

**BOROUGH OF PARAMUS
COUNTY OF BERGEN, NEW JERSEY**

**REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2018**

BOROUGH OF PARAMUS
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 YEAR ENDED DECEMBER 31, 2018
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BOROUGH OF PARAMUS

Part I

Report on Audit of Financial Statements and Supplementary Schedules

Independent Auditors' Report

Honorable Mayor and Members of the Borough Council
Borough of Paramus, County of Bergen, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Borough of Paramus, as of December 31, 2018 and 2017, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2018, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. 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.

Auditors' Responsibility

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

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

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

Independent Auditors' Report (Continued)

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

As described in Note 1 of the financial statements, the financial statements are prepared and presented by the Borough of Paramus on the basis of the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws 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 financial reporting requirements of the State of New Jersey for municipal government entities.

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 above in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Borough of Paramus as of December 31, 2018 and 2017, or changes in financial position, or, where applicable, cash flows for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

The notes to the Borough of Paramus's financial statements do not disclose the other post employment benefit obligations related to post-retirement medical benefits provided to its eligible retirees and their dependents as required by Government Accounting Standards Board Statement Number 75 Accounting and Financial Reporting for Postemployment Benefits Other than Pensions and the Division of Local Government Services, Department of Community Affairs, State of New Jersey. In our opinion, disclosure of that information is required to conform with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the omission of the note disclosure regarding the other post-employment benefit obligations, as described in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" paragraph above, the financial statements - regulatory basis referred to above present fairly, in all material respects, the financial position - regulatory basis of the various funds and account group of the Borough of Paramus as of December 31, 2018 and 2017, and the results of operations and changes in fund balance - regulatory basis of such funds for the years then ended and the respective revenues - regulatory basis and expenditures - regulatory basis of the various funds for the year ended December 31, 2018 in accordance with the financial accounting and reporting provisions and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Independent Auditors' Report (Continued)

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Borough of Paramus as a whole. The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards, schedule of expenditures of state financial assistance and the supplementary data and letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the financial statements of the Borough of Paramus.

The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole on the basis of accounting described in Note 1.

The supplementary data and letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2019 on our consideration of the Borough of Paramus'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 Borough of Paramus's internal control over financial reporting and compliance.

DI MARIA & DI MARIA LLP
Accountants and Advisors

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2019

BOROUGH OF PARAMUS
 CURRENT FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Current Fund</u>			
<u>Assets</u>			
Cash:			
Current Account.....		\$ 3,607,784	\$ 18,101,620
Ambulance Fee Account.....		303,819	47,098
Change Funds.....		450	450
		<u>3,912,053</u>	<u>18,149,168</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable.....	A-4	770,331	1,047,777
Tax Title Liens Receivable.....	A-5	4,760	4,394
Property Acquired for Taxes - Assessed Valuation.....	A-6	23,978	23,978
Due from - Golf Course Utility Operating Fund.....		250,000	-
Due from - General Capital Fund.....		2,600,000	-
Due from - Sewer Assessment Trust Fund		-	7
Prepaid Local District School Tax.....		-	78,157
		<u>3,649,069</u>	<u>1,154,313</u>
Deferred Charges:			
Emergency Authorizations (40A:4-47).....	A-7	2,100,000	-
		<u>9,661,122</u>	<u>19,303,481</u>
<u>Grant Fund</u>			
<u>Assets</u>			
Cash - Grant Account.....		406,644	437,522
Cash - DEA Account.....		207,303	301,582
Due from - Current Account.....		545,901	643,253
Grants Receivable.....	A-8	-	603,832
		<u>1,159,848</u>	<u>1,986,189</u>
		<u>\$ 10,820,970</u>	<u>\$ 21,289,670</u>

BOROUGH OF PARAMUS
 CURRENT FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Current Fund</u>			
<u>Liabilities, Reserves and Fund Balance</u>			
Liabilities:			
Due to - Grant Fund.....	\$	545,901	\$ 637,892
Due to - Trust Fund.....		-	23,359
Due to - General Capital Fund.....		-	3,111,411
Due to - Golf Course Utility Capital Fund.....		-	581,000
Due County for Added & Omitted Taxes.....		111,804	73,668
Local District School Tax Payable.....		101	-
Library Tax Payable.....		-	44,213
Due State of New Jersey.....		-	19,779
Appropriation Reserves.....		1,001,815	1,621,463
Reserve for Encumbrances.....		570,322	580,665
Pre-Paid Taxes.....		1,037,573	6,686,161
Outside Lien Redemption Payable.....		-	5,027
Emergency Note Payable.....		2,100,000	-
		<u>5,367,516</u>	<u>13,384,638</u>
Reserve for Receivables and Other Assets.....		3,649,069	1,154,313
Fund Balance.....		<u>644,537</u>	<u>4,764,530</u>
		<u>9,661,122</u>	<u>19,303,481</u>
		-	-
<u>Grant Fund</u>			
<u>Liabilities</u>			
Due to - General Capital Fund.....		-	80,061
Reserve for Encumbrances.....		-	7,603
Appropriated Reserves.....	A-9	1,093,740	1,489,530
Unappropriated Reserves.....	A-10	66,108	408,995
		<u>1,159,848</u>	<u>1,986,189</u>
		-	-
		<u>\$ 10,820,970</u>	<u>\$ 21,289,670</u>
		-	-

BOROUGH OF PARAMUS
 CURRENT FUND
 COMPARATIVE STATEMENT OF OPERATIONS AND
 CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized.....	A-2	\$ 4,764,000	\$ 4,923,836
Miscellaneous Revenue Anticipated.....	A-2	18,244,797	15,545,806
Receipts from Delinquent Taxes.....	A-2	1,050,975	824,838
Receipts from Current Taxes.....	A-2	146,952,234	143,759,289
Non-Budget Revenue.....	A-2	117,371	4,360,194
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves.....	A-1	1,687,567	275,161
Other Cancellations & Non-Cash Adjustments.....		-	111,958
Total Income.....		<u>172,816,944</u>	<u>169,801,082</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Within "CAPS":			
Operations:			
Salaries and Wages.....	A-3	30,281,833	25,607,795
Other Expenses.....	A-3	18,273,705	18,976,311
Deferred Charges.....	A-3	811,763	317,226
Statutory Expenditures.....	A-3	5,971,833	5,669,304
Excluded From "CAPS":			
Operations:			
Salaries and Wages.....	A-3	20,000	10,000
Other Expenses.....	A-3	7,299,339	7,667,763
Capital Improvements.....	A-3	275,000	370,000
Debt Service.....	A-3	4,066,114	4,494,160
Deferred Charges and Statutory Expenditures.....	A-3	-	-
Local District School Tax.....	A-1	78,692,572	77,440,871
County Tax.....	A-1	24,567,788	23,382,212
County Open Space Tax.....	A-1	1,051,186	975,106
Added County Taxes.....	A-1	111,804	73,668
Refund of Prior Year Revenue.....		-	1,131,954
Interfund Loans Originating.....	A-1	2,850,000	78,157
Prior Year Vets & SC Deduction Adjustment.....		-	-
Total Expenditures.....		<u>174,272,937</u>	<u>166,194,527</u>
Excess in Revenue.....		(1,455,993)	3,606,555
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute			
Deferred Charges to Budget of Succeeding Year.....	A-3	<u>2,100,000</u>	-
Statutory Excess to Fund Balance.....		644,007	3,606,555
Fund Balance, January 1.....	A	4,764,530	6,081,811
Decreased by - Utilization as Anticipated Revenue.....	A-1	4,764,000	4,923,836
Fund Balance, December 31.....	A	<u>\$ 644,537</u>	<u>\$ 4,764,530</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF REVENUES (REGULATORY BASIS)
YEAR ENDED DECEMBER 31, 2018

	Ref.	Anticipated		Realized	Excess/ (Deficit)
		Budget	Added by N.J.S. 40A:4-87		
Fund Balance Anticipated.....	A-1	\$ 4,764,000	\$ -	\$ 4,764,000	\$ -
Miscellaneous Revenues:					
Alcoholic Beverage Licenses.....		88,800	-	118,910	30,110
Other Licenses.....		458,900	-	901,116	442,216
Fees and Permits.....		653,700	-	954,347	300,647
Municipal Court Fines and Costs.....		694,300	-	658,477	(35,823)
Interest and Costs on Taxes.....		193,700	-	211,374	17,674
Interest on Investments and Deposits.....		128,000	-	316,097	188,097
Energy Receipts Tax.....		3,947,966	-	3,947,966	-
Consolidated Municipal Property Tax Relief....		108,343	-	108,343	-
Uniform Construction Code Fees.....		1,898,500	-	1,823,617	(74,883)
Woodcliffe Lake BORO -Tax Assessor.....		50,000	-	50,000	-
Maywood BORO - Municipal Court.....		69,000	-	70,785	1,785
Maywood BORO - Leaf & Grass Collection....		132,000	-	132,816	816
Maywood BORO - Commingled Recycling Collection		95,000	-	95,330	330
Oradell BORO - Municipal Court.....		89,000	-	90,780	1,780
Palisades Park BORO - COAH Officer.....		38,500	-	38,500	-
911 Services.....		38,000	-	38,000	-
Pistol Range.....		131,500	-	131,217	(283)
Vehicle Maintenance.....		366,950	-	500,052	133,102
Sale of Gasoline.....		97,000	-	82,486	(14,514)
Traffic Light Repairs.....		3,000	-	11,860	8,860
Street Sweeping & Snow Plowing.....		79,950	-	107,930	27,980
Dumping Fees - BOE.....		14,650	-	19,110	4,460
Clean Communities Program.....		49,385	-	49,385	-
Drunk Driving Enforcement Fund.....		5,336	-	5,336	-
Recycling Tonnage Grant.....		148,374	-	148,374	-
Bergen County Prosecutor - Confiscated Funds Availa		47,009	-	47,009	-
NJ State Forestry Services - No Net Loss Grant		135,900	-	135,900	-
NJ State Forestry Services - Green Communities Gra		20,000	-	20,000	-
NJ Safe & Secure Grant.....		50,000	-	50,000	-
Uniform Fire Safety Act.....		149,850	-	240,397	90,547
Sewer User Charges.....		1,102,000	-	1,154,886	52,886
Sanitary Sewer Tie-In (Washington TWP).....		27,250	-	27,250	-
Sanitary Sewer Tie-In (River Edge BORO).....		126,700	-	126,700	-
Sanitary Sewer Tie-In (Oradell BORO).....		18,650	-	18,650	-
Hotel Occupancy Tax.....		448,750	-	482,158	33,408
Ambulance Fees.....		1,057,300	-	1,237,879	180,579
Business Licensing Fees.....		479,800	-	-	(479,800)
Cable TV Franchise Fee - Cablevision.....		205,929	-	205,929	-
Cable TV Franchise Fee - Verizon FIOS.....		169,183	-	169,183	-
Library PERS Reimbursement.....		187,140	-	187,140	-
Golf Course Utility Fund - Group Insurance Reimburs		75,000	-	75,000	-
Golf Course Utility Surplus.....		250,000	-	250,000	-
Reserve for Payment of Debt Service.....		526,351	-	526,351	-
General Capital Fund Balance.....		2,600,000	-	2,600,000	-
Prepaid School Taxes.....		78,157	-	78,157	-
Total Miscellaneous Revenues.....	A-1	17,334,823	-	18,244,797	909,974
Receipts From Delinquent Taxes.....	A-1	1,020,000	-	1,050,975	1,050,975

The accompanying notes are an integral part of this statement.

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF REVENUES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

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

Local Tax for Municipal Purposes.....	39,406,201	-	40,154,321	748,120
Library Tax.....	3,474,563	-	3,474,563	-
A-2	<u>42,880,764</u>	<u>-</u>	<u>43,628,884</u>	<u>748,120</u>
Budget Totals.....	<u>65,999,587</u>	<u>-</u>	<u>67,688,656</u>	<u>2,709,069</u>
Non-Budget Revenues.....	A-2 <u>-</u>	<u>-</u>	<u>117,371</u>	<u>117,371</u>
	<u>\$ 65,999,587</u>	<u>\$ -</u>	<u>\$ 67,806,027</u>	<u>\$ 2,826,440</u>
Ref.	A-3			

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF REVENUES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

Analysis of Realized Revenues

<u>Allocation of Current Tax Collections</u>	<u>Ref.</u>		
Revenue from Current Tax Collections.....	A-1		\$ 146,952,234
Allocated to:			
Local District School Tax.....	A-1	78,692,572	
County Tax.....	A-1	24,567,788	
County Open Space Tax.....	A-1	1,051,186	
Added County Taxes.....	A-1	<u>111,804</u>	
			<u>104,423,350</u>
Balance for Support of Municipal Budget Appropriations.....			42,528,884
Add: Appropriation "Reserve for Uncollected Taxes".....			<u>1,100,000</u>
			A-1:A-3
Amount for Support of Municipal Budget Appropriations.....			<u>\$ 43,628,884</u>
	<u>Ref.</u>		<u>A-2</u>

Analysis of Non-Budget Revenues

<u>Miscellaneous Revenue Not Anticipated</u>		
Sale of Municipal Assets	\$	38,105
Bus Shelter Ad Fees		2,421
DMV Inspection Fines		562
NJ Vets & SC Admin Payment		3,783
Miscellaneous Refunds		70,434
Fire Insurance Reports		86
Copy Fees		<u>1,980</u>
	\$	<u>117,371</u>
	<u>Ref.</u>	<u>A-1:A-2</u>

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	2018 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged		
OPERATIONS - WITHIN "CAPS"						
<u>General Government Functions</u>						
General Administration:						
Salaries and Wages	333,000	-	336,000	335,383	617	-
Other Expenses	68,000	-	45,000	36,316	8,684	-
Other Expenses - Grants Consultant	42,000	-	42,000	38,500	3,500	-
Mayor and Council:						
Salaries and Wages	75,000	-	75,000	75,000	-	-
Other Expenses	2,550	-	2,550	1,308	1,242	-
Municipal Clerk:						
Salaries and Wages	259,555	-	249,555	249,242	313	-
Other Expenses	157,200	-	132,200	118,198	14,002	-
Financial Administration:						
Salaries and Wages	459,100	-	409,100	405,690	3,410	-
Other Expenses	196,500	-	306,500	290,645	15,855	-
Audit Services:						
Other Expenses	100,000	-	100,000	100,000	-	-
Central Equipment and Data Processing:						
Salaries and Wages	289,885	-	259,885	254,771	5,114	-
Other Expenses	360,150	-	335,150	313,861	21,289	-
Revenue Administration:						
Salaries and Wages	149,715	-	141,715	140,461	1,254	-
Other Expenses	21,550	-	26,550	24,879	1,671	-
Tax Assessment Administration:						
Salaries and Wages	224,180	-	224,180	221,684	2,496	-
Other Expenses	8,000	-	8,000	6,539	1,461	-
Legal Services:						
Salaries and Wages	30,000	-	30,000	30,000	-	-
Other Expenses	935,000	-	765,000	664,940	100,060	-
Engineering Services:						
Other Expenses	60,000	-	60,000	48,057	11,943	-

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	2018 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>Public Safety Functions</u>					-	
Police:					-	
Salaries and Wages	13,917,335	-	14,337,335	14,337,335	-	-
Other Expenses	226,300	-	236,300	235,706	594	-
Police Dispatch/911:					-	
Salaries and Wages	881,270	-	924,270	921,994	2,276	-
Other Expenses	108,800	-	101,800	96,193	5,607	-
Office of Emergency Management:					-	
Salaries and Wages	121,700	-	128,700	128,447	253	-
Other Expenses	76,400	-	76,400	76,323	77	-
Rescue Squad:					-	
Salaries and Wages	108,000	-	82,900	82,900	-	-
Other Expenses	44,500	-	44,500	43,477	1,023	-
Fire Department:					-	
Salaries and Wages	538,000	-	550,100	550,100	-	-
Other Expenses	212,850	-	186,850	184,892	1,958	-
Ambulance Corps:					-	
Salaries and Wages	1,007,500	-	1,094,500	1,078,986	15,514	-
Other Expenses	113,450	-	97,450	90,131	7,319	-
Uniform Fire Safety Act:					-	
Salaries and Wages	429,770	-	432,770	430,955	1,815	-
Other Expenses	12,600	-	12,600	12,597	3	-
					-	

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	2018 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
<u>Public Works Functions</u>						-	
Streets and Road Maintenance:						-	
Salaries and Wages	1,431,600	-	1,518,600	1,518,081	519	-	-
Other Expenses	312,000	-	255,000	236,508	18,492	-	-
Shade Tree Commission:						-	
Salaries and Wages	1,295,250	-	1,265,250	1,255,662	9,588	-	-
Other Expenses	80,125	-	80,125	79,301	824	-	-
Solid Waste Collection:						-	
Salaries and Wages	1,561,235	-	1,561,235	1,524,545	36,690	-	-
Other Expenses	37,150	-	37,150	36,995	155	-	-
Buildings and Grounds:						-	
Salaries and Wages	439,759	-	459,759	458,788	971	-	-
Other Expenses	413,250	-	373,250	348,021	25,229	-	-
Vehicle Maintenance:						-	
Salaries and Wages	1,465,260	-	1,583,260	1,574,271	8,989	-	-
Other Expenses	1,034,000	-	1,034,000	1,033,721	279	-	-
						-	
<u>Health and Human Services</u>						-	
Public Health Services:						-	
Salaries and Wages	571,710	-	573,210	572,955	255	-	-
Other Expenses	39,230	-	29,830	29,128	702	-	-
Animal Control:						-	
Other Expenses	32,700	-	32,200	29,723	2,477	-	-
Administration of Public Assistance						-	
Salaries and Wages	88,445	-	88,445	88,441	4	-	-
Other Expenses	650	-	1,050	1,010	40	-	-
						-	
						-	
						-	
						-	
						-	
						-	

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	2018 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>Park and Recreation Functions</u>					-	
Recreational Services & Programs					-	
Salaries and Wages	403,000	-	375,000	368,924	6,076	-
Other Expenses	87,800	-	87,800	81,813	5,987	-
Senior Citizens Center					-	
Salaries and Wages	154,540	-	162,540	154,411	8,129	-
Other Expenses	39,400	-	39,400	36,685	2,715	-
					-	
<u>Utility Expenses and Bulk Purchases</u>					-	
Electricity & Natural Gas	575,000	-	525,000	489,372	35,628	-
Street Lighting	462,000	-	452,000	431,417	20,583	-
Telephone	275,000	-	275,000	242,963	32,037	-
Water	100,000	-	100,000	80,805	19,195	-
Fire Hydrant Service	450,000	-	440,000	437,751	2,249	-
Gasoline	315,000	-	315,000	302,633	12,367	-
Diesel Fuel	315,000	-	315,000	264,653	50,347	-
Outside Fuel Agreements	20,000	-	20,000	-	20,000	-
					-	
Landfill/Solid Waste Disposal Costs:					-	
Other Expenses	700,000	-	689,000	604,363	84,637	-
Other Expenses - Vegetative Waste	250,000	-	250,000	250,000	-	-
Landfill/Solid Waste Disposal Costs					-	
Other Expenses (Shared Service - BO	25,000	-	25,000	25,000	-	-
					-	
<u>Municipal Court</u>					-	
Municipal Court Administration:					-	
Salaries and Wages	548,400	-	548,400	548,400	-	-
Other Expenses	43,000	-	43,000	24,982	18,018	-
Municipal Court Administration (Shared					-	
Service):					-	
Salaries and Wages	66,000	-	66,000	60,210	5,790	-
					-	
COAH:					-	
Other Expenses	-	2,100,000	2,100,000	2,100,000	-	-

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	2018 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>Code Enforcement Administration</u>					-	
Uniform Construction Code Enforcement Functions:					-	
Salaries and Wages	567,243	-	567,243	565,948	1,295	-
Other Expenses	18,250	-	18,250	6,974	11,276	-
Total Operations - Within "CAPS"	46,496,538	2,100,000	48,555,538	47,839,596	715,942	-
Contingent	-	-	-	-	-	-
Total Operations Including Contingent -	46,496,538	2,100,000	48,555,538	47,839,596	715,942	-
Detail:						
Salaries and Wages	27,552,133	-	30,281,833	30,170,265	111,568	-
Other Expenses	18,944,405	2,100,000	18,273,705	17,669,332	604,373	-
	-	-	-	(1)	1	-

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriated			Expended		Unexpended	Overexpended
	2018 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - WITHIN "CAPS"							
<u>Deferred Charges</u>							
General Capital grant receivable Shortfalls	468,436	-	468,436	468,436	-	-	-
Deferred Charges - Unfunded	343,327	-	343,327	343,327	-	-	-
	<u>811,763</u>	-	<u>811,763</u>	<u>811,763</u>	-	-	-
<u>Statutory Expenditures</u>							
Public Employees Retirement System (PERS)	1,683,934	-	1,498,639	1,498,639	-	-	-
Social Security System (O.A.S.I.)	1,100,000	-	1,326,295	1,322,826	3,469	-	-
Police and Firemen's Retirement System	3,133,899	-	3,133,899	3,133,899	-	-	-
Defined Contribution Retirement Program	13,000	-	13,000	-	13,000	-	-
	<u>5,930,833</u>	-	<u>5,971,833</u>	<u>5,955,364</u>	<u>16,469</u>	-	-
Total General Appropriations for Municip	<u>53,239,134</u>	<u>2,100,000</u>	<u>55,339,134</u>	<u>54,606,723</u>	<u>732,411</u>	-	-

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	2018 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
OPERATIONS - EXCLUDED FROM "CAPS"							
<u>Utility Expenses & Bulk Purchases</u>							
Sewerage Processing & Disposal							
Other Expenses - Operations & Maintenance	2,303,334	-	2,303,334	2,303,334	-	-	-
Other Expenses - Debt Service	860,438		860,438	860,438	-	-	-
<u>Education</u>							
Maintenance of Free Public Library:							
Other Expenses - Third of a Mil	3,474,563		3,474,563	3,211,481	263,082	-	-
<u>Shared Service Agreements</u>							
Mechanical Maintenance:							
Salaries and Wages	20,000	-	20,000	19,342	658	-	-
Other Expenses	205,000		205,000	199,336	5,664		
<u>Public and Private Programs Offset by Revenues</u>							
Municipal Alliance on Alcoholism and Dr	-	-	-	-	-	-	-
Clean Community Grant	49,385		49,385	49,385	-	-	-
Drunk Driving Enforcement Fund	5,336	-	5,336	5,336	-	-	-
Alcohol Education & Rehabilitation Fund	-	-	-	-	-	-	-
Recycling Tonnage Grant	148,374	-	148,374	148,374	-	-	-
Bergen County Prosecutor - Confiscatec	47,009	-	47,009	47,009	-	-	-
NJ Solid Waste Admin. Grant - Public Sp	-	-	-	-	-	-	-
NJ State Forestry Services - No Net Los	135,900	-	135,900	135,900	-	-	-
NJ State Forestry Services - Green Corr	20,000	-	20,000	20,000	-	-	-
NJ Safe & Secure Grant	50,000		50,000	50,000	-	-	-
Total Operations Excluded from "CAPS"	7,319,339	-	7,319,339	7,049,935	269,404	-	-
Detail:							
Salaries and Wages	20,000	-	20,000	20,000	-	-	-
Other Expenses	7,299,339	-	7,299,339	7,029,935	269,404	-	-

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriated			Expended		Unexpended Balance Canceled	Overexpended
	2018 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Reserved		
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"							
Capital Improvement Fund	275,000	-	275,000	275,000	-	-	-
Acquisition of Equipment for Field Maintenance							
	<u>275,000</u>	<u>-</u>	<u>275,000</u>	<u>275,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Improvements - Excluded From "CAPS"							
DEBT SERVICE - EXCLUDED FROM "CAPS"							
<u>Municipal Debt Service</u>							
Bond Principal	2,915,000	-	2,915,000	2,915,000	-	-	-
Bond Interest	537,519	-	537,519	537,519	-	-	-
Refunding Bonds (Pension) - Principal	-	-	-	-	-	-	-
Refunding Bonds (Pension) - Interest	-	-	-	-	-	-	-
Refunding Bonds (Tax Appeals) - Principal	-	-	-	-	-	-	-
Refunding Bonds (Tax Appeals) - Interest	-	-	-	-	-	-	-
Bond Anticipation Notes and Capital Note Interest (BAN'S)	-	-	-	-	-	-	-
	567,130		567,130	567,130			
Green Trust Loan - Principal	45,777	-	45,777	45,777	-	-	-
Green Trust Loan - Interest	688		688	688			
Total Debt Service - Excluded From "CAPS"	<u>4,066,114</u>	<u>-</u>	<u>4,066,114</u>	<u>4,066,114</u>	<u>-</u>	<u>-</u>	<u>-</u>

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	2018 Budget	Emergency Appropriation	Budget After Modification	Paid or Charged		
<u>DEFERRED CHARGES - EXCLUDED FROM "CAPS"</u>						
Emergency Authorizations	-	-	-	-	-	-
Deferred Charges to Future Taxation-Ur	-	-	-	-	-	-
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	-	-	-	-	-	-
Total General Appropriations for Municip	11,660,453	-	11,660,453	11,391,049	269,404	-
Subtotal General Appropriations	64,899,587	2,100,000	66,999,587	65,997,772	1,001,815	-
Reserve for Uncollected Taxes	1,100,000	-	1,100,000	1,100,000	-	-
Total General Appropriations	<u>\$ 65,999,587</u>	<u>\$ 2,100,000</u>	<u>\$ 68,099,587</u>	<u>\$ 67,097,772</u>	<u>\$ 1,001,815</u>	<u>\$ -</u>

BOROUGH OF PARAMUS
 TRUST FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Animal Control Trust</u>			
<u>Assets</u>			
Cash - Animal Control Trust Account		\$ 80,756	\$ 71,840
Due from - Current Fund		-	75
		<u>\$ 80,756</u>	<u>\$ 71,915</u>
<u>Reserves</u>			
Reserve for Animal Control Expenditures		<u>\$ 80,756</u>	<u>\$ 71,915</u>
<u>Other Trust</u>			
<u>Assets</u>			
Cash		\$ 12,013,331	\$ 13,410,268
Due from - Current Fund		-	17,923
		<u>\$ 12,013,331</u>	<u>\$ 13,428,191</u>
<u>Liabilities and Reserves</u>			
Miscellaneous Trust Reserves	B-1	7,382,924	13,428,191
Trust Escrow Reserves		4,630,407	-
		<u>\$ 12,013,331</u>	<u>\$ 13,428,191</u>
		-	-

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
AS OF DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Assets</u>			
Cash.....		\$ 6,191,789	\$ 288,375
Grants Receivable.....	C-4	202,000	469,179
Due from - Current Fund.....	C-5	-	3,111,411
Due from - Grant Fund.....	C-6	-	80,061
Deferred Charges to Future Taxation - Funded.....	C-7	34,340,000	6,500,777
Deferred Charges to Future Taxation - Unfunded.....	C-8	8,011,166	32,853,829
		<u>\$ 48,744,955</u>	<u>\$ 43,303,632</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Due to - Current Fund.....	C-9	\$ 2,600,000	\$ -
Serial Bonds Payable.....	C-10	34,340,000	6,455,000
Bond Anticipation Notes Payable.....	C-11	5,470,853	28,435,500
Loans Payable.....	C-12	-	45,777
Improvement Authorizations - Funded.....	C-13	342,086	1,062,075
Improvement Authorizations - Unfunded.....	C-13	4,287,682	5,030,201
Capital Improvement Fund.....	C-14	121,258	116,405
Reserve for Encumbrances.....	C-15	544,764	709,874
Reserve for Debt Service.....	C-16	-	529,995
Fund Balance.....	C-1	1,038,312	918,805
		<u>\$ 48,744,955</u>	<u>43,303,632</u>
		-	-
There were bonds and notes authorized but not issued on December 31, in the amounts of.....	C-17	<u>\$ -</u>	<u>4,418,329</u>

BOROUGH OF PARAMUS
 GENERAL CAPITAL FUND
 COMPARATIVE STATEMENT OF CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Fund Balance, January 1.....	C	\$ 918,805	\$ 580,804
Increased by:			
Premiums.....		325,371	338,001
Improvement Authorizations Cancelled.....		2,251,975	-
Miscellaneous Cancellations.....		142,161	-
		<u>2,719,507</u>	<u>338,001</u>
		3,638,312	918,805
Decreased by:			
Appropriated to Current Fund.....		2,600,000	-
		<u>-</u>	<u>-</u>
		2,600,000	-
Fund Balance, December 31.....	C	<u>\$ 1,038,312</u>	<u>\$ 918,805</u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Operating Fund</u>			
<u>Assets</u>			
Cash.....		\$ 1,074,304	\$ 848,741
Due from - GCU Capital Fund.....	D-6	-	228,708
		<u>\$ 1,074,304</u>	<u>\$ 1,077,449</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Due to - Current Fund.....	D-7	\$ 250,000	\$ -
Sales Tax Payable.....	D-8	-	5,448
Reserve for Encumbrances.....	D-9	51,273	159,775
Appropriation Reserves.....	D-10	214,775	107,207
Accrued Interest.....	D-11	39,778	56,334
Fund Balance.....	D-1	518,478	748,685
		<u>\$ 1,074,304</u>	<u>\$ 1,077,449</u>
		-	-
<u>Capital Fund</u>			
<u>Assets</u>			
Cash.....		\$ 660,127	\$ 140,838
Due from - Current Fund.....	D-12	-	581,000
Fixed Capital.....	D-13	12,961,822	12,961,822
Fixed Capital Authorized & Uncompleted.....	D-14	5,156,362	5,156,362
		<u>18,778,311</u>	<u>18,840,022</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Due to - GCU Operating Fund.....	D-15	-	228,708
Serial Bonds Payable.....	D-16	4,280,000	-
Bond Anticipation Notes Payable.....	D-17	-	3,239,680
Reserve for Amortization.....	D-18	8,681,822	12,961,822
Reserve for Deferred Amortization.....	D-19	4,332,884	862,339
Capital Improvement Fund.....	D-20	59,098	59,098
Improvement Authorizations - Funded.....	D-21	1,420,482	60,258
Improvement Authorizations - Unfunded.....	D-21	4,025	1,428,117
Fund Balance.....	D-2	-	-
		<u>\$ 18,778,311</u>	<u>\$ 18,840,022</u>
		-	-
There were bonds and notes authorized but not issued on December 31, in the amounts of.....	D-22	<u>\$ -</u>	<u>\$ 1,054,343</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY OPERATING FUND
 COMPARATIVE STATEMENT OF OPERATIONS AND
 CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Revenue and Other Income Realized</u>			
Surplus Utilized.....	D-3	\$ 250,000	\$ 259,000
Membership Fees.....	D-3	280,695	106,542
Registration Fees.....	D-3	116,935	112,443
Golf Cart Rental.....	D-3	326,314	362,633
Green Fees.....	D-3	1,158,987	1,340,512
Snack Bar Rental.....	D-3	37,500	50,400
Miscellaneous.....	D-3	292,936	104,254
Miniature Golf.....	D-3	77,190	351,347
Reserve for Debt Service.....	D-3	-	225,000
Non-Budget Revenue.....	D-3	-	13,994
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves.....	D-8	107,207	125,753
Cancellations and Adjustments.....	D-8	872	-
Total Income.....		<u>2,648,636</u>	<u>3,051,878</u>
<u>Expenditures</u>			
Operations:			
Salaries and Wages.....	D-4	1,290,000	1,129,000
Other Expenses.....	D-4	818,050	790,000
Capital Improvements.....	D-4	120,456	113,713
Debt Service.....	D-4	53,038	488,458
Deferred Charges.....	D-4	7,299	68,829
Statutory Expenditures.....	D-4	90,000	90,000
Surplus - General Budget.....	D-4	250,000	120,000
Total Expenditures.....		<u>2,628,843</u>	<u>2,800,000</u>
Excess in Revenue.....		19,793	251,878
Adjustments to Income Before Surplus:			
Deferred Charges to Budget of Succeeding Year.....		-	-
Statutory Excess to Fund Balance.....		19,793	251,878
Fund Balance, January 1.....	D	748,685	755,807
Decreased by - Utilization as Anticipated Revenue.....	D-1:D-4	250,000	259,000
Fund Balance, December 31.....	D	<u>\$ 518,478</u>	<u>\$ 748,685</u>

The accompanying notes are an integral part of this statement.

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 COMPARATIVE STATEMENT OF CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Fund Balance, January 1.....	D	\$ -	\$ -
Increased by:		-	-
Decreased by:		-	-
Fund Balance, December 31.....	D	<u>\$ -</u>	<u>\$ -</u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY OPERATING FUND
 STATEMENT OF REVENUES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	<u>Ref.</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Utilized.....	D-1:D-4	\$ 250,000	\$ 250,000	\$ -
Membership Fees.....		106,500	280,695	174,195
Registration Fees.....		112,000	116,935	4,935
Golf Cart Rental.....		362,500	326,314	(36,186)
Green Fees.....		1,340,500	1,158,987	(181,513)
Snack Bar Rental.....		50,400	37,500	(12,900)
Miscellaneous.....		351,000	292,936	(58,064)
Miniature Golf.....		104,000	77,190	(26,810)
		<u>\$ 2,676,900</u>	<u>\$ 2,540,557</u>	<u>\$ (136,343)</u>

Analysis of Non-Budget Revenues:

Interest on Investments - Utility Operating Fund	\$	-
Interest on Investments - Utility Capital Fund		-
Miscellaneous Charges		-
Prior Year Refund		-
	<u>\$</u>	<u>-</u>
	<u>\$</u>	<u>-</u>
	<i>Ref.</i>	D-1

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY OPERATING FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriations		Expended		Unexpended Balance Canceled	Overexpenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Reserved		
Operating:						
Salaries and Wages.....	\$ 1,290,000	\$ 1,290,000	\$ 1,124,431	\$ 165,569	\$ -	\$ -
Other Expenses.....	818,050	818,050	784,526	33,524	-	-
Capital Improvements:						
Capital Improvement Fund.....	-	-	-	-	-	-
Capital Outlay.....	120,456	120,456	117,772	2,684	-	-
	<u>120,456</u>	<u>120,456</u>	<u>117,772</u>	<u>2,684</u>	<u>-</u>	<u>-</u>
Debt Service:						
Payment of Bonds.....	-	-	-	-	-	-
Payment of Notes.....	-	-	-	-	-	-
Interest on Bonds.....	92,816	92,816	53,038	-	39,778	-
Interest on Notes.....	8,279	8,279	-	-	8,279	-
	<u>101,095</u>	<u>101,095</u>	<u>53,038</u>	<u>-</u>	<u>48,057</u>	<u>-</u>
Deferred Charges:						
Emergency Authorizations.....	-	-	-	-	-	-
DCFTU.....	7,299	7,299	-	7,299	-	-
	<u>7,299</u>	<u>7,299</u>	<u>-</u>	<u>7,299</u>	<u>-</u>	<u>-</u>
Statutory Expenditures:						
Public Employees Retirement System..	-	-	-	-	-	-
Social Security System.....	90,000	90,000	84,301	5,699	-	-
Unemployment Compensation.....	-	-	-	-	-	-
	<u>90,000</u>	<u>90,000</u>	<u>84,301</u>	<u>5,699</u>	<u>-</u>	<u>-</u>
Deficit in Operations in Prior Years.....	-	-	-	-	-	-
Surplus - General Budget.....	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Appropriations.....	<u>\$ 2,676,900</u>	<u>\$ 2,676,900</u>	<u>\$ 2,414,068</u>	<u>\$ 214,775</u>	<u>\$ 48,057</u>	<u>\$ -</u>
	<i>Ref.</i> D-3		D-1	D:D-1		

<i>Ref.</i>	
D-5	\$ 2,362,795
D	51,273
	<u>\$ 2,414,068</u>
	-

BOROUGH OF PARAMUS
 SWIM POOL UTILITY FUND
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Operating Fund</u>			
<u>Assets</u>			
Cash.....		\$ 224,175	\$ 228,799
Due from - SPU Capital Fund.....	E-6	8,908	8,908
Deferred Charge - Expenditure Without Appropriation.....	E-7	-	2,230
		<u>\$ 233,083</u>	<u>\$ 239,937</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Due to - SPU Capital Fund.....	E-8	\$ -	\$ 800
Reserve for Encumbrances.....	E-9	25	2,195
Appropriation Reserves.....	E10	16,303	14,101
Accrued Interest.....	E-11	8,573	16,024
Fund Balance.....	E-1	208,182	206,817
		<u>\$ 233,083</u>	<u>\$ 239,937</u>
		-	-
<u>Capital Fund</u>			
<u>Assets</u>			
Cash.....		\$ 63,093	\$ 103,822
Due from - SPU Operating Fund.....	E-12	-	800
Fixed Capital.....	E-13	3,372,780	2,452,780
Fixed Capital Authorized & Uncompleted.....	E-14	-	1,251,784
Deferred Charges.....	E-15	10,770	-
		<u>\$ 3,446,643</u>	<u>\$ 3,809,186</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Due to - SPU Operating Fund.....	E-16	\$ 8,908	\$ 8,908
Reserve for Encumbrances.....	E-17	-	41,938
Serial Bonds Payable.....	E-18	920,000	-
Bond Anticipation Notes Payable.....	E-19	-	921,500
Reserve for Amortization.....	E-20	2,452,780	2,452,780
Reserve for Deferred Amortization.....	E-21	-	319,514
Improvement Authorizations - Funded.....	E-22	64,941	146
Improvement Authorizations - Unfunded.....	E-22	-	64,386
Fund Balance.....	E-2	14	14
		<u>\$ 3,446,643</u>	<u>\$ 3,809,186</u>
		-	-
There were bonds and notes authorized but not issued on December 31, in the amounts of.....	E-23	\$ -	\$ 10,770

The accompanying notes are an integral part of this statement.

BOROUGH OF PARAMUS
 SWIM POOL UTILITY OPERATING FUND
 COMPARATIVE STATEMENT OF OPERATIONS AND
 CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Revenue and Other Income Realized</u>			
Surplus Utilized.....	D-3	\$ 510	\$ 86,100
Membership Fees.....	D-3	355,669	373,797
Registration Fees.....	D-3	5,800	6,025
Snack Bar Rental.....	D-3	-	40
Guest Fees.....	D-3	49,110	45,580
Miscellaneous.....	D-3	37,125	38,829
Reserve for Payment of Debt Service.....	D-3	-	8,000
Concession Stand.....	D-3	74,154	65,664
Non-Budget Revenue.....	D-3	-	75
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves.....	D-8	7,928	18,145
Cancellations and Adjustments.....	D-8	1,089	2,054
Total Income.....		<u>531,385</u>	<u>644,309</u>
<u>Expenditures</u>			
Operations:			
Salaries and Wages.....	D-4	250,420	237,500
Other Expenses.....	D-4	233,000	232,000
Capital Improvements.....	D-4	-	7,506
Debt Service.....	D-4	22,360	73,574
Deferred Charges.....	D-4	3,730	29,420
Statutory Expenditures.....	D-4	20,000	20,000
Surplus - General Budget.....	D-4	-	-
Total Expenditures.....		<u>529,510</u>	<u>600,000</u>
Excess in Revenue.....		1,875	44,309
Adjustments to Income Before Surplus:			
Deferred Charges to Budget of Succeeding Year.....		-	-
Statutory Excess to Fund Balance.....		1,875	44,309
Fund Balance, January 1.....	D	206,817	248,608
Decreased by - Utilization as Anticipated Revenue.....	D-1:D-4	510	86,100
Fund Balance, December 31.....	D	<u>\$ 208,182</u>	<u>\$ 206,817</u>

BOROUGH OF PARAMUS
 SWIM POOL UTILITY CAPITAL FUND
 COMPARATIVE STATEMENT OF CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
Fund Balance, January 1.....	D	\$ 14	\$ 14
Increased by:		-	-
Decreased by:		-	-
Fund Balance, December 31.....	D	<u>\$ 14</u>	<u>\$ 14</u>

BOROUGH OF PARAMUS
 SWIM POOL UTILITY OPERATING FUND
 STATEMENT OF REVENUES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	<u>Ref.</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Utilized.....	D-1:D-4	\$ 510	\$ 510	\$ -
Membership Fees.....		373,500	355,669	(17,831)
Registration Fees.....		6,000	5,800	(200)
Guest Fees.....		45,500	49,110	3,610
Miscellaneous.....		38,500	37,125	(1,375)
Concession Stand.....		65,500	74,154	8,654
		<u>\$ 529,510</u>	<u>\$ 522,368</u>	<u>\$ (7,142)</u>

BOROUGH OF PARAMUS
 SWIM POOL UTILITY OPERATING FUND
 STATEMENT OF EXPENDITURES (REGULATORY BASIS)
 YEAR ENDED DECEMBER 31, 2018

	Appropriations		Expended		Unexpended Balance Canceled	Overexpenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Reserved		
Operating:						
Salaries and Wages.....	\$ 250,420	\$ 250,420	\$ 250,420	\$ -	\$ -	\$ -
Other Expenses.....	233,000	233,000	216,697	16,303	-	-
	<u>483,420</u>	<u>483,420</u>	<u>467,117</u>	<u>16,303</u>	<u>-</u>	<u>-</u>
Capital Improvements:						
Capital Improvement Fund.....	-	-	-	-	-	-
Capital Outlay.....	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Service:						
Payment of Bonds.....	-	-	-	-	-	-
Payment of Notes.....	-	-	-	-	-	-
Interest on Bonds.....	20,005	20,005	20,005	-	-	-
Interest on Notes.....	2,355	2,355	2,355	-	-	-
	<u>22,360</u>	<u>22,360</u>	<u>22,360</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Charges:						
Expenditure Without Appropriation.....	2,230	2,230	2,230	-	-	-
DCFTU.....	1,500	1,500	1,500	-	-	-
	<u>3,730</u>	<u>3,730</u>	<u>3,730</u>	<u>-</u>	<u>-</u>	<u>-</u>
Statutory Expenditures:						
Public Employees Retirement System..	-	-	-	-	-	-
Social Security System.....	20,000	20,000	20,000	-	-	-
Unemployment Compensation.....	-	-	-	-	-	-
	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deficit in Operations in Prior Years.....	-	-	-	-	-	-
Surplus - General Budget.....	-	-	-	-	-	-
Total Appropriations.....	\$ <u>529,510</u>	\$ <u>529,510</u>	\$ <u>513,207</u>	\$ <u>16,303</u>	\$ <u>-</u>	\$ <u>-</u>
	<i>Ref.</i> D-3		D-1	D:D-1		

<i>Ref.</i>	
D-5	\$ 513,182
D	25
	<u>\$ 513,207</u>
	-

BOROUGH OF PARAMUS
 GENERAL FIXED ASSET ACCOUNT GROUP
 COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
 AS OF DECEMBER 31, 2018 AND 2017

	<u>Ref.</u>	<u>2018</u>	<u>2017</u>
<u>Assets</u>			
Land.....	D-1	\$ 118,448,300	\$ 118,448,300
Buildings & Improvements.....	D-1	12,091,900	12,091,900
Machinery and Equipment.....	D-1	29,976,082	28,291,041
		<u>\$ 160,516,282</u>	<u>\$ 158,831,241</u>
<u>Fund Balance</u>			
Investment in General Fixed Assets.....	D-1	<u>\$ 160,516,282</u>	<u>\$ 158,831,241</u>
		-	-

BOROUGH OF PARAMUS
 GENERAL FIXED ASSET ACCOUNT GROUP
 COMPARATIVE STATEMENT OF CHANGES IN FUND BALANCE (REGULATORY BASIS)
 YEARS ENDED DECEMBER 31, 2018 AND 2017

	Balance December 31, 2017	Additions	Retirements	Adjustments	Balance December 31, 2018
Land.....	\$ 118,448,300	\$ -	\$ -	\$ -	\$ 118,448,300
Buildings & Improvements.....	12,091,900	-	-	-	12,091,900
Machinery and Equipment.....	28,291,041	1,965,324	280,283	-	29,976,082
	<u>\$ 158,831,241</u>	<u>\$ 1,965,324</u>	<u>\$ 280,283</u>	<u>\$ -</u>	<u>\$ 160,516,282</u>
<i>Ref.</i>	D				D

	Balance December 31, 2016	Additions	Retirements	Adjustments	Balance December 31, 2017
Land.....	\$ 118,448,300	\$ -	\$ -	\$ -	\$ 118,448,300
Buildings & Improvements.....	12,091,900	-	-	-	12,091,900
Machinery and Equipment.....	25,810,350	3,341,886	861,195	-	28,291,041
	<u>\$ 156,350,550</u>	<u>\$ 3,341,886</u>	<u>\$ 861,195</u>	<u>\$ -</u>	<u>\$ 158,831,241</u>
<i>Ref.</i>	D				D

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY, ORGANIZATION AND FUNCTION

A. Introduction

The Borough of Paramus (the "Borough") is a municipal corporation of the State of New Jersey located in the county of Bergen and is located approximately 8 miles west of the City of New York. The Borough's population according to the 2010 census is 26,342.

The Borough operates under a "Mayor-Council" form of government. The Mayor is the chief executive officer. The Borough operates on a calendar fiscal year, January 1 to December 31.

The municipal budget includes the following generally stated municipal services:

- General Government Functions
- Land Use Administration Functions
- Public Safety Functions
- Health and Human Service Functions
- Park and Recreation Functions
- Educational Functions
- Code Enforcement Functions
- Municipal Court Functions
- Capital Improvements
- Debt Service

B. Component Units

The financial statements of the component units of the municipality are not presented in accordance with Governmental Accounting Standards Board Statement No. 14 as amended by Statement No. 61. If the provisions of GASBS No. 61 had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the municipality:

- Volunteer Fire Department
- Volunteer Ambulance Corp.
- Free Public Library

C. Basis of Accounting

A modified accrual basis of accounting is followed with minor exceptions. Accounting principles prescribed for New Jersey municipalities by the Department of Community Affairs, Division of Local Government Services differ in certain respects from generally accepted accounting principles applicable to local government units.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Reporting

The financial statements contain all applicable funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. 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 municipality accounts for its financial transactions through the following separate funds which differs from the funds required by generally accepted accounting principles (GAAP).

A. Funds and Account Groups

The accounts are organized into the following funds and account groups:

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature.

Grant Fund - The Grant Fund accounts for the budgeted and unbudgeted revenue/receipt, expenditure/disbursement of federal and state grants which qualify for accounting treatment more closely related to GAAP.

Trust Fund - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - The General Capital fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. It is also the only fund, other than the Current Fund, that possesses the statutory authority to issue debt.

General Fixed Asset Account Group - The General Fixed Asset Account Group accounts for Borough owned real and personal property in accordance with N.J.A.C 5:30-5.6.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Budgets and Budgetary Accounting

The municipality must adopt an annual budget in accordance with N.J.S.A. 40A:4 et al. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten (10) days prior to the hearing in a newspaper published and circulated in the municipality. The public hearing must not be held less than twenty-eight (28) days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last 2 months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level.

The Borough is not required to adopt budgets for the Trust and General Capital Funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Cash and Investments

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey municipal units.

The cash management plan adopted by the municipality requires that funds be deposited in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires government units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act. Public funds are defined as the funds of any government unit. Public depositories include banks (both state and national banks), savings and loan institutions and savings banks, the deposits of which are federally insured. All public depositories pledge collateral, having a market value of five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories in the collateral pool, is available to pay the full amount of their deposits to the governmental units. All certificates of deposit are recorded as cash regardless of date of maturity.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Interfunds

Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. 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.

E. Inventories of Supplies

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

F. General Fixed Assets

Accounting for Governmental Fixed Assets, as promulgated by N.J.A.C. 5:30-5.6 differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the statute. Property and equipment purchased after December 31, 1985 are stated at cost. Donated fixed assets are recorded at estimated fair market value at the date of donation. Purchases prior to December 31, 1985 are stated as assessed value for Land & Buildings and estimated historical cost for Machinery & Equipment. Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. No depreciation on general fixed assets is recorded in the financial statements. 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. Fixed Assets acquired by the Water Utility and Sewer Utility Funds are capitalized as Fixed Capital and not depreciated.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Foreclosed Property

Foreclosed property is recorded in the Current Fund at the assessed value when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Asset Account Group. If such property is converted to a municipal use, it will be capitalized in the General Fixed Asset Account Group. GAAP requires property to be recorded in the General Fixed Asset Account Group at the market value at the time of acquisition.

H. Deferred Charges

The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et al. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

I. Appropriation Reserves

Appropriation reserves covering unexpended appropriation balances are automatically created at year end 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. Appropriation Reserves are not established under GAAP.

J. Liens Sold for Other Governmental Units

Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

K. Fund Balance

Fund Balances included in the current fund represent amounts available for anticipation as revenue in future years budgets, with certain restrictions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Revenues

Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized as and when anticipated as such in the Borough's budget. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP generally requires that grant revenues be recognized when the actual expenditures financed by the grant are made.

M. Property Tax Revenues

Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. Property taxes unpaid on April 1 of the year following their final due date are subject to tax sale in accordance with the statutes. The amount of taxes levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the local free public library (if applicable), municipal open space (if applicable) and the entities described in "N" and "O" below. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. GAAP requires such revenue to be recognized when available and measurable reduced by an allowance for doubtful accounts.

N. School Taxes

The municipality is responsible for levying, collecting and remitting school taxes for the Local School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30. GAAP would require the recording of a deferred revenue.

O. County Taxes

The municipality is responsible for levying, collecting and remitting taxes for the County. Operations are charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations are charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

P. Reserve for Uncollected Taxes

The inclusion of the "Reserve for Uncollected Taxes" appropriation in the municipality's annual budget protects from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. A Reserve for Uncollected Taxes is not established under GAAP.

Q. Expenditures

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 recorded as a cash liability. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long term debt which is recognized when due.

R. Compensated Absences and Postemployment Benefits

Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis. GAAP requires that the amount that would normally be liquidated with expendable financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as long term obligations.

S. Total Columns on Combined Statements

Total columns are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

T. Use of Estimates

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

U. New Reporting Standard(s)

GASB No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement applies to donated capital assets, donated works of art, donated historical treasures, and also to similar assets and capital assets received in a service concession arrangement. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.

GASB No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective beginning with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

GASB No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify - in the context of the current governmental financial reporting environment - the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

GASB No. 77, *Tax Abatement Disclosures*, will be effective beginning with the fiscal year ending June 30, 2017. The requirements of this Statement will improve financial reporting by providing disclosure of information about the nature and magnitude of tax abatements that will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GASB No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No.73*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pension, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

NOTE 3 - CASH AND CASH EQUIVALENTS

Change funds, petty cash, cash in banks, certificates of deposit and funds on deposit with the New Jersey Cash Management Fund are considered cash and cash equivalents.

A. Deposits

The Borough's deposits of public funds are insured by either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Borough is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA which requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm.

At December 31, the municipality's deposits are summarized as follows:

<u>Year</u>	<u>Bank Balance</u>	<u>Book Balance</u>
2018	\$ 25,888,483	\$ 24,529,305
2017	\$ 34,428,209	\$ 4,034,254

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough does not have a formal policy for custodial credit risk. As of December 31, 2018 and 2017, the Borough's bank balances were not exposed to custodial credit risk.

B. New Jersey Cash Management Fund

The State of New Jersey Cash Management Fund is managed by the State of New Jersey, Division of Investment under the Department of Treasury. It consists of U.S. Treasury obligations, government agency obligations, certificates of deposit and commercial paper. At December 31, 2018 the Borough did not have any cash deposited with the New Jersey Cash Management Fund.

NOTE 4 - INVESTMENTS

The Borough is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the Borough or bonds or other obligations of the school districts which are a part of the Borough or school districts located within the Borough, Local Government investment pools, and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e).

As of December 31, 2018 and 2017, the Borough did not hold any investments:

NOTE 5 - FIXED ASSETS

The following is a summary of general fixed asset additions, deletions and adjustments:

<u>2018</u>	Balance December 31, 2017	Additions	Retirements	Adjustments	Balance December 31, 2018
Land.....	\$ 118,448,300	\$ -	\$ -	\$ -	\$ 118,448,300
Buildings & Improvements.....	12,091,900	-	-	-	12,091,900
Machinery and Equipment.....	28,291,041	1,965,324	280,283	-	29,976,082
	<u>\$ 158,831,241</u>	<u>\$ 1,965,324</u>	<u>\$ 280,283</u>	<u>\$ -</u>	<u>\$ 160,516,282</u>

<u>2017</u>	Balance December 31, 2016	Additions	Retirements	Adjustments	Balance December 31, 2017
Land.....	\$ 118,448,300	\$ -	\$ -	\$ -	\$ 118,448,300
Buildings & Improvements.....	12,091,900	-	-	-	12,091,900
Machinery and Equipment.....	25,810,350	3,341,886	861,195	-	28,291,041
	<u>\$ 156,350,550</u>	<u>\$ 3,341,886</u>	<u>\$ 861,195</u>	<u>\$ -</u>	<u>\$ 158,831,241</u>

NOTE 6 - MUNICIPAL DEBT

A. Types of Municipal Debt

The "Local Bond Law" of New Jersey Statutes governs the issuance of bonds and notes to finance capital expenditures, and are permitted only from the General Capital Fund. Bonds and Notes are backed by the full faith and credit of the municipality. Capital projects financed under the Local Bond Law must have a minimum useful life of five years.

Bond Anticipated Notes - Bond Anticipation Note ("BANs") are issued to temporarily finance projects prior to the issuance of permanent bonds. Generally, the term of BANs can not exceed one year, but may be renewed from time to time for periods not exceeding one year, and ultimately paid or permanently financed no later than the first day of the fifth month following the close of the tenth fiscal year following the original issue date of the BAN. New Jersey Statutes require that on or before the third anniversary date of the original BAN issue date, an amount at least equal to the first legally payable installment must be paid towards the BAN upon each renewal until permanently funded or retired.

Bonds - Bonds issued are retired in serial installments within statutory periods of usefulness. New Jersey Statutes limit installment increments unless approval for a non-conforming maturity schedule is approved by the Local Finance Board.

Loans - Loans issued are retired in accordance with the issuer's amortization requirements.

NOTE 6 - MUNICIPAL DEBT

The Borough's long term debt consisted of the following at December 31, 2018:

\$2,395,000 - Pension Refunding Bonds Series 2003 issued 3/1/2003 payable in annual installments through 3/1/2021. Interest is paid semi-annually at varying rates from 2.40% to 5.20% per annum. The balance remaining on this issue as of December 31, 2018 is \$890,000.

\$10,480,000 - General Improvement Bonds Series 2005 issued 9/1/2005 payable in annual installments through 9/1/2019. Interest is paid semi-annually at 1.28% per annum as refinanced. The balance remaining on this issue as of December 31, 2018 is \$2,110,000.

\$5,265,000 - Refunding Bonds - Tax Appeals Series 2007 issued 9/10/2007 payable in annual installments through 8/1/2019. Interest is paid semi-annually at 4.00% per annum. The balance remaining on this issue as of December 31, 2018 is \$540,000.

\$30,800,000 - General Improvement Bonds Series 2018 issued 2/15/2018 payable in annual installments through 2/15/2029. Interest is paid semi-annually at varying rates from 2.00% to 3.00% per annum. The balance remaining on this issue as of December 31, 2018 is \$30,800,000.

\$683,236 - Green Trust Loan Series 1998 issued 6/8/2000 payable in semi-annual installments through 11/5/2018. Interest is paid semi-annually at 2.00% per annum. The balance remaining on this issue as of December 31, 2018 is \$0.

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 6 - MUNICIPAL DEBT

B. Summary of Debt and Remaining Borrowing Power

The following information summarizes the statutory debt calculations of the municipality as reported on the Borough's Annual Debt Statement:

	<u>2018</u>	<u>2017</u>
<i>Issued:</i>		
School Bonds and Notes.....	\$ 12,185,000	\$ 13,180,000
Utility Bonds and Notes.....	5,200,000	4,161,180
General Bonds	34,340,000	6,455,000
Loans.....	-	45,777
Bond Anticipation Notes.....	5,470,853	28,435,500
	<u>57,195,853</u>	<u>52,277,457</u>
<i>Authorized but not Issued:</i>		
School Bonds and Notes.....	-	-
Utility Bonds and Notes.....	-	1,065,113
General Bonds and Notes.....	-	4,418,329
	<u>-</u>	<u>5,483,442</u>
Gross Debt.....	<u>57,195,853</u>	<u>57,760,899</u>
Deductions.....	<u>18,815,000</u>	<u>22,419,393</u>
Net Debt.....	<u>\$ 38,380,853</u>	<u>\$ 35,341,506</u>
Equalized Valuation Basis.....	\$ 9,991,461,295	\$ 9,593,049,835
Statutory Net Debt Percentage.....	0.384%	0.368%
3-1/2% of Equalized Valuation Basis.....	\$ 349,701,145	\$ 335,756,744
Remaining Borrowing Power.....	\$ 311,320,292	\$ 300,415,238

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 6 - MUNICIPAL DEBT

C. Long-Term Bonded Debt Service Requirements to Maturity

General Obligation Bonds

<u>Calendar Year</u>	3/1/2003		9/1/2005	
	Refunding Bonds - Pension		General Improvement Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	265,000	39,390	2,110,000	27,008
2020	295,000	24,830	-	-
2021	330,000	8,580	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
	<u>\$ 890,000</u>	<u>\$ 72,800</u>	<u>\$ 2,110,000</u>	<u>\$ 27,008</u>

<u>Calendar Year</u>	9/1/2007		2/15/2018	
	Refunding Bonds - Tax Appeals		General Improvement Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	540,000	21,600	1,500,000	756,250
2020	-	-	2,900,000	712,250
2021	-	-	2,900,000	654,250
2022	-	-	2,900,000	596,250
2023	-	-	2,900,000	534,625
2024	-	-	2,900,000	465,750
2025	-	-	2,900,000	393,250
2026	-	-	2,900,000	313,500
2027	-	-	3,000,000	225,000
2028	-	-	3,000,000	135,000
2029	-	-	3,000,000	45,000
	<u>\$ 540,000</u>	<u>\$ 21,600</u>	<u>\$ 30,800,000</u>	<u>\$ 4,831,125</u>

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 6 - MUNICIPAL DEBT

General Obligation Bonds Continued

<u>Calendar Year</u>	<u>Totals</u>	
	<u>Principal</u>	<u>Interest</u>
2019	4,415,000	844,248
2020	3,195,000	737,080
2021	3,230,000	662,830
2022	2,900,000	596,250
2023	2,900,000	534,625
2024	2,900,000	465,750
2025	2,900,000	393,250
2026	2,900,000	313,500
2027	3,000,000	225,000
2028	3,000,000	135,000
2029	3,000,000	45,000
	<u>\$ 34,340,000</u>	<u>\$ 4,952,533</u>

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 6 - MUNICIPAL DEBT

C. Long-Term Bonded Debt Service Requirements to Maturity (Continued)

Loans

<u>Calendar Year</u>	<u>10/15/07 Green Trust Loan Kennedy Park Improvements</u>		<u>8/27/09 Green Trust Loan Memorial Park Improvements</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	10,449	1,987	12,945	2,462
2020	10,659	1,777	13,205	2,202
2021	10,874	1,563	13,470	1,937
2022	11,092	1,345	13,741	1,666
2023	11,315	1,122	14,017	1,389
2024	11,542	894	14,299	1,108
2025	11,774	662	14,586	820
2026	12,011	426	14,880	527
2027	12,254	184	15,178	228
	<u>\$ 101,970</u>	<u>\$ 9,960</u>	<u>\$ 126,321</u>	<u>\$ 12,339</u>

NOTE 6 - MUNICIPAL DEBT

C. Long-Term Bonded Debt Service Requirements to Maturity (Continued)

Loans (Continued)

<u>Calendar Year</u>	<u>6/5/06 Green Trust Loan Memorial Park Improvements</u>		<u>Totals</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	13,861	2,151	37,255	6,600
2020	14,140	1,873	38,004	5,852
2021	14,424	1,588	38,768	5,088
2022	14,714	1,298	39,547	4,309
2023	15,009	1,003	40,341	3,514
2024	15,311	701	41,152	2,703
2025	15,619	394	41,979	1,876
2026	7,927	79	34,818	1,032
2027	-	-	27,432	412
	<u>\$ 111,005</u>	<u>\$ 9,087</u>	<u>\$ 339,296</u>	<u>\$ 31,386</u>

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 6 - MUNICIPAL DEBT

D. Summary of Changes in Municipal Debt

General Debt

<u>2018</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<i>Short-Term Debt:</i>					
Bond Anticipation Notes...	\$ 28,435,500	\$ -	\$ -	\$ 28,435,500	\$ -
<i>Long-Term Debt:</i>					
Serial Bonds.....	6,455,000	-	-	6,455,000	-
Loans.....	45,777	-	-	45,777	-
Authorized/not Issued.....	4,418,329	-	-	4,418,329	-
	<u>10,919,106</u>	<u>-</u>	<u>-</u>	<u>10,919,106</u>	<u>-</u>
	<u>\$ 39,354,606</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,354,606</u>	<u>\$ -</u>

<u>2017</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<i>Short-Term Debt:</i>					
Bond Anticipation Notes...	\$ 24,257,500	\$ 5,103,000	\$ 925,000	\$ 28,435,500	\$ 28,435,000
<i>Long-Term Debt:</i>					
Serial Bonds.....	9,250,000	-	2,795,000	6,455,000	2,915,000
Loans.....	90,653	-	44,876	45,777	45,777
Authorized/not Issued.....	6,839,858	2,681,471	5,103,000	4,418,329	-
	<u>16,180,511</u>	<u>2,681,471</u>	<u>7,942,876</u>	<u>10,919,106</u>	<u>2,960,777</u>
	<u>\$ 40,438,011</u>	<u>\$ 7,784,471</u>	<u>\$ 8,867,876</u>	<u>\$ 39,354,606</u>	<u>\$ 31,395,777</u>

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 6 - MUNICIPAL DEBT

E. Summary of Changes in Other Liabilities

Under the regulatory basis of accounting, certain other long-term liabilities which may be considered material to the financial statements are not reported either as an expenditure or a liability. However, under the regulatory basis of accounting, these other long-term liabilities and related information are required to be disclosed in the notes to the financial statements in conformity with the disclosure requirements of the Governmental Accounting Standards Board.

Changes in other long-term liabilities for the years ended December 31, 2018 and 2017 were as follows:

<u>2018</u>	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated Absences.....	\$ 3,000,000	\$ 601,264	\$ 101,264	\$ 3,500,000	\$ -
Net Pension Liability - PFRS.	51,460,283	-	5,443,362	46,016,921	-
Net Pension Liability - PERS.	40,024,545	-	5,456,227	34,568,318	-
Net OPEB Liability.....	74,333,478	-	16,243,538	58,089,940	-
	<u>\$ 168,818,306</u>	<u>\$ 601,264</u>	<u>\$ 27,244,391</u>	<u>\$ 142,175,179</u>	<u>\$ -</u>

<u>2017</u>	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated Absences.....	\$ 2,750,000	\$ 324,939	\$ 74,939	\$ 3,000,000	\$ -
Net Pension Liability - PFRS.	64,617,201	-	13,156,918	51,460,283	-
Net Pension Liability - PERS.	46,468,073	-	6,443,528	40,024,545	-
Net OPEB Liability.....	90,356,814	-	16,023,336	74,333,478	-
	<u>\$ 204,192,088</u>	<u>\$ 324,939</u>	<u>\$ 35,698,721</u>	<u>\$ 168,818,306</u>	<u>\$ -</u>

Year end compensated absence balances include all potential contractual amounts due upon retirement, including those accruing as of January 1 of the subsequent fiscal year.

Note 7 - Risk Management

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur. The Borough of Paramus is a member of the Bergen County Municipal Joint Insurance Fund (BJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment and worker's compensation. The BJIF and MEL coverage amounts are on file with the Borough. The relationship between the Borough and respective insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Borough is contractually obligated to make all annual and supplementary contributions to insurance, to report claims on a timely basis, cooperate with the management of the Fund, its claims investigation and settlement, and to follow risk management procedures as outlined by the insurance pools. Members have a contractual obligation to fund any deficit of the insurance fund attributable to a membership year during which the municipality was a member. The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and preventive procedures to be followed by the members. There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage in any of the prior three years. Contributions to the Funds, including a reserve for contingencies, are payable in four installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the State of New Jersey provides the administration of payments to former employees of the Borough. The Borough is billed quarterly for benefits paid to former employees. A separate dedicated unemployment Trust account is not maintained. Unemployment expenditures are charged against Current fund budget appropriations under the title "Unemployment Compensation".

Unemployment expenditures for the past 3 years are as follows:

CY2018 - \$40,000
CY2017 - \$42,868
CY2016 - \$77,866

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 8 - INTERFUNDS

As of December 31, interfund balances on the Borough's various balance sheets were as follows:

<u>2018</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund.....	\$ 2,850,000	\$ 545,901
Grant Fund.....	545,901	-
Trust Fund.....	-	-
General Capital Fund.....	-	2,600,000
Golf Course Utility Fund.....	-	250,000
Swim Pool Utility Fund.....	8,908	8,908
	<u>\$ 3,404,809</u>	<u>\$ 3,404,809</u>

<u>2017</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund.....	\$ 7	\$ 4,353,662
Grant Fund.....	643,253	80,061
Trust Fund.....	17,998	7
General Capital Fund.....	3,191,472	-
Golf Course Utility Fund.....	809,708	228,708
Swim Pool Utility Fund.....	9,708	9,708
	<u>\$ 4,672,146</u>	<u>\$ 4,672,146</u>

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 9 - DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are shown on the Borough's various balance sheets:

<u>2018</u>	<u>Balance December 31,</u>	<u>Raised in Subsequent Year's Budget</u>	<u>Balance to Succeeding</u>
Current Fund:			
Emergency Authorizations (40A:4-47).....	\$ 2,100,000	\$ 2,100,000	\$ -
	<u> </u>	<u> </u>	<u> </u>
<u>2017</u>	<u>Balance December 31,</u>	<u>Appropriated in Subsequent Year's Budget</u>	<u>Balance to Succeeding</u>
Swim Pool Utility Operating Fund:			
Expenditure Without Appropriation.....	\$ 2,230	\$ 2,230	\$ -
	<u> </u>	<u> </u>	<u> </u>

NOTE 10 - RETIREMENT PLANS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those Borough employees who are eligible for pension coverage.

Police and Firemen's Retirement System (PFRS)

Established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after December 31, 1944. Membership is mandatory for such employees with vesting occurring after 10 years of membership. PFRS is a cost-sharing multi-employer defined benefit pension plan.

Public Employees' Retirement System (PERS)

Established in January 1955, under the provisions of N.J.S.A. 43: 15A to provide coverage, including post-retirement health care for those eligible employees whose local employers elected to do so, to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and, if applicable, 25 years for post-retirement healthcare coverage. PERS is a cost-sharing multi-employer defined benefit pension plan.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Borough employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP)

Established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not work the minimum required hours but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. DCRP is a defined contribution pension plan.

Other Pension Funds

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

The State also administers the Pensions Adjustment Fund (PAF). Prior to the adoption of pension reform legislation, P.L. 2011, C.78, it provided cost of living increases equal to 60 percent of the change in the average consumer price index, to eligible retirees in some State-sponsored pension systems which includes the CPFPPF. Cost-of-living increases provided under the State's pension adjustment program are currently suspended as a result of the reform legislation. This benefit is funded by the State as benefit allowances become payable.

The cost of living increase for PFRS and PERS are funded directly by each of the respective systems, but are currently suspended as a result of reform legislation. According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

NOTE 10 - RETIREMENT PLANS

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290, or at www.state.nj/treasury/doinvest.

Collective Net Pension Liability

The collective net pension liability of the participating employers for PERS at June 30, 2018 and 2017 is \$43.4 billion and \$48.9 billion, respectively, and the plan fiduciary net position as a percentage of the total pension liability is 40.45% and 36.78%, respectively. The collective net pension liability of the participating employers for PFRS at June 30, 2018 and 2017 is \$19.7 billion and \$21.6 billion, respectively and the plan fiduciary net position as a percentage of total pension liability is 57.91% and 54.52%, respectively. The total pension liabilities were determined based on actuarial valuations as of July 1, 2017 and 2016 which were rolled forward to June 30, 2018 and 2017, respectively.

Actuarial Methods and Assumptions

In the July 1, 2017 and 2016 PERS and PFRS actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

NOTE 10 - RETIREMENT PLANS

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions for 2018 and 2017 based on 10.0% for PFRS, 7.50% (effective July 1, 2018) and 7.34% (effective July 1, 2017) for PERS and 5.50% for DCRP of employee's annual compensation.

For the years ended December 31, 2018 and 2017 for PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All contributions made by the Borough for 2018, 2017 and 2016 were equal to the required contributions.

During the years ended December 31, 2018, 2017 and 2016, the Borough, was required to contribute for normal cost pension contributions, accrued liability pension contributions and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

<u>Year Ended December 31,</u>	<u>PFRS</u>	<u>PERS</u>
2018	\$ 3,133,899	\$ 1,498,639
2017	\$ 2,952,561	\$ 1,466,309
2016	\$ 2,868,945	\$ 1,193,483

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

	2018		2017	
	Liability	Actuarial Valuation Percentage	Liability	Actuarial Valuation Percentage
The Borough's PFRS liability and proportionate share at December 31 was.....	<u>\$ 21,830,118</u>	<u>0.161326375</u>	<u>\$ 24,148,749</u>	<u>0.156423404</u>

	2018		2017	
	Actuarial Valuation	Actual Contributions	Actuarial Valuation	Actual Contributions
The Borough's pension expense calculations for years ended December 31, were.....	<u>\$ 1,881,286</u>	<u>\$ 1,384,376</u>	<u>\$ 11,882,067</u>	<u>\$ 1,224,097</u>

The Borough's deferred outflows of resources and deferred inflows of resources related to PFRS pension; which are not reported on the Borough's financial statements are from the following sources at December 31:

	2018		2017	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience.....	\$ -	\$ 90,338	\$ 156,663	\$ 141,733
Changes of assumptions.....	222,093	5,594,682	2,977,810	3,954,859
Net difference between projected and actual earnings on pension plan investments.....	1,873,822	119,431	460,815	-
Changes in proportion and differences between Borough contributions and proportionate share of contributions.....	1,438,826	561,613	1,093,633	800,918
Total	<u>\$ 3,534,741</u>	<u>\$ 6,366,064</u>	<u>\$ 4,688,921</u>	<u>\$ 4,897,510</u>

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Actuarial Assumptions

The Borough's total pension liability reported for the year ended December 31, 2018 was based on the June 30, 2018 measurement date as determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. The total pension liability reported for the year ended December 31, 2017 was based on the June 30, 2017 measurement date as determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2018	2017
Inflation	2.25%	2.25%
Salary Increases:		
Thru 2026	2.10% - 8.98% based on age	2.10% - 8.98% based on age
Thereafter	3.10% - 9.98% based on age	3.10% - 9.98% based on age
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	RP-2000	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

The actuarial assumptions used in the July 1, 2017 and 2016 valuations were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014, respectively.

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2018 and 2017, as reported for the years ended December 31, 2018 and 2017, respectively, are summarized in the following tables:

Asset Class	2018		2017	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Absolute return/risk mitigation	5.00%	5.51%	5.00%	5.51%
Cash equivalents	5.50%	1.00%	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%	3.00%	1.87%
Investment grade credit	10.00%	3.78%	10.00%	3.78%
Public high yield	2.50%	6.82%	2.50%	6.82%
Global diversified credit	5.00%	7.10%	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%	1.00%	6.60%
Debt related private equity	2.00%	10.63%	2.00%	10.63%
Debt related real estate	1.00%	6.61%	1.00%	6.61%
Private real asset	2.50%	11.83%	2.50%	11.83%
Equity related real estate	6.25%	9.23%	6.25%	9.23%
U.S. equity	30.00%	8.19%	30.00%	8.19%
Non-U.S. developed markets equity	11.50%	9.00%	11.50%	9.00%
Emerging markets equity	6.50%	11.64%	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%	8.25%	13.08%
	<u>100.00%</u>		<u>100.00%</u>	

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Discount Rate

	2018		2017	
	Measurement Date	Discount Rate	Measurement Date	Discount Rate
The discount rate used to measure total pension liabilities was as follows.....	06/30/18	6.51%	06/30/17	6.14%

The following table represents the crossover period, if applicable, for the PFRS defined benefit plan:

	2018	2017
Period of Projected Benefit Payments for which the Following Rates were Applied:		
Long-Term Expected Rate of Return	Through June 30, 2062	Through June 30, 2057
Municipal Bond Rate *	From July 1, 2062 and Thereafter	From July 1, 2057 and Thereafter

*The municipal bond return rate used is 3.87% and 3.58% as of the measurement dates of June 30, 2018 and 2017, respectively. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AAa or higher.

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Sensitivity of Net Pension Liability

The following presents the Borough's proportionate share of the PFRS net pension liability as of December 31, 2018 and 2017 calculated using the discount rate of 6.51% and 6.14%, respectively, as well as what the Borough's proportionate share of the PFRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 5.51% and 5.14%, respectively or 1-percentage-point higher 7.51% and 7.14%, respectively than the current rate:

<u>2018</u>	1.00% Decrease <u>5.51%</u>	Current Discount Rate <u>6.51%</u>	1.00% Increase <u>7.51%</u>
The Borough's Proportionate Share of the PFRS Net Pension Liability.....	<u>\$ 22,063,620</u>	<u>\$ 21,830,118</u>	<u>\$ 21,710,775</u>
<u>2017</u>	1.00% Decrease <u>5.14%</u>	Current Discount Rate <u>6.14%</u>	1.00% Increase <u>7.14%</u>
The Borough's Proportionate Share of the PFRS Net Pension Liability.....	<u>\$ 24,406,034</u>	<u>\$ 24,148,749</u>	<u>\$ 24,004,257</u>

The sensitivity analysis was based on the proportionate share of the Borough's net pension liability at December 31, 2018 and 2017. A sensitivity analysis specific to the Borough's net pension liability was not provided by the pension system.

NOTE 10 - RETIREMENT PLANS

Police and Firemen's Retirement System (PFRS)

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

Special Funding Situation

Under N.J.S.A. 43:16A-15, the Borough is responsible for their own PFRS contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 20 I, P .L. 200 I. The amounts contributed on behalf of the Borough by the State 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. Accordingly, the Borough's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At December 31, 2018 and 2017, the State's proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$14,286,712 and \$13,312,838, respectively. For the years ended December 31, 2018 and 2017, the pension system has determined the State's proportionate share of the pension expense attributable to the Borough for the PFRS special funding situation is \$1,692,238 and \$1,628,461, respectively, which are more than the actual contributions the State made on behalf of the Borough of \$846,118 and \$665,698, respectively. At December 31, 2018 (measurement date June 30, 2018) the State's share of the PFRS net pension liability attributable to the Borough was 0.7772751731 percent, which was an increase of .00738 percent from its proportionate share measured as of December 31, 2017 (measurement date June 30, 2017) of .7698871067 percent. The State's proportionate share attributable to the Borough was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Borough's financial statements.

Pension Plan Fiduciary Net Position

Detailed information about the PFRS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. report may be accessed via the New Jersey, Division of Pensions and Benefits, website www.state.nj.us/treasury/pensions.

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

	<u>2018</u>		<u>2017</u>	
	<u>Liability</u>	<u>Actuarial Valuation Percentage</u>	<u>Liability</u>	<u>Actuarial Valuation Percentage</u>
The Borough's PERS liability and proportionate share at December 31 was.....	\$ 34,568,318	0.04272905	\$ 40,024,545	0.043905655

	<u>2018</u>		<u>2017</u>	
	<u>Actuarial Valuation</u>	<u>Actual Contributions</u>	<u>Actuarial Valuation</u>	<u>Actual Contributions</u>
The Borough's pension expense calculations for years ended December 31, were.....	\$ 526,126	\$ 1,498,639	\$ 526,934	\$ 1,466,309

The Borough's deferred outflows of resources and deferred inflows of resources related to PERS pension; which are not reported on the Borough's financial statements are from the following sources at December 31:

	<u>2018</u>		<u>2017</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience.....	\$ 160,440	\$ 48,164	\$ 240,658	\$ -
Changes of assumptions.....	1,386,346	2,986,692	2,059,086	2,051,537
Net difference between projected and actual earnings on pension plan investments.....	-	87,617	69,595	-
Changes in proportion and differences between Borough contributions and proportionate share of contributions.....	294,408	191,529	425,589	1,058,085
Total	<u>\$ 1,841,194</u>	<u>\$ 3,314,002</u>	<u>\$ 2,794,928</u>	<u>\$ 3,109,622</u>

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Actuarial Assumptions

The Borough's total pension liability reported for the year ended December 31, 2018 was based on the June 30, 2018 measurement date as determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. The total pension liability reported for the year ended December 31, 2017 was based on the June 30, 2017 measurement date as determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2018	2017
Inflation	2.25%	2.25%
Salary Increases:		
Thru 2026	1.65% - 4.15% based on age	1.65% - 4.15% based on age
Thereafter	2.65% - 5.15% based on age	2.65% - 5.15% based on age
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	RP-2000	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

The actuarial assumptions used in the July 1, 2017 and 2016 valuations were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014, respectively.

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2018 and 2017, as reported for the years ended December 31, 2018 and 2017, respectively, are summarized in the following tables:

Asset Class	2018		2017	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Absolute return/risk mitigation	5.00%	5.51%	5.00%	5.51%
Cash equivalents	5.50%	1.00%	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%	3.00%	1.87%
Investment grade credit	10.00%	3.78%	10.00%	3.78%
Public high yield	2.50%	6.82%	2.50%	6.82%
Global diversified credit	5.00%	7.10%	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%	1.00%	6.60%
Debt related private equity	2.00%	10.63%	2.00%	10.63%
Debt related real estate	1.00%	6.61%	1.00%	6.61%
Private real asset	2.50%	11.83%	2.50%	11.83%
Equity related real estate	6.25%	9.23%	6.25%	9.23%
U.S. equity	30.00%	8.19%	30.00%	8.19%
Non-U.S. developed markets equity	11.50%	9.00%	11.50%	9.00%
Emerging markets equity	6.50%	11.64%	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%	8.25%	13.08%
	<u>100.00%</u>		<u>100.00%</u>	

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Discount Rate

	2018		2017	
	Measurement Date	Discount Rate	Measurement Date	Discount Rate
The discount rate used to measure total pension liabilities was as follows.....	06/30/18	5.66%	06/30/17	5.00%

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

	2018	2017
Period of Projected Benefit Payments for which the Following Rates were Applied:		
Long-Term Expected Rate of Return	Through June 30, 2046	Through June 30, 2040
Municipal Bond Rate *	From July 1, 2046 and Thereafter	From July 1, 2040 and Thereafter

*The municipal bond return rate used is 3.87% and 3.58% as of the measurement dates of June 30, 2018 and 2017, respectively. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AAa or higher.

NOTE 10 - RETIREMENT PLANS

Public Employees' Retirement System (PERS)

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

Sensitivity of Net Pension Liability

The following presents the Borough's proportionate share of the PERS net pension liability as of December 31, 2018 and 2017 calculated using the discount rate of 5.66% and 5.00%, respectively, as well as what the Borough's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 4.66% and 4.00%, respectively or 1-percentage-point higher 6.66% and 6.00%, respectively than the current rate:

<u>2018</u>	1.00% Decrease <u>4.66%</u>	Current Discount Rate <u>5.66%</u>	1.00% Increase <u>6.66%</u>
The Borough's Proportionate Share of the PERS Net Pension Liability.....	<u>\$ 34,934,741</u>	<u>\$ 34,568,318</u>	<u>\$ 34,201,896</u>
<u>2017</u>	1.00% Decrease <u>4.00%</u>	Current Discount Rate <u>5.00%</u>	1.00% Increase <u>6.00%</u>
The Borough's Proportionate Share of the PERS Net Pension Liability.....	<u>\$ 40,445,856</u>	<u>\$ 40,024,545</u>	<u>\$ 39,603,234</u>

The sensitivity analysis was based on the proportionate share of the Borough's net pension liability at December 31, 2018 and 2017. A sensitivity analysis specific to the Borough's net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. report may be accessed via the New Jersey, Division of Pensions and Benefits, website www.state.nj.us/treasury/pensions.

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for participating municipalities including the Borough.

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

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

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

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on Jw1e 28, 20 II will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be assessed via, the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Measurement Focus and Basis of Accounting

The financial statements of the OPEB plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to government organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the other postemployment benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

Collective Net OPEB Liability

The collective net OPEB liability of the participating employers and the State, as the non-employer contributing entity, of the Plan at June 30, 2018 and 2017 is \$15.7 billion and \$20.4 billion, respectively, and the plan fiduciary net position as a percentage of the total OPEB liability is 1.97% and 1.03%, respectively. The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2017 and 2016 which were rolled forward to June 30, 2018 and 2017.

Actuarial Methods and Assumptions

In the June 30, 2017 and 2016 OPEB actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is the belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contribution

The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members. The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1967, as disclosed previously. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis.

The employers participating in the OPEB plan made contributions of \$421.2 million and \$381.8 million and the State of New Jersey, as the non-employer contributing entity, contributed \$53.5 million and \$53.1 million for fiscal years 2018 and 2017, respectively.

The State sets the employer contribution rate based on a pay-as-you-go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The Borough's contributions to the State Health Benefits Program Fund. Local Government Retired Plan for post-retirement benefits for the years ended December 31, 2018, 2017 and 2016 were \$960,223, \$987,417 and \$921,186, respectively, which equaled the required contributions for each year.

BOROUGH OF PARAMUS
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

	2018		2017	
	Liability	Actuarial Valuation Percentage	Liability	Actuarial Valuation Percentage
The Borough's OPEB (0418-00) liability and proportionate share at December 31 was.....	\$ 58,089,940	0.370788	\$ 74,333,478	0.364098

	2018		2017	
	Actuarial Valuation	Actual Contributions	Actuarial Valuation	Actual Contributions
The Borough's OPEB expense calculations for years ended December 31, were.....	\$ 1,043,742	\$ 2,039,376	\$ 3,678,173	\$ 3,496,727

The Borough's deferred outflows of resources and deferred inflows of resources related to PERS pension; which are not reported on the Borough's financial statements are from the following sources at December 31:

	2018		2017	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience.....	\$ -	\$ 11,794,330	\$ -	\$ -
Changes of assumptions.....	-	14,735,274	-	8,250,384
Net difference between projected and actual earnings on pension plan investments.....	30,698	-	12,739	-
Changes in proportion and differences between Borough contributions and proportionate share of contributions.....	1,330,791	8,477,005	-	9,880,483
Total	\$ 1,361,489	\$ 35,006,609	\$ 12,739	\$ 18,130,867

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Actuarial Assumptions

The Borough's total OPEB liability reported for the year ended December 31, 2018 was based on the June 30, 2018 measurement date as determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. The total OPEB liability reported for the year ended December 31, 2017 was based on the June 30, 2017 measurement date as determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2018	2017
Inflation	2.50%	2.50%
Salary Increases:		
Thru 2026	1.65% - 8.98% based on age	1.65% - 8.98% based on age
Thereafter	2.65% - 9.98% based on age	2.65% - 9.98% based on age
Long-Term Rate of Return	1.00%	1.00%
Mortality Rate Table	RP-2006	RP-2006

For the June 30, 2018 measurement date healthcare cost trend rates for pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8% and decreases to a 5.0% long-term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long-term trend rate after seven years. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

For the June 30, 2017 measurement date healthcare cost trend rates for pre-Medicare Preferred Provider Organization (PPO) medical benefits, this amount initially is 5.9 percent and decreases to a 5.0 percent long-term trend rate after nine year. For self-insured post-65 PPO medical benefits, the trend rate is 4.5 percent. For health maintenance organization (HMO) medical benefit, the trend rate is initially 5.9 percent and decreases to a 5.0 percent long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5 percent and decreases to a 5.0 percent long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0 percent. This reflects the known underlying cost of the Part B premium. The Medicare Advantage trend rate is 4.5 percent and will continue in all future years.

The actuarial assumptions used in the June 30, 2017 and 2016 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2010 to June 30, 2013 and July 1, 2011 to June 30, 2014, respectively.

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Long-Term Expected Rate of Return

As the OPEB plan only invests in the State of New Jersey Cash Management Fund, the long-term expected rate of return on OPEB investments was based off the best-estimate ranges of future real rates of return (expected returns, net of OPEB plan investment expense and inflation) for cash equivalents, which is 1.00% and 1.00% as of June 30, 2018 and 2017, respectively.

Discount Rate

	2018		2017	
	Measurement Date	Discount Rate	Measurement Date	Discount Rate
The discount rate used to measure total OPEB liabilities was as follows.....	06/30/18	3.87%	06/30/17	3.58%

The discount rate represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AAJ Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Borough's proportionate share of the OPEB net liability as of December 31, 2018 and 2017 calculated using the discount rate of 3.87% and 3.58%, respectively, as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower 2.87% and 2.58%, respectively or 1-percentage-point higher 4.87% and 4.58%, respectively than the current rate:

<u>2018</u>	1.00% Decrease <u>2.87%</u>	Current Discount Rate <u>3.87%</u>	1.00% Increase <u>4.87%</u>
The Borough's Proportionate Share of the Net OPEB Liability.....	<u>\$ 58,694,225</u>	<u>\$ 58,089,940</u>	<u>\$ 57,485,655</u>
 <u>2017</u>	 1.00% Decrease <u>2.58%</u>	 Current Discount Rate <u>3.58%</u>	 1.00% Increase <u>4.58%</u>
The Borough's Proportionate Share of the Net OPEB Liability.....	<u>\$ 75,104,413</u>	<u>\$ 74,333,478</u>	<u>\$ 73,562,544</u>

The sensitivity analysis was based on the proportionate share of the Borough's net OPEB liability at December 31, 2018 and 2017. A sensitivity analysis specific to the Borough's net OPEB liability was not provided by the Plan.

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the Borough's proportionate share of the OPEB net liability as of December 31, 2018 and 2017 calculated using the healthcare trend rates as disclosed above as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

2018

	<u>1.00% Decrease</u>	<u>Healthcare Costs Trend Rates</u>	<u>1.00% Increase</u>
The Borough's Proportionate Share of the Net OPEB Liability.....	<u>\$ 58,670,839</u>	<u>\$ 58,089,940</u>	<u>\$ 57,509,041</u>

2017

	<u>1.00% Decrease</u>	<u>Healthcare Costs Trend Rates</u>	<u>1.00% Increase</u>
The Borough's Proportionate Share of the Net OPEB Liability.....	<u>\$ 75,076,813</u>	<u>\$ 74,333,478</u>	<u>\$ 73,590,143</u>

The sensitivity analysis was based on the proportionate share of the Borough's net OPEB liability at December 31, 2018 and 2017. A sensitivity analysis specific to the Borough's net OPEB liability was not provided by the Plan.

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS

Special Funding Situation

Under N.J.S.A. 43:3C-24 the Borough is responsible for their own OPEB contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 330, P.L. 1997 and Chapter 271, P.L., 1989. Under Chapter 330, P.L. 1997, the State pays the premiums or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989. The amounts contributed on behalf of the Borough by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Accordingly, the Borough's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 75 is zero percent and the State's proportionate share is 100% of OPEB under this legislation.

At December 31, 2018 and 2017, the State's proportionate share of the net OPEB liability attributable to the Borough for the OPEB special funding situation is \$12,245,748 and \$17,806,293, respectively. For the years ended December 31, 2018 and 2017 the plan has determined the State's proportionate share of the OPEB expense attributable to the Borough for the OPEB special funding situation is \$370,693 and \$1,274,327, respectively. At December 31, 2018, (measurement date June 30, 2018), the State's share of the OPEB liability attributable to the Borough was .197072 percent, which was a decrease of .7706 percent from its proportionate share measured as of December 31, 2017 (measurement date June 30, 2017) of .204778 percent. The State's proportionate share attributable to the Borough was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. report may be accessed via the New Jersey, Division of Pensions and Benefits, website www.state.nj.us/treasury/pensions.

NOTE 12 - CONTINGENCIES

A. Litigation

The Borough is a party to various legal proceedings which normally occur in the operation of government. These proceedings are not likely to have a materially adverse affect on the various funds of the Borough.

B. Tax Appeals

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2018. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the prescribed accounting principles, the Borough does not recognize any liability, until the cases have been adjudicated. The Borough expects such amounts, if any, to be material. Funding of any liability would be provided for in succeeding years' budgets, from fund balance or by issuance of refunding bonds.

C. Federal and State Awards

The Borough participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the grantor agency. If expenditures are disallowed, the Borough may be required to reimburse the grantor agency. As of December 31, 2018, significant amounts of grant expenditures have not been audited. The Borough believes that any future disallowed expenditures will not have a material effect on its financial position.

D. Federal Arbitrage Rebate

The Borough is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2018 and 2017, the Borough has not estimated its estimated arbitrage earnings due to the IRS, if any.

BOROUGH OF PARAMUS
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2018 AND 2017

NOTE 13 - FUND BALANCES APPROPRIATED

Under the regulatory basis of accounting, fund balances in the Current Fund and Utility Operating Funds are comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding year were as follows:

	2018		2017	
	Fund Balance December 31,	Utilized in Subsequent Years' Budget	Fund Balance December 31,	Utilized in Subsequent Years' Budget
Current Fund:				
Cash Surplus	\$ 644,537	\$ -	\$ 4,764,530	\$ 4,764,000
Non-Cash Surplus	-	-	-	-
	<u>\$ 644,537</u>	<u>\$ -</u>	<u>\$ 4,764,530</u>	<u>\$ 4,764,000</u>
Golf Course Utility Fund:				
Cash Surplus	\$ 518,478	\$ 419,500	\$ 748,685	\$ 250,000
Non-Cash Surplus	-	-	-	-
	<u>\$ 518,478</u>	<u>\$ 419,500</u>	<u>\$ 748,685</u>	<u>\$ 250,000</u>
Swim Pool Utility Fund:				
Cash Surplus	\$ 208,182	\$ 134,000	\$ 206,817	\$ 510
Non-Cash Surplus	-	-	-	-
	<u>\$ 208,182</u>	<u>\$ 134,000</u>	<u>\$ 206,817</u>	<u>\$ 510</u>

NOTE 14 - ECONOMIC DEPENDENCY

The Borough of Paramus is not economically dependent on any one business or industry as a major source of tax revenue for the Borough.

NOTE 15 - SUBSEQUENT EVENTS

As of the date of this report, there were no material subsequent events requiring disclosure.

SUPPLEMENTARY SCHEDULES

CURRENT FUND

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF DELINQUENT PROPERTY TAXES RECEIVABLE
 YEAR ENDED DECEMBER 31, 2018

Year	Balance	2018	Cash Received		Vets & SC	Transferred	Cancelled &	Balance
	December 31, 2017		Levied	2017				
2017	\$ 1,047,777	\$ 3,198	\$ -	\$ 1,050,975	\$ -	\$ -	\$ -	\$ -
2018	-	147,834,745	6,686,244	140,076,816	189,175	354	111,825	\$ 770,331
	<u>\$ 1,047,777</u>	<u>\$ 147,837,943</u>	<u>\$ 6,686,244</u>	<u>\$ 141,127,791</u>	<u>\$ 189,175</u>	<u>\$ 354</u>	<u>\$ 111,825</u>	<u>\$ 770,331</u>

Analysis of 2018 Property Tax Levy

Tax Yield:

General Purpose Tax.....	147,192,311
Omitted Taxes (N.J.S.A. 54:4-63.12 et. seq.).....	-
Added Taxes (N.J.S.A. 54:4-63.1 et. seq.).....	642,434
	<u>147,834,745</u>

Tax Levy:

Local District School Tax.....	78,692,572
County Tax.....	24,567,788
County Open Space Tax.....	1,051,186
Municipal Levy.....	39,406,201
Library Levy.....	3,474,564
	<u>147,192,311</u>
Duplicate Rounding.....	-
Omitted Taxes (N.J.S.A. 54:4-63.12 et. seq.).....	-
Added Taxes (N.J.S.A. 54:4-63.1 et. seq.).....	642,434
	<u>147,834,745</u>

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF TAX TITLE LIENS RECEIVABLE
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017.....		\$	4,394
Increased by:			
2008 Taxes Transferred	354		
Miscellaneous Collector's Adjustment	12		
			366
			4,760
Decreased by:			
			-
			-
Balance, December 31, 2018.....		\$	4,760

BOROUGH OF PARAMUS
CURRENT FUND
STATEMENT OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION
YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017.....		\$	23,978
Increased by:			
	<u>-</u>		<u>-</u>
			23,978
Decreased by:			
	<u>-</u>		<u>-</u>
Balance, December 31, 2018.....		\$	<u>23,978</u>

BOROUGH OF PARAMUS
 CURRENT FUND
 STATEMENT OF DEFERRED CHARGES
 YEAR ENDED DECEMBER 31, 2018

Purpose	Amount Authorized	1/5 of Amount Authorized	Balance December 31, 2017	Authorized	Reduced by Budget Appropriation	Adjustments	Balance December 31, 2018
<i>Emergency Authorizations (40A:4-47):</i>							
COAH Loan	2,100,000		\$ -	\$ 2,100,000	\$ -	\$ -	\$ 2,100,000

BOROUGH OF PARAMUS
 GRANT FUND
 STATEMENT OF GRANTS RECEIVABLE
 YEAR ENDED DECEMBER 31, 2018

Program	Balance December 31, 2017	Revenue Realized	Received	Unappropriated Reserve Applied	Adjustments	Balance December 31, 2018
NJ Clean Communities Program	\$ -	\$ 49,385	\$ 49,385	\$ -	\$ -	\$ -
NJ Driving Enforcement Fund	-	5,336	5,336	-	-	-
NJ Recycling Tonnage Grant	-	148,374	148,374	-	-	-
NJ State Forestry Services - No Net Loss Grant	-	135,900	135,900	-	-	-
NJ State Forestry Services - Green Communities Grant	-	20,000	20,000	-	-	-
NJ Safe & Secure Grant	-	50,000	50,000	-	-	-
Bergen County Prosecutor - Confiscated Funds	209,732	47,009	47,009	209,732	-	-
Bergen County ADA Cooperative - Curb Ramp Construction	394,100	-	-	394,100	-	-
	<u>\$ 603,832</u>	<u>\$ 456,004</u>	<u>\$ 456,004</u>	<u>\$ 603,832</u>	<u>\$ -</u>	<u>\$ -</u>

BOROUGH OF PARAMUS
 GRANT FUND
 STATEMENT OF APPROPRIATED RESERVES
 YEAR ENDED DECEMBER 31, 2018

Program	Balance December 31, 2017	Budget	Confiscated Funds Received	Paid or Charged	Adjustments	Balance December 31, 2018
FD Equitable Sharing Program	\$ 337,603	\$ -	\$ -	\$ 337,603	-	\$ -
FD Assistance to Firefighters Grant Program	13,637	-	-	-	-	13,637
NJ Clean Communities Program	56,972	49,384	-	42,449	-	63,907
NJ Alcohol Education & Rehabilitation Program	1,990	-	-	-	-	1,990
NJ Body Armor Replacement Program	14,216	-	-	-	-	14,216
NJ Recycling Tonnage Grant	564,650	148,374	-	-	-	713,024
NJ Solid Waste Admin. Grant - Public Space Recycling	3,962	-	-	-	-	3,962
NJ State Forestry Services - No Net Loss Grant	108,900	135,900	-	-	-	244,800
NJ State Forestry Services - Green Communities Grant	2,125	20,000	-	-	-	22,125
NJ Safe & Secure Grant	165,000	50,000	-	215,000	-	-
Drunk Driving Enforcement Fund	10,743	5,336	-	-	-	16,079
Bergen County Prosecutor - Confiscated Funds	209,732	47,009	-	256,741	-	-
	\$ 1,489,530	\$ 456,003	\$ -	\$ 851,793	\$ -	\$ 1,093,740

BOROUGH OF PARAMUS
 GRANT FUND
 STATEMENT OF UNAPPROPRIATED RESERVES
 YEAR ENDED DECEMBER 31, 2018

Program	Balance December 31, 2017	Appropriated in 2018	Received in 2018	Adjustments	Balance December 31, 2018
NJ Clean Communities Program	\$ 49,385	\$ 49,385	\$ -	\$ 47,247	\$ 47,247
NJ Recycling Tonnage Grant	148,374	148,374	-	-	-
NJ State Forestry Service - Green Communities Grant	20,000	20,000	-	-	-
NJ State Forestry Services - No Net Loss Grant	135,900	135,900	-	-	-
NJ Drunk Driving Enforcement Fund	5,336	5,336	-	18,861	18,861
FD Safe & Secure Grant	50,000	50,000	-	-	-
	<u>\$ 408,995</u>	<u>\$ 408,995</u>	<u>\$ -</u>	<u>\$ 66,108</u>	<u>\$ 66,108</u>

TRUST FUND

BOROUGH OF PARAMUS
TRUST FUND
STATEMENT OF TRUST FUND RESERVES
YEAR ENDED DECEMBER 31, 2018

Purpose	Balance December 31, 2017	Receipts	Disbursements	Balance December 31, 2018
Senior Citizens Recreation Activities (N.J.S	34,509	66,754	65,259	36,004
Recycling Program (PL 1981 c 278 amend	190,376	9,110	97,925	101,562
Recycling Program (PL 1981 c 278 amend	140,751	-	133,772	6,979
Elevator	-	53,242	-	53,242
Lead Program	12,046	5,336	-	17,382
Substance Abuse	2,109	-	-	2,109
Donations N.J.S.A. 40A:5-29 - Volunteers	141,283	1,200	-	142,483
Donations N.J.S.A. 40A:5-29 Celebration o	28,840	70,000	88,782	10,059
Donations N.J.S.A. 40A:5-29	-	80,690	33,682	47,008
Donations N.J.S.A. 40A:5-29 National Nigh	6,186	4,850	6,654	4,383
Donations N.J.S.A. 40A:5-29 Celebration o	35,571	21,100	27,338	29,333
Parking Offenses Adjudication Act (PL 198	11,297	638	-	11,935
Donations N.J.S.A. 40A:5-29 Police Vests /	9,774	10,401	6,049	14,126
Donations N.J.S.A. 40A:5-29 Celebration o	12,466	21,750	2,578	31,638
Donations N.J.S.A. 40A:5-29 Celebration o	34,457	11,885	8,473	37,869
Donations N.J.S.A. 40A:5-29 Celebration o	4,347	1,600	143	5,804
Donations N.J.S.A. 40A:5-29 Veteran's Me	10,483	370	428	10,425
Donations N.J.S.A. 40A:5-29 Shade Trees	440,849	39,898	286,731	194,016
Outside Employment of Off-Duty Municipal	762,934	1,849,087	1,480,331	1,131,690
Tax Premium Account	869,100	195,200	375,000	689,300
Uniform Fire Safety Act penalty Monies (NJ	15,849	23,615	485	38,979
Storm Recovery Trust Fund P.L. 2013, Ch.	610,411	-	-	610,411
Accumulated Absences N.J.A.C. 5:31-15	575,800	-	-	575,800
Developers Escrow Fund (NJSA 40:55D-5	1,416,191	-	283,035	1,133,156
Escrow Reserves	3,686,769	-	102,883	3,583,886
COAH Expenditures	2,106,576	1,318,712	2,117,021	1,308,267
Community Development Block Grant	-	-	-	-
FSA Expenditures	18,033	28,540	20,597	25,976
General Escrow Expenditures	274,790	185,150	102,719	357,222
Recreation Expenditures	1,004,114	1,986,910	2,244,028	746,996
Self Insurance Programs - General Liability	122,059	135,488	251,457	6,090
Self Insurance Programs - Property	51,364	948	-	52,312
Self Insurance Programs - Vision	-	-	-	-
Shade Tree Expenditures	698,668	273,998	4,222	968,444
Unemployment Expenditures	46,388	82,882	120,580	8,691
Workmen's Compensation Claims	53,800	472,301	506,347	19,754
	<u>13,428,191</u>	<u>6,951,656</u>	<u>8,366,518</u>	<u>12,013,331</u>

GENERAL CAPITAL FUND

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2018

Improvement Description	Balance December 31, 2017	Improvement Authorized	Cash Received	Cancelled/ Adjusted	Balance December 31, 2018
Federal:					
Federal Housing & Community Development Act -- Passed Thru the County of Bergen -- Community Development Program:					
#88-19	\$ 50,000	\$ -	\$ -	\$ (50,000)	\$ -
#89-17	10,026	-	-	(10,026)	-
#94-31	8	-	-	(8)	-
#97-22	21,060	-	-	(21,060)	-
#98-22	43,442	-	-	(43,442)	-
#98-26	16,197	-	-	(16,197)	-
#98-35	3,473	-	-	(3,473)	-
#99-11	20,551	-	-	(20,551)	-
#00-12	2,820	-	-	(2,820)	-
#00-19	2,561	-	-	(2,561)	-
#03-17	46,006	-	-	(46,006)	-
	<u>216,144</u>	<u>-</u>	<u>-</u>	<u>(216,144)</u>	<u>-</u>
Department of Homeland Security -- Passed Thru the State of NJ					
Division of Law & Public Saety					
#02-25	6,894	-	-	(6,894)	-
#04-01	23,754	-	-	(23,754)	-
	<u>30,648</u>	<u>-</u>	<u>-</u>	<u>(30,648)</u>	<u>-</u>
Total Federal	<u>246,792</u>	<u>-</u>	<u>-</u>	<u>(246,792)</u>	<u>-</u>
State:					
Department of Transportation -- Passed Thru the State of NJ Department of Transportation:					
#02-15	84,202	-	-	(84,202)	-
#03-17	77,500	-	-	(77,500)	-
#08-33	44,436	-	-	(44,436)	-
#18-07 Various Public Improvements	-	202,000	-	-	202,000
	<u>206,138</u>	<u>202,000</u>	<u>-</u>	<u>(206,138)</u>	<u>202,000</u>
Total State	<u>206,138</u>	<u>202,000</u>	<u>-</u>	<u>(206,138)</u>	<u>202,000</u>
Other:					
Bergen County - Open Space Trust Fund - #10-07	15,506	-	-	(15,506)	-
#10-07 - Paramus Board of Education	743	-	-	(743)	-
Total Other	<u>16,249</u>	<u>-</u>	<u>-</u>	<u>(16,249)</u>	<u>-</u>
Total Grants Receivable	<u>\$ 469,179</u>	<u>\$ 202,000</u>	<u>\$ -</u>	<u>\$ (469,179)</u>	<u>\$ 202,000</u>

BOROUGH OF PARAMUS
 GENERAL CAPITAL FUND
 STATEMENT OF DUE FROM - CURRENT FUND
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	3,111,411
Increased by:			
	\$	-	
		-	
		-	
			-
			3,111,411
Decreased by:			
Cleared	3,111,411		
		-	
		-	
			3,111,411
Balance, December 31, 2018		\$	-

BOROUGH OF PARAMUS
 GENERAL CAPITAL FUND
 STATEMENT OF DUE FROM - GRANT FUND
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	80,061
Increased by:			
	\$	-	
		-	
		-	
			-
			80,061
Decreased by:			
Cleared	80,061		
		-	
		-	
			80,061
Balance, December 31, 2018		\$	-

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2018

Improvement	Balance	Increases	Refinanced	Paid by	Balance	Analysis of Balance	
	December 31, 2017			Budget Appropriation	December 31, 2018	Outstanding Bonds	Outstanding Loans
3/1/03 Pension Refunding Bonds	1,125,000	-	-	\$ 235,000	890,000	890,000	-
9/1/05 General Improvement Bonds	4,180,000	-	-	2,070,000	2,110,000	2,110,000	-
9/10/07 Refunding Bonds - Tax Appeals	1,150,000	-	-	610,000	540,000	540,000	-
02/15/18 General Improvement Bonds	-	30,800,000	-	-	30,800,000	30,800,000	-
1998 Green Trust Loan	45,777	-	-	45,777	-	-	-
	<u>\$ 6,500,777</u>	<u>\$ 30,800,000</u>	<u>\$ -</u>	<u>\$ 2,960,777</u>	<u>\$ 34,340,000</u>	<u>\$ 34,340,000</u>	<u>\$ -</u>

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2018

Improvement	Balance	Authorized	Raised by	Receipts Applied	Serial Bonds Issued	Cancellations	Balance	Analysis of Balance		
	December 31, 2017		Budget Appropriation				December 31, 2018	Outstanding B&Ns	B&N Authorized	Other
<u>General Improvements</u>										
#86-17 Various Public Improvements	3,650	-	-	-	-	-	3,650	-	-	-
#91-26 Improvements to Sewer System PH 5	1,597	-	-	-	-	-	1,597	-	-	-
#96-15 Library /Public Safety Equipment	520	-	-	-	-	-	520	-	-	-
#97-08 Acquisition of Land	843,968	-	-	-	-	-	843,968	-	-	-
#97-15 Life Safety Complex	764	-	-	-	-	-	764	-	-	-
#02-31 Pension Refunding	105,000	-	-	-	-	-	105,000	-	-	-
#03-17 Various Public Improvements	54	-	-	-	-	-	54	-	-	-
#04-01 Acquisition of Fire Truck	400	-	-	-	-	-	400	-	-	-
#06-15 Various Public Improvements	952,000	-	-	-	952,000	-	-	-	-	-
#07-08 Various Public Improvements	146,000	-	-	-	146,000	-	-	-	-	-
#07-17 Refunding Bond Ordinance	235,000	-	-	-	-	235,000	-	-	-	-
#07-22 Various Public Improvements	923,000	-	-	-	923,000	-	-	-	-	-
#07-35 Refunding Tax Appeals	25,000	-	-	-	-	25,000	-	-	-	-
#08-33 Various Public Improvements	1,306,000	-	-	-	1,306,000	-	-	-	-	-
#08-37 Municipal Pool Environmental Remediation	724,000	-	-	-	724,000	-	-	-	-	-
#09-04 Municipal Pool Environmental Remediation	447,000	-	-	-	447,000	-	-	-	-	-
#09-12 Various Public Improvements	819,500	-	500	-	819,000	-	-	-	-	-
#10-09 2010 Road Improvement Program	480,000	-	-	-	480,000	-	-	-	-	-
#10-10 Emergency Services Communication Tower	199,000	-	-	-	199,000	-	-	-	-	-
#10-11 Various Public Improvements	639,000	-	-	-	639,000	-	-	-	-	-
#11-16 Various Public Improvements	1,533,000	-	-	-	1,533,000	-	-	-	-	-
#11-28 Refunding Bond - Tax Appeals	350,000	-	-	-	-	350,000	-	-	-	-
#12-16 Various Public Improvements	2,565,000	-	-	-	2,565,000	-	-	-	-	-
#12-23 Various Sidewalk Repairs	128,000	-	-	-	128,000	-	-	-	-	-
#13-12 Various Public Improvements	1,055,000	-	-	-	1,055,000	-	-	-	-	-
#13-28 Various Public Improvements	2,422,000	-	-	-	2,422,000	-	-	-	-	-
#13-33 Portable Emergency Generators	335,000	-	-	-	335,000	-	-	-	-	-
#14-07 Various Public Improvements	2,418,000	-	-	-	2,418,000	-	-	-	-	-
#14-24 Various Public Improvements	1,073,500	-	500	-	1,073,000	-	-	-	-	-
#14-27 Various Public Improvements	677,000	-	-	-	677,000	-	-	-	-	-
#15-07 Various Public Improvements	1,383,000	-	-	-	1,383,000	-	-	-	-	-
#15-19 Various Public Improvements	2,209,000	-	-	-	2,209,000	-	-	-	-	-
#15-22 Various Public Improvements	1,031,000	-	-	-	1,031,000	-	-	-	-	-
#16-01 Various Public Improvements	1,960,000	-	-	-	1,960,000	-	-	-	-	-
#16-13 East Brook Turf Field	821,000	-	-	411,000	410,000	-	-	-	-	-
#16-23 Various Public Improvements	2,322,000	-	-	-	2,322,000	-	-	-	-	-
#17-06 Supplement to # 15-19	761,900	-	900	-	761,000	-	-	-	-	-
#17-10 Various Public Improvements	1,891,000	-	8,000	-	1,883,000	-	-	-	-	-
#17-24 Supplement to # 16-13	28,571	-	28,571	-	-	-	-	-	-	-
#18-07 Various Public Improvements	-	5,470,853	-	-	-	-	5,470,853	5,470,853	-	-
Prior	-	2,540,303	-	-	-	-	2,540,303	-	-	2,540,303
	<u>32,815,424</u>	<u>8,011,156</u>	<u>38,471</u>	<u>411,000</u>	<u>30,800,000</u>	<u>1,565,953</u>	<u>8,011,156</u>	<u>5,470,853</u>	<u>-</u>	<u>2,540,303</u>
<u>Local Improvements</u>										
#672 Sewer Phase 4	27,655	-	-	-	-	27,655	-	-	-	-
#89-26 Sidewalk Improvements	10,750	-	-	-	-	10,750	-	-	-	-
	<u>38,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 32,853,829</u>	<u>\$ 8,011,156</u>	<u>\$ 38,471</u>	<u>\$ 411,000</u>	<u>\$ 30,800,000</u>	<u>\$ 1,604,358</u>	<u>\$ 8,011,156</u>	<u>\$ 5,470,853</u>	<u>\$ -</u>	<u>\$ 2,540,303</u>

BOROUGH OF PARAMUS
 GENERAL CAPITAL FUND
 STATEMENT OF DUE TO - CURRENT FUND
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	-
Increased by:			
Utilized as Current Fund Anticipated Revenue	\$	2,600,000	
		-	
		-	
		<u> </u>	
			<u>2,600,000</u>
			2,600,000
Decreased by:			
		-	
		-	
		-	
		<u> </u>	
			<u> </u>
Balance, December 31, 2018		\$	<u><u>2,600,000</u></u>

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2018

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2017	Issued In 2018	Refinanced	Paid by Budget Appropriation	Balance December 31, 2018
3/1/03 Refunding Bonds - Pension	2,395,000	\$ 1,125,000	\$ -	\$ -	\$ 235,000	\$ 890,000
9/1/05 General Improvement Bonds	10,480,000	4,180,000	-	-	2,070,000	2,110,000
9/10/07 Refunding Bonds - Tax Appeals	5,265,000	1,150,000	-	-	610,000	540,000
02/15/18 General Improvement Bonds	30,800,000	-	30,800,000	-	-	30,800,000
		<u>\$ 6,455,000</u>	<u>\$ 30,800,000</u>	<u>\$ -</u>	<u>\$ 2,915,000</u>	<u>\$ 34,340,000</u>

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2018

C-11

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2017	Increased		Decreased			Balance December 31, 2018	
							New Money	Renewal	Serial Bonds Issued	Cash Receipts Applied	Budget Paydown		Renewal
<u>17-1R</u>													
#06-15 Various Public Improvements	\$ 1,710,000	8/10/2007	2/17/2017	2/16/2018	2.00%	\$ 952,000	\$ -	\$ -	\$ 952,000	\$ -	\$ -	\$ -	\$ -
#07-08 Various Public Improvements	280,250	8/10/2007	2/17/2017	2/16/2018	2.00%	146,000	-	-	146,000	-	-	-	-
#07-22 Various Public Improvements	1,602,175	8/10/2007	2/17/2017	2/16/2018	2.00%	923,000	-	-	923,000	-	-	-	-
#08-33 Various Public Improvements	2,004,000	11/13/2008	2/17/2017	2/16/2018	2.00%	1,306,000	-	-	1,306,000	-	-	-	-
#08-37 Municipal Pool Environmental Remediation	920,000	2/26/2009	2/17/2017	2/16/2018	2.00%	724,000	-	-	724,000	-	-	-	-
#09-04 Municipal Pool Environmental Remediation	523,800	2/25/2011	2/17/2017	2/16/2018	2.00%	447,000	-	-	447,000	-	-	-	-
#09-12 Various Public Improvements	827,500	2/25/2011	2/17/2017	2/16/2018	2.00%	687,000	-	-	687,000	-	-	-	-
#10-09 2010 Road Improvement Program	570,000	2/24/2012	2/17/2017	2/16/2018	2.00%	480,000	-	-	480,000	-	-	-	-
#10-10 Emergency Services Communication Tower	238,000	2/24/2012	2/17/2017	2/16/2018	2.00%	199,000	-	-	199,000	-	-	-	-
#10-11 Various Public Improvements	795,500	2/25/2011	2/17/2017	2/16/2018	2.00%	639,000	-	-	639,000	-	-	-	-
#11-16 Various Public Improvements	1,833,000	2/24/2012	2/17/2017	2/16/2018	2.00%	1,533,000	-	-	1,533,000	-	-	-	-
#12-16 Various Public Improvements	2,825,000	2/22/2013	2/17/2017	2/16/2018	2.00%	2,565,000	-	-	2,565,000	-	-	-	-
#12-23 Various Sidewalk Repairs	152,000	2/22/2013	2/17/2017	2/16/2018	2.00%	128,000	-	-	128,000	-	-	-	-
#13-12 Various Public Improvements	1,140,000	2/21/2014	2/17/2017	2/16/2018	2.00%	1,055,000	-	-	1,055,000	-	-	-	-
#13-28 Various Public Improvements	2,552,000	2/21/2014	2/17/2017	2/16/2018	2.00%	2,422,000	-	-	2,422,000	-	-	-	-
#13-33 Acquisition of Portable Generators	347,000	2/21/2014	2/17/2017	2/16/2018	2.00%	335,000	-	-	335,000	-	-	-	-
#14-07 Various Public Improvements	2,418,000	2/20/2015	2/17/2017	2/16/2018	2.00%	2,418,000	-	-	2,418,000	-	-	-	-
#14-24 Various Public Improvements	1,073,500	2/20/2015	2/17/2017	2/16/2018	2.00%	1,073,500	-	-	1,073,000	-	500	-	-
#14-27 Various Public Improvements	677,000	2/20/2015	2/17/2017	2/16/2018	2.00%	677,000	-	-	677,000	-	-	-	-
#15-07 Various Public Improvements	1,383,000	2/19/2016	2/17/2017	2/16/2018	2.00%	1,383,000	-	-	1,383,000	-	-	-	-
#15-19 Various Public Improvements	2,209,000	2/19/2016	2/17/2017	2/16/2018	2.00%	2,209,000	-	-	2,209,000	-	-	-	-
#15-22 Various Public Improvements	1,031,000	2/19/2016	2/17/2017	2/16/2018	2.00%	1,031,000	-	-	1,031,000	-	-	-	-
#16-01 Various Public Improvements	1,960,000	2/17/2017	2/17/2017	2/16/2018	2.00%	1,960,000	-	-	1,960,000	-	-	-	-
#16-13 East Brook Turf Field	821,000	2/17/2017	2/17/2017	2/16/2018	2.00%	821,000	-	-	410,000	411,000	-	-	-
#16-23 Various Public Improvements	2,322,000	2/17/2017	2/17/2017	2/16/2018	2.00%	2,322,000	-	-	2,322,000	-	-	-	-
						28,435,500	-	-	28,024,000	411,000	500	-	-
<u>18-1</u>													
#18-07 Various Public Improvements	5,470,853	10/19/2018	10/19/2018	10/18/2019	3.00%	-	5,470,853	-	-	-	-	-	5,470,853
						\$ 28,435,500	\$ 5,470,853	\$ -	\$ 28,024,000	\$ 411,000	\$ 500	\$ -	\$ 5,470,853

BOROUGH OF PARAMUS
 GENERAL CAPITAL FUND
 STATEMENT OF LOANS PAYABLE
 YEAR ENDED DECEMBER 31, 2018

Date of Issue - Purpose	Total Amount of Issue	Balance December 31, 2017	Issued In 2018	Paid by Budget Appropriation	Balance December 31, 2018
1998 Green Trust Loan	\$ 683,236	\$ 45,777	\$ -	\$ 45,777	\$ -

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2018

Description	Authorized in 2018											Balance - December 31, 2018		
	Balance - January 1, 2017		Capital Improvement Fund	Capital Surplus	Grants	From Reserve	Bonds & Notes Authorized	Expended	Refunds/ Adjustments	Cancellations	Funded	Unfunded	Funded	Unfunded
	Funded	Unfunded												
#96-15 Acquisition of Equipment	\$ 3,394	\$ 520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,914	\$ -	
#97-08 Acquisition of Land	333,289	843,968	-	-	-	-	-	-	-	-	-	1,177,257	-	
#97-15 Life Safety Complex	-	14	-	-	-	-	-	-	-	-	-	14	-	
#97-21 Improvements to Century Road	-	-	-	-	-	-	-	-	-	-	-	-	-	
#97-22 Barrier Free Improvements	57	-	-	-	-	-	-	-	-	-	-	57	-	
#98-19 Various Public Improvements	4,535	-	-	-	-	-	-	-	-	-	-	4,535	-	
#99-11 Various Public Improvements	1	-	-	-	-	-	-	-	-	-	-	1	-	
#99-12 Sports Complex	4,385	-	-	-	-	-	-	-	-	-	-	4,385	-	
#00-12 Various Public Improvements	243	-	-	-	-	-	-	-	-	-	-	243	-	
#01-19 Various Public Improvements	2,635	-	-	-	-	-	-	-	-	-	-	2,635	-	
#01-28 Acquisition of Land	152,665	-	-	-	-	-	-	-	-	-	-	152,665	-	
#02-15 Various Public Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	
#02-31 Refunding - Pension	22,896	105,000	-	-	-	-	-	-	-	-	-	127,896	-	
#03-13 Construction of New Fire House	16,651	-	-	-	-	-	-	-	-	-	-	16,651	-	
#03-17 Various Public Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	
#04-11 Various Public Improvements	69	-	-	-	-	-	-	-	-	-	-	69	-	
#04-19 Acquisition of Property	168,392	-	-	-	-	-	-	-	-	-	-	168,392	-	
#05-24 Various Public Improvements	41,246	-	-	-	-	-	-	-	-	-	-	41,246	-	
#07-09 Update 911 System	24,132	-	-	-	-	-	-	-	-	-	-	24,132	-	
#07-30 Update 911 System	572	-	-	-	-	-	-	-	-	-	-	572	-	
#08-33 Various Public Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	
#08-37 Municipal Pool Environmental Rerr	-	991	-	-	-	-	-	-	-	-	-	991	-	
#09-04 Municipal Pool Environmental Rerr	-	67,561	-	-	-	-	-	-	-	-	-	67,561	-	
#09-12 Various Public Improvements	-	60,225	-	-	-	-	-	-	-	-	-	60,225	-	
#672 - Local - Sewer Syetems - Stage 4	-	-	-	-	-	-	-	-	-	-	-	-	-	
#10-07 Turf Field at Paramus HS	1,175	-	-	-	-	-	-	-	-	-	-	1,175	-	
#11-28 Refunding Bond - Tax Appeals	-	1,143,191	-	-	-	-	-	-	-	-	-	1,143,191	-	
#13-28 Various Public Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	
#14-07 Various Public Improvements	-	1,540	-	-	-	-	-	-	-	-	-	1,540	-	
#14-08 Acquisition of Ambulance	94,530	-	-	-	-	-	94,530	-	-	-	-	-	-	
#14-24 Various Public Improvements	-	135,597	-	-	-	-	-	2,245	137,842	-	-	-	-	
#14-27 Various Public Improvements	-	40,857	-	-	-	-	-	-	-	-	-	40,857	-	
#15-19 Various Public Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	
#15-22 Various Public Improvements	-	1,576	-	-	-	-	-	-	-	-	-	1,576	-	
#15-23 Acquisition of Ambulance	191,208	-	-	-	-	-	191,208	-	-	-	-	-	-	
#16-01 Various Public Improvements	-	676,358	-	-	-	-	260,529	-	415,829	-	-	-	-	
#16-13 East Brook Turf Field	-	-	-	-	-	-	-	-	-	-	-	-	-	
#16-23 Various Public Improvements	-	486,921	-	-	-	-	370,813	1,102	-	-	-	117,210	-	
#17-06 Supplement to # 15-19	-	126,709	-	-	-	-	57,148	-	-	-	-	69,561	-	
#17-10 Various Public Improvements	-	1,325,736	-	-	-	-	1,226,981	-	-	-	-	98,755	-	
#17-24 Supplement to # 16-13	-	13,437	-	-	-	-	850	-	-	-	-	12,587	-	
#18-07 Various Public Improvements	-	-	270,147	-	202,000	-	5,470,853	1,655,318	-	-	-	-	4,287,682	
	<u>\$ 1,062,075</u>	<u>\$ 5,030,201</u>	<u>\$ 270,147</u>	<u>\$ -</u>	<u>\$ 202,000</u>	<u>\$ -</u>	<u>\$ 5,470,853</u>	<u>\$ 3,857,377</u>	<u>\$ 3,347</u>	<u>\$ 3,551,478</u>	<u>\$ 342,086</u>	<u>\$ 4,287,682</u>		

BOROUGH OF PARAMUS
 GENERAL CAPITAL FUND
 STATEMENT OF RESERVE FOR CAPITAL IMPROVEMENT FUND
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	116,405
Increased by:			
2018 Budget Appropriation	\$	275,000	
		-	
		-	
		<u> </u>	<u>275,000</u>
			391,405
Decreased by:			
Appropriated to Finance Improvement Authorizations		270,147	
		-	
		-	
		<u> </u>	<u>270,147</u>
Balance, December 31, 2018		\$	<u><u>121,258</u></u>

BOROUGH OF PARAMUS
 GENERAL CAPITAL FUND
 STATEMENT OF RESERVE FOR ENCUMBRANCES
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	709,874
Increased by:			
Encumbered	\$	544,764	
		-	
		-	
		<hr/>	
			544,764
			<hr/>
			1,254,638
Decreased by:			
Paid		709,874	
		-	
		-	
		<hr/>	
			709,874
			<hr/>
Balance, December 31, 2018		\$	<u>544,764</u>

BOROUGH OF PARAMUS
 GENERAL CAPITAL FUND
 STATEMENT OF RESERVE FOR DEBT SERVICE
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	529,995
Increased by:			
	\$	-	
		-	
		-	
			<u>-</u>
			529,995
Decreased by:			
Utilized as Current Fund Anticipated Revenue	526,351		
Applied - 2018 Bond Sale	3,644		
		-	
			<u>529,995</u>
Balance, December 31, 2018		\$	<u><u>-</u></u>

BOROUGH OF PARAMUS
GENERAL CAPITAL FUND
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2018

Improvement Description	Balance December 31, 2017	Authorized	BANs Issued	Bonds Issued	Raised in Budget	Cancelled	Balance December 31, 2018
<u>General Improvements</u>							
#86-17 Various Public Improvements	\$ 3,650	\$ -	\$ -	\$ -	\$ -	\$ 3,650	\$ -
#96-15 Library/Public Safety Equipment	520	-	-	-	-	520	-
#97-08 Acquisition of Land	843,968	-	-	-	-	843,968	-
#97-15 Life Safety Complex	764	-	-	-	-	764	-
#91-26 Improvements to Sewer System PH 5	1,597	-	-	-	-	1,597	-
#02-31 Pension Refunding	105,000	-	-	-	-	105,000	-
#03-17 Various Public Improvements	54	-	-	-	-	54	-
#04-01 Acquisition of Fire Truck	400	-	-	-	-	400	-
#07-17 Refunding Bond Ordinance	235,000	-	-	-	-	235,000	-
#07-35 Refunding Tax Appeals	25,000	-	-	-	-	25,000	-
#09-12 Various Public Improvements	132,500	-	-	132,000	500	-	-
#11-28 Refunding Bond - Tax Appeals	350,000	-	-	-	-	350,000	-
#16-01 Various Public Improvements	-	-	-	-	-	-	-
#16-13 East Brook Turf Field	-	-	-	-	-	-	-
#16-23 Various Public Improvements	-	-	-	-	-	-	-
#17-06 Supplement to #15-19	761,900	-	-	761,000	900	-	-
#17-10 Various Public Improvements	1,891,000	-	-	1,883,000	8,000	-	-
#17-24 Supplement to #16-13	28,571	-	-	-	28,571	-	-
#18-07 Various Public Improvements	-	5,470,853	5,470,853	-	-	-	-
	<u>4,379,924</u>	<u>5,470,853</u>	<u>5,470,853</u>	<u>2,776,000</u>	<u>37,971</u>	<u>1,565,953</u>	<u>-</u>
<u>Local Improvements</u>							
#87-23 Construction of Concrete Curbs	27,655	-	-	-	-	27,655	-
#89-26 Sidewalk Improvements	10,750	-	-	-	-	10,750	-
	<u>38,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,405</u>	<u>-</u>
Total	<u>\$ 4,418,329</u>	<u>\$ 5,470,853</u>	<u>\$ 5,470,853</u>	<u>\$ 2,776,000</u>	<u>\$ 37,971</u>	<u>\$ 1,604,358</u>	<u>\$ -</u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY OPERATING FUND
 STATEMENT OF DUE FROM - GCU CAPITAL FUND
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	228,708
Increased by:			
	\$	-	
		-	
		-	
			-
			228,708
Decreased by:			
Cleared	228,708		
		-	
		-	
			228,708
Balance, December 31, 2018		\$	-

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY OPERATING FUND
 STATEMENT OF SALES TAX PAYABLE
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	5,448
Increased by:			
	\$	-	
		-	
		-	
			-
			5,448
Decreased by:			
Remitted		5,448	
		-	
		-	
			5,448
Balance, December 31, 2018		\$	-

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY OPERATING FUND
 STATEMENT OF RESERVE FOR ENCUMBRANCES
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	159,775
Increased by:			
Encumbered	\$	51,273	
		-	
		-	
		<hr/>	51,273
			<hr/> 211,048
Decreased by:			
Paid		159,775	
		-	
		-	
		<hr/>	159,775
			<hr/> 159,775
Balance, December 31, 2018		\$	<u>51,273</u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY OPERATING FUND
 STATEMENT OF APPROPRIATION RESERVES
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	107,207
Increased by:			
2018 Appropriation Balances	\$	214,775	
		-	
		-	
		<u> </u>	
			<u>214,775</u>
			321,982
Decreased by:			
Cash Disbursed		-	
Lapsed		107,207	
		-	
		<u> </u>	
			<u>107,207</u>
Balance, December 31, 2018		\$	<u><u>214,775</u></u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY OPERATING FUND
 STATEMENT OF ACCRUED INTEREST
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	56,334
Increased by:			
Accrued	\$	53,038	
		-	
		-	
		<u> </u>	
			<u>53,038</u>
			109,372
Decreased by:			
Expended		69,594	
		-	
		-	
		<u> </u>	
			<u>69,594</u>
Balance, December 31, 2018		\$	<u><u>39,778</u></u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF DUE FROM - CURRENT FUND
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	581,000
Increased by:			
	\$	-	
		-	
		-	
			-
			581,000
Decreased by:			
Cleared	581,000		
		-	
		-	
			581,000
Balance, December 31, 2018		\$	-

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF FIXED CAPITAL
 YEAR ENDED DECEMBER 31, 2018

Description	Balance December 31, 2017	Transferred From Fixed Capital Authorized & Uncompleted	Transferred From Golf Utility Operating Fund Capital Outlay	Adjustments	Cancellations	Balance December 31, 2018
Unallocated	\$ 12,961,822	\$ -	\$ -	\$ -	\$ -	\$ 12,961,822
					Reserve for Amortization	\$ 8,681,822
					Serial Bonds Payable	4,280,000
						<u>\$ 12,961,822</u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF FIXED CAPITAL AUTHORIZED & UNCOMPLETED
 YEAR ENDED DECEMBER 31, 2018

Improvement	Balance		Receipts Applied	Transferred to Fixed Capital	Cancellations/ Adjustments	Balance		Analysis of Balance		
	December 31, 2017	Authorized				December 31, 2018	Outstanding BANS	B&N Authorized	Deferred Amortization	
#97-19 Golf Course Improvements	\$ 1,674	\$ -	\$ -	\$ -	\$ -	1,674	\$ -	\$ -	\$ 1,674	
#99-14 Golf Course Improvements	14,500	-	-	-	-	14,500	-	-	14,500	
#99-31 Acquisition of Land	11,250	-	-	-	-	11,250	-	-	11,250	
#01-07 Golf Course Improvements	18,250	-	-	-	-	18,250	-	-	18,250	
#03-19 Golf Course Improvements	1,025	-	-	-	-	1,025	-	-	1,025	
#04-12 Golf Course Improvements	15,000	-	-	-	-	15,000	-	-	15,000	
#05-26 Golf Course Impts/Gannarelli Sports Complex	11,500	-	-	-	-	11,500	-	-	11,500	
#07-06 Constr/Renovation to Parkway School Field	1,644,310	-	-	-	-	1,644,310	-	-	1,644,310	
#07-21 Golf Course Improvements	594,853	-	-	-	-	594,853	-	-	594,853	
#15-37 Golf Course Improvements	1,163,000	-	-	-	-	1,163,000	-	-	1,163,000	
#16-18 Supplemental to #15-37 - Golf Course Impts.	430,000	-	-	-	-	430,000	-	-	430,000	
#16-24 Golf Course Improvements	151,000	-	-	-	-	151,000	-	-	151,000	
#17-28 Golf Course Improvements - Concession Stand	1,100,000	-	-	-	-	1,100,000	-	-	1,100,000	
Prior	-	-	-	-	-	-	-	-	(823,478)	
	<u>\$ 5,156,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,156,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,332,884</u>	

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF DUE TO - CURRENT FUND
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$ 228,708
Increased by:		
	\$ -	
	-	
	-	
	<u> </u>	<u>-</u>
		228,708
Decreased by:		
Cleared	228,708	
	-	
	-	
	<u> </u>	<u>228,708</u>
Balance, December 31, 2018		<u><u>\$ -</u></u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF SERIAL BONDS PAYABLE
 YEAR ENDED DECEMBER 31, 2018

<u>Date of Issue - Purpose</u>	<u>Total Amount of Issue</u>	<u>Balance December 31, 2017</u>	<u>Issued In 2018</u>	<u>Refinanced</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2018</u>
02/15/18 General Improvement Bonds	\$ 4,280,000	\$ -	\$ 4,280,000	\$ -	\$ -	\$ 4,280,000

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF BOND ANTICIPATION NOTES PAYABLE
 YEAR ENDED DECEMBER 31, 2018

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2017	Issued	Decreased	Budget Paydown	Balance December 31, 2018
<u>17-1RGU</u>										
#07-06 - Constr/Renovation to Parkway School Field	\$ 8,650,000	8/10/2007	2/17/2017	2/16/2018	2.00%	\$ 1,150,000	\$ -	\$ 1,150,000	\$ -	\$ -
#07-21 - Golf Course Improvements	1,710,000	8/10/2007	2/17/2017	2/16/2018	2.00%	400,000	-	400,000	-	-
#15-37 - Golf Course Improvements	1,108,680	2/19/2016	2/17/2017	2/16/2018	2.00%	1,108,680	-	1,108,680	-	-
#16-18 - Supplemental to #15-37 - Golf Course Impts.	430,000	2/17/2017	2/17/2017	2/16/2018	2.00%	430,000	-	430,000	-	-
#16-24 - Golf Course Improvements	151,000	2/17/2017	2/17/2017	2/16/2018	2.00%	151,000	-	151,000	-	-
						<u>\$ 3,239,680</u>	<u>\$ -</u>	<u>\$ 3,239,680</u>	<u>\$ -</u>	<u>\$ -</u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF RESERVE FOR AMORTIZATION
 YEAR ENDED DECEMBER 31, 2018

Description	Balance December 31, 2017	Transferred From Golf Utility Operating Fund Capital Outlay	Serial Bond Principal Payments	Refinanced	Adjustments	Balance December 31, 2018
Unallocated	\$ 12,961,822	\$ -	\$ -	\$ -	\$ 4,280,000	\$ 8,681,822

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF RESERVE FOR DEFERRED AMORTIZATION
 YEAR ENDED DECEMBER 31, 2018

D-19

Description	Balance December 31, 2017	Authorized	Transferred From Golf Utility Operating Fund Capital Outlay	BAN Principal Payments	Cancellations	Balance December 31, 2018
#99-14 Golf Course Improvements	\$ 14,500	\$ -	\$ -	\$ -	\$ -	\$ 14,500
#99-31 Acquisition of Land	11,250	-	-	-	-	11,250
#01-07 Golf Course Improvements	14,225	-	-	-	-	14,225
#04-12 Golf Course Improvements	15,000	-	-	-	-	15,000
#05-26 Golf Course Impts/Gannarelli Sports Complex	11,500	-	-	-	-	11,500
#07-06 Constr/Renovation to Parkway School Field	494,310	-	-	-	-	494,310
#07-21 Golf Course Improvements	194,853	-	-	-	-	194,853
#15-37 Golf Course Improvements	54,320	-	-	-	-	54,320
#17-28 Golf Course Improvements - Concession Stand	52,381	-	-	-	-	52,381
Prior	-	-	-	-	3,470,545	3,470,545
	<u>\$ 862,339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,470,545</u>	<u>\$ 4,332,884</u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF CAPITAL IMPROVEMENT FUND
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	59,098
Increased by:			
	\$	-	
		-	
		-	
			-
			59,098
Decreased by:			
		-	
		-	
		-	
			-
Balance, December 31, 2018		\$	<u>59,098</u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF IMPROVEMENT AUTHORIZATIONS
 YEAR ENDED DECEMBER 31, 2018

D-21

Description	Balance - January 1, 2017		Bonds & Notes Authorized	Expended	Adjustments	Cancellations	Balance - December 31, 2018	
	Funded	Unfunded					Funded	Unfunded
#89-33 Golf Course Improvements	\$ 1,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,402	\$ -
#99-14 Golf Course Improvements	30,016	-	-	-	-	-	30,016	-
#99-31 Acquisition of Land	11,596	-	-	-	-	-	11,596	-
#01-07 Golf Course Improvements	10,615	4,025	-	-	-	-	10,615	4,025
#03-19 Golf Course Improvements	5,331	-	-	-	-	-	5,331	-
#04-12 Golf Course Improvements	1,298	-	-	-	-	-	1,298	-
#07-06 Constr/Renovation to Parkway School Field	-	176,820	-	-	-	-	176,820	-
#07-21 Golf Course Improvements	-	950	-	-	-	-	950	-
#16-18 Supplemental to #15-37 - Golf Course Impts.	-	130,835	-	1,248	-	-	129,587	-
#16-24 Golf Course Improvements	-	15,487	-	-	-	-	15,487	-
#17-28 Golf Course Improvements - Concession Stand	-	1,100,000	-	62,620	-	-	1,037,380	-
	<u>\$ 60,258</u>	<u>\$ 1,428,117</u>	<u>\$ -</u>	<u>\$ 63,868</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,420,482</u>	<u>\$ 4,025</u>

BOROUGH OF PARAMUS
 GOLF COURSE UTILITY CAPITAL FUND
 STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
 YEAR ENDED DECEMBER 31, 2018

Improvement Description	Balance December 31, 2017	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2018
#97-19 Golf Course Improvements	\$ 1,674	\$ -	\$ -	\$ -	\$ 1,674	\$ -
#01-07 Golf Course Improvements	4,025	-	-	-	4,025	-
#03-19 Golf Course Improvements	1,025	-	-	-	1,025	-
#16-18 Supplemental to #15-37 - Golf Course Impts.	-	-	-	-	-	-
#16-24 Golf Course Improvements	-	-	-	-	-	-
#17-28 Golf Course Improvements - Concession Stand	1,047,619	-	-	1,042,000	5,619	-
	<u>\$ 1,054,343</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,042,000</u>	<u>\$ 12,343</u>	<u>\$ -</u>

BOROUGH OF PARAMUS
 SWIM POOL UTILITY OPERATING FUND
 STATEMENT OF DUE FROM - SPU CAPITAL FUND
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017	\$	8,908
Increased by:		
	\$	-
	-	-
	-	-
	_____	-

		8,908
Decreased by:		
		-
		-
		-
	_____	-

Balance, December 31, 2018	\$	<u>8,908</u>

BOROUGH OF PARAMUS
 SWIM POOL UTILITY OPERATING FUND
 STATEMENT OF DEFERRED CHARGE
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	2,230
Increased by:			
	\$	-	
		-	
		-	
		<u> </u>	<u> </u>
			-
			2,230
Decreased by:			
Raised by Budget Appropriation		2,230	
		-	
		-	
		<u> </u>	<u> </u>
			2,230
Balance, December 31, 2018		\$	<u> </u> <u> </u> <u> </u>

BOROUGH OF PARAMUS
SWIM POOL UTILITY OPERATING FUND
STATEMENT OF DUE TO - SPU CAPITAL FUND
YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	800
Increased by:			
	\$	-	
		-	
		-	
		<hr/>	-
			<hr/>
			800
Decreased by:			
Cleared	800		
		-	
		-	
		<hr/>	
			<hr/>
			800
Balance, December 31, 2018		\$	<hr/> <hr/>

BOROUGH OF PARAMUS
 SWIM POOL UTILITY OPERATING FUND
 STATEMENT OF RESERVE FOR ENCUMBRANCES
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	2,195
Increased by:			
Encumbered	\$	25	
		-	
		-	
		<u> </u>	<u>25</u>
			2,220
Decreased by:			
Paid		2,195	
		-	
		-	
		<u> </u>	<u>2,195</u>
Balance, December 31, 2018		\$	<u>25</u>

BOROUGH OF PARAMUS
 SWIM POOL UTILITY OPERATING FUND
 STATEMENT OF APPROPRIATION RESERVES
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	14,101
Increased by:			
2018 Appropriation Balances	\$	16,303	
		-	
		-	
		<u> </u>	<u>16,303</u>
			30,404
Decreased by:			
Cash Disbursed		6,173	
Lapsed		7,928	
		-	
		<u> </u>	<u>14,101</u>
Balance, December 31, 2018		\$	<u><u>16,303</u></u>

BOROUGH OF PARAMUS
 SWIM POOL UTILITY OPERATING FUND
 STATEMENT OF ACCRUED INTEREST
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	16,024
Increased by:			
Accrued	\$	20,025	
		-	
		-	
		<u> </u>	<u>20,025</u>
			36,049
Decreased by:			
Expended		27,476	
		-	
		-	
		<u> </u>	<u>27,476</u>
Balance, December 31, 2018		\$	<u><u>8,573</u></u>

BOROUGH OF PARAMUS
 SWIM POOL UTILITY CAPITAL FUND
 STATEMENT OF DUE FROM - SPU OPERATING FUND
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	800
Increased by:			
	\$	-	
		-	
		-	
			-
			800
Decreased by:			
Cleared		800	
		-	
		-	
			800
Balance, December 31, 2018		\$	-

BOROUGH OF PARAMUS
 SWIMMING POOL UTILITY CAPITAL FUND
 STATEMENT OF FIXED CAPITAL
 YEAR ENDED DECEMBER 31, 2018

Description	Balance December 31, 2017	Transferred From Fixed Capital Authorized & Uncompleted	Transferred From Pool Utility Operating Fund Capital Outlay	Adjustments	Cancellations	Balance December 31, 2018
Unallocated	\$ 2,452,780	\$ 920,000	\$ -	\$ -	\$ -	\$ 3,372,780
					Reserve for Amortization	\$ 2,452,780
					Serial Bonds Payable	920,000
						<u>\$ 3,372,780</u>

BOROUGH OF PARAMUS
 SWIMMING POOL UTILITY CAPITAL FUND
 STATEMENT OF FIXED CAPITAL AUTHORIZED & UNCOMPLETED
 YEAR ENDED DECEMBER 31, 2018

Improvement	Balance December 31, 2017	Authorized	Receipts Applied	Transferred to Fixed Capital	Cancellations/ Adjustments	Balance December 31, 2018	Analysis of Balance		
							Outstanding BANs	B&N Authorized	Deferred Amortization
Improvements	\$ 1,251,784	\$ -	\$ 1,500	\$ 920,000	\$ 330,284	\$ -	\$ -	\$ -	\$ -

BOROUGH OF PARAMUS
SWIM POOL UTILITY CAPITAL FUND
STATEMENT OF DUE TO - SPU OPERATING FUND
YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	8,908
Increased by:			
	\$	-	
		-	
		-	
			-
			8,908
Decreased by:			
		-	
		-	
		-	
			-
Balance, December 31, 2018		\$	<u>8,908</u>

BOROUGH OF PARAMUS
 SWIM POOL UTILITY CAPITAL FUND
 STATEMENT OF RESERVE FOR ENCUMBRANCES
 YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	41,938
Increased by:			
	\$	-	
		-	
		-	
			-
			41,938
Decreased by:			
Paid	41,938		
		-	
		-	
			41,938
Balance, December 31, 2018		\$	-

BOROUGH OF PARAMUS
 SWIM POOL UTILITY CAPITAL FUND
 STATEMENT OF SERIAL BONDS PAYABLE
 YEAR ENDED DECEMBER 31, 2018

<u>Date of Issue - Purpose</u>	<u>Total Amount of Issue</u>	<u>Balance December 31, 2017</u>	<u>Issued In 2018</u>	<u>Refinanced</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2018</u>
02/15/18 General Improvement Bonds	\$ 920,000	\$ -	\$ 920,000	\$ -	\$ -	\$ 920,000

BOROUGH OF PARAMUS
 SWIMMING POOL UTILITY CAPITAL FUND
 STATEMENT OF BOND ANTICIPATION NOTES PAYABLE
 YEAR ENDED DECEMBER 31, 2018

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2017	Issued	Bonds Issued	Budget Paydown	Balance December 31, 2018
<u>17-1RSPU</u>										
#06-16 - Pool Improvements	\$ 114,000	8/10/2007	2/17/2017	2/16/2018	2.00%	\$ 64,000	\$ -	\$ 64,000	\$ -	\$ -
#08-28 - Pool Improvements	580,900	2/26/2009	2/17/2017	2/16/2018	2.00%	440,000	-	440,000	-	-
#08-38 - Pool Improvements	285,000	2/26/2009	2/17/2017	2/16/2018	2.00%	205,000	-	205,000	-	-
#13-29 - Pool Improvements	75,000	2/21/2014	2/17/2017	2/16/2018	2.00%	70,000	-	70,000	-	-
#14-28 - Pool Improvements	142,500	2/20/2015	2/17/2017	2/16/2018	2.00%	142,500	-	141,000	1,500	-
						<u>\$ 921,500</u>	<u>\$ -</u>	<u>\$ 920,000</u>	<u>\$ 1,500</u>	<u>\$ -</u>

BOROUGH OF PARAMUS
SWIM POOL UTILITY CAPITAL FUND
STATEMENT OF RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	2,452,780
Increased by:			
	\$	-	
		-	
		-	
		<hr/>	-
			<hr/>
			2,452,780
Decreased by:			
		-	
		-	
		-	
		<hr/>	-
			<hr/>
Balance, December 31, 2018		\$	<u><u>2,452,780</u></u>

BOROUGH OF PARAMUS
SWIM POOL UTILITY CAPITAL FUND
STATEMENT OF RESERVE FOR DEFERRED AMORTIZATION
YEAR ENDED DECEMBER 31, 2018

Balance, December 31, 2017		\$	319,514
Increased by:			
	\$	-	
		-	
		-	
			<u>-</u>
			319,514
Decreased by:			
Adjustments to Actual	319,514		
		-	
		-	
			<u>319,514</u>
Balance, December 31, 2018		\$	<u><u>-</u></u>

BOROUGH OF PARAMUS
 SWIMMING POOL UTILITY CAPITAL FUND
 STATEMENT OF IMPROVEMENT AUTHORIZATIONS
 YEAR ENDED DECEMBER 31, 2018

Description	Balance - January 1, 2018		Authorized	Expended	Adjustments	Cancellations	Balance - December 31, 2018	
	Funded	Unfunded					Funded	Unfunded
#80-19 Improvements to Filtration System	\$ 146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146	\$ -
#08-38 Pool Improvements	-	1,987	-	-	-	-	1,987	-
#13-29 Pool Improvements	-	2,229	-	-	-	-	2,229	-
#14-28 Pool Improvements	-	60,170	-	-	409	-	60,579	-
	<u>\$ 146</u>	<u>\$ 64,386</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 409</u>	<u>\$ -</u>	<u>\$ 64,941</u>	<u>\$ -</u>

BOROUGH OF PARAMUS
 SWIMMING POOL UTILITY CAPITAL FUND
 STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
 YEAR ENDED DECEMBER 31, 2018

Improvement Description	Balance December 31, 2017	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2018
#01-18 Pool Improvements	\$ 950	\$ -	\$ -	\$ -	\$ 950	\$ -
#02-14 Pool Improvements	70	-	-	-	70	-
#03-18 Pool Improvements	9,500	-	-	-	9,500	-
#05-26 Pool Improvements	250	-	-	-	250	-
	<u>\$ 10,770</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,770</u>	<u>\$ -</u>

BOROUGH OF PARAMUS

Part II

Government Auditing Standards

Independent Auditors' Report

Honorable Mayor and Members of the Borough Council
Borough of Paramus, County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements (regulatory basis) of the various funds and account group of the Borough of Paramus, in the County of Bergen (the "Borough") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 30, 2019, which was adverse due to the financial statements being prepared in conformity with the New Jersey regulatory basis of accounting as prescribed by the Division which is a basis of accounting other than accounting principles generally accepted in the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Borough'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, as defined above. However, material weaknesses may exist that have not been identified.

Independent Auditors' Report (Continued)

Compliance and Other Matters

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

We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Borough of Paramus in the section of this report of audit entitled; "General Comments and Recommendations Section".

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Borough'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 Borough's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DI MARIA & DI MARIA LLP
Accountants and Consultants

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2019

BOROUGH OF PARAMUS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED DECEMBER 31, 2018

Title of Federal Domestic Assistance Program	Federal C.F.D.A. Number	State Aid/Grant Program Titles	State Project Number	Award Amount	Grant Period		Balance December 31, 2017	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) December 31, 2018	Deferred Revenue December 31, 2018	Due to Grantor at December 31, 2018
					From	To									

NOT APPLICABLE

BOROUGH OF PARAMUS
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 YEAR ENDED DECEMBER 31, 2018

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period		Balance December 31, 2017	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) December 31, 2018	Deferred Revenue December 31, 2018	Due to Grantor at December 31, 2018
			From	To									

NOT APPLICABLE

BOROUGH OF PARAMUS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2018

Note 1 - General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Borough of Paramus, County of Bergen, State of New Jersey. The Borough of Paramus is defined in Note 1 to the basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government 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 awards and financial assistance are presented using the regulatory basis of accounting as prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. This basis of accounting is further described in Note 2 to the basic financial statements. The information in these schedules are presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

BOROUGH OF PARAMUS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2018

Note 3 - Relationship to General-Purpose Financial Statements

Organization

The Borough of Paramus, New Jersey is the prime sponsor and recipient of various federal and state grant funds. The Borough has delegated the general administration of grant programs and the reporting function to the Borough Treasurer. Substantially all grant and program cash funds are commingled with the Borough's other funds, although each grant is accounted for separately within the Borough's financial records. The Borough Treasurer's office performs accounting functions for all grants.

Basis of Accounting

The Borough's grants are presented on the modified accrual basis of accounting utilizing the following methods:

Current Fund Grants -

In accordance with a directive from the State Department of Community Affairs, Division of Local Government Services, all grant revenues and expenditures are fully realized within the current fund budget and corresponding receivables and spending reserves are recorded to account for grant activity.

Trust Fund and Capital Fund Grants -

In accordance with accounting principles prescribed by the State of New Jersey, grant receivables are offset with grant spending reserves.

Local Contributions

Local matching contributions are raised in the current fund budget. The percentage of matching contributions varies with each program. Local and state shares of grants are reflected separately on the Schedule of State Financial Assistance.

Expenditures

Expenditures, as reported on the accompanying schedules of federal and state grants, reflect actual cash disbursements charged directly to a grant program and, in certain instances, do not include allocated expenses or accrued expenses. Differences between budget and actual cash disbursements, as well as differences between budget revenues and actual cash receipts, are transferred to current fund balance when the grant is closed out.

Expenditures per Financial Reports

Expenditures, as reported on the accompanying schedules of federal and state grants, reflect the sum of all expenditures including allocated expenses and accrued expenses reported to the grant funding agency from January 1, 2018 to December 31, 2018.

BOROUGH OF PARAMUS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2018

Note 4 - Relationship to Federal and State Financial Reports

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the Borough's fiscal year and grant program years.

Note 5 - Federal and State Loans Outstanding

The Borough's federal and state loans outstanding at of December 31, 2018 was \$339,296.

Note 6 - Contingencies

Each of the grantor agencies reserve the right to conduct additional audits of the Borough's grant programs for economy, efficiency and program results.

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2018

Section I -- Summary of Auditors' Results

Financial Statements

- | | | |
|---|---|--------------|
| A) Type of auditors' report issued: | <u>Adverse - GAAP; Qualified - Regulatory</u> | |
| B) Internal control over financial reporting: | | |
| 1. Material weakness(es) identified? | _____ yes | ___ X ___ no |
| 2. Significant deficiency(ies) identified not considered to be material weakness(es)? | _____ yes | ___ X ___ no |
| C) Noncompliance material to general-purpose financial statements noted? | _____ yes | ___ X ___ no |

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2018

Section I -- Summary of Auditors' Results (Continued)

Federal Awards

NOT APPLICABLE - EXPENDITURES UNDER \$750,000

A) Internal control over major programs:

1. Material weakness(es) identified? _____ yes _____ no
2. Significant deficiency(ies) identified not considered to be material weakness(es)? _____ yes _____ no

B) Type of auditors' report issued on compliance for major programs: _____

- C) Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) section .510(a)? _____ yes _____ no

D) Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

E) Dollar threshold used to distinguish between type A and type B programs:

- F) Auditee qualified as low-risk auditee? _____ yes _____ no

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2018

Section I -- Summary of Auditors' Results (Continued)

State Awards

NOT APPLICABLE - EXPENDITURES UNDER \$750,000

A) Internal control over major programs:

1. Material weakness(es) identified? _____ yes _____ no

2. Significant deficiency(ies) identified not considered to be material weakness(es)? _____ yes _____ no

B) Type of auditors' report issued on compliance for major programs:

C) Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?

_____ yes _____ no

D) Identification of major programs:

Program GMIS Number(s)

Name of State Program

E) Dollar threshold used to distinguish between type A and type B programs:

F) Auditee qualified as low-risk auditee? _____ yes _____ no

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2018

Section II -- Financial Statement Findings

None

BOROUGH OF PARAMUS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2018

Section III -- Federal and State Award Findings and Questioned Costs

Current Year

Federal Awards:

There were no findings or questioned costs identified.

State Awards:

There were no findings or questioned costs identified.

Prior Year

Federal Awards:

There were no prior year findings or questioned costs.

State Awards:

There were no prior year findings or questioned costs.

BOROUGH OF PARAMUS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2018

Not Applicable - None in 2017

BOROUGH OF PARAMUS

Part III

Part III - Supplementary Data and Letter of Comments and Recommendations

BOROUGH OF PARAMUS
 SUPPLEMENTARY DATA
 TAX ASSESSMENT AND RATE DATA
 (UNAUDITED)

Description	2018		2017		2016		2015		2014	
	# of Parcels	Value								
NET VALUATIONS TAXABLE										
Vacant Land	114	\$ 142,303,300	98	\$ 137,252,400	101	\$ 137,301,800	103	\$ 137,950,900	116	\$ 142,215,000
Residential	8123	4,274,723,247	8137	4,265,444,247	8136	4,225,646,147	8135	4,199,370,747	8126	4,171,077,547
Farm (Regular)	4	1,479,800	4	1,479,800	4	1,479,800	4	1,479,800	4	1,479,800
Farm (Qualified)	4	22,400	4	22,400	4	22,400	4	22,400	4	22,400
Commercial	428	3,492,492,700	432	3,500,165,000	429	3,513,162,400	428	3,524,132,500	431	3,542,561,600
Industrial	25	99,013,200	26	101,312,100	26	108,289,700	26	110,533,600	26	111,783,600
Apartments	1	16,964,600	1	16,964,600	1	16,964,600	1	16,964,600	1	18,642,800
Sub-Total	<u>8699</u>	<u>8,026,999,247</u>	<u>8702</u>	<u>8,022,640,547</u>	<u>8701</u>	<u>8,002,866,847</u>	<u>8701</u>	<u>7,990,454,547</u>	<u>8708</u>	<u>7,987,782,747</u>
Personal Property		4,357,977		4,687,668		5,153,630		5,235,279		4,987,188
Net Valuations Taxable		<u>8,031,357,224</u>		<u>8,027,328,215</u>		<u>8,008,020,477</u>		<u>7,995,689,826</u>		<u>7,992,769,935</u>
Bergen County Equalization Adjustment		-		1,723,735,194		802,796,882		762,397,575		841,861,060
Bergen County Equalized Valuations		<u>\$ 8,031,357,224</u>		<u>\$ 9,751,063,409</u>		<u>\$ 8,810,817,359</u>		<u>\$ 8,758,087,401</u>		<u>\$ 8,834,630,995</u>
Bergen County Equalization Ratio		<u>0.00%</u>		<u>82.97%</u>		<u>91.69%</u>		<u>92.12%</u>		<u>91.27%</u>
TAX REQUIREMENTS										
County		\$ 23,382,212		\$ 23,382,212		\$ 21,229,398		\$ 20,530,949		\$ 20,044,835
County Open Space		975,106		975,106		220,270		218,952		220,866
District School		77,440,871		77,440,871		76,393,153		75,454,952		74,321,054
Municipal - Local		39,546,167		39,546,167		39,546,167		39,546,167		39,849,150
Municipal - Library		3,216,880		3,216,880		2,906,623		2,892,014		2,884,777
Total Tax Requirements		<u>\$ 144,561,236</u>		<u>\$ 144,561,236</u>		<u>\$ 140,295,611</u>		<u>\$ 138,643,034</u>		<u>\$ 137,320,682</u>
TAX RATES										
County		0.306		0.292		0.266		0.257		0.251
County Open Space		0.013		0.011		0.003		0.003		0.003
District School		0.980		0.965		0.954		0.944		0.930
Municipal - Local		0.491		0.493		0.493		0.494		0.499
Municipal - Library		0.043		0.040		0.036		0.036		0.036
Total Tax Rates		<u>1.833</u>		<u>1.801</u>		<u>1.752</u>		<u>1.734</u>		<u>1.719</u>
TAX IMPACT										
Avg Improved Residential Assessment		<u>\$ 526,249</u>		<u>\$ 524,204</u>		<u>\$ 519,376</u>		<u>\$ 516,210</u>		<u>\$ 513,300</u>
Taxes Levied:										
County		\$ 1,610		\$ 1,531		\$ 1,382		\$ 1,327		\$ 1,288
County Open Space		68		58		16		15		15
District School		5,157		5,059		4,955		4,873		4,774
Municipal - Local		2,584		2,584		2,561		2,550		2,561
Municipal - Library		226		210		187		186		185
		<u>\$ 9,645</u>		<u>\$ 9,442</u>		<u>\$ 9,101</u>		<u>\$ 8,951</u>		<u>\$ 8,823</u>

BOROUGH OF PARAMUS
 SUPPLEMENTARY DATA
 TAX LEVY AND COLLECTION DATA
 (UNAUDITED)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<u>CURRENT YEAR % COLLECTION RATES</u>										
Current Tax Levy	\$ 147,726,118	\$ 144,896,664	\$ 140,615,432	\$ 138,875,941	\$ 137,453,109	\$ 136,123,118	\$ 134,310,279	\$ 132,753,469	\$ 130,865,676	\$ 124,772,901
Current Collections	\$ 146,952,588	\$ 143,769,014	\$ 139,721,007	\$ 137,890,952	\$ 136,572,460	\$ 135,240,206	\$ 133,343,036	\$ 131,910,155	\$ 129,892,528	\$ 123,331,518
Percentage of Collections	99.48%	99.22%	99.36%	99.29%	99.36%	99.35%	99.28%	99.36%	99.26%	98.84%
<u>DELINQUENT TAX %</u>										
Delinquent Taxes	\$ 770,331	\$ 1,047,777	\$ 860,294	\$ 957,822	\$ 872,083	\$ 882,579	\$ 966,919	\$ 874,741	\$ 972,898	\$ 843,585
Tax Title Liens	4,760	4,394	4,046	3,708	3,373	3,243	2,909	2,196	2,196	1,946
Total Delinquent	\$ 775,091	\$ 1,052,171	\$ 864,340	\$ 961,530	\$ 875,456	\$ 885,822	\$ 969,828	\$ 876,937	\$ 975,094	\$ 845,531
Tax Levy	\$ 147,726,118	\$ 144,896,664	\$ 140,615,432	\$ 138,875,941	\$ 137,453,109	\$ 136,123,118	\$ 134,310,279	\$ 132,753,469	\$ 130,865,676	\$ 124,772,901
Percentage of Tax Levy	0.52%	0.73%	0.61%	0.69%	0.64%	0.65%	0.72%	0.66%	0.75%	0.68%

BOROUGH OF PARAMUS
 SUPPLEMENTARY DATA
 FUND BALANCE SUMMARY
 (UNAUDITED)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
CURRENT FUND										
Fund Balance, Beginning	\$ 4,764,530	\$ 6,081,811	\$ 10,622,042	\$ 12,032,048	\$ 10,319,050	\$ 8,393,187	\$ 4,499,055	\$ 2,783,654	\$ 1,692,054	\$ 641,615
Generated Current Year	644,007	3,606,555	109,442	774,486	3,712,998	1,925,863	4,494,132	2,315,401	1,691,600	1,624,439
Utilized Current Year	(4,764,000)	(4,923,836)	(4,649,673)	(2,184,492)	(2,000,000)	-	(600,000)	(600,000)	(600,000)	(574,000)
Fund Balance, Ending	\$ 644,537	\$ 4,764,530	\$ 6,081,811	\$ 10,622,042	\$ 12,032,048	\$ 10,319,050	\$ 8,393,187	\$ 4,499,055	\$ 2,783,654	\$ 1,692,054

GOLF COURSE UTILITY FUND

Fund Balance, Beginning	\$ 748,685	\$ 755,807	\$ 1,030,807	\$ 748,720	\$ 647,935	\$ 785,131	\$ 301,311	\$ 185,152	\$ 4,749	\$ 549,920
Generated Current Year	19,793	251,878	-	282,087	100,785	42,804	483,820	116,159	180,403	-
Utilized Current Year	(250,000)	(259,000)	(275,000)	-	-	(180,000)	-	-	-	(545,171)
Fund Balance, Ending	\$ 518,478	\$ 748,685	\$ 755,807	\$ 1,030,807	\$ 748,720	\$ 647,935	\$ 785,131	\$ 301,311	\$ 185,152	\$ 4,749

SWIMMING POOL UTILITY FUND

Fund Balance, Beginning	\$ 206,817	\$ 248,608	\$ 248,608	\$ 368,735	\$ 368,735	\$ 349,781	\$ 237,208	\$ 177,714	\$ 42,726	\$ 84,144
Generated Current Year	1,875	44,309	-	29,873	-	18,954	112,573	59,494	149,988	42,607
Utilized Current Year	(510)	(86,100)	-	(150,000)	-	-	-	-	(15,000)	(84,025)
Fund Balance, Ending	\$ 208,182	\$ 206,817	\$ 248,608	\$ 248,608	\$ 368,735	\$ 368,735	\$ 349,781	\$ 237,208	\$ 177,714	\$ 42,726

BOROUGH OF PARAMUS
 ROSTER OF OFFICIALS
 YEAR ENDED DECEMBER 31, 2018

Name	Title	Term Expires
Richard LaBarbiera	Mayor	12/31/22
MariaElena Bellinger	Councilwoman	12/31/20
Christopher Di Piazza	Councilman	12/31/20
Patsy L. Verile	Councilman	12/31/18
Holly Tedesco-Santos	Councilwoman	12/31/18
Ralph Amato	Councilman	12/31/19
Jeanne T. Weber	Councilwoman	12/31/19
Joseph D'Arco	Administrator	
Annemarie Krusznis, RMC	Municipal Clerk	Tenured
	Assessment Search Officer	
Nicolette Riggi, RMC	Deputy Municipal Clerk	
Marianne Grady	Senior Clerk	
Sheryl Biondi, CTC, CMFO	Chief Financial Officer	03/01/20
	Tax Collector	Tenured
	Tax Search Officer	
Maria Reda, CMFO	Deputy CFO	
	Payroll Supervisor	
Celina Checo	Assistant Tax Collector	
Evelina Johnson	Treasurer	
Grisel Maza	Qualified Purchasing Agent (QPA)	
William Curran	Finance Senior Account Clerk	
Manuel Barrera	Senior Office Clerk	
Patricia Smith	Secretary - Administration	
Olga Leccese	Payroll Clerk	
Judith Migliaccio	Health Officer	
	Registrar of Vital Statistics	
DiMaria & DiMaria, LLP	Borough Auditor	12/31/17
Paul Kaufman, Esq.	Borough Attorney	12/31/17
Rogut, McCarthy, LLC	Bond Counsel	12/31/17
Mark Raso, Esq.	Labor Attorney	12/31/17
DMR Architects	Planner	12/31/17
James Anzevino	Tax Assessor	Tenured
Rose Whitehead	Secretary - Tax Assessor	
Guy Picone	DPW Superintendent	
Boswell Engineering	Borough Engineer	
Kenneth Ehrenberg	Chief of Police	
Michael O'Connell	Construction Code Official	
	Building Inspector	
Kevin Sheehan	Fire Official	
	Fire Prevention	

BOROUGH OF PARAMUS
 ROSTER OF OFFICIALS
 YEAR ENDED DECEMBER 31, 2018

Name	Title	Term Expires
Tracy Hopkins	Secretary - Fire Prevention	
Martin Barry	Building Sub-Code Official	
Darian Martin	Plumbing Sub-Code Official	
Daniel Perez	Mechanical Inspector	
Frank Scardino	Electrical Sub-Code Official	
Lisa Meserole	Residential Zoning & Signage Officer	
Ken Hook	Commerical Zoning Officer	
Valerie Frazita	Secretary - Board of Adjustment	
Linda Garofalo	Building Dept. Secretary	
Kenneth Raschen	Shade Tree Department Director	
Irene Maury	Public Assistance Director	
Susan Regan	Recreation Director	
Cynthia Holmes, CMCA	Municipal Court Administrator	
Lisa Connors	Deputy Court Administrator	
Doreen Miller	Senior Office Clerk	
Marilyn Tessler	Senior Office Clerk	
Dominick Scrivanich	Senior Office Clerk	
Patrycja Grotkowski	Senior Office Clerk	
Joseph Mecca, Jr	Municipal Court Judge - Paramus	12/31/19
Richard Conte	Municipal Court Judge - Paramus, Oradell	12/31/19
George Savino	Municipal Court Judge - Maywood	12/31/18
Marc Ramundo	Prosecutor - Paramus	12/31/17
Joseph Ariyan	Prosecutor- Paramus	12/31/17
Michael Sluka	Public Defender - Paramus	12/31/17
Kevin Corriston	Public Defender - Paramus	12/31/17
Michael Candelmo	Prosecutor - Maywood	12/31/17
Mark Musella	Public Defender - Maywood, Oradell	12/31/17
Christopher Martin	Prosecutor - Oradell	12/31/17

BOROUGH OF PARAMUS
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2018

Cash Cycle

Ref.

None

BOROUGH OF PARAMUS
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2018

Revenues/Receipts Cycle

Ref.

None

BOROUGH OF PARAMUS
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2018

Expenditures/Disbursements Cycle

Ref.

Required dedication by rider approvals were not obtained for all trust accounts.

1.

There is an unidentified miscellaneous trust balance within the "Other Trust" Fund.

2.

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Fixed Assets

Ref.

None

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Payroll Cycle

Ref.

None

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Other Significant Matters

Ref.

Trust Accounts were established without Dedication by Rider approval.

#1.

Adequate subsidiary ledgers for trust funds need to be maintained.

#2.

Complete general ledgers were not maintained for all funds.

#3.

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Golf Course Utility

Ref.

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Swimming Pool Utility

Ref.

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Recommendations

1. That all Trust Accounts be established in accordance with state regulations regarding *
2. That an adequate subsidiary record be maintained for all escrow accounts, and that balances *
3. That complete general ledgers be maintained for all funds.

* Denotes repetitive recommendation from prior year

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Status of Prior Years' Recommendations

A review was made of all prior year's recommendations, and corrective action was taken on all with the exception of those denoted with an asterisk.

The synopsis of this report, together with the recommendations must be published as required by statute. We wish to express our appreciation of the assistance and courtesies extended by the municipal officials during the course of the audit.

DI MARIA & DI MARIA LLP
Accountants and Advisors

Frank Di Maria

Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463

June 30, 2019