township has permitted employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate $362,505.90. However, it is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used. This amount is partially funded in the Reserve for Accumulated Absences of $9,386.00 on the Trust Funds balance sheet as of December 31, 2019.

Note 7: Selected Tax Information

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

	2019	2018	2017
Tax Rate	$ 3.258	$ 3.238	$ 3.216
Apportionment of Tax Rate			
Municipal	0.582	0.553	0.513
County	0.833	0.888	0.869
Local School	1.843	1.797	1.834
Assessed Valuations			
2019	$ 598,161,413.00		
2018		$ 598,714,454.00	
2017			$ 598,128,790.00

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 7: Selected Tax Information (Cont'd)

Comparison of Tax Levies and Collections 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.

		Currently	
Year	Tax Levy	Cash Collections	Percentage of Collections
2019	$ 19,491,517.51	$ 19,126,129.64	98.12%
2018	19,411,918.78	19,017,480.75	97.96%
2017	19,407,124.01	19,025,000.57	98.03%

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

Note 8: Cash and Cash Equivalents

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

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

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

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

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

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

Deposits:

New Jersey statutes require that municipalities deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories.

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

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

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

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

Deposits: (Cont'd)

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

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

Investments

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

(1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

(2) Government money market mutual funds;

(3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

(4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;

(5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;

(6) Local government investment pools;

(7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or

(8) Agreements for the repurchase of fully collateralized securities if:

(a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.313 (C.40A:5A-1 et seq.);

(b) the custody of collateral is transferred to a third party;

(c) the maturity of the agreement is not more than 30 days;

(d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and

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

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

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

Investments (Cont'd)

As of December 31, 2019, cash and cash equivalents of the Greenwich Township consisted of the following:

Fund	Checking Accounts	NJ Cash Management Fund	Total
Current Fund	$ 3,907,744.72		$ 3,907,744.72
Animal Control Trust Fund	1,911.82		1,911.82
Other Trust Fund	1,373,701.04		1,373,701.04
Open Space Trust Fund	815,352.60		815,352.60
General Capital Fund	546,451.81	$ 610.35	547,062.16
Sewer Utility Operating Fund	1,279,787.93		1,279,787.93
Sewer Utility Capital Fund	617,099.69		617,099.69
	$ 8,542,049.61	$ 610.35	$ 8,542,659.96

During the period ended December 31, 2019, the Township did not hold any investments. The carrying amount of the Township's cash and cash equivalents at December 31, 2019, was $8,542,659.96 and the bank balance was $8,397,062.51. The $610.35 invested with the State of New Jersey Cash Management Fund is uninsured and/or unregistered.

Note 9: Risk Management

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

Greenwich Township is a member of the Public Alliance Insurance Coverage Fund, (the "Fund"). The Fund provides its members with workers' compensation, employers' liability, liability other than motor vehicles, property damages other than motor vehicles, motor vehicle and environmental insurance coverage.

The Fund is a risk-sharing public entity risk pool that is both an insured and self-administered group of municipalities established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum.

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

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 9: Risk Management (Cont'd)

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

The December 31, 2019 audit report of the Public Alliance Insurance Coverage Fund is not filed as of the date of this audit. Selected summarized financial information for the Fund as of December 31, 2018 is as follows:

	Public Alliance Insurance Coverage Fund
Total Assets	$ 18,678,532
Net Position	$ 12,394,301
Total Revenue	$ 6,245,452
Total Expenses	$ 6,126,873
Change in Net Position	$ (166,614)
Member Dividends	$ 285,193

Financial statements for this fund are available at the Office of the Executive Director:

Public Alliance Insurance Coverage Fund
Public Entity Group Administrative Services
51 Everett Drive
West Windsor, NJ 08550
(609) 275-1155

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the Township is required to remit employee withholdings to the State on a quarterly basis. All the Township's claims are paid by the State.

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 10: Interfund Receivables and Payables

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

Fund	Interfund Receivables	Interfund Payables
Current Fund	$ 138,748.14	$ 269,005.06
Federal and State Grant Fund	113,378.64	
Other Trust Funds	155,626.42	120,147.29
General Capital Fund		9.67
Sewer Utility Operating Fund	461.57	18,591.18
Sewer Utility Capital Fund		461.57
	$ 408,214.77	$ 408,214.77

The interfunds receivable in the Current Fund due from the Other Trust Funds, Animal Control Fund, and Sewer Utility Operating Fund represents interest earned in those funds which were not transferred to the Current Fund by December 31. In addition, the interfund receivable in the Current Fund from the Other Trust Funds also includes the amount budgeted from, but not received from the Open Space Trust Fund by December 31. The interfund payable from the Current Fund to the Federal and State Grant Fund represents the balance of grant receipts net of expenditures in the Current Fund which were not transferred by December 31. The interfund receivable in the Sewer Utility Operating Fund due from the Sewer Utility Capital Fund represents interest earned in Sewer Utility Capital Fund which was not transferred to the Sewer Utility Operating Fund by December 31.

Note 11: Contingent Liabilities

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

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

Note 12: Economic Dependency

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

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 13: Deferred Compensation Plans

The Township offers its employees deferred compensation plans (the "plans") created in accordance with Section 457 of the Internal Revenue Code. The plans, which are administered by VALIC and AXA Equitable, are available to all Township employees and permit participants to defer a portion of their salary. The deferred compensation is not available to employees until termination, retirement, unforeseeable emergency or upon death to their beneficiaries.

Note 14: Open Space Trust Fund

On November 2, 1997, the Township created an Open Space Trust Fund with a tax levy of up to $.04 per $100 of assessed valuation. In 2000, the Township elected to increase the maximum Open Space Trust Fund tax levy up to $.03 per $100 of assessed valuation. In 2004, the Township elected to increase the maximum Open Space Trust Fund tax levy up to $.04 per $100 of assessed valuation. The tax levy for the calendar year 2019 was established at $.04 per $100 of assessed valuation. The funds collected are used to acquire and maintain open space property in the Township. As of December 31, 2019, the balance in the Open Space Trust Fund was $726,279.02.

Note 15: Accounts Payable

As of December 31, 2019, the Township had $340.56 of accounts payable to vendors in the Current Fund.

Note 16: Fixed Assets

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

	Balance 12/31/2018	Balance 12/31/2019
Land	$ 3,539,800.00	$ 3,539,800.00
Buildings	377,400.00	377,400.00
Equipment and Vehicles	4,008,932.00	4,008,932.00
	$ 7,926,132.00	$ 7,926,132.00

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 17: Postemployment Benefits Other Than Pensions (OPEB)

State Health Benefit Local Government Retired Employees Plan

General Information about the OPEB Plan

Plan Description

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

Benefits Provided

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

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

Note 17: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

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

Contributions

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

Special Funding Situation

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. For New Jersey local governments who report under the regulatory basis of accounting, the net OPEB liability and related deferred inflows are not recorded in the financial statements and there is only note disclosure of this information. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective inflows of resources, and collective OPEB expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2017 through June 30, 2018. Employer and nonemployer allocation percentages were rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 17: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

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

OPEB Expense

The total OPEB liability as of June 30, 2019 was not available from the State of New Jersey Division of Pensions and Benefits as of the date of this report. The total OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018.

The State's proportionate share of the net OPEB liability attributable to the Township at June 30, 2018 was $3,280,102. At June 30, 2018, the State's proportion related to the Township was .052787%. This is the percentage of the total State Share of the net OPEB liability of the Plan.

Additionally, during the year ended June 30, 2018, the State of New Jersey's OPEB expense related to the Township was $99,293.

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases*:	
Through 2026	1.65% - 8.98%
Thereafter	2.65% - 9.98%

* - Salary increases are based on the defined benefit plan that the member is enrolled in and his or her age.

Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female Mortality Table with fully generational mortality improvement projections from the central year using MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Health Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

Certain actuarial assumptions used in the June 30, 2017 valuation were based on the results of the pension plans' experience studies for which the members are eligible for coverage under this Plan – the Police and Firemen Retirement System (PFRS) and the Public Employees' Retirement System (PERS). The PFRS and PERS experience studies were prepared for the periods July 1, 2010 to June 30, 2013 and July 1, 2011 – June 30, 2014, respectively.

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

GREENWICH TOWNSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019
(Continued)

Note 17: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

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

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the trend rate initially is 5.8% and decreases to a 5.0% long term trend rate after eight years. For self-insured post 65 PPO medical benefits and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8% decreasing to a 5.0% long term rate after seven years. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate

The discount rate for June 30, 2018 was 3.87%. The discount rate for June 30, 2016 was 2.85%. This represents the municipal bond rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Note 18: Subsequent Event

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

GREENWICH TOWNSHIP

SUPPLEMENTARY DATA

Schedule 1

TOWNSHIP OF GREENWICH
OFFICIALS IN OFFICE AND SURETY BONDS
YEAR ENDED DECEMBER 31, 2019

Name	Title	Amount of Bond	Name of Corporate Surety
Robert Barsony	Mayor		
Paul Beam	Deputy Mayor		
Frank Marchetta	Committeeman		
Lillian McDermott	Committeewoman		
Brad Perrone	Committeeman		
Lisa Burd Reindel	Municipal Clerk	########## *	MELJIF
Kathleen Reinalda	Chief Financial Officer (Through October 2019)	1,000,000.00 *	MELJIF
Debbie Bonanno	Chief Financial Officer (October 2019 through February 2020)	1,000,000.00 *	MELJIF
Karen Fornaro	Chief Financial Officer (Beginning March 2020)	1,000,000.00 *	MELJIF
Bonnie Flemming	Tax Collector/Sewer Rent Collector	1,000,000.00 *	MELJIF
Eloise Hagaman	Tax Assessor	1,000,000.00 *	MELJIF
Joseph Mecsey, III	Emergency Management Coordinator	1,000,000.00 *	MELJIF
Larry Creveling	Zoning Officer	1,000,000.00 *	MELJIF
Maria Andrews	Land Use Board Secretary	1,000,000.00 *	MELJIF
David Barretto	Fire Official	1,000,000.00 *	MELJIF
Amanda Wojcik	Animal Control Officer	1,000,000.00 *	MELJIF
Michael Finelli	Engineer		
Michael Lavery	Municipal Attorney		

All bonds were examined and were properly executed.

* A Public Employee Faithful Performance Blanket Position Bond is in force for $1,000,000 with the MELJIF. This bond covers all employees.

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
CURRENT FUND

GREENWICH TOWNSHIP
CURRENT FUND
SCHEDULE OF CASH

	Ref.		
Balance December 31, 2018	A		$ 4,111,182.98
Increased by Receipts:			
Tax Collector		$ 19,784,354.98	
Revenue Accounts Receivable		389,962.60	
Miscellaneous Revenue Not Anticipated		160,628.79	
Due Federal and State Grant Fund:			
Unappropriated Grant Reserves		22,998.52	
Due Animal Control Trust Fund		22.63	
Due Other Trust Funds		428.64	
Due Open Space Trust Fund		30,085.50	
Due General Capital Fund:			
Interest		4,820.49	
Due State of New Jersey:			
Marriage License Fees		425.00	
Veterans and Senior Citizens' Deductions		26,250.00	
Appropriation Refunds		171,459.30	
			20,591,436.45
			24,702,619.43
Decreased by Disbursements:			
2019 Appropriation Expenditures		4,399,989.19	
2018 Appropriation Reserves		95,760.70	
Local School Taxes		10,891,210.48	
County Taxes		4,984,100.57	
Due Federal and State Grant Fund:			
Appropriated Reserves		15,508.15	
Transfer to Payroll Account		50,000.00	
Due Other Trust Funds:			
Prior Year Budget Appropriation		5,000.00	
Prior Year Interfund Returned		158.14	
Due Open Space Trust Fund:			
Open Space Tax Levy		239,579.92	
Due State of New Jersey:			
Marriage License Fees		500.00	
Refund of Prior Year Revenues		115,000.00	
Third Party Lien Redemptions		95,017.50	
Tax Overpayments Refunded		23,550.06	
			20,915,374.71
Balance December 31, 2019	A		$ 3,787,244.72

GREENWICH TOWNSHIP
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2019

Increased by Receipts:		
Taxes Receivable	$ 19,279,971.42	
Third Party Lien Redemptions	95,017.50	
Interest and Costs on Taxes	31,749.92	
2020 Prepaid Taxes	136,570.72	
Tax Overpayments	117,307.67	
Tax Sale Premiums	120,500.00	
Other Miscellaneous	3,237.75	
Total Receipts		$ 19,784,354.98
Decreased by Disbursements:		
Paid to Municipal Treasurer		$ 19,784,354.98

GREENWICH TOWNSHIP
SCHEDULE OF CASH - GRANT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2018	2019 Levy	Collections 2018	Collections 2019	NJ Veterans' & Senior Citizens' Deductions	Overpayments Applied	Cancelled	Balance Dec. 31, 2019
2018	$ 391,345.74			$ 391,590.85	$ (250.00)			$ 4.89
2019		$ 19,491,517.51	$ 159,058.29	18,888,380.57	25,750.00	$ 52,940.78	$ 1,563.23	363,824.64
	$ 391,345.74	$ 19,491,517.51	$ 159,058.29	$ 19,279,971.42	$ 25,500.00	$ 52,940.78	$ 1,563.23	$ 363,829.53
Ref.	A							A

Analysis of 2019 Property Tax Levy:		
Tax Yield:		
General Purpose Tax		$ 19,488,099.06
Added and Omitted Taxes		3,418.45
		$ 19,491,517.51
Tax Levy:		
Local School District Taxes		$ 11,023,506.00
County Taxes	$ 4,437,874.08	
County Library Tax	361,364.40	
County Added and Omitted Taxes	874.03	
County Open Space Tax Levied	177,861.22	
		4,977,973.73
		16,001,479.73
Local Tax for Municipal Purposes Levied	3,245,334.48	
Local Open Space	239,305.19	
Add: Additional Tax Levied	5,398.11	
		3,490,037.78
		$ 19,491,517.51

GREENWICH TOWNSHIP
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2018	Accrued In 2019	Collected by Tax Collector	Collected by Treasurer	Balance Dec. 31, 2019
Municipal Court:					
Fines and Costs	$ 2,182.29	$ 36,612.30		$ 28,035.12	$ 10,759.47
Energy Receipts Taxes		315,438.00		315,438.00	
Sewer Utility Surplus		8,900.00		8,900.00	
Interest and Costs on Taxes		31,749.92	$ 31,749.92		
Interest on Investments		37,589.48		37,589.48	
	$ 2,182.29	$ 430,289.70	$ 31,749.92	$ 389,962.60	$ 10,759.47
Ref.	A				A

GREENWICH TOWNSHIP
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019 Budget Revenue Realized	Transfer from Unappropriated Grant Reserves	Balance Dec. 31, 2019
National Night Out Grant	$ 1,500.00	$ 1,500.00	
Drunk Driving Enforcement Fund Grant	4,710.21		$ 4,710.21
Clean Communities Grant	12,605.00	12,604.30	0.70
New Jersey Department of Transportation:			
Dumont Road	95,000.00		95,000.00
Washington Street	155,000.00		155,000.00
	$ 268,815.21	$ 14,104.30	$ 254,710.91
Ref.			A

GREENWICH TOWNSHIP
CURRENT FUND
SCHEDULE OF 2018 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
GENERAL GOVERNMENT:				
General Administration:				
Other Expenses	$ 4,766.54	$ 4,766.54	$ 1,995.69	$ 2,770.85
Mayor & Council:				
Salaries & Wages	0.26	0.26		0.26
Other Expenses	483.00	483.00		483.00
Municipal Clerk:				
Salaries & Wages	5,991.40	5,991.40		5,991.40
Other Expenses	1,656.22	1,656.22		1,656.22
Elections	145.00	145.00		145.00
Financial Administration:				
Salaries & Wages	0.96	0.96		0.96
Other Expenses	607.00	607.00	431.96	175.04
Payroll Services	552.52	552.52	391.12	161.40
Assessment of Taxes:				
Salaries & Wages	202.25	202.25		202.25
Other Expenses		429.00	428.45	0.55
Revenue Administration (Tax Collection):				
Salaries & Wages	4,425.08	4,425.08		4,425.08
Other Expenses	851.10	851.10	250.00	601.10
Legal Services and Costs:				
Other Expenses	41.95	12,908.95	12,908.06	0.89
Environmental Commission:				
Other Expenses	430.02	430.02		430.02
Engineering Services:				
Other Expenses	15,570.00	15,570.00	700.00	14,870.00
Historical Site Officer:				
Other Expenses	1,500.00	1,500.00	1,500.00	
COAH Officer:				
Salaries & Wages	1,570.24	1,570.24	1,360.00	210.24
Municipal Land Use Law:				
Planning Board:				
Salaries & Wages	3,607.21	3,607.21		3,607.21
Other Expenses	951.39	951.39	595.00	356.39
PUBLIC SAFETY:				
Fire Inspector:				
Salaries & Wages	1.04	1.04		1.04
Aid to Volunteer Fire Companies	616.30	616.30		616.30
Police:				
Salaries & Wages	106,568.37	72,660.37		72,660.37
Purchase of Police Cars	15,000.00	15,000.00	15,000.00	
Other Expenses	11,854.35	11,854.35	8,709.51	3,144.84
Police Dispatch/911 Coordinator:				
Salaries & Wages	1.02	1.02		1.02
School Crossing Guard:				
Salaries & Wages	3,028.91	3,028.91		3,028.91
First Aid Organization Contribution:				
Other Expense	0.25	0.25		0.25
Office of Emergency Management:				
Salaries & Wages	0.90	0.90		0.90
Other Expenses	425.00	425.00		425.00

GREENWICH TOWNSHIP
CURRENT FUND
SCHEDULE OF 2018 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2019
(Continued)

	Balance Dec. 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
PUBLIC SAFETY (Cont'd):				
Fire and Safety Code Enforcement:				
Salaries & Wages	$ 0.40	$ 0.40		$ 0.40
Fire Hydrant Service	5,501.27	22,196.27	$ 22,195.56	0.71
STREETS AND ROADS:				
Road Repairs and Maintenance:				
Salaries & Wages	31,479.04	31,479.04		31,479.04
Other Expenses	18,142.07	18,307.07	18,307.07	
Public Building and Grounds:				
Other Expenses	16,684.79	16,684.79	2,494.18	14,190.61
HEALTH AND WELFARE:				
Animal Control:				
Salaries & Wages	0.96	0.96		0.96
Other Expenses	1,447.80	1,447.80	808.30	639.50
Board of Health:				
Other Expenses	175.00	175.00		175.00
RECREATION AND EDUCATION:				
Maintenance of Parks:				
Other Expenses	2,581.10	2,581.10		2,581.10
Celebration of Public Events:				
Other Expenses	507.00	507.00		507.00
UNCLASSIFIED:				
Utilities:				
Electricity	2,641.58	2,641.58	2,412.07	229.51
Street Lighting	3,056.96	3,056.96		3,056.96
Telephone	3,556.16	3,556.16	354.30	3,201.86
Water	1,799.08	1,799.08		1,799.08
Gasoline & Diesel Fuel	0.75	3,752.75	3,751.85	0.90
Employee Group Insurance	14.00	14.00		14.00
General Liability Insurance	6,955.23	6,955.23	1,508.14	5,447.09
Statutory Expenditures:				
State Unemployment Insurance	1,514.98	1,514.98		1,514.98
Defined Contribution Retirement Program	710.71	710.71		710.71
CAPITAL IMPROVEMENTS:				
Capital Projects - Road Improvements	128,030.00	128,030.00		128,030.00
	$ 405,647.16	$ 405,647.16	$ 96,101.26	$ 309,545.90

Analysis of Balance at December 31, 2018:

	Ref.	
Encumbered	A	$ 25,113.45
Unencumbered	A	380,533.71
		$ 405,647.16

Cash Disbursed	$ 95,760.70
Accounts Payable	340.56
	$ 96,101.26

GREENWICH TOWNSHIP
CURRENT FUND
SCHEDULE OF SCHOOL DISTRICT TAXES PAYABLE

NOT APPLICABLE

GREENWICH TOWNSHIP
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL TAXES PAYABLE

	Ref.	
Balance December 31, 2018:		
School Taxes Deferred		$ 3,052,249.00
School Taxes Payable	A	2,347,199.48
		5,399,448.48
Increased by:		
Levy - School Year July 1, 2019 through June 30, 2020		11,023,506.00
		16,422,954.48
Decreased by:		
Payments to Local School District		10,891,210.48
Balance December 31, 2019:		
School Taxes Deferred		3,302,249.00
School Taxes Payable	A	2,229,495.00
		$ 5,531,744.00

Analysis of Increase - Deferred School Tax:

Balance December 31, 2019	$ 3,302,249.00
Balance December 31, 2018	3,052,249.00
Net Increase Credited to Operations	$ 250,000.00

GREENWICH TOWNSHIP
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	Balance Dec. 31, 2018	Transferred from 2019 Budget Appropriations	Expended	Balance Dec. 31, 2019	Overexpenditure of Appropriated Reserves
Body Armor Replacement Fund - 2015	$ 104.51		$ 104.51		
Body Armor Replacement Fund - 2017	1,221.79		1,221.79		
Body Armor Replacement Fund - 2018	1,383.80		2,795.30		$ 1,411.50
Fire Safety	3,989.00			$ 3,989.00	
Emergency Management Support Grant	15,150.39			15,150.39	
Drunk Driving Enforcement Fund - 2013	1,821.71			1,821.71	
Drunk Driving Enforcement Fund - 2014	1,322.00			1,322.00	
Drunk Driving Enforcement Fund - 2019		$ 4,710.21		4,710.21	
WalMart	142.25		85.00	57.25	
New Jersey Clean Energy Grant	8,333.87			8,333.87	
National Night Out Grant		1,500.00		1,500.00	
Clean Communities Grant - 2015	1,382.27		1,382.27		
Clean Communities Grant - 2016	10,080.61		4,327.85	5,752.76	
Clean Communities Grant - 2017	13,178.04			13,178.04	
Clean Communities Grant - 2018		12,605.00		12,605.00	
Alcohol Education and Rehabilitation Fund	13,184.26			13,184.26	
Recycling Tonnage Grant - 2016	5,487.92		5,487.92		
Recycling Tonnage Grant - 2017	9,096.80		103.51	8,993.29	
Warren County Legal Services	2,500.00			2,500.00	
Municipal Alliance - Matching Funds	1,612.75	1,792.00		3,404.75	
New Jersey Department of Transportation:					
Dumont Road		95,000.00		95,000.00	
Washington Street		155,000.00		155,000.00	
	$ 89,991.97	$ 270,607.21	$ 15,508.15	$ 346,502.53	$ 1,411.50
Ref.	A			A	
State Grants		$ 268,815.21	$ 15,508.15		
Local Grants			85.00		
Local Matching Funds		1,792.00			
		$ 270,607.21	$ 15,593.15		

GREENWICH TOWNSHIP
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

	Balance Dec. 31, 2018	Cash Receipts	Transferred to 2019 Budget Revenue	Balance Dec. 31, 2019
Recycling Tonnage Grant		$ 7,232.03		$ 7,232.03
National Night Out Grant	$ 1,500.00		$ 1,500.00	
Body Armor Replacement Fund		1,591.98		1,591.98
Clean Communities Grant - 2018	12,604.30		12,604.30	
Clean Communities Grant - 2019		14,174.51		14,174.51
	$ 14,104.30	$ 22,998.52	$ 14,104.30	$ 22,998.52
Ref.	A			A

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
TRUST FUNDS

GREENWICH TOWNSHIP
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

	Ref.	Animal Control Fund		Other Trust Funds		Open Space	
Balance December 31, 2018	B		$ 694.93		$ 1,556,950.64		$ 835,243.12
Increased by Receipts:							
Due Current Fund:							
Interest on Investments		$ 21.85		$ 796.36			
Prior Year Interfund Returned				158.14			
Budget Appropriation - Accumulated Appropriation				5,000.00			
Dog License Fees		2,025.00					
Dog License State Share		330.00					
Miscellaneous		507.00					
Open Space Trust:							
Interest on Investments						$ 6,458.88	
Miscellaneous						32,000.00	
Tax Levy						239,579.92	
Reserve for:							
Council on Affordable Housing				17,098.07			
Recreation Commisson				65,881.95			
Small Cities				642.97			
Community Day				2,200.00			
Fire Inspection Penalties				7,148.44			
Escrow Deposits				83,079.70			
POAA				13.00			
Public Defender				1,600.00			
Historical Commission				6,900.00			
			2,883.85		190,518.63		278,038.80
			3,578.78		1,747,469.27		1,113,281.92
Decreased by Disbursements:							
Due Current Fund:							
Interest on Investments		22.63		428.64			
Open Space Trust:							
Open Space Expenditures						297,929.32	
State of New Jersey Board of Health Expenditures Under R.S. 4:19-15.11		1,322.33					
Dog License State Share		322.00					
Reserve for:							
Council on Affordable Housing				91,273.32			
Recreation Commisson				83,413.10			
Community Day				1,020.00			
Public Defender				1,200.00			
Escrow Deposits				148,589.17			
Tax Sale Premium				46,900.00			
Police Department Donation				330.00			
Accumulated Absences				614.00			
			1,666.96		373,768.23		297,929.32
Balance December 31, 2019	B		$ 1,911.82		$ 1,373,701.04		$ 815,352.60

GREENWICH TOWNSHIP
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	Ref.		
Balance December 31, 2018	B		$ 633.15
Increased by:			
Dog License Fees:			
Collected in Current Year		$ 2,025.00	
Miscellaneous		507.00	
			2,532.00
			3,165.15
Decreased by:			
Expenditures Under R.S. 4:19-15.11			1,322.33
Balance December 31, 2019	B		$ 1,842.82

License Fees Collected	Amount
Year	
2017	$ 1,747.00
2018	1,526.85
Maximum Allowable Reserve	$ 3,273.85

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
GENERAL CAPITAL FUND

GREENWICH TOWNSHIP
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	Ref.		
Balance December 31, 2018	C		$ 550,496.69
Increased by Receipts:			
Bond Anticipation Notes - Issued		$ 2,306,875.00	
Bond Anticipation Notes Principal - Budget Appropriation		347,250.00	
Due Current Fund:			
Interest Earned		4,386.02	
Capital Improvement Fund - Budget Appropriation		100,000.00	
			2,758,511.02
			3,309,007.71
Decreased by Disbursements:			
Bond Anticipation Notes Matured		2,654,125.00	
Improvement Authorizations		98,724.56	
Reserve for Recreation Facility Improvements		4,275.50	
Due Current Fund:			
Interest Earned		4,820.49	
			2,761,945.55
Balance December 31, 2019	C		$ 547,062.16

GREENWICH TOWNSHIP
GENERAL CAPITAL FUND
ANALYSIS OF CASH

			Receipts			Disbursements					
		Balance/ (Deficit) Dec. 31, 2018	Bond Anticipation Notes	Budget Appropriation	Miscel-laneous	Bond Anticipation Notes	Improvement Authorizations	Miscel-laneous	Transfers From	Transfers To	Balance/ (Deficit) Dec. 31, 2019
Capital Fund Balance		$ 77,048.94								$ 35,145.30	$ 112,194.24
Capital Improvement Fund		67,974.00		$ 100,000.00					$ 37,600.00		130,374.00
Due (From)/to Current Fund		444.14			$ 4,386.02			$ 4,820.49			9.67
Due from the State of New Jersey:											
Department of Transportation		(45,000.00)									(45,000.00)
Reserve for Recreation Facility Improvements		4,275.50						4,275.50			
Reserve for Encumbrances		6,327.77							6,327.77	4,699.06	4,699.06
Reserve for Payment of Debt Service										66,336.56	66,336.56
Ord. No.	Improvement Description										
2003-05	Acquisition of Real Property- Athletic Fields, Parks & Open Space	35,145.30							35,145.30		
2010-13	School Sidewalk	265.34									265.34
2012-12	Playground Equipment	151.67									151.67
2012-14	Fire House Bays	2,677.50									2,677.50
2015-03	Various Improvements	29,212.20	$ 638,325.00	80,000.00		$ 718,325.00	$ 7,246.75		4,384.53		17,580.92
2017-04	Various Improvements	101,334.23	931,550.00	175,000.00		1,106,550.00	13,744.45		66,651.09	4,699.06	25,637.75
2017-05	Open Space - Thomas Stewart Park	270,640.10	737,000.00	92,250.00		829,250.00	40,381.74			1,628.71	231,887.07
2019-112	Public Works and Police Equipment						37,351.62			37,600.00	248.38
		$ 550,496.69	$ 2,306,875.00	$ 447,250.00	$ 4,386.02	$ 2,654,125.00	$ 98,724.56	$ 9,095.99	$ 150,108.69	$ 150,108.69	$ 547,062.16

GREENWICH TOWNSHIP
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. Number	Improvement Description	Balance Dec. 31, 2018	Funded by Budget Appropriation	Balance Dec. 31, 2019	Analysis of Balance December 31, 2019: Bond Anticipation Notes	Analysis of Balance December 31, 2019: Unexpended Improvement Authorizations
2015-03	Various Improvements	$ 718,325.00	$ 80,000.00	$ 638,325.00	$ 638,325.00	
2017-04	Various Improvements	1,106,550.00	175,000.00	931,550.00	931,550.00	
2017-05	Open Space - Thomas Stewart Park	829,250.00	92,250.00	737,000.00	737,000.00	
		$ 2,654,125.00	$ 347,250.00	$ 2,306,875.00	$ 2,306,875.00	$ -0-
	Ref.	C		C		
	Improvement Authorizations - Unfunded					$ 275,105.74
	Less: Unexpended Proceeds of Bond Anticipation Notes Issued:					
	2015-03 Various Improvments					(17,580.92)
	2017-04 Various Improvements					(25,637.75)
	2017-05 Open Space - Thomas Stewart Park					(231,887.07)
						$ -0-

GREENWICH TOWNSHIP
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2018 Funded	Balance December 31, 2018 Unfunded	2019 Authorizations Capital Improvement Fund	Prior Year Encumbrances Returned	Paid or Charged	Authorizations Cancelled	Balance December 31, 2019 Funded	Balance December 31, 2019 Unfunded
2003-05	Acquisition of Property	04/17/03	$ 1,800,000.00	$ 35,145.30					$ 35,145.30		
2010-13	School Sidewalk	08/19/10	35,000.00	265.34						$ 265.34	
2012-12	Playground Equipment	08/16/12	12,000.00	151.67						151.67	
2012-14	Fire House Bays	09/20/12	12,000.00	2,677.50						2,677.50	
2015-03	Various Improvements	05/21/15	858,500.00		$ 29,212.20			$ 7,246.75	4,384.53		$ 17,580.92
2017-04	Various Improvements	07/05/17	1,349,000.00		101,334.23		$ 4,699.06	18,443.51	61,952.03		25,637.75
2017-05	Open Space - Thomas Stewart Park	07/05/17	970,000.00		270,640.10		1,628.71	40,381.74			231,887.07
2019-112	Public Works and Police Equipment	06/20/19	37,600.00			$ 37,600.00		37,351.62		248.38	
				$ 38,239.81	$ 401,186.53	$ 37,600.00	$ 6,327.77	$ 103,423.62	$ 101,481.86	$ 3,342.89	$ 275,105.74
			Ref.	C	C					C	C

Cash Disbursed	$ 98,724.56
Encumbrances	4,699.06
	$ 103,423.62

Fund Balance	$ 35,145.30
Reserve to Pay Debt Service	66,336.56
	$ 101,481.86

GREENWICH TOWNSHIP
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.	
Balance December 31, 2018	C	$ 67,974.00
Increased by:		
Current Fund Budget Appropriation		100,000.00
		167,974.00
Decreased by:		
Appropriated to Finance Improvement Authorizations		37,600.00
Balance December 31, 2019	C	$ 130,374.00

GREENWICH TOWNSHIP
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ord. No.	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2018	Issued	Matured	Balance Dec. 31, 2019
2015-03	Various Improvements	10/12/17	10/11/18	10/10/19	3.25%	$ 718,325.00		$ 718,325.00	
			10/9/19	10/08/20	1.36%		$ 638,325.00		$ 638,325.00
2017-04	Various Improvements	10/12/17	10/11/18	10/10/19	3.25%	1,106,550.00		1,106,550.00	
			10/9/19	10/08/20	1.36%		931,550.00		931,550.00
2017-05	Open Space - Thomas Stewart Park	10/12/17	10/11/18	10/10/19	3.25%	829,250.00		829,250.00	
			10/9/19	10/08/20	1.36%		737,000.00		737,000.00
						$ 2,654,125.00	$ 2,306,875.00	$ 2,654,125.00	$ 2,306,875.00
					Ref.	C			C
					Renewals		$ 2,306,875.00	$ 2,306,875.00	
					Paid by Budget Appropriation			347,250.00	
							$ 2,306,875.00	$ 2,654,125.00	

GREENWICH TOWNSHIP
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2019 Date	Amount	Interest Rate	Balance Dec. 31, 2018	Matured	Balance Dec. 31, 2019
General Improvement Bonds	07/09/11	$ 865,000.00	7/15/2020	$ 80,000.00	3.000%	$ 480,000.00	$ 80,000.00	$ 400,000.00
			7/15/2021	80,000.00	3.125%			
			7/15/2027	80,000.00	4.000%			
			7/15/2028	80,000.00	4.000%			
			7/15/2029	80,000.00	4.000%			
General Improvement Term Bonds Sinking Funds	07/09/11	400,000.00	7/15/2022	80,000.00	4.000%	400,000.00		400,000.00
			7/15/2023	80,000.00	4.000%			
			7/15/2024	80,000.00	4.000%			
			7/15/2025	80,000.00	4.000%			
			7/15/2026	80,000.00	4.000%			
						$ 880,000.00	$ 80,000.00	$ 800,000.00

GREENWICH TOWNSHIP
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
WATER UTILITY FUND

NOT APPLICABLE

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
SEWER UTILITY FUND

GREENWICH TOWNSHIP
SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	Ref.	Operating		Capital	
Balance December 31, 2018	E		$ 1,249,096.31		$ 517,099.69
Increased by Receipts:					
Sewer Rents		$ 573,204.51			
Prepaid Sewer Rents		19,880.30			
Sewer Overpayments		2,421.97			
Due Current Fund - Taxes Deposited into Sewer Account		18,591.18			
Due From Sewer Utility Operating Fund:					
Capital Improvement Fund				$ 100,000.00	
Due From Sewer Capital Fund		4,369.07			
Miscellaneous Revenue Not Anticipated:					
Interest on Investments		11,733.05		4,369.07	
Miscellaneous		35,358.88			
Interest on Sewer Rents		6,051.60			
			671,610.56		104,369.07
			1,920,706.87		621,468.76
Decreased by Disbursements:					
2019 Budget Appropriations		622,406.42			
2018 Appropriation Reserves		9,334.77			
Sewer Overpayments Refunded		277.75			
Due to Current Fund:					
Anticipated Revenue		8,900.00			
Due to Sewer Utility Operating Fund:					
Interest on Investments				4,369.07	
			640,918.94		4,369.07
Balance December 31, 2019	E		$ 1,279,787.93		$ 617,099.69

GREENWICH TOWNSHIP
SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
SEWER UTILITY CAPITAL FUND
ANALYSIS OF SEWER CAPITAL CASH

		Receipts		Disbursements	
	Balance Dec. 31, 2018	Budget Appropriation	Interest Earned	Miscellaneous	Balance Dec. 31, 2019
Capital Improvement Fund	$ 509,592.62	$ 100,000.00			$ 609,592.62
Due Sewer Utility Operating Fund	461.57		$ 4,369.07	$ 4,369.07	461.57
Reserve for Preliminary Costs	7,045.50				7,045.50
	$ 517,099.69	$ 100,000.00	$ 4,369.07	$ 4,369.07	$ 617,099.69
Ref.	E				E

GREENWICH TOWNSHIP
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	Ref.		
Balance December 31, 2018	E		$ 270,541.96
Increased by:			
Sewer Rents Levied		$ 399,450.11	
Interest on Delinquent Sewer Rents		6,051.60	
			405,501.71
			676,043.67
Decreased by Collections:			
Sewer Rents		573,204.51	
Prepaid Rents Applied		17,956.00	
Overpayments Applied		3,330.01	
Interest on Delinquent Sewer Rents		6,051.60	
			600,542.12
Balance December 31, 2019	E		$ 75,501.55

GREENWICH TOWNSHIP
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

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

NOT APPLICABLE

GREENWICH TOWNSHIP
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2018 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Balance Dec. 31, 2018	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:				
Other Expenses	$ 113,176.47	$ 113,176.47	$ 8,231.77	$ 104,944.70
Contractual - Town of Phillipsburg	52,807.16	52,807.16	1,103.00	51,704.16
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	2,800.00	2,800.00		2,800.00
Unemployment Compensation Insurance	700.00	700.00		700.00
	$ 169,483.63	$ 169,483.63	$ 9,334.77	$ 160,148.86

	Ref.	
Analysis of Balance at December 31, 2018:		
Unencumbered	E	$ 169,483.63
		$ 169,483.63

GREENWICH TOWNSHIP
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.		
Balance December 31, 2018	E	$	509,592.62
Increased by:			
2019 Budget Appropriation			100,000.00
Balance December 31, 2019	E	$	609,592.62

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

NOT APPLICABLE

GREENWICH TOWNSHIP
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
PUBLIC ASSISTANCE FUND

NOT APPLICABLE

GREENWICH TOWNSHIP
COUNTY OF WARREN
2019
BOND AND INTEREST FUND

NOT APPLICABLE

GREENWICH TOWNSHIP

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2019

GREENWICH TOWNSHIP
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019

NOT APPLICABLE

GREENWICH TOWNSHIP
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019

New Jersey Agency or Department	Name of Program	State Grant Award Number	Grant Period From	Grant Period To	Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
Department of Environmental Protection	Clean Communities Act	765-042-4900-	01/01/15	12/31/19	$ 13,563.78		$ 1,382.27	$ 13,563.78
		004-V42Y-6020	01/01/16	12/31/20	15,511.56		4,327.85	9,758.80
			01/01/19	12/31/20	14,174.51	$ 14,174.51		
						14,174.51	5,710.12	23,322.58
	Recycling Tonnage Grant	001-6020	01/01/16	12/31/19	8,597.70		5,487.92	8,597.70
			01/01/17	12/31/20	9,096.80		103.51	103.51
			01/01/19	12/31/20	7,232.03	7,232.03		
						7,232.03	5,591.43	8,701.21
Subtotal - Department of Environmental Protection						21,406.54	11,301.55	32,023.79
Department of Law and Public Safety								
	Body Armor Replacement Fund	718-066-1020	01/01/15	12/31/19	1,341.94		104.51	1,341.94
		001-YCJS-6120	01/01/16	12/31/19	1,221.79		1,221.79	1,221.79
			01/01/17	12/31/19	1,383.80		1,383.80	1,383.80
			01/01/19	12/31/20	1,591.98	1,591.98	1,411.50	1,411.50
						1,591.98	4,121.60	5,359.03
Subtotal - Department of Law and Public Safety						1,591.98	4,121.60	8,680.53
TOTAL STATE AWARDS						$ 22,998.52	$ 15,423.15	$ 37,382.82

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

GREENWICH TOWNSHIP
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2019

Note 1. BASIS OF PRESENTATION

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

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Note 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

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BKR International

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

Independent Auditors' Report

The Honorable Mayor and Members
of the Township Committee
Greenwich Township
Stewartsville, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("the Division"), an d the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - *regulatory basis* - of the various funds of Greenwich Township, in Warren County (the "Township") as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements and have issued our report thereon dated June 15, 2020. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township'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 Township's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weakness or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as Finding 2019-001, which we consider to be a significant deficiency.

Compliance and Other Matters

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

The Township's Response to the Finding

The Township's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Responses. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 result of that testing, and not to provide an opinion on the effectiveness of the Township'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 Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose**.**

Mount Arlington, New Jersey
June 15, 2020

NISIVOCCIA, LLP

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

GREENWICH TOWNSHIP
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2019

Summary of Auditors' Results:

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

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

- The audit disclosed the following significant deficiency required to be reported under Generally Accepted Government Auditing Standards:

Finding 2019-001

Segregation of Duties

Criteria

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

Condition

The Township does not maintain an adequate segregation of duties with respect to the recording and treasury functions. The various departments and offices of the Township are responsible for the issuance of permits and licenses; collection of taxes and sewer rents, and permit and license fees; and recording of these collections. Also, the reconciliation of the bank accounts, the disbursement of funds, and the preparation of the general ledger are all performed by the Chief Financial Officer.

Cause

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

Effect or Potential Effect

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

GREENWICH TOWNSHIP
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2019

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

Finding 2019-001 (Cont'd)

Recommendation

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

Management's Response

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

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

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

GREENWICH TOWNSHIP
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019

The Township's prior year audit finding 2018-001 regarding segregation of duties was not resolved in 2019 due to budgetary constraints, and has been included as finding 2019-001 in the current year audit.

GREENWICH TOWNSHIP

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2019

GREENWICH TOWNSHIP
COMMENTS AND RECOMMENDATIONS

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

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

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

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

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

N.J.S. 40A: 11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

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

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

The minutes indicated that bids were requested by public advertising per N.J.S. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per N.J.S. 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. No exceptions were noted.

GREENWICH TOWNSHIP
COMMENTS AND RECOMMENDATIONS
(Continued)

Collection of Interest on Delinquent Taxes, Sewer Rents and Assessments

The statute provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes, sewer rents or assessments on or before the date when they would become delinquent.

On January 3, 2019, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes and sewer charges:

> BE IT RESOLVED by the Mayor and Committee of Greenwich Township, Warren County, New Jersey, that the rate of interest charges on delinquent taxes and sewer charges in this Township shall be as follows:
>
> > On all delinquents to and including December 31, 2019, at the rate or rates heretofore governing, and on all delinquents on and after January 1, 2019 at the rate of 8% per annum for and upon the first $1,500 of the delinquency, the rate of 18% per annum for and upon any amount of the delinquency in excess of $1,500, and the rate of 6% per annum for and upon any amount in excess of $10,000 at year end; and that a grace period of 10 days will be allowed on taxes and sewer rents due February 1, May 1, August 1, and November 1. If taxes and sewer rents are not paid by the 10th, interest shall be charged from the due date.
>
> BE IT RESOLVED, that the collector of the Township be and hereby directed to collect interest on all taxes and sewer rents accordingly.

It appears from an examination of the Collector's records that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

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

Year	Tax Title Liens
2019	0
2018	0
2017	0

Verification of Delinquent Taxes and Other Charges

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

Type	Number Mailed
Payment of 2019 and 2020 Taxes	20
Delinquent Taxes	10
Payment of 2019 Sewer Rents	10
Delinquent Sewer Rents	10

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

GREENWICH TOWNSHIP
COMMENTS AND RECOMMENDATIONS
(Continued)

New Jersey Administrative Code Accounting Requirements

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

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

The Township currently complies with these accounting requirements.

Municipal Court

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

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

AGENCY	BALANCE 12/31/2018	CASH RECEIVED	CASH DISBURSED	DUE (TO)/FROM	BALANCE 12/31/2019
State of New Jersey	$ 20,094.68	$ 333,876.41	$ 330,431.28		$ 23,539.81
County of Warren	1,547.50	26,253.50	26,161.50		1,639.50
Municipality - Greenwich	2,182.29	36,612.30	28,035.12	$ 8,583.38	2,176.09
Municipality - Pohatcong	4,181.73	60,749.60	69,339.16	(8,583.38)	4,175.54
Parking Offense Adjudication Act		24.00	24.00		
Weights and Measures		3,150.00	3,150.00		
Conditional Discharge	87.00	985.00	957.00		115.00
Restitution		500.61	480.54		20.07
Public Defender		2,425.00	2,400.00		25.00
Conditional Dismissal	20.00	430.00	450.00		
Bail Account	1,550.00	17,564.00	17,039.00		2,075.00
TOTAL	$ 29,663.20	$ 482,570.42	$ 478,467.60	$ -0-	$ 33,766.01

Animal Control Fund

During the course of our audit, it was found that the monthly state reports for animal control licensing were either not prepared or maintained for several months. Furthermore, it was discovered that the amounts which were paid to the State of New Jersey were not always in agreement with the amounts that were reported on the monthly state reports.

It is recommended that monthly state reports for animal control licensing be prepared and maintained.

Management's Response

The monthly state reports for animal control licensing will be prepared and maintained going forward.

GREENWICH TOWNSHIP
COMMENTS AND RECOMMENDATIONS
(Continued)

Purchasing

During the course of our audit, it was found that signatures are not being obtained for all purchase orders.

It is recommended that all required signatures for purchase orders be obtained prior to payment being made.

Management's Response

All necessary signatures will be obtained prior to payment being made for purchase orders going forward.

Payroll Account Bank Reconliations

During the Course of our audit, it was found that there is no bank reconciliation being prepared for the Payroll Account

It is recommended that a bank reconciliation be prepared for the Payroll Account on a monthly basis.

Management's Response

A bank reconciliation will be prepared for the Payroll Account on a monthly basis going forward.

Payroll Agency Account Analysis of Balance

During the course of our audit, it was found that there is no analysis of the Payroll Agency Account balance being maintained.

It is recommended that there be an analysis of the Payroll Agency Account balance prepared on a monthly basis.

Management's Response

An analysis of the Payroll Agency Account balance will be prepared on a monthly basis going forward.

Status of Prior Year Recommendations

The recommendation from the 2018 audit concerning an adequate segregation of duties was not resolved and is included in the current year's audit report.

GREENWICH TOWNSHIP
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. An adequate segregation of duties is maintained with respect to the recording and treasury functions.
2. The monthly state reports for animal control licensing be prepared and maintained.
3. All required signatures for purchase orders be obtained prior to payment being made.
4. Payroll Account bank reconciliations be prepared on a monthly basis.
5. An analysis of the Payroll Agency Account balance be prepared.