

VERONA

Township of Verona, New Jersey



**TOWNSHIP OF VERONA
ESSEX COUNTY, NEW JERSEY
REPORT ON
EXAMINATION OF ACCOUNTS
DECEMBER 31, 2020 AND 2019**



Independent Auditors' Report

**The Honorable Mayor and Members
of the Township Council
Township of Verona
Verona, New Jersey**

Report on the Regulatory-Basis Financial Statements

We have audited the accompanying regulatory-basis financial statements of the various funds and the governmental fixed assets of the Township of Verona, Essex County, New Jersey (the "Township") which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of operations and changes in fund balance for the years then ended, the statements of changes in fund balance, the statements of revenues and statements of expenditures for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 2. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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

As described in Note 2, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division to demonstrate compliance with Division's regulatory-basis of accounting, 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 basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinions on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinions 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 the Township as of December 31, 2020 and 2019, the changes in its financial position, and, where applicable, its cash flows for the years then ended.

Unmodified Opinions on Regulatory-Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the various funds and the governmental fixed assets of the Township, as of December 31, 2020 and 2019, and the respective results of its operations and changes in fund balance for the years then ended, statements of change in fund balance, the statements of revenue and the statements of expenditure of the various funds for the year ended December 31, 2020 and the related notes to the financial statements in accordance with the financial reporting provisions of the Division, as described in Note 2 to the financial statements.

Report on Supplementary Information as Required by the Division in Accordance with the Regulatory-Basis

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 7, 2021 on our consideration of the 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 the Township's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Cranford, New Jersey
September 7, 2021

David J. Gannon

David J. Gannon, CPA
Licensed Registered Municipal Accountant, No. 520



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 Council
Township of Verona
Verona, New Jersey**

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), the regulatory-basis financial statements of the Township of Verona, Essex County, New Jersey (the "Township"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated September 7, 2021, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the financial reporting provisions of the Division.

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") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that it is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**The Honorable Mayor and Members
of the Township Council
Township of Verona**
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Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

PKF O'Connor Davies, LLP

Cranford, New Jersey
September 7, 2021

David J. Gannon

David J. Gannon, CPA
Registered Municipal Accountant, No. 520

TOWNSHIP OF VERONA
CURRENT FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

A
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Regular Fund</u>			
Current Assets:			
Cash - Checking	A-4	\$ 15,920,810.86	\$ 13,948,482.75
Cash - Change Funds	A-6	425.00	425.00
		<u>15,921,235.86</u>	<u>13,948,907.75</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	A-9	607,603.39	551,344.04
Tax Title Liens Receivable	A-10	53,072.66	44,409.25
Property Acquired for Taxes at Assessed Valuation	A-11	267,817.00	267,817.00
Revenue Accounts Receivable	A-12	16,317.74	23,142.66
Interfunds Receivable	A-14	102,611.66	474,352.98
		<u>1,047,422.45</u>	<u>1,361,065.93</u>
Deferred Charges:			
Special Emergency Authorizations	A-13	516,946.22	240,000.00
		<u>17,485,604.53</u>	<u>15,549,973.68</u>
<u>Federal and State Grant Fund</u>			
Federal and State Grants Receivable	A-26	234,977.87	805,146.52
Interfunds Receivable	A-27	134,436.38	56,744.91
		<u>369,414.25</u>	<u>861,891.43</u>
		<u>\$ 17,855,018.78</u>	<u>\$ 16,411,865.11</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
CURRENT FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

A
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Regular Fund</u>			
Appropriation Reserves:			
Committed	A-3, A-15	\$ 398,130.48	\$ 432,091.55
Uncommitted	A-3, A-15	2,360,709.84	1,320,100.09
Due to State of New Jersey, Ch. 129, P.L. 1976	A-8	9,964.35	7,659.35
Reserve for Maintenance of Free Public Library	A-17	1,561.19	1,561.19
Due to State of New Jersey	A-18	913.32	404.32
Tax Overpayments	A-19	116,372.75	135,257.02
Local School District Tax	A-20	7,615,458.33	7,213,316.55
County Taxes Payable	A-21	15,350.68	20,108.24
Accounts Payable	A-22	67,143.98	71,977.26
Interfunds Payable	A-14	102,195.21	
Prepaid Taxes	A-23	546,684.59	389,002.57
Reserve for Tax Appeals	A-31	95,121.46	
Reserve for Revaluation	A-30	22,649.32	24,251.35
Emergency Note Payable	A-25	160,000.00	240,000.00
Reserve for Sale of Township-Owned Property	A-16	19,248.19	19,248.19
		<u>11,531,503.69</u>	<u>9,874,977.68</u>
 Reserve for Receivables		 1,047,422.45	 1,361,065.93
Fund Balance	A-1	<u>4,906,678.39</u>	<u>4,313,930.07</u>
		<u>17,485,604.53</u>	<u>15,549,973.68</u>
 <u>Federal and State Grant Fund</u>			
Interfund Payable			469,498.04
Appropriated Reserves for Federal and State Grants	A-28	353,127.33	376,106.47
Unappropriated Grant Reserves	A-29	16,286.92	16,286.92
		<u>369,414.25</u>	<u>861,891.43</u>
		<u>\$ 17,855,018.78</u>	<u>\$ 16,411,865.11</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019

A-1

	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	A-2	\$ 3,025,000.00	\$ 3,025,000.00
Miscellaneous Revenue Anticipated	A-2	4,253,292.56	4,553,841.09
Receipts from Current Taxes	A-2c	68,044,705.57	65,824,504.12
Receipts from Delinquent Taxes	A-2c	520,723.40	496,951.21
Nonbudget Revenue	A-2d	111,346.76	248,944.74
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	A-15	1,228,375.85	1,333,763.32
Prior Year Interfunds Returned	A	469,498.04	21,114.35
6% Delinquent Penalty	A-12	15,202.78	10,996.31
Tax Overpayments Canceled	A-19	166,382.63	64,484.45
		<u>77,834,527.59</u>	<u>75,579,599.59</u>
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages		8,145,108.26	8,169,190.37
Other Expenses		9,243,180.56	8,844,115.11
Capital Improvements		150,000.00	50,000.00
Statutory Expenditures and Deferred Charges		1,903,730.00	1,818,087.00
Debt Service		<u>3,729,354.29</u>	<u>3,703,641.86</u>
	A-3	23,171,373.11	22,585,034.34
Prior Year Senior Citizens' Exemptions Disallowed	A-8	250.00	250.00
Interfunds Advanced	A-14	95,121.46	474,352.99
Local School District Taxes	A-20	38,453,949.00	37,419,147.00
County Taxes	A-21	12,373,962.38	12,159,638.38
Municipal Open Space	A-24	<u>479,069.54</u>	<u>479,069.54</u>
		<u>74,573,725.49</u>	<u>72,638,422.71</u>
Excess in Revenue		3,260,802.10	2,941,176.88
Adjustment to Income before Fund Balance:			
Charges Which are by Statute Deferred			
Charges to Budgets of Succeeding Years			
Special Emergency- COVID-19	A-13	<u>356,946.22</u>	<u>356,946.22</u>
Statutory Excess in Revenue		3,617,748.32	2,941,176.88
<u>Fund Balance</u>			
Balance, Beginning of Year	A	<u>4,313,930.07</u>	<u>4,397,753.19</u>
		7,931,678.39	7,338,930.07
Decreased by:			
Utilized as Anticipated Revenue	A-2	<u>3,025,000.00</u>	<u>3,025,000.00</u>
Balance, End of Year	A	<u>\$ 4,906,678.39</u>	<u>\$ 4,313,930.07</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
CURRENT FUND

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-2

	<u>Ref.</u>	<u>Budget Revenue</u>	<u>Realized</u>	<u>(Deficit) Excess</u>
<u>General Revenue</u>				
Fund Balance Anticipated	A-1	\$ 3,025,000.00	\$ 3,025,000.00	
Miscellaneous Revenue	A-1, A-2a	4,413,731.78	4,253,292.56	\$ (160,439.22)
Receipts from Delinquent Taxes	A-1, A-2c	450,000.00	520,723.40	70,723.40
Amount to be Raised by Taxes for Support of Municipal Budget	A-2c	<u>17,288,689.04</u>	<u>18,457,724.65</u>	<u>1,169,035.61</u>
Budget Totals	A-3	25,177,420.82	26,256,740.61	1,079,319.79
Nonbudget Revenue	A-1, A-2d		<u>111,346.76</u>	<u>111,346.76</u>
Total Revenue		<u>\$ 25,177,420.82</u>	<u>\$ 26,368,087.37</u>	<u>\$ 1,190,666.55</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
CURRENT FUND

STATEMENT OF REVENUE
MISCELLANEOUS REVENUE ANTICIPATED
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-2a

	<u>Ref.</u>	<u>Budget</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Licenses:				
Alcoholic Beverages	A-12	\$ 13,000.00	\$ 16,760.00	\$ 3,760.00
Other	A-2b	15,000.00	18,312.00	3,312.00
Fees and Permits	A-2b	85,000.00	63,502.45	(21,497.55)
Uniform Fire Safety Act	A-12	15,000.00	19,904.38	4,904.38
Fines and Costs:				
Municipal Court	A-12	125,000.00	43,582.79	(81,417.21)
Parking Meters	A-12	40,000.00	11,311.69	(28,688.31)
Recreation Fees	A-12	290,000.00	35,463.47	(254,536.53)
Hillwood Senior Housing	A-12	175,000.00	203,362.15	28,362.15
Interest and Costs on Taxes	A-4	125,000.00	138,649.75	13,649.75
Interest on Investments and Deposits	A-12	175,000.00	113,051.33	(61,948.67)
Payments in Lieu of Taxes:				
Children's Institute	A-12	16,785.00	17,624.00	839.00
Hilltop - I	A-12	385,000.00	385,433.86	433.86
Hilltop - II	A-12	410,000.00	407,594.27	(2,405.73)
Annin Lofts	A-12	180,000.00	376,043.92	196,043.92
Tower Lease	A-12	140,000.00	161,907.60	21,907.60
Urban Renewal	A-12	40,000.00	53,625.26	13,625.26
Community Center Rental	A-12	50,000.00	12,425.00	(37,575.00)
Comcast - Franchise Fee	A-12	85,000.00	83,015.50	(1,984.50)
Leaf Bag Sales	A-12	7,000.00	7,933.50	933.50
Verizon - Franchise Fee	A-12	155,000.00	158,763.87	3,763.87
Uniform Construction Code Fees	A-12	235,000.00	273,079.00	38,079.00
Consolidated CMPTRA Allocation	A-12	1,159,622.00	1,159,621.99	(0.01)
Body Armor Replacement Fund	A-26	3,018.00	3,018.00	
Interlocal Agreements - Roseland	A-12	133,734.00	133,734.00	
Recycling Tonnage Grant	A-26	16,287.72	16,287.72	
Clean Communities Program	A-26	24,003.81	24,003.81	
Municipal Alliance on Alcoholism and Drug Abuse	A-26	15,281.25	15,281.25	
General Capital Surplus	A-12	300,000.00	300,000.00	
	A-2	<u>\$ 4,413,731.78</u>	<u>\$ 4,253,292.56</u>	<u>\$ (160,439.22)</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF OTHER LICENSES, OTHER FEES AND PERMITS
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-2b

	<u>Ref.</u>		
Other Licenses:			
Township Clerk	A-12	\$ 2,525.00	
Construction Code Official	A-12	150.00	
Health Officer	A-12	15,420.00	
Registrar of Vital Statistics	A-12	<u>217.00</u>	
	A-2a		<u>\$ 18,312.00</u>
Fees and Permits:			
Miscellaneous	A-12	\$ 3,980.00	
Township Clerk	A-12	15.25	
Towing	A-12	3,249.00	
Board of Adjustment	A-12	3,500.00	
Public Works	A-12	775.00	
Health Copies	A-12	3,500.00	
Medical Transport	A-12	7,705.00	
Marriage Donation	A-12	200.00	
Parking Permits	A-12	8,470.00	
Police Fees	A-12	4,477.20	
Fire	A-12	26,556.00	
Rent Board	A-12	<u>1,075.00</u>	
	A-2a		<u>\$ 63,502.45</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF REALIZED TAX COLLECTIONS
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-2c

	<u>Ref.</u>		
<u>Receipts from Delinquent Taxes</u>			
Delinquent Tax Collections	A-9	\$ 520,723.40	
Delinquent Tax Collections	A-1, A-2		<u>\$ 520,723.40</u>
<u>Allocation of Current Taxes</u>			
Due from State of New Jersey	A-9	\$ 64,500.00	
2019 Collections	A-9	389,002.57	
2020 Collections	A-9	<u>67,591,203.00</u>	
	A-1		\$ 68,044,705.57
<u>Allocated to:</u>			
Local School District Tax	A-9, A-20	38,453,949.00	
County Taxes	A-9, A-21	12,373,962.38	
Municipal Open Space Taxes	A-24	<u>479,069.54</u>	
			<u>51,306,980.92</u>
			16,737,724.65
Plus: Appropriation for "Reserve for Uncollected Taxes"	A-3		<u>1,720,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2		<u>\$ 18,457,724.65</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
CURRENT FUND

STATEMENT OF REVENUE
ANALYSIS OF NONBUDGET REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-2d

	<u>Ref.</u>		
Miscellaneous Revenue Not Anticipated:			
Other		\$ 250.00	
Duplicate Bills		447.00	
Street Sweeper		10,250.00	
Gov. Deals		500.00	
Insurance Refunds		82,376.28	
Hoffman Tree Reimbursement		9,169.80	
Cost of Sale		329.86	
Bd of Adj Unclaimed Property		237.44	
FEMA (Hurricane Irene)		7,621.38	
PC Fee		80.00	
Public Works Containers		<u>85.00</u>	
	A-4		<u>\$ 111,346.76</u>
	A-1, A-2		<u><u>\$ 111,346.76</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-3
Sheet # 1

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Modified Budget	Paid or Charged	Encumbered	Reserved	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT</u>						
Administrative and Executive:						
Salaries and Wages:						
Manager's Office	\$ 189,258.00	\$ 189,258.00	\$ 172,615.28		\$ 16,642.72	
Mayor and Council	13,500.00	13,500.00	13,238.16		261.84	
Township Clerk	85,185.00	105,185.00	104,207.50		977.50	
Other Expenses	77,700.00	77,700.00	51,927.17	\$ 2,627.15	23,145.68	
Elections:						
Other Expenses	43,100.00	43,100.00	16,765.64	794.79	25,539.57	
Financial Administration:						
Annual Audit	65,000.00	65,000.00	(1,875.00)		66,875.00	
Administrative and Economic Development:						
Other Expenses	27,600.00	27,600.00	9,113.69	2,497.98	15,988.33	
Assessment of Taxes:						
Salaries and Wages	165,114.00	165,114.00	156,548.04		8,565.96	
Other Expenses	50,625.00	50,625.00	24,515.00	2,524.97	23,585.03	
Collection of Taxes:						
Salaries and Wages	257,484.00	247,484.00	173,199.97		49,284.03	\$ 25,000.00
Other Expenses:						
Tax Sale Costs	1,000.00	1,000.00	315.00		685.00	
Miscellaneous Other Expenses	44,700.00	44,700.00	20,021.41	4,164.04	20,514.55	
Liquidation of Tax Title Liens	2,000.00	2,000.00			2,000.00	
Legal Services and Costs:						
Salaries and Wages	22,000.00	22,000.00	16,282.08		5,717.92	
Other Expenses	208,700.00	208,700.00	173,450.12	34,017.35	1,232.53	
Public Buildings and Grounds:						
Salaries and Wages	300,751.00	300,751.00	293,140.45		7,610.55	
Other Expenses	201,500.00	201,500.00	182,771.36	15,989.15	2,739.49	
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Board:						
Salaries and Wages	12,000.00	12,000.00	2,836.04		9,163.96	
Other Expenses	14,950.00	14,950.00	10,131.37	8.06	4,810.57	
Board of Adjustment:						
Salaries and Wages	12,500.00	12,500.00	12,429.34		70.66	
Other Expenses	26,375.00	26,375.00	11,610.67		14,764.33	

TOWNSHIP OF VERONA
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-3
Sheet # 2

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Modified Budget	Paid or Charged	Encumbered	Reserved	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT</u>						
Rent Leveling Board:						
Salaries and Wages	\$ 2,500.00	\$ 7,500.00	\$ 3,337.42	\$ 662.50	\$ 3,500.08	
Other Expenses	6,250.00	6,250.00	5,132.65		1,117.35	
Shade Trees:						
Other Expenses	125,000.00	125,000.00	97,457.83	24,555.00	2,987.17	
Municipal Court:						
Salaries and Wages	173,500.00	173,500.00	134,465.38		39,034.62	
Other Expenses	15,150.00	15,150.00	2,784.59	1,792.48	10,572.93	
Insurance (N.J.S.A. 40a:4-45(00) P.L. 2003, C92 S-906)						
General Liability	431,000.00	406,000.00	377,972.22		28,027.78	
Employee Group Health	2,264,000.00	2,184,000.00	1,935,302.45		248,697.55	
Health Waivers	65,000.00	65,000.00	49,920.87		15,079.13	
	<u>4,903,442.00</u>	<u>4,813,442.00</u>	<u>4,049,616.70</u>	<u>89,633.47</u>	<u>649,191.83</u>	<u>\$ 25,000.00</u>
<u>PUBLIC SAFETY</u>						
Fire:						
Other Expenses:						
Miscellaneous Other Expenses	136,850.00	136,850.00	112,807.31	3,135.48	20,907.21	
Fire Prevention:						
Salaries and Wages	95,000.00	95,000.00	62,096.49		32,903.51	
Other Expenses	8,000.00	8,000.00	1,384.94	720.88	5,894.18	
Police:						
Salaries and Wages	4,525,715.00	4,505,715.00	3,915,334.30		490,380.70	100,000.00
Other Expenses	308,400.00	328,400.00	286,323.05	40,001.10	2,075.85	
Communications:						
Salaries and Wages	90,574.00	90,574.00	88,622.49		1,951.51	
Other Expense Control	142,500.00	142,500.00	102,343.38	2,316.72	37,839.90	
Police Dispatchers:						
Salaries and Wages	326,265.00	326,265.00	265,262.18		61,002.82	
Parking Meter Maintenance:						
Other Expenses	3,000.00	3,000.00	389.37		2,610.63	
Rescue Squad:						
Other Expenses	65,000.00	65,000.00	65,000.00			

TOWNSHIP OF VERONA
CURRENT FUND

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-3
Sheet # 3

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Modified Budget		Encumbered	Reserved	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>PUBLIC SAFETY</u>						
Emergency Management Services:						
Other Expenses	\$ 10,000.00	\$ 10,000.00	\$ 7,999.92		\$ 2,000.08	
Road Repairs and Maintenance:						
Salaries and Wages	997,979.00	997,979.00	786,091.19		161,887.81	\$ 50,000.00
Other Expenses	405,150.00	405,150.00	217,907.87	\$ 67,908.85	119,333.28	
Vehicle Maintenance	85,000.00	85,000.00	77,942.50	6,369.79	687.71	
	<u>7,199,433.00</u>	<u>7,199,433.00</u>	<u>5,989,504.99</u>	<u>120,452.82</u>	<u>939,475.19</u>	<u>150,000.00</u>
<u>HEALTH AND WELFARE</u>						
Board of Health - Local Health Agency:						
Board of Health:						
Salaries and Wages	19,000.00	19,000.00	9,608.00		9,392.00	
Other Expenses	127,700.00	127,700.00	122,695.71	2,913.42	2,090.87	
Dog Regulation:						
Other Expenses	5,000.00	5,000.00			5,000.00	
	<u>151,700.00</u>	<u>151,700.00</u>	<u>132,303.71</u>	<u>2,913.42</u>	<u>16,482.87</u>	<u>-</u>
<u>RECREATION AND EDUCATION</u>						
Recreation:						
Salaries and Wages	717,343.00	667,343.00	402,696.65		164,646.35	100,000.00
Other Expenses	172,250.00	172,250.00	94,376.06	13,161.87	64,712.07	
Field Maintenance	45,000.00	45,000.00	16,617.72	131.67	28,250.61	
Salaries and Wages	30,500.00	30,500.00	24,813.00		5,687.00	
Other Expenses	6,000.00	6,000.00	970.00		5,030.00	
Celebration of Public Event, Anniversary or Holiday:						
Other Expenses	85,300.00	85,300.00	41,588.11		43,711.89	
	<u>1,056,393.00</u>	<u>1,006,393.00</u>	<u>581,061.54</u>	<u>13,293.54</u>	<u>312,037.92</u>	<u>100,000.00</u>

TOWNSHIP OF VERONA
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-3
Sheet # 4

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Modified Budget		Encumbered	Reserved	
<u>APPROPRIATIONS WITHIN "CAPS"</u>						
<u>MISCELLANEOUS AND OTHER</u>						
Mandatory Recycling:						
Salaries and Wages	\$ 9,500.00	\$ 9,500.00	\$ 8,973.88		\$ 526.12	
Other Expenses	436,500.00	496,500.00	437,323.37	\$ 15,725.46	43,451.17	
Garbage and Trash Removal - Contractual	1,424,870.00	1,504,870.00	1,386,644.06	118,225.94		
Commercial Revitalization:						
Other Expenses	10,000.00	10,000.00			10,000.00	
	<u>1,880,870.00</u>	<u>2,020,870.00</u>	<u>1,832,941.31</u>	<u>133,951.40</u>	<u>53,977.29</u>	
<u>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS</u> <u>_OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)</u>						
State Uniform Construction Code:						
Construction Official (Chief Administrator of Enforcement Agency):						
Salaries and Wages	404,937.00	404,937.00	383,461.28		21,475.72	
Other Expenses	27,925.00	27,925.00	18,216.00	6,004.24	3,704.76	
	<u>432,862.00</u>	<u>432,862.00</u>	<u>401,677.28</u>	<u>6,004.24</u>	<u>25,180.48</u>	
<u>UNCLASSIFIED</u>						
Utilities:						
Electricity	450,000.00	450,000.00	390,610.24	2,647.57	56,742.19	
Telephone and Telegraph	110,000.00	110,000.00	84,621.30	5,836.60	19,542.10	
Gasoline	140,000.00	140,000.00	57,707.76	11,789.72	70,502.52	
Salary and Wage Adjustment	20,000.00	20,000.00	20,000.00			
Compensated Absences Liability	50,000.00	50,000.00	50,000.00			
	<u>770,000.00</u>	<u>770,000.00</u>	<u>602,939.30</u>	<u>20,273.89</u>	<u>146,786.81</u>	
<u>CONTINGENT</u>	<u>35,000.00</u>	<u>35,000.00</u>	<u>17,218.00</u>		<u>17,782.00</u>	
Total Operations Within "CAPS"	<u>16,429,700.00</u>	<u>16,429,700.00</u>	<u>13,607,262.83</u>	<u>386,522.78</u>	<u>2,160,914.39</u>	<u>\$ 275,000.00</u>
Detail:						
Salaries and Wages	8,480,105.00	8,480,105.00	7,058,233.00		1,086,875.26	
Other Expenses	7,949,595.00	7,949,595.00	6,549,029.83	386,522.78	1,074,039.13	275,000.00
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>						
Contributions to:						
Public Employees' Retirement System	370,219.00	370,219.00	370,219.00			
Social Security System (OASI)	425,000.00	425,000.00	384,353.34		40,646.66	
Police and Firemen's Retirement System of N.J.	998,511.00	998,511.00	998,511.00			
Defined Contribution Retirement Plan	30,000.00	30,000.00	13,331.49		16,668.51	
Total Deferred Charges and Statutory Expenditures	<u>1,823,730.00</u>	<u>1,823,730.00</u>	<u>1,766,414.83</u>		<u>57,315.17</u>	
Total Appropriations Within "CAPS"	<u>18,253,430.00</u>	<u>18,253,430.00</u>	<u>15,373,677.66</u>	<u>386,522.78</u>	<u>2,218,229.56</u>	<u>275,000.00</u>

TOWNSHIP OF VERONA
CURRENT FUND
 STATEMENT OF EXPENDITURES
 REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-3
Sheet # 5

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Modified Budget</u>		<u>Encumbered</u>	<u>Reserved</u>	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>OTHER OPERATIONS</u>						
Maintenance of Free Public Library	\$ 953,500.00	\$ 953,500.00	\$ 853,117.10	\$ 11,404.53	\$ 88,978.37	
Recycling - State Tax	12,764.00	12,764.00			12,764.00	
Reserve for Tax Appeals	75,000.00	75,000.00	50,000.00		25,000.00	
	<u>1,041,264.00</u>	<u>1,041,264.00</u>	<u>903,117.10</u>	<u>11,404.53</u>	<u>126,742.37</u>	
<u>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</u>						
Roseland:						
Construction Code Official	133,734.00	133,734.00	117,792.92	203.17	15,737.91	
	<u>133,734.00</u>	<u>133,734.00</u>	<u>117,792.92</u>	<u>203.17</u>	<u>15,737.91</u>	
STATE AND FEDERAL PROGRAMS					15,737.91	
<u>OFFSET BY REVENUES</u>						
Municipal Alliance Committee Fund - Grant Award		15,281.25	15,281.25			
Recycling Tonnage Grant	16,287.72	16,287.72	16,287.72			
Body Worn Camera Assistance	3,018.04	3,018.04	3,018.04			
	<u>19,305.76</u>	<u>58,590.82</u>	<u>58,590.82</u>			
Total Operations Excluded from "CAPS"	<u>1,194,303.76</u>	<u>1,233,588.82</u>	<u>1,079,500.84</u>	<u>11,607.70</u>	<u>142,480.28</u>	
Detail:						
Other Expenses	<u>1,194,303.76</u>	<u>1,233,588.82</u>	<u>1,079,500.84</u>	<u>11,607.70</u>	<u>142,480.28</u>	
<u>CAPITAL IMPROVEMENTS</u>						
Capital Improvement Fund	<u>150,000.00</u>	<u>150,000.00</u>	<u>150,000.00</u>			

TOWNSHIP OF VERONA
CURRENT FUND
STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

A-3
Sheet #6

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Modified Budget		Encumbered	Reserved	
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>						
<u>DEBT SERVICE</u>						
Payment of Bond Principal	\$ 2,830,000.00	\$ 2,830,000.00	\$ 2,830,000.00			
Interest on Bonds	669,420.00	669,420.00	664,699.29			\$ 4,720.71
Interest on Notes	112,292.00	112,292.00	106,481.71			5,810.29
Loan Repayments for Principal and Interest	122,190.00	122,190.00	122,189.96			0.04
Emergency Note Interest - Property Revaluation	6,500.00	6,500.00	5,983.33			516.67
	<u>3,740,402.00</u>	<u>3,740,402.00</u>	<u>3,729,354.29</u>			<u>11,047.71</u>
<u>DEFERRED CHARGES</u>						
Emergency Authorizations	80,000.00	80,000.00	80,000.00			
Total Appropriations Excluded from "CAPS"	<u>5,164,705.76</u>	<u>5,203,990.82</u>	<u>5,038,855.13</u>	<u>\$ 11,607.70</u>	<u>\$ 142,480.28</u>	<u>11,047.71</u>
Sub-Total	23,418,135.76	23,457,420.82	20,412,532.79	398,130.48	2,360,709.84	286,047.71
Reserve for Uncollected Taxes	1,720,000.00	1,720,000.00	1,720,000.00			
Total General Appropriations	<u>\$ 25,138,135.76</u>	<u>\$ 25,177,420.82</u>	<u>\$ 22,132,532.79</u>	<u>\$ 398,130.48</u>	<u>\$ 2,360,709.84</u>	<u>\$ 286,047.71</u>
<u>Ref.</u>	Below	A-2, Below	Below	A	A	Below
Original Budget	Above	\$ 25,138,135.76				
Chapter 159 Budget Amendments	Above	39,285.06				
Reserve for Uncollected Taxes	A-2c	(1,720,000.00)	\$ 1,720,000.00			
Emergency Appropriations	A-13		80,000.00			
Cash Expenditures	A-5		20,273,941.97			
Interfunds Payable	A-28		58,590.82			
Canceled	Above	(286,047.71)				
		<u>\$ 23,171,373.11</u>	<u>\$ 22,132,532.79</u>			
<u>Ref.</u>		A-1	Above			

TOWNSHIP OF VERONA
TRUST FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

B

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Animal Control Trust Fund</u>			
Cash - Checking	B-2	\$ 20,285.60	\$ 17,419.24
<u>Trust - Other Fund</u>			
Cash - Checking	B-2	2,614,315.44	2,689,730.34
Due from Essex County	B-3	204,272.00	317,558.00
		<u>2,818,587.44</u>	<u>3,007,288.34</u>
<u>Open Space Trust Fund</u>			
Cash - Checking	B-2	463,697.46	
		<u>463,697.46</u>	<u>-</u>
		<u>\$ 3,302,570.50</u>	<u>\$ 3,024,707.58</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Animal Control Trust Fund</u>			
Interfunds Payable	B-4	\$ 7,490.20	4,854.94
Due to State of New Jersey			24.00
Reserve for Expenditures	B-8	12,795.40	12,540.30
		<u>20,285.60</u>	<u>17,419.24</u>
<u>Trust - Other Fund</u>			
Interfunds Payable	B-4	451,866.37	356,744.91
Special Deposits	B-5	1,626,144.13	1,893,129.04
Unemployment Compensation Insurance Fund	B-6	450,504.31	440,051.41
Reserve for Community Development Block Grant	B-7	204,273.00	210,996.00
Escrow Deposits	B-9	85,799.25	106,366.60
Fund Balance	B-1	0.38	0.38
		<u>2,818,587.44</u>	<u>3,007,288.34</u>
<u>Open Space Trust Fund</u>			
Interfunds Payable	B-4	463,697.46	
		<u>\$ 3,302,570.50</u>	<u>\$ 3,024,707.58</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
TRUST FUND

STATEMENT OF FUND BALANCE
GENERAL TRUST FUND
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

B-1

	<u>Ref.</u>	
Balance, December 31, 2019 and 2020	B	<u>\$ 0.38</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

C

<u>ASSETS AND DEFERRED CHARGES</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Cash	C-2	\$ 527,430.31	\$ 2,057,819.72
Investment Account	C-3	572,500.00	572,500.00
	C-4	<u>1,099,930.31</u>	<u>2,630,319.72</u>
Due from State of New Jersey:			
Grants and Aid	C-5	43,992.33	43,992.33
Interfunds Receivable	C-6	788,201.20	300,000.00
Deferred Charges to Future Taxation:			
Funded	C-7	20,972,307.81	23,908,082.31
Unfunded	C-8	<u>22,990,650.38</u>	<u>7,150,650.38</u>
		<u>\$ 45,895,082.03</u>	<u>\$ 34,033,044.74</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds	C-17	\$ 20,233,000.00	\$ 23,063,000.00
Bond Anticipation Notes	C-15	21,641,000.00	5,653,000.00
Green Acres Loan Payable	C-16	739,307.81	845,082.31
Capital Improvement Fund	C-9	152,066.19	162,996.65
Reserve for:			
Debt Service	C-10	1,149.73	1,131.81
Future Improvements	C-11	762,980.25	742,980.25
State Grants and Aid Receivable	C-12	43,992.33	43,992.33
Refunding Bond Sale Costs	C-14	5,651.24	5,651.24
Improvement Authorizations:			
Funded	C-13	364,502.00	458,371.05
Unfunded	C-13	1,263,710.61	2,601,765.25
Fund Balance	C-1	<u>687,721.87</u>	<u>455,073.85</u>
		<u>\$ 45,895,082.03</u>	<u>\$ 34,033,044.74</u>
 Bonds and Notes Authorized but Not Issued	 C-18	 <u>\$ 2,099,910.63</u>	 <u>\$ 2,099,910.63</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

C-1

	<u>Ref.</u>		
Balance, December 31, 2019	C		\$ 455,073.85
Increased by:			
Premium on Note Issued	C-6	\$ 24,503.74	
Premium on Note Issued	C-2	<u>558,144.28</u>	
			<u>582,648.02</u>
			1,037,721.87
Decreased by:			
Utilized in Current Fund Budget	C-2	300,000.00	
Improvement Authorization Funded	C-13	<u>50,000.00</u>	
			<u>350,000.00</u>
Balance, December 31, 2020	C		<u>\$ 687,721.87</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
WATER AND SEWER UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

D
Sheet # 1

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Operating Fund</u>			
Cash - Checking	D-5	\$ 1,870,244.54	\$ 1,427,264.96
Cash - Investment Account	D-6	690,000.00	690,000.00
		<u>2,560,244.54</u>	<u>2,117,264.96</u>
Change Fund		130.00	130.00
		<u>2,560,374.54</u>	<u>2,117,394.96</u>
Receivables and Inventory with Full Reserves:			
Water/Sewer Rents Receivable	D-9	954,595.27	249,288.72
		<u>954,595.27</u>	<u>249,288.72</u>
Deferred Charges:			
Over Expenditure of Appropriations			35,352.58
		<u>3,514,969.81</u>	<u>2,402,036.26</u>
<u>Capital Fund</u>			
Cash - Checking	D-5	1,214,923.69	1,827,243.17
		<u>1,214,923.69</u>	<u>1,827,243.17</u>
Fixed Capital	D-10	44,475,547.50	44,360,547.50
Fixed Capital Authorized and Uncompleted	D-11	6,919,151.81	6,919,151.81
		<u>52,609,623.00</u>	<u>53,106,942.48</u>
		<u>\$ 56,124,592.81</u>	<u>\$ 55,508,978.74</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
WATER AND SEWER UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

D
Sheet # 2

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Operating Fund</u>			
Liabilities:			
Appropriation Reserves:			
Committed	D-4, D-12	\$ 309,086.70	\$ 428,279.71
Uncommitted	D-4, D-12	490,742.27	453,525.71
Accrued Interest on Bonds and Notes	D-13	81,940.83	109,418.75
Accrued Interest on Loans	D-14	6,861.96	11,404.99
Water/Sewer Overpayments	D-15	9,541.42	6,677.86
		<u>898,173.18</u>	<u>1,009,307.02</u>
Reserve for Receivables		954,595.27	249,288.72
Fund Balance	D-1	1,662,201.36	1,143,440.52
		<u>3,514,969.81</u>	<u>2,402,036.26</u>
<u>Capital Fund</u>			
Serial Bonds	D-21	3,202,000.00	3,867,000.00
Waste Water Treatment Loans Payable	D-20	579,689.35	762,627.66
Bond Anticipation Notes	D-22	2,908,500.00	2,908,500.00
Capital Improvement Fund	D-16	154,800.00	134,800.00
Reserve for:			
Amortization	D-17	43,526,209.96	42,563,271.65
Deferred Amortization	D-18	577,800.00	577,800.00
Improvement Authorizations:			
Funded	D-19	528,063.58	542,815.47
Unfunded	D-19	928,303.01	1,380,870.60
Fund Balance	D-2	204,257.10	369,257.10
		<u>52,609,623.00</u>	<u>53,106,942.48</u>
		<u>\$ 56,124,592.81</u>	<u>\$ 55,508,978.74</u>
Bonds and Notes Authorized but Not Issued	D-23	<u>\$ 600,500.00</u>	<u>\$ 600,500.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
WATER AND SEWER UTILITY

D-1

COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCE - OPERATING FUND
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	D-3	\$ 750,000.00	\$ 750,000.00
Water/Sewer Rents	D-3	6,271,534.90	6,033,125.39
Miscellaneous	D-3	566,880.90	582,693.58
Interest on Investments	D-3	9,609.71	13,401.10
Capital Surplus	D-3	50,000.00	200,000.00
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves	D-12	566,601.87	110,988.71
Cancel Prior Year Accrued Bond Interest	D-13	27,477.92	
Cancel Prior Year Accrued Loan Interest	D-14	4,543.03	
		<u>8,246,648.33</u>	<u>7,690,208.78</u>
 <u>Expenditures</u>			
Operating	D-4	5,439,261.00	5,232,545.00
Capital Improvements	D-4	20,000.00	20,000.00
Debt Service	D-4	1,067,318.91	1,130,852.05
Statutory Expenditures	D-4	415,955.00	370,955.00
Emergency Authorization	D-4	35,352.58	
		<u>6,977,887.49</u>	<u>6,754,352.05</u>
Excess in Revenue		1,268,760.84	935,856.73
Adjustments to Income before Surplus:			
Expenditures included above which are by Statute			
Deferred Charges to Succeeding Years Budget			35,352.58
			<u>35,352.58</u>
Statutory Excess in Revenue		1,268,760.84	971,209.31
 <u>Fund Balance</u>			
Balance, Beginning of Year	D	<u>1,143,440.52</u>	<u>922,231.21</u>
		2,412,201.36	1,893,440.52
Decreased by:			
Amount Utilized in Operating Budget	D-3	<u>750,000.00</u>	<u>750,000.00</u>
Balance, End of Year	D	<u>\$ 1,662,201.36</u>	<u>\$ 1,143,440.52</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
WATER AND SEWER UTILITY

D-2

STATEMENT OF CAPITAL FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	<u>Ref.</u>		
Balance, December 31, 2019	D		\$ 369,257.10
Decreased by:			
Appropriated to Finance Improvement Authorization	D-18	\$ 115,000.00	
Anticipated in Operating Budget	D-2, D-5	<u>50,000.00</u>	
			<u>165,000.00</u>
Balance, December 31, 2020	D		<u>\$ 204,257.10</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
WATER AND SEWER UTILITY

D-3

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

<u>Revenue</u>	<u>Ref.</u>	<u>Budget Revenue</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	D-1	\$ 750,000.00	\$ 750,000.00	
Rents	D-1, D-9	5,937,063.58	6,271,534.90	\$ 334,471.32
Water/Sewer Capital Surplus	D-1, D-5	50,000.00	50,000.00	
Interest on Investments	D-1, D-6		9,609.71	9,609.71
Miscellaneous	D-1, D-5	<u>250,000.00</u>	<u>566,880.90</u>	<u>316,880.90</u>
	D-4	<u>\$ 6,987,063.58</u>	<u>\$ 7,648,025.51</u>	<u>\$ 660,961.93</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
WATER AND SEWER UTILITY

D-4

STATEMENT OF EXPENDITURES
YEAR ENDED DECEMBER 31, 2020

<u>Appropriations</u>	<u>Budget</u>	<u>Modified Budget</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
<u>Operating</u>						
Salaries and Wages	\$ 1,970,461.00	\$ 1,970,461.00	\$ 1,811,053.03		\$ 159,407.97	
Other Expenses	3,468,800.00	3,468,800.00	2,894,334.00	\$ 309,086.70	265,379.30	
<u>Capital Improvements</u>						
Capital Improvement Fund	20,000.00	20,000.00	20,000.00			
<u>Debt Service</u>						
Payment of Bond Principal	665,000.00	665,000.00	665,000.00			
Interest on Bonds and Notes State of New Jersey:	202,302.00	202,302.00	195,523.24			\$ 6,778.76
Loan Principal	187,474.00	187,474.00	185,076.67			2,397.33
Loan Interest	21,719.00	21,719.00	21,719.00			
<u>Deferred Charges</u>						
Emergency Authorization	35,352.58	35,352.58	35,352.58			
<u>Statutory Expenditures</u>						
Contribution to:						
Public Employees' Retirement System	250,000.00	250,000.00	250,000.00			
Social Security System (OASI)	150,955.00	150,955.00	100,000.00		50,955.00	
Unemployment Compensation Insurance	15,000.00	15,000.00			15,000.00	
Total Water/Sewer Utility Appropriations	\$ 6,987,063.58	\$ 6,987,063.58	\$ 6,178,058.52	\$ 309,086.70	\$ 490,742.27	\$ 9,176.09
<u>Ref</u>	D-3		Below	D	D	Below
	<u>Ref.</u>					
Adopted Budget	D-3	\$ 6,987,063.58				
Cash Disbursed	D-5		\$ 6,142,705.94			
Deferred Charge	D		35,352.58			
Canceled	Above		(9,176.09)			
		<u>\$ 6,977,887.49</u>	<u>\$ 6,178,058.52</u>			
<u>Ref.</u>	D-1		Above			

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
SWIMMING POOL UTILITY

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

E

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Operating Fund</u>			
Cash - Checking Account	E-5	\$ 226,091.20	\$ 512,552.40
Deferred Charges:			
Special Emergency	E-9	300,000.00	
		<u>526,091.20</u>	<u>512,552.40</u>
<u>Capital Fund</u>			
Cash - Checking Account	E-5	1,145,904.63	421,146.56
		<u>1,145,904.63</u>	<u>421,146.56</u>
Fixed Capital	E-8	4,733,041.27	4,733,041.27
Fixed Capital Authorized and Uncompleted	E-10	1,056,750.00	1,056,750.00
		<u>6,935,695.90</u>	<u>6,210,937.83</u>
		<u>\$ 7,461,787.10</u>	<u>\$ 6,723,490.23</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>Operating Fund</u>			
Liabilities:			
Appropriation Reserves:			
Encumbered	E-4, E-11	\$ 2,889.25	\$ 117.24
Uncommitted	E-4, E-11	83,618.42	83,371.05
Accrued Interest on Bonds and Notes	E-12	24,398.75	16,191.17
		<u>110,906.42</u>	<u>99,679.46</u>
Fund Balance	E-1	415,184.78	412,872.94
		<u>526,091.20</u>	<u>512,552.40</u>
 <u>Capital Fund</u>			
Serial Bonds	E-18	914,000.00	1,054,000.00
Bond Anticipation Notes	E-19	813,000.00	63,000.00
Capital Improvement Fund	E-13	121,925.00	111,925.00
Reserve for Amortization	E-14	3,898,341.27	3,758,341.27
Deferred Reserve for Amortization	E-16	163,750.00	163,750.00
Improvement Authorizations:			
Funded	E-17	177,746.82	202,512.47
Unfunded	E-17	756,015.61	756,491.89
Fund Balance	E-2	90,917.20	100,917.20
		<u>6,935,695.90</u>	<u>6,210,937.83</u>
		<u>\$ 7,461,787.10</u>	<u>\$ 6,723,490.23</u>
Bonds and Notes Authorized but Not Issued	E-20	\$ 700.00	\$ 750,700.00

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
SWIMMING POOL UTILITY

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019

E-1

	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>Revenue and Other Income</u>			
Fund Balance Utilized	E-3	\$ 185,000.00	\$ 185,000.00
Membership Fees	E-3	208,610.00	480,385.59
Miscellaneous	E-3	34,496.86	103,290.39
Pool Capital Surplus	E-3	10,000.00	
Appropriation Reserves	E-11	81,262.56	153,485.30
		<u>519,369.42</u>	<u>922,161.28</u>
 <u>Expenditures</u>			
Operating	E-4	442,045.25	486,500.00
Capital Improvements	E-4	10,000.00	10,000.00
Debt Service	E-4	180,012.33	173,370.00
Statutory Expenditures and Deferred Charges	E-4		19,500.00
		<u>632,057.58</u>	<u>689,370.00</u>
Excess in Revenue		(112,688.16)	232,791.28
Adjustment to Income before Fund Balance: Charges Which are by Statute Deferred Charges to Budgets of Succeeding Years Special Emergency- COVID-19	E-9	<u>300,000.00</u>	
 <u>Fund Balance</u>			
Balance, Beginning of Year	E	<u>412,872.94</u>	<u>365,081.66</u>
		600,184.78	597,872.94
Decreased by: Amount Utilized in Operating Budget	Above	<u>185,000.00</u>	<u>185,000.00</u>
Balance, End of Year	E	<u>\$ 415,184.78</u>	<u>\$ 412,872.94</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
SWIMMING POOL UTILITY

STATEMENT OF CAPITAL FUND BALANCE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

E-2

	<u>Ref.</u>	
Balance, December 31, 2019	E	\$ 100,917.20
Decreased by:		
Cash Disbursements - Anticipated Revenue	E-5	<u>10,000.00</u>
Balance, December 31, 2020	E	<u>\$ 90,917.20</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
SWIMMING POOL UTILITY

STATEMENT OF REVENUE
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

E-3

	<u>Ref.</u>	<u>Budget Revenue</u>	<u>Realized</u>	<u>Deficit</u>
Fund Balance Anticipated	E-1	\$ 185,000.00	\$ 185,000.00	
Membership Fees	E-1, E-5	462,850.00	208,610.00	\$ (254,240.00)
Pool Capital Surplus	E-1,5	10,000.00	10,000.00	
Miscellaneous	E-1, E-5	91,000.00	34,496.86	(56,503.14)
	E-4	<u>\$ 748,850.00</u>	<u>\$ 438,106.86</u>	<u>\$ (310,743.14)</u>

See accompanying notes to financial statements.

TOWNSHIP OF VERONA
SWIMMING POOL UTILITY

STATEMENT OF EXPENDITURES
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

E-4

<u>Appropriations</u>	<u>Budget</u>	<u>Modified Budget</u>	<u>Expended</u>			<u>Unexpended Balance Canceled</u>
			<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Operating</u>						
Salaries and Wages	\$ 343,000.00	\$ 343,000.00	\$ 224,021.43		\$ 43,978.57	\$ 75,000.00
Other Expenses	181,850.00	181,850.00	131,516.15	\$ 2,889.25	39,639.85	7,804.75
<u>Capital Improvements</u>						
Capital Improvement Fund	10,000.00	10,000.00	10,000.00			
<u>Debt Service</u>						
Payment of Bond Principal	140,000.00	140,000.00	140,000.00			
Interest on Bonds and Notes	55,000.00	55,000.00	40,012.33			14,987.67
<u>Statutory Expenditures</u>						
Contribution to:						
Social Security System (OASI)	18,000.00	18,000.00				18,000.00
Unemployment Compensation Insurance (N.J.S.A. 43:54-3 et seq)	1,000.00	1,000.00				1,000.00
Total Appropriations	\$ 748,850.00	\$ 748,850.00	\$ 545,549.91	\$ 2,889.25	\$ 83,618.42	\$ 116,792.42
<u>Ref.</u>	E-3	Below	Below	E	E	Below
	<u>Ref.</u>					
Budget Appropriation Canceled	E-3 Above	\$ 748,850.00 (116,792.42)				
Cash Disbursed	E-5		\$ 505,537.58			
Accrued Interest on Bonds	E-12		40,012.33			
		<u>\$ 632,057.58</u>	<u>\$ 545,549.91</u>			
<u>Ref.</u>		E-1	Above			

TOWNSHIP OF VERONA
PUBLIC ASSISTANCE TRUST FUND

COMPARATIVE BALANCE SHEETS
REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

E

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Cash - Checking	F-1	<u>\$ 3,074.13</u>	<u>\$ 3,061.90</u>
 <u>LIABILITIES AND RESERVES</u>			
Reserve for Expenditures	F-2	<u>\$ 3,074.13</u>	<u>\$ 3,061.90</u>

See accompanying notes to financial statements.