

CITY OF SUMMIT
REPORT OF AUDIT
COUNTY OF UNION
DECEMBER 31, 2017

CITY OF SUMMIT
YEAR ENDED DECEMBER 31, 2017
TABLE OF CONTENTS

Exhibit

Page

PART I

Independent Auditor's Report	1 - 4
 <u>CURRENT FUND</u>	
A Comparative Balance Sheet	5 - 6
A-1 Comparative Statement of Operations and Changes in Fund Balance	7
A-2 Statement of Revenues	8 - 9
A-3 Statement of Expenditures	10 - 19
 <u>TRUST FUND</u>	
B Comparative Balance Sheet	20 - 21
B-1 Comparative Schedule of Assessment Fund Balance	22
 <u>GENERAL CAPITAL FUND</u>	
C Comparative Balance Sheet	23
C-1 Comparative Statement of Surplus	24
 <u>SEWER UTILITY FUND</u>	
D Comparative Balance Sheet	25 - 26
D-1 Comparative Statement of Operations and Changes in Fund Balance	27
D-2 Comparative Statement of Fund Balance	28
D-3 Statement of Revenues	28
D-4 Statement of Expenditures	29 - 30
 <u>PARKING UTILITY FUND</u>	
E Comparative Balance Sheet	31 - 32
E-1 Comparative Statement of Operations and Changes in Fund Balance	33
E-2 Comparative Statement of Fund Balance	34
E-3 Statement of Revenues	35
E-4 Statement of Expenditures	36
 <u>PUBLIC ASSISTANCE FUND</u>	
F Comparative Balance Sheet	37
 <u>GENERAL FIXED ASSETS ACCOUNT GROUP</u>	
G Comparative Balance Sheet	38
 NOTES TO FINANCIAL STATEMENTS	
39 - 81	
 SUPPLEMENTARY DATA	
Officials in Office and Surety Bonds	82
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	83
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE	84
Comparative Data	85 - 90

CURRENT FUND

A-4	Schedule of Cash - Treasurer	91
A-5	Schedule of Cash - Collector	92
A-6	Schedule of Petty Cash	93
A-7	Schedule of Change Fund	93
A-8	Schedule of Amount Due from State of New Jersey for Senior Citizens' and Veterans' Deductions	94
A-9	Schedule of Taxes Receivable and Analysis of Property Tax Levy	95
A-10	Schedule of Revenue Accounts Receivable	96
A-11	Schedule of Appropriation Reserves	97 - 99
A-12	Schedule of Accounts Payable	100
A-13	Schedule of Tax Overpayments	101
A-14	Schedule of Prepaid Taxes	101
A-15	Schedule of Miscellaneous Accounts Receivable	102
A-16	Schedule of Reserve for Tax Appeals	102
A-17	Schedule of Interfunds	103
A-18	Schedule of County Taxes Payable	104
A-19	Schedule of Due County for Added and Omitted Taxes	104
A-20	Schedule of Local District School Taxes Payable	105
A-21	Schedule of Special District Taxes Payable	105
A-22	Schedule of Prepaid Revenue	106
A-23	Schedule of Reserve for Sale of Property	107
A-24	Schedule of Reserve for State Library Aid	107
A-25	Schedule of Reserve Due to Various Agencies	108
A-26	Schedule of Reserve for Special Deposits	109
A-27	Schedule of Reserve for Various Deposits	110
A-28	Schedule of Grants Receivable	111
A-29	Schedule of Appropriated Reserves - Federal and State Grant Fund	112 - 113
A-30	Schedule of Unappropriated Reserves - Federal and State Grant Fund	114
A-31	Schedule of Due from Current Fund	115
A-32	Schedule of Reserve for Encumbrances	116

TRUST FUND

B-2	Schedule of Cash	117
B-3	Schedule of Assessment Cash and Investments	118
B-4	Reserve/(Deficit) for Animal Control Trust Fund Expenditures	119
B-5	Schedule of Due to State Department of Health	120
B-6	Schedule of Interfund Accounts Receivable (Payable)	121
B-7	Schedule of Other Trust Funds	122
B-8	Schedule of Assessments Receivable	123
B-9	Schedule of Prospective Assessments Funded	124
B-10	Schedule of Community Development Block Grants Receivable	125
B-11	Schedule of Community Development Block Grants Reserves	126
B-12	Schedule of Library Reserves	127
B-13	Schedule of Assessment Serial Bonds Payable	128
B-14	Schedule of Reserve for Assessments and Liens	129
B-15	Schedule of Reserve for Unconfirmed Assessment Receipts	129
B-16	Schedule of Encumbrances - Other Trust Funds	130

GENERAL CAPITAL FUND

C-2	Schedule of Cash - Treasurer	131
C-3	Analysis of Cash	132 - 135
C-4	Grants Receivable - NJ Dept. Of Transportation	136
C-5	Schedule of Interfunds	137
C-6	Schedule of Summit Board of Education - ROD Grants	138
C-7	Schedule of Deferred Charges to Future Taxation - Funded	139
C-8	Schedule of Deferred Charges to Future Taxation - Unfunded	140 - 142
C-9	Schedule of General Serial Bonds	143 - 144
C-10	Schedule of General Serial Bonds - School	145 - 146
C-11	Schedule of Bond Anticipation Notes Payable	147
C-12	Schedule of Temporary School Notes Payable	148
C-13	Schedule of Downtown Business Improvement Loan Payable	149
C-14	Schedule of Encumbrances Payable	150
C-15	Schedule of Capital Improvement Fund	150
C-16	Schedule of Improvement Authorizations	151 - 152
C-17	Schedule of Reserve for Prepaid Assessments	153
C-18	Schedule of Reserve for State Aid - Kids Recreation Trust	153
C-19	Schedule of Reserve for Preliminary Expenses	154
C-20	Schedule of Reserve for Refunding Bond Issuance Costs	155
C-21	Schedule of Reserve for Debt Service	155
C-22	Schedule of Reserve for Legal Fees	156
C-23	Schedule of Reserve for Rebate Liability	156
C-24	Schedule of Reserve for State Aid - Stormwater Management	157
C-25	Schedule of Reserve for Euclid Avenue Storm Improvements	157
C-26	Schedule of Grants Receivable - NJ Dept. of Transportation	158
C-27	Schedule of Community Center Project	158
C-28	Schedule of Bonds and Notes Authorized but not Issued	159 - 162

SEWER UTILITY FUND

D-5	Schedule of Cash	163
D-6	Analysis of Cash	164
D-7	Schedule of Consumer Accounts Receivable	165
D-8	Schedule of Assessment Receivables	166
D-9	Schedule of Interfund Account Receivable (Payable)	167
D-10	Schedule of Fixed Capital	168
D-11	Schedule of Fixed Capital Authorized and Uncompleted	169
D-12	Schedule of Appropriation Reserves	170
D-13	Schedule of Contracts Payable	171
D-14	Schedule of Accrued Interest	172
D-15	Schedule of Prepaid Sewer Charges	173
D-16	Schedule of Improvement Authorizations	174
D-17	Schedule of Reserves - Sewer Utility Fund	175
D-18	Schedule of Capital Improvement Fund	176
D-19	Schedule of Reserve for Amortization	176
D-20	Schedule of Reserve for Deferred for Amortization	177
D-21	Schedule of Reserve for Debt Service	178
D-22	Schedule of Bond Anticipation Notes Payable	179
D-23	Schedule of Sewer Serial Bonds Payable	180 - 181
D-24	Schedule of Bonds and Notes Authorized But Not Issued	182

PARKING UTILITY FUND

E-5	Schedule of Cash	183
E-6	Schedule of Change Fund	184
E-7	Analysis of Cash	185
E-8	Schedule of Fixed Capital	186
E-9	Schedule of Fixed Capital Authorized and Uncompleted	187
E-10	Schedule of Appropriation Reserves	188
E-11	Schedule of Contracts Payable	189
E-12	Schedule of Due from/to Parking Utility Operating Fund	189
E-13	Schedule of Prepaid Parking Charges	190
E-14	Schedule of Due To/From Parking Capital Fund	191
E-15	Schedule of Improvement Authorizations	192
E-16	Schedule of Accrued Interest	193
E-17	Schedule of Reserves - Parking Utility Fund	194
E-18	Schedule of Reserves - Parking Utility Capital Fund	194
E-19	Schedule of Capital Improvement Fund	195
E-20	Schedule of Reserve for Amortization	195
E-21	Schedule of Deferred Reserve for Amortization	196
E-22	Schedule of Bond Anticipation Notes Payable	197
E-23	Schedule of Serial Bonds Payable	198
E-24	Schedule of Bonds and Notes Authorized but Not Issued	199

PUBLIC ASSISTANCE FUND

F-1	Schedule of Cash - Treasurer	200
F-2	Schedule of Cash and Reconciliation	201
F-3	Schedule of Revenues - Cash Basis	202
F-4	Schedule of Expenditures - Cash Basis	202
F-5	Schedule of Reserve for Public Assistance	203
F-6	Schedule of Interfund Current Fund	203

PART II

Independent Auditor's 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	204 - 205
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GENERAL COMMENTS

Contracts and Agreements	206
Collection of Interest on Delinquent Taxes and Assessments	207
Foreclosed Property	208
Verification of Delinquent Taxes and Other Charges	208
Other Comments	208 - 209

RECOMMENDATIONS	210
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STATUS OF PRIOR YEARS AUDIT FINDINGS/RECOMMENDATIONS	210
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CITY OF SUMMIT

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PART I

REPORT OF AUDIT ON FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2017

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Common Council
City of Summit
Summit, New Jersey 07901

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the City of Summit in the County of Union, as of December 31, 2017 and 2016, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 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 accordance with the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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



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

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the City of Summit on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements 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 each fund of the City of Summit as of December 31, 2017 and 2016, or 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 regulatory basis balances sheets and account group as of December 31, 2017 and 2016, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2017 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Summit's basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2018 on our consideration of the City of Summit'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 the City of Summit's internal control over financial reporting and compliance.



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Registered Municipal Accountant
No. 388

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Certified Public Accountants

Pompton Lakes, New Jersey

June 21, 2018

City of Summit, N.J.

Comparative Balance Sheet -Regulatory Basis

Current Fund

December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	38,558,654.16	14,102,464.67
Change Fund	A-7	1,195.00	1,395.00
		<u>38,559,849.16</u>	<u>14,103,859.67</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-9	503,944.58	510,880.09
Revenue Accounts Receivable	A-10	45,564.31	28,158.68
Miscellaneous Accounts Receivable	A-15	170,595.09	183,578.29
Interfund Receivables	A-17	53,444.00	35,778.80
Prepaid School Taxes	A-20	0.50	
		<u>773,548.48</u>	<u>758,395.86</u>
		<u>39,333,397.64</u>	<u>14,862,255.53</u>
Federal and State Grant Fund:			
Grants Receivable	A-28	60,360.86	132,404.00
Interfund - Current Fund	A-31	334,303.26	412,802.97
		<u>394,664.12</u>	<u>545,206.97</u>
		<u>39,728,061.76</u>	<u>15,407,462.50</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Comparative Balance Sheet -Regulatory Basis

Current Fund

December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Due to State of New Jersey:			
Senior Citizen and Veteran Deductions	A-8	5,723.05	6,114.83
Appropriation Reserves			
Unencumbered	A-3;A-11	1,503,422.34	1,208,266.82
Encumbered	A-3;A-11	1,004,449.74	1,422,297.53
Accounts Payable	A-12	0.00	20,813.82
Tax Overpayments	A-13	94,462.12	145,424.64
Prepaid Taxes	A-14	24,368,473.71	1,123,978.02
Interfunds Payables	A-17	576,537.94	679,728.09
Added County Tax Payable	A-19	353,928.03	187,362.81
Local School Taxes Payable	A-20		0.50
Prepaid Revenue	A-22	4,697.00	5,584.00
Reserve for:			
Tax Appeals	A-16	266,166.79	26,482.02
Sale of Property	A-23	854,348.70	821,002.65
Library State Aid	A-24	9,126.22	9,239.36
Due Various Agencies	A-25	51,213.00	33,527.00
Special Deposit	A-26	49,035.13	61,081.13
Various Deposits	A-27	12,130.00	268,373.47
		<u>29,153,713.77</u>	<u>6,019,276.69</u>
Reserve for Receivables	Contra	773,548.48	758,395.86
Fund Balance	A-1	9,406,135.39	8,084,582.98
		<u>39,333,397.64</u>	<u>14,862,255.53</u>
Federal and State Grant Fund:			
Appropriated Reserve for Grants	A-29	320,331.48	345,313.97
Unappropriated Reserve for Grants	A-30	36,811.63	0.00
Encumbrances Payable	A-32	37,521.01	199,893.00
		<u>394,664.12</u>	<u>545,206.97</u>
		<u>39,728,061.76</u>	<u>15,407,462.50</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

Current Fund

Year Ended December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Revenues and Other Income:			
Fund Balance Utilized	A-2	7,100,000.00	7,100,000.00
Miscellaneous Revenue Anticipated	A-2	10,084,845.84	9,165,886.65
Receipts from Delinquent Taxes	A-2	506,927.76	442,521.23
Receipts from Current Taxes	A-2	136,370,455.62	134,035,881.23
Non-Budget Revenue	A-2	1,638,732.09	675,872.82
Other Credits to Income:			
Prior Year Disbursements Voided	A-4	1,278.57	20,319.47
Unexpended Balance of Appropriation Reserves	A-11	1,096,047.23	834,423.37
Accounts Payable Cancelled	A-12	20,813.82	5,655.42
Miscellaneous Receivables Returned	A-15	12,983.20	42,063.42
Animal Control Statutory Excess	A-17	5,722.39	15,402.72
Interfunds Returned	A-17	1,090.33	0.00
Cancel Prior Year Special District Tax Payable		0.00	888.53
Total Revenues and Other Income		<u>156,838,896.85</u>	<u>152,338,914.86</u>
Expenditures:			
Budget and Emergency Appropriations:			
Operations - Within "CAPS":			
Salaries and Wages	A-3	17,626,450.00	17,329,636.00
Other Expenses	A-3	10,086,614.65	9,995,799.00
Deferred Charges and Statutory Expenditures -			
Municipal - Within "CAPS"	A-3	4,022,302.00	3,933,065.00
Operations - Excluded From CAPS:			
Other Expenses	A-3	4,123,639.70	3,900,913.97
Capital Improvements - Excluded from Caps	A-3	300,000.00	325,000.00
Municipal Debt Service - Excluded from Caps	A-3	3,540,336.04	3,215,567.98
Deferred Charges and Statutory Expenditures -			
Municipal - Excluded from Caps	A-3	100,000.00	0.00
Local School District Purposes	A-3	5,265,128.64	5,456,133.00
Additional Added County Taxes - 2016	A-4	5,262.40	3,950.13
Refund of Prior Year FEMA Receipts			82,080.36
Interfunds Advanced	A-17	18,755.53	19,178.80
County Tax	A-18	39,653,485.95	38,839,427.46
County Share of Added Taxes	A-19	353,928.03	187,362.81
Local District School Tax	A-20	63,061,441.00	62,366,792.00
Prepaid School Taxes	A-20	0.50	
Special District Taxes	A-21	260,000.00	247,200.86
Total Expenditures		<u>148,417,344.44</u>	<u>145,902,107.37</u>
Excess (Deficit) Revenue Over Expenditures		<u>8,421,552.41</u>	<u>6,436,807.49</u>
Statutory Excess to Fund Balance		8,421,552.41	6,436,807.49
Fund Balance, January 1,	A	8,084,582.98	8,747,775.49
		<u>16,506,135.39</u>	<u>15,184,582.98</u>
Decreased by:			
Fund Balance Utilized as Budget Revenue		<u>7,100,000.00</u>	<u>7,100,000.00</u>
Fund Balance, December 31,	A	<u>9,406,135.39</u>	<u>8,084,582.98</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2017

	Ref.	Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	A-1	7,100,000.00		7,100,000.00	0.00
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-10	40,000.00		40,460.00	460.00
Other	A-2	66,000.00		79,264.00	13,264.00
Fines and Costs:					
Municipal Court	A-10	392,000.00		515,128.48	123,128.48
Interest and Costs on Taxes	A-10	175,000.00		158,497.56	(16,502.44)
Interest on Investments and Deposits	A-10	68,000.00		241,015.87	173,015.87
Old Town Hall Rent	A-10	33,500.00		33,546.00	46.00
Community Service Fees	A-10	146,000.00		134,915.62	(11,084.38)
Bryant Park Emergency Service Fee	A-10	12,000.00		12,000.00	0.00
Anticipated Utility Operating Surplus - Parking Utility	A-10	500,000.00		500,000.00	0.00
Fees and Permits					
Health Fees	A-10	170,000.00		186,325.02	16,325.02
Zoning Board Fees	A-10	30,000.00		27,737.50	(2,262.50)
Golf Course Revenue	A-10	205,000.00		192,091.00	(12,909.00)
Family Aquatic Center Revenue	A-10	505,000.00		477,649.00	(27,351.00)
Franchise Income Cable TV - Verizon	A-10	218,000.00		218,372.92	372.92
Franchise Income Cable TV - Comcast	A-10	128,000.00		128,119.17	119.17
Sale of Recyclable Materials	A-10	74,000.00		102,059.57	28,059.57
Administrative Off-Duty Assignment Fees (Police & Fire)	A-10	110,000.00		88,515.00	(21,485.00)
Hotel and Motel Occupancy Fees	A-10	160,000.00		154,365.90	(5,634.10)
Anticipated Utility Operating Surplus - Sewer Utility	A-10	240,000.00		240,000.00	0.00
Utility Income Cell Tower	A-10	30,000.00		46,839.73	16,839.73
Energy Receipts Tax	A-10	3,023,257.00		3,023,257.00	0.00
School Debt Service Aid	A-10	528,000.00		504,630.00	(23,370.00)
N.J. Solid Waste Administration - Recycling Tonnage	A-28	31,959.00		31,958.35	(0.65)
County of Union - Kids Recreation Grant	A-28	50,000.00		50,000.00	0.00
Community Policing Grant	A-28		10,000.00	10,000.00	0.00
Recreation for Individuals with Disabilities	A-28		21,600.00	21,600.00	0.00
N.J. DOT Municipal Aid - Hospital Roads	A-28		62,500.00	62,500.00	0.00
Open Space Stewardship Grant	A-28		1,082.58	1,082.58	0.00
Clean Communities	A-28		41,488.55	41,488.55	0.00
Investors Foundation Grant - Community Center	A-28		30,000.00	30,000.00	0.00
County of Union - Senior Focus Grant	A-28		25,000.00	25,000.00	0.00
County of Union - Emergency Management Agency Assistance	A-28		5,000.00	5,000.00	0.00
Local Match - Emergency Management Agency Assistance	A-28		5,000.00	5,000.00	0.00
N.J. DOT Municipal Aid - Ashwvood Rd	A-28		165,000.00	165,000.00	0.00
Div. of Criminal Justice Body Armor	A-28		4,276.22	4,276.22	0.00
Uniform Fire Safety Act	A-10	40,000.00		45,648.36	5,648.36
Summit Housing Authority - Payment in Lieu of Taxes	A-10	52,000.00		48,900.00	(3,100.00)
Parking Utility Share of Debt Services	A-10	421,307.00		421,307.00	0.00
Parking Utility Share of Various Services	A-10	305,000.00		305,000.00	0.00
SDI Share of Debt Service	A-10	29,500.00		29,312.50	(187.50)
UCC Share of Pension Costs	A-10	46,700.00		46,700.00	0.00
Sewer Utility Share of Pension Costs	A-10	35,105.00		35,105.00	0.00
Reserve for Debt Service	A-27	118,434.47		118,434.47	0.00
Reserve for School Debt Services	A-10	77.84		77.84	0.00
Reserve for Insurance Settlement	A-10	304,963.59		304,963.59	0.00
Reserve for State Aid - Debt Service	A-27	137,809.00		137,809.00	0.00
Reserve to Pay Debt	A-10	331,173.47		336,351.41	5,177.94
Reserve for Sale of Municipal Assets	A-23	1,541.63		1,541.63	0.00
General Capital Surplus	A-10	581,000.00		581,000.00	0.00
Sewer Utility Share of Various Services	A-10	115,000.00		115,000.00	0.00
Total Miscellaneous Revenues	A-1	9,455,328.00	370,947.35	10,084,845.84	258,570.49
Receipts from Delinquent Taxes	A-1;A-2	500,000.00		506,927.76	6,927.76
Subtotal General Revenues		17,055,328.00	370,947.35	17,691,773.60	265,498.25

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2017

Amount to be Raised by Taxes for Support of Municipal Budget:

Local Tax for Municipal Purposes Including Reserve for				
Uncollected Taxes		26,214,106.00	31,520,135.90	5,306,029.90
Addition to Local District School Tax		4,287,129.00	4,287,129.00	0.00
Minimum Library Tax		2,450,334.00	2,450,334.00	0.00
Total Amount to be Raised by Taxes for Support of				
Municipal Budget	A-9;A-2	32,951,569.00	0.00	38,258,972.64
Budget Totals		50,006,897.00	370,947.35	55,950,746.24
Non-Budget Revenue	A-1;A-2			1,638,732.09
		<u>50,006,897.00</u>	<u>370,947.35</u>	<u>57,589,478.33</u>
		A-3	A-3	

Analysis of Realized Revenues

Revenue from Collections	A-1; A-9		136,370,455.62
Allocated to School and County Taxes	A-9		103,328,854.98
Balance for Support of Municipal Budget Appropriations			33,041,600.64
Add : Appropriation - Reserve for Uncollected Taxes	A-3		5,217,372.00
Amount for Support of Municipal Budget Appropriations	A-2		38,258,972.64
Receipts from Delinquent Taxes:			
Delinquent Taxes			
Taxes Receivable	A-2; A-9		506,927.76
Licenses - Other			
Clerk	A-10	73,680.00	
Add: Prepaid Applied	A-22	5,584.00	
	A-2		79,264.00

Analysis of Non-budget Revenues

	<u>Ref.</u>		
MRNA		125,424.45	
Atlantic Health Agreement		795,400.00	
Tax Collector - NSF		440.00	
Health Department Ceremony Fee		4,300.00	
Off Duty Vehicle Fees		122,501.93	
Alarms Registrations		16,945.00	
City Clerk - Misc		209.20	
Planning Board/Inspection Fees		1,900.00	
Interest On Assessments		10,110.68	
Police Records Department		6,491.05	
Our House - In-lieu of Taxes		1,500.00	
Vet. & Sr. Citizen Admin. Fees		1,402.16	
State of N.J. Division of Motor Vehicles		3,900.00	
Vending Machine Revenues		1,620.09	
Add'l Homestead Benefit Rebate		401.40	
Reimbursements from Prior Year Expenditures		453,842.35	
State of N.J. FEMA - Hurricane Sandy		92,343.78	
	A-2		1,638,732.09
			A-4

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Operations - within "CAPS"						
GENERAL GOVERNMENT						
Administrative and Executive						
Salaries and Wages		351,100.00	356,900.00	356,642.69	257.31	
Other Expenses		74,800.00	72,800.00	58,410.22	14,389.78	
Employee Assistance Program						
Other Expenses		5,600.00	5,600.00	4,200.00	1,400.00	
Postage						
Other Expenses		57,200.00	57,200.00	41,019.75	16,180.25	
Physical Examination - Municipal Employees						
Other Expenses		30,000.00	30,000.00	9,877.00	20,123.00	
City Clerk						
Salaries and Wages		284,000.00	284,000.00	277,408.95	6,591.05	
Other Expenses		122,600.00	122,600.00	75,668.34	46,931.66	
Codification of Ordinances		10,000.00	10,000.00	3,740.00	6,260.00	
Financial Administration (Treasury)						
Salaries and Wages		310,000.00	321,400.00	318,187.21	3,212.79	
Other Expenses		87,600.00	87,599.65	22,593.40	65,006.25	
Audit Services						
Other Expenses		40,000.00	40,000.00	-	40,000.00	
Collection of Taxes						
Salaries and Wages		149,500.00	149,500.00	147,873.96	1,626.04	
Other Expenses		19,800.00	19,800.00	16,586.69	3,213.31	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Assessment of Taxes						
Salaries and Wages		222,400.00	224,000.00	222,980.87	1,019.13	
Other Expenses		344,400.00	344,400.00	141,191.03	203,208.97	
Legal Services and Costs						
Salaries and Wages		34,650.00	35,250.00	35,161.10	88.90	
Other Expenses		220,000.00	220,000.00	170,754.64	49,245.36	
Engineering Services and Costs						
Salaries and Wages		346,000.00	346,000.00	345,467.26	532.74	
Other Expenses		26,850.00	26,850.00	12,341.90	14,508.10	
Technology						
Other Expenses		233,300.00	233,300.00	158,153.67	75,146.33	
Hometown TV Agreement						
Other Expenses		86,700.00	86,700.00	86,623.02	76.98	
Municipal Land Use Law (N.J.S.A. 40:55 D-1 Et Seq.)						
Salaries and Wages		11,500.00	13,400.00	10,051.52	3,348.48	
Other Expenses		137,150.00	137,150.00	62,549.75	74,600.25	
Board of Adjustment						
Other Expenses		29,950.00	29,950.00	19,710.22	10,239.78	
Code Enforcement						
Salaries and Wages		195,400.00	197,900.00	197,817.59	82.41	
Other Expenses		3,250.00	3,250.00	605.17	2,644.83	
Insurance						
General Liability		569,000.00	569,000.00	569,000.00	-	
Workers Compensation		525,000.00	525,000.00	525,000.00	-	
Employee Group Health		2,620,000.00	2,620,000.00	2,620,000.00	-	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Other Insurance		110,000.00	110,000.00	110,000.00	-	
Unemployment Insurance		50,000.00	50,000.00	50,000.00	-	
<u>PUBLIC SAFETY</u>						
Police						
Salaries and Wages		5,916,000.00	5,916,000.00	5,857,735.52	58,264.48	
Other Expenses		344,810.00	344,810.00	250,685.76	94,124.24	
School Crossing Guards						
Salaries and Wages		236,300.00	236,300.00	213,069.06	23,230.94	
Other Expenses		4,000.00	4,000.00	1,549.83	2,450.17	
Emergency Management						
Other Expenses		13,500.00	13,500.00	12,318.83	1,181.17	
<u>Fire</u>						
Salaries and Wages		3,797,400.00	3,833,800.00	3,825,717.09	8,082.91	
Other Expenses		287,810.00	269,810.00	209,524.60	60,285.40	
Uniform Fire Safety Act (Ch. 383, P.L. 1983)						
Salaries and Wages		36,000.00	36,000.00	36,000.00	-	
Road Repair and Maintenance						
Salaries and Wages		932,500.00	932,500.00	802,384.84	130,115.16	
Other Expenses		287,200.00	287,200.00	143,922.42	143,277.58	
Public Works Maintenance						
Salaries and Wages		351,000.00	389,200.00	388,829.12	370.88	
Other Expenses		77,000.00	77,000.00	41,980.17	35,019.83	
Garbage and Trash						
Salaries and Wages		709,000.00	709,000.00	686,848.08	22,151.92	
Other Expenses		27,800.00	27,800.00	25,596.79	2,203.21	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Recycling Program						
Salaries and Wages		75,000.00	76,000.00	75,780.00	220.00	
Other Expenses		240,500.00	240,500.00	197,869.65	42,630.35	
Transfer Station						
Salaries and Wages		285,000.00	294,600.00	294,582.34	17.66	
Other Expenses		91,300.00	91,300.00	51,862.57	39,437.43	
Compost Area						
Salaries and Wages		153,000.00	158,700.00	158,636.29	63.71	
Other Expenses		16,000.00	16,000.00	5,681.26	10,318.74	
Disposal Charges						
Other Expenses		850,000.00	850,000.00	640,600.62	209,399.38	
Public Buildings and Grounds						
Salaries and Wages		254,500.00	254,500.00	216,816.85	37,683.15	
Other Expenses		154,200.00	150,200.00	73,763.04	76,436.96	
Garage						
Salaries and Wages		269,000.00	344,500.00	343,169.94	1,330.06	
Other Expenses		42,200.00	46,200.00	23,680.80	22,519.20	
HEALTH						
Board of Health						
Salaries and Wages		235,000.00	233,000.00	232,671.21	328.79	
Other Expenses		85,600.00	87,600.00	80,919.26	6,680.74	
Dog Regulation - Contractual Agreement						
Other Expenses		10,000.00	10,000.00	6,157.85	3,842.15	
Social Services for the Elderly Program						
Other Expenses		35,105.00	35,105.00	26,330.22	8,774.78	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Prevention of Drug and Alcohol Abuse Program						
Other Expenses		7,890.00	7,890.00	7,890.00	-	
Maintenance of Municipal Golf Course						
Salaries and Wages		127,500.00	127,500.00	121,801.23	5,698.77	
Other Expenses		59,500.00	59,100.00	39,101.46	19,998.54	
Family Aquatic Center						
Salaries and Wages		156,000.00	147,500.00	132,674.42	14,825.58	
Other Expenses		112,200.00	112,600.00	104,487.35	8,112.65	
Community Programs						
Salaries and Wages		592,100.00	600,600.00	600,106.55	493.45	
Other Expenses		67,200.00	69,200.00	67,005.31	2,194.69	
Parks and Recreation						
Salaries and Wages		587,000.00	587,000.00	574,331.01	12,668.99	
Other Expenses		253,400.00	253,400.00	148,945.30	104,454.70	
Downtown Maintenance						
Other Expenses		8,500.00	8,500.00	4,789.72	3,710.28	
Community Service						
Salaries and Wages		553,000.00	514,400.00	428,577.52	85,822.48	
Other Expenses		91,000.00	91,000.00	61,042.64	29,957.36	
Municipal Court						
Salaries and Wages		307,000.00	307,000.00	303,052.00	3,948.00	
Other Expenses		19,800.00	19,800.00	12,374.15	7,425.85	
Public Defender						
Other Expenses		8,500.00	8,500.00	8,489.00	11.00	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
UNCLASSIFIED						
Utilities						
Electricity		372,000.00	372,000.00	310,165.46	61,834.54	
Street Lighting		153,000.00	153,000.00	149,776.29	3,223.71	
Telephone		200,000.00	200,000.00	184,701.35	15,298.65	
Water		63,500.00	63,500.00	58,609.07	4,890.93	
Natural Gas		60,000.00	60,000.00	51,988.14	8,011.86	
Heating Oil		48,000.00	48,000.00	20,305.76	27,694.24	
Gasoline		135,000.00	135,000.00	76,904.62	58,095.38	
Diesel Fuel		130,000.00	130,000.00	79,077.12	50,922.88	
Fire Hydrant Service		275,000.00	275,000.00	256,777.43	18,222.57	
Reserve for Salary Adjustments		200,000.00	66,400.00		66,400.00	
Total Operations Within "CAPS"		27,711,565.00	27,711,564.65	25,397,272.86	2,314,291.79	-
Contingent		1,500.00	1,500.00	-	1,500.00	-
Total Operations Including Contingent-Within "CAPS"		27,713,065.00	27,713,064.65	25,397,272.86	2,315,791.79	-
Detail:						
Salaries and Wages	A-1	17,476,850.00	17,626,450.00	17,204,374.22	422,075.78	-
Other Expenses (Including Contingent)	A-1	10,236,215.00	10,086,614.65	8,192,898.64	1,893,716.01	-
Deferred Charges and Statutory Expenditures-						
Municipal Within "CAPS"						
DEFERRED CHARGES						
Statutory Expenditures - Contribution to:						
Public Employees' Retirement System		1,005,796.00	1,005,796.00	989,651.20	16,144.80	
Social Security System (O.A.S.I.)		800,000.00	800,000.00	736,217.17	63,782.83	
Police and Fireman's Retirement System of NJ		2,206,006.00	2,206,006.00	2,206,006.00	-	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2017

Ref.	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Cancelled
	10,500.00	10,500.00	10,500.00	-	-
A-1	4,022,302.00	4,022,302.00	3,942,374.37	79,927.63	-
	31,735,367.00	31,735,366.65	29,339,647.23	2,395,719.42	-
General Appropriations					
Defined Contribution Retirement Program					
Total Deferred Charged and Statutory					
Expenditures - Municipal within "CAPS"					
Total General Appropriations for Municipal					
Purposes within "CAPS"					
Operations - Excluded From CAPS					
Maintenance of Free Public Library					
Other Expenses	2,450,334.00	2,450,334.00	2,338,185.11	112,148.89	
Reserve for Tax Appeals	325,000.00	325,000.00	325,000.00	-	
Dispatch Services - Joint Meeting					
Other Expense	895,400.00	895,400.00	895,396.23	3.77	
Total Other Operations - Excluded From CAPS	3,670,734.00	3,670,734.00	3,558,581.34	112,152.66	-
Public and Private Programs Offset By Revenues					
State of New Jersey					
Recycling Tonnage Grant					
Other Expenses	31,958.00	31,958.35	31,958.35	-	
Body Armor Replacement					
Other Expenses		4,276.22	4,276.22	-	
Clean Communities Program					
Other Expenses		41,488.55	41,488.55	-	
County of Union					
Kids Recreation Trust					
Other Expenses	50,000.00	50,000.00	50,000.00	-	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Unexpended Balance Cancelled</u>
<u>General Appropriations</u>						
Senior Focus Grant						
Other Expenses			25,000.00	25,000.00	-	
Emergency Management Agency						
Other Expenses			5,000.00	5,000.00	-	
Local Match			5,000.00	5,000.00	-	
State of New Jersey Department of Transportation						
Municipal Aid - Hospital Roads						
Other Expenses			62,500.00	62,500.00	-	
Municipal Aid - Ashwood Rd						
Other Expenses			165,000.00	165,000.00	-	
State of New Jersey Department of Law and Public Safety						
Community Policing						
Other Expenses			10,000.00	10,000.00	-	
State of New Jersey Department of Community Affairs						
Recreation for Individuals with Disabilities						
Other Expenses			21,600.00	21,600.00	-	
Association of New Jersey Environmental Commissions						
Open Space Stewardship Grants						
Other Expenses			1,082.58	1,082.58	-	
Investors Foundation Grant						
Community Center Improvements						
Other Expenses			30,000.00	30,000.00	-	
Total Public and Private Programs Offset by Revenues		81,958.00	452,905.70	452,905.70	-	-
Total Operations - Excluded from "CAPS"		3,752,692.00	4,123,639.70	4,011,487.04	112,152.66	-

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2017

General Appropriations Detail:	Ref.	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Cancelled
Other Expenses	A-1	3,752,692.00	4,123,639.70	4,011,487.04	112,152.66	-
Capital Improvements - Excluded From "CAPS"						
Capital Improvement Fund		300,000.00	300,000.00	300,000.00	-	
Total Capital Improvements Excluded from "CAPS"	A-1	300,000.00	300,000.00	300,000.00	-	-
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal		2,965,000.00	2,965,000.00	2,869,000.00	-	96,000.00
Interest on Bonds		637,537.00	637,537.00	637,536.04	-	0.96
Downtown Business Improvement Loan		33,800.00	33,800.00	33,800.00	-	
Total Municipal Debt Service - Excluded from "CAPS"	A-1	3,636,337.00	3,636,337.00	3,540,336.04	-	96,000.96
Deferred Charges:						
Deferred Charges Unfunded:						
Various Ordinances		100,000.00	100,000.00	100,000.00	-	
Total Deferred Charges Municipal- Excluded from "CAPS"	A-1	100,000.00	100,000.00	100,000.00	-	-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"		7,789,029.00	8,159,976.70	7,951,823.08	112,152.66	96,000.96
For Local School District School Purposes - Excluded from "CAPS"						
Payment of Bond Principal		3,940,000.00	3,940,000.00	3,940,000.00		
Interest on Bonds		1,310,948.00	1,310,948.00	1,310,947.64		0.36
Interest on Notes		14,181.00	14,181.00	14,181.00		
Total of Type 1 District School Debt Service - Excluded from "CAPS"	A-1	5,265,129.00	5,265,129.00	5,265,128.64	-	0.36
Total General Appropriations - Excluded From "CAPS"		13,054,158.00	13,425,105.70	13,216,951.72	112,152.66	96,001.32

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2017

	Ref.	Budget	Budget After Modification	Paid or Charged	Reserved	Unexpended Balance Cancelled
<u>General Appropriations</u>						
Subtotal General Appropriations		44,789,525.00	45,160,472.35	42,556,598.95	2,507,872.08	96,001.32
Reserve for Uncollected Taxes		5,217,372.00	5,217,372.00	5,217,372.00	-	-
Total General Appropriations		50,006,897.00	50,377,844.35	47,773,970.95	2,507,872.08	96,001.32
Adopted Budget	A-2		50,006,897.00			
Appropriated by N.J.S. 40A:4-87	A-2		370,947.35			
			50,377,844.35		-	
<u>Analysis of Paid or Charged</u>						
Cash Disbursed	A-4			41,778,693.25		
Reserve for Uncollected Taxes	A-2			5,217,372.00		
Reserve for Tax Appeals	A-16			325,000.00		
Reserve for Federal and State Grants	A-29			452,905.70		
				47,773,970.95		
<u>Analysis of Appropriation Reserve</u>						
Unencumbered	A				1,503,422.34	
Encumbered	A				1,004,449.74	
					2,507,872.08	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>Assets</u>			
Animal Control Trust Fund:			
Cash- Treasurer	B-2	<u>57,997.51</u>	<u>53,419.32</u>
Other Trust Funds:			
Cash	B-2	8,199,715.16	8,587,668.89
Interfund - Current Fund	B-6	64,697.69	65,905.58
Community Development Block Grant Receivable	B-10	<u>111,000.00</u>	<u>43,595.00</u>
		<u>8,375,412.85</u>	<u>8,697,169.47</u>
Assessment Fund			
Cash	B-2;B-3	104,256.39	104,256.39
Assessments Receivable	B-8	301,253.23	373,776.55
Prospective Assessment Funded	B-9	582,721.48	582,721.48
Interfund - Current Fund	B-6	<u>177,536.99</u>	<u>201,019.54</u>
		<u>1,165,768.09</u>	<u>1,261,773.96</u>
Total Assets		<u><u>9,599,178.45</u></u>	<u><u>10,012,362.75</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>Liabilities, Reserves & Fund Balance</u>			
Animal Control Trust Fund:			
Reserve for Animal Control			
Trust Fund Expenditures	B-4	36,872.40	38,016.60
Interfund - Current Fund	B-6	21,125.11	15,402.72
		<u>57,997.51</u>	<u>53,419.32</u>
Other Trust Funds:			
Various Reserves	B-7	7,569,331.48	7,944,336.42
Reserve for CDBG	B-11	123,717.85	56,312.85
Reserve for Library	B-12	191,340.58	194,086.39
Encumbrances	B-16	491,022.94	502,433.81
		<u>8,375,412.85</u>	<u>8,697,169.47</u>
Assessment Fund			
Interfund - General Capital Fund	B-6	113,403.42	113,403.42
Interfund - Sewer Assessment Fund	B-6	4,659.89	4,659.89
Assessment Serial Bonds Payable	B-13	770,000.00	866,000.00
Reserve for Assessments and Liens	B-14	175,583.64	175,583.64
Reserve for Unconfirmed			
Assessment Receipts	B-15	3,297.50	3,297.50
Fund Balance	B-1	98,823.64	98,829.51
		<u>1,165,768.09</u>	<u>1,261,773.96</u>
Total Liabilities, Reserves & Fund Balance		<u>9,599,178.45</u>	<u>10,012,362.75</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Comparative Statement of Assessment Fund Balance

Assessment Trust Funds

Year Ended December 31,

		<u>2017</u>	<u>2016</u>
	<u>Ref.</u>		
Balance - January 1,	B	98,829.51	<u>98,829.51</u>
Less:			
Assessment Receivable Adjustment	B-8	<u>5.87</u>	
Balance - December 31,	B	<u>98,823.64</u>	<u>98,829.51</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Comparative Balance Sheet - Regulatory Basis

General Capital Fund

December 31,

<u>Assets</u>	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Cash	C-2;C-3	11,863,266.78	914,703.59
Grants Receivable	C-4	55,000.00	282,500.00
Due From Assessment Trust Fund	C-5	113,403.42	113,403.42
Due From BOE - ROD Grants	C-6	11,816.86	11,816.86
Deferred Charges to Future Taxation:			
Funded	C-7	58,155,000.00	64,217,800.00
Unfunded	C-8	34,863,314.41	25,250,046.22
		<u>105,061,801.47</u>	<u>90,790,270.09</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Due From Current Fund	C-5	19,285.75	20,376.08
Serial Bonds Payable:			
Municipal Serial Bonds	C-9	20,690,000.00	23,384,000.00
School Serial Bonds	C-10	37,465,000.00	40,800,000.00
Bond Anticipation Notes Payable	C-11	20,667,000.00	-
Temporary School Notes Payable	C-12	1,630,000.00	1,630,000.00
Downtown Business Improvement Loan Payable	C-13	-	33,800.00
Encumbrances Payable	C-14	9,021,989.98	7,367,183.26
Capital Improvement Fund	C-15	252,474.24	475,474.24
Improvement Authorizations:			
Funded	C-16	3,049,932.83	4,048,208.65
Unfunded	C-16	10,831,846.13	11,380,976.34
Reserve for:			
Prepaid Assessments	C-17	5,000.00	5,000.00
State Aid - Kids Recreation Trust	C-18	174,171.10	217,726.31
Preliminary Expenses	C-19	-	7,500.00
Refunding Bonds Issuance Costs	C-20	39,947.59	39,947.59
Debt Service	C-21	-	330,160.98
Legal Fees	C-22	207.43	304,963.59
Rebate Liability	C-23	3,133.43	3,133.43
State Aid - Stormwater Management	C-24	-	14,720.00
Euclid Avenue Storm Improvements	C-25	-	83,530.25
Grants Receivable	C-26	-	62,500.00
Reserve for Community Center Project	C-27	885,386.87	-
Fund Balance	C-1	<u>326,426.12</u>	<u>581,069.37</u>
		<u>105,061,801.47</u>	<u>90,790,270.09</u>

There were Bonds and Notes Authorized But Not Issued in the Amount of \$13,891,068.22 and \$24,944,800.03 as of December 31, 2017 and 2016 as per Schedule C-28.

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

City of Summit, N.J.

Comparative Statement of Surplus - Regulatory Basis

General Capital Fund

Year Ended December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Balance - January 1,	C	581,069.37	804,446.37
Increased by:			
Improvement Authorizations Canceled	C-16	1,489.89	590,528.28
Reserves Canceled:			
Preliminary Expenses	C-19	7,500.00	
Legal Fees	C-22	372.41	
State Aid - Stormwater	C-24	14,720.00	
Euclid Ave - Storm Improvements	C-25	83,530.25	
Cash Receipts:			
Premium on Bond Sale	C-2	218,744.20	297,294.72
		<u>326,356.75</u>	<u>887,823.00</u>
Decreased by:			
Anticipated as Current Fund Revenue	C-2	581,000.00	450,000.00
Premium Utilized for Principal Payments:			
Temporary School Notes		-	661,200.00
		<u>581,000.00</u>	<u>1,111,200.00</u>
Balance - December 31,	C	<u>326,426.12</u>	<u>581,069.37</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

City of Summit, N.J.

Comparative Balance Sheet - Regulatory Basis

Sewer Utility Fund

December 31,

	<u>Ref</u>	<u>2017</u>	<u>2016</u>
<u>Assets</u>			
Operating Fund:			
Cash-Treasurer	D-5	<u>1,122,814.05</u>	<u>1,198,161.47</u>
Receivables with Full Reserves:			
Consumer Accounts	D-7	<u>52,965.82</u>	<u>68,501.94</u>
Total Operating Fund		<u>1,175,779.87</u>	<u>1,266,663.41</u>
Sewer Assessment Fund:			
Sewer Assessment Receivable	D-8	11,016.37	15,997.56
Interfund - Trust Assessment Account	D-9	<u>4,659.89</u>	<u>4,659.89</u>
Total Sewer Assessment Fund		<u>15,676.26</u>	<u>20,657.45</u>
Capital Fund:			
Cash	D-5;D-6	2,296,115.89	2,436,821.58
Interfund - Sewer Assessment Fund	D-9	15,676.26	20,657.45
Fixed Capital*	D-10	11,570,637.46	9,319,462.17
Fixed Capital Authorized and Uncompleted*	D-11	<u>4,420,291.08</u>	<u>7,092,718.87</u>
Total Capital Fund		<u>18,302,720.69</u>	<u>18,869,660.07</u>
Total Assets		<u>19,494,176.82</u>	<u>20,156,980.93</u>

* The fixed capital reported is taken from the municipal records and does not necessarily reflect the true condition of such fixed capital.

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Comparative Balance Sheet - Regulatory Basis

Sewer Utility Fund

	December 31,		
	<u>Ref</u>	<u>2017</u>	<u>2016</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	D-4;D-12	88,089.61	21,064.44
Encumbered	D-4;D-12	52,584.01	88,517.28
		<u>140,673.62</u>	<u>109,581.72</u>
Interfund - Current Fund	D-9	13,033.14	
Accrued Interest on Bonds	D-14	62,714.39	69,729.83
Accrued Interest on Notes	D-14	7,016.11	
Prepaid Sewer Charges	D-15	4,678.09	4,802.48
Various Reserves	D-17	24,925.76	24,925.76
		<u>253,041.11</u>	<u>209,039.79</u>
Reserve for Receivables	Contra	52,965.82	68,501.94
Fund Balance	D-1	869,772.94	989,121.68
Total Operating Fund		<u>1,175,779.87</u>	<u>1,266,663.41</u>
Sewer Assessment Fund:			
Interfund - Sewer Capital Fund	D-9	15,676.26	20,657.45
Capital Fund:			
Contracts Payable	D-13	218,686.88	343,026.72
Bond Anticipation Notes Payable	D-22	476,000.00	
Bonds Payable	D-23	5,355,000.00	5,626,000.00
Improvement Authorizations:			
Funded	D-16	1,207,313.50	1,458,030.34
Unfunded	D-16	672,284.16	1,396,726.86
Capital Improvement Fund	D-18	1,583,053.57	1,601,053.57
Reserve for Amortization	D-19	6,787,028.70	6,516,028.70
Reserve for Deferred for Amortization	D-20	1,752,345.09	1,685,051.69
Reserve for Debt Service	D-21	45,602.59	45,602.59
Fund Balance	D-2	205,406.20	198,139.60
Total Capital Fund		<u>18,302,720.69</u>	<u>18,869,660.07</u>
Total Liabilities, Reserves and Fund Balances		<u>19,494,176.82</u>	<u>20,156,980.93</u>

Footnote D: There were Bonds and Notes Authorized But Not Issued in the Amount of \$1,645,580.61 and \$2,610,126.51 on December 31, 2017 and 2016 per Exhibit D-24.

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

Sewer Utility Operating Fund

Year Ended December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Revenue and Other Income Realized:			
Operating Surplus Anticipated	D-3	630,000.00	355,700.00
Domestic Sewer User Charges	D-3	3,281,986.84	3,109,799.66
Industrial Sewer User Charges	D-3	95,601.91	86,025.54
Miscellaneous	D-3	276,192.28	235,772.01
Other Credits to Income:			
Unexpended Balance of			
Appropriation Reserves	D-12	53,221.23	79,249.89
Total Income		<u>4,337,002.26</u>	<u>3,866,547.10</u>
Expenditures:			
Operating	D-4	2,968,103.00	2,853,071.00
Capital Improvements			25,000.00
Debt Service	D-4	496,583.00	255,847.00
Deferred Charges and			
Statutory Expenditures	D-4	121,665.00	116,560.00
Surplus (General Fund)	D-4	240,000.00	225,000.00
Total Expenditures		<u>3,826,351.00</u>	<u>3,475,478.00</u>
Statutory Excess to Surplus		510,651.26	391,069.10
Fund Balance - January 1,	D	<u>989,121.68</u>	<u>953,752.58</u>
		1,499,772.94	1,344,821.68
Decreased by:			
Utilized as Anticipated Revenue		<u>630,000.00</u>	<u>355,700.00</u>
Fund Balance - December 31,	D	<u><u>869,772.94</u></u>	<u><u>989,121.68</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.
Comparative Statement of Fund Balance - Regulatory Basis
Sewer Utility Capital Fund
Year Ended December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Balance - January 1,	D	198,139.60	<u>198,139.60</u>
Increased by:			
Cancellation of Improvement Authorization	D-20	<u>7,266.60</u>	
Balance - December 31,	D	<u>205,406.20</u>	<u>198,139.60</u>

D-3

Statement of Revenues - Regulatory Basis
Sewer Utility Operating Fund
Year Ended December 31, 2017

	<u>Ref.</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Operating Surplus Anticipated	D-1	630,000.00	630,000.00	
Domestic Sewer User Charges	D-1	3,110,000.00	3,281,986.84	171,986.84
Industrial Sewer Charges	D-1;D-5	86,351.00	95,601.91	9,250.91
Non-Budget Revenues	D-1		276,192.28	276,192.28
Budget Totals		<u>3,826,351.00</u>	<u>4,283,781.03</u>	<u>457,430.03</u>
		D-4		
<u>Analysis of Domestic User Charges</u>				
Cash Receipts	D-5		3,277,184.36	
Prepaid Fees Applied	D-15		4,802.48	
			<u>3,281,986.84</u>	
<u>Analysis of Non-Budget Revenues</u>				
Interest on Deposits		22,587.48		
Interest on Delinquent Balance		23,207.82		
Joint Meeting Surplus		228,932.84		
Other		<u>1,464.14</u>		
	D-5		<u>276,192.28</u>	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Sewer Operating Fund

Year Ended December 31, 2017

	Ref.	Appropriated		Expended	
		Budget	Budget After Modification	Paid or Charged	Reserved
Operating:					
Salaries and Wages		418,000.00	418,000.00	415,639.09	2,360.91
Other Expenses		410,920.00	410,920.00	294,251.33	116,668.67
Joint Meeting Maintenance Other Expense		2,049,183.00	2,049,183.00	2,027,538.96	21,644.04
Health and Life Insurance		90,000.00	90,000.00	90,000.00	
Total Operating	D-1	2,968,103.00	2,968,103.00	2,827,429.38	140,673.62
Debt Service:					
Payment of Bond Principal		341,000.00	341,000.00	341,000.00	
Interest on Bonds		155,583.00	155,583.00	155,583.00	
Total Debt Service	D-1	496,583.00	496,583.00	496,583.00	
Deferred Charges and Statutory Expenditures:					
Capital Ordinances		56,560.00	56,560.00	56,560.00	
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System		35,105.00	35,105.00	35,105.00	
Social Security System (O.A.S.I.)		30,000.00	30,000.00	30,000.00	
Total Deferred Charges and Statutory Expenditures	D-1	121,665.00	121,665.00	121,665.00	
Surplus (General Fund)	D-1	240,000.00	240,000.00	240,000.00	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Statement of Expenditures - Regulatory Basis

Sewer Operating Fund

Year Ended December 31, 2017

	Appropriated		Expended	
	Budget	Budget After Modification	Paid or Charged	Reserved
Ref.	<u>3,826,351.00</u>	<u>3,826,351.00</u>	<u>3,685,677.38</u>	<u>140,673.62</u>
		D-3		
Analysis of Paid or Charged				
Cash Disbursed			3,530,094.38	
Accrued Interest on Bonds			155,583.00	
			<u>3,685,677.38</u>	
Analysis of Appropriations Reserve				
Unencumbered				88,089.61
Encumbered				52,584.01
				<u>140,673.62</u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.
Comparative Balance Sheet - Regulatory Basis
Parking Utility Fund
December 31,

	<u>Ref</u>	<u>2017</u>	<u>2016</u>
<u>Assets</u>			
Operating Fund:			
Cash-Treasurer	E-5	2,628,537.91	2,648,816.35
Cash-Change Fund	E-6	12,400.00	12,400.00
Interfund-Parking Capital Fund	E-14		26,083.58
Total Operating Fund		<u>2,640,937.91</u>	<u>2,687,299.93</u>
Capital Fund:			
Cash	E-5;E-7	1,983,075.21	775,006.24
Fixed Capital*	E-8	4,799,596.61	1,365,385.65
Fixed Capital Authorized and Uncompleted*	E-9	4,635,000.00	7,687,253.36
Total Capital Fund		<u>11,417,671.82</u>	<u>9,827,645.25</u>
Total Assets		<u><u>14,058,609.73</u></u>	<u><u>12,514,945.18</u></u>

* The fixed capital reported is taken from the municipal records and does not necessarily reflect the true condition of such fixed capital.

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.
Comparative Balance Sheet - Regulatory Basis
Parking Utility Fund
December 31,

	<u>Ref</u>	<u>2017</u>	<u>2016</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Operating Fund:			
Appropriation Reserve:			
Unencumbered	E-4;E-10	233,427.54	144,375.28
Encumbered	E-4;E-10	290,580.41	125,698.84
Total Appropriation Reserve		<u>524,007.95</u>	<u>270,074.12</u>
Prepaid Parking Charges	E-13	17,383.00	99,012.00
Accrued Interest on Bonds	E-16	22,988.86	41,655.53
Various Reserves	E-17	497,513.30	507,108.37
		<u>1,080,560.14</u>	<u>917,850.02</u>
Fund Balance	E-1	<u>1,560,377.77</u>	<u>1,769,449.91</u>
Total Operating Fund		<u>2,640,937.91</u>	<u>2,687,299.93</u>
Capital Fund:			
Contracts Payable	E-11	427,120.25	626,506.87
Interfund - Parking Operating Fund	E-12		26,083.58
Bond Anticipation Notes Payable	E-22	1,805,000.00	
Bonds Payable	E-23	2,885,000.00	3,086,000.00
Improvement Authorizations:			
Funded	E-15	137,090.79	161,696.69
Unfunded	E-15	1,162,011.44	1,166,908.77
Capital Improvement Fund	E-19	745,763.18	735,763.18
Reserves	E-18	39,101.60	39,101.60
Reserve for Amortization	E-20	2,481,760.02	2,288,802.42
Reserve for Deferred Amortization	E-21	1,716,336.59	1,696,336.59
Fund Balance	E-2	18,487.95	445.55
Total Capital Fund		<u>11,417,671.82</u>	<u>9,827,645.25</u>
Total Liabilities, Reserves and Fund Balances		<u>14,058,609.73</u>	<u>12,514,945.18</u>

Footnote E: There were Bonds and Notes Authorized But Not Issued in the Amount of \$546,500.00 and \$1,981,500.00 on December 31, 2017 and 2016 per Exhibit E-24.

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

Parking Utility Operating Fund

Year Ended December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Revenue and Other Income Realized:			
Operating Surplus Anticipated	E-3	314,148.00	54,643.00
Parking Revenue	E-3	3,155,739.62	3,241,459.09
Parking Capital Surplus			64,000.00
Miscellaneous	E-3	36,914.15	16,933.99
Other Credits to Income:			
Unexpended Balance of			
Appropriation Reserves	E-10	<u>121,922.09</u>	<u>228,132.74</u>
Total Income		<u>3,628,723.86</u>	<u>3,605,168.82</u>
Expenditures:			
Operating	E-4	2,217,919.00	1,811,577.00
Capital Improvements	E-4	30,000.00	185,000.00
Debt Service	E-4	697,679.00	645,145.00
Deferred Charges and			
Statutory Expenditures	E-4	78,050.00	60,000.00
Surplus (General Budget)	E-4	<u>500,000.00</u>	<u>450,000.00</u>
Total Expenditures		<u>3,523,648.00</u>	<u>3,151,722.00</u>
Statutory Excess to Surplus		105,075.86	453,446.82
Fund Balance - January 1,	E	<u>1,769,449.91</u>	<u>1,370,646.09</u>
		1,874,525.77	1,824,092.91
Decreased by:			
Utilized as Anticipated Revenue		<u>314,148.00</u>	<u>54,643.00</u>
Fund Balance - December 31,	E	<u><u>1,560,377.77</u></u>	<u><u>1,769,449.91</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Comparative Statement of Fund Balance - Regulatory Basis

Parking Utility Capital Fund

Year Ended December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
Balance - January 1,	E	445.55	64,445.55
Increased by:			
Cancellation of Improvement Authorization	E-15	<u>18,042.40</u>	<u> </u>
Decreased by:			
Anticipated as Item of Revenue		<u> </u>	<u>64,000.00</u>
Balance - December 31,	E	<u><u>18,487.95</u></u>	<u><u>445.55</u></u>

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.
Statement of Revenues - Regulatory Basis
Parking Utility Operating Fund
Year Ended December 31, 2017

	<u>Ref.</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Operating Surplus Anticipated	E-1	314,148.00	314,148.00	
Parking Revenues	E-1	3,209,500.00	3,155,739.62	(53,760.38)
Non-Budget Revenues	E-1		36,914.15	36,914.15
Budget Totals		<u>3,523,648.00</u>	<u>3,506,801.77</u>	<u>(16,846.23)</u>
	E-4			

Analysis of Realized Revenue

2017 Parking Revenue	E-5	3,056,727.62
Prepaid Applied	E-13	99,012.00
		<u>3,155,739.62</u>

Analysis of Non-Budget Revenues

Interest on Deposits	E-5	<u>36,914.15</u>
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The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.
Statement of Expenditures - Regulatory Basis
Parking Operating Fund
Year Ended December 31, 2017

	<u>Ref.</u>	<u>Appropriated</u>		<u>Expended</u>	
		<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operating:					
Salaries and Wages		671,269.00	671,269.00	653,573.43	17,695.57
Other Expenses		1,354,650.00	1,354,650.00	904,972.62	449,677.38
Insurance		135,000.00	135,000.00	135,000.00	
Acquisition of Vehicles & Other Equipment		57,000.00	57,000.00	365.00	56,635.00
Total Operating	E-1	<u>2,217,919.00</u>	<u>2,217,919.00</u>	<u>1,693,911.05</u>	<u>524,007.95</u>
Capital Improvements:					
Capital Improvement Fund		30,000.00	30,000.00	30,000.00	
Total Capital Improvements	E-1	<u>30,000.00</u>	<u>30,000.00</u>	<u>30,000.00</u>	
Debt Service:					
Payment of Bond Principal		201,000.00	201,000.00	201,000.00	
Interest on Bonds		75,372.00	75,372.00	75,372.00	
Payment to Current Fund for Share of Utility Debt Service		421,307.00	421,307.00	421,307.00	
Total Debt Service	E-1	<u>697,679.00</u>	<u>697,679.00</u>	<u>697,679.00</u>	
Deferred Charges and Statutory Expenditures					
Capital Ordinances		28,050.00	28,050.00	28,050.00	
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		50,000.00	50,000.00	50,000.00	
Total Deferred Charges and Statutory Expenditures	E-1	<u>78,050.00</u>	<u>78,050.00</u>	<u>78,050.00</u>	
Surplus (General Budget)	E-1	<u>500,000.00</u>	<u>500,000.00</u>	<u>500,000.00</u>	
Total Parking Utility Appropriations		<u>3,523,648.00</u>	<u>3,523,648.00</u>	<u>2,999,640.05</u>	<u>524,007.95</u>
			E-3		
Unencumbered	E				233,427.54
Encumbered	E				290,580.41
					<u>524,007.95</u>
Cash Disbursed	E-5			2,924,268.05	
Accrued Interest on Bonds	E-16			75,372.00	
				<u>2,999,640.05</u>	

The accompanying "Notes to Financial Statements" are an integral part of these financial statements.

City of Summit, N.J.

Comparative Balance Sheet - Regulatory Basis

Public Assistance Fund

December 31,

	<u>Ref.</u>	<u>2017</u>	<u>2016</u>
<u>Assets</u>			
Cash	F-1	<u>17,125.32</u>	<u>17,125.32</u>
<u>Liabilities and Reserves</u>			
Reserve for Public Assistance	F-6	<u>17,125.32</u>	<u>17,125.32</u>

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

City of Summit, N.J.

General Fixed Assets Account Group

Comparative Balance Sheet - Regulatory Basis

December 31,

	Balance <u>Dec. 31, 2017</u>	Balance <u>Dec. 31, 2016</u>
<u>General Fixed Assets:</u>		
Land	52,289,000.00	52,289,000.00
Buildings	33,892,944.64	33,778,194.64
Machinery and Equipment	<u>18,785,837.74</u>	<u>15,971,135.09</u>
	<u>104,967,782.38</u>	<u>102,038,329.73</u>
Investment in Fixed Assets	<u>104,967,782.38</u>	<u>102,038,329.73</u>
	(1)	

(1) See Notes to Financial Statements - Note 1

The accompanying "Notes to Financial Statements" are an integral part of these Financial Statements.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements of the City of Summit have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is an other comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the City accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

A. Reporting Entity

The City of Summit (the "City") is an instrumentality of the State of New Jersey, established to function as a municipality. The Common Council consists of elected officials and is responsible for the fiscal control of the City.

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

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the City do not include the volunteer fire department which is considered a component unit under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

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

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

The City has the following funds:

Current Fund - This fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grants.

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

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

Assessment Trust - This fund deals with the handling of special assessment levies against property for the cost of an improvement, the whole or a part of which costs are levied against the property receiving the benefit.

Other Trust Fund - This fund is established to account for the assets and resources which are also held by the City as a trustee or agent for individuals, private organizations, other governments and/or other funds.

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

General Fixed Assets Account Group - To account for all fixed assets of the City. The City's infrastructure is not reported in the group.

Public Assistance Fund - This fund is used to account for the receipt and disbursement of funds that provide assistance to certain residents of the City pursuant to Title 44 of New Jersey Statutes.

Sewer Utility and Sewer Capital Funds - Accounts for the operations and acquisition of capital facilities of the municipally owned sewer utility.

Parking Utility Operating and Capital Funds - Accounts for the operations and acquisition of capital facilities of the municipally owned parking utility.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Basis of Accounting

A modified accrual basis of accounting is followed by the City of Summit. Under this method of accounting revenues, except State/Federal Aid, are recognized when received and expenditures are recorded when incurred. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, School, Garbage District, Recreation Trust and Open Space purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. The school levy is turned over to the as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the City. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on the 11th day of the 11th month of the fiscal year levied, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the City. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected.

Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the City's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Basis of Accounting (continued)

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's budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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

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

General Capital Fund
Trust Fund
Parking Utility Capital

Sewer Capital Fund
Public Assistance Fund

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line item level. During 2017, there were eleven (11) special items of revenue inserted into the budget. They are as follows: Community Policing Grant, \$10,000.00; Recreation for Individuals with Disabilities, \$21,600.00; NJ D.O.T. Municipal Aid - Hospital Roads, \$62,500.00; Open Space Stewardship Grant, \$1,082.58; Clean Communities, \$41,488.55; Investor's Foundation Grant - Community Center, \$30,000.00; County of Union - Senior Focus Grant, \$25,000.00; County of Union - Emergency Management Agency Assistance, \$5,000.00; Local Match - Emergency Management Agency Assistance, \$5,000.00; NJ D.O.T. Municipal Aid - Ashwood Rd, \$165,000.00; Division of Criminal Justice Body Armor, \$4,276.22. In addition several budget transfers were approved by the Governing Body.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Basis of Accounting (continued)

Expenditures - Are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

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

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

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

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 Fixed Assets Account Group at market value on the date of acquisition.

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

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

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at fair value and are limited by NJSA 40A:5-15.1(a).

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Basis of Accounting (continued)

Deferred Charges to Future Taxation Funded and Unfunded - Upon the authorization of capital projects, the City establishes deferred charges for the costs 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 or non-funding of the authorized cost of capital projects. According to N.J.S.A. 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.

Fixed Assets - The City of Summit has developed a fixed asset accounting and reporting system, as promulgated by the Division of Local Government Services, which differs from generally accepted accounting principles.

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

All fixed assets are valued at the historical cost or estimated historical cost if actual historical cost is not available.

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such as the construction is completed and put into operation.

Fixed Assets acquired through grants in aid or contributed capital have not been accounted for separately.

GAAP requires that fixed assets be capitalized at historical cost if actual historical cost is not available.

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

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Basis of Accounting (continued)

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

Recent Accounting Pronouncements

In June 2015, the Government Accounting Standards Board issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement applies to government employers who provided OPEB plans to their employees and basically parallels GASB Statement 68 and replaces GASB Statement 45. The Statement is effective for periods beginning after June 15, 2017. The City does not believe this Statement will have any effect on future financial statements.

In June 2015, the Government Accounting Standards Board issued GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the American Institute of Certified Public Accountants that is cleared by the GASB. The City does not believe this Statement will have any effect on future financial statements.

In August 2015, the Government Accounting Standards Board issued GASB Statement No. 77, *Tax Abatement Disclosures*, which improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition. The City does not believe this Statement will have any effect on future financial statements.

In December 2015, the Government Accounting Standards Board issued GASB Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Basis of Accounting (continued)

Recent Accounting Pronouncements (continued)

through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. This Statement is effective for reporting periods beginning after December 15, 2015. The City does not believe this Statement will have any effect on future financial statements.

December 2015, the Government Accounting Standards Board issued GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it established criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. This Statement is effective for periods beginning after June 15, 2015, and for certain provisions, periods beginning after December 15, 2015. The City does not believe this Statement will have any effect on future financial statements.

In January 2016, the Government Accounting Standards Board issued GASB Statement No. 80, *Blending Requirements for Certain Component Units*, which provides clarity about how certain component units incorporated as not-for-profit corporations should be presented in the financial statements of the primary state or local government. The City does not believe this Statement will have any effect on future financial statements.

- \ In March 2016, the Government Accounting Standards Board issued GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The City does not believe this Statement will have any effect on future financial statements.

In March 2016, the Government Accounting Standards Board issued GASB Statement No. 82, *Pension Issues - an Amendment of GASB Statements No. 67, No. 68 and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statement No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement is effective for reporting periods beginning after June 15, 2016. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice. The City does not believe this Statement will have any effect on future financial statements.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Basis of Accounting (continued)

Recent Accounting Pronouncements (continued)

In November 2016, the Government Accounting Standards Board issued GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflows of resources for asset retirement obligations (AROs). The City does not believe this Statement will have any effect on future financial statements.

In January 2017, the Government Accounting Standards Board issued GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus on the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify component units and postemployment benefit arrangements that are fiduciary activities. The City is currently evaluating the effects, if any, this Statement may have on future financial statements.

In March 2017, the Government Accounting Standards Board issued GASB Statement No. 85, *Omnibus 2017*, which addresses practice issues that have been identified during the implementation and application of certain GASB statements. This Statement addresses a variety of topics including issues relating to blending component units, goodwill, fair value measurement and application, and postemployment benefits. The City is currently reviewing what effect, if any, this Statement might have on future financial statements.

In May 2017, the Governmental Accounting Standards Board issued GASB Statement No. 86, *Certain Debt Extinguishment Issues*, which improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The City is currently reviewing what effect, if any, this Statement might have on future financial statements.

In June 2017, the Government Accounting Standards Board issued GASB Statement No. 87, *Leases*, which is intended to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Basis of Accounting (continued)

Recent Accounting Pronouncements (continued)

leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, as a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the government's leasing activities. The City is currently reviewing what effect, if any, this Statement might have on future financial statements.

D. Basic Financial Statements

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

NOTE 2: BUDGETARY INFORMATION

Under the New Jersey Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The amount for the reserve in 2017 was \$5,217,372.00. To balance the budget, the municipality is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2017 statutory budget was \$7,100,000.00.

Interdepartment budget transfers are not permitted prior to November 1. After November 1 budget transfers can be made in the form of a resolution and approved by Common Council.

N.J.S.A. 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During 2017, Community Policing Grant; Recreation for Individuals with Disabilities; NJ D.O.T. Municipal Aid - Hospital Roads; Open Space Stewardship Grant; Clean Communities; Investor's Foundation Grant - Community Center; County of Union - Senior Focus Grant; County of Union - Emergency Management Agency Assistance; Local Match - Emergency Management Agency Assistance; NJ D.O.T. Municipal Aid - Ashwood Rd; Division of Criminal Justice Body Armor were inserted into the budget.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 2: BUDGETARY INFORMATION (continued)

The municipality may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year.

Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. During 2017, there were no emergency appropriations. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. During 2017, there were no special emergency authorizations.

NOTE 3: FIXED ASSETS

The following is a summary of the general fixed assets account group for the year 2017.

	Balance <u>Dec. 31, 2016</u>	<u>Additions</u>	Balance <u>Dec. 31, 2017</u>
Land	52,289,000.00	-	52,289,000.00
Buildings	33,778,194.64	114,750.00	33,892,944.64
Machinery & Equipment	<u>15,971,135.09</u>	<u>2,814,702.65</u>	<u>18,785,837.74</u>
	<u>102,038,329.73</u>	<u>2,929,452.65</u>	<u>104,967,782.38</u>

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 4: MUNICIPAL DEBT

Long-term debt as of December 31, 2017 consisted of the following:

	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Increased</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2017</u>	<u>Amount Due</u> <u>Within One Year</u>
General Capital Fund:					
Bonds Payable	64,184,000.00	10,315,000.00	16,344,000.00	58,155,000.00	7,135,000.00
Loans Payable	33,800.00	-	33,800.00	-	-
Assessment Fund:					
Bonds Payable	866,000.00	-	96,000.00	770,000.00	95,000.00
Sewer Utility Capital Fund:					
Bonds Payable	5,626,000.00	900,000.00	1,171,000.00	5,355,000.00	395,000.00
Parking Utility Capital Fund:					
Bonds Payable	3,086,000.00	-	201,000.00	2,885,000.00	220,000.00
	<u>73,795,800.00</u>	<u>11,215,000.00</u>	<u>17,845,800.00</u>	<u>67,165,000.00</u>	<u>7,845,000.00</u>

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the City are general obligation bonds, backed by the full faith and credit of the City.

Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 4: MUNICIPAL DEBT, (continued)

The City's debt is summarized as follows:

<u>Issued</u>	<u>Year 2017</u>	<u>Year 2016</u>	<u>Year 2015</u>
General:			
Bonds, Notes & Loans	\$80,452,000.00	\$ 65,847,800.00	\$ 73,722,600.00
Assessment:			
Bonds	770,000.00	866,000.00	32,000.00
Sewer Utility:			
Bonds	5,831,000.00	5,626,000.00	5,761,600.00
Parking Utility:			
Bonds	<u>4,690,000.00</u>	<u>3,086,000.00</u>	<u>3,226,500.00</u>
	<u>91,743,000.00</u>	<u>75,425,800.00</u>	<u>82,742,700.00</u>
Less:			
Assessment Cash Pledged to Bonds	104,256.39	104,256.39	32,000.00
Reserve for Debt Service -			
General Capital	-	330,160.98	671,995.14
Sewer Capital	<u>-</u>	<u>-</u>	<u>-</u>
Total Deductions	<u>104,256.39</u>	<u>434,417.37</u>	<u>703,995.14</u>
Net Debt Issued	<u>91,638,743.61</u>	<u>74,991,352.63</u>	<u>82,038,704.86</u>
 <u>Authorized but not Issued</u>			
General:			
Bonds and Notes	13,891,068.22	24,944,800.03	23,183,662.08
Sewer Utility			
Bonds and Notes	1,645,580.61	2,610,126.51	2,190,686.51
Parking Utility:			
Bonds and Notes	<u>546,500.00</u>	<u>1,981,500.00</u>	<u>186,500.00</u>
Total Authorized but Not Issued	<u>16,083,148.83</u>	<u>29,536,426.54</u>	<u>25,560,848.59</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$107,721,892.44</u>	<u>\$104,527,809.17</u>	<u>\$107,599,553.45</u>

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 4: MUNICIPAL DEBT, (continued)

SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.759%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Purposes	\$39,971,984.67	\$39,971,984.67	\$ -
Sewer Utility Debt	7,476,580.61	7,476,580.61	-
Parking Utility Debt	5,236,500.00	5,236,500.00	-
Assessment Trust	770,000.00	104,256.39	665,743.61
General Debt	<u>54,371,083.55</u>	<u>-</u>	<u>54,371,083.55</u>
	<u>\$107,826,148.83</u>	<u>\$52,789,321.67</u>	<u>\$55,036,827.16</u>

Net Debt \$55,036,827.16 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, 7,252,863,172.33 = 0.759%.

BORROWING POWER UNDER N.J.S. 40A:2-6 AS AMENDED

3 ½% of Equalized Valuation Basis (Municipal)	\$253,850,211.03
Net Debt	<u>55,036,827.16</u>
Remaining Borrowing Power	<u>\$198,813,383.87</u>

CALCULATION OF "SELF-LIQUIDATING PURPOSE" SEWER UTILITY PER N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year	\$4,283,781.03
Deductions:	
Operating and Maintenance Costs	\$3,033,208.00
Debt Service	<u>496,583.00</u>
	<u>3,529,791.00</u>
Excess in Revenue	<u>\$ 753,990.03</u>

CITY OF SUMMIT

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 4: MUNICIPAL DEBT, (continued)

CALCULATION OF "SELF-LIQUIDATING PURPOSE" PARKING UTILITY PER N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		\$3,506,801.77
Deductions:		
Operating and Maintenance Costs	\$2,267,919.00	
Debt Service	<u>697,679.00</u>	
Total Deductions		<u>2,965,598.00</u>
Excess in Revenue		<u>\$ 541,203.77</u>

If there is a "Deficit", then utility debt is not deductible to the extent of twenty times such deficit amount or the total debt service whichever is smaller.

This information is not in agreement with the annual debt statement filed with the State.

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2017

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>General Bonds & Loans</u>			
2018	2,735,000.00	423,645.78	3,158,645.78
2019	2,000,000.00	374,564.09	2,374,564.09
2020	2,035,000.00	333,304.71	2,368,304.71
2021	2,085,000.00	287,370.51	2,372,370.51
2022	2,130,000.00	241,551.58	2,371,551.58
2023-2027	9,045,000.00	546,699.30	9,591,699.30
2028-2031	<u>660,000.00</u>	<u>10,065.00</u>	<u>670,065.00</u>
	<u>20,690,000.00</u>	<u>2,217,200.97</u>	<u>22,907,200.97</u>

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 4: MUNICIPAL DEBT, (continued)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2017 (continued)

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>School Bonds</u>			
2018	4,400,000.00	913,637.00	5,313,637.00
2019	4,435,000.00	830,022.98	5,265,022.98
2020	4,460,000.00	685,002.46	5,145,002.46
2021	3,205,000.00	558,275.96	3,763,275.96
2022	3,255,000.00	464,481.33	3,719,481.33
2023-2027	13,445,000.00	1,141,926.40	14,586,926.40
2028-2030	<u>4,265,000.00</u>	<u>173,750.00</u>	<u>4,438,750.00</u>
	<u>37,465,000.00</u>	<u>4,767,096.13</u>	<u>42,232,096.13</u>
<u>Assessment Bonds</u>			
2018	95,000.00	13,487.50	108,487.50
2019	85,000.00	12,012.50	97,012.50
2020	85,000.00	10,737.50	95,737.50
2021	85,000.00	9,250.00	94,250.00
2022	85,000.00	7,550.00	92,550.00
2023-2026	<u>335,000.00</u>	<u>13,250.00</u>	<u>348,250.00</u>
	<u>770,000.00</u>	<u>66,287.50</u>	<u>836,287.50</u>
<u>Sewer Utility</u>			
2018	395,000.00	98,874.26	493,874.26
2019	400,000.00	96,265.71	496,265.71
2020	410,000.00	87,579.31	497,579.31
2021	415,000.00	77,730.41	492,730.41
2022	2,205,000.00	259,192.83	2,464,192.83
2023-2027	<u>1,530,000.00</u>	<u>78,300.00</u>	<u>1,608,300.00</u>
	<u>5,355,000.00</u>	<u>697,942.52</u>	<u>6,052,942.52</u>

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 4: MUNICIPAL DEBT, (continued)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2017 (continued)

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>Parking Utility</u>			
2018	220,000.00	63,572.50	283,572.50
2019	220,000.00	59,547.50	279,547.50
2020	225,000.00	55,472.50	280,472.50
2021	230,000.00	51,110.00	281,110.00
2022	235,000.00	46,266.25	281,266.25
2023-2027	1,280,000.00	142,736.25	1,422,736.25
2028-2030	<u>475,000.00</u>	<u>11,647.50</u>	<u>486,647.50</u>
	<u>2,885,000.00</u>	<u>430,352.50</u>	<u>3,315,352.50</u>

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>Yearly Total</u>			
2018	7,845,000.00	1,513,217.04	9,358,217.04
2019	7,140,000.00	1,372,412.78	8,512,412.78
2020	7,215,000.00	1,172,096.48	8,387,096.48
2021	6,020,000.00	983,736.88	7,003,736.88
2022	7,910,000.00	1,019,041.99	8,929,041.99
2023-2027	25,635,000.00	1,922,911.95	27,557,911.95
2028-2030	<u>5,400,000.00</u>	<u>195,462.50</u>	<u>5,595,462.50</u>
	<u>67,165,000.00</u>	<u>8,178,879.62</u>	<u>75,343,879.62</u>

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 5: GENERAL IMPROVEMENT AND REFUNDING BONDS

Outstanding bonds whose principal and interest are paid from the Current Fund budget of the City:

NOTE 5A: GENERAL REFUNDING BONDS OF 2008

On April 1, 2008, the City issued Refunding Bonds in the sum of \$7,290,000.00 at the rate of 4.00% to 5.00% per annum. At December 31, 2017, General Refunding Bonds of 2008 payable amounted to \$370,000.00. Payments are being made on April 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>
2018	370,000.00

NOTE 5B: GENERAL IMPROVEMENT BONDS OF 2011

On January 1, 2011, the City issued General Improvement Bonds in the sum of \$6,633,000.00 at the rate of 2.00% to 4.00% per annum. At December 31, 2017, General Improvement Bonds payable amounted to \$1,905,000.00. Payments are being made on January 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	460,000.00	2020	480,000.00
2019	470,000.00	2021	495,000.00

NOTE 5C: GENERAL IMPROVEMENT BONDS OF 2014

On January 7, 2014, the City issued General Improvement Bonds in the sum of \$7,400,000.00 at the rate of 2.00% to 3.05% per annum. At December 31, 2017, General Improvement Bonds payable amounted to \$6,280,000.00. Payments are being made on January 15 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	470,000.00	2024	585,000.00
2019	515,000.00	2025	600,000.00
2020	525,000.00	2026	620,000.00
2021	540,000.00	2027	645,000.00
2022	555,000.00	2028	660,000.00
2023	565,000.00		

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 5D: GENERAL REFUNDING BONDS OF 2015

On March 10, 2015, the City issued General Refunding Bonds in the sum of \$940,000.00 at the rate of 2.00% to 4.00% per annum. At December 31, 2017, General Refunding Bonds of 2015 payable amounted to \$420,000.00. Payments are being made on November 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>
2018	420,000.00

NOTE 5E: GENERAL IMPROVEMENT BONDS OF 2016

On April 7, 2016, the City issued General Improvement Bonds in the sum of \$9,955,000.00 at the rate of 1.50% to 2.00% per annum. At December 31, 2017, General Improvement Bonds of 2016 payable amounted to \$9,395,000.00. Payments are being made on March 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	970,000.00	2021	1,020,000.00	2024	1,080,000.00
2019	985,000.00	2022	1,040,000.00	2025	1,105,000.00
2020	1,000,000.00	2023	1,060,000.00	2026	1,135,000.00

NOTE 5F: GENERAL REFUNDING BONDS OF 2017

On November 9, 2017, the City issued General Refunding Bonds in the sum of \$2,320,000.00 at the rate of 1.739% per annum. At December 31, 2017, General Refunding Bonds of 2017 payable amounted to \$2,320,000.00. Payments are being made on January 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	45,000.00	2021	30,000.00	2024	550,000.00
2019	30,000.00	2022	535,000.00	2025	560,000.00
2020	30,000.00	2023	540,000.00		

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 6: SCHOOL AND REFUNDING BONDS

Outstanding bonds whose principal and interest are paid from the Current Fund budget of the City:

NOTE 6A: SCHOOL BONDS OF 2011

On January 1, 2011, the City issued School Bonds in the sum of \$19,545,000.00 at the rate of 2.00% to 4.00% per annum. At December 31, 2017, School Bonds payable amounted to \$5,155,000.00. Payments are being made on January 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	1,240,000.00	2020	1,305,000.00
2019	1,270,000.00	2021	1,340,000.00

NOTE 6B: SCHOOL REFUNDING BONDS OF 2011

On April 14, 2011, the City issued Refunding School Bonds in the sum of \$8,620,000.00 at the rate of 2.00% to 5.00% per annum. At December 31, 2017, Refunding School Bonds of 2011 payable amounted to \$5,790,000.00. Payments are being made on May 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	1,605,000.00	2020	1,620,000.00	2022	315,000.00
2019	1,650,000.00	2021	315,000.00	2023	285,000.00

NOTE 6C: SCHOOL REFUNDING BONDS OF 2015

On March 10, 2015, the City issued Refunding School Bonds in the sum of \$5,950,000.00 at the rate of 2.00% to 5.00% per annum. At December 31, 2017, Refunding School Bonds of 2015 payable amounted to \$5,285,000.00. Payments are being made on November 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	585,000.00	2021	585,000.00	2024	590,000.00
2019	585,000.00	2022	580,000.00	2025	595,000.00
2020	585,000.00	2023	585,000.00	2026	595,000.00

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 6D: SCHOOL BONDS OF 2016

On April 7, 2016, the City issued School Bonds in the sum of \$13,800,000.00 at the rate of 1.50% to 2.00% per annum. At December 31, 2017, School Bonds payable amounted to \$13,240,000.00. Payments are being made on March 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	825,000.00	2023	900,000.00	2028	1,020,000.00
2019	835,000.00	2024	920,000.00	2029	1,050,000.00
2020	850,000.00	2025	940,000.00	2030	1,080,000.00
2021	865,000.00	2026	965,000.00	2031	1,115,000.00
2022	885,000.00	2027	990,000.00		

NOTE 6E: SCHOOL REFUNDING BONDS OF 2017

On November 9, 2017, the City issued School Refunding Bonds in the sum of \$7,995,000.00 at the rate of 1.739% per annum. At December 31, 2017, School Refunding Bonds of 2017 payable amounted to \$7,995,000.00. Payments are being made on January 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	145,000.00	2021	100,000.00	2024	1,510,000.00
2019	95,000.00	2022	1,475,000.00	2025	1,530,000.00
2020	100,000.00	2023	1,490,000.00	2026	1,550,000.00

NOTE 7: ASSESSMENT AND REFUNDING BONDS

Outstanding bonds whose principal and interest are paid from the Assessment Trust fund budget of the City:

NOTE 7A: REFUNDING ASSESSMENT BONDS OF 2011

On April 14, 2011, the City issued Refunding Assessment Bonds in the sum of \$72,000.00 at the rate of 3.00% to 4.00% per annum. At December 31, 2017, Refunding Assessment Bonds of 2011 payable amounted to \$10,000.00. Payments are being made on May 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>
2018	10,000.00

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 7B: ASSESSMENT BONDS OF 2016

On April 7, 2016, the City issued Assessment Bonds in the sum of \$845,000.00 at the rate of 1.50% to 2.00% per annum. At December 31, 2017, Assessment Bonds of 2016 payable amounted to \$760,000.00. Payments are being made on March 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018 - 2025	85,000.00	2026	80,000.00

NOTE 8: SEWER UTILITY BONDS

Outstanding bonds whose principal and interest are paid from the Sewer Utility fund budget of the City:

NOTE 8A: SEWER UTILITY BONDS OF 2011

On January 6, 2011, the City issued Sewer Utility Bonds in the sum of \$2,200,000.00 at the rate of 2.00% to 4.00% per annum. At December 31, 2017, Sewer Utility Bonds payable amounted to \$585,000.00. Payments are being made on January 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	140,000.00	2020	150,000.00
2019	145,000.00	2021	150,000.00

NOTE 8B: SEWER UTILITY BONDS OF 2016

On April 7, 2016, the City issued Sewer Utility Bonds in the sum of \$4,071,000.00 at the rate of 1.50% to 2.00% per annum. At December 31, 2017, Sewer Utility Bonds of 2016 payable amounted to \$3,870,000.00. Payments are being made on January 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	240,000.00	2023	265,000.00	2028	295,000.00
2019	245,000.00	2024	270,000.00	2029	305,000.00
2020	250,000.00	2025	275,000.00	2030	315,000.00
2021	255,000.00	2026	280,000.00	2031	325,000.00
2022	260,000.00	2027	290,000.00		

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 8C: SEWER UTILITY REFUNDING BONDS OF 2017

On November 9, 2017, the City issued Sewer Utility Refunding Bonds in the sum of \$900,000.00 at the rate of 1.50% to 2.00% per annum. At December 31, 2017, Sewer Utility Bonds of 2016 payable amounted to \$900,000.00. Payments are being made on January 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	15,000.00	2021	10,000.00	2024	170,000.00
2019	10,000.00	2022	165,000.00	2025	170,000.00
2020	10,000.00	2023	170,000.00	2026	180,000.00

NOTE 9: PARKING UTILITY BONDS

Outstanding bonds whose principal and interest are paid from the Parking Utility fund budget of the City:

NOTE 9A: PARKING UTILITY BONDS OF 2014

On January 15, 2014, the City issued Parking Bonds of 2014 in the sum of \$2,200,000.00 at the rate of 2.00% to 3.05% per annum. At December 31, 2017, Parking Bonds payable amounted to \$1,785,000.00. Payments are being made on January 15 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	145,000.00	2022	155,000.00	2026	175,000.00
2019	145,000.00	2023	160,000.00	2027	180,000.00
2020	150,000.00	2024	165,000.00	2028	190,000.00
2021	150,000.00	2025	170,000.00		

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 9B: PARKING UTILITY BONDS OF 2016

On April 7, 2016, the City issued Parking Bonds of 2016 in the sum of \$1,161,000.00 at the rate of 1.50% to 2.00% per annum. At December 31, 2017, Parking Bonds payable amounted to \$1,100,000.00. Payments are being made on March 1 in each of the following years in the amount set opposite such year.

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	75,000.00	2023	80,000.00	2028	90,000.00
2019	75,000.00	2024	85,000.00	2029	95,000.00
2020	75,000.00	2025	85,000.00	2030	100,000.00
2021	80,000.00	2026	90,000.00		
2022	80,000.00	2027	90,000.00		

NOTE 10: BOND ANTICIPATION NOTES

The following activity related to bond anticipation notes occurred during the calendar year ended December 31, 2017:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Notes Payable:				
<u>General Capital Fund:</u>				
JP Morgan Chase	\$ -	\$20,667,000.00	\$ -	\$20,667,000.00
<u>Sewer Capital Fund:</u>				
JP Morgan Chase	-	476,000.00	-	476,000.00
<u>Parking Capital Fund:</u>				
JP Morgan Chase	-	1,805,000.00	-	1,805,000.00
TOTAL	\$ -	\$22,948,000.00	\$ -	\$22,948,000.00

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. Generally, such notes must be paid no later than the fifth day of the fifth month following the close of the tenth fiscal year next following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance. A legal installment is not required after the fifth anniversary date.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 10: BOND ANTICIPATION NOTES (continued)

On April 5, 2018, the City issued General Capital Bond Anticipation Notes in the amount of \$23,684,000.00 at an interest rate of 3.00%, payable to Jeffries, LLC with a maturity date of April 5, 2019.

On April 5, 2018, the City issued Sewer Capital Bond Anticipation Notes in the amount of \$833,000.00 at an interest rate of 3.00%, payable to Jeffries, LLC with a maturity date of April 5, 2019.

On April 5, 2018, the City issued Parking Capital Bond Anticipation Notes in the amount of \$2,185,000.00 at an interest rate of 3.00%, payable to Jeffries, LLC with a maturity date of April 5, 2019.

The City has outstanding at December 31, 2017, Temporary School Bond Anticipation Notes, in the amount of \$1,630,000.00, at an interest rate of 2.00%, payable to JP Morgan Chase which matured on April 6, 2018.

NOTE 11: DUE TO/FROM OTHER FUNDS

Balances due to/from other funds at December 31, 2017 consist of the following:

\$ 19,285.75	Due to Current Fund from General Capital Fund for interest and other receipts in General Capital.
334,303.26	Due to Grant Fund from Current Fund for prior year beginning balance, grant receipts and disbursements through Current Fund.
177,536.99	Due to Assessment Trust Fund from Current Fund for assessment receipts in Current.
4,659.89	Due to Sewer Assessment Fund from Trust Assessment Fund for sewer assessment receipts.
21,125.11	Due to Current Fund from Animal Control Trust Fund for statutory excess in the Animal Control reserve.
113,403.42	Due to General Capital from Assessment Trust Fund for assessments confirmed on improvement authorizations in General Capital.
15,676.26	Due to Sewer Capital Fund from Sewer Assessment Trust Fund for confirmed Assessments.
64,697.69	Due to Other Trust Fund from Current Fund for funds received in Current Fund.
<u>13,033.14</u>	Due to Current Fund from Sewer Operating Fund for receipts and disbursements in Current Fund.
<u>\$763,721.51</u>	

It is anticipated that all interfunds will be liquidated during the calendar year.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 12: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2017 and 2016 which were appropriated and included as anticipated revenue in their own respective funds for the years ending December 31, 2018 and 2017 were as follows:

	<u>2018</u>	<u>2017</u>
Current Fund	<u>\$6,900,000.00</u>	<u>\$7,100,000.00</u>
Sewer Utility	<u>\$ 463,000.00</u>	<u>\$ 630,000.00</u>
Parking Utility	<u>\$ 450,000.00</u>	<u>\$ 314,148.00</u>

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

The City of Summit has not elected to defer school taxes.

NOTE 13: PENSION PLANS

Description of Plans:

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

Public Employees' Retirement System (PERS)

Plan Description

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

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Benefits Provided

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

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Police and Firemens' Retirement System (PFRS)

Plan Description

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

Benefits Provided

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

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Police and Firemens' Retirement System (PFRS) (continued)

Benefits Provided (continued)

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

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

Defined Contribution Retirement Program

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

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

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

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS. This amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee's annual compensation, as defined by law. 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 PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

The City's contribution to the various plans, equal to the required contributions for each year, were as follows:

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>	<u>DCRP</u>
2017	\$1,176,696.00	\$2,206,006.00	\$10,500.00
2016	1,167,803.73	2,133,823.00	9,808.53
2015	1,074,137.00	2,018,053.00	8,101.81

Statement No's 68 and 71 require a state or local government employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. However, since the financial statements are prepared on another comprehensive basis of accounting, the net pension liability of the various pension systems is not recorded in the financial statements and is only required to be disclosed in the notes to the financial statements.

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

Public Employees Retirement System (PERS)

At December 31, 2017, the City had a liability of \$30,586,672.00 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2017, the City's proportion was 0.1313950705 percent, which was a decrease of 0.0008443360 percent from its proportion measured as of June 30, 2016.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Public Employees Retirement System (PERS), (continued)

For the year ended December 31, 2017, the City recognized pension expense of \$1,176,696.00. At December 31, 2017, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$720,211.00	\$ -
Changes of assumptions	6,162,160.00	6,139,569.00
Net difference between projected and actual earnings on pension plan investments	208,275.00	-
Changes in proportion and differences between the City's contributions and proportionate share of contributions	<u>336,872.00</u>	<u>747,011.00</u>
Total	<u>\$7,427,518.00</u>	<u>\$6,886,580.00</u>

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2017) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$720,040.00
2019	1,086,558.00
2020	658,398.00
2021	(875,672.00)
2022	(638,248.00)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 6.48, 5.57, 5.72 and 6.44 years for 2017, 2016, 2015 and 2014 amounts respectively.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Public Employees Retirement System (PERS), (continued)

Additional Information

Local Group Collective balances at June 30, 2017 and June 30, 2016 are as follows:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Collective deferred outflows of resources	\$6,424,455,842	\$8,685,338,380
Collective deferred inflows of resources	5,700,625,981	870,133,595
Collective net pension liability	23,278,401,588	29,617,131,759
City's Proportion	0.1313950705%	0.1322394065%

Actuarial Assumptions

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which rolled forward to June 30, 2017. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	2.25 Percent
Salary Increases:	
Through 2016	1.65-4.15 Percent (based on age)
Thereafter	2.65-5.15 Percent (based on age)
Investment Rate of Return	7.00 Percent

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Mortality Rates

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plans actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one year static projection based on mortality improvement Scale AA. In addition, the

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Public Employees Retirement System (PERS), (continued)

Mortality Rates (continued)

tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U. S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real estate	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U. S. Equity	30.00%	8.19%
Non-U. S. Developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Public Employees Retirement System (PERS), (continued)

Long-Term Rate of Return (continued)

The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2017 respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	<u>June 30, 2017</u>		
	1% Decrease <u>4.00%</u>	At Current Discount Rate <u>5.00%</u>	1% Increase <u>6.00%</u>
City's proportionate share of the pension liability	\$37,944,843	\$30,586,672	\$24,456,404

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Police and Firemen's Retirement System (PFRS)

At December 31, 2017, the City had a liability of \$40,863,222.00 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2017, the City's proportion was 0.2646913156 percent, which was an decrease of 0.0058711977 percent from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the City recognized pension expense of \$2,206,006.00. At December 31, 2017, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in actual and expected experience	\$265,097.00	\$239,833.00
Changes of assumptions	5,038,890.00	6,692,201.00
Net difference between projected and actual earnings on pension plan investments	779,766.00	-
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>909,492.00</u>	<u>749,123.00</u>
Total	<u>\$6,993,245.00</u>	<u>\$7,681,157.00</u>

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2017) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$497,234.00
2019	1,346,663.00
2020	275.00
2021	(1,866,310.00)
2022	(826,142.00)

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Police and Firemen's Retirement System, (continued)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.59, 5.58, 5.53 and 6.17 years for 2017, 2016, 2015 and 2014 amounts respectively.

Additional Information

Local Group Collective balances at June 30, 2017 and June 30, 2016 are as follows:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Collective deferred outflows of resources	\$2,941,952,753	\$4,547,316,543
Collective deferred inflows of resources	3,262,432,093	688,197,590
Collective net pension liability	3,262,432,093	20,706,699,056
City's Proportion	0.2646913156 %	0.2705625133%

Actuarial Assumptions

The collective total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

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

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Police and Firemen's Retirement System, (continued)

Mortality Rates

Pre-retirement mortality rates were based on the RP-2000 Pre-retirement mortality tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and two years using the plan actuary's modified 2014 projection scales. Post-retirement mortality rates for female service retirements and beneficiaries are based on the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then two years using the plan actuary's modified 2014 projection scales, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Disability mortality rates were based on special mortality tables used for the period after disability

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2017 are summarized in the following table:

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Police and Firemen's Retirement System, (continued)

Long-Term Rate of Return, (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U. S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real estate	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U. S. Equity	30.00%	8.19%
Non-U. S. Developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%

Discount Rate

The discount rate used to measure the total pension liability was 6.14% as of June 30, 2017. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

CITY OF SUMMIT

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 13: PENSION PLANS (continued)

Police and Firemen's Retirement System, (continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2017, respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 - percentage point lower or 1- percentage-point higher than the current rate:

	June 30, 2017		
	1% Decrease <u>5.14%</u>	At Current Discount Rate <u>6.14%</u>	1% Increase <u>7.14%</u>
City's proportionate share of the pension liability	\$59,871,267	\$40,863,222	\$33,583,523

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

NOTE 14: ACCRUED COMPENSATION TIME BENEFITS

The Police and Firemen are permitted to accrue unused comp-time as of December 31, 2017. This amounted to \$343,965.07.

NOTE 15: DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Sections 457. The plan, available to all City employees, permits them to defer a portion of their salaries until future years. The City does not make any contributions to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardship.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of the Internal Revenue Code Section 457(g), the City's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts of custodial accounts.

All assets of the plan are held by independent administrators.

The accompanying financial statements do not include the City's Deferred Compensation Plan activities.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 16: CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2017, \$0- of the City's bank balance of \$64,133,887.30 was exposed to custodial credit risk.

Investments

Investment Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the City or bonds or other obligations of the local unit or units within which the City is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

The City has entered into a Joint Investment Program with other New Jersey Municipalities known as CLASS, or Cooperative Liquid Assets Securities System, whereby City investments are pooled with those of other participants to make investments which consist solely of those allowed under New Jersey Statutes as listed below. The City classifies its investment in CLASS as a cash equivalent as all balances are available for withdrawal daily.

Concentration of Credit Risk

The City places no limit on the amount the City may invest in any one issuer.

CITY OF SUMMIT

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 17. TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	<u>Balance</u> <u>Dec 31, 2017</u>	<u>Balance</u> <u>Dec 31, 2016</u>
Prepaid Taxes	<u>\$24,368,473.71</u>	<u>\$1,123,978.02</u>
Cash Liability for Taxes Collected in Advance	<u>\$24,368,473.71</u>	<u>\$1,123,978.02</u>

NOTE 18: RISK MANAGEMENT

The City is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has obtained insurance coverage to guard against these events which will provide minimum exposure to the City should they occur. During the 2017 calendar year, the City did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The City is a member of the Suburban Mutual Joint Fund (the "Fund"). The Fund is operated in accordance with regulations of the New Jersey Department of Insurance and the Division of Local Government Services of the Department of Community Affairs. The Fund is also a member of the Municipal Excess Liability Joint Insurance Fund which provides excess insurance coverage for each of the various risks noted above. The City's contribution to the Fund for claim payments are based on actuarial assumption determined by the Fund's actuary.

The City of Summit continues to carry commercial insurance coverage for all other risks of loss, including employee health and accident insurance. Management believes such coverage is sufficient to preclude any significant losses to the City. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

CITY OF SUMMIT

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 18: RISK MANAGEMENT (continued)

<u>Fiscal year</u>	<u>Interest Earnings/ City Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017	\$50,507.71	\$28,177.23	\$32,758.12	\$78,957.90
2016	45,267.14	24,867.92	88,972.31	33,031.08
2015	43,803.90	24,564.99	43,650.30	51,868.33

NOTE 19: GASB 45: OTHER POST-EMPLOYMENT BENEFITS

The City provides Post Retirement Benefits to certain employees, per the terms of their various labor agreements, who have retired from the City after twenty-five (25) years of service. These benefits are capped and range from \$945.00 to \$1,450.00 per year depending on terms of the labor agreements at the date of their retirement.

Results of Valuation

- *Actuarial Accrued Liability*

The Actuarial Accrued Liability ("AAL") as of December 31, 2015 is \$1,618,809.00 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2015.

- *Annual Required Contribution*

The Annual Required Contribution ("ARC") is the measure of annual cost on an accrual basis. It is comprised of the "Normal Cost" which is the portion of future liabilities attributable to the measurement year, plus 30 year amortization of the Unfunded Actuarial Accrued Liability ("UAAL"). As of the measurement date, the plan had no assets to offset any portion of the AAL, so the UAAL and AAL are equal.

- *Annual Required Contribution (continued)*

The ARC as of December 31, 2015 is \$167,966.00 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2015. The breakdown of the ARC is as follows:

(1) Normal Cost	\$ 68,585
(2) Actuarial Accrued Liability	\$ 1,618,809
(3) Assets	\$ 0
(4) UAAL = (2)-(3)	\$ 1,618,809
(5) 30 Year Amortization of UAAL at Discount Rate	\$ 99,381
(6) ARC = (1)+(5)	\$ 167,966

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 19: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (continued)

Basis of Valuation

This valuation has been conducted as of December 31, 2015 based upon census, plan design and claims information provided by the City. Census includes 10 participants currently receiving retiree benefits, and 119 active participants of whom 21 are eligible to retire as of the valuation date. The average age of the active population is 50 and the average age of the retiree population is 81.

Actuarial assumptions were selected with the intention of satisfying the requirements of New Jersey Local Finance Notice 2007-15 in addition to Statement of Government Accounting Standard Number 45.

Demographic assumptions were selected based on those used in by the State Division of Pensions and Benefits in calculating pension benefits taken from the July 1, 2015 report from Buck Consultants. While some assumptions were simplified to reflect the smaller population, and to simplify the valuation process, the valuation results reasonably conform to the requirements of LFN 2007-15.

Health care (economic) assumptions were selected based on those used by the State Health Benefits Program in calculating SHBP member OPEB requirements taken from the July 1, 2014 report from Aon Consultants.

Key Actuarial Assumptions

<i>Mortality</i>	<i>RP 2000 Combined Healthy Male Mortality Rates Set Forward Three Years</i>
<i>Turnover</i>	<i>NJ State Pensions Ultimate Withdrawal Rates - prior to benefits eligibility</i>
<i>Assumed Retirement Age</i>	<i>At first eligibility after completing 25 years of service</i>
<i>Full Attribution Period</i>	<i>Service to Assumed Retirement Age</i>
<i>Annual Discount Rate</i>	<i>4.50%</i>
<i>Medical Trend</i>	<i>Benefits are assumed to not increase</i>
<i>Medical Cost Aging Factor</i>	<i>NJ SHBP Medical Morbidity Rates</i>

- Attribution period – The attribution period begins with the date of hire and ends with full benefits eligibility date.
- Per capita cost methods – The valuation reflects per capita net premium costs based on benefit caps as negotiated. Current retirees are capped at amounts that differ by bargaining agreement. Future retirees are capped at \$1,450 per annum. For conservatism, we assume that the cap will always be reached in future years. 2015 retiree payments were reported at \$25 thousand.
- Retiree Contributions – Retirees incur all costs in excess of the capped amounts.
- Actuarial valuation method – Projected Unit Credit Funding Method.

CITY OF SUMMIT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

NOTE 20: COMMITMENTS AND CONTINGENT LIABILITIES

We have been advised by the City Solicitor and Special Counsel that there are no pending or unsettled lawsuits against the City of Summit that would have a material effect on the financial statements.

NOTE 21: SUBSEQUENT EVENT

The City has evaluated subsequent events through June 21, 2018, the date which the financial statements were available to be issued and no other items were noted for disclosure.

SUPPLEMENTARY DATA

CITY OF SUMMIT
DECEMBER 31, 2017
OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>
Nora G. Radest	Mayor	*
Mike McTernan	Council President	*
Patrick J. Hurley	President Pro Tem	*
Stephen E. Bowman	Councilperson	*
B. David Naidu	Councilperson	*
Mary G. Ogden	Councilperson	*
Robert Rubino	Councilperson	*
Richard Sun	Councilperson	*
Michael Rogers	Administrator	*
Rosalia M. Licatese	Clerk, Secretary to Mayor & Council	*
Maria Coppinger	Deputy Clerk	*
Margaret V. Gerba	Chief Financial Officer; City Treasurer	*
Juliet Ruggiero	Tax Collector	*
Patricia Dougherty	Deputy Tax Collector	*
Timothy O'Connor	Tax Assessor	*
Rita M. McNany	Parking Services Manager	*
Matthew Giaccobe	City Solicitor	*
Donald Bogosian	Magistrate	*
Eileen Keating	Court Administrator through 12/6/2017	*
Macrina Carra	Court Administrator starting 12/7/2017	*
Aaron Schrager	Engineer/Deputy DCS Director	*
Paul Cascais	Director of Community Services	*
Robert Weck	Police Chief	*
Eric Evers	Fire Chief	*
Susan Permahos	Director of Free Public Library	*
James Fleischman	Treasurer of Free Public Library	*
Ferraioli, Wielkotz, Cerullo & Cuva, P.A.	Auditors	

Coverage obtained through the Suburban Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.

* \$1,000,000.00 Excess Public Officials Bond.

**\$1,000,000.00 Statutory Position Bond

All of the bonds were examined and were properly executed.

City of Summit

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2017

Federal Grantor/Pass-Through Grantor/ Program Title	Federal C.F.D.A Number	Grants Number	Program or Award Amount	Grant Period From/To	12/31/2016		Receipts	Expended	Cancelled	12/31/2017		MEMO Cumulative Total Expenditures
					(Receivable)	Reserve Balance				(Receivable)	Reserve Balance	
OTHER TRUST FUND												
US Department of Housing and Urban Development:												
Weaver St Staircases	14.218	015-064	37,200.00	09/01/14-08/31/15	(37,200.00)	37,200.00				(37,200.00)	37,200.00	-
Project Independence	14.218	016-292	5,000.00	09/01/15-08/31/16	(5,000.00)	5,000.00	5,000.00	5,000.00				5,000.00
Summit Youth Center	14.218	016-294	3,000.00	09/01/15-08/31/16	(1,395.00)	1,395.00	1,395.00	1,395.00				3,000.00
Project Independence	14.218	017-292	5,000.00	09/01/16-08/31/17						(5,000.00)	5,000.00	
Summit Youth Center	14.218	017-294	3,000.00	09/01/16-08/31/17						(3,000.00)	3,000.00	
Senior Citizen Transportation	14.218	017-295	3,000.00	09/01/16-08/31/17						(3,000.00)	3,000.00	
Community Center Senior Lounge	14.218	017-063	100,000.00	09/01/16-08/31/17	(43,595.00)	43,595.00	6,395.00	6,395.00	-	(100,000.00)	100,000.00	-
Total US Department of Housing and Urban Development:												
Total Other Trust Fund					(43,595.00)	43,595.00	6,395.00	6,395.00	-	(148,200.00)	148,200.00	8,000.00
FEDERAL AND STATE GRANT FUND												
National Highway Traffic Safety Administration (Passed Through the NJ Department of Law and Public Safety)												
Cops in Shops - College Initiative	20.616	066-1400-100-013	2,400.00	1/1/14-12/31/14		400.00					400.00	2,000.00
Drive Sober or Get Pulled Over	20.616	1160-100-066-1160-157	4,400.00	1/1/14-12/31/14		4,400.00	4,400.00	4,400.00			400.00	4,400.00
US Department of Homeland Security-FEMA												
Assistance to Firefighters	97.044		590,702.00	1/1/01-12/31/11	(529.00)	6,767.70			529.00		6,238.70	584,463.30
Total Federal and State Grant Fund												
					(529.00)	11,567.70		4,400.00	529.00		6,638.70	590,863.30
TOTAL FEDERAL AID					(44,124.00)	55,162.70	6,395.00	10,795.00	529.00	(148,200.00)	154,838.70	590,863.30

Note: This schedule was not subject to an audit in accordance with Uniform Guidance.

City of Summit

Schedule 2

Schedule of Expenditures of State Financial Assistance

For the Year Ended December 31, 2017

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From/To	12/31/2016		Receipts	Expended	12/31/2017		MEMO Cumulative Total Expenditures
				(Receivable)	Reserve Balance			Receivable	Reserve Balance	
CURRENT FUND										
NJ Department of Education										
School Building Aid	034-5120-495-017	504,630.00	1/1/17-12/31/17			504,630.00	504,630.00			504,630.00
FEDERAL AND STATE GRANT FUND										
NJ Department of Community Affairs:										
Recycling Tonnage	042-4910-100-224	39,033.71	1/1/15-12/31/15		26,814.35		605.00		26,209.35	12,824.36
Recycling Tonnage	042-4910-100-224	31,958.35	1/1/16-12/31/16			31,958.35			31,958.35	
Recycling Tonnage	042-4910-100-224	36,811.63	1/1/17-12/31/17			36,811.63			36,811.63	
Recreation for Individuals with Disabilities	022-8050-100-035	21,600.00	1/1/17-12/31/17			21,600.00	8,142.00		13,458.00	8,142.00
					26,814.35	90,369.98	8,747.00		108,437.33	20,966.36
New Jersey Forest Services:										
Small Business Tree Planting	N/A	14,773.00			14,773.00		4,572.00		10,201.00	4,572.00
Community Forestry Management Plan		25,000.00	1/1/16-12/31/16	(25,000.00)	25,000.00		25,000.00	(25,000.00)		25,000.00
Total New Jersey Forest Services				(25,000.00)	39,773.00		29,572.00	(25,000.00)	10,201.00	29,572.00
NJ Department of Solid Waste Administration:										
Clean Communities	042-4900-765-004	62,161.93	1/1/15-12/31/15		13,326.75	41,488.55	13,326.75		29,211.85	62,161.93
Clean Communities	042-4900-765-004	41,488.55	1/1/16-12/31/16		13,326.75	41,488.55	12,276.70		29,211.85	12,276.70
							25,603.45			74,438.63
Department of Health										
Public Health Priority Funding	4220-150-021030-60	31,522.00			28,211.00				28,211.00	3,311.00
Department of Law and Public Safety:										
Body Armor	066-1020-718-001	4,269.33	1/1/16-12/31/16		4,269.33		3,714.15		555.18	3,714.15
Body Armor	066-1020-718-001	4,276.22	1/1/17-12/31/17			4,276.22			4,276.22	
Community Policing		10,000.00	1/1/17-12/31/17				8,995.51	(10,000.00)	1,004.49	8,995.51
Total NJ Division of Law and Public Safety					4,269.33	4,276.22	12,709.66	(10,000.00)	5,835.89	12,709.66
NJ Division of Motor Vehicles:										
Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	10,570.50	1/1/11-12/31/11		1,807.23		1,645.90		161.33	10,409.17
Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	3,304.77	1/1/12-12/31/12		3,304.77				3,304.77	
Drunk Driving Enforcement Fund	6400-100-078-6400-YYYY	8,543.20	1/1/15-12/31/15		8,543.20		1,645.90		8,543.20	
					13,655.20				12,009.30	10,409.17
Total Federal and State Grant Fund				(25,000.00)	126,049.63	136,134.75	78,278.01	(35,000.00)	193,906.37	151,406.82
GENERAL CAPITAL FUND										
NJ Department of Transportation										
Passed through the NJ Transportation Trust Fund										
Municipal Aid - Beauvoir & Sylvan (Ord. 3055)	69-8083-0-7-401	250,000.00	1/1/14-12-31-14	(62,500.00)		62,500.00				250,000.00
Municipal Aid - Ashwood Ave II (Ord. 3096)	69-8083-0-7-401	220,000.00	1/1/15-12/31/15	(220,000.00)	220,000.00	165,000.00	165,000.00	(55,000.00)	55,000.00	165,000.00
				(282,500.00)	220,000.00	227,500.00	165,000.00	(55,000.00)	55,000.00	415,000.00
Total General Capital Fund				(307,500.00)	346,049.63	868,264.75	747,908.01	(90,000.00)	248,906.37	1,071,036.82

Note: This schedule was subject to an audit in accordance with NJ OMB Circular 15-08.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE

CURRENT FUND

	<u>Year 2017</u>		<u>Year 2016</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	7,100,000.00	4.53%	7,100,000.00	4.66%
Miscellaneous - From Other Than				
Local Property Tax Levies	10,084,845.84	6.43%	9,165,886.65	6.02%
Collection of Delinquent Taxes				
and Tax Title Liens	506,927.76	0.32%	442,521.23	0.29%
Collection of Current				
Tax Levy	136,370,455.62	86.95%	134,035,881.23	87.99%
Non-Budget Revenues	1,638,732.09	1.04%	675,872.82	0.44%
Other Credits to Income	1,137,935.54	0.73%	918,752.93	0.60%
<u>Total Revenue and Other Income Realized</u>	<u>156,838,896.85</u>	<u>100.00%</u>	<u>152,338,914.86</u>	<u>100.00%</u>
<u>Expenditures</u>				
Budget Expenditures:				
Municipal Purposes	39,799,342.39	26.82%	38,699,981.95	26.52%
School Debt Service	5,265,128.64	3.55%	5,456,133.00	3.74%
Local School Taxes	63,061,441.00	42.49%	62,366,792.00	42.75%
County Taxes	40,007,413.98	26.96%	39,026,790.27	26.75%
Special District Taxes	260,000.00	0.18%	247,200.86	0.17%
Other Expenditures	24,018.43	0.02%	105,209.29	0.07%
<u>Total Expenditures</u>	<u>148,417,344.44</u>	<u>100.00%</u>	<u>145,902,107.37</u>	<u>100.00%</u>
Statutory Excess to Fund Balance	8,421,552.41		6,436,807.49	
Fund Balance, January 1,	<u>8,084,582.98</u>		<u>8,747,775.49</u>	
	16,506,135.39		15,184,582.98	
Less:				
Utilized as Anticipated Revenue	<u>7,100,000.00</u>		<u>7,100,000.00</u>	
Fund Balance, December 31,	<u><u>9,406,135.39</u></u>		<u><u>8,084,582.98</u></u>	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE

SEWER UTILITY OPERATING FUND

	<u>Year 2017</u>		<u>Year 2016</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Revenue and Other Income Realized</u>				
Surplus Anticipated	630,000.00	14.526%	355,700.00	9.199%
Collection of Sewer Rents	3,377,588.75	77.878%	3,195,825.20	82.653%
Miscellaneous - From Other				
Than Sewer Rents	276,192.28	6.368%	235,772.01	6.098%
Other Credits to Income	53,221.23	1.227%	79,249.89	2.050%
	<u>4,337,002.26</u>	<u>100.000%</u>	<u>3,866,547.10</u>	<u>100.00%</u>
<u>Total Revenue and Other Income Realized</u>				
	<u>4,337,002.26</u>	<u>100.000%</u>	<u>3,866,547.10</u>	<u>100.00%</u>
<u>Expenditures</u>				
Budget Expenditures:				
Operating	2,968,103.00	77.570%	2,853,071.00	82.091%
Capital Improvements	-	0.000%	25,000.00	0.719%
Debt Service	496,583.00	12.978%	255,847.00	7.361%
Deferred Charges and Statutory Expenditures	121,665.00	3.180%	116,560.00	3.354%
Surplus to Current Fund	240,000.00	6.272%	225,000.00	6.474%
	<u>3,826,351.00</u>	<u>100.00%</u>	<u>3,475,478.00</u>	<u>100.00%</u>
<u>Total Expenditures</u>				
	<u>3,826,351.00</u>	<u>100.00%</u>	<u>3,475,478.00</u>	<u>100.00%</u>
Excess (Deficit) in Revenue	510,651.26		391,069.10	
Fund Balance, January 1,	989,121.68		953,752.58	
	<u>1,499,772.94</u>		<u>1,344,821.68</u>	
Less:				
Utilized as Anticipated Revenue	630,000.00		355,700.00	
	<u>630,000.00</u>		<u>355,700.00</u>	
Fund Balance, December 31,	<u>869,772.94</u>		<u>989,121.68</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE

PARKING UTILITY OPERATING FUND

	<u>Year 2017</u>		<u>Year 2016</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	314,148.00	8.66%	54,643.00	1.52%
Parking Revenue	3,155,739.62	86.97%	3,241,459.09	89.91%
Parking Capital Surplus		0.00%	64,000.00	1.78%
Miscellaneous	36,914.15	1.02%	16,933.99	0.47%
Other Credits to Income	121,922.09	3.36%	228,132.74	6.33%
<u>Total Revenue and Other Income Realized</u>	<u>3,628,723.86</u>	<u>100.0%</u>	<u>3,605,168.82</u>	<u>100.0%</u>
<u>Expenditures</u>				
Budget Expenditures:				
Operating	2,217,919.00	62.94%	1,811,577.00	57.48%
Capital Improvements	30,000.00	0.85%	185,000.00	5.87%
Debt Service	697,679.00	19.80%	645,145.00	20.47%
Deferred Charges and Statutory Expenditures	78,050.00	2.22%	60,000.00	1.90%
Surplus to Current Fund	500,000.00	14.19%	450,000.00	14.28%
<u>Total Expenditures</u>	<u>3,523,648.00</u>	<u>100.00%</u>	<u>3,151,722.00</u>	<u>100.00%</u>
Excess (Deficit) in Revenue	105,075.86		453,446.82	
Fund Balance, January 1,	<u>1,769,449.91</u>		<u>1,370,646.09</u>	
	1,874,525.77		1,824,092.91	
Less:				
Utilized as Anticipated Revenue	<u>314,148.00</u>		<u>54,643.00</u>	
Fund Balance, December 31,	<u><u>1,560,377.77</u></u>		<u><u>1,769,449.91</u></u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2017</u>	<u>2016</u>	<u>2012</u>
<u>Tax Rate</u>	<u>4.365</u>	<u>4.301</u>	<u>4.217</u>

Apportionment of Tax Rate:

Municipal	.923	.913	.904
County	1.240	1.213	1.166
County Open Space	.035	.034	.033
Local School	2.029	2.004	1.970
Type I School Debt	0.138	.137	.144

Assessed Valuation:

2017	3,108,245,396		
2016		3,112,414,996	
2015			3,107,456,337

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 Collections</u>
2017	137,174,292.11	136,370,455.62	99.41%
2016	134,782,146.56	134,035,881.23	99.45%
2015	131,966,267.89	131,139,263.93	99.36%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>December 31, Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2017	-0-	503,944.58	503,944.58	0.37%
2016	-0-	510,880.09	510,880.09	0.38%
2015	-0-	555,208.63	555,208.63	0.42%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties was as follows:

<u>Year</u>	<u>Amount</u>
2017	-0-
2016	-0-
2015	-0-
2014	-0-
2013	-0-

COMPARISON OF SEWER UTILITY LEVIES

<u>Year</u>	<u>Rents Levied</u>	<u>Cash Collections</u>
2017	3,362,052.63	3,377,588.75
2016	3,209,086.12	3,200,377.81
2015	3,023,365.83	3,046,932.16
2014	3,002,595.41	3,031,809.23
2013	2,946,660.55	2,886,225.48

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>Year</u>	<u>Fund Balance Dec. 31,</u>	<u>Utilized In Budget of Succeeding Year</u>
<u>CURRENT FUND</u>	2017	9,406,135.39	6,900,000.00
	2016	8,084,582.98	7,100,000.00
	2015	8,747,775.49	7,100,000.00
	2014	10,071,281.60	7,600,000.00
	2013	9,732,447.27	6,300,000.00
 <u>SEWER UTILITY</u>	2017	869,772.94	463,000.00
	2016	989,121.68	630,000.00
	2015	953,752.58	355,700.00
	2014	926,848.64	325,000.00
	2013	954,380.61	350,000.00

COMPARATIVE SCHEDULE OF FUND BALANCES (continued)

	<u>Year</u>	<u>Fund Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>
<u>PARKING UTILITY</u>			
	2017	1,560,377.77	450,000.00
	2016	1,769,449.91	314,148.00
	2015	1,370,646.09	54,643.00
	2014	1,556,371.27	386,000.00
	2013	1,216,875.57	-0-

EQUALIZED VALUATIONS - REAL PROPERTY

2017	7,229,348,873.00
2016	7,348,462,429.00
2015	7,180,778,215.00

City of Summit, N.J.

Schedule of Cash

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	A		14,102,464.67
Increased by Receipts:			
Refund of Prior Year Expenditure	A-1	1,278.57	
Miscellaneous Revenue Not Anticipated	A-2	1,638,732.09	
Tax Collector	A-5	160,210,126.63	
Petty Cash	A-6	650.00	
Change Funds	A-7	200.00	
Due From State - Senior Citizen and Veteran Deductions	A-8	69,858.22	
Revenue Accounts Receivable	A-10	9,210,073.48	
Tax Overpayments	A-13	232,581.50	
Miscellaneous Accounts Receivable	A-15	801,987.77	
Schedule of Interfunds	A-17	2,971,205.35	
Prepaid Revenue	A-22	4,697.00	
Reserve for:			
Sale of Property	A-23	38,374.01	
State Library Aid	A-24	9,302.00	
Due to Various Agencies	A-25	155,775.00	
Special Deposits	A-26	34,625.27	
			<u>175,379,466.89</u>
			189,481,931.56
Decreased by Disbursements:			
Additional Added County Taxes - 2016	A-1	5,262.40	
Current Year Budget Appropriations	A-3	41,778,693.25	
Petty Cash	A-6	650.00	
Appropriation Reserves	A-11	1,534,517.12	
Tax Overpayments	A-13	283,544.02	
Miscellaneous Accounts Receivable	A-15	789,004.57	
Schedule of Interfunds	A-17	3,086,338.31	
County Taxes	A-18	39,653,485.95	
County Taxes Added and Omitted	A-19	187,362.81	
Local District School Taxes	A-20	63,061,442.00	
Special District Taxes Payable	A-21	260,000.00	
Reserve for:			
Tax Appeals	A-16	85,315.23	
Sale of Property	A-23	3,486.33	
State Library Aid	A-24	9,415.14	
Due to Various Agencies	A-25	138,089.00	
Special Deposits	A-26	46,671.27	
			<u>150,923,277.40</u>
Balance - December 31, 2017	A		<u><u>38,558,654.16</u></u>

City of Summit, N.J.

Schedule of Cash - Tax Collector

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Increased by			
Taxes Receivable	A-9	135,683,155.36	
Revenue Accounts Receivable	A-10	158,497.56	
Prepaid Taxes	A-14	<u>24,368,473.71</u>	
			<u><u>160,210,126.63</u></u>
Decreased by:			
Paid to Treasurer	A-4		<u><u>160,210,126.63</u></u>

City of Summit, N.J.

Schedule of Petty Cash

Current Fund

Year Ended December 31, 2017

<u>Office</u>	Received From <u>Treasurer</u>	Returned To <u>Treasurer</u>
Police	200.00	200.00
Finance	300.00	300.00
Community Programs	150.00	150.00
	<u>650.00</u>	<u>650.00</u>
	A-4	A-4

Schedule of Change Fund

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	1,395.00
Decreased by:		
Reduce Court Change Fund	A-4	<u>200.00</u>
Balance - December 31, 2017	A	<u>1,195.00</u>
<u>Detail</u>		
City Clerk		125.00
Tax Collector		100.00
Transfer Station		30.00
Library Director		465.00
Board of Health		75.00
Municipal Court		200.00
Board of Recreation		<u>200.00</u>
		<u>1,195.00</u>

City of Summit, N.J.
Schedule of Due to State of New Jersey
For Senior Citizens and Veterans Deductions
Current Fund
Year Ended December 31, 2017

	<u>Ref</u>		
Balance - December 31, 2016	A		6,114.83
Increased by:			
Received From State	A-4		69,858.22
			<u>75,973.05</u>
Decreased by:			
Senior Citizens' And Veterans' Deductions			
Per Tax Billing		71,250.00	
Senior Citizens' And Veterans' Deductions			
Allowed by Collector:			
2017 Taxes		<u>250.00</u>	
			71,500.00
Less: Senior Citizen Deductions			
Disallowed By Tax Collector:			
2016 Taxes		<u>1,250.00</u>	
			<u>1,250.00</u>
	A-9		<u>70,250.00</u>
Balance - December 31, 2017	A		<u><u>5,723.05</u></u>

City of Summit, N.J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2017

Year	Balance, Dec. 31, 2016	Levy	Added Taxes	Collected		Senior Citizen and Veteran Deductions	Canceled	Balance, Dec. 31, 2017
				2016	2017			
2016	510,880.09				508,177.76	(1,250.00)		3,952.33
	510,880.09				508,177.76	(1,250.00)		3,952.33
2017		135,935,312.58	1,238,979.53	1,123,978.02	135,174,977.60	71,500.00	303,844.24	499,992.25
	510,880.09	135,935,312.58	1,238,979.53	1,123,978.02	135,683,155.36	70,250.00	303,844.24	503,944.58
A				A-2;A-14	A-2;A-5	A-2;A-8		A

Analysis of Tax Levy

Tax yield:

General Purpose Tax	Ref.	135,565,171.08
Utility Taxes		109,872.29
Added Tax (R.S. 54:4-63.1 et seq.)		1,238,979.53
Special Improvement District Tax		260,269.21
		137,174,292.11

Tax Levy:

County Tax	A-18	39,653,485.95
Added County Taxes	A-19	353,928.03
Local District School Tax	A-20	40,007,413.98
Special District Tax	A-21	63,061,441.00
	A-2	260,000.00
		103,328,854.98
Local Tax for Municipal Purposes	A-2	32,951,569.00
Additional Taxes		893,868.13
		33,845,437.13
		137,174,292.11

City of Summit, N.J.

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2017

	Ref	Balance, Dec. 31, 2016	Accrued in 2017	Collected By		Balance, Dec. 31, 2017
				Treasurer	Collector	
Clerk:						
Licenses:						
Alcoholic Beverages	A-2		40,460.00	40,460.00		-
Other	A-2		73,680.00	73,680.00		-
Board of Health	A-2		186,325.02	186,325.02		-
Zoning Board Fees	A-2		27,737.50	27,737.50		-
Municipal Court						
Fines and Costs	A-2	28,158.68	532,534.11	515,128.48		45,564.31
Interest and Costs on Taxes	A-2		158,497.56		158,497.56	-
Interest on Investments and Deposits	A-2		241,015.87	241,015.87		-
Old Town Hall Rent	A-2		33,546.00	33,546.00		-
Community Service Fees	A-2		134,915.62	134,915.62		-
Bryant Park Emergency Services Fee	A-2		12,000.00	12,000.00		-
Anticipated Utility Operating Surplus - Parking Utility	A-2		500,000.00	500,000.00		-
Utility Income Cell Tower	A-2		46,839.73	46,839.73		-
Golf Course Revenue	A-2		192,091.00	192,091.00		-
Family Aquatic Center Revenue	A-2		477,649.00	477,649.00		-
Franchise Fee (c. 48A-30) Cable TV - Verizon	A-2		218,372.92	218,372.92		-
Franchise Fee (c. 48A-30) Cable TV - Comcast	A-2		128,119.17	128,119.17		-
Sale of Recyclable Materials	A-2		102,059.57	102,059.57		-
Administrative Off-Duty Assignment Fees (Police & Fire)	A-2		88,515.00	88,515.00		-
Hotel and Motel Occupancy Fees	A-2		154,365.90	154,365.90		-
Energy Receipts Tax	A-2		3,023,257.00	3,023,257.00		-
School Debt Service Aid	A-2		504,630.00	504,630.00		-
Uniform Fire Safety Act	A-2		45,648.36	45,648.36		-
Summit Housing Authority - P.I.L.O.T	A-2		48,900.00	48,900.00		-
Parking Utility Share of Debt Services	A-2		421,307.00	421,307.00		-
Parking Utility Share of Various Services	A-2		305,000.00	305,000.00		-
SDI Share of Debt Service	A-2		29,312.50	29,312.50		-
UCC Share of Pension Costs	A-2		46,700.00	46,700.00		-
Sewer Utility Share of Pension Costs	A-2		35,105.00	35,105.00		-
Reserve for School Debt Service	A-2		77.84	77.84		-
Reserve for Insurance Settlement	A-2		304,963.59	304,963.59		-
Reserve to Pay Debt	A-2		336,351.41	336,351.41		-
General Capital Surplus	A-2		581,000.00	581,000.00		-
Anticipated Utility Operating Surplus - Sewer Utility	A-2		240,000.00	240,000.00		-
Sewer Utility Share of Various Services	A-2		115,000.00	115,000.00		-
		<u>28,158.68</u>	<u>9,385,976.67</u>	<u>9,210,073.48</u>	<u>158,497.56</u>	<u>45,564.31</u>
		A		A-4	A-5	A

City of Summit, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2017

	Balance, Dec. 31, <u>2016</u>	Balance after <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Salaries and Wages Within "CAPS"				
Administrative and Executive	16,808.39	16,808.39	629.00	16,179.39
City Clerk	12,112.50	12,112.50		12,112.50
Financial Administration (Treasury)	6,420.28	6,420.28		6,420.28
Collection of Taxes	1,266.09	1,266.09		1,266.09
Assessment of Taxes	7,471.44	7,471.44		7,471.44
Legal Services	0.02	0.02		0.02
Engineering Services and Costs	5,371.95	5,371.95	676.00	4,695.95
Municipal Land Use	355.88	355.88		355.88
Code Enforcement	1,106.22	1,106.22		1,106.22
Police	11,679.56	8,679.56	8,677.19	2.37
School Crossing Guards	1,719.30	1,719.30	1,440.00	279.30
Fire	28,624.95	28,624.95	23,142.25	5,482.70
Uniform Fire Safety	36,000.00	36,000.00		36,000.00
Road Repair and Maintenance	53,774.05	53,774.05	26,051.48	27,722.57
Public Works Maintenance	27,043.35	27,043.35	372.98	26,670.37
Garbage and Trash	5,211.88	5,211.88	4,778.82	433.06
Recycling Program	255.20	255.20		255.20
Transfer Station	17,537.70	17,537.70	4,786.89	12,750.81
Compost Station Area	1,724.71	1,724.71		1,724.71
Garage	4.52	4.52		4.52
Board of Health	4,003.59	4,003.59	33.00	3,970.59
Maintenance of Municipal Golf Course	4,209.43	4,209.43		4,209.43
Family Aquatic Center	4.07	4.07		4.07
Community Programs	3,004.65	3,004.65	2,211.61	793.04
Parks and Recreation	25,547.26	25,547.26		25,547.26
Community Services	45,992.68	45,992.68		45,992.68
Municipal Court	2,463.73	2,463.73	459.25	2,004.48
Total Salaries and Wages Within "CAPS"	<u>319,713.40</u>	<u>316,713.40</u>	<u>73,258.47</u>	<u>243,454.93</u>
Other Expenses Within "CAPS"				
Administrative and Executive	6,698.08	6,698.08	4,498.55	2,199.53
Employee Assistance Program	1,400.00	1,400.00	1,400.00	0.00
Postage	7,292.04	7,292.04	175.16	7,116.88
Physical Examinations - Municipal Employees	9,931.00	9,931.00	6,263.00	3,668.00
Technology	35,825.59	35,825.59	17,620.25	18,205.34
Hometown TV Agreement	0.88	0.88		0.88
City Clerk	36,340.54	36,340.54	18,143.19	18,197.35
Codification of Ordinances	2,690.00	2,690.00	2,690.00	0.00
Financial Administration (Treasury)	77,065.48	77,065.48	8,708.13	68,357.35
Audit Services	19,633.33	19,633.33	19,633.33	0.00
Collection of Taxes	7,739.41	7,739.41		7,739.41

City of Summit, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2017

	Balance, Dec. 31, <u>2016</u>	Balance after <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Assessment of Taxes	170,479.39	170,479.39	110,902.31	59,577.08
Legal Services:				0.00
Fees	110,761.11	110,761.11	16,941.50	93,819.61
Engineering Services and Costs	16,378.28	16,378.28	13,020.62	3,357.66
Municipal Land Use	100,945.89	100,945.89	36,471.88	64,474.01
Board of Adjustment	8,449.04	8,449.04	3,962.65	4,486.39
Code Enforcement	3,226.79	3,226.79	201.72	3,025.07
Police	64,872.00	76,872.00	69,030.54	7,841.46
School Crossing Guards	3,523.94	3,523.94	2,368.64	1,155.30
Purchase of Police Vehicles	50,000.00	53,000.00	52,802.00	198.00
Emergency Management Services	6,964.75	6,964.75	6,964.75	0.00
Fire	73,678.52	63,828.52	34,974.64	28,853.88
Road Repair and Maintenance	75,290.70	75,290.70	75,290.70	0.00
Public Works Maintenance	27,529.58	27,529.58	8,923.88	18,605.70
Garbage and Trash	5,830.51	5,830.51	5,830.51	0.00
Recycling Program	42,513.81	42,513.81	40,544.39	1,969.42
Transfer Station	13,183.56	13,183.56	8,654.19	4,529.37
Compost Station Area	10,206.79	10,206.79	10,142.75	64.04
Disposal Charges	186,759.87	186,759.87	141,271.68	45,488.19
Public Building and Grounds	89,290.02	89,290.02	38,681.16	50,608.86
Garage	12,237.63	12,237.63	5,309.66	6,927.97
Board of Health	6,571.75	6,571.75	2,506.00	4,065.75
Dog Regulation - Contractual Agreement	2,041.22	2,041.22	2,041.22	0.00
Social Services for the Elderly Program	5,764.70	5,764.70	5,764.61	0.09
Prevention of Drug and Alcohol Abuse Program	7,890.00	7,890.00	7,890.00	0.00
Maintenance of Municipal Golf Course	30,322.81	30,322.81	21,852.83	8,469.98
Family Aquatic Center	7,165.41	7,165.41	5,544.37	1,621.04
Community Programs	1,767.17	1,767.17	1,492.34	274.83
Parks and Recreation	91,948.01	91,948.01	66,042.88	25,905.13
Downtown Maintenance	7,881.84	7,881.84	48.30	7,833.54
Community Services	20,416.27	20,416.27	6,731.14	13,685.13
Municipal Court	8,225.81	8,225.81	2,639.75	5,586.06
Public Defender	11.00	11.00		11.00
Utilities:				0.00
Electricity	22,536.74	27,786.74	27,740.60	46.14
Street Lighting	1,978.14	1,978.14		1,978.14
Telephone	42,812.18	37,562.18	14,728.51	22,833.67
Water	6,246.18	6,246.18	3,050.58	3,195.60
Natural Gas	18,636.56	18,636.56	2,612.01	16,024.55
Heating Oil	32,801.55	32,801.55	8,590.61	24,210.94
Gasoline	66,949.79	66,949.79	10,812.16	56,137.63
Diesel Fuel	62,427.53	62,427.53	9,988.08	52,439.45

City of Summit, N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2017

	Balance, Dec. 31, 2016	Balance after Transfers	Paid or Charged	Balance Lapsed
Fire Hydrant Service	13,477.29	23,327.29	23,316.70	10.59
Reserve for Salary Adjustments	36,300.00	24,300.00		24,300.00
Contingent	1,500.00	1,500.00		1,500.00
Total Other Expenses Within "CAPS"	<u>1,772,410.48</u>	<u>1,775,410.48</u>	<u>984,814.47</u>	<u>790,596.01</u>
Deferred Charges and Statutory Expenditures-Municipal Within "CAPS": Statutory Expenditures: Contribution To:				
Public Employees' Retirement System	41,351.26	41,351.26		41,351.26
Social Security System (O.A.S.I.)	20,458.95	20,458.95		20,458.95
Police and Fireman's Retirement System	177.00	177.00		177.00
Defined Contribution Retirement Program	<u>1.47</u>	<u>1.47</u>		<u>1.47</u>
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	<u>61,988.68</u>	<u>61,988.68</u>	<u>0.00</u>	<u>61,988.68</u>
Total General Appropriation Reserves - Municipal Within "CAPS"	<u>2,154,112.56</u>	<u>2,154,112.56</u>	<u>1,058,072.94</u>	<u>1,096,039.62</u>
Other Expenses Excluded From "CAPS": Maintenance of Free Public Library	476,444.18	476,444.18	476,444.18	0.00
Dispatch Services - Joint Meeting	<u>7.61</u>	<u>7.61</u>		<u>7.61</u>
Total Other Expenses Excluded from "CAPS"	<u>476,451.79</u>	<u>476,451.79</u>	<u>476,444.18</u>	<u>7.61</u>
Total General Appropriation Reserves - Municipal Excluded from "CAPS"	<u>476,451.79</u>	<u>476,451.79</u>	<u>476,444.18</u>	<u>7.61</u>
Total General Appropriation Reserves	<u>2,630,564.35</u>	<u>2,630,564.35</u>	<u>1,534,517.12</u>	<u>1,096,047.23</u>

A-4

A-1

Ref.

Analysis of Appropriation Reserve

Unencumbered	A	1,208,266.82
Encumbered	A	<u>1,422,297.53</u>
		<u>2,630,564.35</u>

City of Summit, N.J.

Schedule of Accounts Payable

Current Fund

Year Ended December 31, 2017

Balance - December 31, 2016	<u>Ref.</u> A	<u>20,813.82</u>
Decreased by:		
Cancelled	A-1	<u>20,813.82</u>

City of Summit, N.J.
Schedule of Tax Overpayments

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	145,424.64
Increased by:		
Cash Receipts	A-4	232,581.50
		<u>378,006.14</u>
Decreased by:		
Payments	A-4	283,544.02
		<u>283,544.02</u>
Balance - December 31, 2017	A	<u><u>94,462.12</u></u>

Schedule of Prepaid Taxes

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	1,123,978.02
Increased by:		
Collection of 2018 Taxes	A-5	24,368,473.71
		<u>25,492,451.73</u>
Decreased by:		
Applied to 2017 Taxes	A-9	1,123,978.02
		<u>1,123,978.02</u>
Balance - December 31, 2017	A	<u><u>24,368,473.71</u></u>

City of Summit, N.J.

Schedule of Miscellaneous Accounts Receivable

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A;A-1	183,578.29
Increased by:		
Disbursements:		
Police Off Duty - Payroll		511,333.76
Housing Authority-Payroll		<u>277,670.81</u>
	A-4	<u>789,004.57</u>
		972,582.86
Decreased by:		
Cash Receipts:		
Housing Authority		295,216.60
Police Off Duty Compensation		<u>506,771.17</u>
	A-4	<u>801,987.77</u>
Balance - December 31, 2017	A;A-1	<u><u>170,595.09</u></u>
<u>Analysis of Balance</u>		
Off-Duty Police		167,188.57
Housing Authority		<u>3,406.52</u>
		<u><u>170,595.09</u></u>

A-16

Schedule of Reserve for Tax Appeals

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	26,482.02
Increased by:		
Budget Appropriation	A-3	<u>325,000.00</u>
		351,482.02
Decreased by:		
Cash Disbursements	A-4	<u>85,315.23</u>
Balance - December 31, 2017	A	<u><u>266,166.79</u></u>

City of Summit, N.J.

Schedule of Interfunds

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Total</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>	<u>Assessment Trust Fund</u>	<u>Sewer Utility Operating Fund</u>	<u>General Capital Fund</u>	<u>Grant Fund</u>
Balance - December 31, 2016								
Due To	A	679,728.09		65,905.58	201,019.54			412,802.97
Due From	A	35,778.80	15,402.72				20,376.08	
Animal Control Statutory Excess	A-1	5,722.39	5,722.39					
Cash Disbursements	A-4	3,086,338.31		228,738.43	96,000.00	2,128,743.70		632,856.18
		3,092,060.70	5,722.39	228,738.43	96,000.00	2,128,743.70	-	632,856.18
Cash Receipts	A-4	2,971,205.35		227,530.54	72,517.45	2,115,710.56	1,090.33	554,356.47
Balance - December 31, 2017								
Due To	A	576,537.94		64,697.69	177,536.99			334,303.26
Due From	A	53,444.00	21,125.11			13,033.14	19,285.75	

City of Summit, N.J.
Schedule of County Taxes Payable
Current Fund
Year Ended December 31, 2017

Ref.

Increased by:		
Levy - 2017	A-1;A-9	<u>39,653,485.95</u>
Decreased by:		
Payments	A-4	<u>39,653,485.95</u>

Schedule of Due County for Added and Omitted Taxes
Current Fund
Year Ended December 31, 2017

Ref.

Balance - December 31, 2016	A	187,362.81
Increased by:		
County Share of 2017 Levy:		
2017 Added Taxes	A-1;A-9	<u>353,928.03</u>
		541,290.84
Decreased by:		
Payments	A-4	<u>187,362.81</u>
Balance - December 31, 2017	A	<u>353,928.03</u>

City of Summit, N.J.

Schedule of Local District School Taxes Payable/(Prepaid)

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	0.50
Increased by:		
Levy- 2017	A-1;A-9	<u>63,061,441.00</u>
		63,061,441.50
Decreased by:		
Payments	A-4	<u>63,061,442.00</u>
Balance - December 31, 2017	A	<u><u>(0.50)</u></u>

Schedule of Special District Taxes Payable

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Increased by:		
Levy- 2017	A-1;A-9	<u><u>260,000.00</u></u>
Decreased by:		
Payments	A-4	<u><u>260,000.00</u></u>

City of Summit, N.J.
Schedule of Prepaid Revenue
Current Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	A	5,584.00
Increased by:		
Cash Receipts	A-4	<div style="border-top: 1px solid black;">4,697.00</div>
		10,281.00
Decreased by:		
Applied to Other Licenses	A-2	<div style="border-top: 1px solid black;">5,584.00</div>
Balance - December 31, 2017	A	<div style="border-top: 1px solid black; border-bottom: 3px double black;">4,697.00</div>

City of Summit, N.J.

Schedule of Reserve for Sale of Property

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	A		821,002.65
Increased by:			
Cash Receipts	A-4		<u>38,374.01</u>
			859,376.66
Decreased by:			
Anticipated as Revenue	A-2	1,541.63	
Payments	A-4	<u>3,486.33</u>	
			<u>5,027.96</u>
Balance - December 31, 2017	A		<u><u>854,348.70</u></u>

Schedule of Reserve for State Library Aid

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	A		9,239.36
Increased by:			
Cash Receipts	A-4		<u>9,302.00</u>
			18,541.36
Decreased by:			
Payments	A-4		<u>9,415.14</u>
Balance - December 31, 2017	A		<u><u>9,126.22</u></u>

City of Summit, N.J.

Schedule of Reserve Due to Various Agencies

Current Fund

Year Ended December 31, 2017

	Ref.	Total	State of New Jersey		
			Marriage License Fees	Burial Surcharge	Construction Code
Balance - December 31, 2016	A	33,527.00	650.00	10.00	32,867.00
Increased by:					
Cash Receipts	A-4	155,775.00	2,800.00	540.00	152,435.00
		189,302.00	3,450.00	550.00	185,302.00
Decreased by:					
Payments	A-4	138,089.00	2,650.00	55.00	135,384.00
Balance - December 31, 2017	A	51,213.00	800.00	495.00	49,918.00

City of Summit, N.J.

Schedule of Reserve for Special Deposits

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Total</u>	<u>Environmental Health</u>	<u>Library Fines & Fees</u>
Balance - December 31, 2016	A	61,081.13	18,123.88	42,957.25
Increased by:				
Cash Receipts	A-4	<u>34,625.27</u>		<u>34,625.27</u>
		95,706.40	18,123.88	77,582.52
Decreased by:				
Payments	A-4	<u>46,671.27</u>		<u>46,671.27</u>
Balance - December 31, 2017	A	<u><u>49,035.13</u></u>	<u><u>18,123.88</u></u>	<u><u>30,911.25</u></u>

City of Summit, N.J.

Schedule of Reserve for Various Deposits

Current Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Total</u>	State Aid School Debt Service	Reserved for Debt Service	Police Outside Overtime <u>Escrow</u>
Balance - December 31, 2016	A	268,373.47	137,809.00	118,434.47	12,130.00
Decreased by:					
Anticipated as Item of Revenue	A-2	<u>256,243.47</u>	<u>137,809.00</u>	<u>118,434.47</u>	
Balance - December 31, 2017	A	<u><u>12,130.00</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>12,130.00</u></u>

City of Summit, N.J.

Schedule of Grants Receivable

Grant Fund

Year Ended December 31, 2017

<u>Grant</u>	<u>Balance Dec. 31, 2016</u>	<u>Budget Revenue</u>	<u>Cash Receipts</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2017</u>
County of Union					
Greening Union County	6,875.00			6,875.00	-
Infrastructure and Municipal Aid	100,000.00		100,000.00		-
Kids Recreation Trust		50,000.00	50,000.00		-
Senior Focus		25,000.00			25,000.00
Emergency Management Agency Assistance		5,000.00	5,000.00		-
Local Match - EMA Grant		5,000.00	5,000.00		-
Association of New Jersey Environmental Commissions					
Open Space Stewardship Grants		1,082.58	721.72		360.86
Investors Foundation Grant					
Community Center		30,000.00	30,000.00		-
State of New Jersey - Department of Law & Public Safety					
Community Policing		10,000.00			10,000.00
FEMA - Assistance to Firefighters Grant	529.00			529.00	-
Recycling Tonnage Program		31,958.35	31,958.35		-
State of New Jersey - Department of Community Affairs					
Recreation for Individuals with Disabilities		21,600.00	21,600.00		-
Division of Criminal Justice					
Body Armor Replacement Fund		4,276.22	4,276.22		-
Clean Communities Program		41,488.55	41,488.55		-
Community Forestry Program	25,000.00				25,000.00
N.J. Department of Transportation - Municipal Aid					
Hospital Roads		62,500.00	62,500.00		-
Ashwood Rd		165,000.00	165,000.00		-
	<u>132,404.00</u>	<u>452,905.70</u>	<u>517,544.84</u>	<u>7,404.00</u>	<u>60,360.86</u>
	A	A-2	A-31	A-29	A

City of Summit, N.J.

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2017

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Transfer</u> <u>From 2017</u> <u>Budget</u>	<u>Cancellation</u> <u>of Purchase</u> <u>Order</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Public Health Priority Funding	28,211.00					28,211.00
State of New Jersey Solid Waste Administration						
Recycling Tonnage	26,814.35	31,958.35		605.00		58,167.70
Drunk Driving Enforcement	13,655.20			1,645.90		12,009.30
Drive Sober or Get Pulled Over	4,400.00			4,400.00		-
Summit Downtown Inc. - Security Cameras	10,000.00					10,000.00
Small Tree Planting Grant	14,773.00			4,572.00		10,201.00
State of New Jersey - Division of Alcoholic Beverage Control						
Cops in Shops College Initiative	400.00					400.00
N.J. American Water - Martin's Brook Watershed Cleanup	8,388.92					8,388.92
State of New Jersey						
Body Armor Replacement Fund	4,269.33	4,276.22		3,714.15		4,831.40
Clean Communities Program	13,326.75	41,488.55		25,603.45		29,211.85
NJ Department of Law & Public Safety						
Community Policing		10,000.00		8,995.51		1,004.49
N.J. Department of Transportation - Municipal Aid:						
Hospital Roads						
Ashwood Rd		62,500.00		62,500.00		-
Community Forestry Management Plan	25,000.00	165,000.00		165,000.00		-
Federal Emergency Management Agency:						
Assistance to Firefighters Program				25,000.00		-
NJ Department of Community Affairs					529.00	6,238.70
Recreation for Individuals with Disabilities		21,600.00		8,142.00		13,458.00
Association of New Jersey Environmental Commissions						
Open Space Stewardship Grant		1,082.58		375.00		707.58
NJ League of Municipalities						

City of Summit, N.J.

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2017

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Transfer</u> <u>From 2017</u> <u>Budget</u>	<u>Cancellation</u> <u>of Purchase</u> <u>Order</u>	<u>Expended</u>	<u>Cancelled</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Education Foundation Sustainable NJ Union County	5,000.00					5,000.00
Mayor's Partnership for the Arts	1,083.75					1,083.75
Recycling Enhancement	6,144.00					6,144.00
Greening Union County	13,750.00				6,875.00	6,875.00
Infrastructure and Municipal Aid	153,889.99			80,411.51		73,478.48
Kids Recreation Trust		50,000.00		50,000.00		-
Senior Focus		25,000.00				25,000.00
Emergency Management Agency Assistance		5,000.00				5,000.00
County Share		5,000.00				5,000.00
Local Match						
Investors Foundation Grant		30,000.00		30,000.00		-
Community Center						
Municipal Land Use Center - Sustainable Communities	6,110.00					6,110.00
Implementation Grant Program						
Summit Area Public Foundation						
Food Composting	3,043.98		480.33			3,524.31
Recycling Program	286.00					286.00
	<u>345,313.97</u>	<u>452,905.70</u>	<u>480.33</u>	<u>470,964.52</u>	<u>7,404.00</u>	<u>320,331.48</u>
	<u>A</u>	<u>A-3</u>	<u>A-32</u>		<u>A-28</u>	<u>A</u>

Ref.

Analysis of Expenditures

Interfund Current

Encumbrances Payable

433,443.51
37,521.01
470,964.52

City of Summit, N.J.

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2017

<u>Grant</u>	<u>Cash</u>	<u>Balance</u>
	<u>Receipts</u>	<u>Dec. 31, 2017</u>
Recycling Tonnage	36,811.63	36,811.63
	<u>A-31</u>	<u>A</u>

City of Summit, N.J.

Schedule of Due From Current Fund

Federal and State Grant Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	A		412,802.97
Increased by:			
Federal and State Grant Receipts	A-28	517,544.84	
Unappropriated Reserves	A-30	<u>36,811.63</u>	
			<u>554,356.47</u>
			967,159.44
Decreased by:			
Federal and State Grant Expenditures	A-29	433,443.51	
Reserve for Encumbrances	A-32	<u>199,412.67</u>	
			<u>632,856.18</u>
Balance - December 31, 2017	A		<u><u>334,303.26</u></u>

City of Summit, N.J.

Schedule of Reserve for Encumbrances

Federal And State Grant Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	A		199,893.00
Increased by:			
Charges to Reserves	A-29		<u>37,521.01</u>
			237,414.01
Decreased by:			
Purchase order Cancelled	A-29	480.33	
Payments	A-31	<u>199,412.67</u>	
			<u>199,893.00</u>
Balance - December 31, 2017	A		<u><u>37,521.01</u></u>

City of Summit, N.J.

Schedule of Cash

Trust Funds

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Assessment Fund</u>	<u>Animal Control Trust Fund</u>	<u>Other Trust Funds</u>
Balance - December 31, 2016	B	<u>104,256.39</u>	<u>53,419.32</u>	<u>8,587,668.89</u>
Increased by Receipts:				
Dog License Fees	B-4		15,787.80	
Cat License Fees	B-4		2,101.00	
Dog License Late Fees	B-4		1,850.00	
Cat License Late Fees	B-4		200.00	
Miscellaneous	B-4		554.77	
Dog License Fees - State Share	B-5		1,600.20	
Other Trust Funds	B-7			31,651,948.84
Community Development				
Block Grants	B-10			6,395.00
Library Reserves	B-12			53,814.04
Total Receipts		<u>104,256.39</u>	<u>22,093.77</u>	<u>31,712,157.88</u>
			<u>75,513.09</u>	<u>40,299,826.77</u>
Decreased by Disbursements:				
Reserve for Animal Control				
Trust Expenditures	B-4		15,915.38	
State Share - Dog Licenses	B-5		1,600.20	
Other Trust Funds	B-7			31,534,722.95
Community Development				
Block Grants	B-11			6,395.00
Library	B-12			56,559.85
Encumbrances	B-16			502,433.81
Total Disbursements			<u>17,515.58</u>	<u>32,100,111.61</u>
Balance - December 31, 2017	B	<u>104,256.39</u>	<u>57,997.51</u>	<u>8,199,715.16</u>

City of Summit, N.J.

Analysis of Assessment Cash and Investments

Assessment Trust Fund

Year Ended December 31, 2017

	Balance <u>Dec. 31, 2016</u>	Balance <u>Dec. 31, 2017</u>
Assessment Cash Pledged to Bonds	<u>104,256.39</u>	<u>104,256.39</u>
	B	B

City of Summit, N.J.

Reserve/(Deficit) for Animal Control Trust Fund Expenditures

Animal Control Trust Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	B		38,016.60
Increased by:			
Dog License Fees	B-2	15,787.80	
Dog License Late Fees	B-2	1,850.00	
Cat License Fees	B-2	2,101.00	
Cat License Late Fees	B-2	200.00	
Miscellaneous	B-2	554.77	
			<u>20,493.57</u>
			58,510.17
Decreased by:			
Expenditures R.S. 4:19-1511	B-2	15,915.38	
Interfund Current	B-6	5,722.39	
			<u>21,637.77</u>
Balance - December 31, 2017	B		<u><u>36,872.40</u></u>
<u>Year</u>			
2016			18,412.20
2015			<u>18,460.20</u>
			<u><u>36,872.40</u></u>

City of Summit, N.J.

Schedule of Due to State Department of Health

Animal Control Trust Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Increased by:		
State Fees Collected	B-2	<u>1,600.20</u>
Decreased by:		
Paid to State	B-2	<u>1,600.20</u>

City of Summit, N.J.

Schedule of Interfund Accounts Receivable (Payable)

Trust Fund

Year Ended December 31, 2017

	Ref.	Animal Control		Other Trust		Sewer Assessment		Assessment Trust		General Capital
		Current Fund		Current Fund		Fund		Current Fund		
Balance - December 31, 2016	B	(15,402.72)		65,905.58		(4,659.89)		201,019.54		(113,403.42)
Increased by:										
Assessments Collected	B-8	-		-		-		72,517.45		-
								72,517.45		
Decreased by:										
Statutory Excess	B-4	5,722.39								
Schedule of Reserves	B-7			1,207.89				96,000.00		
Bond Payments	B-13	5,722.39		1,207.89		-		96,000.00		-
Balance - December 31, 2017	B	(21,125.11)		64,697.69		(4,659.89)		177,536.99		(113,403.42)

City of Summit, N.J.

Schedule of Other Trust Funds

Trust Funds

Year Ended December 31, 2017

	Balance <u>Dec. 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	Balance <u>Dec. 31, 2017</u>
Reserve for:				
Fire Prevention	21,670.75	1,600.00	10,345.99	12,924.76
Self-Insurance	1,130,723.22	5,707,503.40	5,311,659.58	1,526,567.04
C.O.A.H. Deposits	1,640,796.14	283,928.41	115,040.89	1,809,683.66
Overlook Hospital	23,795.61	2.10		23,797.71
Developers Escrow	1,019,697.87	147,501.10	589,423.48	577,775.49
Forfeited Property	45,933.55	380.44	-	46,313.99
Uniform Construction Code	650,077.38	1,161,083.58	939,257.70	871,903.26
State Unemployment Insurance	33,031.08	78,684.94	32,758.12	78,957.90
Confidential Funds	2,887.04	15.01	1,500.00	1,402.05
Payroll	625,447.81	20,733,535.76	21,115,488.35	243,495.22
Miscellaneous Deposits	2,750,275.97	3,537,714.10	3,911,479.67	2,376,510.40
	<u>7,944,336.42</u>	<u>31,651,948.84</u>	<u>32,026,953.78</u>	<u>7,569,331.48</u>
	B			B
	<u>Ref.</u>			
Cash Receipts	B-2	31,651,948.84		
Cash Disbursements	B-2		31,534,722.95	
Interfund - Current	B-6	-	1,207.89	
Encumbrances	B-16		491,022.94	
		<u>31,651,948.84</u>	<u>32,026,953.78</u>	

City of Summit, N.J.

Schedule of Assessments Receivable

Assessment Trust Funds

Year Ended December 31, 2017

Description	Assessment Number	Date Confirmed	Annual Installments	Balance Dec. 31, 2016	Adjustment	Collected	Balance Dec. 31, 2017	Balances Pledged To: Assessment Bonds
Blackburn Road	324	07/01/08	10 Years	424.40	(0.57)	423.83		
Oak Ridge Avenue	325	07/01/08	10 Years	143.73		143.73		
Canoe Brook Parkway	326	07/01/08	10 Years	469.21	(5.29)	463.92		
Whittridge Road Drainage Improvements	327	02/18/11	10 Years	3,135.97		744.23	2,391.74	2,391.74
Sidewalk Improvements - Various Locations	328	02/18/11	10 Years	3,431.28		815.41	2,615.87	2,615.87
Oak Ridge Avenue Section III	329	02/18/11	10 Years	9,379.01		1,864.58	7,514.43	7,514.43
Hobart Avenue Section III	330	10/04/11	10 Years	7,456.78		1,655.79	5,800.99	5,800.99
Aubrey Street	331	10/04/11	10 Years	2,121.84		637.13	1,484.71	1,484.71
High Street	332	10/04/11	10 Years	9,527.86		5,437.61	4,090.25	4,090.25
Hobart Avenue Section III	333	10/04/11	10 Years	2,514.60		-	2,514.60	2,514.60
Various Roads	335	03/06/12	10 Years	709.05		136.19	572.86	572.86
Various Roads	336	06/06/12	10 Years	933.04		223.64	709.40	709.40
Woodland Avenue	337	06/06/12	10 Years	3,609.93	(0.01)	2,433.00	1,176.92	1,176.92
Parkview Terrace Area	338	06/06/12	10 Years	506.38		94.64	411.74	411.74
New England Avenue	339	06/06/12	10 Years	452.18		84.52	367.66	367.66
Norwood Avenue	340	06/06/12	10 Years	3,162.78		591.11	2,571.67	2,571.67
Beekman Road	341	06/06/12	10 Years	19,125.37		6,540.23	12,585.14	12,585.14
Miele Place/Plain Street	342	06/06/12	10 Years	8,871.05		1,432.65	7,438.40	7,438.40
Sunset Drive	343	06/06/12	10 Years	12,785.70		2,389.56	10,396.14	10,396.14
Kent Place Boulevard	344	06/18/13	10 Years	5,124.31		845.34	4,278.97	4,278.97
Greenfield Avenue	345	06/18/13	10 Years	978.40		149.78	828.62	828.62
Euclid Avenue	346	06/18/13	10 Years	978.40		149.78	828.62	828.62
Beechwood Road	347	06/18/13	10 Years	5,801.92		888.22	4,913.70	4,913.70
Bellevue Avenue	348	07/08/14	10 Years	22,093.95		6,477.77	15,616.18	15,616.18
Bedford Road	349	07/08/14	10 Years	9,016.53		-	9,016.53	9,016.53
Hawthorne Place	350	07/08/14	10 Years	7,855.46		1,991.05	5,864.41	5,864.41
Hillcrest Avenue	351	07/08/14	10 Years	8,142.10		1,102.62	7,039.48	7,039.48
Valley View Avenue	352	07/08/14	10 Years	20,828.62		3,730.76	17,097.86	17,097.86
Waldron Avenue	353	07/08/14	10 Years	9,602.39		1,088.08	8,514.31	8,514.31
Badeau Avenue	354	07/28/15	10 Years	12,874.54		2,607.91	10,266.63	10,266.63
Shadyside Avenue	356	07/28/15	10 Years	5,003.62		713.84	4,289.78	4,289.78
Salt Brook Stabilization	357	07/28/15	10 Years	61,398.55		6,783.96	54,614.59	54,614.59
Essex Road	358	07/26/16	10 Years	37,737.83		3,876.02	33,861.81	33,861.81
Various Roads	359	07/26/16	10 Years	17,699.84		1,877.31	15,822.53	15,822.53
Fairview Avenue	360	07/26/16	10 Years	10,970.84		5,842.78	5,128.06	5,128.06
Fernwood Road & Ridge Road	361	07/26/16	10 Years	48,909.09		8,280.46	40,628.63	40,628.63
				373,776.55	(5.87)	72,517.45	301,253.23	301,253.23
				B	B-1	B-6	B	

City of Summit, N.J.

Schedule of Prospective Assessments Funded

Trust Funds

Year Ended December 31, 2017

Ordinance Number	Improvement Description	Balance	Balance
		Dec. 31, 2016	Dec. 31, 2017
2988	Bedford Road and Plain Street	17,000.00	17,000.00
2989	Hawthorne Place	50,000.00	50,000.00
2990	Hillcrest Avenue	30,000.00	30,000.00
2991	Valley View Avenue	78,000.00	78,000.00
2992	Waldron Avenue	50,000.00	50,000.00
3021	Badeaue Avenue	40,000.00	40,000.00
3022	Llewellyn Road	25,000.00	25,000.00
3023	Shadyside Avenue	30,000.00	30,000.00
3026	Essex Road Curb & Sidewalk Improvements	(1,885.60)	(1,885.60)
3027	Magnolia Place, Primrose Place, Montview Road & Surrey Road Curb & Sidewalk Improvements	13,663.76	13,663.76
3063	Druid Hill Road	125,000.00	125,000.00
3064	Fairview Avenue Curb & Sidewalk Improvements	26,320.00	26,320.00
3065	Fernwood Road & Ridge Road Curb & Sidewalk Improvements	99,623.32	99,623.32
		<u>582,721.48</u>	<u>582,721.48</u>
		B	B

City of Summit, N.J.

Schedule of Community Development Block Grant Receivables

Other Trust Funds

Year Ended December 31, 2017

<u>Project Name</u>	<u>Project Number</u>	<u>Balance Dec. 31, 2016</u>	<u>2017 Contracts</u>	<u>Collected</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2017</u>
Weaver St Staircases	015-064	37,200.00			37,200.00	-
Housing Authority Project Ind.	016-292	5,000.00		5,000.00		-
Summit Youth Center	016-294	1,395.00		1,395.00		-
Housing Authority Project Ind.	017-292		5,000.00			5,000.00
Summit Youth Center	017-294		3,000.00			3,000.00
Senior Citizen Transportation	017-295		3,000.00			3,000.00
Community Center Senior Lounge	017-063		100,000.00			100,000.00
		<u>43,595.00</u>	<u>111,000.00</u>	<u>6,395.00</u>	<u>37,200.00</u>	<u>111,000.00</u>
		<u>B</u>	<u>B-11</u>	<u>B-2</u>	<u>B-11</u>	<u>B</u>

City of Summit, N.J.

Schedule of Community Development Block Grant Reserves

Other Trust Funds

Year Ended December 31, 2017

<u>Project Name</u>	<u>Project Number</u>	<u>Balance Dec. 31, 2016</u>	<u>2017 Contracts</u>	<u>Disbursements</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2017</u>
Weaver St Staircases	015-064	37,200.00			37,200.00	-
Housing Authority Project Ind.	016-292	5,000.00		5,000.00		-
Summit Youth Center	016-294	1,395.00		1,395.00		-
Housing Authority Project Ind.	017-292	-	5,000.00			5,000.00
Summit Youth Center	017-294		3,000.00			3,000.00
Senior Citizen Transportation	017-295	-	3,000.00			3,000.00
Community Center Senior Lounge	017-063	-	100,000.00			100,000.00
		<u>43,595.00</u>	<u>111,000.00</u>	<u>6,395.00</u>	<u>37,200.00</u>	<u>111,000.00</u>
Rent Income		12,717.85				12,717.85
		<u>56,312.85</u>	<u>111,000.00</u>	<u>6,395.00</u>	<u>37,200.00</u>	<u>123,717.85</u>
		<u>B</u>	<u>B-10</u>	<u>B-2</u>	<u>B-10</u>	<u>B</u>

City of Summit, N.J.

Schedule of Library Reserves

Other Trust Funds

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Total</u>	<u>Special Account</u>	<u>Endowment Fund</u>	<u>Petty Cash</u>	<u>Garfinkel Memorial</u>	<u>Lindabury Memorial</u>
Balance - December 31, 2016	B	194,086.39	153,835.90	24,678.92	1,381.31	8,477.83	5,712.43
Increased by:							
Cash Receipts	B-2	53,814.04	42,472.50	4,819.83	6,381.05	92.56	48.10
		<u>247,900.43</u>	<u>196,308.40</u>	<u>29,498.75</u>	<u>7,762.36</u>	<u>8,570.39</u>	<u>5,760.53</u>
Decreased by:							
Cash Disbursements	B-2	56,559.85	48,055.78	1,630.90	6,873.17		
		<u>191,340.58</u>	<u>148,252.62</u>	<u>27,867.85</u>	<u>889.19</u>	<u>8,570.39</u>	<u>5,760.53</u>
Balance - December 31, 2017	B	<u>191,340.58</u>	<u>148,252.62</u>	<u>27,867.85</u>	<u>889.19</u>	<u>8,570.39</u>	<u>5,760.53</u>

City of Summit, N.J.

Schedule of Assessment Serial Bonds Payable

Assessment Fund

Year Ended December 31, 2017

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2016</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
			<u>Date</u>	<u>Amount</u>				
Assessment Refunding Bonds of 2011	04/14/11	72,000.00	05/01/18	10,000.00	4.00%	21,000.00	11,000.00	10,000.00
Assessment of 2016	04/07/16	845,000.00	03/01/18	85,000.00	1.50%			
			03/01/19	85,000.00	1.50%			
			03/01/20	85,000.00	1.50%			
			03/01/21	85,000.00	2.00%			
			03/01/22	85,000.00	2.00%			
			03/01/23	85,000.00	2.00%			
			03/01/24	85,000.00	2.00%			
			03/01/25	85,000.00	2.00%			
			03/01/26	80,000.00	2.00%			
						845,000.00	85,000.00	760,000.00
						<u>866,000.00</u>	<u>96,000.00</u>	<u>770,000.00</u>
						B	B-6	B

City of Summit, N.J.

Schedule of Reserve for Assessments and Liens

Assessment Fund

Year Ended December 31, 2017

Balance - December 31, 2016	<u>Ref.</u> B	<u>175,583.64</u>
Balance - December 31, 2017	B	<u>175,583.64</u>

Schedule of Reserve for Unconfirmed Assessment Receipts

Assessment Fund

Year Ended December 31, 2017

Balance - December 31, 2016	<u>Ref.</u> B	<u>3,297.50</u>
Balance - December 31, 2017	B	<u>3,297.50</u>

City of Summit, N.J.

Schedule of Encumbrances

Other Trust Funds

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	B	502,433.81
Increased by:		
Other Trust Funds	B-7	<u>491,022.94</u>
		993,456.75
Decreased by:		
Disbursements	B-2	<u>502,433.81</u>
Balance - December 31, 2017	B	<u><u>491,022.94</u></u>

City of Summit, N.J.

Schedule of Cash - Treasurer

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	C;C-3		914,703.59
Increased by Receipts:			
Premium on Bond Sale	C-1	218,744.20	
DOT Grants Receivable	C-4	165,000.00	
Deferred Charges to Future Taxation:			
Unfunded	C-8	162,500.00	
Bond Anticipation Notes Payable	C-11	20,667,000.00	
Capital Improvement Fund	C-15	300,000.00	
Reserve For State Aid-Kids			
Recreation Trust	C-18	50,000.00	
Reserve for Legal Fees	C-22	579.84	
Reserve for Community Center	C-27	885,386.87	
			<u>22,449,210.91</u>
			23,363,914.50
Decreased by Disbursements:			
Fund Balance	C-1	581,000.00	
Schedule of Interfunds	C-5	1,090.33	
Encumbrances Payable	C-14	10,189,877.61	
Reserve for State Aid - Kids Rec. Trust	C-18	93,555.21	
Reserve for Debt Service	C-21	330,160.98	
Reserve for Legal Fees	C-22	304,963.59	
			<u>11,500,647.72</u>
Balance - December 31, 2017	C;C-3		<u><u>11,863,266.78</u></u>

City of Summit, N.J.

Analysis of Cash

General Capital Fund

Year Ended December 31, 2017

	Balance or (Deficit) Dec. 31, 2016	Budget Appropriations	Receipts		Disbursements		Balance or (Deficit) Dec. 31, 2017
			Proceeds of Bond Sale	Grants Received	Proceeds of BAN Sale	Miscellaneous	
Fund Balance	581,069.37		218,744.20			581,000.00	
Capital Improvement Fund	475,474.24	300,000.00					107,612.55
Due from Summit BOE - ROD Grants	(11,816.86)						(523,000.00)
Due from Current Fund	20,376.08					1,090.33	
Grants Receivable	(282,500.00)			165,000.00			62,500.00
Encumbrances Payable	7,367,183.26						
Reserve for Refunding Bonds Issuance Costs	39,947.59						
Reserve for Debt Service	330,160.98						
Reserve for State Aid-Kids Recreation Trust	217,726.31					10,189,877.61	13,282,750.73
Prepaid Assessments	5,000.00					330,160.98	0.00
Reserve for State Aid-Stormwater Management	14,720.00					50,000.00	174,171.10
Reserve for Preliminary Costs	7,500.00						5,000.00
Reserve for Legal Fees	304,963.59				579.84		0.00
Reserve for Euclid Avenue Storm Improvements	83,530.25						0.00
Reserve for Rebate Liability	3,133.43						3,133.43
Reserve for Grants Receivable	62,500.00						0.00
Reserve for Community Center Project						885,386.87	885,386.87
Improvement Authorizations:							
Ord. No.	Description		Date				
General Improvements							
2139	Improvement to Woodland Avenue	(120.75)	05/05/1992	120.75			0.00
2360	Improvement of Various Roads	(4,430.88)	04/21/1998				(4,430.88)
2362	Improvement of Blackburn Place, Oakley Avenue	(753.28)	05/05/1998				(753.28)
2372	Improvement of City Property (Pool Building)	(3,675.15)	09/22/1998				(3,675.15)
2382	Recreational Facilities Improvement (Pocket Pks)	(9,971.54)	12/12/1998				(9,971.54)
2400	Storm Water Drainage Facilities	(10,193.35)	07/13/1999				(10,193.35)
2403	Improvement of Briant Pkwy, Chapel, Dayton, Clark Street and Willow Road	(9,630.91)	07/13/1999				(9,630.91)
2424	Upgrade Automated Catalogue System of Library	(67,600.00)	04/04/2000				(67,600.00)
2435	Various Improvements and Purposes	(19,335.27)	06/20/2000				(19,335.27)
2443	Improvement of Portion of Blackburn Road	(21.93)	07/18/2000				(21.93)
2458	Construction of Underground Utilities	(2,745.30)	12/19/2000				(2,745.30)
2478	Various Improvements and Purposes	(90,733.89)	06/06/2001				(90,733.89)
2498	Construction of Curbs & Sidewalks Adjacent to Municipally-owned Property on Broad Street	(381.05)	09/05/2001				(381.05)
2507	Supplemental Appropriation for Construction or Reconstruction Curbs & Sidewalks - Broad St.	(5,320.87)	12/18/2001				(5,320.87)
2509	Supplemental Appropriation for Construction or Reconstruction Curbs & Sidewalks - Broad St.	(12,683.45)	12/18/2001				(12,683.45)
2523	Improvement of a Portion of Blackburn Road	(13,361.18)	05/07/2002				(13,361.18)
2531	Further Supplemental Appropriation - Improvement of Municipally-owned facilities (DPW Garage)	(99,329.12)	05/21/2002				(99,329.12)
2540	Renovation of Johnson Center	(7,587.81)	07/16/2002				(7,587.81)
2563	Acquisition of SCBA Equipment and Signs	(40,454.64)	06/04/2003				(40,454.64)
2595	Improvement of Canoe Brook Parkway	(17,693.30)	05/04/2004				(17,693.30)
2608	Mobile Fire Safety Education Trailer/Education Ctr.	(1,327.79)	08/17/2004				(1,327.79)
2618	Pedestrian Crosswalk Project	(11,993.77)	10/05/2004				(11,993.77)
2641	Improvement of Tatlock Field	(2,535.53)	05/03/2005				(2,535.53)
2660	Various Improvements and Purposes	315,864.29	06/21/2005			(315,800.00)	64.29
2714	Various Improvements and Purposes		5/16/06				2,649.80
2726	Improvement of Transfer Station Floor	(21,962.03)	09/06/2006				(21,962.03)
2766	Various Improvements or Purposes	1,755.71	07/17/2007				1,755.71
2781	Pedestrian Safety Beacons at Various Locations	(17,946.04)	12/18/2007				(17,946.04)
2813	Various Improvements and Purposes	(67,683.74)	07/29/2008				(63,978.88)
2816	Various Improvements - Capital Improvement Fund	6.00	07/29/2008				6.00
2822	Aubrey Street Road Improvements	(59,711.04)	10/07/2008				(59,711.04)
2829	High Street Roadway Improvements	(1,147.90)	11/05/2008			(6.00)	(1,147.90)

133

Year Ended December 31, 2017

Improvement Authorizations:					
Ord. No.	Description	Date	Budget Appropriations		Balance or (Deficit) Dec. 31, 2016
			Proceeds of Bond Sale	Grants Received	
			Receipts		Disbursements
			Proceeds of BAN Sale	Miscellaneous	
			Transfers		Balance or (Deficit) Dec. 31, 2017
			(From)	To	
Local Improvements (Continued)					
2363	Construction and Reconstruction of Curbs on Blackburn Place and Oakley Avenue	05/05/1998	(22,161.91)		(22,161.91)
2367	Construction and Reconstruction of Curbs on Blackburn Place and Oakley Avenue	07/14/1998	(38,707.65)		(38,707.65)
2404	Construction and Reconstruction of Curbs and Sidewalks on Briant Pkwy, Chapel, Dayton, etc.	07/13/1999 03/10/2000	(33,924.20)		(33,924.20)
2418 & 2464	Improvement of Special Improvement District considering Loan	03/30/2001	87,153.62	(138.56)	87,015.06
2432	Construction and Reconstruction of Curbs and Sidewalks on Tulip Street	06/07/2000	(72,012.53)		(72,012.53)
2447	Construction and Reconstruction of Curbs and Sidewalks on Glen Oaks, Manor Hill, Iris Road	09/19/2000	(34,654.71)		(34,654.71)
2524	Construction or Reconstruction of Curbs and Sidewalks along a portion of Blackburn Road	05/21/2002	(33,885.34)		(33,885.34)
2596	Construction or Reconstruction of Curbs and Sidewalks along a portion of Canoe Brook Parkway	05/04/2004	(55,145.32)		(55,145.32)
2663	Construction or Reconstruction of Curbs and Sidewalks along a portion of Blackburn Road III	07/12/2005	(10,809.09)		(10,809.09)
2670	Construction or Reconstruction of Curbs and Sidewalks along a portion of Oak Ridge Avenue	10/05/2005	(15,431.62)		(15,431.62)
2717	Construction or Reconstruction of Curbs and Sidewalks along a portion of Canoe Brook Parkway	06/07/2006	(46,413.37)		(46,413.37)
2823	Construction or Reconstruction of Curbs and Sidewalks along a portion of Aubrey Street	10/07/2008	2,147.10		2,147.10
2881	Construction or Reconstruction of Curbs and Sidewalks along Parkview Terrace	12/01/2009	2,420.54		2,420.54
2941	Construction or Reconstruction of Curbs and Sidewalks along Kent Place Boulevard	04/05/2011	(26,965.69)		(26,965.69)
2959	Construction or Reconstruction of Curbs and Sidewalks along Greenfield Avenue	11/01/2011	(587.05)		(587.05)
2961	Construction or Reconstruction of Curbs and Sidewalks along Bellevue Avenue	11/01/2011	(42,297.77)		(42,297.77)
2963	Construction or Reconstruction of Curbs and Sidewalks along Euclid Avenue	11/01/2011	(5,954.14)		(5,954.14)
2965	Construction or Reconstruction of Curbs and Sidewalks along Beechwood Road	11/01/2011	(778.95)		(778.95)
2988	Bedford Road Roadway & Assessments	06/19/2012	12,979.78		12,979.78
2989	Hawthorne Place Roadway & Assessments	06/19/2012	55,461.51		55,461.51
2990	Hillcrest Avenue Roadway & Assessments	06/19/2012	36,904.46		36,904.46
2991	Valley View Roadway & Assessments	06/19/2012	78,153.63		78,153.63
2992	Waldron Avenue Roadway & Assessments	06/19/2012	48,875.73		48,875.73
3016	DeForest Avenue Improvements	06/18/2013	(39,995.00)		(38,249.56)
3021	Badeau Avenue Improvements	07/2/2013	116,809.02		116,809.02
3022	Llewellyn Road Improvements	07/2/2013	113,156.36		113,156.36
3023	Shadyside Avenue Improvements	07/2/2013	128,954.39		128,954.39
3026	Essex Road Improvements	09/03/2013	126,093.90		75,093.90
3027	Various Roads Improvements 2013	09/03/2013	(48,677.51)	(51,000.00)	(48,672.51) (59,436.02)
3044	Salt Brook Improvements	02/18/2014	(59,436.02)		39,297.36
3063	Druid Hill Road Improvements	07/29/2014	(31,012.03)		36,580.91
3064	Fairview Avenue Road Improvements	07/29/2014	(9,925.15)		64,449.23
3065	Fernwood Rd. Ridge Rd. Improvements	07/29/2014	16,507.84		33,323.28
3080	Various Improvements to Special District	5/26/2015	(2,376,926.93)		1,814.37
3115	Improvements to Various Roads	7/6/2016	816.73		50,000.00
3144	Improvement of Various Roads	7/11/2017			(34,423.31)

City of Summit, N.J.

Analysis of Cash

General Capital Fund

Year Ended December 31, 2017

Ord. No.	Description	Date	Balance or (Deficit) Dec. 31, 2016	Budget Appropriations	Proceeds of Bond Sale	Receipts Grants Received	Proceeds of BAN Sale	Disbursements		Transfers (From) To	Balance or (Deficit) Dec. 31, 2017
								Miscellaneous	Miscellaneous		
2243	Improvement to Schools	07/18/1995	(33,436.01)								(33,436.01)
2694	Jefferson, Middle and Wilson School Improvements	03/21/2006	(53,904.90)								(53,904.90)
2758	Upper High School Field and Franklin School Improvements	06/06/2007	(29,399.62)								(29,399.62)
2847	School Improvements (Boiler, Re-roofing, Fire Protection)	04/07/2009	931,969.05							(1,091.47)	930,877.58
2853	Supplemental Appropriation - School Improvements	05/05/2009	(351,242.00)							(1,278.79)	(351,242.00)
2888	School Improvements (Brayton, Franklin, Jefferson, etc.)	12/15/2009	30,920.70								29,641.91
2931	School Improvements (ROD Tier III)	12/07/2010	1,434,312.00								1,434,312.00
3045	School Improvements (ROD Tier IV)	02/18/2014	(703,000.00)								647,759.33
			914,703.59	400,000.00	218,744.20	227,500.00	20,667,000.00	935,966.71	11,500,647.72	15,489,532.77	11,863,266.78
											C,C-2

City of Summit, N.J.

Grants Receivable - NJ Dept. of Transportation

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	C		282,500.00
Decreased by:			
Cash Receipts	C-2	165,000.00	
Reserve for Grants Receivable	C-26	<u>62,500.00</u>	
			<u>227,500.00</u>
Balance - December 31, 2017	C		<u><u>55,000.00</u></u>
<u>Analysis of Receivable</u>			
Grant Receivable (Ord. 3096)			<u><u>55,000.00</u></u>

City of Summit, N.J.

Schedule of Interfunds

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>Assessment Trust Fund</u>
Balance - December 31, 2016 Due From (To)	C	93,027.34	(20,376.08)	113,403.42
Increased by:				
Cash Disbursements	C-2	<u>1,090.33</u>	<u>1,090.33</u>	
Balance - December 31, 2017 Due From (To)	C	<u>94,117.67</u>	<u>(19,285.75)</u>	<u>113,403.42</u>

City of Summit, N.J.

Due From Summit Board of Education - ROD Grants

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	<u><u>11,816.86</u></u>
Balance - December 31, 2017	C	<u><u>11,816.86</u></u>

City of Summit, N.J.

Schedule of Deferred Charges to Future
Taxation - Funded

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	C		64,217,800.00
Increased by:			
General Serial Bonds Issued	C-9	175,000.00	
School Serial Bonds Issued	C-10	<u>605,000.00</u>	
			<u>780,000.00</u>
			64,997,800.00
Decreased by:			
Budget Appropriations to Pay Bonds and Loans:			
Municipal Serial Bonds	C-9	2,869,000.00	
School Serial Bonds	C-10	3,940,000.00	
Downtown Business Improvement Loan	C-13	<u>33,800.00</u>	
			<u>6,842,800.00</u>
Balance - December 31, 2017	C		<u><u>58,155,000.00</u></u>

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2017

Ordinance Number	Date	Improvement Description	Analysis of Balance - Dec. 31, 2017					Unexpended Improvement Authorization				
			Balance Dec. 31, 2016	2017 Authorizations	Paid by 2017 Budget Appropriation	Cancelled	Grants and other Aid Received		Balance Dec. 31, 2017	Over-Funded Ordinance	Expended	
General Improvements:												
2139	05/05/1992	Improvement to Woodland Avenue	120.75		120.75			-			-	
2360	04/21/1998	Improvement of Various Roads	4,430.88					4,430.88			4,430.88	
2362	05/05/1998	Improvement of Blackburn Place, Oakley Avenue	753.28					753.28			753.28	
2372	09/22/1998	Improvement of City Property (Pool Building)	3,675.15					3,675.15			3,675.15	
2382	12/15/1998	Recreational Facilities Improvement (Pocket Pks)	9,971.54					9,971.54			9,971.54	
2400	07/13/1999	Storm Water Drainage Facilities	10,193.35					10,193.35			10,193.35	
2403	07/13/1999	Improvement of Briant Pkwy, Chapel, Dayton, Clark Street and Willow Road	9,630.91					-			-	
2424	04/04/2000	Upgrade Automated Catalogue System of Library	67,600.00					67,600.00			67,600.00	
2435	06/20/2000	Various Improvements and Purposes	19,335.27					19,335.27			19,335.27	
2443	07/18/2000	Improvement of Portion of Blackburn Road	21.93					21.93			21.93	
2458	12/19/2000	Construction of Underground Utilities	2,745.30					2,745.30			2,745.30	
2478	06/06/2001	Municipality-owned Buildings, Tatlock Grandstand	90,733.89					90,733.89			90,733.89	
2498	09/05/2001	Construction of Curbs & Sidewalks Adjacent to Municipality-owned Property on Broad Street	381.05					381.05			-	
2507	12/18/2001	Supplemental Appropriation for Construction or Reconstruction Curbs & Sidewalks - Broad St.	5,320.87					5,320.87			5,320.87	
2509	12/18/2001	Supplemental Appropriation for Construction or Reconstruction Curbs & Sidewalks - Broad St.	12,683.45					12,683.45			12,683.45	
2523	05/07/2002	Improvement of a Portion of Blackburn Road	13,361.18					13,361.18			13,361.18	
2531	05/21/2002	Further Supplemental Appropriation - Improvement of Municipality-owned facilities (DPW Garage)	99,329.12					99,329.12			99,329.12	
2540	07/16/2002	Renovation of Johnson Center	7,587.81					7,587.81			7,587.81	
2563	06/04/2003	Acquisition of SCBA Equipment and Signs	40,454.64					40,454.64			40,454.64	
2595	05/04/2004	Improvement of Canoe Brook Parkway	17,693.30					17,693.30			17,693.30	
2608	08/17/2004	Mobile Fire Safety Education Trailer/Education Ctr.	1,327.79					1,327.79			1,327.79	
2618	10/05/2004	Pedestrian Crosswalk Project	11,993.77					11,993.77			11,993.77	
2641	05/03/2005	Improvement of Tatlock Field	2,535.53					2,535.53			2,535.53	
2726	09/06/2006	Improvement of Transfer Station Floor	21,962.03					21,962.03			21,962.03	
2766	07/17/2007	Various Improvements or Purposes	(1,755.71)					(1,755.71)	1,755.71		-	
2781	12/18/2007	Pedestrian Safety Beacons at Various Locations	17,946.04					17,946.04			17,946.04	
2813	07/29/2008	Various Improvements or Purposes	67,683.74					67,683.74			67,683.74	
2822	10/07/2008	Aubrey Street Road Improvements	59,711.04					59,711.04			59,711.04	
2829	11/05/2008	High Street Roadway Improvements	1,147.90					1,147.90			1,147.90	
2849	04/07/2009	Parkview Terrace Area Stormwater Drain	2,264.41					2,264.41			2,264.41	
2875	11/04/2009	Various Improvements or Purposes	19,562.99					19,562.99			-	0.60
2878	12/01/2009	Improvement of Portion of Woodland Avenue	1,377.35					1,377.35			1,377.35	
2880	12/01/2009	Improvement of Parkview Terrace Area Roadway	2,130.35					2,130.35			2,130.35	
2882	12/01/2009	Improvement of Portion of New England Avenue	233,366.19			613.41		232,752.78		94,000.00	232,752.78	
2912	10/19/2010	Various Improvements or Purposes	(94,000.00)					(94,000.00)			-	
2921	10/19/2010	Beekman Road Roadway Improvements	2,210.38					2,210.38			2,210.38	
2923	10/19/2010	Miele Place Roadway Improvements	5,190.79					5,190.79			5,190.79	
2925	10/19/2010	Sunset Drive Roadway Improvements	77,500.00			518.54		76,981.46			-	43,166.31
2940	04/05/2011	Additional Communications Equipment	(81,000.00)					(81,000.00)	81,000.00		2,104.61	86,895.39
2942	04/05/2011	Kent Place Boulevard Roadway Improvements	89,000.00					89,000.00			512,931.25	10,000.00
2948	07/12/2011	Ashland Rd. Roadway Improvements	1,081,900.00			718.80		1,081,181.20			28,569.75	28,569.75
2950	07/12/2011	Various Improvements	10,000.00					10,000.00			5,430.25	2,541.66
2958	11/01/2011	Greenfield Avenue Roadway Improvements	34,000.00					34,000.00			2,458.34	9,905.29
2960	11/01/2011	Bellevue Avenue Roadway Improvements	5,000.00					5,000.00			51,344.71	214,312.81
2964	11/01/2011	Beechwood Rd. Roadway Improvements	61,250.00					61,250.00			449,510.58	9,414.73
2985	06/19/2012	Deerfoot Avenue Improvements	664,000.00			176.61		663,823.39			466,585.27	38,000.00
2986	06/19/2012	Various Improvements	476,000.00					476,000.00			8,695.21	63,044.79
3000	12/18/2012	Memorial Field Improvements	15,000.00					15,000.00			-	38,000.00
3003	01/15/2013	Emergency Services Dispatch Center	38,000.00					38,000.00			345,365.59	654,545.60
3017	06/18/2013	Middle Avenue Roadway Improvements	999,911.19			88.81		999,911.19			8,380.85	27,619.15
3019	06/18/2013	Various Capital Improvements	36,000.00					36,000.00			-	38,000.00
3039	11/26/2013	Family Aquatic Center Parking Lot Improvements	526,500.00					464,000.00			(62,500.00)	654,545.60
3055	07/08/2014	Various Road Improvements 2014 (DeForest, Beau...)										27,619.15
												526,500.00

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2017

Analysis of Balance - Dec. 31, 2017												
Ordinance Number	Date	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Paid by 2017 Budget Appropriation	Cancelled	Grants and other Aid Received	Balance Dec. 31, 2017	Financed by Bond Anticipation Notes	Over-Funded Ordinance	Analysis of Balance - Dec. 31, 2017	
											Expended	Unexpended Improvement Authorization
Local Improvements:												
3066	07/29/2014	Various Improvements	3,869,450.21			299,088.38		3,570,361.83	2,221,000.00		437,087.38	912,274.45
3075	4/25/2015	Acquisition of New and Additional Equipment	161,500.00					161,500.00	161,500.00		-	
3081	5/26/2015	Upgrade of Fire Department Radio System	333,000.00					333,000.00	333,000.00		-	
3084	6/9/2015	Various Improvements or Purposes	3,695,000.00			27.26		3,694,972.74	3,695,000.00		(27.26)	
3114	7/5/2016	Various Improvements or Purposes	3,428,000.00					3,428,000.00	3,428,000.00		-	
3130	2/14/2017	Community Center Renovation Project		6,175,000.00				6,175,000.00	5,557,000.00		605,259.68	12,740.32
3141	6/20/2017	Various Improvements or Purposes		2,952,000.00				2,952,000.00			1,286,984.32	1,665,015.68
2217	11/01/1994	Construction of Curbs and Sidewalks										
		Ashwood Avenue	4,978.45		4,978.45			-			-	
2231	02/21/1995	Construction and Reconstruction of Curbs and Sidewalks Baltusrol Road	18,903.61		18,903.61			-			-	
2236	03/21/1995	Construction and Reconstruction of Curbs and Sidewalks Mountain Avenue	23,847.98		23,847.98			-			-	
2246	09/19/1995	Construction and Reconstruction of Curbs and Sidewalks Kent Place Boulevard	21,993.69		21,993.69			-			-	
2250	09/19/1995	Construction and Reconstruction of Curbs and Sidewalks Hughes Place Area and Lewis Ave.	14,146.53		14,146.53			-			-	
2288	10/01/1996	Construction and Reconstruction of Curbs and Sidewalks Sherman Avenue	21,645.67		16,008.99			5,636.68			5,636.68	
2302	02/18/1997	Construction and Reconstruction of Curbs and Sidewalks In a Portion of Springfield Avenue	31,778.89					31,778.89			31,778.89	
2346	01/20/1998	Construction and Reconstruction of Curbs and Sidewalks In a Portion of Passaic Avenue	28,431.75					28,431.75			28,431.75	
2359	04/21/1998	Construction and Reconstruction of Curbs and Blocks on William, Walnut (portion), Sayre, etc.	20,476.97					20,476.97			20,476.97	
2363	05/05/1998	Construction and Reconstruction of Curbs on Blackburn Place and Oakley Avenue	22,161.91					22,161.91			22,161.91	
2367	07/14/1998	Construction and Reconstruction of Curbs on Blackburn Place and Oakley Avenue	38,707.65					38,707.65			38,707.65	
2404	07/13/1999	Construction and Reconstruction of Curbs and Sidewalks on Briant Pkwy, Chapel, Dayton, etc.	33,924.20					33,924.20			33,924.20	
2432	06/07/2000	Construction and Reconstruction of Curbs and Sidewalks on Tulip Street	72,012.53					72,012.53			72,012.53	
2447	09/19/2000	Construction and Reconstruction of Curbs and Sidewalks on Glen Oaks, Manor Hill, Iris Road	34,654.71					34,654.71			34,654.71	
2524	05/21/2002	Construction or Reconstruction of Curbs and Sidewalks along a portion of Blackburn Road	33,885.34					33,885.34			33,885.34	
2596	05/04/2004	Construction or Reconstruction of Curbs and Sidewalks along a portion of Canoe Brook Parkway	55,145.32					55,145.32			55,145.32	
2663	07/12/2005	Construction or Reconstruction of Curbs and Sidewalks along a portion of Blackburn Road III	10,809.09					10,809.09			10,809.09	
2670	10/05/2005	Construction or Reconstruction of Curbs and Sidewalks along a portion of Oak Ridge Avenue	15,431.62					15,431.62			15,431.62	
2717	06/07/2006	Construction or Reconstruction of Curbs and Sidewalks along a portion of Canoe Brook Parkway	46,413.37					46,413.37			46,413.37	
2858	06/16/2009	Construction or Reconstruction of Curbs and Sidewalks along Various Roads (Parkview, Larned, etc.)	12,055.87					12,055.87			12,055.87	
2883	12/01/2009	Construction or Reconstruction of Curbs and Sidewalks along a portion of New England Avenue	2,044.11					2,044.11			2,044.11	
2924	10/19/2010	Construction or Reconstruction of Curbs and Sidewalks along Sunset Drive	944.62					944.62			944.62	
2941	04/05/2011	Construction or Reconstruction of Curbs and Sidewalks along Kent Place Boulevard	15,578.22					15,578.22			6,248.33	9,329.89
2959	11/01/2011	Construction or Reconstruction of Curbs and Sidewalks along Greenfield Avenue	41,001.84					41,001.84			3,000.00	38,001.84
2961	11/01/2011	Construction or Reconstruction of Curbs and Sidewalks along Bellevue Avenue	92,929.23					92,929.23			42,297.77	50,631.46

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2017

Ordinance Number	Date	Improvement Description	Balance Dec. 31, 2016	2017 Authorizations	Paid by 2017 Budget Appropriation	Cancelled	Grants and other Aid Received	Balance Dec. 31, 2017	Analysis of Balance - Dec. 31, 2017			
									Financed by Bond Anticipation Notes	Over-Funded Ordinance	Expended	Unexpended Improvement Authorization
Local Improvements (Continued)												
2963	11/01/2011	Construction or Reconstruction of Curbs and Sidewalks along Euclid Avenue	27,208.00					27,208.00			22,519.56	4,688.44
2965	11/01/2011	Construction or Reconstruction of Curbs and Sidewalks along Beechwood Road	44,781.36					44,781.36			778.95	44,002.41
2988	06/19/2012	Bedford Road Roadway & Assessments	168,744.00					168,744.00			-	168,744.00
2989	06/19/2012	Hawthorne Place Roadway & Assessments	45,353.03					45,353.03			-	45,353.03
2990	06/19/2012	Hillcrest Avenue Roadway & Assessments	172,055.32					172,055.32			-	172,055.32
2991	06/19/2012	Valley View Roadway & Assessments	161,162.62					161,162.62			-	161,162.62
2992	06/19/2012	Waldron Avenue Roadway & Assessments	37,229.00					37,229.00			-	37,229.00
3016	06/18/2013	DeForest Avenue Roadway & Assessments	40,000.00					40,000.00			38,249.56	1,750.44
3021	07/02/2013	Badeau Avenue Roadway & Assessments	56,100.00					56,100.00			-	56,100.00
3022	07/02/2013	Llewellyn Road Roadway & Assessments	20,720.00					20,720.00			-	20,720.00
3023	07/02/2013	Shadyside Avenue Roadway & Assessments	71,652.64					71,652.64			-	71,652.64
3026	09/03/2013	Essex Road Roadway & Assessments	57,000.00					57,000.00			-	57,000.00
3027	09/03/2013	Montview, Magnolia, Primrose, Surrey Roadway & Assessments	76,000.00					76,000.00			48,672.51	27,327.49
3044	02/18/2014	Salt Brook Improvements	15,373.94					15,373.94	71,000.00		559.96	14,813.98
3063	07/29/2014	Druid Hill Road Improvements	71,000.00					71,000.00	33,000.00		-	-
3064	07/29/2014	Fairview Avenue Road Improvements	33,000.00					47,000.00	47,000.00		-	-
3065	07/29/2014	Fernwood Road Ridge Road Improvements	47,000.00					2,380,000.00	2,380,000.00		-	-
3080	5/26/2015	Various Improvements to Special District	2,380,000.00					2,214,000.00	2,214,000.00		-	-
3115	7/6/2016	Improvement of Various Roads		950,000.00				950,000.00			-	950,000.00
3144	7/11/2017	Improvement of Various Roads									-	
School Improvements:												
2243	07/18/1995	Improvement to Schools	33,436.01					33,436.01			33,436.01	
2604	03/21/2006	Jefferson, Middle and Wilson School Improvements	53,904.90					53,904.90			53,904.90	
2758	06/06/2007	Upper High School Field and Franklin School Improvements	29,399.62					29,399.62			29,399.62	
2847	04/07/2009	School Improvements (Boiler, Re-roofing, Fire Protection)	(527,564.12)					(527,564.12)		527,564.12	-	-
2931	12/07/2010	School Improvements (ROD Tier III)	584,808.26					584,808.26			-	584,808.26
3045	02/18/2014	School Improvements (ROD Tier IV)	2,333,000.00					2,333,000.00	1,630,000.00		(647,759.33)	1,350,759.33
			C	10,077,000.00	100,000.00	301,231.81	62,500.00	34,863,314.41	22,297,000.00	704,319.83	5,170,266.31	8,100,367.93
				C-16; C-28	C-2; C-28	C-16; C-28	C-2; C-28	C				
Bond Anticipation Notes												
		Temporary School Notes	Ref. C-11 C-12						20,667,000.00			
									1,630,000.00			
									22,297,000.00			
Improvement Authorizations Unfunded												
		Less: Unexpended Proceeds of Bond							3055		23,012.05	
		Anticipation Notes - Ord. #							3075		3,035.75	
									3081		48,749.63	
									3084		939,116.47	
									3114		1,557,665.60	
									3063		39,297.36	
									3064		36,580.91	
									3065		48,882.78	
									3080		33,323.28	
									3115		1,814.37	
												2,731,478.20
												8,100,367.93

City of Summit, N.J.

Schedule of General Serial Bonds

General Capital Fund

Year Ended December 31, 2017

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2017		Interest Rate	Balance Dec. 31, 2016	Increased	Decreased	Balance Dec. 31, 2017
			Date	Amount					
Refunding Bonds	04/01/08	7,290,000.00	4/1/2018	370,000.00	4.000%	745,000.00		375,000.00	370,000.00
General Bonds	01/01/11	6,633,000.00	1/1/2018	460,000.00	3.00%				
			1/1/2019	470,000.00	3.00%				
			1/1/2020	480,000.00	3.50%				
			1/1/2021	495,000.00	3.50%	4,500,000.00		2,595,000.00	1,905,000.00
Refunding Bonds	04/14/11	2,618,000.00				559,000.00		559,000.00	
General Bonds of 2014	01/07/14	7,400,000.00	1/15/2018	470,000.00	2.00%				
			1/15/2019	515,000.00	2.00%				
			1/15/2020	525,000.00	2.00%				
			1/15/2021	540,000.00	2.00%				
			1/15/2022	555,000.00	2.25%				
			1/15/2023	565,000.00	2.50%				
			1/15/2024	585,000.00	2.50%				
			1/15/2025	600,000.00	2.75%				
			1/15/2026	620,000.00	3.05%				
			1/15/2027	645,000.00	3.05%				
			1/15/2028	660,000.00	3.05%	6,700,000.00		420,000.00	6,280,000.00
General Refunding Bonds	3/10/2015	940,000.00	11/1/2018	420,000.00	4.00%	925,000.00		505,000.00	420,000.00

Schedule of General Serial Bonds

General Capital Fund

Year Ended December 31, 2017

144

City of Summit, N.J.

Schedule of General Serial Bonds - School

General Capital Fund

Year Ended December 31, 2017

Purpose	Date of Issue	Original Issue	Maturities of		Interest Rate	Balance Dec. 31, 2016	Increased	Decreased	Balance Dec. 31, 2017
			Bonds Outstanding, December 31, 2017						
			Date	Amount					
School Bonds	01/01/11	19,545,000.00	1/1/2018	1,240,000.00	3.00%				
			1/1/2019	1,270,000.00	3.00%				
			1/1/2020	1,305,000.00	3.50%				
			1/1/2021	1,340,000.00	3.50%	13,765,000.00	8,610,000.00	5,155,000.00	
Refunding Bonds	04/14/11	8,620,000.00	5/1/2018	1,605,000.00	3.00%				
			5/1/2019	1,650,000.00	4.00%				
			5/1/2020	1,620,000.00	4.00%				
			5/1/2021	315,000.00	5.00%				
			5/1/2022	315,000.00	5.00%				
			5/1/2023	285,000.00	5.00%	7,355,000.00	1,565,000.00	5,790,000.00	
School Refunding Bonds	3/10/2015	5,950,000.00	11/1/2018-21	585,000.00	4.00%				
			11/1/2022	580,000.00	5.00%				
			11/1/2023	585,000.00	5.00%				
			11/1/2024	590,000.00	5.00%				
			11/1/2025	595,000.00	4.00%				
			11/1/2026	595,000.00	4.00%	5,880,000.00	595,000.00	5,285,000.00	
School Bonds of 2016	4/7/2016	13,800,000.00	3/1/2018	825,000.00	1.50%				
			3/1/2019	835,000.00	1.50%				
			3/1/2020	850,000.00	1.50%				
			3/1/2021	865,000.00	2.00%				
			3/1/2022	885,000.00	2.00%				
			3/1/2023	900,000.00	2.00%				
			3/1/2024	920,000.00	2.00%				

City of Summit, N.J.

Schedule of General Serial Bonds - School

General Capital Fund

Year Ended December 31, 2017

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2017		Interest Rate	Balance Dec. 31, 2016	Increased	Decreased	Balance Dec. 31, 2017
			Date	Amount					
School Refunding Bonds 2017	11/9/2017	7,995,000.00							
			3/1/2025	940,000.00	2.00%				
			3/1/2026	965,000.00	2.00%				
			3/1/2027	990,000.00	2.00%				
			3/1/2028	1,020,000.00	2.00%				
			3/1/2029	1,050,000.00	2.00%				
			3/1/2030	1,080,000.00	2.00%				
			3/1/2031	1,115,000.00	2.00%	13,800,000.00		560,000.00	13,240,000.00

City of Summit, N.J.

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year Ended December 31, 2017

Ordinance Number	Improvement Description	Original Note	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Increased	Balance Dec. 31, 2017
3055	Various Road Improvements	526,500.00	4/6/2017	4/6/2017	4/6/2018	2.00%	526,500.00	526,500.00
3063	Improvements to Druid Hill Road	71,000.00	4/6/2017	4/6/2017	4/6/2018	2.00%	71,000.00	71,000.00
3064	Improvements to Fairview Avenue	33,000.00	4/6/2017	4/6/2017	4/6/2018	2.00%	33,000.00	33,000.00
3065	Improvement of Fernwood and Ridge Roads	47,000.00	4/6/2017	4/6/2017	4/6/2018	2.00%	47,000.00	47,000.00
3066	Various Improvements	2,221,000.00	4/6/2017	4/6/2017	4/6/2018	2.00%	2,221,000.00	2,221,000.00
3075	Acquisition of Equipment	161,500.00	4/6/2017	4/6/2017	4/6/2018	2.00%	161,500.00	161,500.00
3080	Improvement of Special Improvement District	2,380,000.00	4/6/2017	4/6/2017	4/6/2018	2.00%	2,380,000.00	2,380,000.00
3081	Improvement of Fire Department Radio System	333,000.00	4/6/2017	4/6/2017	4/6/2018	2.00%	333,000.00	333,000.00
3084	Various Improvements	3,695,000.00	4/6/2017	4/6/2017	4/6/2018	2.00%	3,695,000.00	3,695,000.00
3114	Various Improvements	3,428,000.00	4/6/2017	4/6/2017	4/6/2018	2.00%	3,428,000.00	3,428,000.00
3115	Various Road Improvements	2,214,000.00	4/6/2017	4/6/2017	4/6/2018	2.00%	2,214,000.00	2,214,000.00
3130	Improvement of Community Center	5,557,000.00	4/6/2017	4/6/2017	4/6/2018	2.00%	5,557,000.00	5,557,000.00
							<u>20,667,000.00</u>	<u>20,667,000.00</u>
							C-2; C-28	C

City of Summit, N.J.
Schedule of Temporary School Notes Payable
General Capital Fund
Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Original Note</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2016</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2017</u>
3045	School Improvements (ROD Tier IV)	5,800,000.00	12/23/14	4/21/2016 4/6/2017	4/21/2017 4/6/2018	0.87% 2.00%	1,630,000.00	1,630,000.00	1,630,000.00	1,630,000.00
							<u>1,630,000.00</u>	<u>1,630,000.00</u>	<u>1,630,000.00</u>	<u>C</u>

City of Summit, N.J.

Schedule of Downtown Business Improvement Loan Payable

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	<u>33,800.00</u>
Decreased by:		
Principal Payment	C-7	<u>33,800.00</u>

City of Summit, N.J.

Schedule of Encumbrances Payable

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	7,367,183.26
Increased by:		
2017 Charges	C-16	<u>13,282,750.73</u>
		20,649,933.99
Decreased by:		
Cash Disbursed	C-2	10,189,877.61
Cancelled	C-16	<u>1,438,066.40</u>
		<u>11,627,944.01</u>
Balance - December 31, 2017	C	<u><u>9,021,989.98</u></u>

Schedule of Capital Improvement Fund

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	475,474.24
Increased by:		
Budget Appropriation	C-2	<u>300,000.00</u>
		775,474.24
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-16	<u>523,000.00</u>
Balance - December 31, 2017	C	<u><u>252,474.24</u></u>

City of Summit, N.J.

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2017

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2016		2017 Authorizations	Encumbered/ Expended	Encumbrances Canceled	Canceled	Balance Dec. 31, 2017	
		Date	Amount	Funded	Unfunded					Funded	Unfunded
General Improvements											
2660	Various Improvements or Purposes	6/21/2005	\$1,646,763.00	315,864.29			315,800.00			64.29	
2714	Various Improvements and Purposes	5/16/2006	\$3,428,000.00					2,649.80		2,649.80	
2813	Various Improvements and Purposes	7/29/2008	\$1,403,000.00					3,704.86		3,704.86	
2816	Various Improvements - Capital Improvement Fund	7/29/2008	\$183,000.00	6.00					6.00		
2878	Improvement of Portion of Woodland Avenue	12/01/2009	\$593,000.00	9,382.84	0.60						0.60
2912	Various Improvements or Purposes	10/19/2010	\$2,200,000.00								
2921	Beekman Road Roadway Improvements	10/19/2010	\$600,000.00	147,901.39			30,919.43	4,896.91		147,901.39	
2940	Additional Communications Equipment	4/5/2011	\$365,000.00								
2942	Kent Place Boulevard Roadway Improvements	4/5/2011	\$650,000.00	140,799.17							
2948	Ashland Rd. Roadway Improvements	7/12/2011	\$530,000.00								
2950	Various Improvements	7/12/2011	\$2,750,000.00								43,166.31
2958	Greenfield Avenue Roadway Improvements	11/01/2011	\$210,000.00	11,946.04			272,736.98		718.80		86,895.39
2960	Bellevue Avenue Roadway Improvements	11/01/2011	\$708,000.00							11,946.04	512,931.25
2964	Beechwood Rd. Roadway Improvements	11/01/2011	\$368,000.00								10,000.00
2985	DeForest Avenue Improvements	6/19/2012	\$300,000.00								28,569.75
2986	Various Improvements	6/19/2012	\$2,274,000.00				58,613.50	1,796.99	176.61		2,541.66
3000	Memorial Field Improvements	12/18/2012	\$500,000.00								9,905.29
3003	Emergency Services Dispatch Center Construction	2/5/2013	\$365,000.00								214,312.81
3017	Middle Avenue Improvement Project	6/18/2013	\$250,000.00	74,560.53							9,414.73
3018	Various Improvements (Capital Surplus 2013)	6/18/2013	\$358,800.00	109,703.80							6,304.79
3019	Various Capital Improvements	6/18/2013	\$1,681,000.00	18,651.06							38,000.00
3039	Family Aquatic Center Parking Lot Improvements	11/6/2013	\$500,000.00	696,259.09			60,275.74	112.10	1,034.64	74,560.53	654,545.60
3055	Various Road Improvements 2014 (DeForest, Beav...)	7/8/2014	\$750,000.00				524.55		88.81	108,781.26	27,619.15
3057	Various Improvements	7/8/2014	\$740,000.00	191,666.17							23,012.05
3066	Various Improvements	7/29/2014	\$4,170,000.00				23,611.27		449.25	167,605.65	912,274.45
3075	Acquisition of New and Additional Equipment	4/25/2015	\$170,000.00	1,414,507.58			203,144.75		299,088.38		3,035.75
3081	Upgrade of Fire Department Radio System	5/26/2015	\$350,000.00	4,221.84			1,186.09				48,749.63
3084	Various Improvements or Purposes	6/9/2015	\$3,880,000.00	49,434.44			425,827.59				939,116.47
3096	Improvement of Various Roads	11/25/2015	\$1,050,000.00	612,254.61			605,500.11		27.26	6,754.50	
3114	Various Improvements	7/5/2016	\$3,600,000.00				1,060,056.81				1,557,665.60
3130	Community Center Renovation Project	3/14/2017	\$6,500,000.00			6,500,000.00	6,487,259.68				12,740.32
3141	Various Improvements	6/20/2017	\$3,100,000.00			3,100,000.00	1,434,984.32				1,665,015.68
Local Improvements:											
2418 &	Improvement of Special Improvement District	3/10/2000 /									
2464	considering Loan	3/30/2001	\$3,400,000.00	87,153.62			138.56			87,015.06	
2941	Construction or Reconstruction of Curbs and Sidewalks along Kent Place Boulevard	4/5/2011	\$40,000.00	1,704.42						1,704.42	9,329.89
2959	Construction or Reconstruction of Curbs and Sidewalks along Greenfield Avenue	11/01/2011	\$53,000.00	2,412.95						2,412.95	38,001.84
2961	Construction or Reconstruction of Curbs and Sidewalks along Bellevue Avenue	11/01/2011	\$183,000.00								50,631.46

City of Summit, N.J.

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2017

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2016		2017 Authorizations	Encumbered/ Expended	Encumbrances Canceled	Canceled	Balance Dec. 31, 2017	
		Date	Amount	Funded	Unfunded					Funded	Unfunded
Local Improvements: (Continued)											
2963	Construction or Reconstruction of Curbs and Sidewalks along Euclid Avenue	11/01/2011	\$37,000.00	16,565.42	4,688.44					16,565.42	4,688.44
2965	Construction or Reconstruction of Curbs and Sidewalks along Beechwood Road	11/01/2011	\$105,000.00		44,002.41						44,002.41
2988	Bedford Road Roadway & Assessments	06/19/2012	\$350,000.00	12,979.78	168,744.00					12,979.78	168,744.00
2989	Hawthorne Place Roadway & Assessments	06/19/2012	\$500,000.00	55,461.51	45,353.03					55,461.51	45,353.03
2990	Hillcrest Avenue Roadway & Assessments	06/19/2012	\$600,000.00	36,904.46	172,055.32					36,904.46	172,055.32
2991	Valley View Roadway & Assessments	06/19/2012	\$650,000.00	78,153.63	161,162.62					78,153.63	161,162.62
2992	Waldron Avenue Roadway & Assessments	06/19/2012	\$500,000.00	48,875.73	37,229.00					48,875.73	37,229.00
3016	DeForest Avenue Improvements	06/18/2013	\$500,000.00		1.00			1,749.44			1,750.44
3021	Badeau Avenue Improvements	07/2/2013	\$400,000.00	140,709.02	56,100.00					140,709.02	56,100.00
3022	Llewellyn Road Improvements	07/2/2013	\$250,000.00	130,436.36	20,720.00					130,436.36	20,720.00
3023	Shadyside Avenue Improvements	07/2/2013	\$300,000.00	142,301.75	71,652.64					142,301.75	71,652.64
3026	Essex Road Improvements	09/03/2013	\$900,000.00	126,093.90	57,000.00		51,000.00			75,093.90	57,000.00
3027	Various Roads Improvements 2013	09/03/2013	\$500,000.00		27,322.49			5.00			27,327.49
3044	Salt Brook Improvements	02/18/2014	\$375,000.00		14,813.98						14,813.98
3063	Druid Hill Road Improvements	07/29/2014	\$600,000.00		39,987.97		690.61				39,297.36
3064	Fairview Avenue Road Improvements	07/29/2014	\$350,000.00		23,074.85						36,580.91
3065	Fernwood Rd. Ridge Rd. Improvements	07/29/2014	\$1,100,000.00	16,507.84	47,000.00					15,566.45	48,882.78
3080	Various Improvements to Special District	5/26/2015	\$2,500,000.00		3,073.07			30,250.21			33,323.28
3115	Improvement of Various Roads	7/6/2016	\$2,325,000.00	816.73	2,214,000.00	1,000,000.00	2,213,002.36			15,576.69	1,814.37
3144	Improvement of Various Roads	7/11/2017	\$1,000,000.00				34,423.31				950,000.00
School Improvements:											
2847	School Improvements (Boiler, Re-roofing, Fire Protection)	04/07/2009	\$13,556,263.00	53,162.93			1,091.47			52,071.46	
2888	School Improvements (Brayton, Franklin, Jefferson, etc.)	12/15/2009	\$3,117,874.00	30,920.70			1,278.79			29,641.91	
2931	School Improvements (ROD Tier III)	12/07/2010	4,766,598.00	1,434,312.00	584,808.26					1,434,312.00	584,808.26
3045	School Improvements (ROD Tier IV)	02/08/2014	17,550,000.00					1,350,759.33			1,350,759.33
				C		10,600,000.00	C-14	C-14		C	C
				4,048,208.65		11,380,976.34	13,282,750.73	1,438,066.40	302,721.70	3,049,932.83	10,831,846.13
Fund Balance											
Deferred Charges to Future Taxation - Unfunded											
Capital Improvement Fund											
				Ref.							
				C-1						1,489.89	
				C-8		10,077,000.00				301,231.81	
				C-15		523,000.00					
						10,600,000.00				302,721.70	

Ref.
C-1
C-8
C-15

City of Summit, N.J.

Schedule of Reserve for Prepaid Assessments

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	<u>5,000.00</u>
Balance - December 31, 2017	C	<u>5,000.00</u>

Schedule Of Reserve For State Aid-Kids Recreation Trust

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	217,726.31
Increased by:		
Cash Receipts	C-2	<u>50,000.00</u>
		267,726.31
Decreased by:		
Cash Disbursements	C-2	<u>93,555.21</u>
Balance - December 31, 2017	C	<u>174,171.10</u>

City of Summit, N.J.

Schedule of Reserve for Preliminary Expenses

General Capital Fund

Year Ended December 31, 2017

	Balance <u>Dec. 31, 2016</u>	<u>Canceled</u>
Summit Junior Baseball - Wilson Field	<u>7,500.00</u>	<u>7,500.00</u>
	<u>7,500.00</u>	<u>7,500.00</u>
	C	C-1

City of Summit, N.J.

Schedule of Reserve For Refunding Bond Issuance Costs

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	<u>39,947.59</u>
Balance - December 31, 2017	C	<u>39,947.59</u>

Schedule of Reserve for Debt Service

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	<u>330,160.98</u>
Decreased by:		
Anticipated as Item of		
Revenue - Current Fund	C-2	<u>330,160.98</u>

City of Summit, N.J.

Schedule of Reserve For Legal Fees

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	304,963.59
Increased by:		
Cash Receipts	C-2	<u>579.84</u>
		305,543.43
Decreased by:		
Canceled to Fund Balance	C-1	372.41
Cash Disbursements	C-2	<u>304,963.59</u>
		<u>305,336.00</u>
Balance - December 31, 2017	C	<u><u>207.43</u></u>

Schedule of Reserve for Rebate Liability

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	<u><u>3,133.43</u></u>
Balance - December 31, 2017	C	<u><u>3,133.43</u></u>

City of Summit, N.J.

Schedule Of Reserve for State Aid - Stormwater Management

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	<u>14,720.00</u>
Cancel to Fund Balance	C-1	<u>14,720.00</u>

Reserve for Euclid Avenue Storm Improvements

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	<u>83,530.25</u>
Decreased by:		
Canceled to Fund Balance	C-1	<u>83,530.25</u>

City of Summit, N.J.

Reserve for Grants Receivable - NJ Dept. of Transportation

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	C	<u>62,500.00</u>
Decreased by:		
Received in Grant Fund	C-4	<u>62,500.00</u>

Reserve for Community Center Project

General Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Increased by:		
Cash Receipts	C-2	<u>885,386.87</u>
Balance - December 31, 2017	C	<u>885,386.87</u>

City of Summit, N.J.

Schedule Of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2017

Year ended December 31, 2017											
Ordinance Number	Date	Balance			2017 Authorizations	Funded by Budget Appropriation	Cancelled	Bond Anticipation Notes Issued	Grants and Aid Received	Balance	
		Dec. 31, 2016		Assessment Trust Fund						Dec. 31, 2017	
		General Capital								General Capital	Assessment Trust Fund
	General Improvements:										
2139	05/05/1992		120.75			120.75					0.00
2360	04/21/1998		4,430.88								4,430.88
2362	05/05/1998		753.28								753.28
2372	09/22/1998		3,675.15								3,675.15
2382	12/15/1998		9,971.54								9,971.54
2400	07/13/1999		10,193.35								10,193.35
2403	07/13/1999										
	Improvement of Briant Pkwy, Chapel, Dayton, Clark Street and Willow Road		9,630.91								9,630.91
2424	04/04/2000		67,600.00								67,600.00
2435	06/20/2000		19,335.27								19,335.27
2443	07/18/2000		21.93								21.93
2458	12/19/2000		2,745.30								2,745.30
2478	06/06/2001		90,733.89								90,733.89
2498	09/05/2001										
	Construction of Curbs & Sidewalks Adjacent to Municipally-owned Property on Broad Street		381.05								381.05
2507	12/18/2001										
	Supplemental Appropriation for Construction or Reconstruction Curbs & Sidewalks - Broad St		5,320.87								5,320.87
2509	12/18/2001										
	Supplemental Appropriation for Construction or Reconstruction Curbs & Sidewalks - Broad St		12,683.45								12,683.45
2523	05/07/2002		13,361.18								13,361.18
2531	05/21/2002										
	Improvement of a Portion of Blackburn Road Further Supplemental Appropriation - Improvement of Municipally-owned facilities (DPW Garage)		99,329.12								99,329.12
2540	07/16/2002		7,587.81								7,587.81
2563	06/04/2003		40,454.64								40,454.64
2595	05/04/2004		17,693.30								17,693.30
2608	08/17/2004		1,327.79								1,327.79
2618	10/05/2004		11,993.77								11,993.77
2641	05/03/2005		2,535.53								2,535.53
2714	05/16/2006										
2726	09/06/2006		21,962.03								21,962.03
2766	07/17/2007		(1,755.71)								(1,755.71)
2781	12/18/2007		17,946.04								17,946.04
2813	07/29/2008		67,683.74								67,683.74
2822	10/07/2008		59,711.04								59,711.04
2829	11/05/2008		1,147.90								1,147.90
2849	04/07/2009		2,264.41								2,264.41
2875	11/04/2009		19,562.99								19,562.99
2880	12/01/2009		1,377.35								1,377.35
2882	12/01/2009		2,130.35								2,130.35
2912	10/19/2010		233,366.19				613.41				232,752.78
2921	10/19/2010		(94,000.00)								(94,000.00)
2923	10/19/2010		2,210.38								2,210.38
2925	10/19/2010		5,190.79								5,190.79
2940	04/05/2011		77,500.00								76,981.46
2942	04/05/2011		(81,000.00)								(81,000.00)
2948	07/12/2011		89,000.00								89,000.00
2950	07/12/2011		1,081,900.00								1,081,181.20
2958	11/01/2011		10,000.00								10,000.00
2960	11/01/2011		34,000.00								34,000.00
2964	11/01/2011		5,000.00								5,000.00
2985	06/19/2012		61,250.00								61,250.00
2986	06/19/2012		664,000.00								663,823.39
3000	12/18/2012		476,000.00								476,000.00
	Memorial Field Improvements						176.61				

City of Summit, N.J.

Schedule Of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2017

Ordinance Number	Date	Balance Dec. 31, 2016			2017 Authorizations	Funded by Budget Appropriation	Cancelled	Bond Anticipation Notes Issued	Grants and Aid Received	Balance Dec. 31, 2017	
		General Capital	Assessment Trust Fund							General Capital	Assessment Trust Fund
General Improvements: (continued)											
3003	01/15/2013	15,000.00								15,000.00	
3017	06/18/2013	38,000.00								38,000.00	
3019	06/18/2013	1,000,000.00					88.81			999,911.19	
3039	11/26/2013	36,000.00								36,000.00	
3055	07/08/2014	526,500.00						526,500.00	62,500.00	(62,500.00)	
3066	07/29/2014	3,869,450.21					299,088.38	2,221,000.00		1,349,361.83	
3075	4/25/2015	161,500.00						161,500.00		0.00	
3081	5/26/2015	333,000.00						333,000.00		0.00	
3084	6/9/2015	3,695,000.00					27.26	3,695,000.00		(27.26)	
3114	7/5/2016	Various Improvements or Purposes						3,428,000.00		0.00	
3130	2/14/2017	Community Center Renovation Project			6,175,000.00			5,557,000.00		618,000.00	
3141	6/20/2017	Various Improvements or Purposes			2,952,000.00					2,952,000.00	
Local Improvements:											
2217	11/01/1994	Construction of Curbs and Sidewalks				4,978.45				0.00	
		Ashwood Avenue									
2231	02/21/1995	Construction and Reconstruction of Curbs and Sidewalks Baltusrol Road				18,903.61				0.00	
2236	03/21/1995	Construction and Reconstruction of Curbs and Sidewalks Mountain Avenue				23,847.98				0.00	
2246	09/19/1995	Construction and Reconstruction of Curbs and Sidewalks Kent Place Boulevard				21,993.69				0.00	
2250	09/19/1995	Construction and Reconstruction of Curbs and Sidewalks Hughes Place Area and Lewis Ave.				14,146.53				0.00	
2288	10/01/1996	Construction and Reconstruction of Curbs and Sidewalks Sherman Avenue				21,645.67				5,636.68	
2302	02/18/1997	Construction and Reconstruction of Curbs and Sidewalks In a Portion of Springfield Avenue				31,778.89				31,778.89	
2346	01/20/1998	Construction and Reconstruction of Curbs and Sidewalks In a Portion of Passaic Avenue				28,431.75				28,431.75	
2359	04/21/1998	Construction and Reconstruction of Curbs and Blocks on William, Walnut (portion), Sayre, etc.				20,476.97				20,476.97	
2363	05/05/1998	Construction and Reconstruction of Curbs on Blackburn Place and Oakley Avenue				22,161.91				22,161.91	
2367	07/14/1998	Construction and Reconstruction of Curbs on Blackburn Place and Oakley Avenue				38,707.65				38,707.65	
2404	07/13/1999	Construction and Reconstruction of Curbs and Sidewalks on Briant Pkwy, Chapel, Dayton, etc.				33,924.20				33,924.20	
2432	06/07/2000	Construction and Reconstruction of Curbs and Sidewalks on Tulip Street				72,012.53				72,012.53	
2447	09/19/2000	Construction and Reconstruction of Curbs and Sidewalks on Glen Oaks, Manor Hill, Iris Road				34,654.71				34,654.71	
2524	05/21/2002	Construction or Reconstruction of Curbs and Sidewalks along a portion of Blackburn Road				33,885.34				33,885.34	
2596	05/04/2004	Construction or Reconstruction of Curbs and Sidewalks along a portion of Canoe Brook Parkway				55,145.32				55,145.32	
2663	07/12/2005	Construction or Reconstruction of Curbs and Sidewalks along a portion of Blackburn Road III				10,809.09				10,809.09	
2670	10/05/2005	Construction or Reconstruction of Curbs and Sidewalks along a portion of Oak Ridge Avenue				15,431.62				15,431.62	
2717	06/07/2006	Construction or Reconstruction of Curbs and Sidewalks along a portion of Canoe Brook Parkway				46,413.37				46,413.37	

City of Summit, N.J.

Schedule Of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2017

Ordinance Number	Date		Balance Dec. 31, 2016		2017 Authorizations	Funded by Budget Appropriation	Cancelled	Bond Anticipation Notes Issued	Grants and Aid Received	Balance Dec. 31, 2017	
			General Capital	Assessment Trust Fund						General Capital	Assessment Trust Fund
Local Improvements: (Continued)											
2750	04/04/2007	Construction or Reconstruction of Curbs in and Along a portion of Whittridge Road area		55,154.88							55,154.88
2760	06/06/2007	Construction or Reconstruction of Sidewalks in and Along a portion of Various Roads (Pedestrian Safety)		33,446.47							33,446.47
2783	12/18/2007	Construction or Reconstruction of Curbs and Sidewalks along a portion of Oak Ridge Avenue		150,059.92							150,059.92
2810	07/29/2008	Construction or Reconstruction of Curbs and Sidewalks along a portion of Hobart Avenue		92,457.77							92,457.77
2823	10/07/2008	Construction or Reconstruction of Curbs and Sidewalks along a portion of Aubrey Street		53,284.80							53,284.80
2830	11/05/2008	Construction or Reconstruction of Curbs and Sidewalks along a portion of High Street		36,867.50							36,867.50
2843	03/24/2009	Construction or Reconstruction of Curbs and Sidewalks along Hobart Avenue Sect. III		30,750.00							30,750.00
2858	06/16/2009	Construction or Reconstruction of Curbs and Sidewalks along Various Roads (Parkview, Lamed, etc.)	12,055.87	14,742.00							14,742.00
2879	12/01/2009	Construction or Reconstruction of Curbs and Sidewalks along Woodland Avenue		36,724.60							36,724.60
2881	12/01/2009	Construction or Reconstruction of Curbs and Sidewalks along Parkview Terrace		13,719.00							13,719.00
2883	12/01/2009	Construction or Reconstruction of Curbs and Sidewalks along a portion of New England Avenue	2,044.11	21,168.96						2,044.11	21,168.96
2916	10/19/2010	Norwood Avenue Special Assessment		9,160.00							9,160.00
2920	10/19/2010	Construction or Reconstruction of Curbs and Sidewalks along Beekman Road		142,000.00							142,000.00
2922	10/19/2010	Construction or Reconstruction of Curbs and Sidewalks along Miale Road		37,312.00							37,312.00
2924	10/19/2010	Construction or Reconstruction of Curbs and Sidewalks along Sunset Drive	944.62	84,545.11						944.62	84,545.11
2941	04/05/2011	Construction or Reconstruction of Curbs and Sidewalks along Kent Place Boulevard	15,578.22	22,421.78						15,578.22	22,421.78
2959	11/01/2011	Construction or Reconstruction of Curbs and Sidewalks along Greenfield Avenue	41,001.84	8,998.16						41,001.84	8,998.16
2961	11/01/2011	Construction or Reconstruction of Curbs and Sidewalks along Bellevue Avenue	92,929.23	81,070.77						92,929.23	81,070.77
2963	11/01/2011	Construction or Reconstruction of Curbs and Sidewalks along Euclid Avenue	27,208.00	7,792.00						27,208.00	7,792.00
2965	11/01/2011	Construction or Reconstruction of Curbs and Sidewalks along Beechwood Road	44,781.36	55,218.64						44,781.36	55,218.64
2988	06/19/2012	Bedford Road Roadway & Assessments	168,744.00	17,256.00						168,744.00	17,256.00
2989	06/19/2012	Hawthorne Place Roadway & Assessments	45,353.03	54,646.97						45,353.03	54,646.97
2990	06/19/2012	Hillcrest Avenue Roadway & Assessments	172,055.32	38,944.68						172,055.32	38,944.68
2991	06/19/2012	Valley View Roadway & Assessments	161,162.62	72,837.38						161,162.62	72,837.38
2992	06/19/2012	Waldron Avenue Roadway & Assessments	37,229.00	40,771.00						37,229.00	40,771.00
3016	06/18/2013	Deforest Avenue Improvements	40,000.00							40,000.00	
3021	07/02/2013	Badeau Avenue Roadway & Assessments	56,100.00	23,900.00						56,100.00	23,900.00
3022	07/02/2013	Llewellyn Road Roadway & Assessments	20,720.00	17,280.00						20,720.00	17,280.00
3023	07/02/2013	Shady Side Avenue Roadway & Assessments	71,652.64	13,347.36						71,652.64	13,347.36
3026	09/03/2013	Essex Road Roadway & Assessments	57,000.00							57,000.00	
3027	09/03/2013	Montview, Magnolia, Primrose, Surrey Improvements & Assessments	76,000.00							76,000.00	
3044	02/18/2014	Salt Brook Improvements	15,373.94	58,876.06						15,373.94	58,876.06
3063	07/29/2014	Druid Hill Road Improvements	71,000.00								71,000.00
3064	07/29/2014	Fairview Avenue Road Improvements	33,000.00								33,000.00

City of Summit, N.J.

Schedule Of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2017

Ordinance Number	Date	Balance		2017 Authorizations	Funded by Budget Appropriation	Cancelled	Bond Anticipation Notes Issued	Grants and Aid Received	Balance	
		Dec. 31, 2016	Assessment Trust Fund						Dec. 31, 2017	Assessment Trust Fund
		General Capital							General Capital	
Local Improvements: (Continued)										
3065	07/29/2014		47,000.00				47,000.00			0.00
3080	5/26/2015		2,380,000.00				2,380,000.00			0.00
3115	7/6/2016		2,214,000.00				2,214,000.00			0.00
3144	7/11/2017			950,000.00					950,000.00	
School Improvements:										
2243	07/18/1995		33,436.01						33,436.01	
2694	03/21/2006		53,904.90						53,904.90	
2758	06/06/2007		29,399.62						29,399.62	
2847	04/07/2009		(878,806.12)						(878,806.12)	
2853	05/05/2009		351,242.00						351,242.00	
2931	12/07/2010		584,808.26						584,808.26	
3045	02/18/2014		703,000.00						703,000.00	
		23,620,046.22	1,324,753.81	10,077,000.00	100,000.00	301,231.81	20,667,000.00	62,500.00	12,566,314.41	1,324,753.81
				C-8	C-8	C-8	C-11	C-8		Footnote C

City of Summit, N.J.

Schedule of Cash

Sewer Utility Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance - December 31, 2016	D;D-6	<u>1,198,161.47</u>	<u>2,436,821.58</u>
Increased by Receipts:			
Domestic Sewer User Charges	D-3	3,277,184.36	
Industrial Sewer Charges	D-3	95,601.91	
Miscellaneous Revenue Not Anticipated	D-3	276,192.28	
Interfund - Current Fund	D-9	13,033.14	
Interfund - Sewer Assessment Trust	D-9		4,981.19
Prepaid Rents	D-15	4,678.09	
Budget Appropriations	D-20		56,560.00
Bond Anticipation Notes	D-22		476,000.00
		<u>3,666,689.78</u>	<u>537,541.19</u>
		<u>4,864,851.25</u>	<u>2,974,362.77</u>
Decreased by Disbursements:			
Budget Appropriations	D-4	3,530,094.38	
Appropriation Reserves	D-12	56,360.49	
Contracts Payable	D-13		678,246.88
Accrued Interest	D-14	155,582.33	
		<u>3,742,037.20</u>	<u>678,246.88</u>
Balance - December 31, 2017	D;D-6	<u><u>1,122,814.05</u></u>	<u><u>2,296,115.89</u></u>

City of Summit, N.J.

Analysis of Cash

Sewer Utility Capital Fund

Year Ended December 31, 2017

Ord. No.	Improvement Authorizations	Balance Dec. 31, 2016	Budget Appropriation	Receipts		Disbursements		Transfers		Balance Dec. 31, 2017
				Budget Appropriation	Notes Payable	Miscellaneous	Miscellaneous	(From)	To	
Fund Balance		198,139.60								205,406.20
Capital Improvement Fund		1,601,053.57							7,266.60	1,583,053.57
Contracts Payable		343,026.72						(18,000.00)		218,686.88
Interfund - Sewer Assessment Trust Fund		(20,657.45)				4,981.19	678,246.88	(57,083.64)	610,990.68	(15,676.26)
Reserve for Debt Service		45,602.59								45,602.59
2503	Improvement of Sanitary Sewerage System	(78,716.93)	28,160.00							(50,556.93)
2551	Improvement of Sanitary Sewerage System	(28,396.19)								(28,396.19)
2552	Improvement of Sanitary Sewerage System	(199,832.19)	28,400.00							(171,432.19)
2598	Improvement of Sanitary Sewer System	(279,904.26)								(279,904.26)
2650	Improvement of Sanitary Sewer System	(497.95)								(497.95)
2687	Improvement of Sanitary Sewerage System	(74,783.26)								(74,783.26)
2697	Improvement of Sanitary Sewerage System	(5,383.26)								(5,383.26)
2768	Improvement of Sanitary Sewer System	(117,202.18)								(117,202.18)
2812	Improvement of Sanitary Sewerage System	(138,462.34)								(129,873.08)
2835	Improvement of the Sewerage Facilities	(2,807.45)							8,589.26	(2,807.45)
2873	Improvement of Sanitary Sewerage System	7,266.60						(7,266.60)		-
2913	Improvement of Sanitary Sewerage System	665,964.88								665,964.88
2987	Sanitary Sewerage Improvements	(205,595.65)							42,523.95	(163,071.70)
3056	Joint Meeting Share of Capital Outlay	(23,000.00)							5,970.43	(17,029.57)
3085	Improvement of Sanitary Sewerage System	784,798.86						(243,450.24)		541,348.62
3113	Improvement of Sanitary Sewerage System	(33,792.13)			476,000.00			(234,204.74)		208,003.13
3143	Improvement of Sanitary Sewerage System							(133,335.70)	18,000.00	(115,335.70)
		2,436,821.58	56,560.00	476,000.00		4,981.19	678,246.88	(693,340.92)	693,340.92	2,296,115.89
		D:D-5								
		D:D-5								

City of Summit, N.J.

Schedule of Consumer Accounts Receivable

Sewer Utility Operating Fund

Year Ended December 31, 2017

	Balance Dec. 31, 2016	Charges	Received	Balance Dec. 31, 2017
Consumer Accounts Receivable	<u>68,501.94</u>	<u>3,362,052.63</u>	<u>3,377,588.75</u>	<u>52,965.82</u>
	D			D
Analysis of Cash Collections				
Domestic Sewer User Charges			3,281,986.84	
Industrial Sewer Charges			<u>95,601.91</u>	
			<u>3,377,588.75</u>	

City of Summit, N.J.

Schedule of Assessment Receivables

Sewer Utility Assessment Fund

Year Ended December 31, 2017

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Confirmation</u>	<u>Annual Installments</u>	<u>Due Date</u>	<u>Balance Dec. 31, 2016</u>	<u>Receipts</u>	<u>Balance Dec. 31, 2017</u>	<u>Balance Pledge to Interfund Sewer Capital</u>
10-2929	Improvements to Septic System	03/06/12	10	4/6/2013-2021	<u>15,997.56</u> D	<u>4,981.19</u> D-9	<u>11,016.37</u> D	<u>11,016.37</u>

City of Summit, N.J.

Schedule of Interfund Accounts Receivable (Payable)

Sewer Utility Fund

Year Ended December 31, 2017

	Ref.	Sewer Operating Fund		Sewer Capital Fund	Sewer Assessment Trust Fund		Sewer Assessment Capital Fund
		Current Fund		Assessment Trust Fund	Trust Assessment Trust Fund		Fund
Balance - December 31, 2016	D			20,657.45	4,659.89		(20,657.45)
Increased by:							
Collection of Assessments Receivable in 2017	D-8	-		20,657.45	4,659.89	4,981.19	(15,676.26)
Decreased by:							
Receipts	D-5	13,033.14		4,981.19			
Balance - December 31, 2017	D	(13,033.14)		15,676.26	4,659.89		(15,676.26)

City of Summit, N.J.

Schedule of Fixed Capital

Sewer Utility Capital Fund

Year Ended December 31, 2017

<u>Description</u>	<u>Balance Dec. 31, 2016</u>	<u>Additions</u>	<u>Balance Dec. 31, 2017</u>
Improvement of Sanitary Pumping Station	5,688.13		5,688.13
Improvement of Sanitary Sewer System	4,094,973.43	2,251,175.29	6,346,148.72
Improvement of Sewer Facilities - Joint Trunk Meeting	2,611,526.48		2,611,526.48
Acquisition of New Equipment	233,044.11		233,044.11
Improvement of Sanitary Sewer Collecting System	451,216.52		451,216.52
Sewer System Improvements at Walnut and William Streets and Oak Ridge Avenue	146,368.88		146,368.88
Improvements of Pumping Stations at Chatham Road, Glen Avenue and River Road	210,000.00		210,000.00
Acquisition of New Sewer Jet Truck	144,135.08		144,135.08
Improvement of Sewerage Facilities	522,509.54		522,509.54
Joint Meeting Share of Capital Outlay	900,000.00		900,000.00
	<u>9,319,462.17</u>	<u>2,251,175.29</u>	<u>11,570,637.46</u>
	D	D-11	D

City of Summit, N.J.

Schedule of Fixed Capital Authorized and Uncompleted

Sewer Utility Capital Fund

Year Ended December 31, 2017

Ord. No.	Description	Ordinance Date	Balance, Dec. 31, 2016	Improvement Authorizations	Cancelled	Costs to Fixed Capital	Balance, Dec. 31, 2017
2697	Improvement of Sanitary Sewerage System	03/21/06	502,718.87		24,869.61	477,849.26	-
2768	Improvement of Sanitary Sewerage System	07/17/07	755,000.00		214.82	754,785.18	-
2812	Improvement of Sanitary Sewerage System	07/29/08	850,000.00		264,708.92		585,291.08
2835	Improvement of the Sewerage Facilities	12/16/08	725,000.00		22,192.55	702,807.45	-
2873	Improvement of Sanitary Sewerage System	11/04/09	800,000.00		484,266.60	315,733.40	-
2913	Improvement of Sanitary Sewerage System	11/04/10	1,150,000.00				1,150,000.00
2987	Sanitary Sewerage Improvements	06/19/12	850,000.00				850,000.00
3085	Improvement of Sanitary Sewerage System	06/09/15	960,000.00				960,000.00
3113	Improvement of Sanitary Sewerage System	06/21/16	500,000.00	375,000.00			500,000.00
3143	Improvement of Sanitary Sewerage System	06/20/17					375,000.00
			<u>7,092,718.87</u>	<u>375,000.00</u>	<u>796,252.50</u>	<u>2,251,175.29</u>	<u>4,420,291.08</u>
			D	D-16	D-16	D-10	D

City of Summit, N.J.

Schedule of Appropriation Reserves

Sewer Utility Operating Fund

Year Ended December 31, 2017

	Balance, Dec. 31, 2016	Balance after Transfers	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	3,607.07	3,607.07		3,607.07
Other Expenses	105,974.41	105,974.41	56,360.49	49,613.92
Health and Life Insurance	0.24	0.24		0.24
	<u>109,581.72</u>	<u>109,581.72</u>	<u>56,360.49</u>	<u>53,221.23</u>
Ref.			D-5	D-1

Unencumbered	D	21,064.44
Encumbered	D	88,517.28
		<u>109,581.72</u>

City of Summit, N.J.
Schedule of Contracts Payable
Sewer Utility Capital Fund
Year Ended December 31, 2017

	<u>Ref.</u>		
Balance - December 31, 2016	D		343,026.72
Increased by:			
Contracts Payable	D-16		<u>610,990.68</u> 954,017.40
Decreased by:			
Cash Disbursed	D-5	678,246.88	
Cancelled	D-16	<u>57,083.64</u> 735,330.52	
Balance - December 31, 2017	D		<u><u>218,686.88</u></u>

City of Summit, N.J.

Schedule of Prepaid Sewer Charges

Sewer Utility Operating Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	D	4,802.48
Increased by:		
Cash Receipts	D-5	<u>4,678.09</u>
		9,480.57
Decreased by:		
Applied to Sewer Rents	D-3	<u>4,802.48</u>
Balance - December 31, 2017	D	<u><u>4,678.09</u></u>

City of Summit, N.J.

Schedule of Improvement Authorizations

Sewer Utility Capital Fund

Year Ended December 31, 2017

Ord. No.	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2016		2017 Authorizations	Contracts Payable	Contracts Payable Cancelled	Cancelled	Balance Dec. 31, 2017	
				Funded	Unfunded					Funded	Unfunded
2697	Improvement of Sanitary Sewerage System	03/21/06	550,000.00		24,869.61				24,869.61		-
2768A	Improvement of Sanitary Sewer System	07/17/07	755,000.00		214.82				214.82		-
2812	Improvement of Sanitary Sewerage System	07/29/08	850,000.00		263,537.66		8,589.26		264,708.92		7,418.00
2835	Improvement of the Sewerage Facilities	12/16/08	725,000.00		22,192.55				22,192.55		-
2873	Improvement of Sanitary Sewerage System	11/04/09	835,000.00	7,266.60	477,000.00				484,266.60		-
2913A	Improvement of Sanitary Sewerage System	11/04/10	844,000.00	665,964.88	93,300.00					665,964.88	93,300.00
2987	Sanitary Sewerage Improvements	06/19/12	850,000.00		73,404.35			42,523.95			115,928.30
3056	Joint Meeting Share of Capital Outlay	07/08/14	900,000.00		-			5,970.43		541,348.62	-
3085	Improvement of Sanitary Sewerage System	06/09/15	960,000.00	784,798.86	442,207.87		243,450.24				208,003.13
3113	Improvement of Sanitary Sewerage System	06/21/16	500,000.00			375,000.00	234,204.74				241,664.30
3143	Improvement of Sanitary Sewerage System	06/20/17	375,000.00				133,335.70				672,284.16
				1,458,030.34	1,396,726.86	375,000.00	610,990.68	57,083.64	796,252.50	1,207,313.50	
				D	D		D-13	D-13	D-11	D	D

Ref.

Fund Balance

D-2

Capital Improvement Fund

Authorized but Not Issued

D-18;D-20

D-24

D-11

City of Summit, N.J.
Schedule of Reserves
Sewer Utility Fund
Year Ended December 31, 2017

<u>Description</u>	<u>Balance</u> <u>Dec. 31, 2016</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
Reserve to Rebuild Communicator - Constantine Pumps	11,300.00	11,300.00
Reserve to Purchase 12' Valve - Chatham Road Pumps	1,000.00	1,000.00
Reserve for Renovation to Chatham Road Sewerage Pumping Station	7,933.26	7,933.26
Reserve for Sewer Connections	4,692.50	4,692.50
	<u>24,925.76</u>	<u>24,925.76</u>
	D	D

City of Summit, N.J.
Schedule of Capital Improvement Fund
Sewer Utility Capital Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	D	1,601,053.57
Decreased by:		
Improvement Authorizations	D-16	<u>18,000.00</u>
Balance - December 31, 2017	D	<u><u>1,583,053.57</u></u>

Schedule of Reserve for Amortization
Sewer Utility Capital Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	D	6,516,028.70
Increased by:		
Debt Service Raised in Operating Budget:		
Bonds Payable	D-23	<u>341,000.00</u>
		6,857,028.70
Decreased by:		
Serial Bonds Issued to Refund		
Sewer Bonds of 2011	D-23	<u>70,000.00</u>
Balance - December 31, 2017	D	<u><u>6,787,028.70</u></u>

City of Summit, N.J.

Schedule of Reserve for Deferred for Amortization

Sewer Utility Capital Fund

Year Ended December 31, 2017

Ord. No.	Improvement Description	Date of Ordinance	Balance, Dec. 31, 2016	Fixed Capital Authorized	Improvement Authorizations Cancelled	Funded by Budget Appropriation	Balance, Dec. 31, 2017
2503	Improvements of Sanitary Sewerage System	12/28/01	112,640.00			28,160.00	140,800.00
2551	Improvements of Sanitary Sewerage System	12/27/02	20,896.00				20,896.00
2552	Improvements of Sanitary Sewerage System	12/17/03	112,200.00			28,400.00	140,600.00
2598	Improvements of Sanitary Sewerage System	05/04/04	27,000.00				27,000.00
2650	Improvements of Sanitary Sewerage System	05/03/05	50,000.00				50,000.00
2687	Improvements of Sanitary Sewerage System	12/20/05	533,000.00				533,000.00
2697	Improvements of Sanitary Sewerage System	03/21/06	197,200.00				197,200.00
2768	Improvements of Sanitary Sewerage System	07/17/07	125,715.69				125,715.69
2812	Improvements of Sanitary Sewerage System	07/29/08	159,100.00				159,100.00
2835	Improvements to Sewerage Facilities	12/16/08	70,000.00				70,000.00
2873	Improvements of Sanitary Sewerage System	11/04/09	68,300.00		7,266.60		61,033.40
2913	Improvements of Sanitary Sewerage System	11/04/10	55,000.00				55,000.00
2987	Improvements of Sanitary Sewerage System	06/19/12	41,000.00				41,000.00
3056	Joint Meeting Share of Capital Outlay	07/08/14	89,000.00				89,000.00
3113	Improvements of Sanitary Sewerage System	06/21/16	24,000.00				24,000.00
3143	Improvements of Sanitary Sewerage System	06/20/17		18,000.00			18,000.00
			<u>1,685,051.69</u>	<u>18,000.00</u>	<u>7,266.60</u>	<u>56,560.00</u>	<u>1,752,345.09</u>
			D	D-16	D-2	D-5;D-24	D

City of Summit, N.J.
Schedule of Reserve for Debt Service
Sewer Utility Capital Fund
Year Ended December 31, 2017

Balance - December 31, 2016	<u>Ref.</u> D	<u>45,602.59</u>
Balance - December 31, 2017	D	<u>45,602.59</u>

City of Summit, N.J.

Schedule of Bond Anticipation Notes Payable

Sewer Utility Capital Fund

Year Ended December 31, 2017

Ord. No.	<u>Improvement Description</u>	<u>Date of</u>		<u>Date of</u> <u>Issue</u>	<u>Date of</u> <u>Maturity</u>	<u>Interest</u> <u>Rate</u>	<u>Increased</u>	<u>Balance</u> <u>Dec. 31, 2017</u>
		<u>Original</u>	<u>Issue</u>					
3113	Improvement of Sanitary Sewerage System	04/06/17	04/06/17	04/06/18	2.000%	476,000.00	476,000.00	476,000.00
						D-5;D-24		D

City of Summit, N.J.

Schedule of Sewer Serial Bonds Payable

Sewer Utility Capital Fund

Year Ended December 31, 2017

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2017			Interest Rate	Balance Dec. 31, 2016	Increased	Decreased	Balance Dec. 31, 2017
			Date	Amount						
Sewer Bonds of 2011	01/06/2011	2,200,000.00	01/01/2018	140,000.00		3.00%				
			01/01/2019	145,000.00		3.00%				
			01/01/2020	150,000.00		3.50%				
			1/1/2021	150,000.00		3.50%	1,555,000.00		970,000.00	585,000.00
Sewer Bonds of 2016	4/7/2016	4,071,000.00	3/1/2018	240,000.00		1.50%				
			3/1/2019	245,000.00		1.50%				
			3/1/2020	250,000.00		1.50%				
			3/1/2021	255,000.00		2.00%				
			3/1/2022	260,000.00		2.00%				
			3/1/2023	265,000.00		2.00%				
			3/1/2024	270,000.00		2.00%				
			3/1/2025	275,000.00		2.00%				
			3/1/2026	280,000.00		2.00%				
			3/1/2027	290,000.00		2.00%				
			3/1/2028	295,000.00		2.00%				
			3/1/2029	305,000.00		2.00%				
			3/1/2030	315,000.00		2.00%				
			3/1/2031	325,000.00		2.00%	4,071,000.00		201,000.00	3,870,000.00

City of Summit, N.J.

Schedule of Sewer Serial Bonds Payable

Sewer Utility Capital Fund

Year Ended December 31, 2017

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2017		Interest Rate	Balance Dec. 31, 2016	Increased	Decreased	Balance Dec. 31, 2017
			Date	Amount					
Refunding Bonds of 2017	11/9/2017	900,000.00	1/1/2018	15,000.00	1.739%				
			1/1/2019-21	10,000.00	1.739%				
			1/1/2022	165,000.00	1.739%				
			1/1/2023-25	170,000.00	1.739%				
			1/1/2026	180,000.00	1.739%		900,000.00		900,000.00
						5,626,000.00	900,000.00	1,171,000.00	5,355,000.00
						D			D
					Ref.				
				Refunded			830,000.00	830,000.00	
				Issued for Cash	D-19		70,000.00		
				Reserve for Amortization	D-19			341,000.00	
							900,000.00	1,171,000.00	

City of Summit, N.J.

Schedule of Bonds and Notes Authorized But Not Issued

Sewer Utility Capital Fund

Year Ended December 31, 2017

Ord. No.	Improvement Description	Balance Dec. 31, 2016		Improvements Authorized	Funded by Budget		Cancelled	Notes Issued	Balance Dec. 31, 2017	
		Sewer	Assessment		Appropriation				Sewer	Assessment
2503	Improvement of Sanitary Sewerage System	78,716.93			28,160.00				50,556.93	
2551	Improvement of Sanitary Sewerage System	28,396.19							28,396.19	
2552	Improvement of Sanitary Sewerage System	199,832.19							171,432.19	
2598	Improvement of Sanitary Sewerage System	279,904.26			28,400.00				279,904.26	
2650	Improvement of Sanitary Sewerage System	497.95							497.95	
2687	Improvement of Sanitary Sewerage System	74,783.26							74,783.26	
2697	Improvement of Sanitary Sewerage System	30,252.87					24,869.61		5,383.26	
2768	Improvement of Sanitary Sewerage System	117,417.00					214.82		117,202.18	
2812	Improvement of Sanitary Sewerage System	402,000.00					264,708.92		137,291.08	
2835	Improvement of Sewerage Facilities	25,000.00					22,192.55		2,807.45	
2873	Improvement of Sanitary Sewerage System	477,000.00					477,000.00			
2913	Improvement of Sanitary Sewerage System	93,300.00	25,025.86						93,300.00	25,025.86
2929	Improvements to Septic System									
2987	Sanitary Sewerage Improvements	279,000.00							279,000.00	
3056	Joint Meeting Share of Capital Outlay	23,000.00							23,000.00	
3113	Improvement of Sanitary Sewerage System	476,000.00						476,000.00		
3143	Improvement of Sanitary Sewerage System	2,585,100.65	25,025.86	357,000.00			788,985.90		357,000.00	
				357,000.00	56,560.00			476,000.00	1,620,554.75	25,025.86
				D-16	D-20			D-22		
		Sewer Capital	2,585,100.65						Sewer Capital	1,620,554.75
		Sewer Assessment	25,025.86						Sewer Assessment	25,025.86
			2,610,126.51							1,645,580.61
			Footnote D							Footnote D

City of Summit, N.J.

Schedule of Cash

Parking Utility Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance - December 31, 2016	E;E-7	<u>2,648,816.35</u>	<u>775,006.24</u>
Increased by Receipts:			
Miscellaneous Revenue Anticipated	E-3	3,056,727.62	
Miscellaneous Revenue Not Anticipated	E-3	36,914.15	
Prepaid Parking Charges	E-13	17,383.00	
Interfund - Parking Capital	E-14	26,083.58	
Various Reserves	E-17; E-18	23,579.92	
Capital Improvement Fund	E-19		30,000.00
Reserve for Amortization	E-20		10,000.00
Bond Anticipation Notes	E-22		1,805,000.00
		<u>3,160,688.27</u>	<u>1,845,000.00</u>
		<u>5,809,504.62</u>	<u>2,620,006.24</u>
Decreased by Disbursements:			
Budget Appropriations	E-4	2,924,268.05	
Appropriation Reserves	E-10	148,152.03	
Contracts Payable	E-11		610,847.45
Interfund - Parking Operating Fund	E-12		26,083.58
Accrued Interest	E-16	75,371.64	
Various Reserves	E-17	33,174.99	
		<u>3,180,966.71</u>	<u>636,931.03</u>
Balance - December 31, 2017	E;E-7	<u><u>2,628,537.91</u></u>	<u><u>1,983,075.21</u></u>

City of Summit, N.J.
Schedule of Change Fund
Parking Utility Operating Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	E	<u><u>12,400.00</u></u>
Balance - December 31, 2017	E	<u><u>12,400.00</u></u>

City of Summit, N.J.

Analysis of Cash

Parking Utility Capital Fund

Year Ended December 31, 2017

Ord. No.	Improvement Authorizations	Balance Dec. 31, 2016	Receipts		Disbursements	Transfers		Balance Dec. 31, 2017
			Budget Appropriation	Bond Anticipation Note		(From)	To	
Fund Balance		445.55						18,487.95
Capital Improvement Fund		735,763.18	30,000.00			(20,000.00)	18,042.40	745,763.18
Contracts Payable		626,506.87				(36,863.60)	448,324.43	427,120.25
Interfund - Parking Utility Operating		26,083.58			610,847.45			
Reserve for Parking Truck		39,101.60			26,083.58			39,101.60
2651	Improvement of the Parking Garage	234.16				(234.16)		
2659	Improvements Relating to Parking Utility	1,668.66				(1,668.66)		
2713	Various Parking Improvements	1,054.14				(1,054.14)		
2767	Various Parking Improvements	1,835.86				(1,835.86)		
2814	Various Parking Improvements	969.91				(969.91)		
2851	Supplemental Tire Garage Renovations	12,279.67				(12,279.67)		
2874	Various Parking Improvements	11,615.88				(991.69)	10,450.80	21,074.99
2973	Broad Street Garage Rehabilitation	(6,855.49)	5,500.00			(3,644.51)		(5,000.00)
2977	Park & Shop Gated Parking	4,850.43	4,500.00			(3,735.00)		5,615.43
3001	Equipment Purchase	5,232.35				(40,014.63)		(34,782.28)
3058	Various Parking Improvements	121,955.63				(7,055.26)		114,900.37
3078	Broad Street Garage Repairs	80,953.67				(9,741.49)	7,518.00	78,730.18
3086	Parking Various Improvements	125,939.85		1,805,000.00		(61,036.97)	18,894.80	144,834.65
3103	Parking Structure Repairs	(1,014,629.26)				(322,104.88)		729,333.77
3142	Various Parking Improvements	775,006.24	40,000.00	1,805,000.00	636,931.03	(523,230.43)	20,000.00	(302,104.88)
							523,230.43	1,983,075.21
								E,E-5

City of Summit, N.J.

Schedule of Fixed Capital

Parking Utility Capital Fund

Year Ended December 31, 2017

<u>Description</u>	<u>Balance Dec. 31, 2016</u>	<u>Additions</u>	<u>Balance Dec. 31, 2017</u>
Improvement to Parking Facility	460,941.65	1,055,433.77	1,516,375.42
Construction of Chestnut Parking Lot	248,857.17		248,857.17
Supplemental Approp. - Tire Garage Renovations	408,162.27		408,162.27
Acquisition and Installation Meter Management System	74.90		74.90
Tire Parking Garage	70,721.52	762,720.33	833,441.85
Parking Services Pick-up Truck	22,287.89		22,287.89
Various Improvements and Purposes	154,340.25	1,616,056.86	1,770,397.11
	<u>1,365,385.65</u>	<u>3,434,210.96</u>	<u>4,799,596.61</u>
	E	E-9	E

City of Summit, N.J.

Schedule of Fixed Capital Authorized and Uncompleted

Parking Utility Capital Fund

Year Ended December 31, 2017

Ord. No.	Description	Ordinance		Balance, Dec. 31, 2016	Improvement Authorizations				Costs to Fixed Capital	Balance, Dec. 31, 2017
		Date	Amount		Deferred Reserve For Amortization	Deferred Charges to Future Revenue	Cancelled			
2651	Improvement of Parking Garage	4/11/2005	825,000.00	505,336.59			234.16	505,102.43	-	-
2659	Improvements Relating to the Parking Utility	6/21/2005	102,000.00	52,000.00			1,668.66	50,331.34	-	-
2713	Various Parking Improvements	5/16/2006	368,000.00	368,000.00			1,054.14	366,945.86	-	-
2767	Various Parking Improvements	7/17/2007	1,200,000.00	1,200,000.00			1,835.86	1,198,164.14	-	-
2814	Various Parking Improvements	7/29/2008	68,000.00	51,916.77			969.91	50,946.86	-	-
2851	Tire Parking Garage Renovations	4/21/2009	775,000.00	775,000.00			12,279.67	762,720.33	-	-
2874	Various Parking Improvements	11/4/2009	310,000.00	310,000.00				500,000.00	310,000.00	310,000.00
2973	Lighting and Fencing Lot Improvements	5/2/2012	500,000.00	500,000.00					750,000.00	750,000.00
2977	Lighting and Fencing Lot Improvements	6/15/2012	750,000.00	750,000.00					125,000.00	125,000.00
3001	Lighting and Fencing Lot Improvements	12/18/2012	125,000.00	125,000.00					200,000.00	200,000.00
3058	Various Parking Improvements	07/08/2014	200,000.00	200,000.00					500,000.00	500,000.00
3078	Broad Street Garage Repairs	05/12/2015	500,000.00	500,000.00					450,000.00	450,000.00
3086	Parking Various Improvements	06/09/2015	450,000.00	450,000.00					1,900,000.00	1,900,000.00
3103	Parking Structure Repair	04/05/2016	1,900,000.00	1,900,000.00					400,000.00	400,000.00
3142	Various Parking Improvements	6/20/2017	400,000.00		20,000.00	380,000.00				
				7,687,253.36	20,000.00	380,000.00	18,042.40	3,434,210.96	E-8	E
				E	E-15	E-15	E-15			

City of Summit, N.J.

Schedule of Appropriation Reserves

Parking Utility Operating Fund

Year Ended December 31, 2017

	Balance, Dec. 31, 2016	Balance after Transfers	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	83,806.01	83,806.01	25,879.96	57,926.05
Other Expenses	136,109.16	136,109.16	76,985.55	59,123.61
Capital Improvements	50,158.95	50,158.95	45,286.52	4,872.43
Capital Outlay	<u>270,074.12</u>	<u>270,074.12</u>	<u>148,152.03</u>	<u>121,922.09</u>
			E-5	E-1
Unencumbered	E 144,375.28			
Encumbered	E 125,698.84			
	<u>270,074.12</u>			

City of Summit, N.J.

Schedule of Contracts Payable

Parking Utility Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	E	626,506.87
Increased by:		
Improvement Authorizations	E-15	<u>448,324.43</u>
		1,074,831.30
Decreased by:		
Cash Disbursed	E-5	610,847.45
Contracts Payable Cancelled	E-15	<u>36,863.60</u>
		<u>647,711.05</u>
Balance - December 31, 2017	E	<u><u>427,120.25</u></u>

Due From/(To) Parking Utility Operating Fund

Parking Utility Capital Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016		
Due To	E	<u><u>(26,083.58)</u></u>
Decreased by:		
Cash Disbursements	E-5	<u><u>26,083.58</u></u>

City of Summit, N.J.

Schedule of Prepaid Parking Charges

Parking Utility Operating Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	E	99,012.00
Increased by:		
Cash Receipts	E-5	<u>17,383.00</u>
		116,395.00
Decreased by:		
Applied to Parking Rents	E-3	<u>99,012.00</u>
Balance - December 31, 2017	E	<u><u>17,383.00</u></u>

City of Summit, N.J.

Schedule of Due To/From Parking Capital Fund

Parking Utility Operating Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016		
Due From	E	<u>26,083.58</u>
Decreased by:		
Cash Receipt	E-5	<u>26,083.58</u>

City of Summit, N.J.
Schedule of Improvement Authorizations
Parking Utility Capital Fund
Year Ended December 31, 2017

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2016		2017 Authorizations				Contracts Payable Cancelled	Balance Dec. 31, 2017	
		Date	Amount	Funded	Unfunded	Capital Improvement Fund	Cancelled	Deferred Charges to Future Revenue	Contracts Payable		Funded	Unfunded
2651	Improvement of Parking Garage	04/11/2005	825,000.00	234.16	-		234.16					-
2659	Improvements Relating to the Parking Utility	06/21/2005	102,000.00	1,668.66	-		1,668.66					-
2713	Various Parking Improvements	05/16/2006	368,000.00	1,054.14	-		1,054.14					-
2767	Various Parking Improvements	07/17/2007	1,200,000.00	1,835.86	-		1,835.86					-
2814	Various Parking Improvements	07/29/2008	68,000.00	969.91	-		969.91					-
2851	Tire Parking Garage Renovations	04/21/2009	775,000.00	12,279.67	-		12,279.67					-
2874	Various Parking Improvements	11/04/2009	310,000.00	11,615.88	-				991.69	21,074.99		-
2973	Broad Street Garage Rehabilitation	04/03/2012	500,000.00	3,644.51	-				3,644.51			-
2977	Park & Shop Gated Parking	05/15/2012	750,000.00	4,850.43	47,000.00				3,735.00	1,115.43	47,000.00	
3001	Equipment Purchase	12/18/2012	125,000.00	5,232.35	119,000.00				40,014.63		84,217.72	
3058	Various Parking Improvements	07/08/2014	200,000.00	121,955.63	-				7,055.26	114,900.37	-	
3078	Broad Street Garage Repairs	05/12/2015	500,000.00	80,953.67	-				9,741.49	7,518.00	78,730.18	
3086	Parking Various Improvements	06/09/2015	450,000.00	125,939.85	-					18,894.80	144,834.65	
3103	Parking Structure Repairs	04/05/2016	1,900,000.00	790,370.74	-				61,036.97		729,333.77	
3142	Various Parking Improvements	6/20/2017	400,000.00		-			20,000.00	322,104.88		77,895.12	
				161,696.69	1,166,908.77			20,000.00	448,324.43	36,863.60	1,162,011.44	
				E	E			E-9;E-21	E-11	E	E	
								E-9; E-20	E-11			
								E-9;E-24				

City of Summit, N.J.

Schedule of Accrued Interest

Parking Utility Operating Fund

Year Ended December 31, 2017

	<u>Ref.</u>	<u>Total</u>	<u>Bonds</u>	<u>Notes</u>
Balance - December 31, 2016	E	41,655.53	41,655.53	
Adjustments			(18,667.03)	18,667.03
Increased by:				
Transfer				
Budget Appropriations	E-4	75,372.00	75,372.00	18,667.03
		117,027.53	98,360.50	
Decreased by:				
Disbursements	E-5	75,371.64	75,371.64	-
Balance - December 31, 2017	E	41,655.89	22,988.86	18,667.03
Principal Outstanding December 31, 2017				
Serial Bonds Payable				
1,785,000.00	Various	7/15/2017	12/31/2017	169
				-
		22,988.86		22,988.86
Bond Anticipation Notes				
1,805,000.00	2.00%	4/6/2017	12/31/2017	269
		26,605.21	(7,938.18)	18,667.03

City of Summit, N.J.

Schedule of Reserves

Parking Utility Fund

Year Ended December 31, 2017

<u>Description</u>	Balance <u>Dec. 31, 2016</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance <u>Dec. 31, 2017</u>
Reserve for Snow Removal	31,151.02		25,940.00	5,211.02
Reserve for Capital Improvements	474,252.28			474,252.28
Reserve for State of NJ Sales Tax Payable	1,705.07	5,529.92	7,234.99	
Reserve for Debt Service		18,050.00		18,050.00
	<u>507,108.37</u>	<u>23,579.92</u>	<u>33,174.99</u>	<u>497,513.30</u>
	E	E-5	E-5	E

E-18

Schedule of Reserves

Parking Utility Capital Fund

Year Ended December 31, 2017

<u>Description</u>	Balance <u>Dec. 31, 2016</u>	Balance <u>Dec. 31, 2017</u>
Reserve for Parking Truck	<u>39,101.60</u>	<u>39,101.60</u>
	E	E

City of Summit, N.J.
Schedule of Capital Improvement Fund
Parking Utility Capital Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	E	735,763.18
Increased by:		
Budget Appropriation	E-5	30,000.00
		<u>765,763.18</u>
Decreased by:		
Improvement Authorizations	E-21	20,000.00
		<u>745,763.18</u>
Balance - December 31, 2017	E	<u><u>745,763.18</u></u>

E-20

Schedule of Reserve for Amortization
Parking Utility Capital Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	E	2,288,802.42
Increased by:		
Budget Appropriation - Bonds		
And Notes Authorized but Not		
Issued		
Ord. #2973		5,500.00
Ord. #2977		4,500.00
	E-5;E-24	<u>10,000.00</u>
Debt Service Raised in Operating Budget:		
Bonds Payable	E-23	<u>201,000.00</u>
		<u>211,000.00</u>
		<u>2,499,802.42</u>
Decreased by:		
Improvement Authorizations Canceled	E-15	<u>18,042.40</u>
Balance - December 31, 2017	E	<u><u>2,481,760.02</u></u>

City of Summit, N.J.

Schedule of Deferred Reserve for Amortization

Parking Utility Capital Fund

Year Ended December 31, 2017

Ord. No.	Improvement Description	Balance, Dec. 31, 2016	Fixed Capital Authorized	Balance, Dec. 31, 2017
2651	Improvement of Parking Garage	291,136.59		291,136.59
2659	Improvements Relating to Parking Utility	26,600.00		26,600.00
2713	Various Parking Improvements (K Lot wall, Meters)	183,000.00		183,000.00
2767	Various Improvements	378,900.00		378,900.00
2814	Various Parking Improvements	8,600.00		8,600.00
2851	Supplemental Tire Garage Renovations	244,600.00		244,600.00
2874	Various Parking Improvements (Broad Street lighting, Meters)	39,500.00		39,500.00
2973	Broad Street Garage Rehabilitation	70,000.00		70,000.00
2977	Park & Shop Gated Parking	107,500.00		107,500.00
3001	Parking Utility Equipment Purchase	6,000.00		6,000.00
3058	Various Parking Improvements	200,000.00		200,000.00
3078	Broad Street Garage Repairs	24,000.00		24,000.00
3086	Parking Various Improvements	21,500.00		21,500.00
3103	Parking Structure Repairs	95,000.00		95,000.00
		20,000.00		20,000.00
		<u>1,696,336.59</u>	<u>20,000.00</u>	<u>1,716,336.59</u>
		E	E-15; E-19	E

City of Summit, N.J.

Schedule of Bond Anticipation Notes Payable

Parking Utility Capital Fund

Year Ended December 31, 2017

Ord. No.	<u>Improvement Description</u>	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance	
						<u>Increased</u>	<u>Dec. 31, 2017</u>
3103	Parking Structure Repairs	4/6/2017	4/6/2017	4/6/2018	2.00%	<u>1,805,000.00</u>	<u>1,805,000.00</u>
						<u>E-5;E-24</u>	<u>E</u>

City of Summit, N.J.

Schedule of Serial Bonds Payable

Parking Utility Capital Fund

Year Ended December 31, 2017

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2017		Interest Rate	Balance Dec. 31, 2016	Decreased	Balance Dec. 31, 2017		
			Date	Amount						
Parking Bonds of 2014	01/15/2014	2,200,000.00	01/15/18-19	145,000.00	2.00%					
			01/15/20-21	150,000.00	2.00%					
			01/15/22	155,000.00	2.25%					
			01/15/23	160,000.00	2.50%					
			01/15/24	165,000.00	2.50%					
			01/15/25	170,000.00	2.75%					
			01/15/26	175,000.00	3.05%					
			01/15/27	180,000.00	3.05%					
			01/15/28	190,000.00	3.05%	1,925,000.00	140,000.00	1,785,000.00		
Parking Bonds of 2016	4/7/2016	1,161,000.00	03/01/18-20	75,000.00	1.50%					
			03/01/21-23	80,000.00	2.00%					
			03/01/24-25	85,000.00	2.00%					
			03/01/26-28	90,000.00	2.00%					
			03/01/29	95,000.00	2.00%					
			03/01/30	100,000.00	2.00%					
								1,161,000.00	61,000.00	1,100,000.00
								3,086,000.00	201,000.00	2,885,000.00
						E	E			

City of Summit, N.J.

Schedule of Bonds and Notes Authorized But Not Issued

Parking Utility Capital Fund

Year Ended December 31, 2017

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Balance, Dec. 31, 2016</u>	<u>Improvements Authorized</u>	<u>Paid by Operating Budget</u>	<u>Notes Issued</u>	<u>Balance, Dec. 31, 2017</u>
2973	Broad Street Garage Rehabilitation	10,500.00		5,500.00		5,000.00
2977	Park & Shop Gated Parking	47,000.00		4,500.00		42,500.00
3001	Equipment Purchase	119,000.00				119,000.00
3103	Parking Structure Repairs	1,805,000.00	380,000.00		1,805,000.00	
		<u>1,981,500.00</u>	<u>380,000.00</u>	<u>10,000.00</u>	<u>1,805,000.00</u>	<u>380,000.00</u>
		Footnote E	E-15	E-20	E-22	Footnote E

City of Summit, N.J.
Schedule of Cash-Treasurer
Public Assistance Fund
Year Ended December 31, 2017

	<u>Ref.</u>	<u>P.A.T.F.</u> <u>Account #1</u>
Balance - December 31, 2016	F	17,125.32
Increased by Receipts:		
Interest Earned	F-4	<u>141.30</u>
		17,266.62
Decreased by Disbursements:		
Interfund - Current Fund	F-5	<u>141.30</u>
Balance - December 31, 2017	F	<u><u>17,125.32</u></u>

City of Summit, N.J.

Schedule of Cash and Reconciliation

Public Assistance Fund

Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	F-1	17,125.32
Increased by Receipts:		
Cash Receipts Record	F-3	141.30
		<u>17,266.62</u>
Decreased by Disbursements:		
Cash Disbursements Record	F-4	141.30
		<u>141.30</u>
Balance - December 31, 2017	F-1	<u><u>17,125.32</u></u>

Reconciliation - December 31, 2017

P.A.T.F.
Account #1

Balance on Deposit per Statement of:
Investors Bank
Checking

	<u>17,125.32</u>
Balance - December 31, 2017	<u><u>17,125.32</u></u>

City of Summit, N.J.
Schedule of Revenues - Cash Basis
Public Assistance Fund
Year Ended December 31, 2017

	P.A.T.F. <u>Account #1</u>
Interest Earned	<u>141.30</u>
Total Revenues (P.A.T.F.)	<u><u>141.30</u></u>
	F-1;F-6

Schedule of Expenditures - Cash Basis
Public Assistance Fund
Year Ended December 31, 2017

	P.A.T.F. <u>Account #1</u>
Interfund - Current Fund	<u><u>141.30</u></u>
Total Disbursements (P.A.T.F.)	<u><u>141.30</u></u>
	F-1;F-6

City of Summit, N.J.
Schedule of Reserve for Public Assistance

Public Assistance Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Balance - December 31, 2016	F	<u><u>17,125.32</u></u>
Balance - December 31, 2017	F	<u><u>17,125.32</u></u>

Schedule of Interfund Current Fund
Public Assistance Fund
Year Ended December 31, 2017

	<u>Ref.</u>	
Increased by:		
Interest on Investments	F-3	<u><u>141.30</u></u>
Decreased by:		
Disbursements	F-4	<u><u>141.30</u></u>

CITY OF SUMMIT

*** * * * ***

PART II

**REPORT ON INTERNAL CONTROL AND ON COMPLIANCE
AND OTHER MATTERS**

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2017

Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

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INDEPENDENT AUDITOR'S 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

Honorable Mayor and
Members of the Common Council
City of Summit
County of Union, New Jersey

We have audited, 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, the financial statements-regulatory basis of the City of Summit in the County of Union as of and for the year ended December 31, 2017 and the related notes to the financial statements, and have issued our report thereon dated June 21, 2018, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements-regulatory basis, we considered the City of Summit's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements-regulatory basis, but not for the purpose of expressing an opinion on the effectiveness of the City of Summit's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Summit'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Summit's financial statements-regulatory basis 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 did not disclose instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain immaterial instances of noncompliance that we have reported to the management of the City of Summit in the accompanying 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 City of Summit internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Summit internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles J. Ferraioli, C.P.A.
Registered Municipal Accountant
No. 388

Ferraioli, Wielkottz, Cerullo & Cuva, P.A.
FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

Pompton Lakes, New Jersey

June 21, 2018

GENERAL COMMENTS

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

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

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

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

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198 (C.40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. That adjustment shall become effective on July 1 of the year in which it is made."

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

Effective July 1, 2015, the bid threshold in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is \$17,500.00 and with a qualified purchasing agent the threshold may be up to \$40,000.00.

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

GENERAL COMMENTS (continued)

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

The minutes indicated the bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Inasmuch as the system of records did not provide for the accumulation of payments for 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 violation existed. None were noted.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory threshold "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement or where 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 on or before the date when they would become delinquent.

The governing body on January 5, 2017 adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED by the Common Council of the City of Summit:

- 1) That pursuant to N.J.S.A. 54:4-67 (53:3.67 in the 08 audit) the interest rate to be charged on delinquent taxes, Sewer User Charges, and Improvement Assessments for the year 2017 is hereby fixed at 8% up to \$1,500.00 and 18% over \$1,500.00 per annum.
- 2) That an additional 6% penalty be charged for delinquency in excess of \$10,000.00 when same is not paid by the end of the year mentioned above.
- 3) That penalties be charged on tax Sale Certificates as follows:
 - 2% percent on amounts over \$200.00 but not exceeding \$5,000.00
 - 4% percent on amounts over \$5,000.00 but not exceeding \$10,000.00
 - 6% percent on amounts exceeding \$10,000.00
- 4) That the Collector of Taxes and Collector of Sewer Use Charges be authorized and directed to provide that no interest calendar day following the date upon which the same became payable. The interest is to be calculated from the date the tax was payable until the date of the actual payment.

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

GENERAL COMMENTS (continued)

FORECLOSED PROPERTY

The last tax sale was held on October 27, 2017 and was complete.

Inspection of tax sale certificates revealed that all tax sale certificates were available for audit.

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

<u>Year</u>	<u>Number of Liens</u>
2017	-0-
2016	-0-
2015	-0-

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices. In addition, we used analytical review procedures to satisfy the validity of the receivables.

The result of the test, which was made as of December 31, 2017, is not yet known but a separate report will be rendered if any irregularities develop.

OTHER COMMENTS

Finance

1. There were multiple instances where purchase orders were not properly encumbered.

Management Response:

All City departments are required to submit written explanations for all purchase orders that were not properly encumbered.

2. There are many instances of open purchase orders at year end that should be adjusted or cancelled.

Management Response:

Open purchase orders will be periodically reviewed for adjustments and/or cancellation.

3. In one instance, quotes from a purchase should have been obtained, but were not.

Management Response:

The City now has a full-time QPA who reviews all purchase orders for compliance with State requirements.

OTHER COMMENTS (continued)

Finance (continued)

4. One individual received both a 1099 and a W-2.

Management Response:

Greater care will be taken to ensure all employees are paid through payroll only.

5. Police Confidential Trust Funds did not have an approved budget rider.

Management Response:

The CFO will file for the appropriate rider.

RECOMMENDATIONS

1. That all purchase orders be encumbered as appropriate.
2. That open purchase orders be adjusted or cancelled at year end.
3. That quotes be obtained for all purchases over the threshold.
4. That employees are only paid through proper payroll processing.
5. That all trust funds have approved budget riders.

STATUS OF PRIOR YEARS AUDIT RECOMMENDATIONS

A review was performed on all prior year's recommendations and corrective action was taken on all except for the following:

1. That all purchase orders be encumbered as appropriate.
2. That open purchase orders be adjusted or cancelled at year end.

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

Very truly yours,



Charles J. Ferraioli, Jr., C.P.A.
Registered Municipal Accountant
No. 388

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FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
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