

Report of Audit
on the
Financial Statements
of the
City of Plainfield
in the
County of Union
New Jersey
for the
Year Ended
December 31, 2017

CITY OF PLAINFIELD

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CITY OF PLAINFIELD

INDEPENDENT AUDITOR'S REPORT ON
AUDIT OF FINANCIAL STATEMENTS

FINANCIAL STATEMENTS – REGULATORY BASIS

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS

YEARS ENDED DECEMBER 31, 2017 AND 2016



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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the City Council
City of Plainfield
County of Union
Plainfield, New Jersey 07061

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the City of Plainfield, 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 individual funds for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's regulatory 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 regulatory 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 regulatory 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 audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and State of New Jersey OMB Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and provisions 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 regulatory 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 City'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 City'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 regulatory 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 regulatory financial statements, the regulatory financial statements are prepared by the City of Plainfield 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 the various individual funds and account group of the City of Plainfield as of December 31, 2017 and 2016, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2017.

Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2017 and 2016, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance 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 Plainfield's regulatory financial statements. The supplementary information and data listed in the table of contents as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and schedule of expenditures of federal awards, as required by the Uniform Guidance and the schedule of expenditures of state financial assistance as required by New Jersey OMB 15-08 are presented for purposes of additional analysis and are not a required part of the regulatory financial statements.

The supplemental information and schedules listed above and also listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory 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 and data in the table of contents, schedule of expenditures of federal awards, as required by the Uniform Guidance and the schedule of expenditures of state financial assistance as required by New Jersey OMB 15-08 are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2018 on our consideration of the City of Plainfield'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 Plainfield's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 439

September 11, 2018

CURRENT FUND

CITY OF PLAINFIELD

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2017</u>	<u>BALANCE DECEMBER 31, 2016</u>
<u>ASSETS</u>			
Cash	A-4	\$ 18,577,568.60	\$ 15,830,460.11
Change Fund	A-6	800.00	800.00
Petty Cash	A-5	125.00	
State Aid Receivable	A-23	1,056.25	1,881.25
Due State of New Jersey - Senior Citizens and Veterans	A-7	281,233.23	290,459.08
		<u>\$ 18,860,783.08</u>	<u>\$ 16,123,600.44</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$ 2,642,263.86	\$ 2,220,134.31
Tax Title Liens Receivable	A-9	344,755.22	483,729.19
SID Taxes Receivable	A-19	8,317.67	4,574.92
Foreclosed Property	A-15	2,068,500.00	2,310,300.00
Revenue Accounts Receivable	A-13	97,583.44	105,037.45
Interfunds Receivable	A-12	1,511,890.35	483,936.06
Prepaid SID Tax	A-26		78,369.49
Prepaid School Tax	A-24		2,000,000.00
	A	<u>\$ 6,673,310.54</u>	<u>\$ 7,686,081.42</u>
	A	<u>\$ 25,534,093.62</u>	<u>\$ 23,809,681.86</u>
Grant Fund:			
Cash	A-4	\$ 3,589,580.80	\$ 3,497,226.27
Grants Receivable	A-20	<u>7,839,918.78</u>	<u>5,644,150.82</u>
	A	<u>\$ 11,429,499.58</u>	<u>\$ 9,141,377.09</u>
	A	<u>\$ 36,963,593.20</u>	<u>\$ 32,951,058.95</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2017</u>	<u>BALANCE DECEMBER 31, 2016</u>
Appropriation Reserves	A-3:A-14	\$ 3,447,780.75	\$ 3,775,239.63
Accounts Payable	A-18	539,893.10	509,122.69
Encumbrances Payable	A-11	1,885,454.52	954,312.42
Contracts Payable	A-27	5,400.00	
Prepaid Taxes	A-17	1,825,467.51	601,786.50
Tax Overpayments	A-16	168,957.80	66,489.22
Miscellaneous Current Reserves	A-26	861,758.19	992,102.75
County Taxes Payable	A-25	31,865.72	50,352.35
		<u>\$ 8,766,577.59</u>	<u>\$ 6,949,405.56</u>
Reserve for Receivables and Other Assets	A	6,673,310.54	7,686,081.42
Fund Balance	A-1	<u>10,094,205.49</u>	<u>9,174,194.88</u>
	A	<u>\$ 25,534,093.62</u>	<u>\$ 23,809,681.86</u>
Grant Fund:			
Reserve for Grants - Unappropriated	A-22	\$ 3,190,358.71	\$ 3,196,451.14
Reserve for Grants - Appropriated	A-21	6,823,394.53	5,492,048.48
Interfunds Payable	A-10	<u>1,415,746.34</u>	<u>452,877.47</u>
	A	<u>\$ 11,429,499.58</u>	<u>\$ 9,141,377.09</u>
	A	<u>\$ 36,963,593.20</u>	<u>\$ 32,951,058.95</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF PLAINFIELDCURRENT FUNDSTATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS

			YEAR ENDED DECEMBER 31, 2017	YEAR ENDED DECEMBER 31, 2016
	<u>REF.</u>			
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	A-1:A-2	\$	6,423,030.00	\$ 5,935,029.16
Miscellaneous Revenue Anticipated	A-2		21,943,973.53	18,435,176.69
Receipts From Delinquent Taxes	A-2		2,276,536.97	2,282,253.15
Receipts From Current Taxes	A-2		94,041,536.03	92,723,194.84
Non-Budget Revenue	A-2		966,350.89	713,631.77
Other Credits to Income:				
Interfunds Returned				714,653.18
Unexpended Balance of Appropriation Reserves	A-14		3,479,434.95	2,215,798.08
Canceled Grant Reserves	A-21		854,322.38	11,236.00
Canceled Miscellaneous Reserves				1,325.00
Receivables Realized			2,078,369.49	
Accounts Payable Canceled				957,091.11
<u>TOTAL REVENUE AND OTHER INCOME</u>		\$	<u>132,063,554.24</u>	\$ <u>123,989,388.98</u>
<u>EXPENDITURES</u>				
Budget and Emergency Appropriations:				
Operations Within "CAPS"	A-3	\$	61,883,872.00	\$ 59,740,070.00
Deferred Charges and Statutory Expenditures - Municipal	A-3		8,976,789.17	8,997,121.98
Other Operations Excluded From "CAPS"	A-3		1,868,118.00	2,010,756.00
State and Federal Programs Off-Set by Revenue	A-3		5,355,581.72	2,802,305.67
Municipal Debt Service	A-3		3,613,912.64	3,711,817.80
Capital Improvements	A-3		460,000.00	140,000.00
County Tax	A-25		15,106,608.73	14,743,624.24
County Share of Added Taxes	A-25		31,865.72	50,352.35
Local District School Tax	A-24		25,153,129.00	24,741,269.00
Municipal Open Space Tax	A-8		242,837.00	244,047.43
Canceled Grants Receivable	A-20		1,020,883.89	6,500.00
Canceled Accounts Receivable	A-26		77,762.17	10,998.42
Accounts Receivable			4,779.62	
Refund of Prior Year Revenue			49,819.68	138,209.50
Prepaid SID Tax				71,065.20
Interfunds Advanced			874,554.29	
<u>TOTAL EXPENDITURES</u>		\$	<u>124,720,513.63</u>	\$ <u>117,408,137.59</u>
Excess in Revenue		\$	7,343,040.61	\$ 6,581,251.39
Fund Balance, January 1	A	\$	<u>9,174,194.88</u>	\$ <u>8,527,972.65</u>
		\$	16,517,235.49	\$ 15,109,224.04
Decreased by:				
Utilization as Anticipated Revenue	A-1:A-2		<u>6,423,030.00</u>	<u>5,935,029.16</u>
Fund Balance, December 31	A	\$	<u><u>10,094,205.49</u></u>	\$ <u><u>9,174,194.88</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2017

	REF.	ANTICIPATED BUDGET	NJS 40A: 4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	A-1	\$ 6,423,030.00		\$ 6,423,030.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-13	\$ 68,000.00	\$	\$ 71,360.00	\$ 3,360.00
Other	A-2	115,000.00		120,194.80	5,194.80
Fees and Permits:					
Other	A-2	620,000.00		566,193.83	(53,806.17)
Municipal Court:					
Fines and Costs	A-13	1,024,000.00		1,226,651.27	202,651.27
Interest and Costs on Taxes	A-13	598,500.00		604,198.07	5,698.07
Parking Meters and Permits	A-13	498,500.00		555,599.05	57,099.05
Interest on Investments and Deposits	A-13	95,000.00		311,260.23	216,260.23
Cable TV Franchise Fees	A-13	500,000.00		501,578.13	1,578.13
PILOT:					
Presbyterian Homes	A-13	170,000.00		179,147.70	9,147.70
Cedarbrook Apartments	A-13	235,700.00		253,386.47	17,686.47
Liberty Village	A-13	130,000.00		142,798.93	12,798.93
Leland Gardens	A-13	273,000.00		280,975.05	7,975.05
Covenant House	A-13	34,000.00		40,469.15	6,469.15
Horizon at Plainfield	A-13	67,500.00		90,913.13	23,413.13
Park Madison	A-13	385,000.00		386,494.80	1,494.80
Park Madison - Other	A-13	61,000.00		70,269.01	9,269.01
Allen Young Apartments	A-13	178,000.00		185,796.30	7,796.30
Planning Fees	A-13	60,000.00		55,903.04	(4,096.96)
Recreation Fees	A-13	30,000.00		30,841.57	841.57
P.M.U.A. Revenue Sharing	A-13	1,685,000.00		1,697,955.00	12,955.00
Certificate of Compliance	A-13	70,000.00		79,970.00	9,970.00
Consolidated Municipal Property Tax Relief Aid	A-2	1,874,351.00		1,874,351.02	0.02
Energy Receipts Tax	A-13	5,903,648.00		5,903,648.00	
Uniform Construction Code Fees	A-13	572,000.00		925,282.00	353,282.00
Services Provided To Federal & State Projects-Fringe	A-13	200,000.00		184,278.26	(15,721.74)
Capital Surplus	A-13	155,557.00		155,557.00	
Sale of Municipal Assets	A-26	205,000.00		205,000.00	
Grant Programs	A-2	2,542,922.80	2,700,978.92	5,243,901.72	
Total Miscellaneous Revenues	A-1	\$ 18,351,678.80	\$ 2,700,978.92	\$ 21,943,973.53	\$ 891,315.81
Receipts From Delinquent Taxes	A-2	\$ 2,200,000.00		\$ 2,276,536.97	\$ 76,536.97
Amt. to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2:A-8	\$ 56,451,613.77		\$ 57,471,568.06	\$ 1,019,954.29
BUDGET TOTALS		\$ 83,426,322.57	\$ 2,700,978.92	\$ 88,115,108.56	\$ 4,688,785.99
Non-Budget Revenues	A-2			\$ 966,350.89	\$ 966,350.89
		\$ 83,426,322.57	\$ 2,700,978.92	\$ 89,081,459.45	\$ 5,655,136.88
	REF.	A-3	A-3		

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2017

REF.

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:		
Revenue From Collections	A-1:A-8	\$ 94,041,536.03
Allocated To:		
County Taxes	A-8	15,138,474.45
Local District School Taxes	A-8	25,153,129.00
Municipal Open Space	A-4:A-8	<u>242,837.00</u>
Balance for Support of Municipal Budget Appropriations		\$ 53,507,095.58
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>3,964,472.48</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 57,471,568.06</u>
Licenses - Other:		
Clerk	A-13	\$ 18,520.00
Board of Health	A-13	100,492.80
Registrar	A-13	<u>1,182.00</u>
	A-2	<u>\$ 120,194.80</u>
Other - Fees and Permits:		
Clerk	A-13	\$ 4,778.00
Planning	A-13	78,850.25
Vital Statistics	A-13	93,430.00
Fire	A-13	34,050.00
Police	A-13	21,294.15
Construction Code Official	A-13	68,000.00
Community Development	A-13	221,500.00
Engineer	A-13	41,200.00
Recreation	A-13	2,491.43
Other	A-13	<u>600.00</u>
	A-2	<u>\$ 566,193.83</u>
Receipts from Delinquent Taxes:		
Collections		\$ 2,294,036.97
Deductions Allowed		<u>250.00</u>
		\$ 2,294,286.97
Less: Deductions Disallowed		<u>17,750.00</u>
	A-2:A-1	<u>\$ 2,276,536.97</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2017

	<u>REF.</u>	
Consolidated Municipal Property Tax Relief Aid	A-13	\$ 1,873,294.77
Add: State Aid Receivable - bond interest paid by state	A-23	<u>1,056.25</u>
	A-2	<u>1,874,351.02</u>

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
Uniform Fire Safety- LEA Rebates		\$ 68,530.68
Housing Authority PILOT		26,074.00
South Second Street Redevelopment- PILOT		28,724.48
Administrative Fee for Outside Police Overtime		86,270.28
Senior Citizens and Veterans Administration Fee		3,693.22
City Clerk		33,079.00
Rent of Municipal Property		6,000.00
Sale of Surplus Equipment and Vehicles		28,688.57
DMV Inspection Fines		13,614.75
Municipal ID Cards		32,245.00
Miscellaneous		67,163.37
Canceled Reserve- Lien Redemption and Premiums		57,511.43
Tax Collector- Other		19,864.80
Property Maintenance Liens/Costs		110,639.48
Lien Redemption Costs		137,894.74
Tax Premiums Forfeited/Foreclosed		
Reimbursement of PY Costs		<u>245,010.89</u>
	A-4	\$ 965,004.69
Add: Excess Reserve in Animal Control	A-12	<u>1,346.20</u>
<u>Total Non-Budget Revenue</u>	A-1:A-2	<u>\$ 966,350.89</u>

CITY OF PLAINFIELD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2017

	APPROPRIATIONS		EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED
<u>GENERAL GOVERNMENT</u>					
City Administrator:					
Salaries and Wages	\$ 212,900.00	\$ 212,900.00	\$ 212,847.28	\$ 52.72	\$
Other Expenses	27,500.00	27,500.00	12,372.00	15,128.00	
Office of the Mayor:					
Salaries and Wages	214,800.00	214,800.00	214,755.72	44.28	
Other Expenses	31,500.00	31,500.00	21,034.68	10,465.32	
City Council:					
Salaries and Wages	70,000.00	73,000.00	71,633.53	1,366.47	
Other Expenses	31,300.00	37,300.00	37,145.83	154.17	
Deputy City Administrator:					
Salaries and Wages	187,747.00	187,747.00	183,503.60	4,243.40	
Other Expenses	100,000.00	100,000.00	28,569.23	71,430.77	
Corporation Counsel:					
Salaries and Wages	238,127.00	238,127.00	236,127.32	1,999.68	
Other Expenses	605,400.00	636,400.00	602,305.05	34,094.95	
City Clerk:					
Salaries and Wages	361,235.00	361,235.00	352,726.31	8,508.69	
Other Expenses	76,925.00	76,925.00	73,299.42	3,625.58	
<u>DEPARTMENT OF ADMINISTRATION AND FINANCE</u>					
Director:					
Salaries and Wages	350,753.00	351,753.00	351,676.59	76.41	
Other Expenses	78,500.00	78,500.00	70,759.58	7,740.42	
Personnel:					
Salaries and Wages	318,433.00	318,433.00	284,449.38	33,983.62	
Other Expenses	63,900.00	63,900.00	33,847.94	30,052.06	
Purchasing:					
Salaries and Wages	198,230.00	198,230.00	179,124.34	19,105.66	
Other Expenses	5,845.00	5,845.00	982.90	4,862.10	
Administrative Services:					
Other Expenses	200,000.00	200,000.00	162,997.65	37,002.35	
Comptroller					
Salaries and Wages	545,733.00	545,733.00	490,440.86	55,292.14	
Other Expenses	108,150.00	108,150.00	56,302.01	51,847.99	
Audit	125,000.00	125,000.00	105,165.00	19,835.00	
Tax Collector:					
Salaries and Wages	317,450.00	317,450.00	316,654.96	795.04	
Other Expenses	38,450.00	38,450.00	34,144.93	4,305.07	
Tax Assessor:					
Salaries and Wages	229,780.00	229,780.00	229,779.99	0.01	
Other Expenses	29,950.00	29,950.00	28,361.62	1,588.38	
Community Relations and Social Services:					
Salaries and Wages	191,824.00	191,824.00	162,582.61	29,241.39	
Other Expenses	16,500.00	16,500.00	10,862.36	5,637.64	
Senior Citizens:					
Salaries and Wages	458,728.00	458,728.00	430,839.72	27,888.28	
Other Expenses	108,520.00	108,520.00	108,482.40	37.60	
Media:					
Salaries and Wages	152,972.00	152,972.00	137,345.28	15,626.72	
Other Expenses	51,200.00	51,200.00	26,760.76	24,439.24	
Information Technology:					
Salaries and Wages	281,605.00	281,605.00	273,278.98	8,326.02	
Other Expenses	306,286.00	306,286.00	298,605.76	7,680.24	
Health and Social Services:					
Salaries and Wages	610,457.00	595,457.00	570,616.41	24,840.59	
Other Expenses	141,626.00	141,626.00	80,184.84	61,441.16	
Animal Control Services:					
Other Expenses	123,390.00	123,390.00	121,890.00	1,500.00	
<u>DEPARTMENT OF PUBLIC WORKS</u>					
Director:					
Salaries and Wages	191,871.00	192,071.00	191,910.39	160.61	
Other Expenses	9,500.00	9,500.00	5,576.22	3,923.78	
Engineering:					
Salaries and Wages	128,101.00	128,101.00	103,363.29	24,737.71	
Other Expenses	169,650.00	169,650.00	122,518.23	47,131.77	
Public Works:					
Salaries and Wages	2,891,871.00	2,787,871.00	2,641,824.96	146,046.02	
Other Expenses	419,100.00	523,100.00	522,388.57	711.43	
Solid Waste Management:					
Other Expenses	1,200,000.00	1,200,000.00	1,200,000.00		
Snow Removal:					
Other Expenses	130,000.00	130,000.00	77,630.00	52,370.00	

The accompanying Notes to the Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2017

	APPROPRIATIONS		EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED
DEPARTMENT OF PUBLIC WORKS (CONTINUED)					
Planning:					
Salaries and Wages	\$ 323,753.00	\$ 323,753.00	\$ 311,372.85	\$ 12,380.15	\$
Other Expenses	79,700.00	79,700.00	73,598.96	6,101.04	
Planning Board:					
Salaries and Wages	3,000.00	3,000.00	3,000.00		
Other Expenses	26,300.00	26,300.00	26,196.21	103.79	
Board of Adjustment:					
Salaries and Wages	2,100.00	2,100.00	2,100.00		
Other Expenses	12,800.00	12,800.00	9,788.71	3,011.29	
Recreation:					
Salaries and Wages	273,524.00	241,224.00	237,016.01	4,207.99	
Other Expenses	154,200.00	154,200.00	142,378.42	11,821.58	
Seasonal Employees - Salaries and Wages	363,700.00	398,700.00	366,885.11	31,814.89	
Summer Pool Program:					
Salaries and Wages	75,000.00	75,000.00	72,701.25	2,298.75	
Other Expenses	38,000.00	38,000.00	38,000.00		
DEPARTMENT OF PUBLIC AFFAIRS AND SAFETY					
Auxiliary Police:					
Other Expenses	3,000.00	3,000.00		3,000.00	
Director of Public Affairs & Safety:					
Salaries and Wages	198,662.00	198,662.00	193,661.00	5,001.00	
Other Expenses	51,350.00	51,350.00	50,896.90	453.10	
School Crossing Guards:					
Salaries and Wages	250,000.00	275,000.00	269,749.90	5,250.10	
Other Expenses	3,500.00	3,500.00	1,198.75	2,301.25	
Police:					
Salaries and Wages	13,845,500.00	13,802,500.00	13,366,485.58	436,014.42	
Other Expenses	958,000.00	958,000.00	921,425.73	36,574.27	
Fire:					
Salaries and Wages	9,934,365.00	9,934,365.00	9,532,288.47	402,076.53	
Other Expenses	438,905.00	438,905.00	422,045.85	16,859.15	
Salaries and Wages - Emergency Management	5,000.00	5,000.00		5,000.00	
Other Expenses - Emergency Management	15,500.00	15,500.00	12,342.00	3,158.00	
Signal Systems:					
Salaries and Wages	198,529.00	198,529.00	197,343.98	1,185.02	
Other Expenses	35,500.00	35,500.00	34,835.99	664.01	
COMMUNITY PURPOSES					
Central Board of Veterans	1,000.00	1,000.00		1,000.00	
Independence Day	54,000.00	54,000.00	51,652.60	2,347.40	
Historic Preservation:					
Salaries and Wages	1,800.00	1,800.00	1,800.00		
Other Expenses	19,550.00	19,550.00	18,076.61	1,473.39	
Drake House Museum	13,650.00	13,650.00	13,650.00		
Cultural and Heritage	27,500.00	27,500.00	22,876.00	4,624.00	
Beautification Committee	500.00	500.00		500.00	
Youth Guidance Council	39,000.00	39,000.00	18,865.00	20,135.00	
Shade Tree Commission	30,600.00	30,600.00	21,865.96	8,734.04	
National Night Out	5,000.00	5,000.00	1,899.91	3,100.09	
Human Relations Commission	5,000.00	5,000.00	4,954.04	45.96	
Municipal Court:					
Salaries and Wages	846,650.00	812,650.00	784,401.89	28,248.11	
Other Expenses	71,214.00	71,214.00	68,522.10	2,691.90	
Public Defender:					
Salaries and Wages	56,000.00	68,000.00	67,137.23	862.77	
Insurance:					
Health Insurance	13,091,190.00	13,087,190.00	12,557,959.17	529,230.83	
Workers' Compensation Insurance	1,100,000.00	1,300,000.00	1,300,000.00		
Employee Group Insurance	2,600,000.00	2,400,000.00	2,181,195.80	218,804.20	
Payment for Health Insurance Opt Out	160,000.00	163,000.00	161,005.52	1,994.48	
Community Development:					
Salaries and Wages	218,740.00	218,740.00	202,247.99	16,492.01	
Other Expenses	62,500.00	62,500.00	38,427.10	24,072.90	
Environmental Commission:					
Other Expenses	1,000.00	1,000.00		1,000.00	
Building Demolition:					
Other Expenses	100,000.00	81,100.00	14,325.00	66,775.00	
UNIFORM CONSTRUCTION CODE APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)					
Construction Code Official:					
Salaries and Wages	1,167,731.00	1,167,731.00	1,012,886.92	154,844.08	
Other Expenses	15,550.00	15,550.00	15,303.62	246.38	

The accompanying Notes to the Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2017

	APPROPRIATIONS		EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED
<u>UNCLASSIFIED</u>					
Utilities:					
Street Lighting	\$ 535,000.00	\$ 535,000.00	\$ 535,000.00	\$	
Telephone	350,000.00	325,000.00	250,332.83	74,667.17	
Gasoline	170,000.00	170,000.00	140,883.65	29,116.35	
Electricity and Gas	525,000.00	525,000.00	495,303.84	29,696.16	
Fuel Oil	135,000.00	135,000.00	101,598.68	33,401.32	
Water Account	530,000.00	530,000.00	494,080.46	35,919.54	
City Summer Employment - Salaries and Wages	275,000.00	275,000.00	219,253.69	55,746.31	
WIC Program - Other Expenses	6,000.00	6,000.00	1,264.77	4,735.23	
Contribution to Accumulated Absences	75,000.00	75,000.00	21,021.52	53,978.48	
Salary Adjustments	25,000.00				
<u>TOTAL OPERATIONS WITHIN "CAPS"</u>	<u>\$ 61,954,872.00</u>	<u>\$ 61,873,872.00</u>	<u>\$ 58,580,772.09</u>	<u>\$ 3,293,099.91</u>	<u>\$</u>
<u>CONTINGENT</u>	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>	<u>\$</u>	<u>\$ 10,000.00</u>	<u>\$</u>
TOTAL OPERATIONS INCLUDING CONTINGENT- WITHIN "CAPS"	\$ 61,964,872.00	\$ 61,883,872.00	\$ 58,580,772.09	\$ 3,303,099.91	\$
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL WITHIN "CAPS"</u>					
Deferred Charges:					
Emergency Authorizations:					
Deficit - Sewer Utility Budget	\$ 58,281.25	\$ 58,281.25	\$ 58,273.13	\$ 0.00	\$ 8.12
Halsey Settlement	341,300.00	341,300.00	341,300.00		
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	1,500,000.00	1,500,000.00	1,448,273.00	51,727.00	
Consolidated Police and Firemen's Pension Fund	5,000.00	5,000.00	3,375.74	1,824.26	
Unemployment Insurance	5,000.00	5,000.00		5,000.00	
Police and Firemen's Retirement System	5,459,360.04	5,459,360.04	5,459,360.04		
Public Employees Retirement System	1,531,856.00	1,557,856.00	1,557,746.29	109.71	
Defined Contribution Retirement System	20,000.00	50,000.00	42,800.19	7,199.81	
<u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL WITHIN "CAPS"</u>	<u>\$ 8,920,797.29</u>	<u>\$ 8,976,797.29</u>	<u>\$ 8,911,128.39</u>	<u>\$ 65,660.78</u>	<u>\$ 8.12</u>
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES-WITHIN "CAPS"</u>	<u>\$ 70,885,669.29</u>	<u>\$ 70,860,669.29</u>	<u>\$ 67,491,900.48</u>	<u>\$ 3,368,760.69</u>	<u>\$ 8.12</u>
<u>OTHER OPERATIONS-EXCLUDED FROM "CAPS"</u>					
Maintenance of Free Public Library	\$ 1,868,118.00	\$ 1,868,118.00	\$ 1,832,095.06	\$ 36,022.94	\$
<u>TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"</u>	<u>\$ 1,868,118.00</u>	<u>\$ 1,868,118.00</u>	<u>\$ 1,832,095.06</u>	<u>\$ 36,022.94</u>	<u>\$</u>
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>					
Senior Citizens Service Program (SCSP)	88,547.00	88,547.00	88,547.00		
Senior Citizens Service Program (SCSP)-Match	29,517.00	29,517.00	29,517.00		
NJ DOT Municipal Aid (N.J.S.A. 40A 4-87+ \$299,357.00		299,357.00	299,357.00		
NJ DOT Third Street	272,500.00	272,500.00	272,500.00		
Kids Recreation Trust Program (N.J.S.A. 40A 4-87+ \$50,000.00)	85,000.00	135,000.00	135,000.00		
Arts Grant	2,200.00	2,200.00	2,200.00		
HEART Grant (N.J.S.A. 40A 4-87+ \$2,500.00)		2,500.00	2,500.00		
Greening Grant (N.J.S.A. 40A 4-87+ \$9,700.00)		9,700.00	9,700.00		
Shelter, Housing, Transportation Program (SHTP)	19,470.00	19,470.00	19,470.00		
Shelter, Housing, Transportation Program (SHTP)- Match	2,163.00	2,163.00	2,163.00		
State of NJ Body Armor Replacement (N.J.S.A. 40A 4-87+ \$10,543.14)		10,543.14	10,543.14		
Clean Communities Program (N.J.S.A. 40A 4-87+ \$72,824.16)		72,824.16	72,824.16		
Recycling Tonnage Grant	43,646.60	43,646.60	43,646.60		
Community Services Block Grant (CSBG) (N.J.S.A. 40A 4-87+ \$134,083.48)	73,200.00	207,283.48	207,283.48		
Woman, Infant, Children Grant (WIC) (N.J.S.A. 40A 4-87+ \$747,963.00)		747,963.00	747,963.00		
UEZ Market Plan	60,000.00	60,000.00	60,000.00		
Childhood Lead (N.J.S.A. 40A 4-87+ \$19,000.00)	20,000.00	39,000.00	39,000.00		
Municipal Alliance Grant (N.J.S.A. 40A 4-87+ \$33,379.00)		33,379.00	33,379.00		
Municipal Alliance Grant - Match (N.J.S.A. 40A 4-87+ \$8,345.00)		8,345.00	8,345.00		
Union County Municipal Aid Grant (N.J.S.A. 40A 4-87+ \$100,000.00)		100,000.00	100,000.00		
Federal Bulletproof Vest Partnership (N.J.S.A. 40A 4-87+ \$10,543.14)		10,543.14	10,543.14		
Union County Senior Focus (N.J.S.A. 40A 4-87+ \$25,000.00)		25,000.00	25,000.00		
Comcast PEG Technology Grant (N.J.S.A. 40A 4-87+ \$5,000.00)		5,000.00	5,000.00		
Click It or Ticket	5,500.00	5,500.00	5,500.00		
Union County GAP Funding (N.J.S.A. 40A 4-87+ \$14,000.00)		14,000.00	14,000.00		
State of NJ Shelter Support Grant	398,080.00	398,080.00	398,080.00		
State of NJ Shelter Support Grant - Match	39,808.00	39,808.00	39,808.00		
HDSRF - Lee Place	100.00	100.00	100.00		
NJEDA - Arlington Heights	26,543.00	26,543.00	26,543.00		
HDSRF Grant #P43439	122,641.00	122,641.00	122,641.00		
Edward Byrne Justice Assistance 2014	42,047.10	42,047.10	42,047.10		
Edward Byrne Justice Assistance 2015	36,108.90	36,108.90	36,108.90		
Edward Byrne Justice Assistance 2016	36,655.20	36,655.20	36,655.20		

The accompanying Notes to the Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2017

	APPROPRIATIONS		EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>					
Safe Routes to School Program	\$ 304,000.00	\$ 304,000.00	\$ 304,000.00	\$	\$
P.A.S. United Way	65,555.00	65,555.00	65,555.00		
Green Acres Grant (N.J.S.A. 40A 4-87+ \$1,100,000.00)		1,100,000.00	1,100,000.00		
Health Officers Grant (N.J.S.A. 40A 4-87+ \$2,320.00)		2,320.00	2,320.00		
FEMA Firefighters Grant (N.J.S.A. 40A 4-87+ \$64,766.00)		64,766.00	64,766.00		
FEMA Firefighters Grant- City Match (N.J.S.A. 40A 4-87+ \$6,476.00)		6,476.00	6,476.00		
HDSRF Grant #P43437	841,129.00	841,129.00	841,129.00		
Matching Funds for Grants	40,192.00	25,371.00		25,371.00	
TOTAL PUBLIC AND PRVATE PROGRAMS OFFSET BY REVENUES	\$ 2,654,602.80	\$ 5,355,581.72	\$ 5,330,210.72	\$ 25,371.00	\$
TOTAL OPERATIONS - EXCLUDE FROM "CAPS"	\$ 4,522,720.80	\$ 7,223,699.72	\$ 7,162,305.78	\$ 61,393.94	\$
<u>CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"</u>					
Technology Acquisition	\$ 60,000.00	\$ 85,000.00	\$ 81,672.32	\$ 3,327.68	\$
911 Acquisition	375,000.00	375,000.00	360,701.56	14,298.44	
TOTAL CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"	\$ 435,000.00	\$ 460,000.00	\$ 442,373.88	\$ 17,626.12	\$
<u>MUNICIPAL DEBT SERVICE- EXCLUDED FROM "CAPS"</u>					
Payment of Bond Principal	\$ 1,890,000.00	\$ 1,890,000.00	\$ 1,890,000.00	\$	\$
Interest on Bonds	523,600.00	523,600.00	523,600.00		
Payment on Bond and Capital Notes	770,000.00	770,000.00	770,000.00		
Interest on Notes	329,565.00	329,565.00	328,649.53		915.47
Loan Repayments for Principal & Interest	44,000.00	44,000.00	40,371.74		3,628.26
Green Acres Principal and Interest	55,045.00	55,045.00	55,041.37		3.63
Demolition Loan	6,250.00	6,250.00	6,250.00		
TOTAL MUNICIPAL DEBT SERVICE- EXCLUDED FROM "CAPS"	\$ 3,618,460.00	\$ 3,618,460.00	\$ 3,613,912.64	\$	\$ 4,547.36
<u>TOTAL GENERAL APPROPRIATIONS- EXCLUDED FROM "CAPS"</u>					
	\$ 8,576,180.80	\$ 11,302,159.72	\$ 11,218,592.30	\$ 79,020.06	\$ 4,547.36
SUBTOTAL GENERAL APPROPRIATIONS	\$ 79,461,850.09	\$ 82,162,829.01	\$ 78,710,492.78	\$ 3,447,780.75	\$ 4,555.48
RESERVE FOR UNCOLLECTED TAXES	3,964,472.48	3,964,472.48	3,964,472.48		
<u>TOTAL GENERAL APPROPRIATIONS</u>	<u>\$ 83,426,322.57</u>	<u>\$ 86,127,301.49</u>	<u>\$ 82,674,965.26</u>	<u>\$ 3,447,780.75</u>	<u>\$ 4,555.48</u>
REF.	A-2		A-1	A:A-1	
Adopted Budget	A-2	\$ 83,426,322.57			
Appropriation by 40A:4-87	A-2	2,700,978.92			
		<u>\$ 86,127,301.49</u>			
Reserve for Grants Appropriated	A-21		\$ 5,243,901.72		
Encumbrances Payable	A-11		1,885,454.52		
Contracts Payable	A-27		5,400.00		
Reserve for Uncollected Taxes	A-2		3,964,472.48		
Disbursements	A-4		73,634,720.60		
			<u>\$ 84,733,949.32</u>		
Less: Refunds	A-4		2,058,984.06		
			<u>\$ 82,674,965.26</u>		

The accompanying Notes to the Financial Statements are an integral part of this statement.

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TRUST FUND

CITY OF PLAINFIELDTRUST FUNDBALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2017</u>	<u>BALANCE DECEMBER 31, 2016</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	B-1	\$ <u>9,788.20</u>	\$ <u>9,511.10</u>
Other Funds:			
Cash	B-1	\$ <u>8,725,580.29</u>	\$ <u>10,525,029.74</u>
		\$ <u><u>8,735,368.49</u></u>	\$ <u><u>10,534,540.84</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Due to State of New Jersey	B-2	\$ 34.20	\$ 407.20
Due Current Fund	B-3	1,346.20	3,300.90
Reserve for Animal Control	B-4	<u>8,407.80</u>	<u>5,803.00</u>
		\$ <u>9,788.20</u>	\$ <u>9,511.10</u>
Other Funds:			
Reserve For:			
Various Reserves and Deposits	B-6	\$ 7,895,839.91	\$ 9,708,408.26
Open Space Trust Deposits	B-8	357,169.34	351,525.86
State Unemployment Insurance	B-9	330,935.35	413,921.56
Payroll Deductions Payable	B-7	46,837.88	23,416.37
Due Current Fund	B-5	<u>94,797.81</u>	<u>27,757.69</u>
		\$ <u>8,725,580.29</u>	\$ <u>10,525,029.74</u>
		\$ <u><u>8,735,368.49</u></u>	\$ <u><u>10,534,540.84</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

GENERAL CAPITAL FUND

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2017</u>	<u>BALANCE DECEMBER 31, 2016</u>
<u>ASSETS</u>			
Cash	C-2:C-3	\$ 9,008,090.49	\$ 8,300,340.64
Grants Receivable	C-7	567,987.50	1,219,062.50
UCIA Accounts Receivable	C-8		282,187.51
Deferred Charge - Grant Receivable Cancellation		182,500.00	
Deferred Charges to Future Taxation:			
Funded	C-4	11,749,888.02	13,726,264.05
Unfunded	C-6	26,971,331.72	22,407,831.72
		<u>\$ 48,479,797.73</u>	<u>\$ 45,935,686.42</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-14	\$ 11,200,000.00	\$ 13,090,000.00
Bond Anticipation Notes	C-16	26,534,000.00	21,971,000.00
Loans Payable	C-13	424,340.19	477,563.98
UCIA Leases Payable	C-15	125,547.83	158,700.07
Reserve for Encumbrances Payable	C-11	383,708.12	
Contracts Payable	C-12	3,538,823.13	1,878,904.19
Improvement Authorizations-Funded	C-9	1,577,755.63	2,087,415.85
Improvement Authorizations-Unfunded	C-9	3,903,757.95	5,342,065.51
Capital Improvement Fund	C-10	335,978.90	602,978.90
Reserve for South Avenue Business District	C-5	50,000.00	50,000.00
Fund Balance	C-1	405,885.98	277,057.92
		<u>\$ 48,479,797.73</u>	<u>\$ 45,935,686.42</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2016	C	\$	277,057.92
Increased by:			
Premium on Sale of Bond Anticipation Notes	C-2	\$	265,873.00
Contracts Payable - Canceled	C-11		<u>18,512.06</u>
		\$	<u>284,385.06</u>
Decreased by:			
Anticipated Revenue - Current Fund	C-2		<u>155,557.00</u>
Balance, December 31, 2017	C	\$	<u><u>405,885.98</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

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SEWER UTILITY FUND

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CITY OF PLAINFIELD

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

			BALANCE DECEMBER 31, 2017	BALANCE DECEMBER 31, 2016
<u>ASSETS</u>	<u>REF.</u>			
Operating Fund:				
Cash	D-5	\$	616.15	\$ 1,097.40
<u>TOTAL OPERATING FUND</u>	D	\$	616.15	\$ 1,097.40
Capital Fund:				
Fixed Capital	D-7	\$	1,439,000.00	\$ 1,439,000.00
<u>TOTAL CAPITAL FUND</u>	D	\$	1,439,000.00	\$ 1,439,000.00
		\$	<u>1,439,616.15</u>	\$ <u>1,440,097.40</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>				
Operating Fund:				
Liabilities:				
Accrued Interest on Bonds	D-6	\$	616.15	\$ 1,097.40
<u>TOTAL OPERATING FUND</u>	D	\$	616.15	\$ 1,097.40
Capital Fund:				
Serial Bonds Payable	D-9	\$	65,000.00	\$ 120,000.00
Deferred Reserve for Amortization	D-8		1,374,000.00	1,319,000.00
<u>TOTAL CAPITAL FUND</u>	D	\$	1,439,000.00	\$ 1,439,000.00
		\$	<u>1,439,616.15</u>	\$ <u>1,440,097.40</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

SEWER UTILITY FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	YEAR ENDED DECEMBER 31, <u>2017</u>	YEAR ENDED DECEMBER 31, <u>2016</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Canceled Accrued Interest on Bonds		\$	\$ 8,271.53
Miscellaneous Revenue Not Anticipated	D-3:D-5	<u>8.12</u>	<u>194.40</u>
<u>TOTAL INCOME</u>		<u>\$ 8.12</u>	<u>\$ 8,465.93</u>
<u>EXPENDITURES</u>			
Debt Service	D-4	<u>\$ 58,281.25</u>	<u>\$ 65,337.50</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 58,281.25</u>	<u>\$ 65,337.50</u>
(Deficit) in Revenue		<u>\$ (58,273.13)</u>	<u>\$ (56,871.57)</u>
Adjustments to Income Before Fund Balance:			
Realized from General Budget for Anticipated Deficit	D-3:D-5	<u>\$ 58,273.13</u>	<u>\$ 56,871.57</u>
Fund Balance, January 1	D	\$ -0-	\$ -0-
Less: Close Sewer Utility Operating Fund		<u>-0-</u>	<u>-0-</u>
Fund Balance, December 31	D	<u><u>\$ -0-</u></u>	<u><u>\$ -0-</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

SEWER UTILITY CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE-REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2016 and December 31, 2017	D	\$ <u><u>-0-</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD

SEWER UTILITY FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2017

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS/ (DEFICIT)</u>
Anticipated Deficit (General Budget)	D-1:D-5	\$ <u>58,281.25</u>	\$ <u>58,273.13</u>	\$ <u>(8.12)</u>
<u>BUDGET TOTALS</u>		\$ <u>58,281.25</u>	\$ <u>58,273.13</u>	\$ <u>(8.12)</u>
Non-Budget Revenue	D-1:D-3	<u> </u>	<u>8.12</u>	<u>8.12</u>
<u>BUDGET TOTALS</u>	D-4	\$ <u><u>58,281.25</u></u>	\$ <u><u>58,281.25</u></u>	\$ <u><u> </u></u>
<u>ANALYSIS OF NON-BUDGET REVENUE:</u>				
Interest on Sewer Charges	D-5		\$ <u>8.12</u>	
	D-1:D-3		\$ <u><u>8.12</u></u>	

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF PLAINFIELD
SEWER UTILITY FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2017

		<u>APPROPRIATIONS</u>		<u>EXPENDED</u>
		<u>BUDGET</u>	<u>BUDGET AFTER</u>	<u>PAID OR</u>
			<u>MODIFICATION</u>	<u>CHARGED</u>
<u>DEBT SERVICE:</u>				
Payment of Bond Principal		\$ 55,000.00	\$ 55,000.00	\$ 55,000.00
Interest on Bonds		<u>3,281.25</u>	<u>3,281.25</u>	<u>3,281.25</u>
		<u>\$ 58,281.25</u>	<u>\$ 58,281.25</u>	<u>\$ 58,281.25</u>
	<u>REF.</u>	D-3		
Disbursements	D-5			\$ 55,000.00
Accrued Interest on Bonds	D-6			<u>3,281.25</u>
	D-1			<u>\$ 58,281.25</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

GENERAL FIXED ASSETS ACCOUNT GROUP

CITY OF PLAINFIELD

GENERAL FIXED ASSETS ACCOUNT GROUP

BALANCE SHEET - REGULATORY BASIS

	BALANCE DECEMBER <u>31, 2017</u>	BALANCE DECEMBER <u>31, 2016</u>
General Fixed Assets:		
Land	\$ 14,810,966.00	\$ 14,810,966.00
Buildings and Improvements	10,694,500.00	10,694,500.00
Machinery and Equipment	<u>19,195,313.00</u>	<u>16,858,093.00</u>
	<u>\$ 44,700,779.00</u>	<u>\$ 42,363,559.00</u>
Investments in General Fixed Assets	<u>\$ 44,700,779.00</u>	<u>\$ 42,363,559.00</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

CITY OF PLAINFIELD

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017 AND 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Plainfield is an instrumentality of the State of New Jersey established to function as a municipality. The City Council consists of elected officials and is responsible for the fiscal control of the City.

Except as noted below, the financial statements of the City of Plainfield include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the City of Plainfield, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the City of Plainfield do not include the operations of the municipal library, first aid organization, volunteer fire companies, or the regional school district, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the

The accounting policies of the City of Plainfield conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the City of Plainfield are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific governmental activity. As required by the Division of Local Government Services, the City accounts for its financial transactions through the following individual funds and account group:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

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

Trust Fund - receipts, custodianship and disbursements of funds in accordance with the purpose of which each reserve was created

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

Sewer Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally-owned sewer utility

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds

C. Basis of Accounting

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

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenue when anticipated in the City's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the City's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the City which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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 the Encumbrance Accounting System.

Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the City's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the City as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit.

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. No depreciation has been provided on general fixed assets or reported in the financial statements.

The City has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Land is stated at the assessed value contained in the City's most recent property revaluation. Buildings are stated at the most recent insurance replacement value. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

Expenditures for construction in progress are recorded in the Capital Funds until such time 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.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Pensions

Under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" (an amendment of GASB Statement No. 68), local government employers (or non-employer contributing entity in a special funding situation) are required to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or non-employer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or non-employer contributing entity that arise from other types of events.

Under GAAP, municipalities are required to recognize their proportionate share of net pension liability, deferred outflows of resources, deferred inflows of resources on the Statement of Net Position and the proportionate share of the pension related expense on the Statement of Activities.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c)(2) requires municipalities to disclose GASB 68 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 68.

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 of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The City considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The City of Plainfield had the following cash and cash equivalents at December 31, 2017:

<u>FUND</u>	<u>Cash on Deposit</u>	<u>Deposits in Transit / Other</u>	<u>Outstanding Checks / Other</u>	<u>TOTAL</u>
Current Fund	\$ 18,651,435.63	\$ 1,008,070.53	\$ (1,081,937.56)	\$ 18,577,568.60
Grant Fund	3,623,324.06		(33,743.26)	3,589,580.80
Animal Control Trust Fund	9,767.00	21.20		9,788.20
Trust Other Fund	8,641,040.81	289,037.50	(204,498.02)	8,725,580.29
General Capital Fund	9,008,090.49			9,008,090.49
Sewer Utility Operating Fund		616.15		616.15
<u>TOTAL DECEMBER 31, 2017</u>	<u>\$ 39,933,657.99</u>	<u>\$ 1,297,745.38</u>	<u>\$ (1,320,178.84)</u>	<u>\$ 39,911,224.53</u>

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The City does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2017, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank \$500,000.00 was covered by Federal Depository Insurance and \$39,433,657.99 was covered by NJ GUDPA.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

The purchase of investments by the City is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Local Government Services of the Department of Community Affairs for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The City of Plainfield's investment activities during the year were in accordance with the above New Jersey Statute.

NOTE 3: MUNICIPAL DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All 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, shall mature and be paid off within ten years or financed by the issuance of bonds.

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 1.400%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 17,550,000.00	\$ 17,550,000.00	\$
Sewer Utility Debt	65,000.00		65,000.00
General Debt	<u>38,595,671.91</u>	<u> </u>	<u>38,595,671.91</u>
	<u>\$ 56,210,671.91</u>	<u>\$ 17,550,000.00</u>	<u>\$ 38,660,671.91</u>

Net debt of \$38,660,671.91 divided by equalized valuation basis per N.J.S.40A:2-2, as amended, of \$2,761,149,109.67 equals 1.400%.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	December <u>31, 2017</u>	December <u>31, 2016</u>	December <u>31, 2015</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 38,158,340.19	\$ 35,538,563.98	\$ 33,944,862.24
Sewer Utility:			
Bonds and Notes	<u>65,000.00</u>	<u>120,000.00</u>	<u>180,000.00</u>
Debt Issued	\$ 38,223,340.19	\$ 35,658,563.98	\$ 34,124,862.24
Less:			
Cash on Hand to Pay Notes	<u></u>	<u></u>	<u>315,000.00</u>
Net Debt Issued	\$ 38,223,340.19	\$ 35,658,563.98	\$ 33,809,862.24
Authorized But Not Issued:			
General:			
Bonds and Notes	<u>437,331.72</u>	<u>436,831.72</u>	<u>2,775,861.28</u>
Net Bonds and Notes Issued and Authorized But Not Issued	\$ <u>38,660,671.91</u>	\$ <u>36,095,395.70</u>	\$ <u>36,585,723.52</u>

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

Equalized Valuation Basis- December 31, 2017	\$ <u>2,761,149,109.67</u>
3-1/2% of Equalized Valuation Basis	\$ 96,640,218.84
Net Debt	<u>38,660,671.91</u>
Remaining Borrowing Power	\$ <u>57,979,546.93</u>

*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Rail Road Property of the City of Plainfield for the last three (3) preceding years.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

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

Cash Receipts from Fund Balance, Fees,	
Rents of Other Charges for Year	\$ 8.12
Deductions:	
Debt Service	<u>58,281.25</u>
Deficit in Revenue - not self-liquidating	\$ <u>(58,273.13)</u>

Long-Term Debt Obligations:

General Serial Bonds:

\$22,100,000.00 2015 Refunding Bonds due in annual Installments of \$1,890,000.00 to \$2,465,000.00 through September 2022 at an interest rate of 4 percent	<u>\$11,200,000.00</u>
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Green Acres Loan Payable:

\$165,000.00 2004 Loans due in semi-annual installments of \$4,000.21 to \$5,555.06 through January 2022 at an interest rate of 2.00%	\$48,060.56
\$85,000.00 2004 Loans due in semi-annual installments of \$2,785.45 to \$3,572.15 through January 2018 at an interest rate of 2.00%	3,572.15
\$375,000.00 2007 Loans due in semi-annual installments of \$7,909.35 to \$11,543.91 through October 2026 at an interest rate of 2.00%	191,193.11
\$200,000.00 2010 Loan due in semi-annual installments of \$6,642.86 through January 2028 at an interest rate of 2.00%	<u>125,264.37</u>
	<u>\$368,090.19</u>

N.J. DCA Unsafe Building Demolition Loan Payable:

\$125,000.00 Loan due in annual installments of \$6,250.00 through October 2026 at an interest rate of 0.00%	<u>\$56,250.00</u>
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NOTE 3: MUNICIPAL DEBT (CONTINUED)

Long-Term Debt Obligations (Continued):

Sewer Utility Capital Bonds:

\$570,000.00 2010 Refunding Bonds due in annual installments of \$65,000.00 through September 2018 at an interest rate of 2.00% to 3.25%

\$65,000.00

Bonds and Notes Authorized But Not Issued:

There is \$437,331.72 General Capital Notes Authorized but not Issued at December 31, 2017.

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

Calendar Year December 31	<u>General Fund</u>		<u>Sewer Utility Fund</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2018	\$ 1,980,000.00	\$ 448,000.00	\$ 65,000.00	\$ 2,112.50	\$ 2,495,112.50
2019	2,145,000.00	368,800.00			2,513,800.00
2020	2,255,000.00	283,000.00			2,538,000.00
2021	2,355,000.00	192,800.00			2,547,800.00
2022	<u>2,465,000.00</u>	<u>98,600.00</u>			<u>2,563,600.00</u>
	<u>\$ 11,200,000.00</u>	<u>\$ 1,391,200.00</u>	<u>\$ 65,000.00</u>	<u>\$ 2,112.50</u>	<u>\$ 12,658,312.50</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SCHEDULE OF GREEN ACRES LOANS PAYABLE
AS OF DECEMBER 31, 2017

<u>Year</u>		<u>Principal</u>		<u>Interest</u>		<u>Total Payment</u>
2018	\$	44,310.10	\$	44,310.10	\$	88,620.20
2019		41,556.78		6,268.84		47,825.62
2020		42,392.06		5,433.57		47,825.63
2021		43,244.16		4,581.49		47,825.65
2022		38,502.76		3,712.27		42,215.03
2023		33,609.94		2,994.48		36,604.42
2024		34,285.50		2,318.91		36,604.41
2025		34,974.65		1,629.77		36,604.42
2026		35,677.64		926.79		36,604.43
2027		12,959.47		326.26		13,285.73
2028		6,577.11		65.77		6,642.88
	\$	<u>368,090.17</u>	\$	<u>72,568.25</u>	\$	<u>440,658.42</u>

SCHEDULE OF URBAN AND RURAL CENTERS UNSAFE BUILDING
DEMOLITION BOND LOAN PROGRAM AS OF DECEMBER 31, 2017

<u>Payment Number</u>	<u>Payment Due</u>	<u>PRINCIPAL</u>
12	10/23/18	\$ 6,250.00
13	10/23/19	6,250.00
14	10/23/20	6,250.00
15	10/23/21	6,250.00
16	10/23/22	6,250.00
17	10/23/23	6,250.00
18	10/23/24	6,250.00
19	10/23/25	6,250.00
20	10/23/26	<u>6,250.00</u>
		\$ <u>56,250.00</u>

NOTE 4: SHORT-TERM DEBT

The City had the following short-term debt:

Bond Anticipation Notes:

Outstanding Bond Anticipation Notes are summarized as follows:

Bond Anticipation Notes:

\$26,534,000.00 bond anticipation notes issued 8/29/17 maturing
on 8/28/18 at an interest rate of 2.00% \$ 26,534,000.00

NOTE 5: FUND BALANCES APPROPRIATED

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

Current Fund	\$6,766,565.00
Sewer Utility Fund	\$ -0-

NOTE 6: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The City bills and collects its own property taxes and also the taxes for the County and the Regional School District. The collections and remittance of county and school taxes are accounted for in the Current Fund. City property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the City's Current Fund.

Taxes Collected in Advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER 31, 2017	BALANCE DECEMBER 31, 2016
Prepaid Taxes	<u>\$1,825,467.51</u>	<u>\$601,786.50</u>

NOTE 7: COMPENSATED ABSENCES

Under the existing policy of the City, employees are allowed to accumulate unused sick pay over the life of their working careers, which may be taken as time off, or paid at a later date, at an agreed upon rate. As of December 31, 2017, the City estimates that the amount of such unpaid compensation is \$3,624,151.57. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, accumulated cost of such paid compensation is not required to be reported in the financial statements as presented and any amounts required to be paid are raised in that year's budget and no liability is accrued on December 31, 2017.

NOTE 8: PENSION PLANS

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Police, Firemen's Retirement System (PFRS) or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, Police and Fireman's Retirement System and Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at www.nj.gov/treasury/pensions/annrpts.shtml.

Plan Descriptions

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

Police and Fireman's Retirement System (PFRS) - The Police and Fireman's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A, to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

NOTE 8: PENSIONS (CONTINUED)

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit, in which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:36. All benefits vest after ten years of service, except for disability benefits, which vest after four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

Newly elected or appointed officials that have an existing DCRP account, or are a member of another State-administered retirement system are immediately invested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully invested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan members and employer contributions may be amended by State of New Jersey legislation. During 2012 PERS provides for employee contributions of 6.5% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums.

The contribution policy for PFRS is set by N.J.S.A. 43: 16A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and noncontributory death benefits. During 2012, members contributed at a uniform rate of 10.00% of base salary.

Certain portions of the costs are contributed by the employees. The City's share of PERS and PFRS, which is based upon the annual billings received from the state, amounted to \$7,017,106.00 for 2017, \$6,759,947.00 for 2016 and \$6,355,320.00 for 2015.

NOTE 8: PENSIONS (CONTINUED)

Funding Policy (Continued)

The City's share for DCRP amounted to \$42,800.00 for 2017, \$28,208.00 for 2016 and \$17,000.00 for 2015.

All contributions were equal to the required contributions for each of the three years, respectively.

Certain City employees are also covered by Federal Insurance Contribution Act.

Pension Contribution Deferral

The State of New Jersey has enacted Public Law 2009, C.19, which authorizes the State Department of Treasury, Division of Pensions and Benefits to provide non-state contributing employers the option of paying an amount that represents a fifty percent (50%) reduction of the normal and accrued liability payment of the required contributions to the Police and Fire Retirement System (PFRS) and the Public Employees Retirement System (PERS) which would have been due April 1, 2011. If the deferral is elected, the amount deferred must be repaid, with interest, over a period of fifteen years, beginning in April, 2012; however, the contributing employer is permitted to pay off the obligation at any time by contacting the Division of Pension and Benefits for a payoff amount. The City of Plainfield has elected to defer a portion of its pension contributions as follows:

Retirement System	Original Amount Deferred	Balance December 31, 2016	2017 Payments	Balance December 31, 2017
PFRS	\$ 2,285,008.00	\$ 616,222.00	\$ 347,376.00	\$ 268,846.00
PERS	<u>427,039.00</u>	<u>111,264.00</u>	<u>66,268.00</u>	<u>44,996.00</u>
Total	<u>\$ 2,712,047.00</u>	<u>\$ 727,486.00</u>	<u>\$ 413,644.00</u>	<u>\$ 313,842.00</u>

Accounting and Financial Reporting for Pensions – GASB #68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions", which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) of the participating municipality as of December 31, 2017. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at December 31, 2017.

Public Employees Retirement System (PERS)

At June 30, 2017, the State reported a net pension liability of \$36,397,897.00 for the City of Plainfield's proportionate share of the total net pension liability. The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. 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 employers, actuarially determined. At June 30, 2017, the City's proportion was 0.1563590923 percent, which was a decrease of 0.0086129437 percent from its proportion measured as of June 30, 2016.

For the year ended June 30, 2017, the State recognized an actuarially determined pension expense of \$2,740,704.00 for the City of Plainfield's proportionate share of the total pension expense. The pension expense recognized in the City's financial statement based on the April 1, 2017 billing was \$1,448,500.00.

At June 30, 2017, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Inflow of Resources</u>	<u>Deferred Outflow of Resources</u>
Differences between expected and actual experience		\$857,045.00
Changes of assumptions	\$7,306,038.00	7,332,922.00
Net difference between projected and actual earnings on pension plan investments		247,845.00
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>2,262,309.00</u>	<u>2,221,936.00</u>
	<u>\$9,568,347.00</u>	<u>\$10,659,748.00</u>

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Other local amounts reported by the State as the City's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2018	\$951,672.00
2019	1,395,362.00
2020	853,490.00
2021	(1,136,308.00)
2022	<u>(972,815.00)</u>
	<u>\$1,091,401.00</u>

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. These actuarial valuations used the following assumptions:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Inflation	2.25 Percent	3.08 Percent
Salary Increases (based on age)		
Though 2026	1.65-4.15 Percent	1.65-4.15 Percent
Thereafter	2.65-5.15 Percent	2.65-5.15 Percent
Investment Rate of Return	7.00 Percent	7.65 Percent

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

Preretirement mortality rates were based on the RP-2000 Employee Preretirement 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 plan actuary's modified MP-2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the 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).

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, 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.

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

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 and 7.65 at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment 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 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>June 30, 2017</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Absolute return/risk mitigation	5.00%	5.51%
Cash	5.50%	1.00%
US 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 market equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts venture capital	8.25%	13.08%
	<u>100.00%</u>	

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 5.00% and 3.98% as of June 30, 2017 and 2016, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and 7.65%, and a municipal bond rate of 3.58% and 2.85% as of June 30, 2017 and 2016, respectively, 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 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 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:

	June 30, 2017		
	1% Decrease <u>4.00%</u>	At Current Discount Rate <u>5.00%</u>	1% Increase <u>6.00%</u>
County's proportionate share of the pension liability	\$45,154,062.00	\$36,397,897.00	\$29,102,927.00

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 report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS)

At June 30, 2017, the State reported a net pension liability of \$88,977,596.00 for the City of Plainfield's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. 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 employers, actuarially determined. At June 30, 2017, the City's proportion was 0.5763519341 percent, which was a decrease of 0.0416377800 percent from its proportion measured as of June 30, 2016.

For the year ended June 30, 2017, the State recognized an actuarially determined pension expense of \$7,415,349.00. The pension expense recognized in the City's financial statement based on the April 1, 2017 billing was \$5,100,821.00

At June 30, 2017, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Inflow of <u>Resources</u>	Deferred Outflow of <u>Resources</u>
Differences between expected and actual experience	\$522,224.00	\$577,234.00
Changes of assumptions	14,571,929.00	10,971,929.00
Net difference between projected and actual earnings on pension plan investments		1,697,901.00
Changes in proportion and differences between the City's contributions and proportionate share of contributions	<u>7,682,283.00</u>	<u>2,773,683.00</u>
	<u>\$22,776,436.00</u>	<u>\$16,020,747.00</u>

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	
<u>June 30</u>	<u>Amount</u>
2018	\$349,003.00
2019	2,456,495.00
2020	(1,461,328.00)
2021	(5,535,131.00)
2022	(2,564,728.00)
	<u>(\$6,755,689.00)</u>

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:

	<u>2017</u>	<u>2016</u>
Inflation	2.25 Percent	3.08 Percent
Salary Increases (based on age)		
Through 2026	2.10-8.98 Percent	2.10-8.98 Percent
Thereafter	3.10-9.98 Percent	3.10-9.98 Percent
Investment Rate of Return	7.00 Percent	7.65 Percent

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 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, which was further projected on a generational basis using the plan actuary's modified 2014 projection scales. Post- retirement mortality rates for female service retirements and beneficiaries were based 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 retirement.

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Actuarial Assumptions (Continued)

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 percent at June 30, 2017 and 7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment 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 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:

Asset Class	June 30, 2017	
	Target Allocation	Long-Term Expected Real Rate of Return
Absolute return/risk mitigation	5.00%	5.51%
Cash	5.50%	1.00%
US 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 market equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts venture capital	8.25%	13.08%
	<u>100.00%</u>	

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 6.14% and 5.55% as of June 30, 2017 and June 30, 2016 respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00 and 7.65% and a municipal bond rate of 3.58% and 2.85% as of June 30, 2017 and June 30, 2016 respectively based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on 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.

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>
County's proportionate share of the PFRS pension liability	\$117,235,310.00	\$88,977,596.00	\$65,760,671.00

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.c. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.c. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed by the State on behalf of the City under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the City does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the City related to this legislation.

At December 31, 2017 and 2016, the State's proportionate share of the net pension liability attributable to the City for the PFRS special funding situation is \$9,966,240.00 and \$9,913,427.00 respectively.

At December 31, 2017, the City's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

City's Proportionate Share of Net Pension Liability	\$88,977,596.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the City	<u>9,966,240.00</u>
	<u>\$98,943,836.00</u>

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 report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 9: LITIGATION

The City Attorneys' litigation confirmation letters indicate that the City is a defendant in certain lawsuits against the City claiming certain civil rights violations related to actions of Plainfield police officers which led to the arrest and conviction of such plaintiffs. Counsel has indicated that as of the date of audit, it is difficult to estimate a range of loss for such cases, but that demands against the City are significant.

NOTE 10: CONTINGENT LIABILITIES

The City participates in several financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. The grants received and expended in 2017 were subject to a Single Audit under U.S. Office of Management and Budget (OMB) Federal Guidance and State of New Jersey OMB 15-08, which mandates that grant revenues and expenditures be audited in conjunction with the City's annual audit. Findings and questioned costs, if any, relative to financial assistance programs will be discussed in detail in Part II, Report Section of the 2017 audit. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2017, the City does not believe that any material liabilities will result from such audits.

NOTE 11: RISK MANAGEMENT

The City has established a self-insurance program in accordance with New Jersey Statute Chapter 40:10. The Statute enables the governing body of any local unit to provide insurance coverage for its exposure to a wide variety of property and liability casualty risks. The City self insures for auto liability, tort claims and workers compensation exposures. Additionally, the City is a member of the Public Entity Joint Insurance Fund for excess liability and building insurance and maintains insurance policies, covering fire, flood, fine arts, health and employee fidelity.

At December 31, 2017, the City's exposure for claims incurred under the above self-insurance programs are not presently determinable. There is a balance in the self-insurance trust fund of \$792,537.19 at December 31, 2017.

NOTE 11: RISK MANAGEMENT (CONTINUED)

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. Below 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:

<u>Year</u>	<u>Employee Contributions</u>	<u>City Contributions & Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2017	\$ 37,128.23	\$ 44,721.63	\$ 164,836.07	\$ 330,935.35
2016	50,087.11	4,834.32	193,620.85	413,921.56
2015	24,025.85	5,000.00	99,912.22	552,620.98

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2017:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 1,511,890.35	\$
Grant Fund		1,415,746.34
Animal Control Fund		1,346.20
Trust Other Fund		94,797.81
	<u>\$ 1,511,890.35</u>	<u>\$ 1,511,890.35</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

NOTE 13: CAPITAL LEASES

During the State Fiscal Year 2005, the City entered into an agreement with Union County Improvement Authority to lease purchase various capital projects for \$993,742.51. The projects to be funded include the purchase of various items of equipment. In accordance with the lease agreement, the City will be obligated to make the following remaining principal and interest payments:

<u>Payment Number</u>	<u>Payment Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Payment</u>
26	06/01/18	\$	\$ 148.46	\$ 148.46
27	12/01/18	3,621.09	148.46	3,769.55
28	06/01/19		76.04	76.04
29	12/01/19	3,802.14	76.05	3,878.19
		<u>\$ 7,423.23</u>	<u>\$ 449.01</u>	<u>\$ 7,872.24</u>

During the State Fiscal Year 2007, the City entered into an agreement with Union County Improvement Authority to lease purchase various capital projects for \$1,940,840.62. The projects to be funded include the purchase of various items of equipment. In accordance with the lease agreement, the City will be obligated to make the following remaining principal and interest payments:

<u>Payment Number</u>	<u>Payment Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Payment</u>
23	02/15/18	\$	\$ 2,362.48	\$ 2,362.48
24	08/15/18	29,531.15	2,362.48	31,893.63
25	02/15/19		1,771.86	1,771.86
26	08/15/19	29,531.15	1,771.86	31,303.01
27	02/15/20		1,181.24	1,181.24
28	08/15/20	29,531.15	1,181.24	30,712.39
29	02/15/21		590.62	590.62
30	08/15/21	29,531.15	590.62	30,121.77
		<u>\$ 118,124.60</u>	<u>\$ 11,812.40</u>	<u>\$ 129,937.00</u>

NOTE 14: DEFERRED COMPENSATION PLAN

The City offers its employees a choice of two deferred compensation plans created in accordance with Internal Revenue Code Section 403 (b) and 457. The plans, available to all City employees, permit them to defer a portion of their salaries until future years. The City does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the City's Plans were 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 or custodial accounts. All assets of the Plan are held by independent administrators. The City has approved Nationwide Retirement Solutions and MetLife as administrators.

In accordance with IRS regulations, the accompanying financial statements do not include the City's Deferred Compensation Plan activities since the assets are not available to the City's general creditors. The City's Deferred Compensation Plan financial statements are contained in a separate review report.

NOTE 15: DEFICIENCY AGREEMENT

On October 17, 1997, the City of Plainfield entered into a Deficiency Agreement with the Plainfield Municipal Utilities Authority (PMUA) to provide or appropriate annually the sum or sums as may be necessary to sufficiently provide for any deficit in the operation and maintenance and debt service requirements of the PMUA. This Deficiency Agreement may be terminated at any time, after the payment in full of all obligations and bonds of the PMUA.

Subject to the Deficiency Agreement, on February 1, 1999, the PMUA issued Revenue Bonds in the amount of \$16,415,000.00. October 1, 2003, the PMUA issued \$1,935,000.00 of Sewer System Revenue Bonds and \$5,414,003.75 of Solid Waste System Revenue Bonds. On December 17, 2009, the PMUA issued \$11,020,000.00 Revenue Refunding Bonds, which were issued to currently refund the outstanding balance of the Series 1999 Revenue Bonds.

As of December 31, 2017, the amount of outstanding debt subject to the Deficiency Agreement was as follows:

	<u>12/31/2017</u>	<u>12/31/2016</u>
Sewer Revenue Bonds, Series 2003	\$ 775,000.00	\$ 885,000.00
Sewer Revenue Bonds, Series 2009	3,280,000.00	3,770,000.00
Solid Waste Revenue Bonds, Series 2003	4,576,702.00	4,994,210.00
Solid Waste Revenue Bonds, Series 2007	915,358.00	1,061,774.00
Solid Waste Revenue Bonds, Series 2009	<u>2,375,000.00</u>	<u>2,765,000.00</u>
	<u>\$ 11,922,060.00</u>	<u>\$ 13,145,984.00</u>

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Governmental Accounting Standards Board (GASB) has issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension." This statement requires the municipality to disclose in the notes to the financial statements the present value of the estimated future cost of the other post employment benefits (OPEB). OPEB obligations are non-pension benefits that the municipality has contractually or otherwise agreed to provide employees once they have retired and in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the municipality is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or required to accrue funds, create a trust or issue debt to finance their other post-employment benefit liability. Additionally, the municipality is not required to recognize any long-term obligations resulting from OPEB on their balance sheets; however, OPEB obligations are required to be disclosed in the notes.

Plan Description

The City of Plainfield provides Post-Retirement Benefits to eligible employees in accordance with terms of their various labor agreements:

SUMMARY

- The Actuarial Accrued Liability for retiree healthcare coverage is \$201,456,000 with respect to current and future retirees and for the PPACA Cadillac tax is \$18,804,000, for a total accrued liability of \$220,260,000.
- The estimated cash cost for retiree healthcare benefits for the fiscal year beginning January 1, 2018 is \$6,894,000.
- The Annual Required Contribution (ARC) for the fiscal years ending December 31, 2016 and December 31, 2017 under the GASB 45 accounting standard are \$18,559,000 and \$19,372,000, respectively. These are based on a 30-year amortization of the Unfunded Actuarial Accrued Liability.
- The Annual OPEB Cost for the fiscal years ending December 31, 2016 and December 31, 2017 under the GASB 45 accounting standard are \$18,559,000 and \$19,172,000, respectively. These are based on a 30-year amortization of the Unfunded Actuarial Accrued Liability.
- The Net OPEB Obligation (NOO) as of December 31, 2017 is \$24,642,000, based on estimated cash payments and annual OPEB costs for the period December 31, 2015 through December 31, 2017.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

SUMMARY OF VALUATION RESULTS

(in thousands)

	<u>Healthcare</u>	<u>Cadillac Tax</u>	<u>Total</u>
Present Value of Future Benefits			
Retiree	\$130,672	\$ 8,443	\$139,115
Active	140,383	25,081	165,464
Total	<u>271,055</u>	<u>33,524</u>	<u>304,579</u>
Actuarial Accrued Liability			
Retiree	130,672	8,443	139,115
Active	70,784	10,361	81,145
Total	<u>201,456</u>	<u>18,804</u>	<u>220,260</u>
Assets	-	-	-
Unfunded Actuarial			
Accrued Liability	201,456	18,804	220,260
Normal Cost	5,377	1,027	6,404
Discount Rate			4.5%

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

ANNUAL REQUIRED CONTRIBUTION AND OPEB COST
(in thousands)

	<u>Fiscal Year</u>	
	<u>2016</u>	<u>2017</u>
(1) Normal Cost, End of Year	\$ 6,128	\$ 6,404
(2) Amortization of Unfunded Actuarial Accrued Liability	<u>\$ 12,431</u>	<u>\$ 12,968</u>
(3) Annual Required Contribution (ARC)	\$ 18,559	\$ 19,372
(4) Interest on Net OPEB Obligation	\$ -	\$ 549
(5) Adjustment to the ARC	\$ -	\$ (749)
(6) Annual OPEB Cost (AOC)	\$ 18,559	\$ 19,172

Net OPEB Obligation

Fiscal Year	Annual OPEB Cost (\$ thousands)	Estimated Premiums	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (\$ thousands)
12/31/2016	\$18,559	\$6,354	34.2%	\$12,205
12/31/2017	\$19,172	\$6,735	35.1%	\$24,642

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

RETIREE HEALTH 25-YEAR EXPECTED CASH PAYOUT

Year	Current Retirees			Future Retirees			Current and Future Retirees		
	Healthcare	Cadillac Tax	Total	Healthcare	Cadillac Tax	Total	Healthcare	Cadillac Tax	Total
2018	6,631,000	0	6,631,000	263,000	0	263,000	6,894,000	0	6,894,000
2019	6,845,000	0	6,845,000	679,000	0	679,000	7,524,000	0	7,524,000
2020	7,031,000	0	7,031,000	926,000	0	926,000	7,957,000	0	7,957,000
2021	7,216,000	0	7,216,000	1,239,000	0	1,239,000	8,455,000	0	8,455,000
2022	7,410,000	597,000	8,007,000	1,613,000	207,000	1,820,000	9,023,000	804,000	9,827,000
2023	7,548,000	622,000	8,170,000	1,902,000	257,000	2,159,000	9,450,000	879,000	10,329,000
2024	7,652,000	646,000	8,298,000	2,340,000	339,000	2,679,000	9,992,000	985,000	10,977,000
2025	7,710,000	650,000	8,360,000	2,810,000	432,000	3,242,000	10,520,000	1,082,000	11,602,000
2026	7,692,000	641,000	8,333,000	3,261,000	521,000	3,782,000	10,953,000	1,162,000	12,115,000
2027	7,664,000	616,000	8,280,000	3,735,000	610,000	4,345,000	11,399,000	1,226,000	12,625,000
2028	7,624,000	595,000	8,219,000	4,092,000	672,000	4,764,000	11,716,000	1,267,000	12,983,000
2029	7,395,000	519,000	7,914,000	4,400,000	723,000	5,123,000	11,795,000	1,242,000	13,037,000
2030	7,357,000	500,000	7,857,000	4,686,000	778,000	5,464,000	12,043,000	1,278,000	13,321,000
2031	7,290,000	458,000	7,748,000	5,062,000	845,000	5,907,000	12,352,000	1,303,000	13,655,000
2032	7,216,000	429,000	7,645,000	5,538,000	954,000	6,492,000	12,754,000	1,383,000	14,137,000
2033	7,007,000	341,000	7,348,000	5,949,000	1,017,000	6,966,000	12,956,000	1,358,000	14,314,000
2034	6,836,000	275,000	7,111,000	6,352,000	1,089,000	7,441,000	13,188,000	1,364,000	14,552,000
2035	6,670,000	245,000	6,915,000	6,757,000	1,160,000	7,917,000	13,427,000	1,405,000	14,832,000
2036	6,439,000	197,000	6,636,000	7,121,000	1,225,000	8,346,000	13,560,000	1,422,000	14,982,000
2037	6,395,000	211,000	6,606,000	7,445,000	1,288,000	8,733,000	13,840,000	1,499,000	15,339,000
2038	6,335,000	219,000	6,554,000	7,860,000	1,382,000	9,242,000	14,195,000	1,601,000	15,796,000
2039	6,311,000	245,000	6,556,000	8,511,000	1,518,000	10,029,000	14,822,000	1,763,000	16,585,000
2040	6,265,000	268,000	6,533,000	9,167,000	1,651,000	10,818,000	15,432,000	1,919,000	17,351,000
2041	6,237,000	300,000	6,537,000	10,022,000	1,865,000	11,887,000	16,259,000	2,165,000	18,424,000
2042	6,194,000	332,000	6,526,000	10,930,000	2,081,000	13,011,000	17,124,000	2,413,000	19,537,000
	174,970,000	8,906,000	183,876,000	122,660,000	20,614,000	143,274,000	297,630,000	29,520,000	327,150,000

APPENDIX 1DEMOGRAPHIC CHARACTERISTICS OF PARTICIPANTS

Demographic data as of August, 2018 for current retirees and for active employees was provided by the City. Information used includes gender, dates of birth, hire and retirement, and coverage status.

		<u>Employees/ Retirees</u>	<u>Spouses</u>	<u>Average Age</u>
1.	Medicare Retirees and Spouses	160	78	73.2
2.	Pre-Medicare Retirees and Spouses	177	86	55.4
3.	Active Employees	415	N/A	44.7

Retiree Age Distribution

<u>Age Group</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
Under 35	1	0	1
35-39	1	0	1
40-44	0	1	1
45-49	19	0	19
50-54	34	5	39
55-59	38	13	51
60-64	41	21	62
65-69	35	24	59
70-74	27	10	37
75-79	18	12	30
80-84	14	9	23
85-89	5	5	10
90-94	1	3	4
95+	0	0	0
Total	234	103	337

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

Active Employee Age/Service Distribution

	<u>Male</u>							
	<u>0-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>Total</u>
<25	2	0	0	0	0	0	0	2
25-29	23	3	0	0	0	0	0	26
30-34	24	9	5	0	0	0	0	38
35-39	14	13	11	1	0	0	0	39
40-44	4	4	13	11	1	0	0	33
45-49	3	3	7	15	9	4	0	41
50-54	9	2	3	8	8	11	2	43
55-59	7	3	2	4	6	5	5	32
60-64	0	0	0	3	3	1	4	11
65-69	1	0	2	0	0	1	0	4
70-74	1	0	0	0	0	0	0	1
75-79	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0
Total	88	37	43	42	27	22	11	270

Average Service: 12.3 years

	<u>Female</u>							
	<u>0-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>Total</u>
<25	4	0	0	0	0	0	0	4
25-29	14	0	1	0	0	0	0	15
30-34	7	2	2	0	0	0	0	11
35-39	5	3	7	1	0	0	0	16
40-44	4	4	3	7	1	0	0	19
45-49	8	1	4	5	0	0	0	18
50-54	5	0	2	3	2	2	5	19
55-59	6	1	1	0	1	5	2	16
60-64	4	0	1	0	3	1	3	12
65-69	1	1	2	1	0	2	2	9
70-74	2	0	1	0	1	0	1	5
75-79	0	0	0	0	1	0	0	1
80-84	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0
Total	60	12	24	17	9	10	13	145

Average Service: 12.1 years

APPENDIX 2

SUMMARY OF PLAN PROVISIONS

1. Policemen's Benevolent Association Employees (Local 19 Police Officers and Rank and File)
 - A. Eligibility - Retire after meeting the eligibility conditions for retirement under the New Jersey Police and Firemen's Retirement System (PFRS).
 - B. Benefits – Medical and prescription drug coverage is continued for employees, spouses and eligible dependents to eligible retirees. Pre-Medicare retirees can elect between two Aetna point-of-service plans, the OAMC-10 and OAMC-15, or a Standard Aetna HMO plan. The City's prescription drug base plan has retail copays of \$7.50 for generic and \$35 for brand and mail order copays of \$15 for generic and \$70 for brand. Medicare eligible retirees and spouses are covered under an Aetna Medicare Advantage Plan with a Prescription Drug Plan. Any dental coverage provided is fully paid by the retiree.
 - C. Survivorship Provisions – The surviving spouse of a deceased retiree receives continued benefits for life. The surviving spouse and eligible dependents of an active employee who dies while employed with the City receive coverage for a period of one year, provided the employee has coverage at the time of death.
 - D. Medicare - Medical benefits coordinate with Medicare primary and the City Plan secondary for retirees eligible for Medicare. Medicare eligible retirees and dependents are required to enroll in Medicare in a timely manner. The City reimburses Medicare eligible retirees and their spouses for the Medicare Part B premium. Medicare A will only be paid by the City if the employee is not Medicare eligible.
2. Firemen's Mutual Benevolent Association Local 7 (FMBA)
 - A. Eligibility - Retire after 25 or more years of service in the New Jersey Retirement System or eligible for a disability retirement regardless of service.
 - B. Benefits – Medical and prescription drug coverage is continued for employees, spouses and eligible dependents to eligible retirees. Pre-Medicare retirees can elect between two Aetna point-of-service plans, the OAMC-10 and OAMC-15, or a Standard Aetna HMO plan. The City's prescription drug base plan has retail copays of \$7.50 for generic and \$35 for brand and mail order copays of \$15 for generic and \$70 for brand. Medicare eligible retirees and spouses are covered under an Aetna Medicare Advantage Plan with a Prescription Drug Plan. Any dental coverage provided is fully paid by the retiree.
 - C. Survivorship Provisions – The surviving spouse of a deceased retiree receives continued benefits for life. The surviving spouse and eligible dependents of an active employee who dies while employed with the City receive coverage for a period of one year, provided the employee has coverage at the time of death.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

- D. Medicare - Medical benefits coordinate with Medicare primary and the City Plan secondary for retirees eligible for Medicare. Medicare eligible retirees and dependents are required to enroll in Medicare in a timely manner. The City reimburses Medicare eligible retirees and their spouses for the Medicare Part B premium. Medicare A will only be paid by the City if the employee is not Medicare eligible.

3. Plainfield Municipal Management Association (PMMA) and Non-Union Employees

- A. Eligibility – Retire after meeting the retirement eligibility conditions in the New Jersey Public Employees Retirement System (PERS)
- B. Benefits – Medical and prescription drug coverage is continued for employees, spouses and eligible dependents to eligible retirees. Pre-Medicare retirees can elect between two Aetna point-of-service plans, the OAMC-10 and OAMC-15, or a Standard Aetna HMO plan. The City's prescription drug base plan has retail copays of \$7.50 for generic and \$35 for brand and mail order copays of \$15 for generic and \$70 for brand. Medicare eligible retirees and spouses are covered under an Aetna Medicare Advantage Plan with a Prescription Drug Plan. Any dental coverage provided is fully paid by the retiree.
- C. Survivorship Provisions – The surviving spouse of a deceased retiree receives continued benefits for life.
- D. Medicare - Medical benefits coordinate with Medicare primary and the City Plan secondary for retirees eligible for Medicare. Medicare eligible retirees and dependents are required to enroll in Medicare in a timely manner. The City reimburses Medicare eligible retirees and their spouses for the Medicare Part B premium.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

4. Cost of Plan

Retirees not subject to P.L. 2011 c. 78 (as described below) do not contribute for medical or prescription drug coverage.

Any employee who retires after satisfying the eligibility requirements who had less than 20 years of PERS or PFRS as of June 28, 2011, shall be required to contribute toward the cost of postretirement healthcare benefits. The retiree contributions are based on a percentage of the postretirement healthcare cost. The contribution percentages vary based on healthcare coverage tier and amount of PERS or PFRS pension amounts, based on the tables below:

Pension Range	Single	Member/Spouse
less than 20,000	4.50%	3.50%
20,000-24,999.99	5.50%	3.50%
25,000-29,999.99	7.50%	4.50%
30,000-34,999.99	10.00%	6.00%
35,000-39,999.99	11.00%	7.00%
40,000-44,999.99	12.00%	8.00%
45,000-49,999.99	14.00%	10.00%
50,000-54,999.99	20.00%	15.00%
55,000-59,999.99	23.00%	17.00%
60,000-64,999.99	27.00%	21.00%
65,000-69,999.99	29.00%	23.00%
70,000-74,999.99	32.00%	26.00%
75,000-79,999.99	33.00%	27.00%
80,000-94,999.99	34.00%	28.00%
95,000-99,999.99	35.00%	30.00%
100,000 and over	35.00%	35.00%

APPENDIX 3

ACTUARIAL ASSUMPTIONS AND METHODS

Assumptions

The actuarial assumptions used to value the postretirement medical liabilities can be categorized into three groups:

- Economic Assumptions – the discount rate and health care cost trend rates.
- Benefit assumptions – the initial per capita cost rates for medical and prescription drug coverage.
- Demographic assumptions – including the probabilities of retiring, dying, terminating (without a benefit), becoming disabled, recovery from disability, election (participating rates) and coverage levels.

In accordance with local Finance Notice 2007-15 issued by the New Jersey Department of Community Affairs, we used demographic and health care assumptions consistent with the assumptions used by the New Jersey Division of Pensions and Benefits and the State Health Benefits Plan (SHBP) as reported in their July 1, 2016 Actuarial Valuation to value the GASB obligations.

ECONOMIC ASSUMPTIONS

The two economic assumptions used in the valuation are the discount rate and the health care cost trend rates. The economic assumptions are used to account for changes in the cost of benefits over time and to discount future benefit payments for the time value of money.

Discount Rate

The investment return assumption (discount rate) should be the estimated long-term investment yield on the investments that are expected to be used to finance the payments of benefits. The investments expected to be used to finance the payments of benefits would be plan assets for funded plans, assets of the employer for pay-as-you-go plans, or a proportionate combination of the two for plans that are being partially funded. We assumed a discount rate of 4.5% for purposes of developing the liabilities and Annual Required Contribution on the basis that the Plan would not be funded. This rate is derived from the historical performance of the New Jersey State Cash Management Fund.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

Health Care Cost Trend Rates

<u>Year</u>	<u>Pre-65 Coverage</u>	<u>Post-65 Coverage</u>	<u>Medicare Part B Premium</u>
2018	6.60%	8.20%	5.0%
2019	6.40%	7.80%	5.0%
2020	6.20%	7.50%	5.0%
2021	6.00%	7.10%	5.0%
2022	5.80%	6.60%	5.0%
2023	5.50%	5.90%	5.0%
2024	5.25%	5.20%	5.0%
2025 & later	5.00%	4.85%	5.0%

BENEFIT ASSUMPTIONS

The valuation projects the cost to the City of providing medical benefits to employees who remain in the medical plan after retirement (postemployment coverage). Future retirees are assumed to remain in the same medical plan they were covered under while active. Under the rules set out in GASB 45, both the direct contribution and any implicit subsidy must be considered in measuring post-retirement medical benefit obligation.

The following premium rates are effective for retiree coverage for the 2018 plan year:

<u>Age</u>	<u>Retiree</u>		<u>Spouse</u>	
	POS Plan with Pharmacy	HMO Plan with Pharmacy	POS Plan with Pharmacy	HMO Plan with Pharmacy
Pre-Medicare	\$1,473.12	\$1,364.25	\$1,740.14	\$1,610.12

The Medicare Advantage premium rate per covered member is \$526.48 per month. The Medicare Part B reimbursement amount is \$118 per month and \$134 per month, respectively.

DEMOGRAPHIC ASSUMPTIONS

Mortality

Pre-Retirement: RP-2014 Headcount-Weighted Healthy Employee Male/
Female Mortality Projected with Scale MP-2017.
Post-Retirement: RP-2014 Headcount-Weighted Healthy Annuitant Male/
Female Mortality Projected with Scale MP-2017.
Disabled: RP-2014 Headcount-Weighted Disabled Retiree Male/
Female Mortality Projected with Scale MP-2017

Salary Scale

3.0%

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

Retirement Rates

Police and Firemen with 25 or more years of service are assumed to retire according to the following rates that vary by age:

<u>Age</u>	<u>25</u>	<u>>25</u>	<u>Age</u>	<u>25</u>	<u>>25</u>
45	.5483	.1540	55	.6494	.2447
46	.5483	.1540	56	.7173	.2447
47	.5483	.1540	57	.7749	.2447
48	.5762	.1848	58	.7749	.2447
49	.5762	.1848	59	.7749	.2734
50	.5762	.1848	60	.7749	.2734
51	.5762	.1848	61	.8524	.3189
52	.5762	.1848	62	.8524	.3189
53	.6111	.2185	63	.8524	.3189
54	.6111	.2447	64	.8524	.5103

100% of Police Officers and Firemen are assumed to retire at age 65 (which is mandated under New Jersey State law), regardless of service.

Civilian employees with 25 or more years of service are assumed to retire according to the following rates that vary by age:

<u>Age</u>	<u>25 or more</u>	<u>Age</u>	<u>25 or more</u>
55	.11700	63	.10500
56	.11700	64	.10500
57	.11700	65	.16538
58	.11700	66	.15750
59	.21000	67	.13650
60	.07800	68	.11550
61	.08400	69	.11550
62	.13440	70	1.0000

100% of civilian employees are assumed to retire at age 70, regardless of service.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

Withdrawal

Turnover rates vary by age and service. Illustrative annual rates are shown below.

Police/Firemen	Years of Service				
Age	<u>2</u>	<u>4</u>	<u>10-19</u>	<u>20</u>	<u>21+</u>
30	0.0275	0.0131	0.0024	0.0000	0.0000
35	0.0317	0.0157	0.0024	0.0000	0.0000
40	0.0225	0.0174	0.0027	0.0400	0.0060
45	0.0225	0.0232	0.0028	0.0400	0.0060
50	0.0225	0.0200	0.0030	0.0430	0.0060
55	0.0600	0.0600	0.0600	0.0600	0.0000
60	0.0320	0.0320	0.0320	0.0320	0.0000
65	-	-	-	-	-

Civilian	Years of Service			
Age	0	1	2	3+
30	.38840	.14667	.13318	.06106
35	.33513	.11744	.10768	.03985
40	.32053	.10516	.10662	.02909
45	.31013	.10082	.10356	.02459
50	.28389	.09584	.09567	.01937
55	.27956	.09395	.09081	.01600
60	.22365	.09395	.06844	.01524

Disability Rates

Disability rates vary by age. Illustrative annual rates are shown below.

Police/Firemen			Civilian		
Age	Ordinary	Accidental	Age	Ordinary	Accidental
30	.00147	.00278	30	.00060	.00004
35	.00265	.00393	35	.00189	.00005
40	.00362	.00423	40	.00269	.00012
45	.00394	.00396	45	.00363	.00017
50	.00449	.00179	50	.00434	.00021
55	.00554	.00161	55	.00587	.00026
60	.01024	.00161	60	.00759	.00030
65	-	-	65	.00932	.00027
70	-	-	70	-	-

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

Decrement Timing

All decrements and benefit payments are assumed to occur mid- year.

Participation Rates

We have assumed 100% of future retirees who meet the eligibility requirements will participate in the postemployment welfare plans upon retirement.

Spousal/Dependent Coverage

55% of future retirees will have spousal/dependent coverage upon retirement. Current retiree spousal/dependent coverage information was provided. Males are assumed to be 3 years older than females if birth dates are missing.

Chapter 78 Retiree Contributions

Non-grandfathered retiree contributions are based on trended 2018 premium equivalent rates.

Expenses

Administrative expenses for medical and prescription drug costs are included in the above per capita claims costs.

Cadillac Tax

The high cost excise tax ("Cadillac tax") provisions of the Act, which as of December 31, 2017, become effective January 1, 2020, are applicable to the Plan. Subsequent legislation delayed the effective date to January 1, 2022. We reflected the Cadillac tax provisions in the valuation. The Cadillac tax is based on the trended 2018 premium equivalent rates. For projecting the Cadillac tax thresholds, we have assumed that the Consumer Price Index (CPI) will increase at 2.5% per annum.

Methods

Cost Method

The actuarial cost method used to determine the plan's funding requirements is the Projected Unit Credit method. Under this method, an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age.

Asset Valuation Method

The plan is currently unfunded.

Amortization Method and Period

The unfunded actuarial accrued liability is amortized as a level dollar amount using an open period of 30 years.

NOTE 16: GASB 45: OTHER POST-EMPLOYMENT BENEFITS (OPEB) - (CONTINUED)

GASB 75

On June 2, 2015, the Governmental Accounting Standards Board (GASB) approved a new accounting and financial reporting Statement related to other postemployment benefits (OPEB) for state and local governments. Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, applies to state and local government employers that sponsor OPEB. It replaces Statement No. 45 and requires governments to report a liability on the face of their financial statements for the OPEB provided. Statement No. 75 is effective for fiscal years beginning after June 15, 2017. The Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

NOTE 17: SUBSEQUENT EVENTS

The City of Plainfield has evaluated subsequent events occurring after the financial statement date through September 11, 2018 which is the date the financial statements were available to be issued. No items were noted for disclosure or adjustment.

CITY OF PLAINFIELD
SUPPLEMENTARY SCHEDULES
YEAR ENDED DECEMBER 31, 2017

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

	<u>REF.</u>	<u>CURRENT FUND</u>	<u>GRANT FUND</u>
Balance, December 31, 2016	A	\$ 15,830,460.11	\$ 3,497,226.27
Increased by Receipts:			
Taxes Receivable	A-8	\$ 95,404,115.29	\$
State of New Jersey-Senior Citizens and Veterans Deductions	A-7	184,660.99	
Interfunds	A-12:A-10	256,879.97	1,284,502.34
Miscellaneous Reserves	A-26	937,990.98	
Revenue Accounts Receivable	A-13	16,494,015.56	
Miscellaneous Revenue Not Anticipated	A-2	965,004.69	
Accounts Receivable - SID Taxes	A-19	157,150.70	
Prepaid Taxes	A-17	1,823,979.46	
Tax Overpayments	A-16	298,250.40	
Refunds-Appropriations	A-3	2,058,984.06	
Refunds-Appropriation Reserves	A-14	9,029.48	
Grants Receivable	A-20		2,972,249.87
Reserve for Grants-Appropriated	A-21		86,309.00
Grants Unappropriated	A-22		53,907.57
Local District School Taxes Payable	A-24	2,000,000.00	
Tax Title Liens	A-9	130,884.12	
		<u>120,720,945.70</u>	<u>4,396,968.78</u>
		\$ 136,551,405.81	\$ 7,894,195.05
Decreased by Disbursements:			
Appropriations	A-3	\$ 73,634,720.60	\$
Appropriation Reserves	A-14	1,208,759.52	
Interfunds	A-12:A-10	1,294,768.32	155,071.96
Tax Overpayments	A-16	188,441.82	
Local District School Taxes Payable	A-24	25,153,129.00	
County Taxes Payable	A-25	15,156,961.08	
Municipal Open Space Taxes	A-2	242,837.00	
Reserve for Grants-Appropriated	A-21		4,149,542.29
Miscellaneous Reserves	A-26	1,024,658.54	
Refund of Prior Year Revenue	A-2	49,819.68	
Accounts Payable	A-18	19,616.65	
Petty Cash	A-5	125.00	
		<u>117,973,837.21</u>	<u>4,304,614.25</u>
Balance, December 31, 2017	A	\$ <u>18,577,568.60</u>	\$ <u>3,589,580.80</u>

"A-5"

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF PETTY CASH

<u>OFFICE</u>	<u>INCREASED BY:</u>	<u>BALANCE DECEMBER 31 2017</u>
Senior Citizens	\$ <u>125.00</u>	\$ <u>125.00</u>
	\$ <u>125.00</u>	\$ <u>125.00</u>
<u>REF.</u>	A-4	A

"A-6"

SCHEDULE OF CHANGE FUND

<u>OFFICE</u>	<u>BALANCE DECEMBER 31 2016 AND 2017</u>
Court	\$ 250.00
Collector	<u>550.00</u>
	\$ <u>800.00</u>
<u>REF.</u>	A

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS

	<u>REF.</u>		
Balance, December 31, 2016 (Due From)	A	\$	290,459.08
Increased by:			
Senior Citizens Deductions per Tax Billing	A-7	\$	84,000.00
Veterans Deductions per Tax Billing	A-7		108,500.00
SC and Veterans Deductions Allowed by Tax Collector - Prior Year	A-7		250.00
Senior Citizen and Veterans Deductions Allowed by Tax Collector	A-7		<u>3,750.00</u>
			196,500.00
		\$	<u>486,959.08</u>
Decreased by:			
Received from State	A-4		184,660.99
SC and Veterans Deductions Disallowed by Tax Collector - Prior Year	A-7		17,750.00
Senior Citizen and Veterans Deductions Disallowed by Tax Collector	A-7		<u>3,314.86</u>
			<u>205,725.85</u>
Balance, December 31, 2017 (Due From)	A	\$	<u><u>281,233.23</u></u>

ANALYSIS OF STATE SHARE OF 2017 SENIOR
CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens Deductions per Tax Billing	A-7	\$	84,000.00
Veterans Deductions per Tax Billing	A-7		108,500.00
Deductions Allowed by Tax Collector	A-7		<u>4,000.00</u>
		\$	196,500.00
Less:			
Deductions Disallowed by Tax Collector	A-7		<u>21,064.86</u>
	A-8	\$	<u><u>175,435.14</u></u>

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2016	2017 LEVY	ADDED TAXES	2016	COLLECTIONS	2017	CANCELED	TRANSFERRED TO TAX TITLE LIENS	OVERPAYMENTS APPLIED	BALANCE DECEMBER 31, 2017
Prior	\$ 2,220,134.31	\$	\$ 17,500.00	\$	\$	2,163,152.85	\$	\$ 11,555.81	\$	\$ 62,825.65
2017		97,172,820.23		601,786.50	93,433,897.58		525,978.24	25,867.95	5,851.95	2,579,438.01
	\$ 2,220,134.31	\$ 97,172,820.23	\$ 17,500.00	\$ 601,786.50	\$ 95,597,050.43	\$ 525,978.24	\$ 525,978.24	\$ 37,523.76	\$ 5,851.95	\$ 2,642,263.66
REF.	A	A-8	A-7	A-2-A-17	A-2			A-9	A-16	A

REF.

Collector
Senior Citizens and Veterans Deductions

\$	95,404,115.29
\$	192,935.14
\$	95,597,050.43

ANALYSIS OF 2017 PROPERTY TAX LEVY

TAX YIELD

General Property Tax
Added Taxes (54:4-63.1 et seq.)

\$	96,967,041.28
	205,778.95
\$	97,172,820.23

A-8

TAX LEVY

Local District School Tax (Abstract)
County Tax (Abstract)
County Open Space (Abstract)
Due County for Added Taxes (54:4-63.1 et seq.)
Total County Taxes

\$	14,684,715.18
	421,893.55
\$	15,106,608.73
	31,865.72
	15,138,474.45

Local Tax for Municipal Purposes (Abstract)
Municipal Open Space Tax (Including Added)
Add: Taxes Under Billed
Local Tax for Municipal Purposes Levied

\$	56,451,613.77
	243,350.63
	186,252.38
	56,881,216.78
\$	97,172,820.23

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>			
Balance, December 31, 2016	A		\$	483,729.19
Increased by:				
Transfer From Taxes Receivable	A-8	\$	37,523.76	
Transfer From SID Taxes Receivable	A-19		21.57	
Transfer From Other			11,104.04	
Interest on Tax Sale			<u>9,518.82</u>	
				<u>58,168.19</u>
			\$	<u>541,897.38</u>
Decreased by:				
Receipts	A-4		130,884.12	
Canceled			26,484.85	
Transferred to Foreclosed Property			<u>39,772.99</u>	
				<u>197,141.96</u>
Balance, December 31, 2017	A		\$	<u><u>344,755.42</u></u>

"A-10"

CITY OF PLAINFIELD

GRANT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>		
Balance, December 31, 2016 (Due To)	A	\$	452,877.47
Increased by:			
Receipts	A-4	\$	1,284,502.34
Reserves Canceled	A-1		<u>854,322.38</u>
			2,138,824.72
		\$	<u>2,591,702.19</u>
Decreased by:			
Disbursements	A-4	\$	155,071.96
Receivables Canceled	A-20		<u>1,020,883.89</u>
			1,175,955.85
Balance, December 31, 2017 (Due To)	A	\$	<u><u>1,415,746.34</u></u>

"A-11"

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES PAYABLE

Balance, December 31, 2016	A	\$	954,312.42
Increased by:			
2017 Budget Appropriations	A-3		<u>1,885,454.52</u>
		\$	<u>2,839,766.94</u>
Decreased by:			
Transfer to Appropriation Reserves	A-14		<u>954,312.42</u>
Balance, December 31, 2017	A	\$	<u><u>1,885,454.52</u></u>

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>GRANT FUND</u>	<u>ANIMAL CONTROL TRUST FUND</u>	<u>OTHER TRUST FUND</u>	<u>SEWER UTILITY OPERATING FUND</u>
Balance, December 31, 2016:						
Due From	A	\$ 483,936.06	\$ 452,877.47	\$ 3,300.90	\$ 27,757.69	\$
Receipts	A-4	\$ 256,879.97	\$ 155,071.96	\$ 3,300.90	\$ 96,625.86	\$ 1,881.25
Disbursements	A-4	1,294,768.32	1,284,502.34		10,265.98	
Canceled Receivables	A-10	1,020,883.89	1,020,883.89			
Transfer	A-23	1,881.25				1,881.25
Transfer		153,400.00			153,400.00	
Canceled Reserves	A-10	854,322.38	854,322.38			
Excess Reserve in Animal Control	A-2	1,346.20		1,346.20		
Balance, December 31, 2017:						
Due From	A	\$ 1,511,890.35	\$ 1,415,746.34	\$ 1,346.20	\$ 94,797.81	\$ -0-

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

<u>ACCOUNTS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 30, 2016</u>	<u>ACCRUED IN 2017</u>	<u>COLLECTED</u>	<u>BALANCE DECEMBER 31, 2017</u>
Licenses:					
Alcoholic Beverages	A-2	\$	\$ 71,360.00	\$ 71,360.00	\$
Board of Health	A-2		100,492.80	100,492.80	
Clerk	A-2		18,520.00	18,520.00	
Registrar	A-2		1,182.00	1,182.00	
Fees and Permits:					
Clerk	A-2		4,778.00	4,778.00	
Planning	A-2		78,850.25	78,850.25	
Vital Statistics	A-2		93,430.00	93,430.00	
Fire	A-2		34,050.00	34,050.00	
Police	A-2		21,294.15	21,294.15	
Construction Code Official	A-2		68,000.00	68,000.00	
Engineer	A-2		41,200.00	41,200.00	
Recreation	A-2		2,491.43	2,491.43	
Community Development	A-2		221,500.00	221,500.00	
Public Works	A-2		600.00	600.00	
Construction Code Official:					
Fees and Permits	A-2		925,282.00	925,282.00	
Municipal Court:					
Fines and Costs	A-2	105,037.45	1,219,197.26	1,226,651.27	97,583.44
Interest and Costs on Taxes	A-2		604,198.07	604,198.07	
Parking Meters and Permits	A-2		555,599.05	555,599.05	
Interest on Investments and Deposits	A-2		311,260.23	311,260.23	
Cable TV Franchise Fees	A-2		501,578.13	501,578.13	
Consolidated Municipal Property Tax Relief Aid	A-2		1,873,294.77	1,873,294.77	
Energy Receipts Tax	A-2		5,903,648.00	5,903,648.00	
P.I.L.O.T.:					
Presbyterian Homes	A-2		179,147.70	179,147.70	
Cedarbrook Park Apartments	A-2		253,386.47	253,386.47	
Liberty Village	A-2		142,798.93	142,798.93	
Leland Gardens	A-2		280,975.05	280,975.05	
Covenant House	A-2		40,469.15	40,469.15	
Horizons at Plainfield	A-2		90,913.13	90,913.13	
Park Madison	A-2		386,494.80	386,494.80	
Park Madison - Other	A-2		70,269.01	70,269.01	
Allen Young Apartments	A-2		185,796.30	185,796.30	
Planning Fees	A-2		55,903.04	55,903.04	
Recreation Fees	A-2		30,841.57	30,841.57	
P.M.U.A. Revenue Sharing	A-2		1,697,955.00	1,697,955.00	
Certificates of Compliance	A-2		79,970.00	79,970.00	
Capital Surplus	A-2		155,557.00	155,557.00	
Services Provided to Grant Programs - Fringe Benefits	A-2		184,278.26	184,278.26	
		\$ 105,037.45	\$ 16,486,561.55	\$ 16,494,015.56	\$ 97,583.44
<u>REF.</u>	A			A-4	A

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF 2016 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2016	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES</u>				
Mayor's Office	\$ 11.22	\$ 11.22	\$	\$ 11.22
City Council	0.59	0.59		0.59
City Administrator	26.14	26.14		26.14
City Clerk	1,776.13	1,776.13		1,776.13
Deputy City Administrator	2.01	2.01		2.01
Corporation Counsel	4,174.17	4,174.17	97.23	4,076.94
Director of Administration and Finance	36,957.08	36,957.08		36,957.08
Personnel	2,183.35	2,183.35	82.59	2,100.76
Purchasing	6,702.00	6,702.00		6,702.00
Comptroller	53,033.31	53,033.31		53,033.31
Tax Collector	1,006.51	1,006.51		1,006.51
Assessments	13,134.01	13,134.01		13,134.01
Community Relations and Social Services	62.94	62.94		62.94
Senior Citizens	68,040.92	68,040.92	64.02	67,976.90
Health and Social Services	157,728.51	157,728.51	43.78	157,684.73
Director of Public Works	75,408.05	75,408.05		75,408.05
Engineering	384.90	384.90		384.90
Public Works	140,604.17	140,604.17	52,231.66	88,372.51
Planning	5,300.55	5,300.55		5,300.55
Planning Board	600.00	600.00		600.00
Recreation	5,560.22	5,560.22		5,560.22
Recreation - Seasonal Employees	17,280.81	17,280.81		17,280.81
Media	54,826.09	54,826.09		54,826.09
Director of Public Affairs and Safety	2,016.92	2,016.92		2,016.92
School Crossing Guards	1,000.00	1,000.00		1,000.00
Police	745,703.72	645,703.72	5,073.35	640,630.37
Fire	216,364.49	166,364.49	15,313.41	151,051.08
Signal	68,666.45	68,666.45		68,666.45
Municipal Court	74,192.30	74,192.30	99.32	74,092.98
Public Defender	0.04	0.04		0.04
Information Technology	14,477.10	14,477.10		14,477.10
Summer Pool Program	38,134.50	38,134.50		38,134.50
Community Development	6,611.15	6,611.15		6,611.15
Construction Official	93,609.85	93,609.85	924.55	92,685.30
Emergency Management	5,000.00	5,000.00		5,000.00
<u>OTHER EXPENSES</u>				
Mayor's Office	9,263.41	12,853.77	2,790.01	10,063.76
City Council	31,185.67	31,955.24	11,330.57	20,624.67
City Administrator	2,567.53	5,518.54	2,522.00	2,996.54
Deputy City Administrator	44,314.17	53,585.14	21,877.22	31,707.92
Corporation Counsel	58,845.83	190,391.47	34,147.25	156,244.22
City Clerk	8,445.93	16,206.25	2,351.30	13,854.95
Director of Administration and Finance	26,236.94	42,061.94	15,245.00	26,816.94
Personnel	36,358.25	40,021.28	2,346.00	37,675.28
Purchasing	3,804.49	3,804.49	299.33	3,505.16
Administrative Services	14,621.99	68,606.52	55,205.67	13,400.85
Comptroller	10,349.89	50,666.88	15,304.60	35,362.28
Audit	7,985.00	7,985.00		7,985.00
Tax Collector	149.17	2,477.72	2,112.32	365.40
Assessments	2,480.85	8,029.33	1,469.82	6,559.51
Community Relations and Social Services	11,261.90	11,261.90		11,261.90
Senior Citizens	1,523.01	21,233.14	17,337.17	3,895.97
Health and Social Services	26,100.45	50,522.15	35,917.13	14,605.02
Director of Public Works	762.70	3,706.91	2,919.21	787.70
Animal Control	11,658.00	31,973.00	30,472.50	1,500.50
Engineering	14,292.19	56,908.33	51,110.65	5,797.68
Public Works	398.56	131,422.72	124,704.12	6,718.60
Snow Removal	24.28	44,921.56	41,851.81	3,069.75
Planning	19,250.65	56,363.36	47,655.03	8,708.33
Planning Board	6.95	16,223.68	13,764.10	2,459.58
Board of Adjustment	4,215.74	6,320.74	2,105.00	4,215.74
Recreation	15,868.83	27,272.33	9,461.19	17,811.14
Summer Pool Program	434.08	434.08		434.08

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF 2016 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2016	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
OTHER EXPENSES (CONTINUED)				
Media	\$ 3,235.33	\$ 9,386.83	\$ 4,950.00	\$ 4,436.83
Auxiliary Police	460.56	460.56		460.56
Director of Public Affairs and Safety	51,350.00	51,350.00		51,350.00
School Crossing Guards	19.60	67.50	47.90	19.60
Police	30,021.73	91,266.69	54,897.32	36,369.37
Fire	6,973.84	62,855.19	56,568.30	6,286.89
Emergency Management	8.80	8.80		8.80
Signal	347.92	8,139.81	6,904.91	1,234.90
Central Board of Veterans	1,000.00	1,000.00		1,000.00
Independence Day	8,644.59	8,644.59		8,644.59
Historic Preservation	750.64	2,050.00	833.71	1,216.29
Drake House	0.50	492.55	492.05	0.50
Cultural & Heritage	3,525.74	23,900.00	23,899.94	0.06
Beautification Committee	500.00	500.00		500.00
Youth Guidance Council	8,656.19	12,433.69	3,077.50	9,356.19
Shade Tree Commission	3,745.10	31,644.54	18,015.44	13,629.10
National Night Out	5,000.00	5,000.00		5,000.00
Human Relations Commission	7,289.67	7,300.00	40.33	7,259.67
Municipal Court	3,078.35	11,606.77	10,164.47	1,442.30
Building Demolition	103,970.00	105,585.00	2,025.44	103,559.56
Construction Official	2,705.67	9,270.43	2,746.48	6,523.95
Gasoline	72,632.12	46,783.55	9,610.05	37,173.50
Fuel Oil	81,865.58	44,338.00	19,758.61	24,579.39
Electricity	22,976.16	44,869.34	36,251.38	8,617.96
Telephone and Telegraph	23,787.01	36,787.01	35,895.35	891.66
Water Account	28,132.05	95,132.05	86,863.47	8,268.58
City Summer Youth	16,422.09	16,422.09		16,422.09
Accumulated Absences Buyouts	82,699.93	232,699.93	201,268.94	31,430.99
Contingent	10,000.00	10,000.00		10,000.00
Social Security System (O.A.S.I.)	26,649.30	26,649.30		26,649.30
Consolidated Police & Fire Pension	1,554.56	1,554.56		1,554.56
Liability Insurance	78,203.98	100,412.26	17,666.68	82,745.58
Unemployment Insurance	495.45	495.45		495.45
Group Insurance Plan for Employees	191,527.72	215,940.00	2,675.17	213,264.83
Workers' Compensation Insurance	465,285.36	465,285.36		465,285.36
Payment for Health Insurance Opt Out	1,270.60	1,270.60		1,270.60
Defined Contribution Retirement Plan	6,791.57	6,791.57	444.02	6,347.55
Environmental Commission	1,000.00	1,000.00		1,000.00
Community Development	5,968.61	12,687.58	6,019.98	6,667.60
Technology Acquisition	2,325.34	9,989.96	8,754.44	1,235.52
911 Acquisition	5,002.44	5,002.44		5,002.44
Information Technology	458.76	23,250.27	22,016.31	1,233.96
Matching Funds for Grants	115,000.00	115,000.00		115,000.00
Maintenance for Public Library	20,920.11	20,920.11		20,920.11
	<u>\$ 3,775,239.63</u>	<u>\$ 4,729,552.05</u>	<u>\$ 1,250,117.10</u>	<u>\$ 3,479,434.95</u>

REF.

A-14

A-1

Balance, December 31, 2016
Accounts Payable - Prior Year

A:A-14
A-18

\$ 3,775,239.63
954,312.42

\$ 4,729,552.05

Disbursements
Accounts Payable

A-4
A-18

\$ 1,208,759.52
50,387.06

Less: Refunds

A-4

\$ 1,259,146.58
9,029.48

\$ 1,250,117.10

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF FORECLOSED PROPERTY

	<u>REF.</u>		
Balance, December 31, 2016	A	\$	2,310,300.00
Increased by:			
Assessed Values on added properties			<u>127,200.00</u>
		\$	<u>2,437,500.00</u>
Decreased by:			
Sold		\$	368,100.00
Merged			<u>900.00</u>
			<u>369,000.00</u>
Balance, December 31, 2017	A	\$	<u><u>2,068,500.00</u></u>

"A-16"

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2016	A	\$	66,489.22
Increased by:			
Overpayments in 2017	A-4		298,250.40
		\$	<u>364,739.62</u>
Decreased by:			
Refunded	A-4	\$	188,441.82
Applied to Receivable	A-8		5,851.95
Applied to Prepaid	A-17		<u>1,488.05</u>
			<u>195,781.82</u>
Balance, December 31, 2017	A	\$	<u><u>168,957.80</u></u>

"A-17"

SCHEDULE OF PREPAID TAXES

Balance, December 31, 2016	A	\$	405,359.98
Increased by:			
Collected 2018 taxes	A-4	\$	1,823,979.46
Tax overpayments applied	A-16		<u>1,488.05</u>
			<u>1,825,467.51</u>
		\$	<u>2,230,827.49</u>
Decreased by:			
Applied to 2017 taxes	A-8		<u>405,359.98</u>
Balance, December 31, 2017	A	\$	<u><u>1,825,467.51</u></u>

"A-18"

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2016	A	\$	509,122.69
Increased by:			
Appropriation Reserves	A-14		<u>50,387.06</u>
		\$	<u>559,509.75</u>
Decreased by:			
Disbursements	A-4		<u>19,616.65</u>
Balance, December 31, 2017	A	\$	<u><u>539,893.10</u></u>

"A-19"

SCHEDULE OF ACCOUNTS RECEIVABLE - SID TAXES

Balance, December 31, 2016	A	\$	4,574.92
Increased by:			
Levy	A-26		<u>161,930.32</u>
		\$	<u>166,505.24</u>
Decreased by:			
Receipts	A-4	\$	157,150.70
Transferred to Liens	A-9		21.57
Canceled			<u>1,015.30</u>
			<u>158,187.57</u>
Balance, December 31, 2017	A	\$	<u><u>8,317.67</u></u>

CITY OF PLAINFIELD

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	<u>REF.</u>			
Balance, December 31, 2016	A		\$	5,644,150.82
Increased by:				
Budget Appropriation	A-2	\$	5,243,901.72	
CDBG Programs	A-21		<u>1,005,000.00</u>	
				<u>6,248,901.72</u>
			\$	<u>11,893,052.54</u>
Decreased by:				
Receipts	A-4	\$	2,972,249.87	
Unappropriated Applied	A-22		60,000.00	
Canceled	A-1:A-10		<u>1,020,883.89</u>	
				<u>4,053,133.76</u>
Balance, December 31, 2017	A		\$	<u><u>7,839,918.78</u></u>

A detailed analysis of the grant receivables is on file in the finance office.

"A-21"

CITY OF PLAINFIELD

GRANT FUND

SCHEDULE OF RESERVE FOR
GRANT PROGRAMS-APPROPRIATED

	<u>REF.</u>		
Balance, December 31, 2016	A	\$	5,492,048.48
Increased by:			
Budget Appropriation	A-3	\$	5,243,901.72
Receipts - City Match	A-3:A-4		86,309.00
CDBG Programs	A-20		<u>1,005,000.00</u>
			6,335,210.72
		\$	<u>11,827,259.20</u>
Decreased by:			
Disbursements	A-4	\$	4,149,542.29
Canceled	A-1:A-10		<u>854,322.38</u>
			5,003,864.67
Balance, December 31, 2017	A	\$	<u><u>6,823,394.53</u></u>

A detailed analysis of the grant reserves is on file in the finance office.

"A-22"

SCHEDULE OF RESERVE FOR GRANTS-
UNAPPROPRIATED

Balance, December 31, 2016	A	\$	3,196,451.14
Increased by:			
Receipts	A-4		<u>53,907.57</u>
		\$	<u>3,250,358.71</u>
Decreased by:			
Applied to Receivable	A-20		<u>60,000.00</u>
Balance, December 31, 2017	A	\$	<u><u>3,190,358.71</u></u>

A detailed analysis of the grant reserves is on file in the finance office.

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF STATE AID RECEIVABLE

	<u>REF.</u>	
Balance, December 31, 2016	A	\$ 1,881.25
Increased by:		
Miscellaneous Revenue Anticipated	A-2	1,056.25
		\$ <u>2,937.50</u>
Decreased by:		
Refund bond interest paid by state	A-12	<u>1,881.25</u>
Balance, December 31, 2017	A	\$ <u><u>1,056.25</u></u>

"A-24"

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2016 (Due From)	A	\$	2,000,000.00
Increased by:			
Disbursements	A-4		25,153,129.00
		\$	<u>27,153,129.00</u>
Decreased by:			
Receipt	A-4	\$	2,000,000.00
Levy	A-1:A-8		<u>25,153,129.00</u>
			<u>27,153,129.00</u>

"A-25"

SCHEDULE OF COUNTY TAXES PAYABLE

Balance, December 31, 2016	A	\$	50,352.35
Increased by:			
Levy	A-1:A-8	\$	15,106,608.73
Added and Omitted	A-1:A-8		<u>31,865.72</u>
			<u>15,138,474.45</u>
		\$	<u>15,188,826.80</u>
Decreased by:			
Disbursements	A-4		<u>15,156,961.08</u>
Balance, December 31, 2017	A	\$	<u><u>31,865.72</u></u>

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF MISCELLANEOUS CURRENT RESERVES

	BALANCE DECEMBER 31, 2016	INCREASES	DECREASES	BALANCE DECEMBER 31, 2017
Fire Fines and Penalties	\$ 425.00	\$	425.00	\$
Due State of New Jersey:				
Construction Code DCA Fees	10,684.00	53,254.88	28,798.88	35,140.00
Marriage Licenses	1,600.00	9,850.00	4,225.00	7,225.00
Sale of Property	363,772.00	3,750.00	363,772.00	3,750.00
Sale of Municipal Assets	98,476.29	395,547.00	205,000.00	289,023.29
Due PMUA	6,428.57	837,849.28	844,277.85	
Special Improvement District	(78,369.49)	239,692.49	146,931.81	14,391.19
Due County- 5% PILOT		1,511.82		1,511.82
Tax Appeals	510,716.89			510,716.89
	<u>\$ 913,733.26</u>	<u>\$ 1,541,455.47</u>	<u>\$ 1,593,430.54</u>	<u>\$ 861,758.19</u>
REF.				A
Reserve Balance	\$ 992,102.75			
Prepaid SID Taxes	(78,369.49)			
	<u>\$ 913,733.26</u>			
Receipts	\$	937,990.98		
Transfer		363,772.00		
Canceled		77,762.17		
Special Improvement District Tax		161,930.32		
		<u>\$ 1,541,455.47</u>		
Disbursements				
Miscellaneous Revenue Anticipated			1,024,658.54	
Transfer			205,000.00	
			<u>363,772.00</u>	
			<u>\$ 1,593,430.54</u>	

CITY OF PLAINFIELD

CURRENT FUND

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

REF.

Increased by:

2017 Budget Appropriations

A-3

\$ 5,400.00

Balance, December 31, 2017

A

\$ 5,400.00

CITY OF PLAINFIELD

TRUST FUND

SCHEDULE OF TRUST CASH - TREASURER

<u>REF.</u>	<u>ANIMAL CONTROL</u>	<u>OTHER</u>
Balance, December 31, 2016	\$ 9,511.10	\$ 10,525,029.74
<u>Receipts:</u>		
Due Current Fund		
Dog Registration Fees - Due State	\$	\$ 10,265.98
Reserve for Animal Control Expenditures	463.80	
Reserve for Open Space Trust Deposits	3,951.00	244,534.48
Reserve for State Unemployment Insurance		81,849.86
Various Reserves and Deposits		10,329,690.45
Reserve for Payroll Deductions Payable		46,855,258.53
	<u>4,414.80</u>	<u>57,521,599.30</u>
	\$ <u>13,925.90</u>	\$ <u>68,046,629.04</u>
<u>Disbursements:</u>		
Dog Registration Fees - Due State	\$	\$
Due Current Fund	836.80	
Reserve for Open Space Trust Deposits	3,300.90	96,625.86
Reserve for State Unemployment Insurance		238,891.00
Various Reserves and Deposits		164,836.07
Reserve for Payroll Deductions Payable		11,988,858.80
	<u>4,137.70</u>	<u>46,831,837.02</u>
	\$ <u>9,788.20</u>	\$ <u>59,321,048.75</u>
Balance, December 31, 2017	\$ <u>9,788.20</u>	\$ <u>8,725,580.29</u>

"B-2"

CITY OF PLAINFIELD
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE STATE OF NEW JERSEY

	<u>REF.</u>	
Balance, December 31, 2016	B	\$ 407.20
Increased by:		
Receipts	B-1	463.80
		\$ <u>871.00</u>
Decreased by:		
Disbursements	B-1	<u>836.80</u>
Balance, December 31, 2017	B	\$ <u><u>34.20</u></u>

"B-3"

ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE CURRENT FUND

Balance, December 31, 2016 (Due To)	B	\$ 3,300.90
Increased by:		
Excess Reserve for Expenditures- Due Current Fund	B-4	1,346.20
		\$ <u>4,647.10</u>
Decreased by:		
Disbursements	B-1	<u>3,300.90</u>
Balance, December 31, 2017 (Due To)	B	\$ <u><u>1,346.20</u></u>

"B-4"

CITY OF PLAINFIELD

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2016	B	\$	5,803.00
Increased by:			
Receipts	B-1		3,951.00
		\$	<u>9,754.00</u>
Decreased by:			
Excess Reserve for Expenditures -Due Current Fund	B-3		<u>1,346.20</u>
Balance, December 31, 2017	B	\$	<u><u>8,407.80</u></u>

"B-5"

SCHEDULE OF - DUE CURRENT FUND - TRUST OTHER

Balance, December 31, 2016 (Due To)	B	\$	27,757.69
Increased by:			
Receipts	B-1	\$	10,265.98
Transfers	B-6		<u>153,400.00</u>
			<u>163,665.98</u>
		\$	<u>191,423.67</u>
Decreased by:			
Disbursements	B-1		<u>96,625.86</u>
Balance, December 31, 2017 (Due To)	B	\$	<u><u>94,797.81</u></u>

CITY OF PLAINFIELD

TRUST FUND

SCHEDULE OF VARIOUS RESERVES AND DEPOSITS

	BALANCE DECEMBER 31, 2016	INCREASES	DECREASES	BALANCE DECEMBER 31, 2017
Senior Citizen Building Fund	\$ 7,512.50	\$	\$	\$ 7,512.50
Recreation Trips	1,967.28	3,950.00		5,917.28
Public Defender	12,471.31	8,707.00	17,872.03	3,306.28
POAA	66,374.00	11,008.00	8,981.28	68,400.72
Engineering Escrow	139,271.30	41,650.00	8,488.38	172,432.92
Engineering	56,839.21	67,936.50	67,591.63	57,184.08
Engineering Performance Bonds	33,796.26			33,796.26
Engineering Maintenance Bonds	23,539.99			23,539.99
Municipal Alliance	94.91			94.91
Engineering Street Openings	46,601.93			46,601.93
National Night Out	41.26			41.26
July 4th Celebration	1,851.96			1,851.96
Construction Escrow	594,066.63	54,500.00	84,000.00	564,566.63
Cultural and Heritage	12,624.45			12,624.45
Redevelopment Projects Developers Escrow	44,753.68	126,332.77	133,868.30	37,218.15
Snow Removal	3,511.95	50,000.00		53,511.95
AFLAC Flex One	7,514.24		7,514.24	
Reserve for Uniform Fire Safety	10,178.32	6,537.50	11,134.13	5,581.69
Relocation	2,319.32			2,319.32
Forfeited Funds	141,300.79	53,525.40		194,826.19
Beautification Committee	4,185.61			4,185.61
Reserve For 3rd Party Inspections	26,628.85			26,628.85
Reserve for Dedicated Fire Penalties	1,562.00	4,537.50		6,099.50
Roll Off Dumpsters	4,000.00	3,250.00	1,250.00	6,000.00
Recycling Center	7,135.18			7,135.18
Self Insurance	974,006.33	214,530.86	396,000.00	792,537.19
City Affairs		1,968.60	1,102.74	865.86
Workers Compensation	106,413.94	67,170.38	34,944.02	138,640.30
Auto Liability	227,865.24	218.50	161.42	227,922.32
Bilingual Day Care	3,261.52	22,614.68	24,648.50	1,227.70
Off-Site Construction-Woodland Ave.	47,924.00			47,924.00
Maintenance of Woodland Ave. Estates	20,000.00			20,000.00
Tax Collector	9,987.51		9,987.51	(0.00)
Mt. Olive Church	2,180.00			2,180.00
Youth Guidance Council	1,550.00			1,550.00
Ratzman Trust	11,131.67		540.00	10,591.67
Shade Tree	2,622.83	300.00		2,922.83
Accumulated Absences	172,295.48	150,000.00		322,295.48
CHAP	30,888.43	263,861.00	241,959.00	52,790.43
Drake House	100.00			100.00
Auto Liability - All Vehicles	83,539.90	185,741.28	157,030.88	112,250.30
Arlington Assoc. - Sale of Assets	3,106.67			3,106.67
Trust Escrow	645,043.30	941,698.51	1,202,084.46	384,657.35
Law Enforcement Trust Fund Forfeitures	49,811.51	25,646.70	35,581.98	39,876.23
CDBG Program Income	989.44	124,317.00	124,317.00	989.44
Municipal Court Merchant Fee Account	2,266.54		2,266.54	
Recreation Merchant and Fee Account	222.50		222.50	
Outside Liens	948,958.52	5,413,288.27	6,131,412.26	230,834.53
Tax Premiums	5,114,100.00	2,486,400.00	3,439,300.00	4,161,200.00
	<u>\$ 9,708,408.26</u>	<u>\$ 10,329,690.45</u>	<u>\$ 12,142,258.80</u>	<u>\$ 7,895,839.91</u>

REF

B

B-1

B

Disbursements

B-1

\$ 11,988,858.80

Transfer

B-5

153,400.00

\$ 12,142,258.80

"B-7"

CITY OF PLAINFIELD

TRUST FUND

SCHEDULE OF RESERVE FOR PAYROLL DEDUCTIONS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2016	B	\$ 23,416.37
Increased by:		
Receipts	B-1	<u>46,855,258.53</u>
		\$ <u>46,878,674.90</u>
Decreased by:		
Disbursements	B-1	<u>46,831,837.02</u>
Balance, December 31, 2017	B	\$ <u><u>46,837.88</u></u>

"B-8"

SCHEDULE OF RESERVE FOR OPEN SPACE TRUST DEPOSITS

Balance, December 31, 2016	B	\$ 351,525.86
Increased by:		
Municipal Open Space Tax Levy		\$ 242,837.00
Interest Earned		<u>1,697.48</u>
	B-1	<u>244,534.48</u>
		\$ <u>596,060.34</u>
Decreased by:		
Disbursements	B-1	<u>238,891.00</u>
Balance, December 31, 2017	B	\$ <u><u>357,169.34</u></u>

CITY OF PLAINFIELD

TRUST FUND

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

	<u>REF.</u>		
Balance, December 31, 2016	B	\$	413,921.56
Increased by:			
Municipal Contribution		\$	41,673.00
Employee Contribution			37,128.23
Interest Earned			<u>3,048.63</u>
	B-1		81,849.86
		\$	<u>495,771.42</u>
Decreased by:			
Disbursements	B-1		<u>164,836.07</u>
Balance, December 31, 2017	B	\$	<u><u>330,935.35</u></u>

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2016	C		\$ 8,300,340.64
Increased by Receipts:			
Grants Receivable	C-7	\$ 74,375.00	
Deferred Charges To Future Taxation Unfunded	C-6	770,000.00	
Fund Balance - Premium on Bond Anticipation Note	C-1	265,873.00	
Due from UCIA	C-8	282,187.51	
Bond Anticipation Notes	C-15	<u>26,534,000.00</u>	
			<u>27,926,435.51</u>
			\$ 36,226,776.15
Decreased by Disbursements:			
Contracts Payable	C-12	\$ 1,419,187.88	
Bond Anticipation Notes	C-15	21,971,000.00	
Improvement Authorizations	C-9	3,672,940.78	
Anticipated Revenue - Current Fund	C-1	<u>155,557.00</u>	
			<u>27,218,685.66</u>
Balance, December 31, 2017	C		\$ <u>9,008,090.49</u>

"C-3"

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

ANALYSIS OF GENERAL CAPITAL CASH

<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2017</u>
Capital Improvement Fund	\$ 335,978.90
Improvement Authorizations Funded "C-9"	1,577,755.63
Unfunded Improvements Expended Listed on "C-6"	(434,792.31)
Unexpended Proceeds of Bond Anticipation Notes on "C-6"	3,901,218.54
Fund Balance	405,885.98
Contracts Payable	3,538,823.13
Reserve for Encumbrances	383,708.12
Reserve for South Avenue Business District	50,000.00
Deferred Charge - Grant Receivable Canceled	(182,500.00)
Grants Receivable	<u>(567,987.50)</u>
	<u>\$ 9,008,090.49</u>

REF.

C

"C-4"

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-FUNDED

	<u>REF.</u>		
Balance, December 31, 2016	C		\$ 13,726,264.05
Decreased by:			
Bonds Paid by Budget	C-13	\$ 1,890,000.00	
UCIA Leases Paid by Budget	C-15	33,152.24	
Loans Paid by Budget	C-12	<u>53,223.79</u>	
			<u>1,976,376.03</u>
Balance, December 31, 2017	C		\$ <u>11,749,888.02</u>

"C-5"

SCHEDULE OF RESERVE FOR SOUTH AVENUE BUSINESS DISTRICT

Balance, December 31, 2016 and December 31, 2017	C	\$ <u>50,000.00</u>
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"C-7"

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

	<u>REF.</u>		
Balance December 31, 2016	C	\$	1,219,062.50
Receipts	C-2	\$	74,375.00
Canceled	C-9		<u>576,700.00</u>
			<u>651,075.00</u>
Balance, December 31, 2017	C	\$	<u><u>567,987.50</u></u>

An analysis of the Grants Receivable is on file in the Office of the City Comptroller.

"C-8"

SCHEDULE OF UCIA RECEIVABLE

Balance, December 31, 2016	C	\$	<u>282,187.51</u>
Decreased by:			
Receipts	C-2	\$	<u><u>282,187.51</u></u>

CITY OF PLAINFIELD
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT		BALANCE, DECEMBER 31, 2016		2017 AUTHORIZATIONS	IMPROVEMENT AUTHORIZATIONS CANCELED	CONTRACTS PAYABLE CANCELED	PAID OR CHARGED	BALANCE, DECEMBER 31, 2017	
			DATE	AMOUNT	FUNDED	UNFUNDED					FUNDED	UNFUNDED
1237	Various General Improvements	10/18/04		\$ 750,000.00	\$ 50,914.27	\$	\$	\$	\$	121,508.01	50,914.27	\$
1238	Various Capital Improvements	10/18/04, 3/13/17		2,938,500.00	619,510.15		500.00		8,688.64	121,508.01	506,690.78	500.00
1239	Various Capital Improvements	9/6/05		1,946,000.00	57,521.00				17,640.29	72,915.74	2,245.55	
1240	Various Capital Improvements	12/20/05		400,000.00	331,303.47				5,433.34	95,450.00	241,286.81	
1241	Various Street Improvements	7/18/07		7,400,000.00	46,349.72				53,500.00	46,349.72		
1242	Technology Capital Improvements	7/18/07		1,250,000.00	9,509.48				2,251.37	7,163.00	55,846.48	
1243	Various Capital Improvements	7/18/07		1,350,000.00	710,673.98				29.94	17,322.48	685,602.87	
1245/1246	Road Improvement Program	8/08 & 7/09		6,300,000.00		99,711.48			1,091.60	8,152.80		91,588.62
1252	Various Road Improvements	5/14/12		8,252,000.00	62,936.33	703,478.74			11,245.00	13,022.31	14,995.94	691,548.03
1253	Various Road Improvements	5/14/12		2,494,800.95					137,603.34	59,185.39		
1255	Various Capital Improvements	5/13/13		3,160,000.00	198,697.45	358,678.09			80,170.04	379,132.20	10,172.93	117,149.23
1408	Various Capital Improvements	5/12/14		653,650.00					24,175.00	268,694.56		
1258	Road Improvements	5/11/15		4,000,000.00		1,556,429.97		394,200.00		146,640.53		1,039,764.44
1259	Capital Acquisitions and Improvements	8/17/15		2,000,000.00		1,065,848.41			0.22	594,372.26		471,476.15
1260	Various Capital Improvements	3/14/16		2,333,500.00		1,557,918.82				755,190.04		802,729.00
1261	Various Road Improvements	2/13/17		5,600,000.00			5,600,000.00			4,910,997.52		689,002.48
					\$ 2,087,415.85	\$ 5,342,065.51	\$ 5,600,500.00	\$ 394,200.00	\$ 341,828.78	\$ 7,496,096.56	\$ 1,577,755.63	\$ 3,903,757.95
					C	C		C-1	C-12		C-C-3	C-C-6
	Deferred Charges To Future Taxation - Unfunded Capital Improvement Fund						\$ 5,333,500.00					
							267,000.00					
							\$ 5,600,500.00					
	Disbursements									\$ 3,672,940.78		
	Reserve for Encumbrances									284,332.65		
	Contracts Payable									3,538,823.13		
										\$ 7,496,096.56		

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

REF.

Balance, December 31, 2016	C	\$ 602,978.90
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-9	<u>267,000.00</u>
Balance, December 31, 2017	C	<u><u>\$ 335,978.90</u></u>

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES PAYABLE

	<u>REF.</u>	
Increased by:		
Improvement Authorizations	C-9	\$ 284,332.65
Increased by:		
Transfer from Contracts Payable	C-12	<u>99,375.47</u>
Balance, December 31, 2017	C	<u><u>\$ 383,708.12</u></u>

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2016	C	\$	1,878,904.19
Increased by:			
Improvement Authorizations	C-9		<u>3,538,823.13</u>
		\$	<u>5,417,727.32</u>
Decreased by:			
Disbursements	C-2	\$	1,419,187.88
Transfer to Reserve for Encumbrances	C-11		99,375.47
Canceled to Improvement Authorizations	C-9		341,828.78
Canceled to Fund Balance	C-1		<u>18,512.06</u>
			<u>1,878,904.19</u>
Balance, December 31, 2017	C	\$	<u><u>3,538,823.13</u></u>

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF LOANS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2016	C	\$ 477,563.98
Decreased by:		
Loan Paid by Budget	C-4	<u>53,223.79</u>
Balance, December 31, 2017	C	<u><u>\$ 424,340.19</u></u>

ANALYSIS OF BALANCE

Green Acres Loan	\$ 368,090.19
NJ Unsafe Building Demolition Loan	<u>56,250.00</u>
	<u><u>\$ 424,340.19</u></u>

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2016	DECREASED	BALANCE DECEMBER 31, 2017
			DATE	AMOUNT				
2015 Refunding Bonds	09/15/07	\$ 22,100,000.00	09/15/18	\$ 1,980,000.00	4.125%	\$ 13,090,000.00	\$ 1,890,000.00	\$ 11,200,000.00
			09/15/19	2,145,000.00	4.125%			
			09/15/20	2,255,000.00	4.125%			
			09/15/21	2,355,000.00	4.125%			
			09/15/22	2,465,000.00	4.125%			
						\$ 13,090,000.00	\$ 1,890,000.00	\$ 11,200,000.00
						\$ 13,090,000.00	\$ 1,890,000.00	\$ 11,200,000.00
					REF.	C	C-4	C

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF UCIA LEASES PAYABLE

<u>ISSUER</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>BALANCE DECEMBER 31, 2016</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2017</u>
Union County Improvement Authority	2004	\$ 993,742.51	\$ 11,044.32	\$ 3,621.09	\$ 7,423.23
Union County Improvement Authority	2006	1,940,840.62	147,665.75	29,531.15	118,134.60
		\$	<u>158,710.07</u>	<u>\$ 33,152.24</u>	<u>\$ 125,557.83</u>
			C	C-4	C

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

ORDINANCE	ORIGINAL DATE OF ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2016	INCREASED	DECREASED	BALANCE DECEMBER 31, 2017
1245-46 - Road Improvement Program	09/15/10	08/29/17	08/28/18	2.00%	\$ 4,725,000.00	\$ 4,410,000.00	\$ 4,725,000.00	\$ 4,410,000.00
1252 - Various Road Improvements	12/27/12	08/29/17	08/28/18	2.00%	7,315,000.00	7,044,000.00	7,315,000.00	7,044,000.00
1255 - Various Capital Improvements	05/13/13	08/29/17	08/28/18	2.00%	2,816,000.00	2,632,000.00	2,816,000.00	2,632,000.00
1258 - Road Improvements	05/11/15	08/29/17	08/28/18	2.00%	2,999,000.00	2,999,000.00	2,999,000.00	2,999,000.00
1259 - Capital Acquisitions & Improvements	08/31/16	08/29/17	08/28/18	2.00%	1,900,000.00	1,900,000.00	1,900,000.00	1,900,000.00
1260 - Various Capital Improvements	08/31/16	08/29/17	08/28/18	2.00%	2,216,000.00	2,216,000.00	2,216,000.00	2,216,000.00
1261 - Various Road Improvements	08/29/17	08/29/17	08/28/18	2.00%	5,333,000.00	5,333,000.00		5,333,000.00
					\$ 21,971,000.00	\$ 26,534,000.00	\$ 21,971,000.00	\$ 26,534,000.00
				REF.	C	C-2	C	C

CITY OF PLAINFIELD

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT AUTHORIZATION</u>	<u>BALANCE DECEMBER 31, 2017</u>
1227	Removal, Replacement and Upgrade of Underground Storage Tanks	\$ 88,474.95
1230	Various Capital Improvements	59,000.00
1234	Park Improvement - Ball Field Lights	97,559.98
1238	Various Capital Improvements	500.00
1239	Various General Improvements	57,275.00
1249	Library Improvements	114,000.00
1252	Various Road Improvements	137.94
1255	Various Capital Improvements	176.47
1258	Various Road Improvements	1,000.00
1260	Various Capital Improvements	725.00
Local Improvements:		
410	Infrastructure Improvements	17,982.38
412	Infrastructure Improvements	<u>500.00</u>
		\$ <u><u>437,331.72</u></u>

CITY OF PLAINFIELD

SEWER UTILITY FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

	<u>REF.</u>		<u>OPERATING</u>
Balance, December 31, 2016	D		\$ 1,097.40
Increased by Receipts:			
Deficit-General Budget	D-1:D-3	\$ 58,273.13	
Miscellaneous Revenue Not Anticipated	D-1:D-3	<u>8.12</u>	
			<u>58,281.25</u>
			\$ 59,378.65
Decreased by Disbursements:			
Appropriations	D-4	\$ 55,000.00	
Accrued Interest on Bonds	D-6	<u>3,762.50</u>	
			<u>58,762.50</u>
Balance, December 31, 2017	D		\$ <u>616.15</u>

CITY OF PLAINFIELD

SEWER UTILITY CAPITAL FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS

	<u>REF.</u>	
Balance, December 31, 2016	D	\$ 1,097.40
Increased by:		
Budget Appropriation	D-4	3,281.25
		\$ <u>4,378.65</u>
Decreased by:		
Disbursements	D-5	<u>3,762.50</u>
Balance, December 31, 2017	D	\$ <u><u>616.15</u></u>

"D-7"

CITY OF PLAINFIELD

SEWER UTILITY FUND

SCHEDULE OF FIXED CAPITAL

<u>DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2016 AND</u> <u>2017</u>	
Various Sewer Utility System Improvements	\$	289,000.00
Various Sewer Utility Improvements		<u>1,150,000.00</u>
	\$	<u><u>1,439,000.00</u></u>
<u>REF.</u>		D

"D-8"

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2016</u>		<u>BONDS</u> <u>PAID</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2017</u>	
Various Sewer Utility System Improvements	\$	<u>1,319,000.00</u>	\$	<u>60,000.00</u>	\$ <u>1,379,000.00</u>
	\$	<u><u>1,319,000.00</u></u>	\$	<u><u>60,000.00</u></u>	\$ <u><u>1,379,000.00</u></u>
<u>REF.</u>		D		D-9	D

CITY OF PLAINFIELD

PART II

SINGLE AUDIT SECTION

REPORTS 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

REPORTS ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL AND STATE FINANCIAL
ASSISTANCE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND STATE OF
NEW JERSEY OMB CIRCULAR 15-08

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS



SUPLEE, CLOONEY & COMPANY

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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**

The Honorable Mayor and Members
of the City Council
City of Plainfield
County of Union
Plainfield, New Jersey 07061

We have audited, in accordance with the 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the City of Plainfield, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's regulatory financial statements, and have issued our report thereon dated September 11, 2018. Our report disclosed that, as described in Note 1 to the financial statements, the City of Plainfield prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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. We noted other matters in the internal control which are discussed in Part III, General Comments and Recommendations section of the audit report.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted other matters of noncompliance which are discussed in Part III, General Comments and Recommendations section of the audit 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's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 439

September 11, 2018



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL AND
STATE FINANCIAL ASSISTANCE PROGRAMS AND
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

The Honorable Mayor and Members
of the City Council
City of Plainfield
County of Union
Plainfield, New Jersey 07061

Report on Compliance for Each Major Federal and State Program

We have audited the City of Plainfield's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the City of Plainfield's major federal and State programs for the year ended December 31, 2017. The City's major federal and State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Plainfield's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08. Those standards, the Uniform Guidance and New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the City of Plainfield's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

SUPLEE, CLOONEY & COMPANY

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

Opinion on Each Major Federal and State Program

In our opinion, the City of Plainfield complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2017.


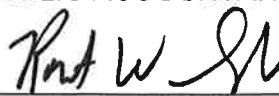
Report on Internal Control Over Compliance

Management of the City of Plainfield is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Plainfield's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB Circular 015-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Plainfield's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and State of New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS

REGISTERED MUNICIPAL ACCOUNTANT NO. 439

September 11, 2017

CITY OF PLAINFIELD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2017

FEDERAL C.F.D.A. NUMBER	PASS THROUGH GRANTOR'S NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2017 RECEIPTS	2017 EXPENDITURES	CUMULATIVE EXPENDITURES
		FROM	TO				
U.S.DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
PASS THROUGH FROM COUNTY OF UNION							
14.218	B-15-UC-34-0106	9/1/15	8/31/16	\$ 1,056,500.00	\$ 33,983.59	\$	\$ 1,056,500.00
14.218	B-16-UC-34-0106	9/1/16	8/31/17	944,000.00	763,572.62	873,950.89	911,630.12
14.218	B-17-UC-34-0106	9/1/17	8/31/18	997,000.00	2,628.00	41,680.24	41,680.24
				\$	\$ 800,184.21	\$ 915,631.13	\$ 2,009,810.36
U.S.DEPARTMENT OF HEALTH AND HUMAN SERVICES							
PASS THROUGH FROM STATE OF NEW JERSEY							
93.569	8050-052350-184-100-022	10/1/15	9/30/16	209,142.00	\$ 82,099.00	\$ 5,818.14	\$ 207,993.12
93.569	8050-052350-184-100-022	10/1/16	9/30/17	207,283.48	109,390.00	201,949.68	201,949.68
PASS THROUGH FROM COUNTY OF UNION							
93.667	16-APC-118	1/1/16	12/31/16	88,547.00	7,361.06	14,739.14	88,547.00
93.667	17-APC-118	1/1/17	12/31/17	88,547.00	66,454.30	88,547.00	88,547.00
				\$	\$ 198,850.06	\$ 311,053.96	\$ 498,489.80
U.S.DEPARTMENT OF AGRICULTURE							
PASS THROUGH FROM STATE OF NEW JERSEY							
10.557	4220-100-046-4560-113-J002-6140	10/1/15	9/30/16	742,689.00	\$ 94,604.00	\$ 6,067.53	\$ 742,689.00
10.557	4220-100-046-4560-113-J002-6140	10/1/16	9/30/17	742,787.00	645,501.00	553,929.89	742,787.00
10.557	4220-100-046-4560-113-J002-6140	10/1/17	9/30/18	747,963.00		148,158.95	148,158.95
				\$	\$ 740,105.00	\$ 708,156.37	\$ 1,633,634.95
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION							
20.616	1160-100-066-1160-155	5/22/17	6/4/17	5,500.00	\$ 5,500.00	\$	\$ 5,500.00
U.S.DEPARTMENT OF JUSTICE							
PASS THROUGH FROM STATE OF NEW JERSEY							
16.738	2010-DJ-BX-0449	7/1/10	6/30/11	250,000.00	\$ 44,275.04	\$	\$ 250,000.00
16.738	Edward Byrne Memorial Justice Assistance Grant (JAG)	7/1/13	6/30/14	42,938.10	42,938.10	1,390.00	42,938.10
16.738	Edward Byrne Memorial Justice Assistance Grant (JAG)	7/1/14	6/30/15	42,047.10	42,047.10	42,047.10	42,047.10
16.738	Edward Byrne Memorial Justice Assistance Grant (JAG) - 2014	7/1/15	6/30/16	36,108.90	31,955.37	36,108.90	36,108.90
16.738	Edward Byrne Memorial Justice Assistance Grant (JAG) - 2015	7/1/16	6/30/17	36,652.20		36,652.20	36,652.20
16.541	USA Swimming Foundation	1/1/13	12/31/13	6,800.00		2,476.76	2,476.76
16.541	USA Swimming Foundation	1/1/15	12/31/15	5,000.00		590.00	590.00
16.579	Bulletproof Vest Partnership Program	1/1/17	12/31/17	10,543.14			
				\$	\$ 161,215.61	\$ 119,264.96	\$ 410,813.06
U.S.DEPARTMENT OF INTERIOR							
15.904	National Park Service - Van Wyck Brooks Heights Historic Survey			24,500.00	\$ 24,500.00	\$	\$ 24,500.00

CITY OF PLAINFIELD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2017

<u>FEDERAL GRANTOR /PASS THROUGH GRANTOR /PROGRAM TITLE</u>	<u>FEDERAL C.F.D.A. NUMBER</u>	<u>PASS THROUGH GRANTOR'S NUMBER</u>	<u>GRANT PERIOD FROM TO</u>	<u>GRANT AWARD AMOUNT</u>	<u>2017 RECEIPTS</u>	<u>2017 EXPENDITURES</u>	<u>CUMULATIVE EXPENDITURES</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>							
Brownfields Assessment - Hazardous Substances	66-818			\$ 200,000.00	\$ 13,418.15	\$ 14,291.87	\$ 199,369.04
Brownfields Assessment - Hazardous Discharge - Petroleum	66-818			200,000.00	5,242.92	14,675.07	189,980.30
Brownfields Assessment - Lee Place	66-818			200,000.00			200,000.00
Brownfields Funding Region 2 - (96270816)	66-818			200,000.00	4,952.50	6,192.50	6,129.50
Brownfields Funding Region 2 - (96270916)	66-818			200,000.00	9,777.25	17,742.00	17,742.00
Hazardous Discharge Remediation - Lee Place	66-818			101,516.00		77,078.33	77,078.58
					<u>\$ 33,390.82</u>	<u>\$ 129,979.77</u>	<u>\$ 690,299.42</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>							
<u>PASS THROUGH FROM STATE OF NEW JERSEY</u>							
North Jersey Transportation Planning Authority:							
Transportation Alternatives - North Ave Streetscape Improvements	20-205		1/1/14 12/31/14	594,000.00	\$	\$	\$
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>							
FEMA - Assistance to Firefighters Grant	97-044	DHS-16-GPD-044-000-99	03/03/17 03/03/18	64,766.00	\$	\$	\$
<u>PASS THROUGH FROM STATE OF NEW JERSEY</u>							
Office of Emergency Management							
FEMA Hazard Mitigation Grant	97-039	FEMA-DR-4086-NJ-271-R	4/29/15 4/29/18	250,000.00	\$	\$	\$ 3,692.50
FEMA Hazard Mitigation Grant	97-039	FEMA-DR-4264-NJ-553-R	3/14/16 9/14/16	250,000.00			
FEMA Severe Winter Snowstorm	97-036			113,115.51	113,115.51		113,115.51
					<u>\$ 113,115.51</u>	<u>\$</u>	<u>\$ 116,808.01</u>
<u>GRAND TOTAL</u>					<u>\$ 2,076,861.21</u>	<u>\$ 2,214,086.19</u>	<u>\$ 5,389,855.60</u>

CITY OF PLAINFIELD
SCHEDULE OF STATE GRANT AND STATE AID FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2017

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT AWARD AMOUNT	2017 RECEIPTS	2017 EXPENDITURES	CUMULATIVE EXPENDITURES
DEPARTMENT OF HEALTH & SENIOR SERVICES					
Plainfield Partnership for Healthier Children - Lead Grant JFK		\$			
Health Officers Grant		39,000.00	\$ 19,750.00	\$	
Shelter Support Grant - Dudley House		2,320.00	2,320.00		
Municipal Alliance on Alcohol and Drug Abuse-FY 2016		398,080.00		13,500.00	13,500.00
Municipal Alliance on Alcohol and Drug Abuse-FY 2017		33,379.00	33,097.20	27,546.22	33,379.00
		33,379.00	8,731.00	8,731.00	8,731.00
		\$	\$ 55,167.20	\$ 49,777.22	\$ 55,610.00
DEPARTMENT OF TRANSPORTATION					
1984 Trust Fund-Municipal Aid:					
West Fourth Street (Section 2)		250,000.00	\$	\$	248,164.71
South Second Street		239,161.00			198,025.94
NJ DOT Municipal Aid - Second Street (Section 2)		297,500.00	297,500.00		297,500.00
NJ DOT Municipal Aid - West Third Street (Section 2)	6320-480-078-AL5-6320	272,500.00			
NJ DOT Municipal Aid - Summer Avenue		298,357.00			
2010 Bikeway Program		229,000.00			
Safe Routes to School		304,000.00			
		\$	\$ 297,500.00	\$	\$ 743,690.65
DEPARTMENT OF ENVIRONMENTAL PROTECTION					
Clean Communities Program		72,824.16	\$ 72,824.16	\$ 72,824.16	72,824.16
Recycling Tonnage Program - FY 2015	4900-765-042-4900-004-V42Y-6020	43,144.44			
Recycling Tonnage Program - FY 2017	4910-100-042-4910-224-V42Y-6020	43,646.60	43,646.60	43,646.60	43,646.60
Recycling Tonnage Program - Unappropriated	4910-100-042-4910-224-V42Y-6020	53,907.57	53,907.57		
Green Acres Program	4910-100-042-4910-224-V42Y-6020	1,100,000.00		1,099,787.00	1,099,787.00
Hazard Discharge Site Remediation - South Second Street		1,000,000.00		6,204.38	981,213.25
Hazard Discharge Site Remediation - Arlington Avenue		45,948.00			36,243.07
Hazard Discharge Site Remediation - City Yard	P-21545	64,108.00			4,740.12
Hazard Discharge Site Remediation - Central Business District	P-43437	841,129.00	119,856.00	62,969.16	62,969.16
Hazard Discharge Site Remediation - Central Business District	P-43439	122,641.00		10,936.79	10,936.79
Greening Union County Grant - FY 2015		3,000.00	3,000.00	3,000.00	3,000.00
Greening Union County Grant - FY 2016		20,000.00	15,583.50	20,000.00	20,000.00
Greening Union County Grant - FY 2017		9,700.00			
CSIP Reforestation/Tree Planting Grant	4870-100-042-4870-074	27,900.00	25,110.00	27,900.00	27,900.00
		\$	\$ 333,927.83	\$ 1,347,268.09	\$ 2,363,260.15
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT					
Urban Enterprise Zone - Signs and Facades Program		513,530.00	\$	\$ 79,658.94	318,861.44
Urban Enterprise Zone - Mural Project		150,000.00		4,500.00	11,000.00
Urban Enterprise Zone - Parking Study		60,000.00		19,522.32	59,633.14
Urban Enterprise Zone - Marketing Study		75,000.00		17,270.50	74,727.50
Urban Enterprise Zone - Marketing Branding		60,000.00		45,000.00	45,000.00
		\$	\$	\$ 165,951.76	\$ 509,222.08
DEPARTMENT OF LAW AND PUBLIC SAFETY					
Body Armor Replacement Fund - FY 2012	1020-718-066-1020-001-YCJS-6120	13,284.60	\$	\$ 928.37	13,284.60
Body Armor Replacement Fund - FY 2014	1020-090160-718-066-1020-001	29,164.61		9,832.73	29,164.61
Body Armor Replacement Fund - FY 2015	1020-718-066-1020-001-YCJF-6120	15,733.21		7,409.28	7,409.28
Body Armor Replacement Fund - FY 2016	1020-718-066-1020-001-YCJF-6120	10,685.22			
Body Armor Replacement Fund - FY 2017	1020-718-066-1020-001-YCJF-6120	10,543.14	10,543.14		
Alcohol Education Rehabilitation Fund - FY 2015	9735-760-098-Y900-001-X100-6020	4,773.59			
Alcohol Education Rehabilitation Fund - 2016	9735-760-098-Y900-001-X100-6020	181.29			
		\$	\$ 10,543.14	\$ 18,170.38	\$ 49,858.49

CITY OF PLAINFIELD
SCHEDULE OF STATE GRANT AND STATE AID FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2017

STATE GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT AWARD AMOUNT	2017 RECEIPTS	2017 EXPENDITURES	CUMULATIVE EXPENDITURES
PASS THROUGH FROM COUNTY OF UNION					
Senior Citizens' Arts Program-FY 2014		\$ 2,400.00	\$	\$	\$ 1,500.00
Senior Citizens' Arts Program-FY 2015		2,400.00		1,529.00	2,400.00
Senior Citizens' Arts Program-FY 2016		2,300.00	575.00	2,126.17	2,126.17
Senior Citizens' Arts Program-FY 2017		2,200.00	2,200.00	2,000.00	2,000.00
Senior Focus		25,000.00		7,278.00	7,278.00
Safe Housing and Transportation-FY 2016		19,166.00	7,216.00	4,041.00	19,166.00
Safe Housing and Transportation-FY 2017		19,470.00	6,320.00	9,768.38	9,768.38
Kids Recreational Trust - 2013		88,000.00		6,300.00	6,300.00
Kids Recreational Trust - 2014		37,500.00	37,500.00		37,500.00
Kids Recreational Trust - 2015		63,000.00		1,576.06	1,576.06
Kids Recreational Trust - 2016		45,450.00			
Kids Recreational Trust - 2017		85,000.00	85,000.00		85,000.00
Preserve Union County - Lampkin Street		50,000.00			
HEART Grant - 2016		25,000.00			
HEART Grant - 2017		2,000.00			
Infrastructure and Municipal Aid - 2017		2,500.00	1,250.00		
Infrastructure and Municipal Aid - 2016		100,000.00		100,000.00	100,000.00
United Way-Plainfield Action Services (P.A.S.)		100,000.00	7,773.77	20,131.13	20,131.13
Plainfield Action Services (P.A.S.) - GAP Funding		65,555.00	12,866.00	11,480.00	11,480.00
Plainfield Action Services (P.A.S.) - GAP Funding		14,000.00		489.00	14,000.00
		14,000.00	\$ 160,700.77	\$ 251,696.74	\$ 320,225.74
OTHER AID:					
Investor's Bank - Foundation Award		\$ 6,500.00	\$ 6,500.00	\$	\$
NJ EDA - Arlington Heights Remedial		26,543.00	26,542.75	19,192.40	19,192.40
Conference of Mayor's - Childhood Obesity		25,000.00		7,617.93	24,533.93
COMCAST Technology Grant		100,000.00		32,426.72	32,426.72
COMCAST - PEG Technology Grant-2016		5,000.00		5,000.00	5,000.00
COMCAST - PEG Technology Grant-2017		5,000.00	5,000.00	5,000.00	5,000.00
		\$ 38,042.75	\$ 38,042.75	\$ 69,237.05	\$ 86,153.05
GRAND TOTAL		\$	\$ 895,881.69	\$ 1,902,103.24	\$ 4,128,020.16

CITY OF PLAINFIELD

NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2017

NOTE 1. GENERAL

The accompanying schedules of expenditures of financial assistance present the activity of all federal and state financial assistance programs of the City of Plainfield, County of Union, New Jersey. All federal and state financial assistance received directly from federal or state agencies, as well as federal financial assistance passed through other governmental agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than U.S. generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the City's financial statements - regulatory basis. The City has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the City's statutory basis financial statements. These amounts are reported in the Current Fund, Grant Fund or General Capital Fund.

Receipts:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ <u>2,076,861.21</u>	\$ <u>894,861.69</u>	\$ <u>54,434.54</u>	\$ <u>3,026,157.44</u>
	\$ <u><u>2,076,861.21</u></u>	\$ <u><u>894,861.69</u></u>	\$ <u><u>54,434.54</u></u>	\$ <u><u>3,026,157.44</u></u>

Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Grant Fund	\$ <u>2,214,086.19</u>	\$ <u>1,902,103.24</u>	\$ <u>33,352.86</u>	\$ <u>4,149,542.29</u>
	\$ <u><u>2,214,086.19</u></u>	\$ <u><u>1,902,103.24</u></u>	\$ <u><u>33,352.86</u></u>	\$ <u><u>4,149,542.29</u></u>

NOTE 5. OTHER

Matching contributions expended by the City in accordance with terms of the various grants are not reported in the accompanying schedules.

CITY OF PLAINFIELD
UNION COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Section I - Summary of Auditor's Results

Financial Statements

- | | |
|--|------------|
| (1) Type of Auditor Report Issued: | Unmodified |
| (2) Internal Control Over Financial Reporting: | |
| (a) Material weaknesses identified? | No |
| (b) Significant deficiencies that are not considered to be material weaknesses? | No |
| (3) Noncompliance material to the financial statements to be noted during the audit? | No |

Federal Programs(s)

- | | |
|---|---------------------|
| (1) Internal Control Over Major Federal Programs: | |
| (a) Material weaknesses identified during the audit? | No |
| (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (2) Type of Auditor's Report issued on compliance for major federal program(s)? | Unmodified |
| (3) Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance and listed in Section III of this schedule? | No |
| (4) Identification of Major Federal Program(s): | |
| <u>Program</u> | <u>Grant Number</u> |
| Women, Infant and Children Program | 10.557 |
| (5) Program Threshold Determination: | |
| Type A Federal Program Threshold > \$750,000.00 | |
| Type B Federal Program Threshold <= \$750,000.00 | |
| (6) Auditee qualified as a low-risk auditee under the Uniform Guidance? | Yes |

CITY OF PLAINFIELD
UNION COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Section I - Summary of Auditor's Results (Continued)

State Program(s)

(1) Internal Control Over Major State Programs:

(a) Material weaknesses identified? No

(b) Significant deficiencies that are not considered to be material weaknesses? No

(2) Type of Auditor's Report issued on compliance for major state program(s)? Unmodified

(3) Any audit findings disclosed that are required to be reported in accordance with Circular OMB 15-08 and listed in Section III of this schedule? No

(4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant/Project Number</u>
Green Acres Program	
Multi-Park Improvements	2012-14-015

(5) Program Threshold Determination:

Type A State Program Threshold > \$750,000.00

Type B State Program Threshold <= \$750,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular 15-08? Yes

CITY OF PLAINFIELD
UNION COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Section II - Financial Statement Audit - Reported Findings Under Government Auditing Standards

Internal Control Findings

None Reported.

Compliance Findings

None Reported

Section III - Findings and Questioned Costs Relative to Major Federal and State Programs

Federal Programs - None Reported

State Programs - None Reported

Status of Prior Year Audit Findings - Not Applicable

PART III

CITY OF PLAINFIELD

STATISTICAL DATA

LIST OF OFFICIALS

GENERAL COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2017

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

	YEAR 2017		YEAR 2016	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 6,423,030.00	4.86%	\$ 5,935,029.16	4.79%
Miscellaneous - From Other Than				
Local Property Tax Levies	29,322,451.24	22.20%	23,048,911.73	18.59%
Collection of Delinquent Taxes				
and Tax Title Liens	2,276,536.97	1.72%	2,282,253.15	1.84%
Collections of Current Tax Levy	94,041,536.03	71.22%	92,723,194.84	74.78%
<u>Total Revenue</u>	<u>\$ 132,063,554.24</u>	<u>100.00%</u>	<u>\$ 123,989,388.88</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 82,158,273.53	65.87%	\$ 77,402,071.45	65.93%
County Taxes	15,138,474.45	12.14%	14,793,976.59	12.60%
Local School District Taxes	25,153,129.00	20.17%	24,741,269.00	21.07%
Municipal Open Space Taxes	242,837.00	0.19%	244,047.43	0.21%
Other Expenditures	2,027,799.65	1.63%	226,773.02	0.19%
<u>Total Expenditures</u>	<u>\$ 124,720,513.63</u>	<u>100.00%</u>	<u>\$ 117,408,137.49</u>	<u>100.00%</u>
Excess in Revenue	\$ 7,343,040.61		\$ 6,581,251.39	
Fund Balance - January 1	\$ 9,174,194.88		\$ 8,527,972.65	
	\$ 16,517,235.49		\$ 15,109,224.04	
Less: Utilization as Anticipated Revenue	6,423,030.00		5,935,029.16	
Fund Balance, December 31	<u>\$ 10,094,205.49</u>		<u>\$ 9,174,194.88</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - SEWER UTILITY OPERATING FUND

	YEAR 2017		YEAR 2016	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Canceled Accrued Interest on Bonds	\$		\$ 8,271.53	97.70%
Miscellaneous	<u>8.12</u>	<u>100.00%</u>	<u>194.40</u>	<u>2.30%</u>
<u>Total Revenue</u>	<u>\$ 8.12</u>	<u>100.00%</u>	<u>\$ 8,465.93</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Debt Service	<u>\$ 58,281.25</u>	<u>100.00%</u>	<u>\$ 65,337.50</u>	<u>100.00%</u>
<u>Total Expenditures</u>	<u>\$ 58,281.25</u>	<u>100.00%</u>	<u>\$ 65,337.50</u>	<u>100.00%</u>
Excess in (Deficit) Revenue	<u>\$ (58,273.13)</u>		<u>\$ (56,871.57)</u>	
Adjustments to Income Before Fund Balance:				
Realized from General Budget for Anticipated Deficit	<u>\$ 58,273.13</u>		<u>\$ 56,871.57</u>	
Fund Balance - January 1	<u>\$ -0-</u>		<u>\$ -0-</u>	
Fund Balance, December 31	<u>\$ -0-</u>		<u>\$ -0-</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	CALENDAR YEAR <u>2017</u>	CALENDAR YEAR <u>2016</u>	CALENDAR YEAR <u>2015</u>
Municipal	\$ 4.650	\$ 4.558	\$ 4.469
Municipal Open Space	0.020	0.020	0.010
County	1.210	1.178	1.088
County Open Space	0.034	0.033	0.031
Local School	<u>2.072</u>	<u>2.034</u>	<u>1.994</u>
Total Tax Rate	\$ <u><u>7.986</u></u>	\$ <u><u>7.823</u></u>	\$ <u><u>7.592</u></u>

Assessed Valuations:

2017	\$ <u><u>1,214,186,163.00</u></u>		
2016		\$ <u><u>1,216,447,273.00</u></u>	
2015			\$ <u><u>1,222,090,550.00</u></u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of the 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 ENDED</u>	<u>TAX LEVY</u>	<u>CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
December 31, 2017	\$ 97,172,820.23	\$ 94,041,536.03	96.78%
December 31, 2016	95,495,904.39	92,723,194.84	97.10%
December 31, 2015	92,862,743.12	90,121,255.80	97.05%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>YEAR ENDED</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
December 31, 2017	\$ 344,755.42	\$ 2,642,263.66	\$ 2,987,019.08	3.07%
December 31, 2016	483,729.19	2,220,134.31	2,703,863.50	2.83%
December 31, 2015	1,003,343.85	2,313,368.18	3,316,712.03	3.57%

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 ENDED</u>	<u>AMOUNT</u>
December 31, 2017	\$2,068,500.00
December 31, 2016	2,310,300.00
December 31, 2015	2,636,600.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR ENDED</u>	<u>BALANCE</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	December 31, 2017	\$10,094,080.49	\$6,766,565.00
	December 31, 2016	9,174,194.88	6,423,030.00
	December 31, 2015	8,527,972.65	5,935,029.16
	December 31, 2014	6,807,326.93	5,600,000.00
	December 31, 2013	5,699,860.45	3,900,000.00

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>
Adrian O. Mapp	Mayor	\$150,000.00
Rebecca Williams	Council President	**
Cory Storch	Council Member	**
Barry Goode	Council Member	**
Diane Toliver	Council Member	**
Joylette Mill-Ransome	Council Member	**
Charles McRae	Council Member	**
Bridget Rivers	Council Member	**
David Minchello	Corporation Counsel	*
Abubakar Jalloh	City Clerk, Assessment Search Officer	75,000.00
R. Allen Smiley	City Administrator	150,000.00
Ronald West	Director of Administration and Finance	750,000.00
Richard J. Gartz	Chief Financial Officer	750,000.00
David Marshall	Tax Collector	384,000.00
Cynthia Weber	Purchasing Agent	*
Carl Marshall	Magistrate	***
Raymona Iwer	Municipal Court Administrator	***
Carl Riley	Director of Public Safety	*
Oren Dabney	Director of Public Works	*
Tracy Bennett	Tax Assessor	*

*\$15,000.00 Public Employee's Blanket Bond

**\$25,000.00 Faithful Performance Blanket Position Bond City Council

***\$65,000.00 Faithful Performance Blanket Position Bond Municipal Court Personnel

All of the bonds were examined and were properly executed.

GENERAL COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR (N.J.S.A. 40A:11-4)

Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds, not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c. 198 (C.40A:11-3), except by contract or agreement.

Effective July 1, 2015, the bid threshold in accordance with N.J.S.A. 40A:11-3 was allowed to be increased to \$40,000.00. In 2017, the City appointed a Qualified Purchasing Agent and raised the bid threshold to \$40,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$40,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the City Counsel's opinion should be sought before a commitment is made.

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

- Rushmore Playground Upgrades
- Seildler Field Lighting Upgrades
- Seilder Field Reconstruction Project
- Data Center Virtualization, Server Upgrades and Maintenance
- Madison Avenue Skate Park Project
- Resurfacing of West Third Street
- Installation of Emergency Generator at Fire Headquarters
- Construction of First Section of Green Brook Multi-Use Trail

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

Our audit of expenditures did not reveal any individual payments, contracts or agreements in excess of \$40,000.00 "for the performance of any work or the furnishing or hiring of any material, supplies or services, 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."

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR (N.J.S.A.40A:11-4)
(CONTINUED)

The minutes indicate that resolutions authorizing contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5 were awarded during 2017 for the professional services:

Engineering Services	Bond Counsel
Auditing Services	Corporation Counsel
Consulting Services	Labor/Personnel Counsel
Litigation/Redevelopment Counsel	Special Counsel- Appeals/Foreclosure

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body on January 9, 2017 adopted the following resolutions authorizing interest to be charged on delinquent taxes:

RESOLVED, by the City Council of the City of Plainfield, County of Union, State of New Jersey as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on first \$1,500.00 of taxes becoming delinquent after the due date and 18% per annum on any amount in excess on \$1,500.00, the same to be calculated from the date the tax was payable until the date of actual payment.
2. There will be a ten (10) day grace period of quarterly tax payments made by cash, check or money order.
3. Any payments made after the ten (10) day grace period will revert the interest charge back to the original due date.
4. The Tax Collector is directed to charge a 6% penalty on any delinquency in excess of \$10,000.00 (inclusive of interest, said delinquency is calculated to the end of the fiscal year) that remains delinquent at the end of the fiscal year, for that fiscal year.
5. The Tax Collector is hereby authorized to charge a fee of \$25.00 to cover all costs associated with the mailing of each notice on a particular property, not to exceed two (2) mailings per property.

TAX TITLE LIENS

The last tax sale for unpaid municipal taxes was held on October 19, 2017.

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

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 as follows:

TYPE

Payment of 2018 Taxes	50
Payment of 2017 Taxes	50
Delinquent Taxes	25

OTHER COMMENTS

Interfund Balances

Transactions invariably occur in one fund which require a corresponding entry to be made in another fund, thus creating interfund balances. Reference to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year.

Other Departments

The audit of the condition of records maintained by the various departments of the City were designed to determine whether minimum levels of internal controls and accountability were maintained, that cash receipts were deposited or turned over to the Treasurer within 48 hours per N.J.S.A. 40A:5-15 and that the amounts collected were in accordance with various ordinances, statutes, contracts or agreements. Our audit revealed that City funds collected by the Police Department were not always deposited with 48 hours.

RECOMMENDATIONS

Other Departments

That all City funds collected by the Police Department be deposited within 48 hours of receipt.