

CITY OF ELIZABETH

Financial Statements

June 30, 2017

(With Independent Auditor's Report Thereon)

CITY OF ELIZABETH

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Independent Auditor's Report

The Honorable Mayor and
Members of the City Council
City of Elizabeth
Elizabeth, New Jersey:

Report on the Financial Statements

We have audited the accompanying regulatory basis balance sheets of the various funds and account groups as of June 30, 2017 and 2016 of the City of Elizabeth, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related regulatory basis statements of revenues and statements of expenditures of the Current Fund and Water and Sewer Utility Funds for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City'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 conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey - regulatory basis; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

As described in note 1 of the financial statements, these financial statements were prepared in conformity with the accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey regulatory basis, which is a basis of accounting other than accounting principles generally accepted in the United States of America to meet the requirements of the State of New Jersey.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City of Elizabeth, New Jersey, as of June 30, 2017 and 2016 and the changes in financial position for the years then ended.

Unmodified 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 City of Elizabeth, New Jersey, as of June 30, 2017 and 2016 and the related statement of operations and changes in fund balances for the years then ended and the related statement of revenues and statements of expenditures of the Current Fund, and Water and Sewer Utility Funds for the year ended June 30, 2017 on the regulatory basis of accounting described in note 1.

Other Matters

Additional Financial Information

Our audit was conducted for the purpose of forming an opinion on the regulatory financial statements that collectively comprise the City’s basic financial statements. The additional financial information included in the accompanying table of contents, is presented for the purpose of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information and schedules is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 additional financial information included in the accompanying table of contents are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Elizabeth’s financial statements. The information included in the Supplementary data and the General Comments and Recommendations as listed in the table of contents are presented for additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements. Accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 City of Elizabeth's internal control over financial reporting and compliance.

Louis C. Mai CPA & Associates
Louis C. Mai

Louis C. Mai, Registered Municipal Accountant
No. CR00217

December 21, 2017

LOUIS C. MAI CPA & ASSOCIATES

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

Independent Auditor's Report

The Honorable Mayor and
Members of the City Council
City of Elizabeth
Elizabeth, New Jersey:

We have audited , in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying regulatory basis balance sheets of the various funds and account groups as of June 30, 2017 and 2016 of the City of Elizabeth, New Jersey, and the related regulatory basis statements of operations and changes in fund balances for the years then ended and the related regulatory basis statements of revenues and statements of expenditures of the Current Fund and Water and Sewer Utility Funds for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents, and have issued our report thereon dated December 21, 2017, which report expressed an adverse opinion in accordance with accounting principles generally accepted in the United States of America and an unmodified opinion on the regulatory basis of accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

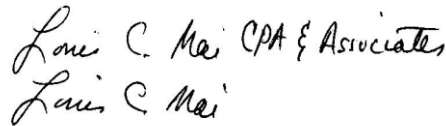
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported in the accompanying General Comments and Recommendations section of this report.

Purpose of this Report

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

Handwritten signature of Louis C. Mai in cursive script.

Louis C. Mai, Registered Municipal Accountant
No. CR00217

December 21, 2017

FINANCIAL STATEMENTS

CITY OF ELIZABETH

Balance Sheets
Regulatory Basis
Current Fund

June 30, 2017 and 2016

	Ref.	2017	2016
Assets			
Current Fund - Regular Fund:			
Cash	A-4	\$ 107,583,152	84,188,580
Change funds		1,200	1,200
Due from State of New Jersey - Senior Citizens' and Veterans' deductions	A-5	188,613	211,784
Homestead Rebate Receivable	A-6	1,190,507	—
Deferred Charge Special Emergency Authorization	A-19	400,000	600,000
		<u>109,363,472</u>	<u>85,001,564</u>
Receivables and other assets with full reserves:			
Delinquent property taxes receivable	A-6	7,020,679	7,475,071
Tax title liens receivable	A-7	109,082	55,165
Property acquired for taxes - assessed valuation	A-8	2,125,200	2,157,700
Revenue accounts receivable	A-9	8,933,987	7,456,214
Due from Dog License Trust Fund	A-10	7,403	6,662
Due from General Trust Funds	A-10	335	293
Due from HOPWA	A-23	—	136,909
		<u>18,196,686</u>	<u>17,288,014</u>
		<u>127,560,158</u>	<u>102,289,578</u>
Federal and State Grant Fund:			
Federal and State grants receivable	A-22	9,080,125	4,714,741
Due from Current Fund	A-20	471,845	1,270,395
		<u>9,551,970</u>	<u>5,985,136</u>
Total assets	\$	<u>137,112,128</u>	<u>108,274,714</u>

CITY OF ELIZABETH

Balance Sheets
Regulatory Basis
Current Fund

June 30, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Liabilities, Reserves and Fund Balance			
Current Fund - Regular Fund:			
Encumbrances payable	A-17 \$	4,211,073	3,113,024
Appropriation reserves	A-3, A-11	19,082,676	15,616,203
Due to Grant Fund	A-20	471,485	1,270,395
Due to Community Development Block Grant Fund	A-10	25,347	25,347
Emergency note	A-19	400,000	600,000
Accounts payable	A-12	276,215	138,184
Miscellaneous payables and deposits	A-18	1,850,874	820,678
Reserve for special purposes	A-13	25,623,668	14,431,357
		<u>51,941,338</u>	<u>36,015,188</u>
Reserve for receivables		18,196,686	17,288,014
Fund balance	A-1	57,422,134	48,986,376
		<u>127,560,158</u>	<u>102,289,578</u>
Federal and State Grant Fund:			
Due to HOPWA	A-23	—	136,909
Appropriated grant reserves	A-21	9,551,970	5,848,227
		<u>9,551,970</u>	<u>5,985,136</u>
Total liabilities, reserves and fund balance	\$	<u>137,112,128</u>	<u>108,274,714</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Operations
and Changes in Fund Balance
Regulatory Basis
Current Fund

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Revenue and other income realized:		
Fund balance utilized	\$ 33,000,000	33,000,000
Miscellaneous revenue realized	75,097,759	71,021,859
Receipts from delinquent taxes	7,647,260	7,347,791
Receipts from current taxes	243,502,601	239,455,166
Nonbudget revenue	13,664,288	8,979,739
Other credits to income:		
Unexpended balance of appropriation reserves	14,401,041	8,369,491
Interfunds returned	136,909	546,096
Cancelled payables	1,026,087	424,019
Other miscellaneous	—	164,057
	<u>388,475,945</u>	<u>369,308,218</u>
Total income		
Expenditures:		
Budget appropriations:		
Operations:		
Salaries and wages	106,467,506	101,777,180
Other expenses	77,915,352	71,127,467
Deferred charges and statutory expenditures	23,668,783	24,517,464
Other operations	14,978,582	10,708,050
Capital improvements	2,000,000	2,000,000
Municipal debt service	18,508,123	17,049,165
County taxes	36,206,537	37,683,605
Local district school taxes	59,813,124	59,813,124
Special improvement district taxes	462,500	450,000
Reserve for tax appeals	1,000,000	3,000,000
Reserve for accumulated absences	6,000,000	—
Interfunds advanced	19,680	137,302
	<u>347,040,187</u>	<u>328,263,357</u>
Total expenditures		
Excess in revenue over expenditures	41,435,758	41,044,861
Fund balance, July 1	48,986,376	40,941,515
	90,422,134	81,986,376
Less fund balance utilized	<u>33,000,000</u>	<u>33,000,000</u>
Fund balance, June 30	<u>\$ 57,422,134</u>	<u>48,986,376</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Revenues
Regulatory Basis
Current Fund

Year ended June 30, 2017

	Anticipated		Excess/ (deficit)
	Budget	Realized	
General revenues:			
Fund balance utilized	\$ 33,000,000	33,000,000	—
Miscellaneous revenues:			
Licenses:			
Alcoholic beverages	150,000	183,089	33,089
Other	500,000	562,384	62,384
Fees and permits	500,000	635,473	135,473
Municipal Court - fines and costs	3,900,000	4,023,986	123,986
Interest and costs on taxes	1,500,000	1,701,366	201,366
Interest on investments and deposits	250,000	750,190	500,190
Franchise assessments - Jersey Garden Mall	5,100,000	5,347,988	247,988
Airport parking tax	1,300,000	1,782,517	482,517
Port Authority capital projects aid	3,000,000	3,000,000	—
Receipts from Port Authority - Leased Property 13A	480,000	480,000	—
Port Authority - Goethals Bridge project	500,000	500,000	—
Rental of City property	300	144,450	144,150
Dock rental fees	50,000	79,908	29,908
Sale of junk vehicles and other property	10,000	17,776	7,776
CATV fees	400,000	252,086	(147,914)
Solid waste disposal - host community	100,000	402,558	302,558
Emergency medical services - ambulance charges	1,950,000	2,304,885	354,885
Miscellaneous gasoline sales	60,000	47,690	(12,310)
PILOT - Pierce Manor	100,000	23,714	(76,286)
PILOT - IKEA	800,000	2,387,841	1,587,841
PILOT - R.W.B. Associates	150,000	231,538	81,538
PILOT - Port Authority NY/NJ	63,242	63,242	—
PILOT - IKEA - Toys 'R Us	100,000	907,396	807,396
PILOT - Newark/North Ave	50,000	148,191	98,191
PILOT - Elizabeth Senior Citizens, National Church Residence	12,000	21,513	9,513
PILOT - IKEA Expansion	200,000	656,471	456,471
PILOT - Residential	320,000	374,838	54,838
PILOT - Immaculate Conception Residence	35,000	33,654	(1,346)
PILOT - Marina Village Residence	500	22,091	21,591
PILOT - 349 First St	1,000	28,596	27,596
PILOT - Winfield Scott Residence	15,000	14,830	(170)
PILOT - Atalanta (DANIC)	250,000	770,351	520,351
PILOT - West Port Homes	50,000	95,092	45,092
State aid without offsetting appropriations:			
Consolidated municipal property relief act	5,364,796	5,364,796	—
Energy Receipts Tax	23,825,891	23,825,891	—
Dedicated uniform construction code fees offset with appropriations:			
Uniform construction code fees	650,000	1,878,988	1,228,988

(Continued)

CITY OF ELIZABETH

Statement of Revenues
Regulatory Basis
Current Fund

Year ended June 30, 2017

	Anticipated		Excess/ (deficit)
	Budget	Realized	
Public and private programs offset by appropriations:			
Summer Food Service Program	\$ 388,833	388,833	—
STD (c159)	47,337	47,337	—
Clean Communities (c159)	172,361	172,361	—
Highway Safety Fund Safe Corridors Act (c159)	32,682	32,682	—
Highway Safety Grant	9,500	9,500	—
Highway Safety Grant	2,000	2,000	—
Union County - Kids Recreation Trust Fund (c159)	85,000	85,000	—
Greening Union County (c159)	14,000	14,000	—
Non-Public School Nursing (c159)	134,910	134,910	—
Recycling Tonnage Grant (c159)	73,543	73,543	—
Municipal Alliance Grant passed through county (c159)	75,854	75,854	—
Body Armor	24,800	24,800	—
HOPWA (c159)	967,006	967,006	—
Drunk Driving Grant	25,984	25,984	—
Drunk Driving Grant	2,780	2,780	—
Safer Grant- Fire Department Staffing	5,049,612	5,049,612	—
Edward Byrne Memorial Justive Assistance Grant	95,780	95,780	—
Union County Infrastructure	105,000	105,000	—
Union County Infrastructure	150,000	150,000	—
Special items of general revenue anticipated with prior written consent of Director of Local Government Services:			
Motor Vehicle Rental Tax	600,000	936,704	336,704
Parking Tax	900,000	1,029,955	129,955
Hotel and Motel Occupancy Tax	3,400,000	4,428,802	1,028,802
Hotel Occupancy Tax (Municipal)	1,500,000	2,179,937	679,937
Total miscellaneous revenues	65,594,711	75,097,759	9,503,048
Receipts from delinquent taxes	\$ 4,000,000	7,647,260	3,647,260
Amount to be Raised by Taxes:			
(a) Local Tax for Municipal Purposes	152,924,202	158,001,007	5,076,805
(b) Minimum Library Tax	2,228,945	2,228,945	—
Total amount to be raised by taxes for support of municipal budget	155,153,147	160,229,952	5,076,805
Budget totals	\$ 257,747,858	275,974,971	18,227,113
Nonbudget revenue		13,664,288	
		\$ 289,639,259	

(Continued)

CITY OF ELIZABETH

Statement of Revenues
Regulatory Basis
Current Fund

Year ended June 30, 2017

Analysis of Realized Revenue

Receipts from delinquent taxes:	
Delinquent tax collections realized	\$ 7,647,260
Tax title lien collections realized	—
	<u>\$ 7,647,260</u>
Allocation of current tax collections:	
Collections realized	\$ 243,502,601
Allocated to:	
Local school district tax	59,813,124
County taxes	36,206,537
Special assessment	462,500
	<u>96,482,161</u>
Balance for support of municipal budget appropriations	147,020,440
Add reserve for uncollected taxes	<u>13,209,512</u>
Total balance for support of municipal budget appropriations	<u>\$ 160,229,952</u>

Miscellaneous Revenues not Anticipated

Community Champions Corp Foreclosed Reg.	\$ 6,613,450
Foreclosed Registration & Fine Fees	680,250
UCUA/Covanta Lease Extension Payment	713,341
Retirement of Debt in Excess of Borrowing	278,630
FEMA Reimbursement	1,710,057
Trinitas Contribution Agreement	375,000
Recycling	227,470
Administrative charge for towing vehicles	144,125
Library ID program fees	30,912
Cell Phone Tower 5%	3,059
LEAA Rebates - Fire	125,624
Litigation Award	62,252
BFLF Loan Settlement	93,885
Rent Train Station	57,204
Billboard	18,353
Handicap Application and Renewal Fees	38,000
DMV Inspection Fines	42,598
Recreation Dept Rental Fees	13,930
Interlocal Agreement	10,200
Turnpike for Fire Department	40,399
Parking Lot	13,500
ElRay Outdoor Advertising	48,250
Motor Fuel Tax Reimbursement	26,790
Triple m Inv. Co LLC 353-355 Union Ave	17,297
Garnishees	5,865
Auto Body 237 Harrison St Rent	6,000

(Continued)

CITY OF ELIZABETH

Statement of Revenues
Regulatory Basis
Current Fund

Year ended June 30, 2017

Parking Lot Rent Sorrento Restaurant	\$ 5,000
ABC Transfer Fee	2,994
Parking Lot Rent CBS Outdoor INC	3,800
Bad Checks	3,710
Marina Public Pier & Ferry	2,492
City Share of Tourism Tax	1,592
Stale Dated Checks	1,437
Property Room.com	14
Public Access Info Desk	750
Copies & Postage Reimbursed	452
Election Polling Places	1,162
Bad Checks - Construction	245
Duplicate Tax Bill	82
Clerk City Fees	121
Insurance Damage	1,308
Flood Hazard Fees	634
Constable	200
Pilot - IKEA- Incredible Universe	684,112
Pilot - Danic Two Urban Renewal LLC	342,185
Pilot - Elberon Elizabeth U.R. LLC	195,039
Pilot - Penn Ave Urban Renewal	174,116
Pilot - Magnolia Ave Portside II	77,977
Pilot - Vestal Condigel El, U.R Seafrigo	75,128
Pilot - Oaks at Westminster U.R.LLC	54,686
Pilot - Oaks at Westminster High Urban Renewal	56,638
Pilot - Water Edge Crescent	52,926
Pilot - Elizabethport Conifer	65,841
Pilot - Pine Street Urban Renewal	22,259
Pilot - Port Authority NY/NJ Bayway Ave	39,504
Pilot - Madison Apartments Urban Renewal	27,242
Pilot - Administration Fees	43,815
Pilot - YMCA- Sierra Gardens	20,046
Pilot - FRG Elizabeth Urban Renewal	93,937
Pilot - ERG Elizabeth Urban Renewal	44,373
Pilot - 205 First Street Urban Renewal	12,084
Pilot - Millennium URC	7,438
Pilot - 620 First Urban Renewal	9,625
107 First St	8,173
Burnett Investors	8,225
Pilot - Bond Street Commercial U.R.	4,285
Sale of foreclosed	122,200
	<u>\$ 13,664,288</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Expenditures
Regulatory Basis
Current Fund

Year ended June 30, 2017

Appropriations	Budget	Budget after modification	Paid or charged	Reserved	Canceled
Operations within "CAPS":					
General Government:					
Administrative and Executive:					
City Council:					
Salaries and wages	\$ 344,770	344,770	336,645	8,125	—
Other expenses	60,000	60,000	34,729	25,271	—
Alcoholic Beverage Control:					
Salaries and wages	156,551	157,051	156,546	505	—
Other expenses	7,850	7,850	2,962	4,888	—
City Clerk:					
Salaries and wages	317,642	372,642	363,817	8,825	—
Other expenses	50,225	50,225	13,916	36,309	—
Elections:					
Salaries and wages	8,000	8,000	—	8,000	—
Other expenses	47,000	57,000	55,155	1,845	—
Printing and Publications:					
Other expenses	175,000	175,000	78,178	96,822	—
Mayor's Office:					
Salaries and wages	278,221	278,221	277,453	768	—
Other expenses	15,850	15,850	10,964	4,886	—
Department of Law:					
Salaries and wages	1,035,247	1,041,947	1,041,883	64	—
Other expenses	447,750	295,250	137,077	158,173	—
Administration:					
Business Administrator's Office:					
Salaries and wages	636,622	636,622	631,840	4,782	—
Other expenses	331,600	331,600	283,373	48,227	—
Division of Budget and Personnel:					
Salaries and wages	231,822	243,322	242,007	1,315	—
Other expenses	3,750	3,750	1,725	2,025	—
Division of Purchasing:					
Salaries and wages	287,187	290,687	289,471	1,216	—
Other expenses	148,800	169,800	159,216	10,584	—
Division of Data Processing:					
Salaries and wages	1,013,256	1,013,256	981,200	32,056	—
Other expenses	949,000	949,000	539,269	409,731	—
Division of Employee Benefits:					
Salaries and wages	127,119	133,369	132,160	1,209	—
Other expenses	1,500	1,500	1,031	469	—
Division of EMS Billing and Collection:					
Salaries and wages	183,492	184,742	183,494	1,248	—
Bureau of Rent Control					
Salaries and wages	56,010	57,010	56,010	1,000	—
Other expenses	2,950	2,950	—	2,950	—
Bureau of Central Licensing					
Salaries and wages	654,937	666,287	666,230	57	—
Other expenses	37,500	37,500	6,066	31,434	—
Agency of Weights and Measures					
Salaries and wages	188,693	202,193	200,637	1,556	—
Other expense	54,800	54,800	28,957	25,843	—
Department of Finance:					
Division of Accounts and Controls:					
Salaries and wages	1,163,557	1,013,557	953,310	60,247	—
Other expenses	46,250	46,250	40,893	5,357	—
Division of Assessments:					
Salaries and wages	583,613	597,613	591,677	5,936	—
Other expenses	274,750	274,750	204,150	70,600	—
Annual City Audit:					
Other expenses	61,000	61,000	61,000	—	—
Single Audit Act:					
Other expenses	61,000	61,000	61,000	—	(continued)

CITY OF ELIZABETH

Statement of Expenditures
Regulatory Basis
Current Fund

Year ended June 30, 2017

Appropriations	Budget	Budget after modification	Paid or charged	Reserved	Canceled
Audit - Other Funds:					
Other expenses	\$ 61,000	61,000	61,000	—	—
Audit - Other Financial:					
Other expenses	6,000	6,000	6,000	—	—
Division of Revenue:					
Salaries and wages	634,889	634,889	595,888	39,001	—
Other expenses	69,700	69,700	32,647	37,053	—
Department of Planning and Community Development:					
Director's Office:					
Salaries and wages	207,741	207,741	190,624	17,117	—
Other expenses	7,900	9,900	8,074	1,826	—
Bureau of Community Development:					
Other expenses	4,200	4,700	4,046	654	—
Bureau of Elizabeth Home Improvement					
Salaries and wages	67,200	210,200	209,187	1,013	—
Other expenses	2,900	2,900	1,714	1,186	—
Bureau of Cultural and Heritage Affairs					
Salaries and wages	86,333	86,333	42,383	43,950	—
Other expenses	36,000	36,000	21,352	14,648	—
Bureau of Planning and Zoning					
Salaries and wages	133,157	165,157	164,026	1,131	—
Other expenses	158,550	158,550	122,567	35,983	—
Bureau of Economic Development					
Salaries and wages	75,355	76,355	75,858	497	—
Other expenses	850	850	641	209	—
Bureau of Public Information and Citizens Participation Services:					
Salaries and wages	176,620	176,620	175,008	1,612	—
Other expenses	133,500	113,500	111,766	1,734	—
Bureau of Construction and Zoning:					
Salaries and wages	1,126,834	1,078,334	936,681	141,653	—
Other	201,800	181,800	178,047	3,753	—
Human Rights Commission:					
Salaries and wages	85,587	15,587	—	15,587	—
Other expenses	3,450	3,450	—	3,450	—
Department of Public Works:					
Director's Office:					
Salaries and wages	1,095,338	1,070,338	944,953	125,385	—
Other expenses	3,000	3,000	873	2,127	—
Bureau of Public Buildings:					
Salaries and wages	2,311,600	2,311,600	2,160,971	150,629	—
Other expenses	1,733,825	1,642,825	1,271,769	371,056	—
Bureau of Streets, Parks and Trees:					
Salaries and wages	5,826,180	5,801,180	5,138,798	662,382	—
Other expenses	1,140,000	1,260,000	1,182,524	77,476	—
Bureau of Equipment and Yard Maintenance:					
Salaries and wages	1,143,633	1,118,633	890,715	227,918	—
Other expenses	1,127,200	1,252,200	1,149,112	103,088	—
Marina:					
Salaries and wages	230,562	230,562	218,788	11,774	—
Other expenses	224,725	224,725	107,162	117,563	—
Recycling Program:					
Salaries and wages	247,449	247,449	203,539	43,910	—
Other expenses	10,575	10,575	4,746	5,829	—
Garbage and Trash Removal:					
Other expenses	9,500,000	9,480,418	9,218,641	261,777	—
Street Lighting:					
Other expenses	2,200,000	2,200,000	1,751,149	448,851	—
Department of Health and Human Services:					
Director's Office:					
Salaries and wages	707,885	707,885	688,152	19,733	—
Other expenses	235,250	215,250	110,895	104,355	(continued)

CITY OF ELIZABETH

Statement of Expenditures
Regulatory Basis
Current Fund

Year ended June 30, 2017

Appropriations	Budget	Budget after modification	Paid or charged	Reserved	Canceled
Division of Health:					
Salaries and wages	\$ 1,570,428	1,570,428	1,505,510	64,918	—
Other expenses	625,450	625,450	586,130	39,320	—
Division of Human Services					
Salaries and wages	92,018	93,768	92,431	1,337	—
Other expenses	8,800	8,800	5,572	3,228	—
Office of Social Services					
Salaries and wages	127,383	138,383	110,581	27,802	—
Other expenses	123,450	123,450	79,364	44,086	—
Office on Aging:					
Salaries and wages	898,140	1,058,140	1,051,292	6,848	—
Other expenses	85,500	85,500	83,122	2,378	—
Office of Vital Statistics					
Salaries and wages	240,707	240,707	231,147	9,560	—
Other expenses	7,600	7,600	5,540	2,060	—
Office of Relocation					
Salaries and wages	77,181	83,181	81,344	1,837	—
Other expenses	500	500	375	125	—
Office of Youth Services					
Salaries and wages	1,170,705	1,145,705	994,464	151,241	—
Other expenses	409,750	409,750	365,557	44,193	—
Bureau of Housing					
Salaries and wages	441,041	546,041	539,959	6,082	—
Other expenses	3,000	3,000	649	2,351	—
Public Health Nurses Division:					
Salaries and wages	562,722	708,722	699,460	9,262	—
Public Safety:					
Fire Department:					
Salaries and wages	27,138,820	27,138,820	25,689,704	1,449,116	—
Other expenses	797,160	947,160	867,054	80,106	—
Uniform Fire Safety Act:					
Salaries and wages	163,820	205,820	191,471	14,349	—
Other expenses	61,750	61,750	25,325	36,425	—
Police Department:					
Salaries and wages	42,517,928	42,467,928	40,699,327	1,768,601	—
Other expenses	1,856,500	1,916,500	1,751,330	165,170	—
Emergency Medical Services:					
Salaries and wages	3,575,995	3,525,995	3,336,857	189,138	—
Other expenses	180,600	220,600	204,013	16,587	—
Recreation Department:					
Salaries and wages	3,838,038	3,838,038	3,479,181	358,857	—
Other expenses	387,550	387,550	308,663	78,887	—
Municipal Court:					
Salaries and wages	2,425,678	2,325,678	2,198,781	126,897	—
Other expenses	317,450	332,450	327,562	4,888	—
Public Defender:					
Other expenses	140,000	140,000	31,452	108,548	—
Unclassified Purposes:					
Insurance:					
Other expenses	600,000	600,000	594,039	5,961	—
Insurance Reserve:					
Other Expenses	4,000,000	4,000,000	4,000,000	—	—
Group Insurance:					
Other expenses	300,000	300,000	204,084	95,916	—
Health Benefit Waiver - other expense	100,000	200,000	143,239	56,761	—
Cobra Administration:					
Other expenses	5,000	5,000	5,000	—	—
Hospital, Medical, Dental, etc. Insurance - Other expenses	39,478,400	39,478,400	34,176,716	5,301,684	—
Right to Know Law:					
Other expenses	15,000	15,000	—	15,000	(continued)

CITY OF ELIZABETH

Statement of Expenditures
Regulatory Basis
Current Fund

Year ended June 30, 2017

Appropriations	Budget	Budget after modification	Paid or charged	Reserved	Canceled
Annual Dues:					
N.J. State League of Municipalities:					
Other expenses	\$ 10,000	10,000	—	10,000	—
U.S. Conference of Mayors:					
Other expenses	15,000	15,000	9,181	5,819	—
Accumulated Absences	3,223,274	2,679,474	2,353,308	326,166	—
Utilities:					
Electricity	1,400,000	1,400,000	974,061	425,939	—
Natural Gas	600,000	600,000	239,651	360,349	—
Gasoline	1,400,000	1,400,000	676,203	723,797	—
Fuel Oil	175,000	175,000	85,495	89,505	—
Telephone	1,400,000	1,400,000	705,783	694,217	—
Postage	250,000	250,000	232,307	17,693	—
Parking Lot Agreement	400,000	400,000	400,000	—	—
Total operations within "CAPS"	184,277,440	184,257,858	167,146,621	17,111,237	—
Contingent	125,000	125,000	121,562	3,438	—
Total operations including contingent, within "CAPS"	184,402,440	184,382,858	167,268,183	17,114,675	—
Detail:					
Salaries and wages	106,263,706	106,467,506	100,641,460	5,826,046	—
Other expenses including contingent	78,138,734	77,915,352	66,626,723	11,288,629	—
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contributions to:					
Social Security System	4,500,000	4,500,000	3,900,521	599,479	—
Consolidated Police and Fire Retirement Fund	61,842	61,842	61,842	—	—
Police and Firemen's Retirement System of N. J.	14,457,951	14,457,951	14,457,951	—	—
Public Employees Retirement System - Other expenses	4,346,408	4,365,990	4,365,990	—	—
Assessment for CIF/RTK	8,000	8,000	—	8,000	—
DCRP	50,000	50,000	35,886	14,114	—
N.J. Unemployment Fund	25,000	25,000	—	25,000	—
Total deferred charges and statutory expenditures - Municipal within "CAPS"	23,449,201	23,468,783	22,822,190	646,593	—
Total general appropriations for Municipal purposes within "CAPS"	207,851,641	207,851,641	190,090,373	17,761,268	—
Operations excluded from "CAPS":					
Other operations excluded from "CAPS":					
Matching Fund - City share	627,037	627,037	—	627,037	—
Hospital, Medical, Dental, etc. Insurance - Other expenses	521,600	521,600	—	521,600	—
Reserve for Tax Appeals:					
Other expenses	2,000,000	2,000,000	2,000,000	—	—
Maintenance of Free Public Library	4,000,000	4,000,000	4,000,000	—	—
Total other operations excluded from "CAPS"	7,148,637	7,148,637	6,000,000	1,148,637	—

(continued)

CITY OF ELIZABETH

Statement of Expenditures
Regulatory Basis
Current Fund

Year ended June 30, 2017

Appropriations	Budget	Budget after modification	Paid or charged	Reserved	Canceled
Public and Private Programs Offset by Revenues:					
Summer Food Service Program	\$ 388,833	388,833	388,833	—	—
STD	47,337	47,337	47,337	—	—
Highway Safety Grant	32,682	32,682	32,682	—	—
Highway Safety Grant	9,500	9,500	9,500	—	—
Highway Safety Grant	2,000	2,000	2,000	—	—
Greening Union County (c159)	14,000	14,000	14,000	—	—
Greening Union County - Local Share (c159)	14,000	14,000	14,000	—	—
Non-Public School Nursing (c159)	134,910	134,910	134,910	—	—
Recycling Tonnage Grant (c159)	73,543	73,543	73,543	—	—
Municipal Alliance Grant (c159)	75,854	75,854	75,854	—	—
Municipal Alliance Grant - Local Share (c159)	18,963	18,963	18,963	—	—
Body Armor (c159)	24,800	24,800	24,800	—	—
HOPWA 2016	967,006	967,006	967,006	—	—
Drunk Driving Grant (c159)	2,780	2,780	2,780	—	—
Union Coutny Infrastructure 2016	105,000	105,000	105,000	—	—
Union Coutny Infrastructure - Local Share	105,000	105,000	105,000	—	—
Union Coutny Infrastructure 2015	150,000	150,000	150,000	—	—
Union Coutny Infrastructure - Local Share	150,000	150,000	150,000	—	—
Safer Grant - Fire Department Staffing	5,049,612	5,049,612	5,049,612	—	—
Edward Byrne Memorial Justice Assistance Grant	95,780	95,780	95,780	—	—
Kids Recreation Trust Funds 2016	85,000	85,000	85,000	—	—
Kids Recreation Fund Local Share	85,000	85,000	85,000	—	—
Clean Communities	172,361	172,361	172,361	—	—
Drunk Driving	25,984	25,984	25,984	—	—
Total public and private programs offset by revenues	7,829,945	7,829,945	7,829,945	—	—
Total operations - excluded from "CAPS"	14,978,582	14,978,582	13,829,945	1,148,637	—
Detail (total operations - excluded from "CAPS"):					
Salaries and wages	—	—	—	—	—
Other expenses	14,978,582	14,978,582	13,829,945	1,148,637	—
Capital Improvements - excluded from "CAPS":					
Capital Improvement Fund	2,000,000	2,000,000	2,000,000	—	—
Total Capital Improvements excluded from "CAPS"	2,000,000	2,000,000	2,000,000	—	—
Municipal Debt Service - excluded from "CAPS":					
Payment of bond principal	8,765,000	8,765,000	8,765,000	—	—
Interest on bonds	1,973,832	1,973,832	1,973,832	—	—
Restructuring Bonds - Principal	4,015,000	4,015,000	4,015,000	—	—
Restructuring bonds - interest	829,857	829,857	829,857	—	—
Payment of bond anticipation notes	970,000	970,000	970,000	—	—
Interest on notes	93,039	93,039	93,039	—	—
NJDEP					
Loan repayment for principal and interest schedule 1	50,321	50,321	50,321	—	—
Loan repayment for principal and interest schedule 2	56,045	56,045	56,045	—	—
Lease Ordinance - Telephone System	1,200,000	1,200,000	1,027,229	172,771	—
Lease Ordinance #4 repayment for principal and interest	55,029	55,029	55,029	—	—
Guarantee, deficiency and other agreements	1,000,000	1,000,000	—	—	1,000,000
Metromall NJ DOT	500,000	500,000	500,000	—	—
Total municipal debt service excluded from "CAPS"	19,508,123	19,508,123	18,335,352	172,771	1,000,000
Deferred Charges:					
Special Emergency Authorizations	200,000	200,000	200,000	—	—
	200,000	200,000	200,000	—	—

(continued)

CITY OF ELIZABETH

Statement of Expenditures
Regulatory Basis
Current Fund

Year ended June 30, 2017

Appropriations	Budget	Budget after modification	Paid or charged	Reserved	Canceled
Total General Appropriation For Municipal Purposes Excluded from "CAPS"	\$ 36,686,705	36,686,705	34,365,297	1,321,408	1,000,000
Subtotal general appropriations	244,538,346	244,538,346	224,455,670	19,082,676	1,000,000
Reserve for Uncollected Taxes	13,209,512	13,209,512	13,209,512	—	—
Total general appropriations	\$ 257,747,858	257,747,858	237,665,182	19,082,676	1,000,000
Original budget		\$ 255,768,401			
Appropriation by N.J.S.A. 40A:4-87		1,979,457			
		\$ 257,747,858			
Encumbered			\$ 4,211,073		
Reserve for uncollected taxes			13,209,512		
Transferred to Federal and State Grant Fund			7,829,945		
Transferred to reserve for tax appeals			2,000,000		
Accumulated absences			2,000,000		
Deferred charge			200,000		
Cash disbursed			208,214,652		
			\$ 237,665,182		

See accompanying notes to financial statements.

Exhibit B**CITY OF ELIZABETH**

Balance Sheet

Trust Funds

June 30, 2017 and 2016

Assets	Ref.	2017	2016
Dog License Fund:			
Cash	B-1	\$ 30,888	30,112
		<u>30,888</u>	<u>30,112</u>
Other Federal Grant Funds:			
Grants receivable	B-8	1,211,498	1,261,115
HPRP Receivable	B-17	673	673
Due from General Trust	B-16	225,519	225,519
		<u>1,437,690</u>	<u>1,487,307</u>
Urban Development Action Grant (UDAG) Fund:			
Cash	B-1	523,644	523,544
		<u>523,644</u>	<u>523,544</u>
Community Development Block Grant Fund:			
Cash	B-1	41,458	35,617
Federal grants receivable	B-10	2,814,593	2,164,964
Due from Current Fund	B-5	25,347	25,347
Due from Elizabeth Development Corp.	B-15	80,672	80,672
		<u>2,962,070</u>	<u>2,306,600</u>
UEZ Trust Fund:			
Due from General Trust	B-18	2,980,895	3,752,419
		<u>2,980,895</u>	<u>3,752,419</u>
General Trust Funds:			
Cash	B-1	23,534,221	26,152,266
Due from Trustee	B-2	13,976	13,976
		<u>23,548,197</u>	<u>26,166,242</u>
		<u>\$ 31,483,384</u>	<u>34,266,224</u>

Exhibit B**CITY OF ELIZABETH**

Balance Sheet

Trust Funds

June 30, 2017 and 2016

	Ref.	2017	2016
Liabilities, Reserves and Fund Balance			
Dog License Fund:			
Due to State of New Jersey	B-6	\$ 177	92
Due to Current Fund	B-19	7,403	6,662
Reserve for Dog Expenditures	B-7	23,308	23,358
		<u>30,888</u>	<u>30,112</u>
Other Federal Grant Funds:			
Reserve for Grants	B-9	1,437,018	1,486,635
Due to Bank	B-1	672	672
		<u>1,437,690</u>	<u>1,487,307</u>
Urban Development Action Grant (UDAG) Fund:			
Reserve for UDAG loans receivable	B-3	523,644	523,544
		<u>523,644</u>	<u>523,544</u>
Community Development Block Grant Fund:			
Reserve for Community Development			
Block Grant	B-11	2,962,070	2,263,457
Reserve for Program Income	B-14	—	43,143
		<u>2,962,070</u>	<u>2,306,600</u>
UEZ Trust Fund:			
Appropriated Reserve:			
UEZ	B-21	2,868,519	3,684,374
Unappropriated Reserve:			
UEZ	B-12	112,376	68,045
		<u>2,980,895</u>	<u>3,752,419</u>
General Trust Funds:			
Off Duty Police Reserve	B-13	644,260	534,619
Due to Current Fund	B-20	335	293
Due to UEZ Trust	B-18	2,980,895	3,752,419
Due to Other Federal Grant Funds	B-16	225,519	225,519
Reserves for 2nd Generation Funds	B-22	2,810,782	2,388,789
Unappropriated Reserve 2nd Generation Funds	B-22	168,477	1,853,640
Reserves for Special Purposes	B-4	16,717,929	17,410,963
		<u>23,548,197</u>	<u>26,166,242</u>
		<u>\$ 31,483,384</u>	<u>34,266,224</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Balance Sheets
Regulatory Basis
General Capital Fund

June 30, 2017 and 2016

Assets	Ref.	2017	2016
Cash	C-2, C-3	\$ 28,000,817	26,957,385
Due from State of New Jersey -			
Department of Environmental Protection	C-14	110,914	110,914
Department of Transportation	C-10	685,874	275,048
Due from Union County Improvement Authority	C-16	648,785	648,785
NJ EDA Grant Receivable	C-18	2,243,931	—
Deferred charges to future taxation:			
Funded	C-7	102,129,904	95,645,260
Unfunded	C-8	40,449,239	57,841,883
		<u>\$ 174,269,464</u>	<u>181,479,275</u>
Liabilities and Fund Balance			
Serial bonds:			
General	C-4	\$ 97,898,000	90,838,000
Bond anticipation notes	C-5	500,000	9,470,000
Loans payable	C-17	4,231,904	4,807,260
Improvement authorizations:			
Funded	C-11	26,963,727	18,043,415
Unfunded	C-11	32,206,430	47,029,152
Capital improvement fund	C-12	1,296,942	1,000,660
Reserve for:			
State aid receivable	-	248,338	386,693
EDA Grant Receivable	-	193,050	—
Bond sale expense	C-9	110,086	73,654
Retirement of debt	C-13	4,145,450	2,150,265
Fund balance	C-1	6,475,537	7,680,176
		<u>\$ 174,269,464</u>	<u>181,479,275</u>

There were bonds and notes authorized but not issued on June 30, 2017 and 2016 of \$39,949,239 and \$48,371,882(Exhibit C-15), respectively.

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Fund Balance
Regulatory Basis
General Capital Fund

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Balance, Beginning of Year	\$ <u>7,680,176</u>	<u>8,051,243</u>
Increased by:		
Improvement authorizations cancelled	47,053	614,613
Other (net interest)	7,307	8,198
Premium on sale of bonds	<u>71,001</u>	<u>6,122</u>
	<u>125,361</u>	<u>628,933</u>
	7,805,537	8,680,176
Decreased by:		
Improvement authorization	<u>1,330,000</u>	<u>1,000,000</u>
Balance, End of Year	\$ <u><u>6,475,537</u></u>	<u><u>7,680,176</u></u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Balance Sheets
Regulatory Basis
Water Utility Funds

June 30, 2017 and 2016

		<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Assets				
Operating Fund:				
Cash	D-3	\$	873,009	859,726
Due from Water Capital Fund	D-7		768	366
Due from Water Trust Fund	D-7		9	—
			<u>873,786</u>	<u>860,092</u>
Receivables and inventory with reserves:				
Water liens receivable	D-9		<u>15,835</u>	<u>15,835</u>
			<u>15,835</u>	<u>15,835</u>
Total Operating Fund			<u>889,621</u>	<u>875,927</u>
Trust Fund:				
Cash	D-3		<u>157,481</u>	<u>157,472</u>
Total Trust Fund			<u>157,481</u>	<u>157,472</u>
Capital Fund:				
Cash	D-3,D-4		<u>2,353,814</u>	<u>3,390,497</u>
			2,353,814	3,390,497
Fixed capital	D-11		<u>26,420,370</u>	<u>22,951,501</u>
Total Capital Fund			<u>28,774,184</u>	<u>26,341,998</u>
		\$	<u>29,821,286</u>	<u>27,375,397</u>

CITY OF ELIZABETH

Balance Sheets
Regulatory Basis
Water Utility Funds

June 30, 2017 and 2016

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Liabilities, Reserves, and Fund Balance			
Operating Fund:			
Due to Sewer Operating Fund	D-17	2,441	—
		<u>2,441</u>	<u>—</u>
Reserve for:			
Water liens receivable		15,835	15,835
		<u>15,835</u>	<u>15,835</u>
Fund balance	D-1	871,345	860,092
Total Operating Fund		<u>889,621</u>	<u>875,927</u>
Trust Fund:			
Due to Water Operating Fund	D-7	9	—
Reserve for customer deposits	D-5	157,472	157,472
Total Trust Fund		<u>157,481</u>	<u>157,472</u>
Capital Fund:			
Reserve for amortization	D-10	26,420,370	22,951,501
Reserve for capital expenditures	D-6	1,655,807	2,692,892
Due to Water Operating Fund	D-7	768	366
Capital Improvement Fund	D-8	697,239	697,239
Total Capital Fund		<u>28,774,184</u>	<u>26,341,998</u>
		<u>\$ 29,821,286</u>	<u>27,375,397</u>

There were bonds and notes authorized but not issued of \$0 and \$0 on June 30, 2017 and 2016 respectively.

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Operations and Changes in Fund Balance
Regulatory Basis
Water Utility Operating Fund

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Revenue and other credits to income:		
Miscellaneous revenue not anticipated	\$ <u>11,253</u>	<u>5,498</u>
Total income	<u>11,253</u>	<u>5,498</u>
 Fund balance, July 1	 <u>860,092</u>	 <u>854,594</u>
Fund balance, June 30	\$ <u><u>871,345</u></u>	<u><u>860,092</u></u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Revenues
Regulatory Basis
Water Utility Operating Fund

Year ended June 30, 2017

	Revenues Realized
	<u> </u>
Nonbudget revenue (interest on investments)	\$ <u> 11,253 </u>
	<u><u> 11,253 </u></u>

Analysis of Miscellaneous Revenue not Anticipated

Interest on capital	\$ <u> 11,253 </u>
Less interfund receivable increase	<u> 777 </u>
Cash received	<u><u> 10,476 </u></u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Balance Sheets
Regulatory Basis
Sewer Utility Funds

June 30, 2017 and 2016

Assets	Ref.	2017	2016
Operating Fund:			
Cash	E-5	\$ 21,362,656	20,073,736
Petty Cash		—	200
Due from water Operating Fund	E-31	2,441	—
Due from Sewer Capital Fund	E-31	1,863	1,521
		<u>21,366,960</u>	<u>20,075,457</u>
Receivables with reserves:			
Consumers' accounts receivable	E-7	1,791,071	3,157,294
Miscellaneous rents receivable	E-28	5,342	5,342
Sewer installment receivable	E-33	1,000,000	2,000,000
Sewer liens receivable	E-24	12,281	12,281
		<u>2,808,694</u>	<u>5,174,917</u>
Total Operating Fund		<u>24,175,654</u>	<u>25,250,374</u>
Capital Fund:			
Cash	E-5, E-6	7,862,634	8,238,060
Fixed capital	E-9	52,754,530	52,754,530
Fixed capital authorized and uncompleted	E-10	151,854,329	150,189,563
Due from Trustee-Environmental Infrastructure Trust and fund loans	E-16	20,000,001	7,945,149
Due from State of New Jersey -			
Stormwater Grant Receivable	E-30	5,155	5,155
Wastewater Treatment Trust Fund	E-27	266,794	266,794
Total Capital Fund		<u>232,743,443</u>	<u>219,399,251</u>
		<u>\$ 256,919,097</u>	<u>244,649,625</u>

CITY OF ELIZABETH

Balance Sheets
Regulatory Basis
Sewer Utility Funds

June 30, 2017 and 2016

	Ref.	2017	2016
Liabilities, Reserves, and Fund Balance			
Operating Fund:			
Appropriation reserves	E-4,E-12	\$ 4,121,581	6,369,009
Encumbrances payable	E-26	13,810	17,833
Accounts payable	E-13	795,163	796,703
Accrued interest on bonds and notes	E-15	430,680	387,241
Capital outlay reserve	E-32	2,349,387	2,349,387
		<u>7,710,621</u>	<u>9,920,173</u>
Reserve for receivables	E	2,808,694	5,174,917
Fund balance	E-1	<u>13,656,339</u>	<u>10,155,284</u>
Total Operating Fund		<u>24,175,654</u>	<u>25,250,374</u>
Capital Fund:			
Due to Sewer Operating Fund	E-31	1,863	1,521
Bond sale expense payable	E-29	20,852	47,365
Serial bonds	E-17	36,205,000	32,200,000
Local unit bonds	E-18	—	130,000
Environmental infrastructure loans payable	E-23	42,862,448	29,302,130
Bond anticipation notes	E-14	—	4,200,000
Improvement authorizations:			
Funded	E-19	3,637,945	4,326,895
Unfunded	E-19	49,645,683	54,456,122
Reserve for:			
Amortization	E-20	86,463,411	81,493,743
Deferred amortization	E-21	9,868,966	9,204,200
Renewal and replacement	E-11	364,000	364,000
Appropriated grants	E-8	20,619	20,619
Capital Improvement Fund	E-25	2,563,338	2,563,338
Fund balance	E-2	<u>1,089,318</u>	<u>1,089,318</u>
Total Capital Fund		<u>232,743,443</u>	<u>219,399,251</u>
		<u>\$ 256,919,097</u>	<u>244,649,625</u>

There were bonds and notes authorized but not issued at June 30, 2016 and 2017 of \$49,362,412 and \$34,745,885 respectively (Exhibit E-22)

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Operations and Changes in Fund Balance
 Regulatory Basis
 Sewer Utility Operating Fund

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Revenue and other credits to income:		
Fund balance utilized	\$ 3,000,000	6,000,000
Sewer fees and charges	26,117,424	23,710,375
Miscellaneous	501,927	1,251,248
Other credits to income:		
Appropriation reserves lapsed	2,961,350	1,858,334
Petty cash reinstated	—	200
Total income	<u>32,580,720</u>	<u>32,820,157</u>
Expenditures:		
Operating	13,100,000	13,100,000
Capital improvements	4,577,250	5,799,815
Debt service	8,322,750	10,100,185
Additional accrued interest	79,665	—
Total expenditures	<u>26,079,665</u>	<u>29,000,000</u>
Excess of revenues over expenses	6,501,055	3,820,157
Fund balance, July 1	<u>10,155,284</u>	<u>12,335,127</u>
	16,656,339	16,155,284
Less Fund Balance Utilized	<u>3,000,000</u>	<u>6,000,000</u>
Fund balance, June 30	<u>\$ 13,656,339</u>	<u>10,155,284</u>

See accompanying notes to financial statements.

CITY OF ELIZABETHStatement of Fund Balance
Regulatory Basis
Sewer Utility Capital Fund

Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Balance, Beginning of year	\$ 1,089,318	1,089,318
Balance, End of year	\$ <u><u>1,089,318</u></u>	<u><u>1,089,318</u></u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Revenues
Regulatory Basis
Sewer Utility Operating Fund

Year ended June 30, 2017

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (deficit)</u>
Operating surplus anticipated	\$ 3,000,000	3,000,000	—
Rents	23,000,000	26,117,424	3,117,424
Miscellaneous	<u>—</u>	<u>501,927</u>	<u>501,927</u>
Total budget revenue	\$ <u>26,000,000</u>	<u>29,619,351</u>	<u>3,619,351</u>

Analysis of Miscellaneous

Interest on investments	\$ 152,547
Interest and costs	15,532
Joint Meeting refund	191,898
Miscellaneous	<u>141,950</u>
Cash receipts	\$ <u>501,927</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of Expenditures
Regulatory Basis
Sewer Utility Operating Fund

Year ended June 30, 2017

<u>Account</u>	<u>Budget</u>	<u>Budget after modification</u>	<u>Paid or charged</u>	<u>Reserved</u>
Operating:				
Management Fee	\$ 2,100,000	2,100,000	1,651,103	448,897
Joint Meeting	11,000,000	11,000,000	10,195,403	804,597
Capital improvements:				
Capital Improvement Fund	—	—	—	—
Capital outlay	4,577,250	4,577,250	1,709,163	2,868,087
Debt service:				
Sewer System lease Payments- principal and int.	1,926,192	1,926,192	1,926,192	—
Payment of bond principal	2,375,000	2,375,000	2,375,000	—
Payment of Note principal	220,000	220,000	220,000	—
Interest on bonds	889,375	889,375	889,375	—
Interest on notes	38,465	38,465	38,465	—
Wastewater Treatment bonds - principal	2,374,668	2,374,668	2,374,668	—
Wastewater Treatment bonds - interest	499,050	499,050	499,050	—
Total	\$ 26,000,000	26,000,000	21,878,419	4,121,581

Analysis of paid or charged

Cash disbursed	\$ 20,437,719
Encumbrances payable	13,810
Interest on bonds and notes	1,426,890
	<u>\$ 21,878,419</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Statement of General Fixed Assets

General Fixed Assets Account Group

June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
General fixed assets:		
Land and buildings	\$ 66,979,358	59,223,250
Equipment	13,013,549	14,319,859
Vehicles	<u>28,141,275</u>	<u>25,836,279</u>
Total general fixed assets	<u>\$ 108,134,182</u>	<u>99,379,388</u>
Investment in general fixed assets	<u>\$ 108,134,182</u>	<u>99,379,388</u>

See accompanying notes to financial statements.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

(1) Summary of Significant Accounting Policies

The accounting policies of the City of Elizabeth conform to the accounting principles and practices applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Such practices are not in accordance with generally accepted accounting principles (GAAP). The following is a summary of the significant policies:

Reporting entity

Except as noted below, the financial statements of the City of Elizabeth include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the City of Elizabeth, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the City of Elizabeth do not include the operations of the Elizabeth Free Public Library, Parking Authority, Board of Education, Housing Authority, Elizabeth Development Corporation, and Special Improvement Districts.

Fund accounting:

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the City, the accounts of the City are maintained in accordance with the principles of "fund accounting". This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified or legal requirements. Separate accounts are maintained for each fund and, accordingly, all financial transactions have been recorded and reported by fund group. Under this method of accounting, the City of Elizabeth 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 Funds (including the Community Development Block Grant) - receipts, 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.
- Water and Sewer Utility Funds - account for the operations and acquisition of capital facilities of the municipally-owned Water and Sewer Utilities.
- General Fixed Assets Account Group - investments in and disposal of fixed assets used to maintain operations of the City. Infrastructure assets

Budgets and budgetary accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

financial statements are those adopted by the City of Elizabeth and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et. seq.

Basis of accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant differences are as follows:

- **Grant Revenues** - Federal and State grants, entitlements or shared revenues received for purposes normally financed through the current fund are recognized when anticipated in the City budget. GAAP requires such revenues to be recognized in the accounting period when they become available and measurable. GAAP defines available as collectible in the current period or soon enough thereafter to be used to pay liabilities that are owed at the end of the accounting period.
- **Property Taxes and Other Revenues** - Property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheets of the various funds. GAAP requires such revenues to be recognized in the current accounting period if they are expected to be collected soon enough after the end of the year to pay current liabilities.
- **Expenditures** - unexpended or uncommitted appropriations, at year-end, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures in the current fund, to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.
- **Appropriation Reserves** - are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves are not established under GAAP.
- **Compensated Absences** - Expenditures relating to obligations for vacation, sick and compensatory time are not recorded until paid. City officials have determined that only vacation, holiday and compensatory time should be accrued. Employee sick time is appropriated in the various departmental salary and wage accounts and the City is not liable for accrued sick time when employees retire. Any employee who retires, or is laid off from employment with the City, irrespective of years of service, shall be reimbursed for accumulated unused sick time at a rate of fifty (50%) percent of the employee's daily rate of pay for each day of accumulated unused sick time up to a maximum of eleven thousand (\$11,000) dollars. Payment shall be made to the employee within six (6) months of the date of separation from employment. In order to be eligible for reimbursement, an employee must have at least thirty (30) accumulated sick days to his or her credit upon the effective date of separation from employment.

As of June 30, 2017 and 2016, the estimated accrued liability as determined by City officials for vacation, sick and compensatory time is approximately \$24,408,162 and \$24,928,375 respectively. In accordance with state regulations this accrued liability has not been expensed or recorded as a liability. The City has \$9,125,840 reserved for accumulated absences.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

- Property Acquired for Taxes - is recorded in the current fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the general fund or general fixed assets account group at its net realizable value.
- Inventories - Current fund inventory type items and inventories held by the sewer utility fund are expensed as incurred. GAAP requires the amount of inventory on hand to be recorded as an asset at year-end.
- General Fixed Assets - Property and equipment purchased by the current fund and the capital fund are recorded as expenditures at the time of purchase and are capitalized and recorded in the fixed assets account group (after January 1, 1985) or at estimated historical cost (prior to January 1, 1985). The accounts are adjusted for dispositions and abandonment's. Depreciation is not recorded. Property and equipment purchased by the utility funds are recorded at cost as fixed capital (completed projects) and fixed capital authorized and uncompleted (construction in progress). The accounts are adjusted for dispositions and abandonment's. Depreciation is not recorded. GAAP requires that depreciation be recorded in the utility funds.
- Interfunds - advances from the current fund are reported as interfund receivables with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.
- Encumbrances - contractual orders at year-end, are reported as expenditures through the establishment of a reserve for encumbrances. GAAP does not recognize encumbrances as expenditures or liabilities.
- Deferred Charges to Future Taxation -Funded and Unfunded - Upon the authorization of capital projects, the City establishes deferred charges for the cost of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary funding or nonfunding of the authorized costs of capital projects. According to the New Jersey Statutes Annotated 40A:2-4, the City may levy taxes on all taxable property within the local unit to repay the debt. Annually, the City raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced. GAAP does not require the establishment of deferred charges to future taxation and records proceeds of debt issued as revenue.
- Improvement authorizations – in the General Capital Fund represent the unexpended balance of an ordinance appropriation and is similar to the unexpended portion of the budget in the Current Fund. GAAP does not recognize these amounts as liabilities.
- Investments - Investments are carried at cost. Purchases of investments are limited by N.J.S. 40A:5-15.1 to bonds or obligations of or guaranteed by the Federal government and bonds or other obligations of Federal or local units having a maturity date not more than twelve months from the date of purchase. GAAP requires that investments be recorded at fair value.

Use of Estimates

To prepare the accompanying financial statements management made estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) Taxes Receivable, Tax Title Liens

In accordance with the accounting principles presented by the State of New Jersey, taxes receivable and tax title liens are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible.

Taxes for the City are levied semi-annually in July and January and are payable August 1, November 1, February 1 and May 1. The taxes are liens on the property as of the billing date.

(3) Debt

The New Jersey Local Bond Law governs the issuance of bonds to finance general municipal and utility capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. General capital serial bonds are direct obligations of the City for which its full faith and credit are pledged, and are payable from the taxes levied on all taxable property located within the City. The water/ sewer utility bonds are payable from revenues generated from user fees but also have the ad valorem taxes pledged, should the utility revenues be insufficient to meet the debt obligations.

In addition, Wastewater Treatment Bonds issued on behalf of the City by the State of New Jersey, are recorded in the Sewer Capital Fund.

	Balance as of June 30, 2015	Increase	Decrease	Balance as of June 30, 2016	Principal Due By June 30, 2017
General Capital					
General Serial					
Bonds	\$89,123,000	22,745,000	21,030,000	90,838,000	12,780,000
Loans Payable	5,378,611	—	571,351	4,807,260	566,343
Sewer Capital					
Serial Bonds	\$34,580,000	—	2,380,000	32,200,000	2,375,000
Local Unit					
Bonds	250,000	—	120,000	130,000	123,000
Environmental					
Infrastructure					
Loans	30,635,470	761,541	2,094,881	29,302,130	2,226,094

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

	<u>Balance as of June 30, 2016</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance as of June 30, 2017</u>	<u>Principal Due By June 30, 2018</u>
General Capital					
General Serial					
Bonds	\$90,838,000	25,850,000	18,790,000	97,898,000	10,765,000
Loans Payable	4,807,260	—	575,356	4,231,904	561,100
Sewer Capital					
Serial Bonds	\$32,200,000	6,380,000	2,375,000	36,205,000	2,800,000
Local Unit					
Bonds	130,000	—	130,000	—	—
Environmental					
Infrastructure					
Loans	29,302,130	16,836,937	3,276,619	42,862,448	2,282,071

The City debt is summarized as follows:

	<u>June 30, 2016</u>	<u>June 30, 2017</u>
Bonds, Notes and Loans Issued:		
General	\$105,115,260	102,629,904
Sewer	<u>65,832,130</u>	<u>79,067,448</u>
	<u>170,947,390</u>	<u>181,696,352</u>
Bonds and Notes Authorized Not Issued:		
General	48,371,882	39,949,239
Sewer	49,362,412	34,745,885
Water	—	—
	<u>97,734,294</u>	<u>74,695,124</u>
Total Bonds and Notes Issued and Authorized But Not Issued	<u>\$268,681,684</u>	<u>256,391,476</u>

Schedule of annual debt service payments for principal and interest for the next five years and every five year period thereafter for bonded debt issued and outstanding as of June 30, 2017:

Fiscal Year	General Bonds		Sewer Debt	
<u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 10,765,000	3,012,892	5,082,071	1,488,446
2019	8,920,000	2,729,935	5,144,410	1,371,714
2020	9,075,000	2,455,125	5,091,210	1,252,551
2021	9,000,000	2,165,710	5,185,652	1,126,270
2022	8,295,000	1,895,579	4,931,439	1,003,214
2023-2027	38,665,000	5,792,662	22,027,235	3,409,622
2028-2032	13,178,000	1,019,141	13,617,706	812,170
2032-2035	—	—	<u>1,421,201</u>	<u>32,500</u>
Total	<u>\$97,898,000</u>	<u>19,071,044</u>	<u>62,500,924</u>	<u>10,496,487</u>

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

	<u>Gross Debt</u>	<u>Deduction</u>	<u>Net Debt</u>
Local School District	\$ 2,800,000	2,800,000	—
General Debt	142,579,143	4,145,450	138,433,693
Sewer Utility Debt	113,813,333	113,813,333	—
Guaranteed Debt/ Deficiency Agreement (note 18)	36,185,000	36,185,000	—
Water Utility Debt	—	—	—
	<u>\$295,377,476</u>	<u>156,943,783</u>	<u>138,433,693</u>

Net Debt of \$138,433,693 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$6,828,489,075 equals 2.027%.

Borrowing Power Under N.J.S. 40a:2-6 As Amended

3.5% of Equalized Valuation Basis	\$238,997,117
Net Debt	<u>138,433,693</u>
Remaining (Excess) Borrowing Capacity	<u>\$100,563,424</u>

(4) State Loans

Green Trust Loans:

1995 Green Trust Program – Westfield Ave. Ball field Improvements

Interest is 2% with payments through May 1, 2019.

Future minimum loan payments under the lease program as of June 30, 2017 are:

Fiscal Year

Ending

June 30

2018	<u>\$27,767</u>
2019	<u>27,767</u>
Total	55,534
Less interest	<u>1,361</u>
Principal Balance	\$54,173

2004 Green Trust Program – Elmora Raquet Club

Interest is 2% with payments through May 7, 2028.

Future minimum loan payments under the lease program as of June 30, 2017 are:

Fiscal Year

Ending

June 30

2018	<u>\$24,874</u>
2019	24,874
2020	24,873
2021	24,873
2022	24,873
2023-2027	124,366
2028	<u>24,873</u>
Total	273,606
Less interest	<u>29,101</u>
Principal Balance	\$244,505

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

1992 Green Trust Program – Kenah Center Acquisition

Interest is 2% with payments through Sep. 2, 2018.

Future minimum loan payments under the lease program as of June 30, 2017 are:

Fiscal Year	
Ending	
<u>June 30</u>	<u>Amount</u>
2018	\$4,353
2019	<u>2,176</u>
Total	6,529
Less interest	<u>128</u>
Principal Balance	\$ 6,401

2004 Green Trust Program – Kenah Center Field

Interest is 2% with payments through September 24, 2028.

Future minimum loan payments under the lease program as of June 30, 2017 are:

Fiscal Year	
Ending	
<u>June 30</u>	<u>Amount</u>
2018	\$17,470
2019	17,470
2020	17,470
2021	17,470
2022	17,470
2023-2027	87,348
2028-2029	<u>26,204</u>
Total	200,902
Less interest	<u>22,225</u>
Principal Balance	\$178,677

2012 DEP Elizabeth Riverwalk

Interest is 0% with semi-annual payments through April 27, 2032.

Future minimum loan payments under the lease program as of June 30, 2017 are:

Fiscal Year	
Ending	
<u>June 30</u>	<u>Amount</u>
2018	\$13,702
2019	13,702
2020	13,703
2021	13,702
2022	13,702
2023-2027	68,513
2028-2032	<u>68,512</u>
Total	205,536

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

1997 Metro Mall Road Improvements Proposed Loan

Interest is 0.05% with annual payments through January 12, 2025.

Future minimum loan payments under the lease program as of June 30, 2017 are:

Fiscal Year	
Ending	
<u>June 30</u>	<u>Amount</u>
2018	\$500,000
2019	500,000
2020	500,000
2021	500,000
2022	500,000
2023-2025	<u>1,116,117</u>
Total	3,616,117
Less interest	<u>73,505</u>
Principal Balance	\$3,542,612

(5) Bond Anticipation Notes

The City issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid or permanent financing obtained no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note and on or before each subsequent anniversary, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were installment of the bonds in anticipation of which such notes were issued, be paid or retired.

On June 30, 2016 and 2017 there are \$9,470,000 and \$500,000 notes outstanding for the General Capital Fund.

On June 30, 2016 and 2017 there are \$4,200,000 and \$000 notes outstanding for the Sewer Utility Capital Fund.

(6) Capital Equipment Lease Program

The City entered into a lease agreement with Motorola Solutions effective January 1, 2013 to finance the acquisition and installation of \$4,402,792 of communications equipment. Under the lease agreement the City is required to pay rent due on each January 1 commencing January 1, 2014. Future minimum lease payments under the lease agreement as of June 30, 2017 are:

Fiscal Year	
Ending	
<u>June 30</u>	<u>Amount</u>
2018	\$921,116
Less interest	<u>13,792</u>
	\$907,324

The City entered into a lease agreement with Motorola Solutions effective January 1, 2014 to finance the acquisition and installation of \$397,542 of communications equipment. Under the lease agreement

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

the City is required to pay rent due on each January 1 commencing January 1, 2015. Future minimum lease payments under the lease agreement as of June 30, 2017 are:

Fiscal Year	
Ending	
<u>June 30</u>	<u>Amount</u>
2018	\$106,113
Less interest	<u>2,762</u>
	\$ 103,351

On October 15, 2004 the City executed a contract with the Union County Improvement Authority (UCIA) to acquire capital equipment through financing leases in an amount not to exceed \$4,175,649. The UCIA is authorized by the County Improvement Authorities Law, Chapter 183 of the Pamphlet Laws of 1960 of the State of New Jersey, as amended and supplemented (N.J.S.A. 40:37A-44 et seq.), to lease capital equipment to the City. The UCIA provides for the financing of the cost of this equipment by the issuance of revenue bonds payable from rentals to be received from the City.

Under the lease the City is required to pay rent due on each December 1 and June 1, commencing December 1, 2005. Future minimum lease payments under the lease program as of June 30, 2017 are:

Fiscal Year	
Ending	
<u>June 30</u>	<u>Amount</u>
2018	\$53,275
2019	51,465
2020	48,477

(7) Fund Balances Appropriated

Fund balances at June 30, 2017 were utilized as revenue in the 2017-2018 Fiscal Year Budget as follows:

<u>Fund Description</u>	<u>Fund Balance</u> <u>June 30, 2017</u>	<u>Amount</u> <u>Utilized</u>
Current Fund	\$57,422,134	33,000,000
Sewer Utility Operating	13,736,004	3,000,000
Water Utility Operating	871,345	—

(8) Retirement Systems

Substantially all of the City's employees participate in one of the following contributory defined benefit public employee retirement systems (retirement systems) which have been established by State statute: the Consolidated Police and Firemen's Pension fund (CPFPPF), the Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS). These systems are sponsored and administered by the State of New Jersey, Department of Treasury Division of Pension and Benefits (the Division).

Consolidated Police and Firemen's Pension Fund

Consolidated Police and Firemen's Pension Fund (CPFPPF)--is a single-employer contributory defined benefit plan which was established as of January 1, 1952, under the provisions of N.J.S.A. 43:16 to

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

provide retirement, death and disability benefits to county and municipal police and firemen who were appointed prior to July 1, 1944. The fund is a closed system with no active members.

Police and Firemen's Retirement System

Police and Firemen's Retirement Systems (PFRS)--is a cost-sharing multiple-employer contributory defined benefit plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to substantially all full time county and municipal police or firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

Public Employees' Retirement System

Public Employees' Retirement System (PERS)--is a cost-sharing multiple-employer contributory defined benefit plan which was established as of January 1, 1955, under the provision N.J.S.A. 43:15A to provide retirement, death and disability benefits, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

Other Pension Funds

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

The State also administers the Pension Adjustment Fund (PAF) which provides cost of living increases, equal to 60 percent of the change in the average consumer price index, to eligible retirees in all State-sponsored pension systems except SACT. In the CPFPPF, the cost of living increases are payable from the State of New Jersey Pension Adjustment Fund which is funded by the State as a benefit allowances become payable. The cost of living increases for PFRS and PERS are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for that system.

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

The State of New Jersey, Department of Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

Significant Legislation

Chapter 78, P.L. 2011 effective June 28, 2011, made various changes to the manner in which the Public Employee's Retirement System (PERS) and The Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 62 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increase in active member contribution rate. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years. Beginning in fiscal year 2012, the member contribution rates for PERS will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay)

Funding Policy

Contribution Requirements:

The contribution policy for CPFPPF, PFRS and PERS is set by New Jersey State statutes and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Members of PFRS contribute at a uniform rate of 10% of base salary, as defined. Members of PERS contribute at a uniform rate of 7.13% of base salary, as defined. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PFRS and PERS. In the PERS the employer contribution includes funding for post-retirement medical premiums.

During the year ended June 30, 2017, for CPFPPF, which is a cost sharing plan, accumulated pension cost equals annual required contributions. For PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, the annual pension cost differs from the annual required contribution.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

City Contributions:

The City's contributions were as follows:

		For the Year Ended June 30,			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
CPFPE	61,842	106,831	102,216	\$84,393	\$125,436
PERS	4,365,990	4,083,341	3,784,314	3,379,106	3,313,470
PFRS	14,457,951	14,944,292	14,255,328	12,752,540	12,793,259

GASB 68 Disclosure in accordance with Division of Local Government Services Local Finance Notice 2015-24

The amount of the City's contribution is certified each year by PERS and PFRS on the recommendation of the actuary, who makes an annual actuarial valuation. The valuation is based on a determination of the financial condition of the retirement system. It includes the computation of the present dollar value of benefits payable to former and present members and the present dollar value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal, former service, salary and interest. In accordance with State statute, the long-term expected rate of return on plan investments 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. Specific information on actuarial assumptions and rates of return can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS the employer contribution includes funding for post-retirement medical premiums.

PERS	<u>2017</u>	<u>2016</u>	<u>2015</u>
Covered Employee Payroll	33,499,268	\$32,738,777	\$32,040,771
Total Payroll	100,641,460	96,661,310	95,643,628
Actuarial Contribution Requirements	4,365,990	4,194,920	3,933,595
Total Contributions	6,777,937	6,506,277	6,166,054
Employer's Share	4,365,990	4,194,920	3,933,595
% of Covered Payroll	13.03%	12.81%	12.28%
Employee's Share	2,411,947	2,311,357	2,232,459
% of Covered Payroll	7.20%	7.06%	6.97%

PFRS	<u>2017</u>	<u>2016</u>	<u>2015</u>
Covered Employee Payroll	53,840,426	\$55,119,065	\$54,018,846
Total Payroll	100,641,460	96,661,310	95,643,628
Actuarial Contribution Requirements	14,457,951	14,119,696	13,433,170
Total Contributions	19,841,994	19,631,603	18,867,869
Employer's Share	14,457,951	14,119,696	13,433,170
% of Covered Payroll	26.85%	25.62%	24.87%
Employee's Share	5,384,043	5,511,907	5,434,699
% of Covered Payroll	10.00%	10.00%	10.06%

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

Assumptions

The total PERS and PFRS pension liability for June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015 using an actuarial experience study for the period July 1, 2010 to June 30, 2013. The pension liability was rolled forward to June 30, 2016. The actuarial valuation used an inflation rate of 3.08%, projected salary increases from 2016 to 2026 of 1.65% to 4.15% for PERS and 2.10% to 8.98% for PFRS based on age and thereafter 1.65% to 4.15% for PERS and 3.10% to 9.98% for PFRS based on age and an investment rate of return of 7.65%.

The discount rate used to measure the total pension liability was 3.98% and 4.90% for PERS and 5.55% and 5.79% for PFRS as of June 30, 2016 and 2015 respectively. 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 on the average of the last five years of contributions made in relation to the last five years of recommended 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 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability. More information on mortality rates and other assumptions, and investment policies, can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

The following presents the City's proportionate share of the PERS net pension liability calculated using the discount rate of 3.98% and 4.90% as of June 30, 2016 and 2015, respectively, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed rate.

Sensitivity of the City's Proportionate Share of the PERS Local Share Net Pension Liability to Changes in the Discount Rate

	At 1% decrease (2.98%)	At current discount rate (3.98%)	At 1% increase (4.98%)
2016	<u>\$171,370,894</u>	<u>\$139,850,851</u>	<u>\$113,828,322</u>
	At 1% decrease (3.90%)	At current discount rate (4.90%)	At 1% increase (5.90%)
2015	<u>\$127,650,544</u>	<u>\$102,705,640</u>	<u>\$81,792,013</u>

The following presents the City's proportionate share of the PFRS net pension liability calculated using the discount rate of 5.55% and 5.79% as of June 30, 2014 and 2015, respectively, as well as what the PFRS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed rate.

Sensitivity of the City's Proportionate Share of the PFRS Local Share Net Pension Liability to Changes in the Discount Rate

	At 1% decrease (4.55%)	At current discount rate (5.55%)	At 1% increase (6.55%)
2016	<u>\$411,619,690</u>	<u>\$319,226,908</u>	<u>\$243,886,151</u>

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

	At 1% decrease (4.79%)	At current discount rate (5.79%)	At 1% increase (6.79%)
2015	<u>\$381,433,308</u>	<u>\$289,333,423</u>	<u>\$214,234,196</u>

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

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups.

To facilitate the separate (sub) actuarial valuations, The Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedules of pension amount by employer. The allocation percentages for each group as of June 30, 2016 and 2015 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal years ended June 30, 2016 and 2015, respectively.

Following is the total of the City's portion of the PERS and PFRS net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and the pension expense and expenditures for the fiscal year ended June 30, 2016.

	PERS	PFRS
Net Pension Liabilities	\$139,850,851	\$319,226,908
Deferred Outflow of Resources	42,667,540	75,343,852
Deferred Inflow of Resources	0	11,838,806
Pension Expense	14,810,429	34,614,697

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collected deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented in the PERS schedule of employer allocations and applied to amounts presented in the PERS schedule of pension amounts by employer are based on the ratio of the contributions as an individual employer to total contributions to the PERS and PFRS during the years ended June 30, 2016 and 2015. The City's proportionate share of the collective net pension liability as of June 30, 2016 and 2015 was .4722% and .4575% for PERS and 1.7489% and 1.6711% for PFRS respectively.

At June 30, 2016, the Division determined the amount of the City's proportionate share of the PERS net pension liability was \$139,850,851. At June 30, 2016, deferred outflows of resources and deferred inflows of resources related to the PERS pension are as follows:

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumptions	\$28,969,626	\$—
Net Difference Between Projected and Actual Investment Earnings	5,332,640	—
Net Change in Proportions	5,764,472	—
Net Difference between Expected and Actual Experience	2,600,802	—
Net Actual Less Proportionate Share of Contributions	—	—
Total Contributions and Proportionate Share of Contributions after the Measurement Date	—	—
	<u>\$42,667,540</u>	<u>\$—</u>

At June 30, 2016, the Division determined the amount of the City's proportionate share of the PFRS net pension liability was \$319,22,908. At June 30, 2016, deferred outflows of resources and deferred inflows of resources related to the PERS pension are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumptions	\$44,515,550	\$—
Net Difference Between Projected and Actual Investment Earnings	22,367,587	—
Net Change in Proportions	8,760,715	9,746,226
Net Difference Between Expected and Actual Experience	—	2,092,580
Total Contributions and Proportionate Share of Contributions after the Measurement Date	—	—
	<u>\$75,343,852</u>	<u>\$11,838,806</u>

Long-Term Expected Rate of Return

The arithmetic mean return on the portfolio was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad US Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	.50%	5.45%
Global Debt ex US	5.00%	-0.25%
REIT	5.25%	5.63%

(9) Self-Insurance Program

The City established a self-insurance program in 1982 in accordance with New Jersey Statute Chapter 40:10-6. The Chapter enables the governing body of any local unit to create a fund to provide insurance coverage for its exposure to a wide variety of property casualty risks, including:

- Property damage caused to any of the unit's property, motor vehicles, equipment or apparatus.
- Liability resulting from the use or operation of such motor vehicles, equipment or apparatus.
- Liability for the unit's negligence, including that of its officers, employees and servants.
- Workers' compensation obligations.

The City self-insures for its automobile, general liability and workers' compensation exposures. The City has purchased excess workers' compensation coverage for losses in excess of \$1,000,000. Additionally, the City maintains insurance policies covering property, fire, water, utility, boiler and machinery, nurses' professional liability and employee fidelity. Various deductibles, limits, and coinsurance provisions apply to these policies.

(10) Contingent Liabilities

The City is a defendant in various legal proceedings. In the opinion of the City's City Attorney, these matters are adequately covered by the City's insurance program, the City's defense program, or by the City of Elizabeth directly and which may be settled or resolved in a manner satisfactory to the financial stability of the City.

On November 9, 2015 the City was served with a complaint in United States District Court entitled: WPG Subsidiary Holdings I, LLC v City of Elizabeth, Civil Action NO:2:15-cv-078676-KM-MAH, requesting a judgement \$1,003,678.50 plus interest and costs and a declaratory ruling declaring that the City should pay annual 50% of the Franchise Assessment that the City collects in excess of \$5,600,000 per year until the City has repaid the sum of \$17,560,151 together with interest. This litigation

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

involves the repayment of a Franchise Assessment Guaranty under the Redevelopment Agreement dated on or about September 1, 1999, between the City, Elizabeth Metromall, LLC, Metromall Urban Renewal, Inc and OENJ Corporation as well as the excess profits of the companies operating the Jersey Gardens Mall. The City is in the process of settling this claim and has established a \$3,500,000 reserve for this matter.

The City is also a defendant in a case before the Superior Court of New Jersey, Law Division, Docket No. UNN-L-1979-13 and is appealing verdicts and awards totaling \$2,372,072. The City is vigorously defending this matter.

It is the opinion of the City Attorney that any judgment in these civil actions will not adversely impair the City's ability to pay its bondholders.

The City is also defendant in various tax appeals that they are defending vigorously. The amount of the potential settlements is not determinable at this time.

The City participates in numerous Federal and State of New Jersey grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivables at June 30, 2017 may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to compliance with rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying financial statements for such contingencies.

In accordance with the NJ Division of Pension and Benefits regulations, the City previously elected to defer the payment of two months health insurance premiums. The June 30, 2017 and 2016 deferrals were approximately \$5,525,814 and \$5,304,596 respectively which becomes payable upon the City leaving the State Health Benefits Program.

(11) Water and Sewer Utility Operations

On June 2, 1998 the City entered into agreement with Liberty Water Company (LWC) for a term of 40 years to provide management, operation and management services associated with the City's water system. The City retains ownership of the Utility infrastructure and is responsible for financing all capital improvements to the system. Capital improvements will be financed principally by the City through payments made by LWC that will exceed \$57,000,000 over the term of the contract. LWC is responsible for the preparation, maintenance, and collection of all bills and invoices to the users of both the Water and Sewer Utility and all costs and expenses associated with the Water Utility billing. LWCC has no right to any revenue attributable to the Sewer Utility. The revenues collected by LWC for the Sewer Utility are disbursed to the City on a weekly basis. LWC pays all expenses required for the operation, maintenance and management of the water system.

(12) Deferred Compensation Plan

The City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans permit employees to defer a portion of their salary to future years. Individuals are one hundred percent vested. The plans are funded solely from voluntary employee payroll deductions. Distribution is available to employees upon termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

rights are solely property and rights of the individual contributors and are not subject to the claims of the City's general creditors.

(13) Fixed Assets

The City records assets with a useful life in excess of five years and with a value over \$5,000 as a fixed asset. The accounts are adjusted for dispositions and abandonment's. Depreciation is not recorded.

Fixed assets used in governmental operation (general fixed assets) are accounted for in the General Fixed Assets. Public domain ("Infrastructure") general fixed assets consisting of certain improvement other than building, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are not capitalized.

The City's fixed assets are summarized as follows:

	Balance June 30, 2016	Additions	Dispositions	Balance June 30, 2017
General fixed assets:				
Land and buildings	\$ 59,223,250	7,756,108	—	66,979,358
Equipment	14,319,859	192,552	1,498,862	13,013,549
Vehicles	25,836,279	3,311,908	1,006,912	28,141,275
	<u>\$ 99,379,388</u>	<u>11,260,568</u>	<u>2,505,774</u>	<u>108,134,182</u>

	Balance June 30, 2015	Additions	Dispositions	Balance June 30, 2016
General fixed assets:				
Land and buildings	\$ 50,133,565	10,037,985	948,300	59,223,240
Equipment	14,22,264	41,954	14,349	14,319,869
Vehicles	25,088,578	875,328	127,627	25,836,279
	<u>\$ 89,514,407</u>	<u>10,955,267</u>	<u>1,090,286</u>	<u>99,379,388</u>

(14) Cash

Cash and cash equivalents includes amounts on deposit, and short-term investments with original maturities of three months or less from the date of acquisition.

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. Municipalities are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes Government Unit Deposit Protection Act (GUDPA) require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

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 of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

GASB Statement No. 40, Deposit and Investment Risk Disclosures, requires disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the City will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party. As of June 30, 2017 the City's bank deposits are insured or covered by the State's Government Unit Deposit Protection Act or are collateralized with the federal securities held by another institution in the City's name.

(15) Sewer Utility

The City owns a city wide sewer collection system which is managed under a March 13, 2002 Wastewater Service Agreement by E'Town Corporation, a wholly owned subsidiary of New Jersey American Water, a wholly owned subsidiary of American Water, the largest investor-owned water and wastewater utility company in the United States. Sewage treatment is provided under a contractual agreement with the Joint Meeting of Essex and Union Counties (JMEUC) which is owned and operated by eleven other municipalities. The City pays fees for treatment based upon the usage of the system. The City finances its collection system capital requirements as well as its JMEUC capital contributions through a combination of utility bond issues, state grants and State low interest loans.

The Sewer Utility franchised the sewer system to the Union County Improvement Authority and has a \$35,716,736 lease agreement dated March 1, 2002 with the Union County Improvement Authority to lease its franchise of the wastewater system. The City is required to pay rent due on each September 1 and March 1, commencing September 1, 2002 through April 1, 2022. Future minimum lease payments under the lease program as of June 30, 2017 are:

<u>Year</u>	<u>Amount</u>
2018	\$1,924,208
2019	1,926,580
2020	1,922,644
2021	1,927,400
2022	1,924,852

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

16) Interfund Balances

The City has interfund balances at June 30, 2017 and 2016 as follows:

	<u>2017</u>		<u>2016</u>	
	<u>FROM</u>	<u>TO</u>	<u>FROM</u>	<u>TO</u>
Current Fund:				
CDBG	\$ —	25,347	—	25,347
Federal and State Grant	—	471,485	—	1,270,395
Dog License Trust	7,403	—	6,662	—
General Trust	335	—	293	—
Federal and State Grant:				
Current	471,485	—	1,270,395	—
Dog License Trust:				
Current Fund	—	7,403	—	6,662
Other Federal Grant:				
General Trust	225,519	—	225,519	—
CDBG:				
Current	25,347	—	25,347	—
UEZ Trust:				
General Trust	2,980,895	—	3,752,419	—
General Trust:				
Current	—	335	—	293
UEZ Trust	—	2,980,895	—	3,752,419
Other Federal Grant	—	225,519	—	225,519
Sewer Operating:				
Water Operating	2,441	—	—	—
Sewer Capital	1,863	—	1,521	—
Sewer Capital:				
Sewer Operating	—	1,863	—	1,521
Water Operating:				
Water Capital	768	—	366	—
Water Trust	9	—	—	—
Sewer Operating	—	2,441	—	—
Water Trust				
Water Operating	—	9	—	—
Water Capital:				
Water Operating	—	768	—	366

The Interfunds with the grant fund result from expenditures made prior to reimbursement from the granting agency. The remaining Interfunds are to record the transfer of interest to the operating funds and to record expenditures paid from other funds.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

(17) Post Retirement Medical Benefits

PERS, PFRS and CFPF require post retirement medical benefits to be funded on a pay-as-you-go basis for employees that have 25 years of accumulated service. Benefits include medical and prescription coverage for the participant and family.

Plan Description: The City contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. On September 14th, 1976, the City authorized participation in the SHBP's post-retirement benefit program by resolution. Premiums or periodic charges for the benefits provided to all eligible retired employees and their dependents covered under the program, but not including survivors, if such employees retired from a State or locally – administered retirement system effective after the date the employer adopted the State Health Benefits Program on a benefit based on 25 years or more of service credited in such retirement system, excepting the employees who elected deferred retirement, but including the employees who retired on disability pensions based on fewer years of service credited in such retirement system and also to reimburse such retired employees for their premium charges under Part B of the Federal Medicare Program covering the retired employees and their spouses in accordance to the regulations of the State Health Benefits Commission.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions.gasb-43-sept2088.pdf.

Funding Policy: Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the City on a monthly basis.

The City contributions to the SHBP for the years ended June 30, 2017, 2016, 2015, 2014, and 2013 were \$13,771,585, \$11,259,972, \$11,871,522, \$10,557,821, and \$9,959,340 respectively, which equaled the required contributions for each year. There were approximately 829, 788, 783, 770, and 753 retired participants eligible at June 30, 2017, 2016, 2015, 2014, and 2013 respectively.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

(18) City Bond Guaranty

The City on December 21, 2006 entered into a deficiency agreement with the Parking Authority of the City of Elizabeth on behalf of the \$3,500,000 City Guaranteed Parking Revenue Bonds, Series 2006.

The City on August 14, 2014 entered into a deficiency agreement with the Parking Authority of the City of Elizabeth on behalf of the \$2,665,000 City Guaranteed Parking Revenue Bonds, Refunding Series 2014.

The Authority and the City have entered into the Guaranty Agreement in order to, among other things, provide security to the holders of obligations of the Authority. The Series 2014 Refunding Bonds, while outstanding, are entitled to the benefits of the Guaranty Agreement. Pursuant to its terms, The Guaranty Agreement will remain in full force and effect as long as any obligations of the Authority which are entitled to benefits thereof remain outstanding.

Pursuant to the terms of the Guaranty Agreement, if, sixty (60) days prior to any date established for the payment of the principal of and interest on the Series 2014 Refunding Bonds, the amount which is on deposit in the applicable account in the Bond Service Fund established under the Resolution (the "Applicable Debt Service Account(s)"), after giving effect to any required transfers from the applicable account (if any) within the Bond Reserve Fund, is insufficient to provide for the payment of the interest and/or principal due and payable on such payment date, the Trustee shall notify the Authority, the Mayor and the City Clerk in writing by certified mail (return receipt request) of the amounts which are necessary to provide for the payment of the principal of and interest on the Series 2014 Refunding Bonds. The City shall be obligated to make payment to the Trustee of the amount referred to above no later than said payment date except to the extent the Applicable Debt Service Account(s) otherwise has sufficient funds on hand on the date or dates required for the payment of such principal and/or interest. In such event, such sum shall be applied by the Trustee for deposit into the Applicable Debt Service Account(s). Forty-five (45) days prior to said payment date the City must notify the Trustee in writing as to the source of funds to provide for such payment. Notwithstanding any other provision in the Guaranty Agreement, failure by the Trustee to give the City notice as provided therein shall not relieve the City of its obligation to make payment under the terms of the City Guaranty. There are bonds outstanding at June 30, 2016 and 2017 of \$2,310,000 and \$2,125,000, respectively.

Deficiency Agreements

On February 1, 2007 the City entered into a deficiency agreement with the Elizabeth Development Company whereby the City will provide funding for payment of \$7,195,000 for the Parking Revenue Refunding Bonds Series 2007A and B in the event there is not sufficient funds to pay the debt service on these bonds. The City has authorized bonding in an amount equal to the refunding bonds to fund such payments if necessary. The agreement will terminate upon mutual consent of the parties thereto; or upon final payment of the bonds. There are bonds outstanding at June 30, 2016 and 2017 of \$4,915,000 and \$4,555,000, respectively.

In connection with the construction and operation of a parking facility within the Midtown Elizabeth Redevelopment Area the City has entered into a Subsidy Agreement with PACE QALICB, Inc., a nonprofit corporation organized and existing under the laws of the State of New Jersey providing for payment by the City to or on behalf of the Corporation, if necessary, to assume the timely payment of principal and interest on the \$16,520,000 Series 2010 Bonds. The outstanding balances at June 30, 2016 and 2017 are \$15,685,000 and \$15,405,000 respectively.

CITY OF ELIZABETH

Notes to Financial Statements

June 30, 2017

In connection with the acquisition and renovation by CIS Oakwood, LLC of an affordable residential development in the City of Elizabeth, including the demolition of existing facilities and their replacement with new, affordable housing for seniors and families, the City has entered into a Deficiency Agreement with the County of Union and the UCIA. The UCIA issued not to exceed \$18,695,000 County Guaranteed Revenue Refunding Bonds, Series 2010 (Oakwood Plaza – Elizabeth Project) in order to restructure the debt service under the \$16,870,000 Union County Guaranteed Revenue Bonds, Series 2009 (Oakwood Plaza – Elizabeth Project). The Series 2010 refunding was necessary to allow the project a longer term to be self-supporting and to allow for the receipt of New Jersey Department of Community Affairs funds and other grants over a longer period of time. Pursuant to the Deficiency Agreement, the City will make payment to the County for one-half, not to exceed \$10,000,000 of the principal and interest on the Series 2010 Bonds that may be paid by the County of Union under their Guaranty with UCIA.

Pursuant to the Deficiency Agreement, the City will make payment to the County for a portion of the principal and interest on the 2015 Bonds, not to exceed \$1,100,000, of the principal plus one-half of the interest amount (including accreted interest) on the 2015 Bonds paid by the County pursuant to the 2015 County Guaranty, and the City shall be obligated, if necessary, to levy ad valorem taxes upon all the taxable property within the City without limitation as to rate or amount to make such payment. The outstanding balances at June 30, 2016 and 2017 are \$2,179,582 and \$2,229,268, respectively.

(19) Other Loans

2016 New Jersey Environmental Infrastructure Trust Loan – Construction Loan

Future payments for this \$761,541 loan as of June 30, 2016, the initial payment date and amount to be paid per year is not yet known. The construction loan was permanently financed in 2017.

(20) Subsequent Events

The City has evaluated subsequent events occurring after the financial date through December 19, 2017, which is the date the financial statements were available to be issued. Based on this evaluation, the City has determined that the following event has occurred which require disclosure in the financial statements.

On September 12, 2017 the City entered into a guarantee agreement with the Parking Authority of the City of Elizabeth for \$4,120,000 of Parking Revenue Bonds issued on October 5, 2017.

ADDITIONAL FINANCIAL INFORMATION

CITY OF ELIZABETH

Schedule of Current Cash - Treasurer

Current Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>84,188,581</u>
Increased by receipts:	
Due from State of New Jersey	249,377
Federal and State grants receivable	2,955,014
Taxes receivable	248,992,076
Revenue accounts receivable	67,640,777
Interfunds	1,006,419
Reserve for special purposes	4,158,423
Miscellaneous payables and deposits	1,953,847
Emergency Notes	400,000
Nonbudget revenue	<u>13,664,288</u>
	<u>341,020,221</u>
	<u>425,208,802</u>
Decreased by disbursements:	
Budget appropriations	208,214,652
Appropriation reserves	4,067,356
Accounts payable	122,799
County taxes payable	36,206,537
Special district taxes payable	462,500
School taxes	59,813,124
Miscellaneous payables and deposits	923,651
Payment of emergency note	600,000
Interfunds	1,006,461
Miscellaneous disbursements	10,458
Federal and State grants advance - net	3,989,324
Reserve for special purposes	<u>2,208,788</u>
	<u>317,625,650</u>
Balance, June 30, 2017	\$ <u><u>107,583,152</u></u>

CITY OF ELIZABETHSchedule of Due from State of New Jersey -
Senior Citizens' and Veterans' Deductions

Current Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>211,784</u>
Increased by:	
Senior Citizens' deductions per tax billings	118,500
Veterans' deductions per tax billings	138,000
Senior Citizens' deductions allowed by Tax Collector	13,000
Veterans' deductions allowed by Tax Collector	<u>1,875</u>
	<u>271,375</u>
	<u>483,159</u>
Decreased by:	
Cash received	249,377
Senior Citizens' deductions disallowed by Tax Collector	<u>45,169</u>
	<u>294,546</u>
Balance, June 30, 2017	\$ <u><u>188,613</u></u>

CITY OF ELIZABETH

Schedule of Taxes Receivable and Analysis of
Property Tax Levy

Current Fund

Year ended June 30, 2017

Year	Balance, June 30, 2016	2017 tax levy	Additional charges	Collections 2017	Veterans and Senior Citizens	Transferred to tax title liens	Remitted, abated or canceled	Balance, June 30, 2017
2012	\$ 2,642	—	—	—	—	—	2,642	—
2013	36,127	—	—	—	—	—	—	36,127
2014	30,486	—	170,908	185,718	—	—	—	15,676
2015	21,363	—	97,099	101,711	—	—	789	15,962
2016	7,628,940	—	63,484	7,359,831	1,750	34,511	264,396	31,936
	<u>7,719,558</u>	<u>—</u>	<u>331,491</u>	<u>7,647,260</u>	<u>1,750</u>	<u>34,511</u>	<u>267,827</u>	<u>99,701</u>
2017	—	249,485,393	1,152,363	243,266,560	236,041	15,849	198,328	6,920,978
	<u>\$ 7,719,558</u>	<u>249,485,393</u>	<u>1,483,854</u>	<u>250,913,820</u>	<u>237,791</u>	<u>50,360</u>	<u>466,155</u>	<u>7,020,679</u>

Cash	\$ 248,992,076
Homestead rebate receivable	1,190,507
Overpayment applied	731,237
	<u>\$ 250,913,820</u>

Analysis of Property Tax Levy

Tax levy:	
Local school district tax	\$ 59,813,124
County taxes	35,079,292
County tax - added and omitted	111,375
County Open Space Tax	1,015,870
Special Improvement district	462,500
Minimum Library Tax	2,228,945
Local tax for municipal purposes	152,924,202
Additional taxes levied	<u>-2,149,915</u>
Actual taxes levied	<u>\$ 249,485,393</u>

CITY OF ELIZABETH

Schedule of Tax Title Liens Receivable

Current Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>55,165</u>
Increased by:	
Transfers from property taxes receivable	50,360
Interest and costs	<u>3,557</u>
	<u>53,917</u>
Balance, June 30, 2017	\$ <u><u>109,082</u></u>

CITY OF ELIZABETH

Schedule of Property Acquired for Taxes

Current Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>2,157,700</u>
Increased by:	
Gain on sale	<u>89,700</u>
	<u>89,700</u>
	2,247,400
Decreased by cash collected on sale of property	<u>122,200</u>
Balance, June 30, 2017	\$ <u><u>2,125,200</u></u>

CITY OF ELIZABETH

Schedule of Revenue Accounts Receivable

Current Fund

Year ended June 30, 2017

	Balance, June 30, 2016	Accrued in 2017	Collected	Balance, June 30, 2017
Licenses:				
Alcoholic beverages	\$ —	183,089	183,089	—
Other	—	562,384	562,384	—
Fees and permits	—	635,473	635,473	—
Municipal Court - fines and costs	51,769	3,997,199	4,023,986	24,982
Interest and costs on taxes	—	1,701,366	1,701,366	—
Interest on investments and deposits	—	750,190	750,190	—
Franchise assessments - Jersey Garden Mall	—	5,347,988	5,347,988	—
Airport parking tax	—	1,782,517	1,782,517	—
Port Authority capital projects aid	—	3,000,000	3,000,000	—
Receipts from Port Authority - Leased Property 13A	—	480,000	480,000	—
Port Authority - Goethals Bridge project	—	500,000	500,000	—
Rental of City property	—	144,450	144,450	—
Dock rental fees	—	79,908	79,908	—
Sale of junk vehicles and other property	—	17,776	17,776	—
CATV fees	—	252,086	252,086	—
Solid waste disposal - host community	—	402,558	402,558	—
Emergency medical services - ambulance charges	7,404,445	3,841,289	2,336,729	8,909,005
Miscellaneous gasoline sales	—	47,690	47,690	—
P.I.L.O.T. - Pierce Manor Corp.	—	23,714	23,714	—
P.I.L.O.T. - Port Authority NY/ NJ	—	63,242	63,242	—
P.I.L.O.T. - IKEA	—	2,387,841	2,387,841	—
P.I.L.O.T. - Residential	—	374,838	374,838	—
P.I.L.O.T. - R.W.B. Associates	—	231,538	231,538	—
P.I.L.O.T. - Newark/North Avenue	—	148,191	148,191	—
P.I.L.O.T. - IKEA - Toys R Us	—	907,396	907,396	—
P.I.L.O.T. - IKEA Expansion	—	656,471	656,471	—
P.I.L.O.T. - Elizabeth Senior Citizens, National Church Residence	—	21,513	21,513	—
P.I.L.O.T. - Immaculate Conception Residence	—	33,654	33,654	—
P.I.L.O.T. - Marina Village Residence	—	22,091	22,091	—
P.I.L.O.T. - 349 First street	—	28,596	28,596	—
P.I.L.O.T. - Winfield Scott Residence	—	14,830	14,830	—
P.I.L.O.T. - Atalanta (Danic)	—	770,351	770,351	—
P.I.L.O.T. - West Port Homes	—	95,092	95,092	—
State aid without offsetting appropriations:				
Consolidated municipal property relief act	—	5,364,796	5,364,796	—
Energy Receipts Tax	—	23,825,891	23,825,891	—
Dedicated uniform construction code fees offset with appropriations:				
Uniform construction code fees	—	1,878,988	1,878,988	—
Motor Vehicle Tax	—	936,704	936,704	—
Parking Tax	—	1,029,955	1,029,955	—
Hotel and Motel Occupancy Tax	—	4,428,802	4,428,802	—
Hotel Occupancy Tax (Municipal)	—	2,179,937	2,179,937	—
	<u>\$ 7,456,214</u>	<u>69,150,394</u>	<u>67,672,621</u>	<u>8,933,987</u>
		Cancelled EMS \$	31,844	
		Cash	<u>67,640,777</u>	
		\$	<u>67,672,621</u>	

CITY OF ELIZABETH

Schedule of Interfund Accounts Receivable (Payable)

Current Fund

Year ended June 30, 2017

	Community Develop- ment Block Grant	Dog Trust Fund	Police Outside Duty	Total
Balance, June 30, 2016, Due from (to) \$	<u>(25,347)</u>	<u>6,662</u>	<u>293</u>	<u>(18,392)</u>
Increased by:				
Excess in Dog Fund	<u>—</u>	<u>741</u>	<u>—</u>	<u>741</u>
Cash disbursed	<u>1,006,419</u>	<u>—</u>	<u>42</u>	<u>1,006,461</u>
	<u>1,006,419</u>	<u>741</u>	<u>42</u>	<u>1,007,202</u>
	<u>981,072</u>	<u>7,403</u>	<u>335</u>	<u>988,810</u>
Decreased by:				
Interfunds returned	<u>1,006,419</u>	<u>—</u>	<u>—</u>	<u>1,006,419</u>
	<u>1,006,419</u>	<u>—</u>	<u>—</u>	<u>1,006,419</u>
Balance, June 30, 2017, Due from (to) \$	<u><u>(25,347)</u></u>	<u><u>7,403</u></u>	<u><u>335</u></u>	<u><u>(17,609)</u></u>

CITY OF ELIZABETH

Schedule of Appropriation Reserves

Current Fund

Year ended June 30, 2017

Appropriations	Balance	Budget after modification	Paid or charged	Lapsed
Operations within "CAPS":				
General Government:				
Administrative and Executive:				
City Council:				
Salaries and wages	\$ 34	34		34
Other expenses	33,995	34,334	5,498	28,836
Alcoholic Beverage Control:				
Salaries and wages	4	4		4
Other expenses	3,604	5,277	1,699	3,578
City Clerk:				
Salaries and wages	92	92		92
Other expenses	5,126	5,670	775	4,895
Elections:				
Salaries and wages	8,000	8,000		8,000
Other expenses	45,838	45,838	45,838	—
Printing and Publications:				
Other expenses	96,964	97,172	9,859	87,313
Mayor's Office:				
Salaries and wages	6	6		6
Other expenses	4,641	4,676	584	4,092
Department of Law:				
Salaries and wages	14,247	14,247		14,247
Other expenses	306,428	339,769	39,973	299,796
Administration:				
Business Administrator's Office:				
Salaries and wages	642	642		642
Other expenses	70,371	196,236	129,976	66,260
Division of Budget and Personnel:				
Salaries and wages	17	17		17
Other expenses	2,223	2,223		2,223
Division of Purchasing:				
Salaries and wages	22	22		22
Other expenses	12,081	17,303	11,294	6,009
Division of Data Processing:				
Salaries and wages	5,759	5,759		5,759
Other expenses	12,710	339,767	338,984	783
Division of Employee Benefits:				
Salaries and wages	55	55		55
Other expenses	748	1,312	565	747
Division of EMS Billing and Collection:				
Salaries and wages	500	500		500
Bureau of Rent Control				
Salaries and wages	25	25		25
Other expenses	2,346	2,346		2,346
Bureau of Central Licensing				
Salaries and wages	1,250	1,250		1,250
Other expenses	3,789	5,529	1,899	3,630
Agency of Weights and Measures				
Salaries and wages	4	4		4
Other expenses	841	841	372	469

(continued)

CITY OF ELIZABETH

Schedule of Appropriation Reserves

Current Fund

Year ended June 30, 2017

Appropriations	Balance	Budget after modification	Paid or charged	Lapsed
Department of Finance:				
Division of Accounts and Controls:				
Salaries and wages	\$ 20,415	20,415		20,415
Other expenses	20,125	24,507	4,909	19,598
Division of Assessments:				
Salaries and wages	832	832		832
Other expenses	11,361	33,448	11,637	21,811
Division of Revenue:				
Salaries and wages	431	431		431
Other expenses	9,839	17,072	17,052	20
Department of Planning and Community Development:				
Director's Office:				
Salaries and wages	2,243	2,243		2,243
Other expenses	2,327	2,327	1,634	693
Bureau of Community Development:				
Salaries and wages	—			—
Other expenses	963	1,574	1,001	573
Bureau of Elizabeth Home Improvement				
Salaries and wages	40	40		40
Other expenses	5,776	6,138	6,085	53
Bureau of Cultural and Heritage Affairs				
Salaries and wages	47	47		47
Other expenses	723	11,266	11,063	203
Bureau of Planning and Zoning				
Salaries and wages	5	5		5
Other expenses	14,618	92,731	90,865	1,866
Bureau of Economic Development				
Salaries and wages	108	108		108
Other expenses	104	159	55	104
Bureau of Public Information and Citizens Participation Services:				
Salaries and wages	5	5		5
Other expenses	31,130	77,197	43,916	33,281
Bureau of Construction and Zoning				
Salaries and wages	6,704	6,704		6,704
Other expenses	10,351	38,068	28,806	9,262
Human Rights Commission:				
Salaries and wages	322	322		322
Other expenses	3,450	3,450		3,450
Department of Public Works:				
Director's Office:				
Salaries and wages	17,904	17,904		17,904
Other expenses	2,211	2,211	287	1,924
Bureau of Public Buildings:				
Salaries and wages	38,914	38,914		38,914
Other expenses	262,166	486,920	303,911	183,009
Bureau of Streets, Parks and Trees:				
Salaries and wages	159,877	51,877		51,877
Other expenses	33,713	353,816	296,414	57,402
Bureau of Equipment and Yard Maintenance:				
Salaries and wages	12,339	12,339		12,339
Other expenses	302	16,314	16,133	181

(continued)

CITY OF ELIZABETH

Schedule of Appropriation Reserves

Current Fund

Year ended June 30, 2017

Appropriations	Balance	Budget after modification	Paid or charged	Lapsed
Marina:				
Salaries and wages	\$ 2,822	2,822		2,822
Other expenses	105,969	120,844	43,937	76,907
Recycling Program:				
Salaries and wages	4,984	4,984		4,984
Other expenses	957	8,041	641	7,400
Garbage and Trash Removal:				
Other expenses	404,306	503,000	347,888	155,112
Street Lighting:				
Other expenses	1,308,956	1,331,251	285,554	1,045,697
Department of Health and Human Services:				
Director's Office:				
Salaries and wages	556	556		556
Other expenses	44,244	162,608	120,299	42,309
Division of Health:				
Salaries and wages	8,928	8,928	150	8,778
Other expenses	59,171	241,811	120,931	120,880
Division of Human Services				
Salaries and wages	2,708	2,708		2,708
Other expenses	57	57		57
Office of Social Services				
Salaries and wages	3,704	3,704		3,704
Other expenses	26,185	38,124	26,330	11,794
Office on Aging:				
Salaries and wages	5,790	5,790		5,790
Other expenses	1,638	12,039	10,461	1,578
Office of Vital Statistics				
Salaries and wages	1,582	1,582		1,582
Other expenses	358	2,907	2,665	242
Office of Relocation				
Salaries and wages	69	69		69
Other expenses	18,500	18,500	17,586	914
Office of Youth Services				
Salaries and wages	787	787		787
Other expenses	47,673	152,446	138,779	13,667
Bureau of Housing				
Salaries and wages	55	55		55
Other expenses	1,656	1,656	53	1,603
Public Health Nurses Division:				
Salaries and wages	320	320		320
Public Safety:				
Fire Department:				
Salaries and wages	289,563	289,563	—	289,563
Other expenses	13,559	252,877	239,086	13,791
Uniform Fire Safety Act:				
Salaries and wages	1,462	1,462		1,462
Other expenses	1,429	32,694	31,265	1,429
Police Department:				
Salaries and wages	826,972	826,972	(1,321)	828,293
Other expenses	69,402	702,569	617,394	85,175
Emergency Medical Services:				
Salaries and wages	202,347	52,347		52,347
Other expenses	3,516	6,975	2,919	4,056

(Continued)

CITY OF ELIZABETH

Schedule of Appropriation Reserves

Current Fund

Year ended June 30, 2017

Appropriations	Balance	Budget after modification	Paid or charged	Lapsed
Recreation Department:				
Salaries and wages	\$ 158,575	158,575		158,575
Other expenses	24,335	140,496	115,157	25,339
Municipal Court:				
Salaries and wages	263,719	263,719		263,719
Other expenses	11,935	54,800	20,688	34,112
Public Defender:				
Other expenses	117,291	123,591	12,000	111,591
Unclassified Purposes:				
Insurance:				
Other expenses	11,395	28,368	15,261	13,107
Group Insurance:				
Other expenses	55,805	55,805		55,805
Health Benefit Waiver:				
Other expenses	574	574		574
Cobra Administration:				
Other expenses	—	920	150	770
Hospital, Medical, Dental, etc. Insurance - Other expenses	5,183,614	5,454,004	291,501	5,162,503
Right to Know Law:				
Other expenses	15,000	15,000		15,000
Annual Dues:				
N.J. State League of Municipalities:				
Other expenses	10,000	10,000		10,000
U.S. Conference of Mayors:				
Other expenses	5,819	5,819		5,819
Accumulated Absences				—
Utilities:				
Electricity	53,688	124,473	114,319	10,154
Natural Gas	366,931	375,263	9,034	366,229
Gasoline	788,840	848,031	122,642	725,389
Fuel Oil	94,876	98,353	3,476	94,877
Telephone	657,085	695,697	175,015	520,682
Postage	9,506	11,074	1,569	9,505
Parking Lot Agreement				—
Total operations within "CAPS"	12,590,920	15,703,944	4,306,513	11,397,431
Contingent	99,806	99,806	18,000	81,806
Total operations including contingent, within "CAPS"	12,690,726	15,803,750	4,324,513	11,479,237
Detail:				
Salaries and wages	2,065,786	1,801,404	(1,118)	1,802,482
Other expenses including contingent	10,624,940	14,002,346	4,325,631	9,676,755

(continued)

CITY OF ELIZABETH

Schedule of Appropriation Reserves

Current Fund

Year ended June 30, 2017

Appropriations	Balance	Budget after modification	Paid or charged	Lapsed
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Contributions to:				
Social Security System	\$ 704,340	704,340	—	704,340
Assessment for CIF/RTK	8,000	8,000	2,921	5,079
DCRP	17,100	17,100	752	16,348
N.J. Unemployment Fund	25,000	25,000	—	25,000
Total deferred charges and statutory expenditures - Municipal within "CAPS"	<u>754,440</u>	<u>754,440</u>	<u>3,673</u>	<u>750,767</u>
Total general appropriations for Municipal purpose within "CAPS"	<u>13,445,166</u>	<u>16,558,190</u>	<u>4,328,186</u>	<u>12,230,004</u>
Operations excluded from "CAPS":				
Other operations excluded from "CAPS":				
Matching Fund - City share	981,037	981,037	—	981,037
Police and Firemen's retirement System - Other expenses			—	—
Hospital, Medical, Dental, etc. Insurance - Other expenses	1,190,000	1,190,000		1,190,000
Total other operations excluded from "CAPS"	<u>2,171,037</u>	<u>2,171,037</u>	<u>—</u>	<u>2,171,037</u>
Total operations - excluded from "CAPS"	<u>2,171,037</u>	<u>2,171,037</u>	<u>—</u>	<u>2,171,037</u>
Detail (total operations - excluded from "CAPS"):				
Other expenses	2,171,037	2,171,037	—	2,171,037
Total General Appropriation For Municipal Purposes Excluded from "CAPS"	\$ <u>2,171,037</u>	<u>2,171,037</u>	<u>—</u>	<u>2,171,037</u>
Subtotal general appropriations	<u>15,616,203</u>	<u>18,729,227</u>	<u>4,328,186</u>	<u>14,401,041</u>
Total general appropriations	\$ <u><u>15,616,203</u></u>	<u><u>18,729,227</u></u>	<u><u>4,328,186</u></u>	<u><u>14,401,041</u></u>
Encumbrances		3,113,024		
Appropriation Reserves		<u>15,616,203</u>		
		\$ <u><u>18,729,227</u></u>		
Encumbered			\$ 260,830	
Cash disbursed			<u>4,067,356</u>	
			\$ <u><u>4,328,186</u></u>	

CITY OF ELIZABETH

Schedule of Accounts Payable

Current Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	138,184
Increased by transfers from appropriation reserves		<u>260,830</u>
		399,014
Decreased by:		
Disbursed		<u>122,799</u>
Balance, June 30, 2017	\$	<u><u>276,215</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Special Purposes

Current Fund

Year ended June 30, 2017

	Balance, June 30, 2016	Receipts	Decreased	Balance, June 30, 2017
Purchases of ABC licenses	\$ 700,654	30,800	—	731,454
Tax overpayments	1,770,822	3,127,623	2,691,664	2,206,781
Reserve for franchise assesment litigation	2,500,000	1,000,000	—	3,500,000
EPA Parking Fees	400,000	—	—	400,000
Accumulated absences	1,125,840	8,000,000	—	9,125,840
Reserve for arbitrage	31,305	—	—	31,305
Reserve for tax appeals	7,902,736	3,000,000	1,274,448	9,628,288
	<u>\$ 14,431,357</u>	<u>15,158,423</u>	<u>3,966,112</u>	<u>25,623,668</u>
Cash received	\$	4,158,423	—	
Cash disbursed		—	2,208,788	
Applied to taxes			731,237	
Budget Transfer		4,000,000	—	
Budget operations		7,000,000	1,026,087	
		<u>\$ 15,158,423</u>	<u>3,966,112</u>	

CITY OF ELIZABETH

Schedule of County Taxes Payable

Current Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u> — </u>
Increased by levy:	
General County	35,079,292
Open Space Preservation	1,015,870
Added and omitted taxes	<u>111,375</u>
	<u>36,206,537</u>
	36,206,537
Decreased by payments	<u>36,206,537</u>
Balance, June 30, 2017	\$ <u><u> — </u></u>

CITY OF ELIZABETH

Schedule of Special District Taxes Payable

Current Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	—
Increased by tax levy		<u>462,500</u>
		462,500
Decreased by payments		<u>462,500</u>
Balance, June 30, 2017	\$	<u><u>—</u></u>

CITY OF ELIZABETH

Schedule of Local District School Taxes

Current Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	—
Increased by school tax levy		<u>59,813,124</u>
		59,813,124
Decreased by payments		<u>59,813,124</u>
Balance, June 30, 2017	\$	<u><u>—</u></u>

CITY OF ELIZABETH

Schedule of Encumbrances Payable

Current Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	3,113,024
Increased by:		
Transfer from appropriations		<u>4,211,073</u>
		7,324,097
Decreased by:		
Transfer to appropriation reserves		<u>3,113,024</u>
Balance, June 30, 2017	\$	<u><u>4,211,073</u></u>

CITY OF ELIZABETH

Schedule of Miscellaneous Payables and Deposits

Current Fund

Year ended June 30, 2017

	Balance, June 30, 2016	Increases	Decreases	Balance, June 30, 2017
Deposits:				
Foreclosed property	\$ 79,410	123,300	123,200	79,510
Franchise assessments due to county	726,722	1,816,478	782,718	1,760,482
Special sales	5,225	10,500	—	15,725
Unreconciled property taxes	9,321	3,569	17,733	(4,843)
	<u>\$ 820,678</u>	<u>1,953,847</u>	<u>923,651</u>	<u>1,850,874</u>

CITY OF ELIZABETH

Schedule of Emergency Notes

Current Fund

Year ended June 30, 2017

Ordinance number	Improvement description	Date of original issue	Issue Date	Date of maturity	Interest rate	Balance, June 30, 2016	Increased	Decreased	Balance, June 30, 2017
4462	Accumulated absences	6/26/2014	4/7/2017	4/6/2018	1.75%	\$ 600,000	400,000	600,000	400,000
						\$ 600,000	400,000	600,000	400,000
						Renewed	\$ 400,000	400,000	
						Funded	—	200,000	
							\$ 400,000	600,000	

CITY OF ELIZABETH

Schedule of Due to Current Fund

Federal and State Grant Fund

Year ended June 30, 2017

Balance, (Due to) June 30, 2016	\$ <u>1,270,395</u>
Increased by:	
Budget appropriations for grants	7,829,945
Federal and State grants received	2,955,014
Receivables canceled	139,196
Adjustment to prior year appropriations	<u>2,318</u>
	<u>10,926,473</u>
	<u>12,196,868</u>
Decreased by:	
Realized grant revenue	7,456,982
Reserves canceled	139,196
Adjustment to prior year receivable	139,521
Federal and State grants expended	<u>3,989,324</u>
	<u>11,725,023</u>
Balance, (Due to) June 30, 2017	\$ <u><u>471,845</u></u>

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2017

Grant	Balance, June 30, 2016	Transfers from Budget Appropriations	40A:4-87	Expended	Adjustments	Cancelled	Balance, June 30, 2017
Kids Recreation Fund Local	\$ 39,880	—	—	39,880	—	—	—
Kids Recreation Trust Fund	81	—	—	81	—	—	—
Kids Recreation Trust Fund Local	70,000	—	—	70,000	—	—	—
HOPWA 2016	575,095	—	—	432,232	(19,867)	—	122,996
HOPWA 2016 S&W and Fringe	64,684	—	—	83,302	19,867	—	1,249
HOPWA 2017	—	—	810,393	317,798	—	—	492,595
HOPWA 2017 S&W and Fringe	—	—	156,613	94,963	—	—	61,650
2017 Highway Safety Grant	—	9,500	—	9,500	—	—	—
Pedestrian Safety Grant 2016	15,000	—	—	1,000	—	—	14,000
Statewide Livable Communities	3,050	—	—	3,050	—	—	—
Future City/Keighry Head Fl.	60,709	—	—	—	—	—	60,709
Future City Local Share	7,923	—	—	—	—	—	7,923
Elizabeth Ave Streetscape Njdot	57,097	—	—	—	—	—	57,097
Elizabeth Ave Streetscape Njdot - Increase	37,814	—	—	—	—	—	37,814
Elizabeth Ave. Jacques and South St.	351,282	—	—	—	—	—	351,282
Acq 1 West End Place Green Acres	74,500	—	—	—	—	—	74,500
2015 FEMA Safer Fire Dept. Staffing Grant	—	5,049,612	—	1,204,370	—	—	3,845,242
Assistance To Firefighters Local	1,681	—	—	—	(1,681)	—	—
2010 State Health Service 10-960-Bt-L-1	139,196	—	—	—	—	139,196	—
Highway Safety Grant 2016	—	—	32,682	—	—	—	32,682
Highway Safety Grant Click it or Ticket	—	2,000	—	2,000	—	—	—
Highway Safety Grant	26,091	—	—	26,008	—	—	83
Brownfields Community Wide Petroleum Assessment	48,826	—	—	48,826	—	—	—
Brownfields Community Wide Hazardous Substance Assessment	21,740	—	—	21,740	—	—	—
FFY-10 UASI	19,970	—	—	19,970	—	—	—
Port Security Grant Foam Concentrate	7,800	—	—	—	—	—	7,800
Port Security Grant Foam Delivery Unit	32,988	—	—	—	—	—	32,988
Energy Efficiency & Conservation B/G	79,841	—	—	—	—	—	79,841
Summer Food Program	—	388,833	—	239,390	—	—	149,443
Field Of Dreams	7,894	—	—	—	—	—	7,894
Communicable Disease Hepatitis B Funds	1,050	—	—	1,050	—	—	—

(Continued)

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2017

Grant	Balance, June 30, 2016	Transfers from Budget Appropriations	40A:4-87	Expended	Adjustments	Cancelled	Balance, June 30, 2017
Communicable Disease Hepatitis B Funds	\$ 5,000	—	—	5,000	—	—	—
STD	22,667	—	—	22,667	—	—	—
STD -EPID17sTD04	—	—	47,337	23,668	—	—	23,669
STD -EPIDTD05	29,503	—	—	—	4,000	—	33,503
Kids Recreation Funds Brophy Field	148,650	—	—	148,650	—	—	—
Kids Recreation Trust Grant	350,000	—	—	350,000	—	—	—
Kids Recreation Trust Fund	200,000	—	—	200,000	—	—	—
Kids Recreation Trust Fund - Local Share	183,510	—	—	183,510	—	—	—
Kids Recreation Trust Fund 2016	—	—	85,000	—	—	—	85,000
Kids Recreation Trust Fund - Local Share-2016	—	—	85,000	—	—	—	85,000
2010 Safe Streets & Neighborhoods Dot	263,584	—	—	—	—	—	263,584
DDEF	—	—	25,984	—	—	—	25,984
Emaa Ffy - 2010	10,000	—	—	10,000	—	—	—
Emaa Ffy - Fema Local Share	10,000	—	—	10,000	—	—	—
Safe Streets To Transit Program Dot	65,841	—	—	—	—	—	65,841
Urban Areas Security Initiative	25,000	—	—	9,991	—	—	15,009
Municipal Court Alcohol Education Rehab & Enforcement	5,747	—	—	—	—	—	5,747
Port Security Response Vehicle (ARRA)	1,040	—	—	—	—	—	1,040
Port Security Shipboard Training Equip. (ARRA)	126,763	—	—	—	—	—	126,763
2016 Body Armor	—	24,800	—	24,800	—	—	—
Municipal Alliance	3,421	—	—	3,421	—	—	—
2011 Transit Village Program	130,758	—	—	—	—	—	130,758
2012 Recycling Tonnage Grant	64,799	—	—	—	—	—	64,799
Dep Hdsrf Three Elizabeth Bda Sites	242,309	—	—	—	—	—	242,309
Njdot Highway Safety Fund	2,665	—	—	2,665	—	—	—
Pandemic Influenza Funding Phase Iii	7,247	—	—	7,247	—	—	—
FY2017 Clean Communities	—	—	172,361	—	—	—	172,361
FY201 `	3,653	—	—	3,653	—	—	—
FY2015 Clean Communitites	104,761	—	—	115,214	10,453	—	—
FY2016 Clean Communitites	202,882	—	—	—	(10,453)	—	192,429

(Continued)

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2017

Grant	Balance, June 30, 2016	Transfers from Budget Appropriations	40A:4-87	Expended	Adjustments	Cancelled	Balance, June 30, 2017
Kids Recreation Trust Funds 2011	\$ 125,000	—	—	—	—	—	125,000
Kids Recreation Fund Local Share	125,000	—	—	—	—	—	125,000
2010 Recycling Tonnage Grant	49,202	—	—	17,881	—	—	31,321
Kirds Recreation Fund Local Share 2014	18,826	—	—	18,826	—	—	—
Recycling Tonnage Grant Fy14	—	—	73,543	—	—	—	73,543
Recycling Tonnage Grant Fy	97,487	—	—	—	—	—	97,487
Municipal Court Alcohol Ed Rehab Enforcement	—	2,780	—	—	—	—	2,780
Municipal Court Alcohol Ed Rehab Enforcement	3,772	—	—	—	—	—	3,772
2013 Recycling Tonnage Grant	66,623	—	—	—	—	—	66,623
Municipal Alliance	1	—	—	—	—	—	1
First Responder Preparation Grant	6,825	—	—	—	—	—	6,825
Municipal Alliance 2016	63,850	—	—	54,584	—	—	9,266
Municipal Alliance - Local Share 2016	18,963	—	—	700	—	—	18,263
Municipal Alliance 2017	—	—	75,854	—	—	—	75,854
Municipal Alliance - Local Share 2017	—	—	18,963	—	—	—	18,963
Kids Recreation Trust Fund 2012	62,000	—	—	—	—	—	62,000
KIDS Recreation Trust Fund 2012 - Local Share	150,000	—	—	—	—	—	150,000
Edward Byrne Justice Assistance Grant Jag	15,274	—	—	15,274	—	—	—
Edward Byrne Justice Assistance Grant Jag	112,477	—	—	101,368	—	—	11,109
Edward Byrne Justice Assistance Grant Jag	—	—	95,780	—	—	—	95,780
Workforce Investment Act Employment (Union County)	46,501	—	—	545	—	—	45,956
Workforce Investment Act Employment (Union County) - Local	10,500	—	—	—	—	—	10,500
Kids Recreation Trust Fund 2013	3,476	—	—	—	—	—	3,476
Kids Recreation Trust Fund 2013	85,000	—	—	—	—	—	85,000
Elizabeth Public Library	3,000	—	—	—	—	—	3,000
Preserve Union County Grants 2013	283,726	—	—	—	—	—	283,726
Preserve Union County Grants 2013 - Local Share	300,000	—	—	—	—	—	300,000
Elizabeth Public Library	16,123	—	—	—	—	—	16,123
Non Public School Nursing Services FY16	—	—	134,910	—	—	—	134,910
Greening Union County Agreement - 2016	—	—	14,000	14,000	—	—	—
Greening Union County Agreement - 2016 local	—	—	14,000	14,000	—	—	—

(Continued)

CITY OF ELIZABETH

Schedule of Appropriated Grant Reserves

Federal and State Grant Fund

Year ended June 30, 2017

Grant	Balance, June 30, 2016	Transfers from Budget Appropriations	40A:4-87	Expended	Adjustments	Cancelled	Balance, June 30, 2017
Greening Union County Agreement - 2014	\$ 2,050	—	—	—	—	—	2,050
Greening Union County Agreement - 2014 local	2,050	—	—	—	—	—	2,050
Municipal Court Alcohol Ed Rehab	1,418	—	—	—	—	—	1,418
R.O. Individuals With Disability	15,000	—	—	15,000	—	—	—
R.O. Individuals With Disability - Local Share	1,500	—	—	1,500	—	—	—
2015 Uniion County Infrastructure	58,590	—	—	—	—	—	58,590
2015 Uniion County Infrastructure - Local share	150,000	—	—	—	—	—	150,000
2015 Uniion County Infrastructure	—	—	150,000	—	—	—	150,000
2015 Uniion County Infrastructure - Local share	—	—	150,000	—	—	—	150,000
2016 Uniion County Infrastructure	—	—	105,000	—	—	—	105,000
2016 Uniion County Infrastructure - Local share	—	—	105,000	—	—	—	105,000
	<u>\$ 5,848,227</u>	<u>5,477,525</u>	<u>2,352,420</u>	<u>3,989,324</u>	<u>2,319</u>	<u>139,196</u>	<u>9,551,970</u>
		Grants	\$ 7,456,982				
		Local share	372,963				
			<u>\$ 7,829,945</u>				

CITY OF ELIZABETH

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended June 30, 2017

Grant	Balance, June 30, 2016	Budget	40A:4-87	Collected	Adjustments	Cancelled	Balance, June 30, 2017
HOPWA CY-2017	\$ —	—	967,006	—	—	—	967,006
HOPWA CY-2016	1,125,749	—	—	995,337	—	—	130,412
Highway Safety Grant 2016	—	—	32,682	—	—	—	32,682
Bike Hike and Roll Throughtway Extension	290,000	—	—	—	—	—	290,000
Kids Recreational Trust 2016	—	—	85,000	—	—	—	85,000
NJDOT Elizabeth Ave. Jacques and South St.	351,282	—	—	—	—	—	351,282
Highway Safety Grant	104,137	—	—	—	—	—	104,137
Union County Infrastructure 2015	—	—	150,000	—	—	—	150,000
Union County Infrastructure 2016	—	—	105,000	105,000	—	—	—
Future City/Keighry Head Fl.	67,000	—	—	—	—	—	67,000
Highway Safety Grant	20,970	—	—	—	—	—	20,970
Acq 1 West End Place Green Acres	100,500	—	—	—	—	—	100,500
Clean Communities 2017	—	—	172,361	172,361	—	—	—
Assistance To Firefighters	64,000	—	—	62,613	(1,387)	—	—
2010 State Health Service 10-960-Bt-L-1	139,196	—	—	—	—	139,196	—
Safer Fire Staffing Grant 2015	—	5,049,612	—	987,272	—	—	4,062,340
Brownfields Community Wide Petro Assess.	35,282	—	—	35,282	—	—	—
Brownfields Community Wide Hazardous Subst Assessmt	35,283	—	—	35,283	—	—	—
Foam Concentr - PANYNJ - Homeland Security	8,572	—	—	—	—	—	8,572
Foam Delivery Unit - PANYNJ- Homeland Security	32,216	—	—	—	—	—	32,216
Energy Efficiency & Conservation B/G	42,467	—	—	—	—	—	42,467
Summer Foods Program	—	388,833	—	247,646	—	—	141,187
Field Of Dreams	13,130	—	—	—	—	—	13,130
STD Program	—	—	47,337	35,502	—	—	11,835
STD Program	29,503	—	—	33,503	4,000	—	—
Drunk Driving Enforcement Fund	1	—	—	—	(1)	—	—
Greening Union County 2016	—	—	14,000	—	—	—	14,000
Greening Union County	7,450	—	—	—	—	—	7,450

(Continued)

CITY OF ELIZABETH

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended June 30, 2017

Grant	Balance, June 30, 2016	Budget	40A:4-87	Collected	Adjustments	Cancelled	Balance, June 30, 2017
Greening Union County 2014	\$ 20,000	—	—	—	—	—	20,000
2010 Safe Streets & Neighborhoods Dot	300,000	—	—	—	—	—	300,000
Div Of Highway Traffic Safety Click it or Ticket	—	2,000	—	2,000	—	—	—
Safe Streets To Transit Program Dot	69,450	—	—	—	—	—	69,450
Urban Areas Security Initiative #2009-Ss-T9-0082	15,009	—	—	—	—	—	15,009
Port Security Response Vehicle	18,915	—	—	—	—	—	18,915
Port Security Shipboard Training Equip.	190,356	—	—	—	—	—	190,356
Transportation Enhancement Fy03 Broad St	109,589	—	—	—	—	—	109,589
Green The Streets	125,000	—	—	—	—	—	125,000
Drunk Driving Enforcement Grant	—	—	25,984	25,984	—	—	—
Body Armor FY-2016	—	24,800	—	24,800	—	—	—
Uez 2012 Sgf Financial Lending Program	—	—	95,780	—	—	—	95,780
Div Of Highway Traffic Safety GR-PS-16128	—	9,500	—	9,500	—	—	—
2011 Transit Village Program	88,448	—	—	—	—	—	88,448
2014 Recycling Tonnage Grant	—	—	73,543	73,543	—	—	—
Bullet Proof Vest Fy 2011 Federal	13,149	—	—	—	—	—	13,149
Non-Public School Nursing Services Fy15	—	—	134,910	—	—	—	134,910
Greening Union County	7,950	—	—	—	—	—	7,950
Dep Hdsrf Three Elizabeth Bda Sites	33,813	—	—	—	—	—	33,813
Div Highway Traffic Safety Al 111004261	—	—	—	—	—	—	—
NJDOT Highway Safety Fund	43,762	—	—	—	—	—	43,762
Municipal Alliance FY2014	11,821	—	—	—	—	—	11,821
Kids Recreation Trust Funds 2011	125,000	—	—	—	—	—	125,000
Municipal Alliance 1/14-6/14	28,015	—	—	—	—	—	28,015
Municipal Court Alcohol Ed Rehab and Enforcement	—	2,780	—	2,780	—	—	—
Municipal Alliance CY-2016 13	75,854	—	—	73,137	—	—	2,717
Municipal Alliance CY-2017	—	—	75,854	—	—	—	75,854
Kids Recreational Trust Fund - 2012	150,000	—	—	—	—	—	150,000

(Continued)

CITY OF ELIZABETH

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended June 30, 2017

Grant	Balance, June 30, 2016	Budget	40A:4-87	Collected	Adjustments	Cancelled	Balance, June 30, 2017
Greening Union County Agreement	\$ 2,600	—	—	—	—	—	2,600
Edward Byrne Justice Assistant JAG 2111 DJ-BX-0773	118,847	—	—	—	—	—	118,847
Edward Byrne Justice Assistant	131,946	—	—	—	—	—	131,946
Edward Byrne Justice Assistant JAG 2111 DJ-BX-0773	15,481	—	—	—	—	—	15,481
Workforce Investment Act Employment	60,000	—	—	33,471	—	—	26,529
Kids Recreational Trust Fund 2013	88,000	—	—	—	—	—	88,000
Kids Recreational Trust Fund 2014	85,000	—	—	—	—	—	85,000
Preserve Union County Grant	300,000	—	—	—	—	—	300,000
Elizabeth Public Library Project	20,000	—	—	—	—	—	20,000
	<u>\$ 4,714,741</u>	<u>5,477,525</u>	<u>1,979,457</u>	<u>2,955,014</u>	<u>2,612</u>	<u>139,196</u>	<u>9,080,125</u>

CITY OF ELIZABETH

Schedule of Due to Current Fund - HOPWA

Federal and State Grant Fund

Year ended June 30, 2017

Balance, (Due to) June 30, 2016	\$ <u>(136,909)</u>
Decreased by:	
Adjustment to prior year receivable	<u>136,909</u>
Balance, (Due to) June 30, 2017	\$ <u><u>—</u></u>

CITY OF ELIZABETH

Schedule of Cash - Treasurer

Trust Funds

Year ended June 30, 2017

	Dog License Fund	Other Federal Grant Funds	Urban Development Action Grant Fund	Community Development Block Grant Fund	General Trust Funds
Balance, June 30, 2016	\$ 30,112	(672)	523,544	35,617	26,152,266
Increased by receipts:					
Dog license fees due to State	2,770	—	—	—	—
Municipal fees	10,800	—	—	—	—
Drawdown on Federal and State grants	—	714,079	—	1,594,584	—
Reserve for Loans Receivable	—	—	194	—	—
Program income	—	—	—	326,060	—
Reimbursements	—	—	—	7,267	42
Off Duty Police	—	—	—	—	4,567,827
Due to UEZ Trust Fund	—	—	—	—	19,352
Reserve for 2nd Generation	—	—	—	—	24,979
Reserve for Special Purposes	—	—	—	—	49,932,130
Total receipts	13,570	714,079	194	1,927,911	54,544,330
Subtotal	43,682	713,407	523,738	1,963,528	80,696,596
Decreased by disbursements:					
Dog license expenditures	10,109	—	—	—	—
Due to State of New Jersey	2,685	—	—	—	—
Grant expenditures	—	714,079	—	—	—
Community Development Block Grant expenditures	—	—	—	1,719,735	—
Off Duty Police	—	—	—	—	4,458,186
Due to UEZ Trust Fund	—	—	—	—	790,876
Reserve for 2nd Generation	—	—	—	—	1,288,149
Reserve for Special Purposes	—	—	—	—	50,625,164
Total disbursements	12,794	714,079	94	1,922,070	57,162,375
Balance, June 30, 2017	\$ 30,888	(672)	523,644	41,458	23,534,221

CITY OF ELIZABETH

Schedule of Due from Trustee

General Trust Fund

Year ended June 30, 2017

Balance, June 30, 2016 and 2017	\$ <u>13,976</u>
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CITY OF ELIZABETH

Schedule of Reserve for UDAG Loans Receivable

Urban Development Action Grant Fund

Year ended June 30, 2017

	Balance, June 30, 2016	Increases	Decreases	Balance, June 30, 2017
Repayment Loan Reserve Interest	\$ 94	—	94	—
UDAG	<u>523,450</u>	<u>194</u>	<u>—</u>	<u>523,644</u>
	<u>\$ 523,544</u>	<u>194</u>	<u>94</u>	<u>523,644</u>

CITY OF ELIZABETH

Schedule of Reserves for Special Purposes

General Trust Funds

Year ended June 30, 2017

Reserve	Balance, June 30, 2016	Increased	Decreased	Balance, June 30, 2017
Developers escrow	\$ 1,285,894	709,973	864,693	1,131,174
Med Ins Arrears Civilian	—	7,280	7,280	—
Miscellaneous Trust	53,527	639	6	54,160
Tax sale redemptions	5,733,958	9,806,121	9,581,722	5,958,357
Deposit Boundary Monuments	155,850	—	—	155,850
Deposit Advance Fuel Marina	676,966	58,700	5,091	730,575
Due to State Marriage Licenses	34,261	42,025	42,300	33,986
State Training Fees	43,427	179,070	159,727	62,770
Elevators DCA	28,035	2,459	1,503	28,991
State gasoline tax	14,659	31,984	21,680	24,963
Police and Firemen's Retirement System	686,242	21,790,988	21,801,167	676,063
Public Employees' Retirement System	317,343	7,968,232	7,966,013	319,562
Due to State Domestic Partnership	75	—	—	75
Confiscated funds	578,069	6,917	—	584,986
Unemployment Fund	480,022	362,142	263,038	579,126
Elevator subcode	21,107	88,498	93,875	15,730
Elevator inspection 15% city share	62,904	12,739	—	75,643
On-site inspection	8	—	—	8
GECHOC Tourism Tax	—	635,331	635,331	—
Tourism Tax City Share	—	1,592	1,592	—
Tourism Tax Interest	—	54	54	—
Police narcotics	121,593	111,461	4,585	228,469
Federal forfeit DOJ	404,702	255,390	240,720	419,372
Federal forfeit Treasury	95,763	—	95,763	—
Parking Offense Adjudication Act	147,111	34,751	—	181,862
Public Defender	—	80,648	80,648	—
Fire Penalties	10,750	—	—	10,750
Kapkowski Road Sanitary Sewer	1,027,735	—	—	1,027,735
Escrow Veterans Memorial Park	67,000	—	—	67,000
Elizabeth River Walkway	131,547	131	—	131,678
Escrow Exxon 312-320 Atlantic	10,000	—	—	10,000
Donation Conoco Philips	3,870	—	697	3,173
Shade trees - NJ Tree Foundation	25	—	—	25
Donation IKEA	154	—	—	154
Donation Lions Club	805	—	—	805
Donation National Night Out	6	—	—	6
Donation Night of Fine Arts	100	—	—	100
Donation Intersystems	120	—	—	120
Donation June Teenth C.H.A. Dept.	191	—	—	191

(continued)

CITY OF ELIZABETH

Schedule of Reserves for Special Purposes

General Trust Funds

Year ended June 30, 2017

Reserve	Balance, June 30, 2016	Increased	Decreased	Balance, June 30, 2017
Donation NJ Tree Foundation	\$ 250	—	—	250
Donation African American History(Schering)	100	—	—	100
Donation Port Authority Ambulance Bureau	10	—	—	10
Donation Bollwage	385	—	—	385
Donation Dorothy Black for City Pound	25,295	—	—	25,295
Donation Men's Empowerment	109	—	—	109
Donation Bookbags	—	3,900	—	3,900
Donation Thanksgiving Day Tradition	—	2,400	2,375	25
Donation African American History Hace	317	300	200	417
Donation Women's Empowering Women	250	1,000	560	690
Donation National Women History Housing	13	—	—	13
Don. National Women's History Month	—	2,327	2,327	—
Donation Get Fit Day for All Kids	1,629	697	2,326	—
Maddie's Fund Animale Control Cat	—	1,000	—	1,000
City Winter Fest Toy Give Away	—	1,000	1,000	—
Donation Housing Fair - Wells Fargo	900	—	—	900
General Liability Insurance	961,741	1,899,614	2,389,870	471,485
Workmen's Compensation Insurance	942,201	841,382	1,382,241	401,342
Snow Removal	1,000,000	—	—	1,000,000
Reserve for Deficiency Agreements	1,000,000	—	—	1,000,000
Trust Fund Metromall	800,000	—	—	800,000
E-Port Community Center	72,000	—	—	72,000
R.C.A. Fairfield	38,751	157	—	38,908
R.C.A. Fairfield - administration	85,260	11,196	26,172	70,284
R.C.A. Summit	88,784	361	—	89,145
R.C.A. Summit - administration	137,627	—	22,306	115,321
Prescription Plan	—	20,486	20,486	—
Civilian Medical Insurance	—	1,869,351	1,869,351	—
Police Medical Insurance	—	1,593,208	1,593,208	—
Fire Medical Insurance	—	1,137,500	1,137,500	—
Med Ins Arrears Uniform	—	803	803	—
Flexible Savings Account	14,318	47,028	47,582	13,764
Reserve for Union County IKEA	47,204	146,329	94,406	99,127
PILOT Danic	—	45,495	45,495	—
PILOT Danic Two	—	45,495	45,495	—
PILOT Millennium	—	1,062	1,062	—
PILOT 620 First	—	875	875	—
PILOT Elizabethport	—	3,166	3,166	—
PILOT Pine St	—	1,998	1,998	—
PILOT Madison Ave	—	1,757	1,757	—

(continued)

CITY OF ELIZABETH

Schedule of Reserves for Special Purposes

General Trust Funds

Year ended June 30, 2017

Reserve	Balance, June 30, 2016	Increased	Decreased	Balance, June 30, 2017
PILOT 205 First St	\$ —	873	873	—
PILOT Bond St	—	226	226	—
PILOT Elberon	—	53,918	53,918	—
PILOT Vestal-Condigel	—	4,353	4,353	—
PILOT Oaks at Westminster	—	2,874	2,874	—
PILOT Westminster Heights	—	2,874	2,874	—
	<u>17,410,963</u>	<u>49,932,130</u>	<u>50,625,164</u>	<u>16,717,929</u>

CITY OF ELIZABETH

Schedule of Due from Current Fund

Community Development Block Grant Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>25,347</u>
Balance, June 30, 2017	\$ <u>25,347</u>

CITY OF ELIZABETH

Schedule of Due to State of New Jersey

Dog License Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	92
Increased by fees collected		
Fees collected		<u>2,770</u>
		2,862
Decreased by cash disbursements:		
Cash disbursements		<u>2,685</u>
Balance, June 30, 2017	\$	<u><u>177</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Dog License Fund

Dog License Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	23,358
Increased by:		
Municipal fees		<u>10,800</u>
		34,158
Decreased by:		
Excess balance due to current		741
Cash disbursements		<u>10,109</u>
		<u>10,850</u>
Balance, June 30, 2017	\$	<u><u>23,308</u></u>
Fees collected for fiscal year ended:		
June 30, 2016	\$	12,071
June 30, 2015		<u>11,237</u>
	\$	<u><u>23,308</u></u>

CITY OF ELIZABETH

Schedule of Grants Receivable

Other Federal Grant Funds

Year ended June 30, 2017

Balance, June 30, 2016	\$	1,261,115
Increased by:		
Increased by Home Improvement Grant - HUD		<u>664,462</u>
		1,925,577
Decreased by:		
Cash received - Home Improvement Grant - HUD		<u>714,079</u>
Balance, June 30, 2017	\$	<u><u>1,211,498</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Grants

Other Federal Grant Funds

Year ended June 30, 2017

Balance, June 30, 2016	\$	1,486,635
Increased by:		
Home Improvement Grant - HUD		<u>664,462</u>
		2,151,097
Decreased by:		
Cash disbursed:		
Home Improvement Grant - HUD		<u>714,079</u>
		<u>714,079</u>
Balance, June 30, 2017	\$	<u><u>1,437,018</u></u>

CITY OF ELIZABETH

Schedule of Federal Grants Receivable

Community Development Block Grant Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>2,164,964</u>
Increased by:	
Community Development Block Grant	2,031,959
Emergency Solutions Grant	<u>212,254</u>
	<u>2,244,213</u>
	<u>4,409,177</u>
Decreased by:	
Community Development Block Grant	1,396,472
Emergency Solutions Grant	<u>198,112</u>
	<u>1,594,584</u>
Balance, June 30, 2017	\$ <u><u>2,814,593</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Community
Development Block Grant

Community Development Block Grant Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>2,263,457</u>
Increased by:	
Community Development Block Grant	2,031,959
Transfers	747,637
Emergency Solutions Grant	212,254
Reimbursements	<u>7,267</u>
	<u>2,999,117</u>
	<u>5,262,574</u>
Decreased by expenditures:	
Community Development Block Grant	1,719,735
Emergency Solutions Grant	202,335
Transfers	<u>378,434</u>
	<u>2,300,504</u>
Balance, June 30, 2017	\$ <u><u>2,962,070</u></u>

CITY OF ELIZABETH

Schedule of Unappropriated Reserve

UEZ Trust Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>68,045</u>
Increased by:	
Interest received in General Trust - 2nd Generation	19,352
Cancellation of appropriated reserves	<u>44,178</u>
	<u>63,530</u>
	131,575
Decreased by:	
Transfer to appropriated reserves	<u>19,199</u>
Balance, June 30, 2017	\$ <u><u>112,376</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Police Off Duty

Trust Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	534,619
Increased by:		
Collections		<u>4,567,827</u>
		5,102,446
Decreased by cash disbursements		<u>4,458,186</u>
Balance, June 30, 2017	\$	<u><u>644,260</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Program Income

Community Development Block Grant Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>43,143</u>
Increased by:	
Cash receipts	<u>326,060</u>
	369,203
Decreased by:	
Transfers to reserves	<u>369,203</u>
Balance, June 30, 2017	\$ <u><u>—</u></u>

CITY OF ELIZABETH

Schedule of Due from Elizabeth Development Corp

Community Development Block Grant Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>80,672</u>
Balance, June 30, 2017	\$ <u>80,672</u>

CITY OF ELIZABETH

Schedule of Due from General Trust

Other Federal Grant Funds

Year ended June 30, 2017

Balance, June 30, 2017 and 2016	\$ <u>225,519</u>
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CITY OF ELIZABETH

Schedule of HPRP Receivable

Other Federal Grants Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>673</u>
Balance, June 30, 2017	\$ <u>673</u>

CITY OF ELIZABETH

Schedule of Due to UEZ Trust Fund

General Trust Other

Year ended June 30, 2017

Balance, June 30, 2016	\$ 3,752,419
Increased by:	
Interest earned	<u>19,352</u>
	3,771,771
Decreased by:	
Cash Disbursements	<u>790,876</u>
Balance, June 30, 2017	<u><u>\$ 2,980,895</u></u>

CITY OF ELIZABETH

Schedule of Due to Current Fund

Dog License Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	6,662
Increased by:		
Excess amount in Dog License Fund		<u>741</u>
Balance, June 30, 2017	\$	<u><u>7,403</u></u>

CITY OF ELIZABETH

Schedule of Due to/(from) Current Fund

General Trust Other

Year ended June 30, 2017

Balance, June 30, 2016	\$	293
Increased by:		
Cash Receipts		<u>42</u>
Balance, June 30, 2017	\$	<u><u>335</u></u>

CITY OF ELIZABETH

Schedule of Appropriated Reserve - UEZ

UEZ Trust Fund

Year ended June 30, 2017

	Balance June 30, 2016	Appropriated	Paid by General Trust	Cancelled	Balance June 30, 2017
Uez Marketing Plan	\$ 86,326	—	—	—	86,326
Uez 09-101 Way-Finding Program	19,993	—	—	—	19,993
Uez 09-129 Way-Finding Signage Program	221,361	—	—	—	221,361
Uez 05-95 Broad St Streetscape	127,808	—	—	—	127,808
Uez 09-149 Invest Elizabeth Economy Stimulus	126,000	—	—	—	126,000
Uez 09-150 Westfield Ave Median Planting	353,849	—	—	—	353,849
Uez 09-151 Midtown Area Sewer Rehab	11,920	—	—	—	11,920
Uez 0112 Renewable Energy Stimulus Grant	3,980	—	—	—	3,980
Uez 0184 Feasibility Study Morris Ave	35,525	—	—	—	35,525
Uez 0734 North Broad St Streetscape Project	63,222	—	—	—	63,222
Uez 0735 Eliz Cctv Public Security Project	216,235	—	—	—	216,235
Uez 07-151 Elizabeth Ave Streetscape Phase Iv	122,783	—	—	—	122,783
Comercial District Security FY-2017	260,250	—	187,279	—	72,971
Uez 08-146 Streetscape	885,247	—	—	—	885,247
Uez 08-147 Powerwashing & Grafitti	222,479	—	—	—	222,479
UEZ Midtown Parking Garage	227,015	—	188,525	—	38,490
Elizabeth Coalition to House Homeless	56,064	—	—	—	56,064
UEZ Security Camera Modernization	—	19,199	19,199	—	—
UEZ FY-2016 Administrative	148,190	—	148,190	—	—
Commercial District Security FY-2016	51,861	—	7,683	(44,178)	—
Customer Service Skills Training	42,489	—	—	—	42,489
Administrative Budget FY - 2017	361,777	—	200,000	—	161,777
Bike Rack Depot	40,000	—	40,000	—	—
	<u>\$ 3,684,374</u>	<u>19,199</u>	<u>790,876</u>	<u>(44,178)</u>	<u>2,868,519</u>

CITY OF ELIZABETH

Schedule of Reserves - 2nd Generation

Other Trust Fund

Year ended June 30, 2017

	Balance June 30, 2016	Transfer	Cash Received	Cash Disbursed	Balance June 30, 2017
Unappropriated Reserves	\$ 1,853,640	(1,710,142)	24,979	—	168,477
Appropriated Reserves					
UEZ 2nd Generation Funds - Upstairs/Downstairs	\$ 35,000	—	—	—	35,000
UEZ 2015 Sgf Financial Lending Program	247,375	—	—	20,107	227,268
UEZ 2014 Financial Lending Program	357,175	—	—	—	357,175
UEZ 2013 Financial Lending Program	825,762	(8,890)	—	—	816,872
UEZ 2016 Financial Lending Program	779,000	—	—	—	779,000
UEZ 2016 Sgf Administration	135,107	—	—	135,107	—
UEZ 2016 Financial Lending Program	—	1,470,000	—	1,131,000	339,000
UEZ 2016 Financial Lending Administration	—	239,032	—	—	239,032
UEZ 2016 Financial Lending Professional Service	—	10,000	—	—	10,000
UEZ 2016 Sgf Professional Services	9,370	—	—	1,935	7,435
	\$ 2,388,789	1,710,142	—	1,288,149	2,810,782

CITY OF ELIZABETH

Schedule of Cash - Treasurer

General Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>26,957,385</u>
Increased by receipts:	
Interest collected	7,307
Capital Improvement Fund	2,000,000
Sale of notes	500,000
Sale of bonds	20,000,000
State Aid receivable	523,173
Premium on sale of bonds	71,001
Refunds	7,767
EDA Grant collected	1,180,865
Reimbursement for Funded Ordinances	<u>1,387,744</u>
	<u>25,677,857</u>
	<u>52,635,242</u>
Decreased by:	
Improvement authorizations	15,734,459
Transfer to Current Fund	278,631
Notes paid	8,500,000
Bond sale expense	<u>121,335</u>
	<u>24,634,425</u>
Balance, June 30, 2017	\$ <u><u>28,000,817</u></u>

CITY OF ELIZABETH

Schedule of Analysis of Capital Cash

General Capital Fund

June 30, 2017

Description	Amount	
Fund balance	\$ 6,475,537	
Capital Improvement Fund	1,296,942	
Reserve for bond sale expense	110,086	
Reserve for retirement of debt	4,145,450	
Reserve for receivables	248,338	
Due from NJ DOT	(685,874)	
Due from Department of Environmental Protection	(110,914)	
Due from Union County Improvement Authority	(648,785)	
NJ EDA Grant Receivable	(2,050,881)	
Improvement authorizations:		
<u>Account number</u>		
948	1,040,968	
966	68,132	
967	5,658	
968	87,243	
972	61,322	
973	91,984	
975	233,731	
976	233,874	
979	199,336	
978	447,749	
980	75,078	
984	384,028	
993	477,407	
994	(280,997)	
995	193,651	
X01	1,095,007	
X04	39,459	
X08	40,755	
X10	40,413	
X13	70,108	
X18	290,951	
X19	60,000	
X20	119,435	
X24	374,747	
X25	173,810	
X26	35,250	(Continued)

CITY OF ELIZABETH

Schedule of Analysis of Capital Cash

General Capital Fund

June 30, 2017

Description	Amount
X29	\$ 8,000
X34	328,723
X35	(1,200,451)
X36	(847,451)
X37	5,089
X38	40,001
X41	506,593
X42	(204,883)
X43	(14,597)
X45	1,488
X47	184,306
X48	231,588
X50	(143,864)
X51	(1,067)
X54	54,024
X55	538,798
X56	29,582
X57	73,666
X58	1,277,998
X59	550,000
X61	17,136
X62	42,813
X63	(303,796)
X64	177,769
X65	87,067
X66	1,598,971
X67	70,991
X68	288,756
X69	144,086
X70	(427,086)
X71	75,891
X74	80,000
X76	(689,017)
X77	(613,892)
X78	(581,010)
X79	82,241
X80	149,024 (Continued)

CITY OF ELIZABETH

Schedule of Analysis of Capital Cash

General Capital Fund

June 30, 2017

Description	Amount
X85	\$ 2,592
X86	173,176
X87	(949,922)
X88	(1,044,264)
X89	(759,910)
X90	121,153
X91	1,606,646
X92	5,107,787
X93	1,671,135
X94	828,926
X96	(122,987)
X95	2,150,000
X97	550,000
X98	400,000
X99	330,000
X99-Z01	300,000
X99-Z02	750,000
X99-Z03	300,000
X99-Z04	400,000
X99-Z05	130,000
	<u>\$ 28,000,817</u>

CITY OF ELIZABETH

Schedule of General Serial Bonds

General Capital Fund

Year ended June 30, 2017

Purpose of issue	Amount of original issue	Date of issue	Maturities of bonds outstanding June 30, 2017		Rate of interest	Balance, June 30, 2016	Increased by bonds issued	Decreased by payments	Balance, June 30, 2017
			Date	Amount					
General Improvement Bonds, Series 2007	\$ 12,325,000	6/15/2007				\$ 3,540,000	—	3,540,000	—
General Improvement Bonds, Series 2008 (Bonds maturing on or after 2019 are subject to redemption)	12,455,000	8/15/2008	8/15/2017 8/15/2018	\$ 875,000 910,000	4.250% 4.250%	2,625,000	—	840,000	1,785,000
General Improvement Bonds, Series 2011 (Bonds maturing on or after 2022 are subject to redemption)	12,755,000	4/15/2011	4/15/2018 4/15/2019 4/15/2020 4/15/2021	715,000 755,000 790,000 835,000	4.500% 4.500% 4.500% 4.500%	9,785,000	—	6,690,000	3,095,000
General Improvement Refunding Bonds, Series 2011	2,715,000	7/6/2011	11/1/2017 11/1/2018 11/1/2018 11/1/2019 11/1/2020 11/1/2020 11/1/2021	265,000 80,000 180,000 260,000 75,000 180,000 255,000	2.500% 4.000% 3.000% 4.000% 5.000% 3.500% 3.750%	1,565,000	—	270,000	1,295,000
General Improvement Refunding Bonds, Series 2012	8,095,000	5/15/2012	5/15/2018	1,945,000	4.000%	3,635,000	—	1,690,000	1,945,000
General Improvement Refunding Bonds, Series 2013A	11,490,000	5/8/2013	3/1/2018 3/1/2019 3/1/2020 3/1/2021 3/1/2022 3/1/2023 3/1/2024 3/1/2025 3/1/2026 3/1/2027 3/1/2028 3/1/2029 3/1/2030	770,000 765,000 765,000 765,000 765,000 760,000 760,000 760,000 755,000 755,000 745,000 735,000 675,000	4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 3.000% 3.125% 3.125% 3.250%	10,550,000	—	775,000	9,775,000 (Continued)

CITY OF ELIZABETH

Schedule of General Serial Bonds

General Capital Fund

Year ended June 30, 2017

Purpose of issue	Amount of original issue	Date of issue	Maturities of bonds outstanding June 30, 2017		Rate of interest	Balance, June 30, 2016	Increased by bonds issued	Decreased by payments	Balance, June 30, 2017
			Date	Amount					
General Refunding ERI Bonds Series 2013 B Taxable	\$ 1,430,000	5/8/2013	3/1/2018	\$ 235,000	2.386%	\$ 955,000	—	230,000	725,000
			3/1/2019	240,000	2.676%				
			3/1/2020	250,000	2.926%				
General Improvement Bonds, Series 2013	14,763,000	4/1/2013	4/1/2018	910,000	2.000%	12,123,000	—	895,000	11,228,000
			4/1/2019	925,000	2.000%				
			4/1/2020	940,000	3.000%				
			4/1/2021	960,000	3.000%				
			4/1/2022	985,000	3.000%				
			4/1/2023	1,010,000	3.000%				
			4/1/2024	1,035,000	3.000%				
			4/1/2025	1,065,000	3.000%				
			4/1/2026	1,100,000	3.000%				
			4/1/2027	1,130,000	3.125%				
General Improvement Bonds, Series 2014	11,000,000	4/1/2014	4/1/2018	745,000	3.000%	9,600,000	—	725,000	8,875,000
			4/1/2019	770,000	3.000%				
			4/1/2020	800,000	3.000%				
			4/1/2021	830,000	3.000%				
			4/1/2022	865,000	3.000%				
			4/1/2023	900,000	3.000%				
			4/1/2024	935,000	3.000%				
			4/1/2025	970,000	3.000%				
			4/1/2026	1,010,000	3.000%				
			4/1/2027	1,050,000	3.125%				
General Improvement Bonds of 2015	14,575,000	4/1/2015	4/1/2018	865,000	2.500%	13,715,000	—	855,000	12,860,000 (Continued)
			4/1/2019	880,000	2.500%				
			4/1/2020	890,000	2.500%				
			4/1/2021	910,000	2.500%				
			4/1/2022	925,000	2.500%				
			4/1/2023	950,000	2.500%				
			4/1/2024	975,000	3.000%				
			4/1/2025	1,000,000	3.000%				
			4/1/2026	1,030,000	3.000%				
			4/1/2027	1,060,000	3.000%				
			4/1/2028	1,090,000	3.000%				
			4/1/2029	1,125,000	3.000%				
			4/1/2030	1,160,000	3.000%				

CITY OF ELIZABETH

Schedule of General Serial Bonds

General Capital Fund

Year ended June 30, 2017

Purpose of issue	Amount of original issue	Date of issue	Maturities of bonds outstanding June 30, 2017		Rate of interest	Balance, June 30, 2016	Increased by bonds issued	Decreased by payments	Balance, June 30, 2017
			Date	Amount					
General Improvement Bonds, Series 2016	\$ 13,000,000	4/1/2016	4/1/2018	\$ 1,240,000	2.000%				
			4/1/2019	1,250,000	2.000%				
			4/1/2020	1,265,000	2.000%				
			4/1/2021	1,280,000	2.000%				
			4/1/2022	1,300,000	2.000%				
			4/1/2023	1,320,000	2.000%				
			4/1/2024	1,345,000	2.000%				
			4/1/2025	1,370,000	2.250%				
			4/1/2026	1,400,000	2.375%	\$ 13,000,000	—	1,230,000	11,770,000
General Improvement Refunding Bonds, Series 2016	9,745,000	6/1/2016	8/15/2017	925,000	2.000%				
			8/15/2018	910,000	4.000%				
			8/15/2019	1,840,000	4.000%				
			8/15/2020	1,865,000	4.000%				
			8/15/2021	1,015,000	4.000%				
			8/15/2022	1,050,000	4.000%				
			8/15/2023	1,090,000	4.000%	9,745,000	—	1,050,000	8,695,000
General Improvement Bonds, Series 2017	20,000,000	4/1/2017	4/1/2018	1,240,000	2.500%				
(Maturities on or after 4/1/2028 are subject to redemption on or after 4/1/2027)			4/1/2019	1,255,000	2.500%				
			4/1/2020	1,275,000	2.500%				
			4/1/2021	1,300,000	2.500%				
			4/1/2022	1,325,000	2.500%				
			4/1/2023	1,355,000	2.500%				
			4/1/2024	1,385,000	2.500%				
			4/1/2025	1,420,000	2.500%				
			4/1/2026	1,460,000	2.500%				
			4/1/2027	1,505,000	3.000%				
			4/1/2028	1,545,000	3.000%				
			4/1/2029	1,595,000	3.000%				
			4/1/2030	1,645,000	3.000%				
			4/1/2031	1,695,000	3.000%	—	20,000,000	—	20,000,000

(Continued)

CITY OF ELIZABETH

Schedule of General Serial Bonds

General Capital Fund

Year ended June 30, 2017

Purpose of issue	Amount of original issue	Date of issue	Maturities of bonds outstanding June 30, 2017		Rate of interest	Balance, June 30, 2016	Increased by bonds issued	Decreased by payments	Balance, June 30, 2017
			Date	Amount					
General Improvement Refunding Bonds, Series 2017	5,850,000	4/1/2017	4/15/2018	\$ 35,000	2.000%				
			4/15/2022	860,000	4.000%				
			4/15/2023	900,000	4.000%				
			4/15/2024	940,000	4.000%				
			4/15/2025	985,000	5.000%				
			4/15/2026	1,035,000	5.000%				
			4/15/2027	1,095,000	5.000%				
						—	5,850,000	—	5,850,000
						<u>\$ 90,838,000</u>	<u>25,850,000</u>	<u>18,790,000</u>	<u>97,898,000</u>
						Refunding bonds issued	\$ 5,850,000	—	
						Bonds issued	20,000,000	—	
						Refunded Bonds	—	6,010,000	
						Budget appropriation	—	12,780,000	
							<u>\$ 25,850,000</u>	<u>18,790,000</u>	

CITY OF ELIZABETH

Schedule of Bond Anticipation Notes

General Capital Fund

Year ended June 30, 2017

Ordinance number	Improvement description	Date of original issue	Issue Date	Date of maturity	Interest rate	Balance, June 30, 2016	Increased	Decreased	Balance, June 30, 2017
4433	Improvements Erxleban Pool	4/10/2014	—	4/6/2017	—	\$ 1,000,000	—	1,000,000	—
4432	Waterfront Improvements	4/9/2015	—	4/6/2017	—	3,000,000	—	3,000,000	—
4509	Mickey Walker Park	4/9/2015	—	4/6/2017	—	1,000,000	—	1,000,000	—
3560	Broad St. Streetscape	4/7/2016	—	4/6/2017	—	113,894	—	113,894	—
3654	City Hall Improvements	4/7/2016	—	4/6/2017	—	197,674	—	197,674	—
3757	Library Renovations	4/7/2016	—	4/6/2017	—	89,597	—	89,597	—
4282/4335	Obrien Field Synthetic Turf Supp.	4/7/2016	—	4/6/2017	—	533,797	—	533,797	—
4384	Fire Pumper	4/7/2016	—	4/6/2017	—	35,038	—	35,038	—
4580	Kenah Park Improvements	4/7/2016	—	4/6/2017	—	500,000	—	500,000	—
4581	Jackson Park Improvements	4/7/2016	—	4/6/2017	—	1,500,000	—	1,500,000	—
4582	Acquistion of Property	4/7/2016	—	4/6/2017	—	1,500,000	—	1,500,000	—
3778	Mack Building	4/7/2018	4/7/2018	4/6/2018	1.30%	—	402,385	—	402,385
3925	Acquisition of Various Equipment	4/7/2018	4/7/2018	4/6/2018	1.30%	—	39,632	—	39,632
4225	Solar Panels	4/7/2018	4/7/2018	4/6/2018	1.30%	—	57,983	—	57,983
						<u>\$ 9,470,000</u>	<u>500,000</u>	<u>9,470,000</u>	<u>500,000</u>
						Bonds issued	\$ —	8,500,000	
						Issued	500,000	—	
						Paid	—	970,000	
							<u>\$ 500,000</u>	<u>9,470,000</u>	

CITY OF ELIZABETH

Schedule of Due to Current Fund

General Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016, Due from /(to)	\$ <u> — </u>
Increased by:	
Transferred from debt service reserve	<u> 278,631 </u>
	<u> 278,631 </u>
	(278,631)
Decreased by:	
Interfund returned	<u> 278,631 </u>
Balance, June 30, 2017, Due from/ (to)	\$ <u><u> — </u></u>

CITY OF ELIZABETH

Schedule of Deferred Charges to Future
Taxation-Funded

General Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ 95,645,260
Increased by:	
Bonds	<u>25,850,000</u>
	<u>121,495,260</u>
Decreased by:	
Budget appropriations to pay bonds and loans:	
Loans payable	575,356
General serial bonds	<u>18,790,000</u>
	<u>19,365,356</u>
Balance, June 30, 2017	\$ <u><u>102,129,904</u></u>

CITY OF ELIZABETH

Schedule of Deferred Charges to Future
Taxation-Unfunded

General Capital Fund

Year ended June 30, 2017

Ordinance number	Account number	General improvements	Year of ordinance	Balance, June 30, 2016	2017 authori- zations	Miscellaneous	Sale of Bonds/ Loans	Balance, June 30, 2017	Bond anticipation notes	Analysis of balance	
										Expenditures	Unexpended improvement authorizations
3357	976	Various improvements and acq. of equip.	2002	\$ 590,000	—	—	—	590,000	—	—	590,000
3560	981	Broad Street streetscape	2004	113,894	—	113,894	—	—	—	—	—
3654	991	City Hall Improvements	2004	197,674	—	197,674	—	—	—	—	—
3667	994	Iron Oxide property improvement	2004	950,000	—	—	—	950,000	—	280,997	669,003
3757	998	Library Renovations	2005	89,598	—	89,598	—	—	—	—	—
3778	X01	Mack Building - E'Port	2006	1,010,000	—	—	—	1,010,000	402,385	—	607,615
3916	X13	Recreation Improvements	2008	290,000	—	—	—	290,000	—	—	290,000
3925	X14	Acquisition of property, Equipment and Vehicles	2008	200,000	—	—	—	200,000	39,632	—	160,368
3980	X18	Police headquarters renovation	2009	1,000,000	—	—	—	1,000,000	—	—	1,000,000
3981	X19	Various recreation facility improvements	2009	704,370	—	—	—	704,370	—	—	704,370
4193	X36	Elizabeth River Walkway	2011	890,000	—	—	—	890,000	—	847,451	42,549
4195	X33	Resurfacing Various Roads	2011	897	—	897	—	—	—	—	—
4197	X35	Environmental Engineering - various properties	2011	1,440,000	—	—	—	1,440,000	—	1,200,451	239,549
4225	X38	Solar Panels	2012	950,000	—	—	850,000	100,000	57,983	—	42,017
4223	X42	Streetscape (reapprop ord 3560)	2012	1,300,000	—	—	—	1,300,000	—	204,883	1,095,117
4224	X43	Streetscape (reapprop ord 3661)	2012	1,400,000	—	—	—	1,400,000	—	14,597	1,385,403
4319	X50	Improvements Waterfront Park	2013	1,400,000	—	—	—	1,400,000	—	143,864	1,256,136
4282/4335	X51	O'Brien Field Synthetic Turf	2013	536,499	—	533,796	—	2,703	—	1,068	1,635
4384	X53	Fire Pumper	2013	35,038	—	35,038	—	—	—	—	—
4423	X55	Elizabeth River Trail Phase II	2014	1,331,747	—	1,331,747	—	—	—	—	—
4432	X57	Hurricane Sandy Waterfront Improvements	2014	14,037,166	—	—	3,000,000	11,037,166	—	—	11,037,166
4433	X58	Reconstruction & Improvements Erxleben Pool	2014	2,250,000	—	—	1,000,000	1,250,000	—	—	1,250,000
4441	X59	City Hall Renovations	2014	450,000	—	—	—	450,000	—	—	450,000
4474	X63	Demolition of Mack Building	2015	1,100,000	—	—	—	1,100,000	—	303,796	796,204
4509	X70	Mickey Walker Renovations	2015	1,875,000	—	—	1,000,000	875,000	—	427,086	447,914
4522	X73	Catherine St. Firehouse	2015	790,000	—	—	790,000	—	—	—	—
4578	X76	Salt Storage Facility	2015	1,350,000	—	—	—	1,350,000	—	689,017	660,983
4579	X77	Miller Evans Logan Park	2015	1,350,000	—	—	—	1,350,000	—	613,892	736,108
4580	X78	Kenah Park Improvements	2015	1,970,000	—	—	500,000	1,470,000	—	581,010	888,990
4581	X79	Jackson park Improvements	2015	1,900,000	—	—	1,500,000	400,000	—	—	400,000
4582	X80	Acquisition of Property Atlantic St.	2015	1,710,000	—	—	1,500,000	210,000	—	—	210,000
4625	X87	Acquisition of two Front Line Pumpers	2016	950,000	—	—	—	950,000	—	949,922	78
4626	X88	Acquisition of Tower Ladder	2016	1,045,000	—	—	—	1,045,000	—	1,044,264	736
4627	X89	Acquisition of Sky Boom Pumper	2016	760,000	—	—	—	760,000	—	759,910	90
4663	X91	Construction of Elizabeth River Trail	2016	1,900,000	—	1,900,000	—	—	—	—	—
4680	X92	Road Resurfacing	2016	5,700,000	—	—	5,000,000	700,000	—	—	700,000

(Continued)

CITY OF ELIZABETH

Schedule of Deferred Charges to Future
Taxation-Unfunded

General Capital Fund

Year ended June 30, 2017

Ordinance number	Account number	General improvements	Year of ordinance	Balance, June 30, 2016	2017 authori- zations	Miscellaneous	Sale of Bonds/ Loans	Balance, June 30, 2017	Analysis of balance		
									Bond anticipation notes	Expenditures	Unexpended improvement authorizations
4681	X93	Police Identification/ Records Bureau Renovations	2016	3,325,000	—	—	1,750,000	1,575,000	—	—	1,575,000
4682	X94	Traffic Lights and Intersection Resurfacing	2016	950,000	—	—	950,000	—	—	—	—
4773	X96	Environmental Engineering, Compliance & Reme	2017	—	950,000	—	—	950,000	—	122,987	827,013
4774	X95	Self Contained Breathing Apparatus	2017	—	3,230,000	—	2,000,000	1,230,000	—	—	1,230,000
4846	X99-Z05	Improvements to Green Acres Park - Elmora	2017	—	2,470,000	—	—	2,470,000	—	—	2,470,000
				<u>\$ 57,841,883</u>	<u>6,650,000</u>	<u>4,202,644</u>	<u>19,840,000</u>	<u>40,449,239</u>	<u>500,000</u>	<u>8,185,195</u>	<u>31,764,044</u>
				Paid by Budget	\$ 970,000					Unfunded improvement authorizations	\$ 32,206,430
				Cancelled	897						
				Grants received	3,231,747						
						<u>\$ 4,202,644</u>					
								Less unexpended proceeds from notes			
								Unexpended proceeds of bond anticipation notes:			
								<u>Account</u>	<u>Ordinance</u>		
								X01	3778	402,385	
								X38	4225	40,001	
										<u>442,386</u>	
										<u>\$ 31,764,044</u>	

CITY OF ELIZABETH

Schedule of Reserve for Bond Sale Expense

General Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>73,654</u>
Increased by:	
Charge to ordinance	150,000
Receipts	<u>7,767</u>
	<u>157,767</u>
	231,421
Decreased by cash disbursements	<u>121,335</u>
Balance, June 30, 2017	\$ <u><u>110,086</u></u>

CITY OF ELIZABETH

Schedule of Due from
Department of Transportation

General Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>275,048</u>
Increased by:	
Municipal Aid Elizabeth Ave. at High St. Ord. 4777	185,000
Urban Aid Elizabeth Ave. at High St. Ord. 4777	161,282
Municipal Aid Jacques St. & South St. Ord. 4682	190,000
Urban Aid Jacques St. & South St. Ord. 4682	161,282
Municipal Aid Winfield Scott & Jackson Ord. 4475	224,000
Urban Aid Winfield Scott & Jackson Urd. 4475	<u>150,790</u>
	<u>1,072,354</u>
	<u>1,347,402</u>
Decreased by:	
Cancellation	138,355
Collections	<u>523,173</u>
	<u>661,528</u>
Balance, June 30, 2017	\$ <u><u>685,874</u></u>

Analysis of Balance

Dowd Ave. Section 8 (Ord. 3620)	136,693
Municipal Aid Elizabeth Ave. at Hight St. Ord. 4777	46,250
Urban Aid Elizabeth Ave. at Hight St. Ord. 4777	40,321
Municipal Aid Jacques St. & South St.	47,500
Urban Aid Jacques St. & South St.	40,321
Municipal Aid Winfield Scott & Jackson	224,000
Urban Aid Winfield Scott & Jackson	<u>150,790</u>
	\$ <u><u>685,874</u></u>

CITY OF ELIZABETH

Schedule of Improvement Authorizations

General Capital Fund

Year ended June 30, 2017

			2017 Authorizations							
Improvement description	Ordinance number	Account number	Balance, June 30, 2016		Down Payment	Deferred Charges to Future Taxation	Reserve for Bond sale expense/	Expended	Balance, June 30, 2017	
			Funded	Unfunded		Unfunded	Cancellation		Funded	Unfunded
Midtown acquisition real property	2791	948	\$ 1,155,834	—	—	—	—	114,866	1,040,968	—
Public improvements	3138/3358	966	68,132	—	—	—	—	—	68,132	—
Capital leasing	3136	967	5,658	—	—	—	—	—	5,658	—
Demolition of unsafe building	3218	968	87,243	—	—	—	—	—	87,243	—
Improvements to city property	3288	972	61,322	—	—	—	—	—	61,322	—
Various capital improvements	3313	973	91,984	—	—	—	—	—	91,984	—
Leasing UCIA Ord. 3299	3299	975	233,731	—	—	—	—	—	233,731	—
Various improvements and acquisition of equipment	3357	976	293,492	590,000	—	—	—	59,618	233,874	590,000
Fire headquarters	3463	979	199,336	—	—	—	—	—	199,336	—
Various Improvements	3461	978	447,749	—	—	—	—	—	447,749	—
Acquisition of various equipment	3464	980	75,078	—	—	—	—	—	75,078	—
Elmora Racquet Club	3615	984	384,028	—	—	—	—	—	384,028	—
60-90 Broadway	3662	993	477,407	—	—	—	—	—	477,407	—
Iron Oxide Property improvements	3667	994	—	669,003	—	—	—	—	—	669,003
Leasing UCIA Ord. 2004	3647	995	193,651	—	—	—	—	—	193,651	—
Mack Building - E'Port	3778	X01	692,622	1,010,000	—	—	—	—	692,622	1,010,000
Bike, Hike, Roll Multipurpose Thoroughway	3793	X04	39,459	—	—	—	—	—	39,459	—
Road Improvements	3847	X08	40,755	—	—	—	—	—	40,755	—
60 - 90 Broadway - supplemental	3854	X10	40,413	—	—	—	—	—	40,413	—
Recreation Improvements	3916	X13	86,557	290,000	—	—	—	16,449	70,108	290,000
Acquisition of property, Equipment and Vehicles	3925	X14	—	160,368	—	—	—	—	—	160,368
Police headquarters renovation	3980	X18	305,365	1,000,000	—	—	—	14,414	290,951	1,000,000
Various recreation facility improvements	3981	X19	60,000	704,370	—	—	—	—	60,000	704,370
Acquisition of 60-90 Broadway	4005	X20	119,810	—	—	—	—	375	119,435	—
Resurfacing Various Roads	4123	X23	518	—	—	—	—	518	—	—
Roof replacements	4124	X24	374,747	—	—	—	—	—	374,747	—
Synthetic Turf Soccer Fields	4125	X25	173,810	—	—	—	—	—	173,810	—
Waterfront Park Improvements	4126	X26	35,250	—	—	—	—	—	35,250	—
Environmental Engineering - various properties	4165	X29	16,238	—	—	—	—	8,238	8,000	—
Traffic Lights and Road Resurfacing	4166	X30	4,208	—	—	—	—	4,208	—	—
Elizabeth River Walkway	4193	X36	—	43,873	—	—	—	1,324	—	42,549
Resurfacing Various Roads	4195	X33	47,231	897	—	—	47,950	178	—	—
Traffic Lights	4196	X34	328,723	—	—	—	—	—	328,723	—
Environmental Engineering - various properties	4197	X35	—	1,094,526	—	—	—	854,977	—	239,549
Environmental Engineering - various properties	4209	X37	5,089	—	—	—	—	—	5,089	—
Solar Panels	4225	X38	—	92,018	—	—	10,000	—	—	82,018
911 Sentinel System	4262	X41	506,593	—	—	—	—	—	506,593	—
Streetscape (reapprop ord 3560)	4223	X42	—	1,130,212	—	—	—	35,095	—	1,095,117
Streetscape (reapprop ord 3661)	4224	X43	—	1,385,403	—	—	—	—	—	1,385,403
Resurfacing Various Roads	4302	X45	79,619	—	—	—	—	78,131	1,488	—
Acquisition of Fire Equipment	4306	X47	184,306	—	—	—	—	—	184,306	—

(continued)

CITY OF ELIZABETH

Schedule of Improvement Authorizations

General Capital Fund

Year ended June 30, 2017

Improvement description	Ordinance number	Account number	Balance, June 30, 2016		2017 Authorizations			Reserve for Bond sale expense/ Cancellation	Expended	Balance, June 30, 2017	
			Funded	Unfunded	Down Payment	Deferred Charges to Future Taxation Unfunded	Funded			Unfunded	
City Hall Improvements	4305	X48	\$ 231,588	—	—	—	—	—	231,588	—	
Improvements Waterfront Park	4319	X50	44,577	1,400,000	—	—	—	188,441	—	1,256,136	
O'Brien Field Synthetic Turf	4335	X51	—	2,750	—	—	—	1,115	—	1,635	
Fire House Catherine St	4421	X54	1,117,646	—	—	—	—	1,063,622	54,024	—	
Elizabeth River Trail Phase II	4423	X55	—	1,213,296	—	—	—	674,498	538,798	—	
Environmental Engineering	4424	X56	342,826	—	—	—	—	313,244	29,582	—	
Hurricane Sandy Waterfront Improvements	4432	X57	94,842	11,037,166	—	—	20,000	1,175	73,667	11,037,166	
Reconstruction & Improvements Erxieban Pool	4433	X58	289,479	2,250,000	—	—	10,000	1,480	1,277,998	1,250,000	
City Hall Renovations	4411	X59	550,000	450,000	—	—	—	—	550,000	450,000	
Road Resurfacing	4459	X61	58,028	—	—	—	—	40,892	17,136	—	
Acquisition of Bahway Polish Home	4465	X62	42,813	—	—	—	—	—	42,813	—	
Demolition of Mack building	4474	X63	—	704,984	—	—	—	(91,220)	—	796,204	
Traffic Lights and Road Resurfacing	4475	X64	999,305	—	—	—	—	821,536	177,769	—	
New Phone System	4476	X65	127,250	—	—	—	—	40,183	87,067	—	
River Trail Phase IV	4479	X66	1,605,961	—	—	—	—	6,990	1,598,971	—	
Acquisition and Reconditioning of Ambulances	4494	X67	70,991	—	—	—	—	—	70,991	—	
Demolition of Polish Home	4507	X68	288,756	—	—	—	—	—	288,756	—	
Acquisition of Emergency Generators	4508	X69	463,069	—	—	—	—	318,983	144,086	—	
Renovation of Mickey Walker Recreation Center	4509	X70	—	1,069,185	—	—	10,000	611,271	—	447,914	
Various Sidewlk and Drainage Improvements	4496	X71	75,891	—	—	—	—	—	75,891	—	
Acquistion of Bus	4554	X74	80,000	—	—	—	—	—	80,000	—	
Resurfacing of Various Roads	4577	X75	343,159	—	—	—	—	343,159	—	—	
Construction of Salt Storage Facility	4578	X76	1,559,733	1,350,000	—	—	—	2,248,750	—	660,983	
Construction of Miller Evans Spray Park	4579	X77	485,469	1,350,000	—	—	—	1,099,361	—	736,108	
Improvements to Kenah Park	4580	X78	497,405	1,970,000	—	—	10,000	1,568,415	—	888,990	
Improvements to Jackson Park	4581	X79	—	1,034,452	—	—	10,000	542,211	82,241	400,000	
Acquistion of 328-330 Atlantic Street	4582	X80	—	396,649	—	—	10,000	27,625	149,024	210,000	
Acquisition of Bus	4554/4616	X85	2,592	—	—	—	—	—	2,592	—	
Aquistion of Various Equipment	4621	X86	840,550	—	—	—	—	667,374	173,176	—	
Acquisition of two Front Line Pumpers	4625	X87	50,000	950,000	—	—	—	999,922	—	78	
Acquistion of Tower Ladder	4626	X88	55,000	1,045,000	—	—	—	1,099,264	—	736	
Acquisition of Sky Boom Pumper	4627	X89	40,000	760,000	—	—	—	799,910	—	90	
Acquistion of Trucks for Fire Dept.	4628	X90	200,000	—	—	—	—	78,847	121,153	—	
Construction of Elizabeth River Trail	4663	X91	100,000	1,900,000	—	—	—	393,354	1,606,646	—	
Road Resurfacing	4680	X92	273,127	5,700,000	—	—	30,000	135,340	5,107,787	700,000	
Police Identification and Records Bureau Renovations	4681	X93	147,400	3,325,000	—	—	10,000	216,265	1,671,135	1,575,000	
Installation of Traffic Lights and Intersection Resurfacing	4682	X94	50,000	950,000	—	—	10,000	161,074	828,926	—	
Environmental Engineering, Compliance & Remediation	4773	X96	—	—	50,000	950,000	—	172,987	—	827,013	
Self Contained Breathing Apparatus	4774	X95	—	—	170,000	3,230,000	20,000	—	2,150,000	1,230,000	
Purchase of two ambulances	4772	X97	—	—	550,000	—	—	—	550,000	—	
Sidewalk and Drainage improvements	4771	X98	—	—	400,000	—	—	—	400,000	—	
Equipent and vehicles for recreation dept.	4819	X99	—	—	330,000	—	—	—	330,000	—	

(continued)

CITY OF ELIZABETH

Schedule of Improvement Authorizations

General Capital Fund

Year ended June 30, 2017

Improvement description	Ordinance number	Account number	Balance, June 30, 2016		2017 Authorizations		Reserve for Bond sale expense/ Cancellation	Expended	Balance, June 30, 2017	
			Funded	Unfunded	Down Payment	Deferred Charges to Future Taxation				
						Unfunded				
Acquisition of payroll system	4825	X99-Z01	\$ —	—	300,000	—	—	—	300,000	
Intersection improvements	4777	X99-Z02	—	—	750,000	—	—	—	750,000	
Acquisition of 368 Third Ave.	4826	X99-Z03	—	—	300,000	—	—	—	300,000	
Acquisition of 862-864 Anne Street	4827	X99-Z04	—	—	400,000	—	—	—	400,000	
Improvements to Green Acres Park - Elmora	4846	X99-Z05	—	—	130,000	2,470,000	—	—	130,000	2,470,000
			\$ 18,043,415	47,029,152	3,380,000	6,650,000	197,950	15,734,459	26,963,727	32,206,430
Capital Improvement Fund					\$ 1,703,718	\$ —				
Grants Ord. 4777					346,282					
Capital Surplus					1,330,000	47,053				
Reserve for retirement of debt					—	150,000				
Deferred charges unfunded					—	897				
					\$ 3,380,000	\$ 197,950				

CITY OF ELIZABETH

Schedule of Capital Improvement Fund

General Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	1,000,660
Increased by:		
Budget appropriation		<u>2,000,000</u>
		3,000,660
Decreased by improvement		
Authorizations funded		<u>1,703,718</u>
Balance, June 30, 2017	\$	<u><u>1,296,942</u></u>

CITY OF ELIZABETH

Schedule of Reserve for
Retirement of Debt

General Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>2,150,265</u>
Increased by:	
State aid (Traffic Lights and Road Resurfacing) receivable	726,072
Grants reimbursed	505,584
Bonded Ord. 4522	160,000
County grants	<u>882,160</u>
	<u>2,273,816</u>
	4,424,081
Decreased by:	
Due to Current Fund revenue	<u>278,631</u>
	<u>278,631</u>
Balance, June 30, 2017	\$ <u><u>4,145,450</u></u>

CITY OF ELIZABETH

Schedule of Due from Department
of Environmental Protection

General Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	<u>110,914</u>
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Balance, June 30, 2017	\$	<u>110,914</u>
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Analysis of Balance

Elizabeth River Walkway (2004-91-056)	\$	55,457
Elizabeth River Walkway (2004-91-056)		<u>55,457</u>
	\$	<u>110,914</u>

CITY OF ELIZABETH

Schedule of Bonds and Notes Authorized but not Issued

General Capital Fund

Year ended June 30, 2017

Ordinance number	Account number	General improvements	Year of ordinance	Balance, June 30, 2016	2017 authorizations	Reductions	Balance, June 30, 2017
3357	976	Various improvements and acquisition of equipment	2002	\$ 590,000	—	—	590,000
3667	994	Iron Oxide	2004	950,000	—	—	950,000
3778	X01	Mack Building - E'Port	2006	1,010,000	—	402,385	607,615
3916	X13	Recreation Improvements	2008	290,000	—	—	290,000
3925	X14	Acquisition of property, Equipment and Vehicles	2008	200,000	—	39,632	160,368
3980	X18	Police headquarters renovation	2009	1,000,000	—	—	1,000,000
3981	X19	Various recreation facility improvements	2009	704,370	—	—	704,370
4193	X36	Elizabeth River Walkway	2011	890,000	—	—	890,000
4195	X33	Resurfacing Various Roads	2011	897	—	897	—
4197	X35	Environmental Engineering - various properties	2011	1,440,000	—	—	1,440,000
4225	X38	Solar Panels	2012	950,000	—	907,983	42,017
4223	X42	Streetscape (reapprop ord 3560)	2012	1,300,000	—	—	1,300,000
4224	X43	Streetscape (reapprop ord 3661)	2012	1,400,000	—	—	1,400,000
4319	X50	Improvements Waterfront Park	2013	1,400,000	—	—	1,400,000
4335	X51	Obrien Field Synthetic Turf	2013	2,702	—	—	2,702
4423	X55	Elizabeth River Trail Phase II	2014	1,331,747	—	1,331,747	—
4432	X57	Hurricane Sandy Waterfront Improvements	2014	11,037,166	—	—	11,037,166
4433	X58	Reconstruction & Improvements Exrleban Pool	2014	1,250,000	—	—	1,250,000
4411	X59	City Hall Renovations	2014	450,000	—	—	450,000
4474	X63	Demolition of Mack Building	2015	1,100,000	—	—	1,100,000
4509	X70	Mickey Walker Renovations	2015	875,000	—	—	875,000
4522	X73	Catherine St. Firehouse	2015	790,000	—	790,000	—
4578	X76	Salt Storage Facility	2015	1,350,000	—	—	1,350,000
4579	X77	Miller Evans Logan Park	2015	1,350,000	—	—	1,350,000
4580	X78	Kenah Park Improvements	2015	1,470,000	—	—	1,470,000
4581	X79	Jackson park Improvements	2015	400,000	—	—	400,000
4582	X80	Acquistion of Property Atlantic St.	2015	210,000	—	—	210,000
4625	X87	Two Front Line Pumpers	2016	950,000	—	—	950,000
4626	X88	Tower Ladder	2016	1,045,000	—	—	1,045,000
4627	X89	Sky Boom Tower	2016	760,000	—	—	760,000
4663	X91	Elizabeth River Trail	2016	1,900,000	—	1,900,000	—
4680	X92	Road Resurfacing	2016	5,700,000	—	5,000,000	700,000
4681	X93	Police Renovations	2016	3,325,000	—	1,750,000	1,575,000
4682	X94	Traffic Lights	2016	950,000	—	950,000	—
4773	X96	Environmental Engineering, Compliance & Remediation	2017	—	950,000	—	950,000
4774	X95	Self Contained Breathing Apparatus	2017	—	3,230,000	2,000,000	1,230,000
4846	X99-Z05	Improvements to Green Acres Park - Elmora	2017	—	2,470,000	—	2,470,000
				<u>\$ 48,371,882</u>	<u>6,650,000</u>	<u>15,072,644</u>	<u>39,949,238</u>
Sale of bonds					\$ 11,500,000		
Notes issued					500,000		
Grant received					3,231,747		
Reserve for retirement of debt					(160,000)		
Cancellations					897		
					<u>\$ 15,072,644</u>		

CITY OF ELIZABETHSchedule of Due from Union County
Improvement Authority

General Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	<u>648,785</u>
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Balance, June 30, 2017	\$	<u>648,785</u>
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Analysis of Balance

1997 lease	\$	131,073
1999 lease		13,405
2001 lease		246,703
2004 lease		<u>257,604</u>
	\$	<u>648,785</u>

CITY OF ELIZABETH

Schedule of Loans Payable

General Capital Fund

Year ended June 30, 2017

Loan number	Improvement description	Amount of original issue	Date of original issue	Interest rate	Principal Payments outstanding June 30, 2017		Balance June 30, 2016	Decreased by	Balance June 30, 2017
					Date	Amount			
2004-92-103	Land for public parking	\$ 217,700	4/18/1997	2.00%			\$ 13,337	13,337	—
2004-90-080	Ball field - Westfield Ave.	75,000	5/14/1997	2.00%			4,596	4,596	—
MUN 00226	NJ Department of Transportation	5,000,000	7/13/1998	0.50%	1/11/2018	482,287			
					1/11/2019	484,698			
					1/12/2020	487,122			
					1/11/2021	489,557			
					1/12/2022	492,005			
					1/12/2023	494,465			
					1/13/2024	496,938			
					1/12/2025	115,540	4,022,500	479,888	3,542,612
2004-95-130	Ballfield - Westfield Ave.	337,599	5/1/2005	2.00%	10/29/2017	13,342			
					4/30/2018	13,475			
					10/29/2018	13,610			
					4/30/2019	13,746	80,462	26,289	54,173
2004-92-105	Kenah Center Acquisitions	70,000	12/2/1998	2.00%	9/2/2017	2,112			
					3/2/2018	2,134			
					9/2/2018	2,155	10,564	4,163	6,401

(Continued)

CITY OF ELIZABETH

Schedule of Loans Payable

General Capital Fund

Year ended June 30, 2017

Loan number	Improvement description	Amount of original issue	Date of original issue	Interest rate	Principal Payments outstanding June 30, 2017		Balance June 30, 2016	Decreased by	Balance June 30, 2017
					Date	Amount			
2004-03-081	Elmora Raquet Club	\$ 400,000	8/1/2008	2.00%	11/7/2017	\$ 9,991			
					5/7/2018	10,091			
					11/7/2018	10,192			
					5/7/2019	10,294			
					11/7/2019	10,397			
					5/7/2020	10,501			
					11/7/2020	10,606			
					5/7/2021	10,712			
					11/7/2021	10,819			
					5/7/2022	10,927			
					11/7/2022	11,037			
					5/7/2023	11,147			
					11/7/2023	11,259			
					5/7/2024	11,371			
					11/7/2024	11,485			
					5/7/2025	11,600			
					11/7/2025	11,716			
					5/7/2026	11,833			
					11/7/2026	11,951			
					5/7/2027	12,071			
					11/7/2027	12,192			
					5/7/2028	12,313	264,196	19,691	244,505
									(Continued)

CITY OF ELIZABETH

Schedule of Loans Payable

General Capital Fund

Year ended June 30, 2017

Loan number	Improvement description	Amount of original issue	Date of original issue	Interest rate	Principal Payments outstanding June 30, 2017		Balance June 30, 2016	Decreased by	Balance June 30, 2017
					Date	Amount			
2004-97-018	Kenah Field Expansion	\$ 280,938	12/22/2008	2.00%	9/24/2017	6,948			
					3/24/2018	7,018			
					9/24/2018	7,088			
					3/24/2019	7,159			
					9/24/2019	7,230			
					3/24/2020	7,302			
					9/24/2020	7,375			
					3/24/2021	7,449			
					9/24/2021	7,524			
					3/24/2022	7,599			
					9/24/2022	7,675			
					3/24/2023	7,752			
					9/24/2023	7,829			
					3/24/2024	7,907			
					9/24/2024	7,986			
					3/24/2025	8,066			
					9/24/2025	8,147			
					3/24/2026	8,229			
					9/24/2026	8,311			
					3/24/2027	8,394			
					9/24/2027	8,478			
					3/24/2028	8,563			
					9/24/2028	8,648	\$ 192,367	13,690	178,677
									(Continued)

CITY OF ELIZABETH

Schedule of Loans Payable

General Capital Fund

Year ended June 30, 2017

Loan number	Improvement description	Amount of original issue	Date of original issue	Interest rate	Principal Payments outstanding June 30, 2017		Balance June 30, 2016	Decreased by	Balance June 30, 2017
					Date	Amount			
2004-91-056	Elizabeth River Walkway Semi annual (on Apr. 27 and oct. 27)	\$ 267,196	12/22/2012	0.00%	2018	13,702			
					2019	13,702			
					2020	13,702			
					2021	13,703			
					2022	13,702			
					2023	13,703			
					2024	13,702			
					2025	13,703			
					2026	13,702			
					2027	13,703			
					2028	13,702			
					2029	13,703			
					2030	13,702			
					2031	13,703			
					2032	13,702			
						219,238			
						\$ 4,807,260			
							219,238	13,702	205,536
							<u>575,356</u>		<u>4,231,904</u>

CITY OF ELIZABETH

Schedule of EDA Grant Receivable

General Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	—
Increased by:		
EDA Grant Riverwalk net of collections		<u>2,243,931</u>
Balance, June 30, 2017	\$	<u>2,243,931</u>

CITY OF ELIZABETH

Schedule of Cash

Water Utility Funds

Year ended June 30, 2017

	Operating Fund	Trust Fund	Capital Fund
Balance, June 30, 2016	\$ 859,726	157,472	3,390,497
Increased by receipts:			
Reserve for capital expenditures	—	—	1,810,352
Interest earned	10,476	—	—
Interfund receipts	2,807	25	8,213
Total receipts	13,283	25	1,818,565
Subtotal	873,009	157,497	5,209,062
Decreased by disbursements:			
Interfund disbursements	—	16	7,811
Payment to Liberty Water for Improvements	—	—	2,847,437
Total disbursements	—	16	2,855,248
Balance, June 30, 2017	\$ 873,009	157,481	2,353,814

CITY OF ELIZABETH

Schedule of Analysis of Capital Cash

Water Utility Capital Fund

June 30, 2017

Description	Amount
Capital Improvement Fund	\$ 697,239
Reserve for capital expenditures	<u>1,655,807</u>
	<u><u>\$ 2,353,814</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Customer Deposits

Water Utility Trust Fund

Year ended June 30, 2017

Balance, June 30, 2016 and 2017	\$ <u>157,472</u>
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CITY OF ELIZABETH

Reserve for Capital Expenditures

Water Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	2,692,892
Increased by collections from Liberty Water		<u>1,810,352</u>
		4,503,244
Decreased by expenditures		<u>2,847,437</u>
Balance, June 30, 2017	\$	<u><u>1,655,807</u></u>

CITY OF ELIZABETH

Schedule of Interfund Accounts Receivable (Payable)

Water Utility Operating Fund

Year ended June 30, 2017

	<u>Total</u>	<u>Water Capital Fund</u>	<u>Water Trust Fund</u>	<u>Sewer Operating Fund</u>
Balance, June 30, 2016, Due from (to)	\$ 366	366	—	—
Increased by:				
Interest earned	8,238	8,213	25	—
	<u>8,238</u>	<u>8,213</u>	<u>25</u>	<u>—</u>
	8,604	8,579	25	—
Decreased by:				
Cash payments	—	—		
Cash receipts	10,268	7,811	16	2,441
	<u>10,268</u>	<u>7,811</u>	<u>16</u>	<u>2,441</u>
Balance, June 30, 2017, Due from (to)	\$ <u>(1,664)</u>	<u>768</u>	<u>9</u>	<u>(2,441)</u>

CITY OF ELIZABETH

Schedule of Capital Improvement Fund

Water Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016 and 2017	\$ <u><u>697,239</u></u>
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CITY OF ELIZABETH

Schedule of Water Liens Receivable

Water Utility Operating Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>15,835</u>
Balance, June 30, 2017	\$ <u>15,835</u>

CITY OF ELIZABETH

Schedule of Reserve for Amortization

Water Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	22,951,501
Increased by projects completed		<u>3,468,869</u>
Balance, June 30, 2017	\$	<u><u>26,420,370</u></u>

CITY OF ELIZABETH

Schedule of Fixed Capital

Water Utility Capital Fund

Year ended June 30, 2017

<u>Description</u>	Balance, June 30, 2016	Additions	Balance, June 30, 2017
Capital acquisitions	\$ 1,092,716	—	1,092,716
Land	14,013	—	14,013
General structures	350,250	—	350,250
Distributions mains and accessories	15,534,214	3,468,869	19,003,083
Meters, meter boxes and vaults	987,199	—	987,199
Service pipe and stops	1,896,542	—	1,896,542
Hydrants	136,929	—	136,929
General equipment	2,172,691	—	2,172,691
Miscellaneous service not distributed	445,555	—	445,555
Engineering and supervision	79,059	—	79,059
Computer equipment	6,949	—	6,949
Maintenance of City roads	235,384	—	235,384
	<u>\$ 22,951,501</u>	<u>3,468,869</u>	<u>26,420,370</u>

CITY OF ELIZABETH

Schedule of Cash - Treasurer

Sewer Utility Funds

Year ended June 30, 2017

	Operating Fund	Capital Fund
	<u> </u>	<u> </u>
Balance, June 30, 2016	\$ 20,073,736	8,238,060
Increased by receipts:		
Consumers' accounts receivable	25,114,983	—
Sewr Installments	1,000,000	
Miscellaneous revenues	501,927	—
Environmental Infrastructure Loan	—	4,144,490
Environmental Infrastructure Construction Loan	—	270,410
Petty cash returned	200	—
Bonds issued	—	6,380,000
Interfund	517,256	517,598
	<u> </u>	<u> </u>
Total receipts	27,134,366	11,312,498
	<u> </u>	<u> </u>
Subtotal	47,208,102	19,550,558
	<u> </u>	<u> </u>
Decreased by disbursements:		
Budget appropriations	20,437,719	—
Appropriation reserves	3,425,407	—
Accounts payable	1,625	—
Interest on bonds and notes	1,463,097	—
Bond sale expenses	—	26,513
Notes paid	—	3,980,000
Interfund disbursements	517,598	517,256
Improvement authorizations	—	7,164,155
	<u> </u>	<u> </u>
Total disbursements	25,845,446	11,687,924
	<u> </u>	<u> </u>
Balance, June 30, 2017	\$ <u>21,362,656</u>	<u>7,862,634</u>

CITY OF ELIZABETH

Schedule of Analysis of Sewer Utility Capital Cash

Sewer Utility Capital Fund

Year ended June 30, 2017

	Balance June 30, 2016	Receipts		Disbursements		Transfer		Balance June 30, 2017
		Debt issued	Miscellaneous	Improvement authorizations	Miscellaneous	From	To	
Due from NJ Wastewater Treatment Trust	\$ (266,794)	—	—	—	—	—	—	(266,794)
Contracts payable	933,483	—	—	—	—	—	—	933,483
Stormwater grant receivable	(5,155)	—	—	—	—	—	—	(5,155)
Bond sale expense payable	47,365	—	—	—	26,513	—	—	20,852
Reserve for renewal and replacement	364,000	—	—	—	—	—	—	364,000
Capital Improvement Fund	2,563,338	—	—	—	—	—	—	2,563,338
EITF receivable	(7,945,149)	—	4,144,490	—	—	17,231,293	5,203,017	(15,828,935)
Due to Sewer Operating Fund	1,521	—	517,598	—	517,256	—	—	1,863
Environmental Infrastructure Constructic	(438,459)	—	270,410	—	—	—	—	(168,049)
Appropriated reserve for grants	20,619	—	—	—	—	—	—	20,619
Fund Balance	1,089,318	—	—	—	—	—	—	1,089,318
Improvement authorizations:								
Ordinance number								
2481	(101,766)	—	—	—	—	—	—	(101,766)
2834	(3,843)	—	—	—	—	—	—	(3,843)
2909	414,824	—	—	—	—	—	—	414,824
3245	2,093,149	—	—	212,742	—	—	—	1,880,407
3119	38,925	—	—	—	—	—	—	38,925
3462	742,839	—	—	188,942	—	—	—	553,897
3720	483,545	—	—	—	—	—	—	483,545
3878	81,409	—	—	—	—	—	—	81,409
3982	618,255	—	—	474,637	—	—	—	143,618
3992	231,625	—	—	—	—	—	—	231,625
3993	(2)	—	—	—	—	—	—	(2)
4035	5,799	—	—	—	—	—	664,766	670,565
4036	(474,637)	—	—	(474,637)	—	—	—	—
4093	124,092	—	—	1,571	—	—	—	122,521
4170	(1,500,000)	1,500,000	—	—	—	—	—	—
4198	(119,992)	—	—	—	—	—	—	(119,992)
4199	242,883	—	—	—	—	—	—	242,883
4200	(926,899)	900,000	—	—	—	—	—	(26,899)
4320	(1,737,148)	—	—	(1,427,085)	—	—	—	(310,063)
4323	221,044	—	—	18,578	—	—	—	202,466
4420	1,921,086	—	—	1,551,431	—	—	—	369,655
4452	5,166,442	—	—	2,611,529	—	—	—	2,554,913
4480	5,203,017	—	—	—	—	5,203,017	—	—
4510	(8,050)	—	—	695	—	—	—	(8,745)
4527	—	—	—	3,287,743	—	—	6,716,527	3,428,784
4528	—	—	—	—	—	—	—	—
4529	(938,727)	—	—	361,273	—	—	—	(1,300,000)
4664	96,103	—	—	322,736	—	—	—	(226,633)
4665	—	—	—	—	—	—	3,350,000	3,350,000
4785	—	—	—	34,000	—	—	6,500,000	6,466,000
	\$ 8,238,060	2,400,000	4,932,498	7,164,155	543,769	22,434,310	22,434,310	7,862,634

Exhibit E-7**CITY OF ELIZABETH**

Schedule of Consumers' Accounts Receivable

Sewer Utility Operating Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>3,157,294</u>
Increased by:	
Cumulative flow charge	20,826,421
Cumulative facility charge	1,100,574
Commercial Billings	<u>1,824,206</u>
	<u>23,751,201</u>
	<u>26,908,495</u>
Decreased by:	
Collections	25,114,983
Due from Water Operating Fund	<u>2,441</u>
	<u>25,117,424</u>
Balance, June 30, 2017	\$ <u><u>1,791,071</u></u>

CITY OF ELIZABETH

Schedule of Appropriated Reserve for State Grants

Sewer Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>20,619</u>
Balance, June 30, 2017	\$ <u>20,619</u>

Exhibit E-9**CITY OF ELIZABETH**

Schedule of Fixed Capital

Sewer Utility Capital Fund

Year ended June 30, 2017

	Balance, June 30, 2016	Balance, June 30, 2017
Sewer pumps	\$ 1,335,787	1,335,787
Computer equipment	47,728	47,728
Transportation equipment	263,450	263,450
General equipment	734,495	734,495
Joint Meeting Dewatering Plant	15,775,548	15,775,548
Sewer lines	8,890,510	8,890,510
Sanitary sewer system	25,136,012	25,136,012
Refunding bond issuance costs	315,000	315,000
Overflow pollution abatement program	256,000	256,000
	\$ 52,754,530	52,754,530

CITY OF ELIZABETH

Schedule of Fixed Capital Authorized and Uncompleted

Sewer Utility Capital Fund

Year ended June 30, 2017

Ordinance number	Improvement description	Ordinance authori- zation	Balance, June 30, 2016	2017 improvement authori- zations	Balance June 30, 2017
1987	Pollution abatement program	\$ 4,550,000	4,550,000	—	4,550,000
2287	Joint Meeting Dewatering Plant	3,200,000	3,200,000	—	3,200,000
2386	Fiscal year adjustment bonds	1,425,000	1,425,000	—	1,425,000
2525	Joint Meeting Dewatering Plant	4,775,000	4,775,000	—	4,775,000
2812	Sewer jet and catch basin	85,000	85,000	—	85,000
2909	Infiltration and inflow reduction	3,210,000	1,589,582	—	1,589,582
3119	Overflow pollution abatement program	840,000	584,000	—	584,000
3245	NJ environmental infrastructure trust	14,920,000	14,920,000	—	14,920,000
3340	Sewer refunding bonds	2,875,000	125,000	—	125,000
3462	Combined Sewer System	1,200,000	1,200,000	—	1,200,000
3634	CSO Characterization study	1,400,000	1,400,000	—	1,400,000
3652	Storm sewer Improvements	400,000	400,000	—	400,000
3653	Construction Harding Road Storm sewer	500,000	500,000	—	500,000
3720	Joint Meeting capital construction	3,600,000	3,600,000	—	3,600,000
3748	Harding Rd. Supplement Ord. 3653	300,000	300,000	—	300,000
3795	Harding Rd. Storm Sewer	500,000	500,000	—	500,000
3878	Verona Ave. - Gebhardt Storm Sewer	4,000,000	4,000,000	—	4,000,000
3982	Verona Ave. - Gebhardt Storm Sewer - Supplemental	3,500,000	3,500,000	—	3,500,000
3992	Summer St. Storm Sewer Improvements	1,000,000	1,000,000	—	1,000,000
3993	Joint Meeting Capital Projects	4,500,000	306,931	—	306,931
4035	Midtown sewer improvements	14,000,000	6,854,050	664,766	7,518,816
4036	Verona Ave. - Gebhardt Storm Sewer	1,000,000	1,000,000	—	1,000,000
4037	Summer St. Storm Sewer Improvements	200,000	200,000	—	200,000
4093	Infrastructure Upgrades Phase I	12,000,000	12,000,000	—	12,000,000
4170	North Ave. sewer modification	1,500,000	1,500,000	—	1,500,000
4198	Western Ave. sewer system improvement	12,000,000	12,000,000	—	12,000,000
4199	Third Ave. sewer modification	2,600,000	2,600,000	—	2,600,000
4200	South St. sewer modification	1,500,000	1,500,000	—	1,500,000
4320	South St. Sewer - Pump Station	5,000,000	5,000,000	—	5,000,000
4323	Sewer Capital Upgrades Phase II	12,000,000	12,000,000	—	12,000,000
4420	Elizabeth River Flood Control Project	7,500,000	7,500,000	—	7,500,000
4452	Sewer System Improvements	12,000,000	12,000,000	—	12,000,000
4480	Joint Meeting Capital Projects	5,400,000	5,400,000	—	5,400,000
4510	Trumbull St. Flood Control Project	5,500,000	5,500,000	—	5,500,000
4527	Progress St. Flood Control Project	7,950,000	7,950,000	—	7,950,000
4528	South St. Improvement (supplement #4320)	125,000	125,000	—	125,000
4529	Eliz River Flood Control (supp. #4420)	1,300,000	1,300,000	—	1,300,000
4664	Combined Sewer System Long Term Control	2,800,000	2,800,000	—	2,800,000
4665	Elizabeth River Flood Control Upgrades	5,000,000	5,000,000	—	5,000,000
4785	Trumbull St. Flood Control (amend 4510)	1,000,000	—	1,000,000	1,000,000
			\$ 150,189,563	1,664,766	151,854,329

CITY OF ELIZABETH

Schedule of Reserve for Renewal and Replacement of
Property, Plant, and Equipment

Sewer Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2017 and 2016	\$ <u><u>364,000</u></u>
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CITY OF ELIZABETH

Schedule of Appropriation Reserves

Sewer Utility Operating Fund

Year ended June 30, 2017

	Balance, June 30, 2016	Encumbrance payable cancelled	Balance after modification	Paid	Balance lapsed
Operating:					
Management fee	\$ 492,346	17,833	510,179	152,460	357,719
Joint meeting	1,808,040	—	1,808,040	—	1,808,040
Capital improvements:					
Capital outlay	4,068,623	—	4,068,623	3,273,032	795,591
	<u>\$ 6,369,009</u>	<u>17,833</u>	<u>6,386,842</u>	<u>3,425,492</u>	<u>2,961,350</u>

CITY OF ELIZABETH

Schedule of Accounts Payable

Sewer Utility Operating Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	796,704
Increased by:		
Appropriation reserves		<u>85</u>
		796,789
Decreased by:		
Disbursements		<u>1,625</u>
Balance, June 30, 2017	\$	<u><u>795,164</u></u>

CITY OF ELIZABETH

Schedule of Bond Anticipation Notes

Sewer Utility Capital Fund

Year ended June 30, 2017

Ordinance number	Improvement description	Date of original issue	Issue Date	Date of maturity	Interest rate	Balance, June 30, 2016	Decreased	Balance, June 30, 2017
3634	CSO Characterization study	4/9/2015		4/7/2017		\$ 1,330,000	1,330,000	—
4452	Sewer System Improvements	4/9/2015		4/7/2017		2,000,000	2,000,000	—
2340	Equipment	4/7/2016		4/7/2017		3,967	3,967	—
2834	CSO Reconstruction	4/7/2016		4/7/2017		216,033	216,033	—
3462	Combined Sewer System	4/9/2015		4/7/2017		553,897	553,897	—
4664	CS System Long Term Control	4/8/2016		4/7/2017		96,103	96,103	—
						<u>\$ 4,200,000</u>	<u>4,200,000</u>	<u>—</u>
					Paid	\$	220,000	
					Bonds issued		<u>3,980,000</u>	
						\$	<u>4,200,000</u>	

CITY OF ELIZABETH

Schedule of Accrued Interest on Bonds and Notes

Sewer Utility Operating Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>387,241</u>
Increased by:	
Budget appropriation	1,426,890
Additional accrual	<u>79,665</u>
	<u>1,506,555</u>
	<u>1,893,796</u>
Decreased by:	
Cash disbursements	1,463,097
Cancellation	<u>19</u>
	<u>1,463,116</u>
Balance, June 30, 2017	\$ <u><u>430,680</u></u>

CITY OF ELIZABETH

Schedule of Due from Trustee
Environmental Infrastructure Trust and Fund Loans

Sewer Utility Capital Fund

Year ended June 30, 2017

<u>Loan Description</u>	Balance June 30, 2016	Increase	Decrease	Balance June 30, 2017
NJEIT fund loan - Ord. 3636 -06ST 06Sf	\$ 34,655	—	—	34,655
NJEIT fund loan - Ord. 3720 -06STJ 06SFJ	488,545	—	—	488,545
Due from State Ord. 4035	(96,589)	536,979	440,390	—
NJEIT Loan Ord. 4035	(64,392)	127,787	63,395	—
Due from State Ord. 3992/4037 Summer St.	4,914	—	—	4,914
NJEIT Ord. 4199-13ST	264,176	—	264,176	—
NJEIT Ord. 4199-13SF	(284,956)	—	(264,176)	(20,780)
NJEIT Ord. 4420 Elizabeth Field F	527,568	—	66,795	460,773
NJEIT Ord. 4420 Elizabeth Field ST	1,868,211	—	200,386	1,667,825
NJEIT Ord. 4480 joint Meeting F	1,230,000	—	1,230,000	—
NJEIT Ord. 4480 joint Meeting ST	3,973,017	—	3,973,017	—
NJEIT Ord. 4527Progress St. S340942-18 ST	—	6,716,527	3,024,647	3,691,880
NJEIT Ord. 4785 Trumbull St.	—	6,500,000	—	6,500,000
NJEIT CSO	—	3,350,000	1,380,828	1,969,172
	<u>\$ 7,945,149</u>	<u>17,231,293</u>	<u>10,379,458</u>	<u>14,796,984</u>

CITY OF ELIZABETH

Schedule of Serial Bonds

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2017		Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by	Balance, June 30, 2017
			Date	Amount					
Sewer improvements	7/15/1998	\$ 2,924,000	7/15/2018	\$ 150,000	5.000	\$ 450,000	—	150,000	300,000
Sewer Refunding Bonds	7/6/2011	2,555,000	11/1/2017	205,000	2.500				
			11/1/2018	80,000	4.000				
			11/1/2018	120,000	3.000				
			11/1/2019	195,000	4.000				
			11/1/2020	75,000	5.000				
			11/1/2020	120,000	3.500				
			11/1/2021	195,000	3.750	1,195,000	—	205,000	990,000
Sewer Utility Bonds (Maturities on or after 4/1/2024 are subject to redemption on or after 4/1/2023)	4/1/2013	12,000,000	4/1/2018	740,000	2.000				
			4/1/2019	750,000	2.000				
			4/1/2020	765,000	3.000				
			4/1/2021	780,000	3.000				
			4/1/2022	800,000	3.000				
			4/1/2023	820,000	3.000				
			4/1/2024	845,000	3.000				
			4/1/2025	865,000	3.000				
			4/1/2026	895,000	3.000				
			4/1/2027	920,000	3.125				
			4/1/2028	950,000	3.250	9,855,000	—	725,000	9,130,000
									(continued)

CITY OF ELIZABETH

Schedule of Serial Bonds

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Maturities of bonds outstanding June 30, 2017		Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by	Balance, June 30, 2017
			Date	Amount					
Sewer Utility Bonds (Maturies on or after 4/1/2025 are subject to redemption on or after 4/1/2024)	4/1/2015	22,000,000	4/1/2018	1,310,000	2.500	20,700,000	—	1,295,000	19,405,000
			4/1/2019	1,325,000	2.500				
			4/1/2020	1,345,000	2.500				
			4/1/2021	1,370,000	2.500				
			4/1/2022	1,400,000	2.500				
			4/1/2023	1,430,000	2.500				
			4/1/2024	1,470,000	3.000				
			4/1/2025	1,510,000	3.000				
			4/1/2026	1,550,000	3.000				
			4/1/2027	1,595,000	3.000				
			4/1/2028	1,645,000	3.000				
			4/1/2029	1,700,000	3.000				
			4/1/2030	1,755,000	3.000				
Sewer Utility Bonds (Maturies on or after 4/1/2028 are subject to redemption on or after 4/1/2027)	4/1/2017	6,380,000	4/1/2018	395,000	2.500	—	6,380,000	—	6,380,000
			4/1/2019	400,000	2.500				
			4/1/2020	405,000	2.500				
			4/1/2021	415,000	2.500				
			4/1/2022	425,000	2.500				
			4/1/2023	430,000	2.500				
			4/1/2024	440,000	2.500				
			4/1/2025	455,000	2.500				
			4/1/2026	465,000	2.500				
			4/1/2027	480,000	3.000				
			4/1/2028	495,000	3.000				
			4/1/2029	510,000	3.000				
			4/1/2030	525,000	3.000				
			4/1/2031	540,000	3.000				
					\$ 32,200,000	6,380,000	2,375,000	36,205,000	

CITY OF ELIZABETH

Schedule of Local Unit Bonds

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Bond number	Original issue	Maturities of bonds outstanding June 30, 2017		Interest rate	Balance, June 30, 2016	Paid by budget appropriations	Balance, June 30, 2017
			Date	Amount				
Wastewater Treatment Bonds - Wastewater Treatment Trust Loan (Ord. 2909)	97T	1,610,000		—	0.00	130,000	130,000	—
						\$ 250,000	130,000	—

CITY OF ELIZABETH

Schedule of Improvement Authorizations

Sewer Utility Capital Fund

Year ended June 30, 2017

Improvement description	Number	Date	Amount	Balance, June 30, 2016		Authorizations	Paid or charged	Balance, June 30, 2017	
				Funded	Unfunded			Funded	Unfunded
Reconstruction of sanitary/storm sewer - infiltration and inflow reduction	2909	8/28/1996	\$ 3,210,000	656,083	—	—	—	656,083	—
Combined Sewer System	3119	11/24/1998	840,000	38,925	—	—	—	38,925	—
Combined sewer outflow system	3245	10/1/2000	14,920,000	1,844,279	248,870	—	212,742	1,631,537	248,870
Combined Sewer System	3462	3/25/2003	1,200,000	—	188,942	—	188,942	—	—
Storm sewer Improvements	3652	9/28/2004	400,000	—	320,036	—	—	—	320,036
Joint Meeting Capital Construction	3720	5/24/2005	3,600,000	483,545	196,665	—	—	483,545	196,665
Harding Rd. Supplement Ord. 3653	3748	8/23/2005	300,000	—	22,407	—	—	—	22,407
Harding Rd. Storm Sewer	3795	2/26/2006	500,000	—	110,146	—	—	—	110,146
Verona Ave. - Gebhardt Storm Sewer	3878	2/1/2007	4,000,000	81,409	—	—	—	81,409	—
Verona Ave. - Gebhardt Storm Sewer - Supp.	3982	8/26/2008	3,500,000	618,255	80,502	—	474,637	143,618	80,502
Summer St. Storm Sewer Improvements	3992	10/28/2008	1,000,000	231,625	63,085	—	—	231,625	63,085
Joint Meeting Capital Projects	3993	10/28/2008	4,500,000	—	330,198	—	—	—	330,198
Midtown sewer improvements	4035	4/14/2009	14,000,000	5,799	—	664,766	—	5,799	664,766
Verona Ave. - Gebhardt Storm Sewer	4036	4/14/2009	1,000,000	—	525,363	—	(474,637)	—	1,000,000
Summer St. Storm Sewer Improvements	4037	4/14/2009	200,000	—	200,000	—	—	—	200,000
Infrastructure Upgrades Phase I	4093	1/12/2010	12,000,000	124,092	—	—	1,571	122,521	—
North Ave. sewer modification	4170	11/10/2010	1,500,000	—	—	—	—	—	—
Western Ave. sewer system improvement	4198	3/22/2011	12,000,000	—	11,880,008	—	—	—	11,880,008
Third Ave. sewer modification	4199	3/22/2011	2,600,000	242,883	297,660	—	—	242,883	297,660
South St. sewer modification	4200	3/22/2011	1,500,000	—	573,101	—	—	—	573,101
South St. Sewer - Pump Station	4320	7/24/2012	5,000,000	—	3,012,852	—	(1,427,085)	—	4,439,937
Sewer Capital Upgrades Phase II	4323	8/28/2012	12,000,000	—	171,044	—	18,578	—	152,466
Elizabeth River Flood Control Project	4420	9/24/2013	7,500,000	—	3,940,578	—	1,551,431	—	2,389,147
Sewer System Improvements	4452	3/11/2014	12,000,000	—	5,166,442	—	2,611,529	—	2,554,913
Joint Meeting Capital Projects	4480	11/12/2014	5,400,000	—	5,400,000	—	5,203,017	—	196,983
Trumbull St. Flood Control Project	4510	11/14/2014	5,500,000	—	5,491,950	—	695	—	5,491,255
Progress St. Flood Control Project	4527	12/23/2014	7,950,000	—	7,950,000	—	3,287,743	—	4,662,257
South St. Improvement (supplement #4320)	4528	12/23/2014	125,000	—	125,000	—	—	—	125,000
Eliz River Flood Control (supp. #4420)	4529	12/23/2014	1,300,000	—	361,273	—	361,273	—	—
Combined Sewer System Long Term Control	4664	2/9/2016	2,800,000	—	2,800,000	—	322,736	—	2,477,264
Elizabeth River Flood Control Upgrades	4665	2/9/2016	5,000,000	—	5,000,000	—	—	—	5,000,000
Trumbull St. Flood Control (amend 4510)	4785	12/21/2016	1,000,000	—	—	1,000,000	34,000	—	966,000
				<u>\$ 4,326,895</u>	<u>54,456,122</u>	<u>1,664,766</u>	<u>12,367,172</u>	<u>3,637,945</u>	<u>44,442,666</u>
						Debt authorized \$	1,000,000		
						NJEIT grant	664,766		
						\$	<u>1,664,766</u>		
						Paid by NJEIT	\$ 5,203,017		
						Disbursements	<u>7,164,155</u>		
							<u>\$ 12,367,172</u>		

CITY OF ELIZABETH

Schedule of Reserve for Amortization

Sewer Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>81,493,743</u>
Increased by:	
Local Unit bonds paid by operating budget	130,000
Environmental infrastructure Loans payable	2,244,668
Serial bonds paid by operating budget	2,375,000
Notes paid	<u>220,000</u>
.	<u>4,969,668</u>
Balance, June 30, 2017	\$ <u><u>86,463,411</u></u>

CITY OF ELIZABETH

Schedule of Reserve for Deferred Amortization

Sewer Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ 9,204,200
Increased by:	
Grant funding	<u>664,766</u>
Balance, June 30, 2017	<u><u>\$ 9,868,966</u></u>

CITY OF ELIZABETH

Schedule of Bonds and Notes Authorized but not Issued

Sewer Utility Capital Fund

Year ended June 30, 2017

Ordinance number	Improvement description	Balance, June 30, 2016	Improvement authori- zations	Decreased By	Balance, June 30, 2017
2481	Water/storm sanitary sewer	\$ 101,766	—	—	101,766
2834	Reconstruction and rehabilitation of combined sewer system - overflow pollution abatement program	3,843	—	—	3,843
3652	Storm sewer Improvements	320,036	—	—	320,036
3720	Joint Meeting Capital Projects	196,665	—	—	196,665
3748	Harding Rd. Supplement Ord. 3653	22,407	—	—	22,407
3795	Harding Rd. Storm Sewer	110,146	—	—	110,146
3982	Verona Ave. - Gebhardt Storm Sewer - Supplemental	80,502	—	—	80,502
3992	Summer St. Storm Sewer Improvements	63,085	—	—	63,085
3993	Joint Meeting Capital Projects	330,200	—	—	330,200
4036	Verona Ave. - Gebhardt Storm Sewer	1,000,000	—	—	1,000,000
4037	Summer St. Storm Sewer Improvements	200,000	—	—	200,000
4170	North Ave. sewer modification	1,500,000	—	1,500,000	—
4198	Western Ave. sewer system improvement	12,000,000	—	—	12,000,000
4199	Third Ave. sewer modification	297,660	—	—	297,660
4200	South St. sewer modification	1,500,000	—	900,000	600,000
4320	South St. Sewer - Pump Station	4,750,000	—	—	4,750,000
4420	Elizabeth River Flood Control Project	3,007,621	—	—	3,007,621
4480	Joint Meeting Capital Projects	1,203,481	—	—	1,203,481
4510	Trumbull St. Flood Control Project	5,500,000	—	5,500,000	—
4527	Progress St. Flood Control Project	7,950,000	—	6,716,527	1,233,473
4528	South St. Improvement (supplement #4320)	125,000	—	—	125,000
4529	Eliz River Flood Control (supp. #4420)	1,300,000	—	—	1,300,000
4664	Combined Sewer System Long Term Control	2,800,000	—	—	2,800,000
4665	Elizabeth River Flood Control Upgrades	5,000,000	—	—	5,000,000
4785	Trumbull St. Flood Control (amend 4510)	—	1,000,000	1,000,000	—
		<u>\$ 49,362,412</u>	<u>1,000,000</u>	<u>15,616,527</u>	<u>34,745,885</u>
	Funded by NJEIT			\$ 13,216,527	
	Bonds issued			<u>2,400,000</u>	
				<u>\$ 15,616,527</u>	

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
NJ Environmental Trust Loan (Ord. 3245)	10/1/2000	\$ 2,635,000	8/1/2017	\$ 180,000	5.25				
			8/1/2018	190,000	5.25				
			8/1/2019	200,000	5.25				
			8/1/2020	210,000	5.25	\$ 950,000	—	170,000	780,000
NJ Environmental Fund Loan (Ord. 3245)	Semi-annual payments on 8/1and 2/1	2,548,815	8/1/2017	133,817	Non-interest bearing				
			8/1/2018	133,996					
			8/1/2019	133,849					
			8/1/2020	133,377		668,288	—	133,250	535,038
NJ Environmental Trust Loan 2001A - 11/8/2001 (Ord. 3245)	Semi-annual payments on 8/1and 2/1	3,130,000	8/1/2017	210,000	5.00				
			8/1/2018	220,000	5.00				
			8/1/2019	235,000	5.00				
			8/1/2020	245,000	4.75				
			8/1/2021	255,000	4.75	1,365,000	—	200,000	1,165,000
NJ Environmental Trust Loan 2002A - 03ST (Ord. 3428)	8/1/2002	1,945,000	8/1/2017	130,000	5.00				
			8/1/2018	135,000	5.00				
			8/1/2019	145,000	5.00				
			8/1/2020	150,000	5.00				
			8/1/2021	155,000	5.00				
			8/1/2022	165,000	4.75	1,005,000	—	125,000	880,000
NJ Environmental Fund Loan 2002A (Ord. 3428)	Semi-annual payments on 8/1and 2/1	1,775,000	2018	103,210	Non-interest bearing				
			2019	102,225					
			2020	104,043					
			2021	102,603					
			2022	101,013					
			2023	102,349		719,486	—	104,042	615,444
NJ Environmental Fund Loan 2001A (Ord. 3245)	11/8/2001	3,084,896	8/1/2017	152,139	Non-interest bearing				
			2/1/2018	14,831					
			8/1/2018	155,169					
			2/1/2019	11,323					
			8/1/2019	161,229					
			2/1/2020	7,575					
			8/1/2020	163,861					
			2/1/2021	3,863					
			8/1/2021	166,528		1,003,648	—	167,130	836,518
NJ Environmental Trust Loan 2006A (Ord. 3636)	11/29/2006 Semi-annual interest payments on 8/1and 2/1	755,000	8/1/2017	40,000	4.000				
			8/1/2018	40,000	4.000				
			8/1/2019	40,000	4.000				
			8/1/2020	45,000	4.000				
			8/1/2021	45,000	4.125				
			8/1/2022	50,000	4.125				
			8/1/2023	50,000	4.250				
			8/1/2024	50,000	5.000				
			8/1/2025	55,000	4.250				
			8/1/2026	55,000	4.250	510,000	—	40,000	470,000

(continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
NJ Environmental Fund Loan (Ord. 3636) 2006A (07SF)	11/29/2006	\$ 2,161,034	8/1/2017	\$ 93,548	Non-interest bearing				
			2/1/2018	17,074					
			8/1/2018	92,048					
			2/1/2019	15,575					
			8/1/2019	90,549					
			2/1/2020	14,075					
			8/1/2020	98,421					
			2/1/2021	12,389					
			8/1/2021	96,734					
			2/1/2022	10,649					
			8/1/2022	104,366					
			2/1/2023	8,716					
			8/1/2023	102,434					
			2/1/2024	6,724					
			8/1/2024	100,442					
			2/1/2025	4,381					
			8/1/2025	107,471					
			2/1/2026	2,191					
			8/1/2026	105,280		\$ 1,197,063	—	113,996	1,083,067
NJ Environmental Trust Loan 2006A (07STJ) (Ord. 3720)	11/29/2006	880,000	8/1/2017	45,000	4.000				
			8/1/2018	45,000	4.000				
			8/1/2019	50,000	4.000				
			8/1/2020	50,000	4.000				
			8/1/2021	55,000	4.125				
			8/1/2022	55,000	4.125				
			8/1/2023	60,000	4.250				
			8/1/2024	60,000	5.000				
			8/1/2025	65,000	4.250				
			8/1/2026	65,000	4.250	595,000	—	45,000	550,000
NJ Environmental Fund Loan 2006A (07SFJ) (Ord. 3720)	11/29/2006	2,523,335	8/1/2017	106,210	Non-interest bearing				
			2/1/2018	20,088					
			8/1/2018	104,522					
			2/1/2019	18,399					
			8/1/2019	112,214					
			2/1/2020	16,524					
			8/1/2020	110,338					
			2/1/2021	14,647					
			8/1/2021	117,843					
			2/1/2022	12,518					
			8/1/2022	115,715					
			2/1/2023	10,390					
			8/1/2023	122,968					
			2/1/2024	7,998					
			8/1/2024	120,576					
			2/1/2025	5,183					
			8/1/2025	127,143					
			2/1/2026	2,592					
			8/1/2026	124,551		1,400,517	—	130,098	1,270,419 (continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
NJ Environmental Trust Loan (Ord. 3878) (09ST)	12/1/2009 Semi-annual payments on 8/1and 2/1	\$ 1,755,000	8/1/2017	\$ 80,000	5.00				
			2/1/2018		5.00				
			8/1/2018	85,000	5.00				
			2/1/2019		5.00				
			8/1/2019	90,000	4.00				
			2/1/2020		4.00				
			8/1/2020	90,000	4.00				
			2/1/2021		4.00				
			8/1/2021	95,000	4.00				
			2/1/2022		4.00				
			8/1/2022	100,000	3.50				
			2/1/2023		3.50				
			8/1/2023	100,000	4.00				
			2/1/2024		4.00				
			8/1/2024	105,000	4.00				
			2/1/2025		4.00				
			8/1/2025	110,000	3.75				
			2/1/2026		3.75				
			8/1/2026	115,000	4.00				
			2/1/2027		4.00				
			8/1/2027	120,000	4.00				
			2/1/2028		4.00				
			8/1/2028	125,000	4.00				
			2/1/2029		4.00				
			8/1/2029	130,000	4.00	\$ 1,420,000	—	75,000	1,345,000
NJ Environmental Fund Loan (Ord. 3878) (09SF)	12/1/2009 Semi-annual payments on 8/1and 2/1	1,763,165	8/1/2017	59,768	Non-interest bearing				
			2/1/2018	29,885					
			8/1/2018	59,768					
			2/1/2019	29,884					
			8/1/2019	59,768					
			2/1/2020	29,885					
			8/1/2020	59,768					
			2/1/2021	29,885					
			8/1/2021	59,768					
			2/1/2022	29,884					
			8/1/2022	59,768					
			2/1/2023	29,884					
			8/1/2023	59,768					
			2/1/2024	29,884					
			8/1/2024	59,768					
			2/1/2025	29,885					
			8/1/2025	59,768					
			2/1/2026	29,884					
			8/1/2026	59,768					
			2/1/2027	29,885					
			8/1/2027	59,768					
			2/1/2028	29,884					
			8/1/2028	59,768					
			2/1/2029	29,885					
			8/1/2029	59,768		1,225,251	—	89,652	1,135,599 (continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
NJ Environmental Trust Loan (Ord. 3993) (09STJ) Series 2010 A (CW-ARRA)	12/1/2009 Semi-annual payments on 8/1and 2/1	\$ 1,025,000	8/1/2017	\$ 45,000	5.00				
			2/1/2018						
			8/1/2018	50,000	5.00				
			2/1/2019						
			8/1/2019	50,000	4.00				
			2/1/2020						
			8/1/2020	55,000	5.00				
			2/1/2021						
			8/1/2021	55,000	3.00				
			2/1/2022						
			8/1/2022	60,000	4.00				
			2/1/2023						
			8/1/2023	60,000	4.00				
			2/1/2024						
			8/1/2024	60,000	4.00				
			2/1/2025						
			8/1/2025	65,000	4.00				
			2/1/2026						
			8/1/2026	70,000	3.50				
			2/1/2027						
			8/1/2027	70,000	4.00				
			2/1/2028						
			8/1/2028	75,000	4.00				
			2/1/2029						
			8/1/2029	75,000	4.00	\$ 835,000	—	45,000	790,000
NJ Environmental Fund Loan (Ord. 3993) (09SFJ)	12/1/2009 Semi-annual payments on 8/1and 2/1	1,048,267	8/1/2017	35,534	Non-interest bearing				
			2/1/2018	17,768					
			8/1/2018	35,534					
			2/1/2019	17,768					
			8/1/2019	35,534					
			2/1/2020	17,768					
			8/1/2020	35,534					
			2/1/2021	17,768					
			8/1/2021	35,534					
			2/1/2022	17,768					
			8/1/2022	35,534					
			2/1/2023	17,768					
			8/1/2023	35,534					
			2/1/2024	17,767					
			8/1/2024	35,534					
			2/1/2025	17,768					
			8/1/2025	35,534					
			2/1/2026	17,768					
			8/1/2026	35,534					
			2/1/2027	17,768					
			8/1/2027	35,534					
			2/1/2028	17,768					
			8/1/2028	35,534					
			2/1/2029	17,767					
			8/1/2029	35,534		728,456	—	53,301	675,155 (continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
NJ Environmental Trust Loan (Ord. 3992) (09STJ) Series 2010 A (CW-ARRA)	12/1/2009 Semi-annual payments on 8/1and 2/1	\$ 220,000	8/1/2017	\$ 10,000	5.00				
			2/1/2018						
			8/1/2018	10,000	5.00				
			2/1/2019						
			8/1/2019	10,000	4.00				
			2/1/2020						
			8/1/2020	10,000	4.00				
			2/1/2021						
			8/1/2021	10,000	3.00				
			2/1/2022						
			8/1/2022	10,000	4.00				
			2/1/2023						
			8/1/2023	15,000	4.00				
			2/1/2024						
			8/1/2024	15,000	4.00				
			2/1/2025						
			8/1/2025	15,000	4.00				
			2/1/2026						
			8/1/2026	15,000	3.50				
			2/1/2027						
			8/1/2027	15,000	4.00				
			2/1/2028						
			8/1/2028	15,000	4.00				
			2/1/2029						
			8/1/2029	15,000	4.00	\$ 175,000	—	10,000	165,000
NJ Environmental Fund Loan (Ord. 3992) (09SFJ)	12/1/2009 Semi-annual payments on 8/1and 2/1	222,305	8/1/2017	7,536	Non-interest bearing				
			2/1/2018	3,768					
			8/1/2018	7,536					
			2/1/2019	3,768					
			8/1/2019	7,536					
			2/1/2020	3,767					
			8/1/2020	7,536					
			2/1/2021	3,768					
			8/1/2021	7,536					
			2/1/2022	3,767					
			8/1/2022	7,536					
			2/1/2023	3,768					
			8/1/2023	7,536					
			2/1/2024	3,767					
			8/1/2024	7,536					
			2/1/2025	3,768					
			8/1/2025	7,536					
			2/1/2026	3,768					
			8/1/2026	7,536					
			2/1/2027	3,768					
			8/1/2027	7,536					
			2/1/2028	3,767					
			8/1/2028	7,536					
			2/1/2029	3,768					
			8/1/2029	7,536		154,483	—	11,304	143,179 (continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
NJ Environmental Fund Loan (12SF)	5/3/2012	\$ 2,839,367	8/1/2017	\$ 96,250	Non-interest bearing				
			2/1/2018	48,125					
			8/1/2018	96,250					
			2/1/2019	48,125					
			8/1/2019	96,250					
			2/1/2020	48,125					
			8/1/2020	96,250					
			2/1/2021	48,125					
			8/1/2021	96,250					
			2/1/2022	48,125					
			8/1/2022	96,250					
			2/1/2023	48,125					
			8/1/2023	96,250					
			2/1/2024	48,125					
			8/1/2024	96,250					
			2/1/2025	48,125					
			8/1/2025	96,250					
			2/1/2026	48,125					
			8/1/2026	96,250					
			2/1/2027	48,125					
			8/1/2027	96,250					
			2/1/2028	48,125					
			8/1/2028	96,250					
			2/1/2029	48,125					
			8/1/2029	96,250					
			2/1/2030	48,125					
			8/1/2030	96,250					
			2/1/2031	48,125					
			8/1/2031	96,250					
					\$	2,261,867	—	144,375	2,117,492
NJ Environmental Trust Loan (12ST)	5/3/2012	2,595,000	8/1/2017	105,000	5.00				
			2/1/2018	—					
			8/1/2018	110,000	5.00				
			2/1/2019	—					
			8/1/2019	115,000	5.00				
			2/1/2020	—					
			8/1/2020	120,000	5.00				
			2/1/2021	—					
			8/1/2021	125,000	5.00				
			2/1/2022	—					
			8/1/2022	135,000	5.00				
			2/1/2023	—					
			8/1/2023	140,000	5.00				
			2/1/2024	—					
			8/1/2024	150,000	5.00				
			2/1/2025	—					
			8/1/2025	155,000	5.00				
			2/1/2026	—					
			8/1/2026	160,000	5.00				
			2/1/2027	—					
			8/1/2027	170,000	5.00				
			2/1/2028	—					
			8/1/2028	175,000	5.00				
			2/1/2029	—					
			8/1/2029	180,000	5.00				
			2/1/2030	—					
			8/1/2030	185,000	5.00				
			2/1/2031	—					
			8/1/2031	190,000	5.00				

(continued)

(continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
NJ Environmental Trust Loan (13ST)	5/22/2013	\$ 560,000	8/1/2017	\$ 25,000	4.00				
			2/1/2018						
			8/1/2018	25,000	4.00				
			2/1/2019						
			8/1/2019	25,000	4.00				
			2/1/2020						
			8/1/2020	25,000	4.00				
			2/1/2021						
			8/1/2021	25,000	4.00				
			2/1/2022						
			8/1/2022	30,000	4.00				
			2/1/2023						
			8/1/2023	30,000	5.00				
			2/1/2024						
			8/1/2024	30,000	5.00				
			2/1/2025						
			8/1/2025	30,000	3.00				
			2/1/2026						
			8/1/2026	35,000	3.00				
			2/1/2027						
			8/1/2027	35,000	3.00				
			2/1/2028						
			8/1/2028	35,000	3.00				
			2/1/2029						
			8/1/2029	35,000	3.00				
			2/1/2030						
			8/1/2030	35,000	3.00				
			2/1/2031						
			8/1/2031	40,000	3.00				
			2/1/2032						
			8/1/2032	40,000	3.00	\$ 520,000	—	20,000	500,000
NJ Environmental Fund Loan (13ST)	5/22/2013	1,742,340	8/1/2017	59,062	Non-interest bearing				
			2/1/2018	29,532					
			8/1/2018	59,062					
			2/1/2019	29,531					
			8/1/2019	59,062					
			2/1/2020	29,532					
			8/1/2020	59,062					
			2/1/2021	29,531					
			8/1/2021	59,062					
			2/1/2022	29,532					
			8/1/2022	59,062					
			2/1/2023	29,532					
			8/1/2023	59,062					
			2/1/2024	29,531					
			8/1/2024	59,062					
			2/1/2025	29,532					
			8/1/2025	59,062					
			2/1/2026	29,531					
			8/1/2026	59,062					
			2/1/2027	29,531					
			8/1/2027	59,062					
			2/1/2028	29,532					
			8/1/2028	59,062					
			2/1/2029	29,532					
			8/1/2029	59,062					
			2/1/2030	29,532					
			8/1/2030	59,062					
			2/1/2031	29,531					
			8/1/2031	59,062					
			2/1/2032	29,532					
			8/1/2032	59,062		1,476,559	—	88,593	1,387,966 (continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
NJ Environmental Fund Loan (15ST) Ord. 4420	5/28/2015	\$ 1,205,000	8/1/2017	\$ 40,000	5.00				
			8/1/2018	45,000	5.00				
			8/1/2019	45,000	5.00				
			8/1/2020	50,000	5.00				
			8/1/2021	50,000	5.00				
			8/1/2022	55,000	5.00				
			8/1/2023	55,000	5.00				
			8/1/2024	60,000	5.00				
			8/1/2025	65,000	5.00				
			8/1/2026	65,000	5.00				
			8/1/2027	70,000	4.00				
			8/1/2028	70,000	4.00				
			8/1/2029	75,000	4.00				
			8/1/2030	80,000	4.00				
			8/1/2031	80,000	4.00				
			8/1/2032	85,000	4.00				
			8/1/2033	85,000	4.00				
			8/1/2034	90,000	4.00	\$ 1,205,000		40,000	1,165,000
NJ Environmental Fund Loan (15SF) Ord. 4420	5/28/2015	2,912,379	8/1/2017	98,725					
			2/1/2018	49,362					
			8/1/2018	98,725					
			2/1/2019	49,362					
			8/1/2019	98,725					
			2/1/2020	49,362					
			8/1/2020	98,725					
			2/1/2021	49,362					
			8/1/2021	98,725					
			2/1/2022	49,362					
			8/1/2022	98,725					
			2/1/2023	49,362					
			8/1/2023	98,725					
			2/1/2024	49,362					
			8/1/2024	98,725					
			2/1/2025	49,362					
			8/1/2025	98,725					
			2/1/2026	49,362					
			8/1/2026	98,725					
			2/1/2027	49,362					
			8/1/2027	98,725					
			2/1/2028	49,362					
			8/1/2028	98,725					
			2/1/2029	49,362					
			8/1/2029	98,725					
			2/1/2030	49,362					
			8/1/2030	98,725					
			2/1/2031	49,362					
			8/1/2031	98,725					
			2/1/2032	49,362					
			8/1/2032	98,725					
			2/1/2033	49,362					
			8/1/2033	98,725					
			2/1/2034	49,363					
			8/1/2034	98,725		2,764,292	—	148,087	2,616,205 (continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
NJ Environmental Fund Loan (15STJ) Ord. 4480	5/28/2015	\$ 1,230,000	8/1/2017	\$ 45,000	5.00				
			8/1/2018	45,000	5.00				
			8/1/2019	50,000	5.00				
			8/1/2020	50,000	5.00				
			8/1/2021	50,000	5.00				
			8/1/2022	55,000	5.00				
			8/1/2023	60,000	5.00				
			8/1/2024	60,000	5.00				
			8/1/2025	65,000	5.00				
			8/1/2026	65,000	5.00				
			8/1/2027	70,000	4.00				
			8/1/2028	75,000	4.00				
			8/1/2029	75,000	4.00				
			8/1/2030	80,000	4.00				
			8/1/2031	80,000	4.00				
			8/1/2032	85,000	4.00				
			8/1/2033	90,000	4.00				
			8/1/2034	90,000	4.00	\$ 1,230,000		40,000	1,190,000
NJ Environmental Fund Loan (15SFJ) Ord. 4480	5/28/2015	2,966,519	8/1/2017	100,560					
			2/1/2018	50,280					
			8/1/2018	100,560					
			2/1/2019	50,280					
			8/1/2019	100,560					
			2/1/2020	50,280					
			8/1/2020	100,560					
			2/1/2021	50,280					
			8/1/2021	100,560					
			2/1/2022	50,280					
			8/1/2022	100,560					
			2/1/2023	50,280					
			8/1/2023	100,560					
			2/1/2024	50,280					
			8/1/2024	100,560					
			2/1/2025	50,280					
			8/1/2025	100,560					
			2/1/2026	50,280					
			8/1/2026	100,560					
			2/1/2027	50,280					
			8/1/2027	100,560					
			2/1/2028	50,280					
			8/1/2028	100,560					
			2/1/2029	50,280					
			8/1/2029	100,560					
			2/1/2030	50,280					
			8/1/2030	100,560					
			2/1/2031	50,280					
			8/1/2031	100,560					
			2/1/2032	50,280					
			8/1/2032	100,560					
			2/1/2033	50,280					
			8/1/2033	100,560					
			2/1/2034	50,279					
			8/1/2034	100,560		2,815,679	—	150,840	2,664,839 (continued)

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
2016 Construction Loan #70-8890-62-9						\$ 761,541	270,410	1,031,951	—
NJEIT Ord. 4527	Progress St. S340942-18 ST					—	6,716,527	—	6,716,527
NJEIT Ord. 4785	Trumbull St.					—	6,500,000	—	6,500,000
NJEIT CSO						—	3,350,000	—	3,350,000
						<u>29,302,130</u>	<u>16,836,937</u>	<u>3,276,619</u>	<u>42,862,448</u>
						Paid	\$ —	2,244,668	
						NJEIT received	16,566,527	—	
						Issued	270,410	—	
						Construction loan cor	—	1,031,951	
						\$ <u>16,836,937</u>	<u>3,276,619</u>		

CITY OF ELIZABETH

Schedule of Environmental Infrastructure Loans Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Purpose of issue	Date of issue	Original issue	Date	Amount	Interest rate	Balance, June 30, 2016	Increased by Bonds Issued	Paid by budget appropriations	Balance, June 30, 2017
2016 Construction Loan #70-8890-62-9						\$ 761,541	270,410	1,031,951	—
NJEIT Ord. 4527	Progress St. S340942-18 ST					—	6,716,527	—	6,716,527
NJEIT Ord. 4785	Trumbull St.					—	6,500,000	—	6,500,000
NJEIT CSO						—	3,350,000	—	3,350,000
						<u>29,302,130</u>	<u>16,836,937</u>	<u>3,276,619</u>	<u>42,862,448</u>
						Paid	\$ —	2,244,668	
						NJEIT received	16,566,527	—	
						Issued	270,410	—	
						Construction loan cor	—	1,031,951	
						\$ <u>16,836,937</u>	<u>3,276,619</u>		

CITY OF ELIZABETH

Schedule of Sewer Liens Receivable

Sewer Utility Operating Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>12,281</u>
Balance, June 30, 2017	\$ <u>12,281</u>

CITY OF ELIZABETH

Schedule of Capital Improvement Fund

Sewer Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u><u>2,563,338</u></u>
Balance, June 30, 2017	\$ <u><u>2,563,338</u></u>

CITY OF ELIZABETH

Schedule of Encumbrances Payable

Sewer Utility Operating Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	17,833
Increased by budget appropriation		<u>13,810</u>
		31,643
Decreased by cancellation to appropriation reserve		<u>17,833</u>
Balance, June 30, 2017	\$	<u><u>13,810</u></u>

CITY OF ELIZABETH

Schedule of Due from State of New Jersey -
Wastewater Treatment Trust Fund

Sewer Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>266,794</u>
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Balance, June 30, 2017	\$ <u>266,794</u>
------------------------	-------------------

	<u>Analysis of balance</u>	
Grant due from State	\$ 15,535	
Wastewater trust loan	<u>251,259</u>	
	\$ <u>266,794</u>	

CITY OF ELIZABETH

Schedule of Miscellaneous Rents Receivable

Sewer Utility Operating Fund

Year ended June 30, 2017

Balance, June 30, 2017 and 2016	\$ <u><u>5,342</u></u>
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CITY OF ELIZABETH

Schedule of Bond Sale Expense Payable

Sewer Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$	47,365
Decreased by disbursements		<u>26,513</u>
Balance, June 30, 2017	\$	<u><u>20,852</u></u>

CITY OF ELIZABETH

Schedule of State Grant Receivable - Stormwater

Sewer Utility Capital Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>5,155</u>
Balance, June 30, 2017	\$ <u>5,155</u>

CITY OF ELIZABETH

Schedule of Interfund Accounts Receivable

Sewer Utility Operating Fund

Year ended June 30, 2017

	Total	Sewer Capital Fund	Water Operating Fund
Balance, June 30, 2016	\$ 1,521	1,521	—
Increased by:			
Collections erroneously deposited	2,441	—	2,441
Disbursements	517,598	517,598	—
	<u>520,039</u>	<u>517,598</u>	<u>2,441</u>
	521,560	519,119	2,441
Decreased by:			
Receipts	<u>517,256</u>	<u>517,256</u>	<u>—</u>
Balance, June 30, 2017	\$ <u><u>4,304</u></u>	<u><u>1,863</u></u>	<u><u>2,441</u></u>

CITY OF ELIZABETH

Schedule of Capital Outlay Reserve

Sewer Utility Operating Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ <u>2,349,387</u>
Balance, June 30, 2017	\$ <u>2,349,387</u>

CITY OF ELIZABETH

Schedule of Sewer Installment Receivable

Sewer Utility Operating Fund

Year ended June 30, 2017

Balance, June 30, 2016	\$ 2,000,000
Decreased by collections	<u>1,000,000</u>
Balance, June 30, 2017	<u><u>\$ 1,000,000</u></u>

CITY OF ELIZABETH

Schedule of Changes in General Fixed Assets

General Fixed Assets Account Group

Year ended June 30, 2017

	Balance			Balance
	June 30, 2016	Additions	Dispositions	June 30, 2017
General fixed assets:				
Land and buildings	\$ 59,223,250	7,756,108	—	66,979,358
Equipment	14,319,859	192,552	1,498,862	13,013,549
Vehicles	25,836,279	3,311,908	1,006,912	28,141,275
	<u>\$ 99,379,388</u>	<u>11,260,568</u>	<u>2,505,774</u>	<u>108,134,182</u>

SUPPLEMENTARY DATA

CITY OF ELIZABETH

Supplementary Data

Comparative Schedule of Tax Rate Information

<u>Calendar Year</u>		<u>2017</u>	<u>2016</u>	<u>2015</u>
Tax Rate	\$	<u>27.749</u>	<u>26.099</u>	<u>25.315</u>
Apportionment of tax rate:				
Municipal		17.105	15.380	15.733
County		4.013	4.054	3.774
Local school		<u>6.631</u>	<u>6.665</u>	<u>5.808</u>

Tax rates are based on municipal assessed valuations.

Assessed valuations:

2017	\$	902,040,188
2016		897,539,015
2015		900,763,476
2014		897,432,852
2013		901,140,013

Comparison of Tax Levies and Collection Currently

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

<u>Year</u>		<u>Tax levy</u>	<u>Currently</u>	
			<u>Cash collections</u>	<u>Percentage of collection</u>
2017	\$	249,485,393	243,502,601	97.60%
2016		246,813,099	239,455,166	97.02%
2015		231,247,104	224,027,058	96.88%
2014		223,144,806	216,260,002	96.91%
2013		209,461,310	201,315,671	96.11%

Delinquent Taxes and Tax Title Liens

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

		<u>Amount of tax title liens</u>	<u>Amount of delinquent taxes</u>	<u>Total delinquent</u>	<u>Percentage of tax levy</u>
2017	\$	109,082	7,020,679	7,129,761	2.86%
2016		55,165	7,475,071	7,530,236	3.05%
2015		1,030,635	7,134,597	8,165,232	3.53%
2014		2,800,572	6,384,613	9,185,185	4.12%
2013		2,811,450	7,522,799	10,334,249	4.63%

(Continued)

CITY OF ELIZABETH

Supplementary Data

Property Acquired by Tax Title Lien Liquidation

The value of property acquired by liquidation of tax title liens on June 30, on the basis of the last assessed valuation of such properties, was as follows:

Year	Amount
2017	\$ 2,125,200
2016	2,157,700
2015	2,220,500
2014	2,788,300
2013	2,504,200

Comparison of Sewer Utility Levies

Year	Levy	Cash collections
2017	\$ 23,751,201	25,117,424
2016	23,007,263	23,710,375
2015	23,560,537	22,521,459
2014	19,791,475	19,791,475
2013	17,104,082	17,090,018

Comparative Schedule of Fund Balances

	Year	Balance, June 30,	Utilized in budget of succeeding year
Current Fund	2017	\$ 57,422,134	33,000,000
	2016	48,986,377	33,000,000
	2015	40,941,516	33,000,000
	2014	35,687,955	28,000,000
	2013	29,140,310	25,000,000
Water Utility	2017	871,345	—
	2016	860,092	—
	2015	854,594	—
	2014	850,031	—
	2013	845,211	—
Sewer Utility	2017	13,736,004	3,000,000
	2016	10,155,284	3,000,000
	2015	12,335,127	6,000,000
	2014	8,054,727	4,500,000
	2013	7,043,501	5,500,000

(Continued)

CITY OF ELIZABETH

Supplementary Data

Officials in Office and Surety Bonds

The following officials were in office at June 30, 2017

<u>Name</u>	<u>Office</u>	<u>Bond Amount</u>
J. Christian Bollwage	Mayor	
Carlos L. Torres	Councilman- First Ward, President of City Council	
Patricia Perkins-Auguste	Councilwoman-at-Large	
Frank J. Cuesta	Councilman-at-Large	
Manuel Grova, Jr.	Councilman-at-Large	
Nelson Gonzalez	Councilman- Second Ward	
Kevin Kiniery	Councilman- Third Ward	
Carlos Cedeno	Councilman- Fourth Ward	
William Gallman, Jr	Councilman- Fifth Ward	
Frank O. Mazza	Councilman- Sixth Ward	
Yolanda M. Roberts	City Clerk	
Bridget S. Anderson	Business Administrator	
Marie T. Krupinski	Assistant Business Adminiistrator	
Anthony M. Zengaro	Comptroller, Chief Financial Officer	
Paul Lesniak	City Treasurer, Collector of Taxes	\$ 500,000
William R. Holzapfel	City Attorney	
Eduardo Rodriguez	Director of Policy and Planning	
Onofrio Vitullo	Director of Fire Department	
Krishna Garlic	Director of Health, Welfare & Housing	
James Cosgrove	Director of Police Department	
John F Papetti, Jr	Director of Public Works	
Paul M. Addressa	Director of Recreation Department	
Roman Montes	Presiding Judge	125,000 blanket bond
Carl L. Marshall	Municipal Court Judge	125,000 blanket bond
Daniel J. Russell	Municipal Court Judge	125,000 blanket bond
Teresa Iturralde Estrada	Municipal Court Director	125,000 blanket bond
Margaret Gonzalez	Court Administrator	125,000 blanket bond

CITY OF ELIZABETH

General Comments and Recommendations

Year ended June 30, 2017

CITY OF ELIZABETH

General Comments and Recommendations

General Comments

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

N.J.S.A. 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only 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 the City has the responsibility of determining whether the expenditures in any category will exceed the statutory bid limit, within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the City Attorney's opinion should be sought before a commitment is made.

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements that exceeded the bid threshold, that may have been negotiated and awarded without public advertising for bids and bidding per N.J.S.A. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments by categories for the performance of any work or the furnishing or hiring of any material 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.

Our audit of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory bid limit "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those for which bids had been previously sought by public advertisement or for which a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 24, 2017 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"RESOLVED, that in accordance with N.J.S.A. 54:4-67, as amended and supplemented by Chapter 435 of the Laws of 1979 and Chapter 75 of the Laws of 1991, the Tax Collector is hereby authorized to accept payment of taxes without interest charges provided said payment is made within the tenth calendar day following the date upon which the same became payable; and be it

FURTHER RESOLVED, that when a Saturday, Sunday or legal holiday occurs on the tenth day period referred to above, an extra day or days grace be given for said holiday (s); and be it

CITY OF ELIZABETH

General Comments and Recommendations

FURTHER RESOLVED, that the governing body does hereby fix as the rate of interest to be charged for delinquent taxes, assessments, water, and sewer charges at eight per centum (8%) per annum for the first \$1,500 of the delinquency, and eighteen per centum (18%) per annum on amounts in excess of \$1,500, to be calculated from the date the tax was payable until the date of actual payment: and be it

FURTHER RESOLVED, by the City Council of the City of Elizabeth to add an additional penalty of six per centum (6%) on delinquent taxes in excess of \$10,000 that are not paid prior to the end of the fiscal year.”

It appears from the audit that interest was collected in accordance with the foregoing resolution.

Status of Prior Year Statutory Comments Recommendations:

All prior year recommendations resolved.

Current Year Comments and Recommendations:

None noted.

SINGLE AUDIT SECTION

LOUIS C. MAI CPA & ASSOCIATES

P.O. Box 624
Pompton Plains, N.J. 07444

Phone: 973-492-2524
Fax: 973-492-9515

Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

The Honorable Mayor and
Members of the City Council
City of Elizabeth
Elizabeth, New Jersey:

Report on Compliance for Each Major Federal Program

We have audited the City of Elizabeth's, (the City) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the City's major Federal programs for the year ended June 30, 2017. The City's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Elizabeth, New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures also disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2017-001. Our opinion on each major Federal program is not modified with respect to these matters.

The City's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be a material weakness and significant deficiencies. However, material weaknesses may exist that were not identified.

The City's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the regulatory basis financial statements of the City of Elizabeth, New Jersey as of and for the year ended June 30, 2017, and have issued our report thereon dated December 21, 2017, which report expressed an adverse opinion in accordance with accounting principles generally accepted in the United States of America and an unmodified opinion on the regulatory basis of accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 schedule of expenditures of Federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Louis C. Mai CPA & Associates
Louis C. Mai

Louis C. Mai, Registered Municipal Accountant
No. CR00217

December 21, 2017

CITY OF ELIZABETH

Schedule of Findings and Questioned Costs

Year ended June 30, 2017

(1) Summary of Auditor's Results

FINANCIAL STATEMENTS

- (a) The type of report issued on the financial statements:
Adverse opinion in accordance with accounting principles generally accepted in the United States of America.
- Unmodified opinion on the basis of accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.**
- (b) Significant deficiencies in internal control were disclosed by the audit of the Financial Statements: **None reported** Material weaknesses: **No**
- (c) Noncompliance which is material to the financial statements: **No**

FEDERAL AWARDS

- (d) Internal control over major Federal programs:
Significant deficiency(ies): **No**
Material weakness(es): **No**
- (e) The type of report issued on compliance for Federal major programs:
Unmodified
- (f) Any audit findings which are required to reported in accordance with 2 CFR 200.516(a):
No
- (g) Major programs:
- | | |
|----------------|---|
| Federal: | |
| #14.231 | Emergency Solutions Grant |
| #14.241 | Housing Opportunities for Persons with Aids (HOPWA) |
| #14.269 | Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR) |
| #66.458 | Capitalization Grants for Clean Water State Revolving Funds |
| #97.083 | Staffing for Adequate Fire and Emergency Response (SAFER) |
- (h) Dollar threshold used to distinguish between Type A and Type B programs:
Federal: **\$750,000**
- (i) Auditee qualified as a low-risk auditee: **No**

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*: **None**

(3) Findings and Questioned Costs Relating to Federal Awards: Federal Awards –**2017-001**

See the following Federal findings.

City of Elizabeth

Schedule of Federal Award Findings and Questioned Costs

June 30, 2017

2017-001 (Repeat of Prior Year)

Reporting (L)

Federal Program:

Department of Housing and Urban Development

Housing Opportunities for Persons with AIDS (14.241)

Criteria: The grantee is required to submit monthly programmatic and expenditure reports to the pass-through entity by the 15th of the subsequent month. These reports should be reconciled to the original books of account.

Condition: All twelve reports filed with the pass through entity were tested for compliance with the requirements of reporting and noted the following deficiencies:

1. The amount reported for long term rental assistance subsidy did not agree to the reconciled amount recorded in the general ledger as paid on all of the reports resulting in a total undercharge of \$5,867

Effect: The grantee is not in compliance with the Federal requirements for reporting.

Cause: The grantee prepares the reports on a check cleared basis per the request of the pass through entity and does not accurately reconcile expenditures recorded on the report to the amounts recorded in the general ledger.

Questioned Costs: (\$5,867) undercharge

Recommendation: The grantee should document supervisory review of the reconciliation of the monthly reports to the general ledger on a monthly basis and file a grant closeout report with the grantor in accordance with 2 CFR section 200.343

Client Response: Included in the client prepared corrective action plan.

CITY OF ELIZABETH

Summary Schedule of Prior Year Federal and State
Single Audit Findings

June 30, 2017

FEDERAL

2012-010 ACTIVITIES ALLOWED OR UNALLOWED & ALLOWABLE COSTS (CDBG)

The City believes the finding is no longer valid and does not warrant further action in accordance with 2 CFR 200.511(b)(3)

2015-001 REPORTING (CDBG)

Corrective action was taken and finding was resolved.

2016-001 ACTIVITIES ALLOWED OR UNALLOWED & ALLOWABLE COSTS (HOPWA)

Corrective action was taken and finding was resolved.

2016-002 ELIGIBILITY (HOPWA)

Corrective action was taken and finding was resolved.

2016-003 REPORTING (HOPWA)

A similar finding is included in the SFY 2017 summary of findings and questioned costs.

2016-004 REPORTING (ESG)

Corrective action was taken and finding was resolved.

CITY OF ELIZABETH

Schedule of Expenditures of Federal Awards

Year ended June 30, 2017

Grantor/ Program Title	Federal CFDA Number	Pass through Number	Passed through to Subrecipients	Program or Award Amount	(Unaudited) Total Expenditures	Funds Available 06/30/16	Grant Awarded	Net Disbursement Charges	Transfers and Adjustments	Funds Available 06/30/17
Department of Health and Human Services (Passed through the NJ Department of Health and Senior Services) Pandemic Flu Grant Phase III	93.283	Unknown	—	\$ 16,408	16,408	7,247	—	7,247	—	—
Total Department of Health and Human Services					16,408	7,247	—	7,247	—	—
Department of Housing and Urban Development:										
Community Development Block Grant:	14.218	N/A	865,525	24,809,629.00	21,202,963	2,216,367	2,365,281	1,662,720	57,015	2,861,913
HOME Investment Partnership:	14.239	N/A	—	4,229,075	2,792,058	1,417,652	664,462	714,079	(68,982)	1,437,017
Emergency Solutions Grant	14.231	N/A	202,335	551,073	450,914	90,236	212,254	202,335	(4)	100,159
Homeless Prevention & Rapid Re-Housing Program (ARRA)	14.257	N/A	—	839,604	839,475	129	—	—	—	129
Housing Opportunity for Persons with AIDS (Passed through the City of Newark)	14.241									
2015-16		Unknown	—	1,125,749	996,802	644,481	—	515,534	—	128,947
2016-17		Unknown	—	967,006	412,761	—	967,006	412,761	—	554,245
					1,409,563	644,481	967,006	928,295	—	683,192
(Passed through the NJ Economic Development Authority) Hurricane Sandy Community Development Block Grant Disaster Recovery Grant	14.269	P40034	—	3,613,050	1,601,574	—	3,613,050	1,601,574	—	2,011,476
Total Department of Housing and Urban Development:					28,296,547	4,368,865	7,822,053	5,109,003	(11,971)	7,093,886
Department of Labor (Passed through the County of Union) Workforce Investment Act - Youth	17.259	Unknown	—	60,000	14,044	46,501	—	545	—	45,956
Total Department of Labor					14,044	46,501	—	545	—	45,956
Department of Transportation (Passed through the State of New Jersey Department of Transportation) Highway Planning and Construction	20.205	100-078-6100-030		987,814	563,479	424,335	—	—	—	424,335
(Passed through NJ Department of Law and Public Safety) Drive Sober or Get Pulled Over	20.601	Unknown	—	21,984	—	—	21,984	—	—	21,984
Total Department of Transportation					563,479	424,335	21,984	—	—	446,319

(continued)

CITY OF ELIZABETH

Schedule of Expenditures of Federal Awards

Year ended June 30, 2017

Grantor/ Program Title	Federal CFDA Number	Pass through Number	Passed through to Subrecipients	Program or Award Amount	(Unaudited) Total Expenditures	Funds Available 06/30/16	Grant Awarded	Net Disbursement Charges	Transfers and Adjustments	Funds Available 06/30/17
Department of Justice										
Edward Byrne Memorial Justice Grant Program	16.738	Unknown			239,683	127,752	95,780	116,642	—	106,890
Equitable Sharing Program	16.922	N/A	—	2,050,825	1,637,707	398,521	248,087	233,490	—	413,118
(Passed through the County of Union)										
State Domestic Preparedness Equipment Support Program	16.007	Unknown	—	250,000	243,175	6,825	—	—	—	6,825
Total Department of Justice					2,120,565	533,098	343,867	350,132	—	526,833
Environmental Protection Agency										
Brownfield's Assessment and Clean up Cooperative Agreement	66.818	N/A	—	400,000	400,000	70,566	—	70,566	—	—
(Passed through the New Jersey Department of Environmental Protection)										
Capitalization Grants for Clean Water State Revolving Funds	66.458									
Elizabeth River Flood Control		340942-16	—	5,053,501	3,131,963	2,787,560	—	866,022	—	1,921,538
Progress Street (A)		S340942-18A	—	270,478	202,742	—	270,478	202,742	—	67,736
Progress Street (B)		S340942-18B	—	4,489,499	2,993,000	—	4,489,499	2,993,000	—	1,496,499
					6,327,705	2,787,560	4,759,977	4,061,764	—	3,485,773
Total Department of Environmental Protection					6,727,705	2,858,126	4,759,977	4,132,330	—	3,485,773
Department of Homeland Security										
(Passed through the NJ Department of Law and Public Safety)										
Emergency Management Agency Assistance	97.042	100-726-6120	—	10,000	10,000	10,000	—	10,000	—	—
Staffing for Adequate Fire & Emergency Response	97.083	N/A	—	5,049,612	1,204,370	—	5,049,612	1,204,370	—	3,845,242
(Passed through the N.J. Department of Law and Public Safety)										
Disaster Grants - Public Assistance (Sandy)	97.036	Unknown	—	14,176,019	9,992,381	4,136,495	—	14,106	—	4,122,389
National Urban Search and Resccue Response System	97.025	Unknown	—	39,763	39,763	—	39,763	39,763	—	—
Urban Areas Security Initiative	97.067	1200-100-975	—		29,959	44,968	—	29,959	—	15,009

(continued)

CITY OF ELIZABETH

Schedule of Expenditures of Federal Awards

Year ended June 30, 2017

<u>Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass through Number</u>	<u>Passed through to Subrecipients</u>	<u>Program or Award Amount</u>	<u>(Unaudited) Total Expenditures</u>	<u>Funds Available 06/30/16</u>	<u>Grant Awarded</u>	<u>Net Disbursement Charges</u>	<u>Transfers and Adjustments</u>	<u>Funds Available 06/30/17</u>
(Passed through the Port of Authority of New York and New Jersey)										
Port Security Grant Program	97.116									
American Recovery and Reinvestment Act Port Security ARRA		Unknown	— \$	198,995	197,955	1,040	—	—	—	1,040
American Recovery and Reinvestment Act Port Security ARRA		Unknown	—	1,041,176	914,413	126,763	—	—	—	126,763
					<u>1,112,368</u>	<u>127,803</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>127,803</u>
Port Security Grant Program	97.056									
Foam Concentrate		2011-PU-K00254	—	297,000	289,201	7,799	—	—	—	7,799
Foam Delivery Unit		2011-PU-K00254	—	1,725,000	1,692,012	32,988	—	—	—	32,988
					<u>1,981,213</u>	<u>40,787</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>40,787</u>
Total Department of Homeland Security					<u>14,370,054</u>	<u>4,360,053</u>	<u>5,089,375</u>	<u>1,298,198</u>	<u>—</u>	<u>8,151,230</u>
Department of Energy										
Energy Efficiency and Conservation Block Grant (ARRA)	81.128	N/A	—	1,176,700	1,096,858	79,842	—	—	—	79,842
Total Department of Energy					<u>1,096,858</u>	<u>79,842</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>79,842</u>
Department of Agriculture										
(Passed through the NJ Department of Agriculture)										
Summer Food Service Program for Children	10.559	20-1801	—	388,833	239,390	—	388,833	239,390	—	149,443
Total Department of Agriculture					<u>239,390</u>	<u>—</u>	<u>388,833</u>	<u>239,390</u>	<u>—</u>	<u>149,443</u>
					<u>\$ 53,445,050</u>	<u>12,678,067</u>	<u>18,426,089</u>	<u>11,136,845</u>	<u>(11,971)</u>	<u>19,979,282</u>

See accompanying notes to schedule of expenditures of awards.

CITY OF ELIZABETH

Notes to Schedules of Expenditures of Awards

June 30, 2017

(1) Basis of Presentation

The accompanying schedules of expenditures of Federal awards present the activity of Federal awards programs of the City of Elizabeth. The City is defined in Note 1 to the City's financial statements. Federal awards received directly from Federal agencies, as well as Federal awards passed through other government agencies are included on the schedule of expenditures of Federal awards.

(2) Summary of Significant Accounting Policies

The accompanying schedules of expenditures awards are presented using the budgetary basis of accounting. The basis of accounting is described in Note 1 to the City's financial statements.

(3) Indirect Cost Rate

The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance and does not charge indirect costs to the Federal awards.

(4) Relationship to General Purpose Financial Statements

Amount reported in the accompanying schedule agrees with or is reconcilable to amount reported in the City's financial statements. Expenditures of awards are reported in the City's financial statements as follows:

	<u>Federal</u>
Current/ Grant Fund	\$2,646,777
Capital Fund	1,615,680
Sewer Funds	4,061,764
Trust Funds	<u>2,812,624</u>
	\$11,136,845

(5) Relationship to Federal and State of New Jersey Financial Reports

The regulations and guidelines governing the preparation of federal financial reports vary by federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the federal financial reports do not necessarily agree with the amounts reported in the accompanying Schedule which is prepared on the cash basis.