

**TOWNSHIP OF WEST DEPTFORD
REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2020**

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PART I
INDEPENDENT AUDITOR'S REPORT

PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants
P.O. Box 279 • Glassboro, NJ 08028
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MEMBER: AMERICAN INSTITUTE OF
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Nick L. Petroni, CPA, RMA

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of West Deptford
400 Crown Point Road
West Deptford, NJ 08086

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Township of West Deptford, as of December 31, 2020 and 2019, the related statement of operations and changes in fund balance - regulatory basis for the year then ended, the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township of West Deptford's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the

reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township of West Deptford on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Township of West Deptford as of December 31, 2020, or changes in financial position for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As described in Note 13 of the financial statements, the Township participates in a Length of Service Award Program (LOSAP) for its volunteer fire and rescue personnel. The amount reflected in the trust fund statements of \$1,977,955.82 for 2020, was not audited, and therefore, we express no opinion on the LOSAP program.

Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Regulatory Basis of Accounting” paragraph, the financial statements referred to above present fairly, in all material respects, the regulatory basis balance sheets and account group as of December 31, 2020 and 2019, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2020, in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of West Deptford’s basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing

procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic 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 14, 2021, on our consideration of the Township of West Deptford'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 Township of West Deptford's internal control over financial reporting and compliance.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252

June 14, 2021

CURRENT FUND

COMPARATIVE BALANCE SHEET - CURRENT FUND - REGULATORY BASIS

ASSETS	Ref.	Balance Dec. 31, 2020	Balance Dec. 31, 2019
Regular Fund			
Cash - Treasurer	A-4	\$ 16,478,658.68	\$ 14,163,065.49
Cash - Change Fund	A-5	1,150.00	1,150.00
		<u>16,479,808.68</u>	<u>14,164,215.49</u>
Due to State of New Jersey - Senior Citizen and Veterans Deductions	A-9	<u>27,236.24</u>	<u>29,736.24</u>
Deferred Charges:			
Special Emergency - 5 Year Master Plan	A-15	32,000.00	40,000.00
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-6	790,460.87	829,968.32
Tax Title Liens Receivable	A-7	2,217,261.08	2,047,698.80
Property Acquired for Taxes - Assessed Valuation	A-8	887,100.00	887,100.00
Other Municipal Liens		166,949.28	164,001.28
Other Charges Receivable		9,848.69	6,432.57
Revenue Accounts Receivable	A-10	6,408.30	16,593.74
Due from Trust Other	B	6,393.70	14,063.73
Due from Grant			2,154.55
		<u>4,084,421.92</u>	<u>3,968,012.99</u>
		<u>20,623,466.84</u>	<u>18,201,964.72</u>
Federal and State Grant Fund			
Cash	A-4	7,822.70	143,038.39
Grants Receivable	A-16	978,203.44	872,386.57
Due from Current Fund	A	1,250.00	
		<u>987,276.14</u>	<u>1,015,424.96</u>
		<u>\$ 21,610,742.98</u>	<u>\$ 19,217,389.68</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE BALANCE SHEET - CURRENT FUND - REGULATORY BASIS

LIABILITIES, RESERVES, AND FUND BALANCE	Ref.	Balance Dec. 31, 2020	Balance Dec. 31, 2019
Regular Fund			
Liabilities:			
Appropriation Reserves	A-3:A-11	\$ 3,780,280.53	\$ 2,651,237.01
Encumbrances Payable	A-12	715,780.85	351,940.18
Accounts Payable			29,869.00
Prepaid Taxes	A-4	710,119.45	599,518.63
Tax Overpayments		103,293.53	32,257.57
Payroll Taxes Payable		6,009.29	24,470.49
Due State - Marriage License Fees		1,350.00	1,525.00
Due State of New Jersey - DCA Fees		10,399.00	26,122.00
Local School Taxes Payable	A-14	2,719,999.85	2,350,554.87
County Tax Payable	A-6	40,689.54	39,681.67
Reserve for Master Plan	A-15	18,568.25	22,326.00
Reserve for Revaluation	A	6,805.45	6,805.45
Due to Utility Operating			1,046.45
Due Grant	A	1,250.00	
		<u>8,114,545.74</u>	<u>6,137,354.32</u>
Reserve for Receivables		4,084,421.92	3,968,012.99
Fund Balance	A-1	8,424,499.18	8,096,597.41
		<u>20,623,466.84</u>	<u>18,201,964.72</u>
Federal and State Grant Fund			
Reserve for Grants - Appropriated	A-17	600,748.25	748,927.86
Reserve for Grants - Unappropriated			64,192.55
Due Current			2,154.55
Encumbrances Payable	A-12	386,527.89	200,150.00
		<u>987,276.14</u>	<u>1,015,424.96</u>
		<u>\$ 21,610,742.98</u>	<u>\$ 19,217,389.68</u>

The accompanying notes to the financial statements are an integral part of this statement.

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

Revenue and Other Income Realized	Ref.	Year 2020	Year 2019
Fund Balance Utilized	A-2	\$ 2,900,000.00	\$ 1,370,230.00
Miscellaneous Revenue Anticipated	A-2	9,567,543.55	10,602,765.58
Receipts from Delinquent Taxes	A-2	824,670.13	1,034,250.99
Receipts from Current Taxes	A-2	74,652,578.23	72,313,264.08
Non-Budget Revenue	A-2	991,280.15	507,400.31
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-11	1,827,567.69	1,663,058.36
Statutory Excess - Dog		483.80	2,601.85
Grant Reserves Canceled			26,368.09
Encumbrances Payable - Canceled	A-12	33,850.84	11,329.64
Accounts Payable - Canceled	A-13	29,869.00	7,098.56
Prior Year Payroll Taxes Payable Canceled		24,470.49	
Prior Year DCA Fees Payable		11,293.00	
Interfund Loan Returned		10,308.38	86,592.89
Total Income		<u>90,873,915.26</u>	<u>87,624,960.35</u>
Expenditures			
Budget Appropriations Within "CAPS"			
Operations:			
Salaries and Wages	A-3	8,959,415.97	8,447,721.00
Other Expenses	A-3	9,316,698.36	9,149,240.53
Deferred Charges and Statutory Expenditures	A-3	2,511,050.00	2,541,364.00
Budget Appropriations Excluded from "CAPS"			
Operations:			
Salaries and Wages	A-3	1,075,778.36	1,274,980.00
Other Expenses	A-3	2,756,874.28	2,830,770.45
Capital Improvements	A-3	1,210,000.00	500,000.00
Municipal Debt Service	A-3	9,282,497.01	9,440,580.16
Deferred Charges and Statutory Expenditures	A-3	48,553.00	39,977.00
County Taxes	A-6	16,825,441.90	15,314,882.04
Due County for Added Taxes	A-6	40,689.54	39,681.67
Local District School Tax	A-14	35,500,265.00	34,761,375.00
Open Space Tax	A-6	110,639.61	110,000.00
Interfund Loan Advanced		483.80	4,756.90
Prior Year Deductions Disallowed	A-9	6,500.00	
Due County - PILOT			24,213.54
Refund of Prior Year Revenue	A-4	1,126.66	69,713.94
Total Expenditures		<u>87,646,013.49</u>	<u>84,549,256.23</u>

The accompanying notes to the financial statements are an integral part of this statement.

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

	Ref.	Year 2020	Year 2019
Excess in Revenue		3,227,901.77	3,075,704.12
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year			40,000.00
Statutory Excess to Fund Balance		3,227,901.77	3,115,704.12
Fund Balance			
Balance January 1	A	8,096,597.41	6,351,123.29
		11,324,499.18	9,466,827.41
Decreased by:			
Utilization as Anticipated Revenue	A-1	2,900,000.00	1,370,230.00
Balance December 31	A	\$ 8,424,499.18	\$ 8,096,597.41

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES - REGULATORY BASIS

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Special NJSA 40A:4-87		
Fund Balance Anticipated	A-1	\$ 2,900,000.00		\$ 2,900,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-10	20,000.00		20,550.00	\$ 550.00
Fees and Permits	A-10	100,000.00		91,090.40	(8,909.60)
Fines and Costs:					
Municipal Court	A-10	230,000.00		129,827.77	(100,172.23)
Interest and Costs on Taxes	A-10	200,000.00		199,767.06	(232.94)
Interest on Investments and Deposits	A-10	200,000.00		139,591.00	(60,409.00)
Consolidated Municipal Property Tax Relief	A-10				
Energy Receipts Tax	A-10	2,009,241.00		2,009,240.99	(0.01)
Borough of National Park Police	A-10	579,102.00		579,102.00	
City of Woodbury Construction Code Official	A-10	110,000.00		82,500.00	(27,500.00)
Uniform Construction Code Fees	A-10	675,000.00		1,087,538.50	412,538.50
Riverwinds Fees	A-10	1,850,000.00		689,641.06	(1,160,358.94)
Uniform Fire Safety Act	A-10	150,000.00		145,529.74	(4,470.26)
Franchise Fees - Cable Television	A-10	318,863.00		318,863.00	
Host Community Benefit Agreement	A-10	375,000.00		457,854.75	82,854.75
Reserve for Tax Defeasance	A-10	80,000.00		87,386.26	7,386.26
Payment in Lieu of Taxes	A-10	404,000.00		419,140.75	15,140.75
Rental of Buildings & Grounds	A-10	355,000.00		373,771.18	18,771.18
LS Power Pilot	A-10	1,600,000.00		1,661,642.57	61,642.57
School Class 3 Resource Officers	A-10	125,160.00		104,538.23	(20,621.77)
NJMV Resource Officer	A-10	135,720.00		90,480.00	(45,240.00)
NJ Transportation Trust Fund	A-16		\$ 705,908.00	705,908.00	
Clean Communities	A-16		43,137.74	43,137.74	
Municipal Alliance on Alcoholism & Drug Abuse	A-16		6,250.00	6,250.00	
Recycling Tonnage Grant	A-16	64,192.55		64,192.55	
Safe and Secure	A-16	60,000.00		60,000.00	
Total Miscellaneous Revenues		9,641,278.55	755,295.74	9,567,543.55	(829,030.74)
Receipts from Delinquent Taxes	A-2	890,000.00		824,670.13	(65,329.87)
Subtotal General Revenues		13,431,278.55	755,295.74	13,292,213.68	(894,360.61)
Amount to be Raised by Taxation	A-2	22,993,652.05		23,228,918.55	235,266.50
Budget Totals		36,424,930.60	755,295.74	36,521,132.23	\$ (659,094.11)
Non-Budget Revenue	A-2			991,280.15	
		<u>\$ 36,424,930.60</u>	<u>\$ 755,295.74</u>	<u>\$ 37,512,412.38</u>	
Ref.		A-3	A-3		

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES - REGULATORY BASIS

Analysis of Realized Revenue

	Ref.	
Allocation of Current Tax Collections:		
Revenue from Collections	A-6	\$ 74,652,578.23
Allocated to:		
Open Space, School and County Taxes	A-6	52,477,036.05
Balance for Support of Municipal Budget Appropriations		22,175,542.18
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	1,053,376.37
	A-2	<u>\$ 23,228,918.55</u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collection	A-6	\$ 795,642.08
Tax Title Liens	A-7	29,028.05
	A-2	<u>\$ 824,670.13</u>

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:		
Revenue Accounts Receivable:		
Insurance Refunds	A-10	\$ 47,060.81
Fuel Purchases	A-10	22,125.88
Off Duty Administrative Fees	A-10	45,049.79
Senior Citizen Administrative Fee	A-10	3,785.00
Vacant Property Fees	A-10	84,250.00
Rivergate Parking	A-10	19,832.00
Shared Services - Mantua Zoning	A-10	14,731.50
Shared Services - Wenonah Leaves	A-10	3,040.00
Tax Abatements	A-10	560,726.41
Dumpster Fees	A-10	11,500.00
Tax Collector Fees & Penalties	A-10	9,025.94
Property Maintenance Liens	A-10	6,256.35
Miscellaneous	A-10	163,896.47
	A-2	<u>\$ 991,280.15</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT						
General Administration						
Salaries & Wages	\$ 120,000.00	\$ 120,000.00	\$ 110,122.29		\$ 9,877.71	
Other Expenses	61,500.00	61,500.00	33,951.56	\$ 1,411.98	26,136.46	
Division of Central Services						
Other Expenses	118,000.00	118,000.00	49,624.33	690.09	67,685.58	
Mayor and Township Council						
Salaries & Wages	22,500.00	22,500.00	22,500.00			
Other Expenses	2,550.00	2,550.00	610.00		1,940.00	
Municipal Clerk						
Salaries & Wages	79,000.00	79,000.00	65,421.26		13,578.74	
Other Expenses	93,800.00	93,800.00	63,767.57	5,745.35	24,287.08	
Financial Administration						
Salaries & Wages	200,100.00	200,100.00	175,816.69		24,283.31	
Other Expenses	97,750.00	97,750.00	46,932.03	2,444.98	48,372.99	
Audit Services						
Other Expenses	60,000.00	60,000.00	28,533.75		31,466.25	
Computerized Data Processing						
Other Expenses	1.00	1.00			1.00	
Revenue Administration (Tax Collection)						
Salaries & Wages	152,000.00	152,000.00	143,758.04		8,241.96	
Other Expenses	44,150.00	44,150.00	12,587.82	76.91	31,485.27	
Legal Services & Costs						
Other Expenses	475,000.00	475,000.00	203,447.07	24,660.14	246,892.79	
Engineering Services & Costs						
Salaries & Wages	1.00	1.00			1.00	
Other Expenses	300,000.00	300,000.00	264,706.78		35,293.22	
LAND USE ADMINISTRATION						
Municipal Land Use Law (NJSA 40:55D-1)						
Planning Board						
Salaries & Wages	2,300.00	2,300.00	1,325.11		974.89	
Other Expenses	52,300.00	52,300.00	31,798.00	230.50	20,271.50	
Zoning Board and Board of Adjustment						
Salaries & Wages	40,000.00	40,000.00	32,076.94		7,923.06	
Other Expenses	2,900.00	2,900.00	1,095.75		1,804.25	
Rental Control Commission						
Other Expenses	4,000.00	4,000.00			4,000.00	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
INSURANCE						
Liability Insurance	240,000.00	240,000.00	224,694.49		15,305.51	
Workmen's Compensation Insurance	415,000.00	415,000.00	360,368.80		54,631.20	
Group Plans for Employees	2,397,000.00	2,397,000.00	1,946,372.57	2,418.00	248,209.43	\$ 200,000.00
PUBLIC SAFETY FUNCTIONS						
Police						
Salaries & Wages	4,641,258.00	4,641,258.00	4,380,108.30		261,149.70	
Other Expenses	350,371.00	350,371.00	132,354.60	135,641.09	82,375.31	
Emergency Management Services						
Salaries & Wages	15,000.00	15,000.00	13,893.56		1,106.44	
Aid to Volunteer Fire Companies						
Other Expenses	241,000.00	241,000.00	120,765.04	51,474.82	68,760.14	
Fire Department						
Salaries & Wages	352,193.33	352,193.33	107,646.86		94,546.47	150,000.00
Other Expenses	24,115.00	24,115.00	1,960.58	1,276.00	20,878.42	
Prosecutor						
Other Expenses	32,000.00	32,000.00	24,562.51		7,437.49	
PUBLIC WORKS FUNCTIONS						
Road Repairs & Maintenance						
Salaries & Wages	497,000.00	497,000.00	476,623.07		20,376.93	
Other Expenses	327,500.00	327,500.00	224,527.27	38,992.15	63,980.58	
Snow Removal						
Salaries & Wages	50,000.00	50,000.00	10,555.23		39,444.77	
Other Expenses	83,500.00	83,500.00			83,500.00	
Other Public Works Functions (Leaf Collection)						
Salaries & Wages	35,000.00	35,000.00	24,385.97		10,614.03	
Other Expenses	8,000.00	8,000.00			8,000.00	
Solid Waste Collection						
Salaries & Wages	1,140,500.00	1,140,500.00	1,086,312.02		54,187.98	
Other Expenses	361,500.00	361,500.00	280,277.06	15,347.90	65,875.04	
Public Buildings & Grounds						
Salaries & Wages	140,000.00	140,000.00	129,071.73		10,928.27	
Other Expenses	200,000.00	250,000.00	117,784.24	96,930.98	35,284.78	
Vehicle Maintenance						
Other Expenses	387,000.00	387,000.00	278,177.52	42,401.70	66,420.78	

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modifications		Encumbered	Reserved	
HEALTH AND HUMAN SERVICES						
Public Health Services (Board of Health)						
Other Expenses	5,000.00	5,000.00	3,098.30	1,886.00	15.70	
Environmental Commission (40:56A et seq.)						
Other Expenses	4,400.00	4,400.00	422.91		3,977.09	
Animal Control Services						
Salaries & Wages	5,600.00	5,600.00	5,439.20		160.80	
Commission of Disabled						
Other Expenses	3,400.00	3,400.00	2,960.15		439.85	
RECREATION FUNCTIONS						
Recreation Services & Programs						
Salaries & Wages	543,000.00	543,000.00	378,931.22		164,068.78	
Other Expenses	345,100.00	345,100.00	210,294.58	20,377.93	114,427.49	
UTILITY EXPENSES AND BULK PURCHASES						
Electricity	265,000.00	265,000.00	143,420.71	16,004.07	105,575.22	
Street Lighting	260,000.00	260,000.00	217,489.18	21,241.31	21,269.51	
Telephone	80,000.00	80,000.00	61,488.89	6,082.01	12,429.10	
Fuel Oil	20,000.00	20,000.00	9,648.84	2,753.30	7,597.86	
Telecommunications	2,800.00	2,800.00	1,250.00		1,550.00	
Gasoline	210,000.00	210,000.00	106,638.24	11,706.44	91,655.32	
LANDFILL AND SOLID WASTE DISPOSAL COSTS						
Landfill/Solid Waste Disposal Costs						
Other Expenses	1,460,000.00	1,460,000.00	984,691.31		475,308.69	
MUNICIPAL COURT FUNCTIONS						
Municipal Court						
Salaries & Wages	228,000.00	228,000.00	187,718.56		40,281.44	
Other Expenses	28,500.00	28,500.00	7,071.13	1,605.78	19,823.09	
Public Defender						
Other Expenses	23,000.00	23,000.00	22,200.00		800.00	
OTHER COMMON OPERATING FUNCTIONS						
Riverwinds						
Salaries & Wages	311,000.00	311,000.00	311,000.00			
Other Expenses	264,025.00	214,025.00	214,025.00			

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Appropriations		Expended			Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (NJAC 5:23-4.17)						
State Uniform Construction Code						
Construction Official						
Salaries & Wages	386,963.64	386,963.64	326,102.02		60,861.62	
Other Expenses	89,536.36	89,536.36		25,779.00	63,757.36	
Plumbing Sub-Code Official						
Salaries & Wages	37,000.00	37,000.00	35,707.28		1,292.72	
Electrical Sub-Code Official						
Salaries & Wages	63,000.00	63,000.00	42,531.12		20,468.88	
Housing Official						
Salaries & Wages	48,000.00	48,000.00	43,245.08		4,754.92	
Other Expenses	127,000.00	127,000.00	11,255.00	200.00	65,545.00	50,000.00
Total Operations Within "CAPS"	18,676,114.33	18,676,114.33	14,555,145.13	527,378.43	3,193,590.77	400,000.00
Detail:						
Salaries & Wages	9,109,415.97	9,109,415.97	8,110,291.55		849,124.42	150,000.00
Other Expenses	9,566,698.36	9,566,698.36	6,444,853.58	527,378.43	2,344,466.35	250,000.00
DEFERRED CHARGES						
Overexpenditure of Appropriation						
STATUTORY EXPENDITURES						
Contribution to:						
Public Employees' Retirement System	493,730.00	493,730.00	443,566.12		50,163.88	
Social Security System (OASI)	780,000.00	780,000.00	674,315.46		105,684.54	
Police and Firemen's Retirement System of NJ	1,219,819.00	1,219,819.00	1,219,819.00			
Unemployment Compensation Insurance	1.00	1.00			1.00	
New Jersey Disability Insurance	7,500.00	7,500.00	2,268.40		5,231.60	
Defined Compensation Retirement System	10,000.00	10,000.00	564.87		9,435.13	
Total Deferred Charges & Statutory						
Expenditures - Municipal Within "CAPS"	2,511,050.00	2,511,050.00	2,340,533.85		170,516.15	
Total General Appropriations for						
Municipal Purposes Within "CAPS"	21,187,164.33	21,187,164.33	16,895,678.98	527,378.43	3,364,106.92	400,000.00

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered Reserved	
PUBLIC SAFETY FUNCTIONS					
Length of Service Awards Program (P.L. 1997, c. 388)	70,000.00	70,000.00		70,000.00	
EDUCATION FUNCTIONS					
Maintenance of Free Public Library Other Expenses	799,778.35	799,778.35	724,813.79	74,964.56	
SHARED SERVICE AGREEMENTS					
City of Woodbury Construction Code Official Salaries and Wages	80,036.36	80,036.36	80,036.36		
Other Expenses	29,963.64	29,963.64	27,264.80	2,698.84	
Borough of National Park Police Salaries and Wages	135,742.00	135,742.00	135,742.00		
Other Expenses	121,605.00	121,605.00	121,605.00		
West Deptford Board of Education (IT Services) Other Expenses	131,039.00	131,039.00	131,039.00		
Township of Mantua Other Expenses	85,000.00	85,000.00	42,298.82	28,317.65	14,383.53
ADDITIONAL APPROPRIATIONS OFFSET BY REVENUES					
Riverwinds Salaries and Wages	1,000,000.00	1,000,000.00	658,061.66	141,938.34	200,000.00
Other Expenses	850,000.00	850,000.00	427,726.89	85,120.21	150,000.00
Total Other Operations - Excluded from "CAPS"	3,303,164.35	3,303,164.35	2,348,588.32	188,402.42	350,000.00
PUBLIC AND PRIVATE PROGRAMS OFF-SET BY REVENUES					
Municipal Alliance		6,250.00	6,250.00		
Clean Communities		43,137.74	43,137.74		
Safe and Secure	60,000.00	60,000.00	60,000.00		
Recycling Tonnage Grant	64,192.55	64,192.55	64,192.55		
NJ Transportation Trust Fund Authority		705,908.00	705,908.00		
Total Operations Excluded from "CAPS"	3,427,356.90	4,182,652.64	3,228,076.61	\$ 188,402.42	\$ 350,000.00
Detail:					
Salaries and Wages	1,275,778.36	1,275,778.36	933,840.02	141,938.34	200,000.00
Other Expenses	2,151,578.54	2,906,874.28	2,294,236.59	188,402.42	150,000.00

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered Reserved	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	1,210,000.00	1,210,000.00	1,210,000.00		
Total Capital Improvements Excluded from "CAPS"	1,210,000.00	1,210,000.00	1,210,000.00		
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Principal	6,083,480.00	6,083,480.00	6,083,478.20		1.80
Interest on Bonds	3,415,000.00	3,415,000.00	3,199,018.81		215,981.19
Total Municipal Debt Service Excluded from "CAPS"	9,498,480.00	9,498,480.00	9,282,497.01		215,982.99
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM CAPS					
Deferred Charges to Future Taxation - Unfunded					
Special Emergency Authorization (5 Years N.J.S.A. 40A:4-55)	8,000.00	8,000.00	8,000.00		
Ordinance 2012-07	39,976.00	39,976.00	39,976.00		
Ordinance 2008-09	576.06	576.06	576.06		
Ordinance 2009-13	0.94	0.94	0.94		
Total Deferred Charges Excluded from "CAPS"	48,553.00	48,553.00	48,553.00		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	14,184,389.90	14,939,685.64	13,769,126.62	188,402.42 416,173.61	565,982.99
Subtotal General Appropriations	35,371,554.23	36,126,849.97	30,664,805.60	715,780.85 3,780,280.53	965,982.99
RESERVE FOR UNCOLLECTED TAXES	1,053,376.37	1,053,376.37	1,053,376.37		
TOTAL GENERAL APPROPRIATIONS	\$ 36,424,930.60	\$ 37,180,226.34	\$ 31,718,181.97	\$ 715,780.85 \$ 3,780,280.53	\$ 965,982.99
Ref.	A-2			A-12 A	
Budget	Ref.				
Appropriations by 40A:4-87	A-3	\$ 36,424,930.60			
	A-2	755,295.74			
		<u>\$ 37,180,226.34</u>			
Reserve for Federal and State Grants	Ref.				
Reserve for Uncollected Taxes	A-17	\$ 879,488.29			
Due Grant Fund	A-2	1,053,376.37			
Reserve for Master Plan	A-19	8,000.00			
Disbursed	A-4	29,776,067.31			
		<u>\$ 31,718,181.97</u>			

The accompanying notes to the financial statements are an integral part of this statement.

TRUST FUND

EXHIBIT B

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

	Ref.	Balance Dec. 31, 2020	Balance Dec. 31, 2019
ASSETS			
Trust Fund			
Cash - Treasurer	B-1	\$ 3,617,483.85	\$ 3,432,018.39
Due from Current Fund			0.50
Due Street Opening Trust			2,685.00
Off Duty Police Receivables			36,222.57
		<u>3,617,483.85</u>	<u>3,470,926.46</u>
LOSAP (Unaudited)			
Investment		<u>1,977,955.82</u>	<u>1,638,018.09</u>
		<u>\$ 5,595,439.67</u>	<u>\$ 5,108,944.55</u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT B
(Continued)

COMPARATIVE BALANCE SHEET - TRUST FUND - REGULATORY BASIS

	Ref.	Balance Dec. 31, 2020	Balance Dec. 31, 2019
LIABILITIES, RESERVES, AND FUND BALANCE			
Trust Fund			
Encumbrances Payable	B-4	\$ 163,677.09	\$ 30,372.83
Due State of New Jersey		25.80	4.20
Due Current Fund	A	6,393.70	14,064.23
Due Escrow Trust			2,685.00
Reserve for Dog Fund Expenditures	B-2	6,396.20	6,420.20
Reserve for Street Opening	B-3	46,749.75	40,026.50
Reserve for Forfeited Funds	B-3	19,512.71	9,711.06
Reserve for Off-Duty Police Fees			52,682.40
Deposits for Redemption of Tax Sale Certificates	B-3	26,791.37	28,982.53
Reserve for Tax Sale Premiums	B-3	576,700.00	547,100.00
Reserve for Developers Escrow	B-3	339,411.08	365,229.39
Reserve for Public Defender Fees	B-3	29,170.00	26,202.00
Reserve for POAA Fees	B-3	1,836.17	1,828.17
Reserve for Mayor Food & Holiday Drive	B-3	1,879.00	1,879.00
Reserve for Drainage Basin	B-3	77,329.02	77,329.02
Reserve for Municipal Open Space	B-3	176,422.32	270,045.39
Reserve for Affordable Housing	B-3	1,752,766.13	1,692,797.20
Reserve for Unemployment Compensation	B-3	142,322.74	143,257.42
Reserve for Storm Recovery	B-3	86,250.68	41,684.10
Reserve for Accumulated Absences	B-3	46,000.00	46,000.00
Reserve for Recreation	B-3	96,999.07	53,619.07
Reserve for Environmental Resources	B-3	10,904.65	9,312.00
Reserve for Community Donations - Police	B-3	306.62	
Reserve for Donations Field of Dreams	B-3	1,379.00	1,379.00
Reserve for Donations Flag Pole	B-3	5,000.00	5,000.00
Reserve for Donations Dante Finocchi Memorial	B-3	1,500.00	1,500.00
Reserve for Donations Adopt a Bench	B-3	145.00	200.00
Reserve for Uniform Fire Safety	B-3	1,615.75	1,615.75
		<u>3,617,483.85</u>	<u>3,470,926.46</u>
LOSAP (Unaudited)			
Reserve for LOSAP Benefits		1,977,955.82	1,638,018.09
		<u>\$ 5,595,439.67</u>	<u>\$ 5,108,944.55</u>

The accompanying notes to the financial statements are an integral part of this statement.

GENERAL CAPITAL FUND

EXHIBIT C

COMPARATIVE BALANCE SHEET - GENERAL CAPITAL FUND - REGULATORY BASIS

ASSETS	Ref.	Balance	Balance
		Dec. 31, 2020	Dec. 31, 2019
Cash	C-2	\$ 2,015,365.56	\$ 1,928,756.83
Deferred Charges to Future Taxation:			
Funded	C-4	76,249,564.00	83,743,042.00
Unfunded	C-5	1,111,391.50	1,151,944.50
		<u>\$ 79,376,321.06</u>	<u>\$ 86,823,743.33</u>
LIABILITIES, RESERVES, AND FUND BALANCE			
Serial Bonds Payable	C-8	\$ 76,249,564.00	\$ 83,743,042.00
Encumbrances Payable	C-10	813,327.37	420,863.43
Capital Improvement Fund	C-6	530,929.52	205,929.52
Reserve for Payment of Debt Services - BANS	C-12	95,447.40	95,447.40
Reserve for Payment of Debt Services - Bonds	C-13	188,427.09	178,500.86
Reserve for Down Payment on Improvements	C-11	36,302.00	36,302.00
Improvement Authorizations:			
Funded	C-7	1,190,384.08	1,527,696.24
Unfunded	C-7	151,920.37	534,101.00
Fund Balance	C-1	120,019.23	81,860.88
		<u>\$ 79,376,321.06</u>	<u>\$ 86,823,743.33</u>

The accompanying notes to the financial statements are an integral part of this statement.

STATEMENT OF FUND BALANCE - REGULATORY BASIS

Balance December 31, 2019	Ref. C	\$ 81,860.88
Increased by:		
Cancel Ordinances Funded Via Capital Surplus	C-7	38,158.35
Balance December 31, 2020	C	<u>\$ 120,019.23</u>

The accompanying notes to the financial statements are an integral part of this statement.

WATER AND SEWER UTILITY FUND

COMPARATIVE BALANCE SHEET - WATER AND SEWER
UTILITY FUND - REGULATORY BASIS

ASSETS	Ref.	Balance Dec. 31, 2020	Balance Dec. 31, 2019
Operating Fund			
Cash - Treasurer	D-5	\$ 4,845,872.86	\$ 3,262,545.15
Due from Current Fund			1,046.45
		<u>4,845,872.86</u>	<u>3,263,591.60</u>
Receivables with Full Reserves			
Consumer Accounts Receivable	D-7	1,375,194.52	1,720,099.29
Water & Sewer Liens	D-8	13,686.55	12,691.84
		<u>1,388,881.07</u>	<u>1,732,791.13</u>
Deferred Charges			
Overexpenditure of Appropriation Reserves	D-11		1,015.81
Total Operating Fund		<u>6,234,753.93</u>	<u>4,997,398.54</u>
Capital Fund			
Cash - Treasurer	D-5	390,007.06	
Note Receivable	D-21	193,304.00	479,902.00
Fixed Capital	D-9	60,573,713.05	59,549,304.85
Fixed Capital Authorized and Uncompleted	D-10	8,950,000.00	9,694,117.40
Total Capital Fund		<u>70,107,024.11</u>	<u>69,723,324.25</u>
		<u><u>\$ 76,341,778.04</u></u>	<u><u>\$ 74,720,722.79</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

EXHIBIT D
(Continued)

COMPARATIVE BALANCE SHEET - WATER AND SEWER
UTILITY FUND - REGULATORY BASIS

LIABILITIES, RESERVES, AND FUND BALANCE	Ref.	Balance Dec. 31, 2020	Balance Dec. 31, 2019
Operating Fund			
Liabilities:			
Appropriation Reserves	D-4:D-11	\$ 1,508,125.61	\$ 1,334,763.00
Encumbrances Payable	D-12	299,771.33	79,441.04
Accounts Payable			1,789.00
Accrued Interest on Bonds & Notes	D-13	102,798.49	117,524.29
Utility Rent Overpayments	D-5	27,376.80	24,183.22
Reserve for Engineering Escrow		1,175.00	1,175.00
		<u>1,939,247.23</u>	<u>1,558,875.55</u>
Reserve for Receivables		1,388,881.07	1,732,791.13
Fund Balance	D-1	2,906,625.63	1,705,731.86
		<u>6,234,753.93</u>	<u>4,997,398.54</u>
Capital Fund			
Cash Deficit - Treasurer			394,883.31
Serial Bonds Payable	D-17	5,635,436.00	6,237,958.00
New Jersey Wastewater Loan Payable	D-18	3,782,963.42	4,540,918.19
Note Payable	D-22	1,400,000.00	1,400,000.00
Improvement Authorizations:			
Funded	D-16	43,329.10	76,244.84
Unfunded	D-16	6,316,266.16	6,485,267.97
Encumbrances Payable	D-12	421,975.43	888,325.55
Capital Improvement Fund	D-14	613,087.38	13,087.38
Reserve for Debt Service	D-19	600,556.67	33,996.63
Reserve for Down Payment on Improvements	D-20	16,250.00	16,250.00
Reserve for Amortization	D-15	51,235,313.63	49,594,546.06
Fund Balance	D-2	41,846.32	41,846.32
		<u>70,107,024.11</u>	<u>69,723,324.25</u>
		<u>\$ 76,341,778.04</u>	<u>\$ 74,720,722.79</u>

The accompanying notes to the financial statements are an integral part of this statement.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND
BALANCE - WATER AND SEWER UTILITY FUND - REGULATORY BASIS

	Ref.	Year 2020	Year 2019
Revenue and Other Income Realized			
Fund Balance Utilized	D-3	\$ 1,390,402.81	\$ 548,121.68
Rents	D-3	12,538,823.34	11,271,967.64
Reserve to Pay Debt Service			131,551.77
Miscellaneous	D-3	166,062.11	150,979.54
Other Credits to Income:			
Accounts Payable Cancelled	D	1,789.00	
Unexpended Balance of Appropriation Reserves	D-11	1,185,525.44	516,980.39
Total Income		<u>15,282,602.70</u>	<u>12,619,601.02</u>
Expenditures			
Operating	D-4	9,830,950.00	9,968,000.00
Capital Improvements	D-4	1,000,000.00	50,000.00
Debt Service	D-4	1,592,030.44	1,857,130.98
Deferred Charges	D-4	1,015.81	
Statutory Expenditures	D-4	265,915.00	287,250.00
Other Expenditures:			50.00
Miscellaneous Refunds	D-5	1,394.87	509.95
Refund of Prior Year Revenue			1,789.00
Total Expenditures		<u>12,691,306.12</u>	<u>12,164,729.93</u>
Statutory Excess to Fund Balance		<u>2,591,296.58</u>	<u>454,871.09</u>
Fund Balance			
Balance January 1	D	<u>1,705,731.86</u>	<u>1,798,982.45</u>
		4,297,028.44	2,253,853.54
Decreased by:			
Utilization as Anticipated Revenue	D-1	<u>1,390,402.81</u>	<u>548,121.68</u>
Balance December 31	D	<u><u>\$ 2,906,625.63</u></u>	<u><u>\$ 1,705,731.86</u></u>

EXHIBIT D-2

STATEMENT OF FUND BALANCE - WATER AND SEWER
CAPITAL FUND - REGULATORY BASIS

Balance December 31, 2019	Ref. D	\$ 41,846.32
Balance December 31, 2020	D	<u>\$ 41,846.32</u>

EXHIBIT D-3

STATEMENT OF REVENUES - WATER AND SEWER UTILITY FUND - REGULATORY BASIS

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
Operating Surplus Anticipated	D-1	\$ 1,390,402.81	\$ 1,390,402.81	
Rents	D-3	11,270,000.00	12,538,823.34	\$ 1,268,823.34
Miscellaneous	D-3	150,000.00	166,062.11	16,062.11
		<u>\$ 12,810,402.81</u>	<u>\$ 14,095,288.26</u>	<u>\$ 1,284,885.45</u>
	Ref. D-4			

Analysis of Realized Revenue

Rents:	Ref.	
Consumer Accounts Receivable:		
Collected	D-7	\$ 12,514,640.12
Overpayments Applied	D-7	24,183.22
	D-3	<u>\$ 12,538,823.34</u>
Miscellaneous:		
Water and Sewer Interest		\$ 79,598.49
National Park Wheeling Fee		13,376.00
Fire Hydrant Receipts		615.84
Water Permits		18,700.00
Sewer Permits		23,800.00
Miscellaneous		1,310.07
Interest on Investments		28,661.71
	D-3:D-5	<u>\$ 166,062.11</u>

STATEMENT OF EXPENDITURES - WATER AND SEWER UTILITY FUND - REGULATORY BASIS

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 1,445,000.00	\$ 1,445,000.00	\$ 1,183,596.79		\$ 261,403.21	
Other Expenses	8,385,950.00	8,385,950.00	6,945,346.76	\$ 295,374.03	1,145,229.21	
Capital Improvements:						
Capital Improvement Fund	600,000.00	600,000.00	600,000.00			
Capital Outlay	400,000.00	400,000.00	316,209.74	4,397.30	79,392.96	
Debt Service:						
Payment of Bond Principal	602,522.00	602,522.00	602,522.00			
Interest on Bonds	200,000.00	200,000.00	190,420.50			\$ 9,579.50
Interest on Notes	30,000.00	30,000.00				30,000.00
Loan Principal and Interest	880,000.00	880,000.00	799,087.94			80,912.06
Deferred Charge						
Overexpenditure of Appropriation	1,015.81	1,015.81	1,015.81			
Statutory Expenditures:						
Public Employees' Retirement System	155,915.00	155,915.00	155,907.00		8.00	
Social Security System (OASI)	110,000.00	110,000.00	87,907.77		22,092.23	
	<u>\$ 12,810,402.81</u>	<u>\$ 12,810,402.81</u>	<u>\$ 10,882,014.31</u>	<u>\$ 299,771.33</u>	<u>\$ 1,508,125.61</u>	<u>\$ 120,491.56</u>
Ref.	D-3	D-4		D-12	D	
		Ref.				
Interest on Bonds and Notes		D-13	\$ 231,553.67			
Deferred Charge			1,015.81			
Disbursed		D-5	10,649,444.83			
			<u>\$ 10,882,014.31</u>			

The accompanying notes to the financial statements are an integral part of this statement.

GENERAL FIXED ASSETS ACCOUNT GROUP

EXHIBIT E

STATEMENT OF GENERAL FIXED ASSETS - REGULATORY BASIS

	Balance Dec 31, 2020	Balance Dec 31, 2019
Buildings & Grounds	\$ 43,803,414.00	\$ 43,803,414.00
Land	28,060,000.00	28,155,400.00
Furniture & Equipment	6,161,155.09	5,761,058.92
Vehicles	5,715,366.26	5,762,431.26
	<u>\$ 83,739,935.35</u>	<u>\$ 83,482,304.18</u>
Investment in General Fixed Assets	<u>\$ 83,739,935.35</u>	<u>\$ 83,482,304.18</u>

The accompanying notes to the financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS
(Regulatory Basis)

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the financial statements of the Township of West Deptford included every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of West Deptford, as required by NJSA 40A:5-5.

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the Township is obligated for debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of the taxes. The Township's component units are listed below:

West Deptford Free Public Library

B. Description of Funds and Account Groups

The accounting policies of the Township of West Deptford conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of West Deptford accounts for its transactions through the following separate funds and accounts as presented below. This presentation differs from the funds required by GAAP.

Current Fund - Resources and expenditures for governmental operations of a general nature, including Federal and State Grant Funds.

Trust Fund - Receipts, custodianship, and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - Receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. In addition, the fund is used to track the status of debt authorized for capital projects.

Water & Sewer Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally-owned Water & Sewer Utility.

Payroll/Payroll Agency Account - Receipt and disbursement of funds to meet obligations to employees and payroll tax liabilities.

General Fixed Assets - To account for fixed assets used in governmental operations.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities in the State of New Jersey differ in certain respects from accounting principles generally accepted in the United States of America applicable to local governmental units. A modified accrual basis of accounting is followed with minor exceptions. The more significant accounting principles are as follows:

Revenues - are recorded when received in cash, except for certain amounts which are due from other governmental units. Receipts from federal and state grants are realized as revenue when anticipated in the Township budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. Fund balance utilized to balance the budget is recorded as revenue and budgeted transfers from other funds are also recorded as revenue when anticipated in the budget. This method of revenue recognition differs from accounting principles generally accepted in the United States of America which recognizes revenue in the accounting period in which it is earned net of allowances for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods and services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Grant appropriations are charged upon budget adoption to create separate spending reserves. Budgeted transfers to other funds are recorded as expenditures when the budget is adopted, to the extent permitted or required by law. 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. This method differs from accounting principles generally accepted in the United States of America which requires that expenditures be recorded when services are rendered or goods are received. Under accounting principles generally accepted in the United States of America, appropriation reserves do not exist and encumbrances do not constitute expenditures.

Property Taxes - The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of February, May, August, and November. Any taxes that have not been paid by the 11th day of the 11th month, in the year levied, are subject to being included in the tax sale and the lien enforced by selling the property in accordance with NJSA 54:5 et seq.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Property Taxes (Continued) - The municipality is responsible for remitting 100% of the school and county taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district or county. The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from those taxes not paid. The minimum amount of the reserve is determined by the percentage of collections experienced in the preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. Under accounting principles generally accepted in the United States of America, a "Reserve for Uncollected Taxes" would not be an appropriation.

Interest on Delinquent Taxes - It is the policy of the Township to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first \$1,500.00 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten day grace period.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Under accounting principles generally accepted in the United States of America, foreclosed property would be recorded at historical cost and no reserve would be provided.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. Under accounting principles generally accepted in the United States of America, inter-funds are not reserved.

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. Under accounting principles generally accepted in the United States of America, inventory would be recorded as an asset on the balance sheet.

Insurance - Cost of insurance for all funds are recorded as expenditures at the time of payment. Under accounting principles generally accepted in the United States of America, insurance costs chargeable to future periods would be recorded as prepayments on the balance sheet.

General Fixed Assets - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the Township has developed a fixed assets accounting and reporting system.

As required by New Jersey Statutes, foreclosed property is reported in the current operating fund of the municipality.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

All fixed assets are recorded at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value on the date of acquisition. The Township capitalizes fixed assets with an original cost in excess of \$2,000.00.

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

No depreciation has been provided for in the financial statements.

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

Property and equipment purchased by the Water & Sewer Utility Fund is recorded in the respective capital account at cost and are adjusted for dispositions and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balances in Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Fund represent charges to operations for the costs of acquisition of property, equipment, and improvements. The utility does not record depreciation on fixed assets.

Proprietary Fund - Cash Flows Statement - In accordance with the reporting requirements of the Division of Local Government Services, the utility fund's financial statements do not include a statement of cash flows.

General Long-Term Debt - General Long-Term Debt is accounted for in the General Capital and Utility Capital Fund. Accounting principles generally accepted in the United States of America require General Long-Term Debt to be accounted for in the General Long-Term Debt Account Group.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America or the regulatory basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Capitalization of Interest - It is the policy of the Township to capitalize interest in the Utility Capital Fund on projects during the construction phase.

Tax Appeals and Other Contingent Losses - Losses which arise from tax appeals and other contingent losses are recognized at the time an unfavorable decision is rendered by an administrative or judicial body.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Comparative Data

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the Township's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the statement of revenues - regulatory basis and the statement of expenditures - regulatory basis since their inclusion would make the statements unduly complex and difficult to read.

E. Accounting Pronouncements Adopted

Statement No. 83, "Certain Asset Retirement Obligations." This Statement addresses accounting and financial reporting for certain asset retirement obligations (ARO's). This Statement, originally effective for period's beginning after June 15, 2018, was postponed until June 15, 2019. This statement did not have any significant impact on the financial reporting.

In April 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 88, "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements." This Statement, originally effective for periods beginning after June 15, 2018, was postponed until June 15, 2019. This statement did not have any significant impact on the financial reporting.

In August 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 90, "Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61." This Statement, originally effective for periods beginning after December 15, 2018, was postponed until December 15, 2019. This statement did not have any significant impact on the financial reporting.

F. Recent Effective Accounting Pronouncements Postponed by Statement No. 95

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance." The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. As a result of GASB 95, the effective dates of the following statements are postponed by one year:

In January 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 92, "Omnibus 2020." This Statement, originally effective for periods beginning after December 15, 2020 is postponed until December 15, 2021. Management has not yet determined the impact of this Statement on the financial Statements

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rate." This Statement, except for paragraph 11b originally effective for periods beginning after June 15, 2020, is postponed until June 15, 2021. The requirement in paragraph 11b originally effective for periods beginning after December 31, 2021, is postponed until December 31, 2022. Management has not yet determined the impact of this Statement on the financial statements

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Recent Accounting Pronouncements Not Yet Effective

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, "Leases." The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by Governments. This Statement, originally effective for periods beginning after December 15, 2019, is postponed until June 15, 2021, due to the issuance of Statement No. 95. Management does not expect this Statement will have an impact on the financial statements.

In June 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 89, "Accounting for Interest Costs Incurred Before the End of a Construction Period." The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement, originally effective for periods beginning after December 15, 2019, is postponed until December 15, 2020, due to the issuance of Statement No. 95. Management does not expect this Statement will have an impact on the financial statements.

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations." The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. This Statement, originally effective for periods beginning after December 15, 2020, is postponed until December 15, 2021, due to the issuance of Statement No. 95. Management does not expect this Statement will have an impact on the financial statements.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements." The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement is effective for periods beginning after June 15, 2022. Management does not expect this Statement will have an impact on the financial statements.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription-Based Information Technology Arrangements." This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement is effective for periods beginning after June 15, 2022. Management does not expect this Statement will have an impact on the financial statements.

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84 and supersession of GASB Statement No. 32." The primary objectives of this Statement are to increase consistency and comparability related to the reporting of fiduciary component. This Statement is effective for periods beginning after June 15, 2021. Management does not expect this Statement will have a significant impact on the financial statements.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 2: BUDGETARY INFORMATION

The Township must adopt an annual budget in accordance with NJSA 40A:4 et seq. This budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. This protects the Township from taxes not paid currently. Once approved, the Township may make emergency appropriations for a purpose which is not foreseen at the time the budget is adopted per NJSA 40A:4-46 and 54. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety or welfare prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budget of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. Budget transfers between appropriation accounts are prohibited until the last two months of the year. Budget transfers during the year were not significant. After approval from the Director, the Township can also make amendments for any special item of revenue made available by any public or private funding source as per NJSA 40A:4-87.

The Township amended the budget during the year by the insertion of Special Items of Revenue in the amount of \$755,295.74 for various grants as detailed on Exhibit A-2.

NOTE 3: CASH AND CASH EQUIVALENTS

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 able to recover the value of its deposits or investments. Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. The municipality's policy is based on New Jersey Statutes requiring cash to be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in NJSA 40A:5-15.1(a) that are treated as cash equivalents.

At December 31, 2020 and 2019, the carrying amount of the Township's deposits was \$27,356,360.71 and \$22,535,690.94, respectively. As of December 31, 2020 and 2019, \$0 of the municipality's bank balance of \$27,615,814.79 and \$23,397,315.02, respectively, was exposed to Custodial Credit Risk.

NOTE 4: INVESTMENTS

As of December 31, 2020 and 2019, the Township did not have any investments other than for LOSAP.

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

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 4: INVESTMENTS (CONTINUED)

Credit Risk - NJSA 40A:5-15.1(a) limits municipal investments to those specified in the statutes. The type of allowable investments are Bonds or other obligations of the United States or obligations guaranteed by the United States, Bonds or other obligations of the Township or Bonds or other obligations of the Township school district, Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of Treasury for investment by local units, government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk - The Township places no limit on the amount the Township may invest in any one issuer.

Unaudited Investments - As more fully described in Note 13, the Township has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et seq. except that all investments are retained in the name of the Township. All investments are valued at contract value. In accordance with NJAC 5:30-14.37, the investments are maintained by Lincoln Financial Group, which is an authorized provider approved by the Division of Local Government Services. The balance in the accounts on December 31, 2020 and 2019, amounted to \$1,977,955.82 and \$1,638,018.09, respectively. The information on 5% or more invested with Variable Annual Life Insurance Company is not yet available.

NOTE 5: FUND BALANCES APPROPRIATED

	Year	Balance December 31	Utilized in Budget of Succeeding Year
Current Fund	2020	\$ 8,424,499.18	\$ 3,109,000.00
	2019	8,096,597.41	2,900,000.00
	2018	6,351,123.29	1,370,230.00
	2017	5,111,673.86	767,045.26
	2016	2,612,974.18	734,176.37
Utility Fund	2020	2,906,625.63	1,476,370.00
	2019	1,705,731.86	1,390,402.81
	2018	1,798,982.45	548,121.68
	2017	843,222.46	313,681.02
	2016	854,841.67	266,102.80

NOTE 6: RISK MANAGEMENT

The Township is exposed to various risks or loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Township maintains commercial insurance coverage for property, liability, and surety bonds. Any potential liability of the Township with respect to loss claims would be equal to the deductibles associated with policies and an event, which may exceed coverage limits. There have not been any significant reductions in insurance coverage amounts.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 6: RISK MANAGEMENT (CONTINUED)

New Jersey Unemployment Compensation Insurance

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

Year	Contributions	Amount Reimbursed	Transfer from/to Current	Balance Dec. 31
2020	\$ 99,329.21	\$ 100,263.89		\$ 142,322.74
2019	2,079.85	13,521.71	\$ (0.50)	143,257.42
2018	16,704.97	13,834.00	40,624.02	154,699.78

NOTE 7: FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group for the year ending December 31, 2020:

	Balance Dec. 31, 2019	Additions	Deletions	Balance Dec. 31, 2020
Buildings and Grounds	\$ 43,803,414.00			\$ 43,803,414.00
Land	28,155,400.00		\$ 95,400.00	28,060,000.00
Furniture and Equipment	5,761,058.92	\$ 400,096.17		6,161,155.09
Vehicles	5,762,431.26		47,065.00	5,715,366.26
	<u>\$ 83,482,304.18</u>	<u>\$ 400,096.17</u>	<u>\$ 142,465.00</u>	<u>\$ 83,739,935.35</u>

NOTE 8: ACCUMULATED ABSENCE BENEFITS

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. The liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Township and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Township and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

Employees of the Township are entitled to paid vacation and paid sick days depending on job classification, length of service, and other factors. Employees are represented by a number of labor unions, and each contract contains different provisions for employee-compensated absences.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 8: ACCUMULATED ABSENCE BENEFITS (CONTINUED)

The total value of compensated absences owed to employees as of December 31, 2020 and 2019, was \$704,802.96 and \$558,814.54, respectively. The Township has not appropriated in the 2020 adopted budget to fund a reserve for accumulated absences. The accumulated absence trust has a reserve balance as of December 31, 2020, of \$46,000.00.

NOTE 9: TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. The following is a comparison of the liability for the current and previous year:

	Balance Dec. 31, 2020	Balance Dec. 31, 2019
Prepaid Taxes - Cash Liability	\$ 812,303.26	\$ 599,518.63

NOTE 10: ECONOMIC DEPENDENCY

The Township of West Deptford is not economically dependent on any one business or industry within the Township.

NOTE 11: INTERFUND RECEIVABLES AND PAYABLES

The following schedule reconciles interfund receivables and payables for the year ended December 31, 2020:

	Due From	Due To
Current Fund		
Trust Other	\$ 6,393.70	
Grant Fund		\$ 1,250.00
Federal and State Grant Fund		
Current Fund	1,250.00	
Trust Other		
Current Fund		6,393.70
	<u>\$ 7,643.70</u>	<u>\$ 7,643.70</u>

The purpose of these interfunds are short-term borrowings.

NOTE 12: DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salary and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation is not available for withdrawal by employees until termination, retirement, death or unforeseeable emergency.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 12: DEFERRED COMPENSATION PLAN (CONTINUED)

An unrelated financial institution administers the deferred compensation plan. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the employees.

As part of its fiduciary role, the Township has an obligation of due care in selecting third party administrators. The independent administrators are Nationwide Retirement Systems, Equitable, and Annuity Life Insurance Company.

NOTE 13: LENGTH OF SERVICE AWARD PROGRAM

During the year 2001, the voters of the Township of West Deptford approved the establishment of a Length of Service Awards Program (LOSAP) Deferred Compensation Plan. This plan was approved by voters of the Township of West Deptford by referendum at the general election on November 6, 2001. This plan is made available to all bona fide eligible volunteers who are performing qualified services which are defined as firefighting services pursuant to section 457 of the Internal Revenue Code of 1986, as amended, except for provisions added by reason of the LOSAP, as enacted into federal law in 1997. The establishment of this LOSAP also complies with New Jersey Public Law of 1997, Chapter 338, and the LOSAP document. The balance is subject to the general creditors of the Township.

Contributions by the Township for qualified participants were \$42,550.00 and \$50,600.00 for 2020 and 2019, respectively. These payments are made in the subsequent year for participants who met the required qualifications. The assets of the plan are held by an independent administrator, Lincoln Financial Group.

NOTE 14: PENSION FUNDS

Description of Plans - All eligible employees of the Township are covered by either the Public Employees' Retirement System, (PERS) or the Police and Firemen's Retirement System (PFRS), a cost-sharing, multiple-employer defined benefit pension plans which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the PERS and PFRS. The reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295 or can be accessed on the internet at: <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of NJSA 43:15A to provide retirement, death, disability, and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing, multiple-employer plan. Membership is generally required for 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 or other state or local jurisdiction.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 14: PENSION FUNDS (CONTINUED)

Police and Firemen's Retirement System (PFRS) - The Police and Firemen's Retirement System was established in July 1944, under the provisions of NJSA 43:16A, to provide coverage to substantially all full-time county or municipal police and fire-fighters and State fire-fighters appointed after June 30, 1944. Enrollment is required for permanent, full-time employees appointed to positions of law enforcement or firefighting in the State of New Jersey.

Defined Contribution Retirement Program (DCRP) - The Township established Defined Contribution Retirement Program by ordinance on December 4, 2008, as required by Chapter 92 of the Laws of 2007 and NJSA 43:15C-1 et seq. DCRP provides for employee contributions of 5 1/2% of employees' annual base salary. Employers are required to contribute 3% of the employees' base salary.

Funding Policy - The contribution policy is set by NJSA 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997, and NJSA 18:66 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS provide for employee contributions of 7.50% of employees' annual compensation. The PFRS provides for employee contributions of 10% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate in the PERS and PFRS. The PERS and PFRS rates in effect for 2020 are 13.69% and 29.80%, respectively, of covered payroll, as reported on June 30, 2018. The actuarially determined contribution includes funding for, cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums.

The Township's contributions to the PERS for the years ending December 31, 2020, 2019, and 2018, were \$649,637.00, \$749,806.00, and \$665,756.00, respectively, equal to the required contributions for each year. The Township's contributions to the PFRS for the years ending December 31, 2020, 2019, and 2018, were \$1,219,819.00, \$1,204,004.00, and \$1,079,776.00, respectively, equal to the required contributions for each year. The Township's contributions to DCRP for the years ending December 31, 2020, 2019, and 2018, were \$564.87, \$2,222.36, and \$3,376.27, respectively, equal to the required contributions for each year.

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

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

- New members of the PERS hired on or after June 28, 2011, (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011, (Tier 3 members), will be 60% instead of 65% of the member's final compensation, plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 14: PENSION FUNDS (CONTINUED)

Significant Legislation (Continued)

- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of the PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of the PERS to 1/60th from 1/55th and it provided that new members of the PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of the PERS will no longer receive pension service credit from more than one employer.

Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for Social Security and requires the pension to be calculated using a three-year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined at 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program (DCRP).

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006, report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 15: POSTEMPLOYMENT BENEFITS

State Health Benefits

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

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2015, the Township of West Deptford authorized participation in the SHBP's post-retirement benefit program through resolution number R-2015-89. All employees who were part of a state administered pension system and have at least 25 years of government service are eligible to participate in the program.

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

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

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

The Township of West Deptford's contributions to the SHBP for the period January 1 through December 31, 2020, was \$2,462,018.85 for active employees and \$1,061,492.05 for retired employees, which equaled the required contributions for retirees for the year.

MetLife

Plan Description - Township of West Deptford, New Jersey Postemployment Healthcare Plan is a single-employer defined benefit healthcare plan administered by MetLife. They provide dental coverage to eligible retirees.

Funding Policy - The contribution requirements of the Township healthcare plan are established by negotiated labor contracts and the Township employee manual. The required contribution is based on projected pay-as-you-go financing requirements. For calendar year 2020, the Township contributed \$82,300.00 to the plan for current premiums. Plan members receiving benefits are not required to make contributions.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 15: POSTEMPLOYMENT BENEFITS (CONTINUED)

Annual OPEB Cost and Net OPEB Obligation - The Township's annual Other Postemployment Benefit (OPEB) cost (expense) is calculated based on the Entry Age Normal (EAN) cost method as required by GASB Statement 75. The EAN actuarial cost method requires a salary scale assumption.

The discount rate used to determine the liabilities under GASB 75 is based on an index rate for 20-year tax exempt General Obligation Municipal Bonds with an average rating of AA/Aa or higher. This rate was 1.93% as of December 31, 2020.

Future medical care cost increase rates unpredictable and could be volatile. They will depend upon the economy, future health care delivery systems, and emerging technologies.

Total OPEB Liability

Service Cost	\$ 68,095
Interest	108,124
Difference Between Expected and Actual Experience	174,230
Change in Assumptions	321,569
Benefit Payments	(82,300)
Net Change in OPEB Liability	589,718
Total OPEB Liability - Beginning	3,357,822
Total OPEB Liability - Ending	<u>\$ 3,947,540</u>

Plan Fiduciary Net Position

Contributions - Employer	\$ 82,300
Benefit Payments	(82,300)
Net Change in Plan Fiduciary Position	
Plan Fiduciary Net Position - Beginning	None
Plan Fiduciary Net Position - Ending	None
Net OPEB Liability Ending	<u>\$ 3,947,540</u>

There were no changes in benefit terms during the year.

Sensitivity of the total net OPEB liability to changes in the discount rate. The following represents the total net OPEB liability of the Township, as well as what the Township's total net OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate.

	1% Decrease 0.93%	Current Rate 1.93%	1% Increase 2.93%
Net OPEB Liability	<u>\$ 4,461,923</u>	<u>\$ 3,947,540</u>	<u>\$ 3,433,157</u>

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 15: POSTEMPLOYMENT BENEFITS (CONTINUED)

Annual OPEB Cost and Net OPEB Obligation (Continued)

Sensitivity of the total net OPEB liability to changes in the healthcare cost trend rates. The following represents the total net OPEB liability of the Township, as well as what the Township's total net OPEB liability would be if it were calculated using a healthcare cost trend rates that is 1% lower or 1% higher than the current healthcare cost trend rate.

	Health Care Costs		
	1% Decrease	Trend Rate	1% Increase
Net OPEB Liability	<u>\$ 3,384,947</u>	<u>\$ 3,947,540</u>	<u>\$ 4,604,830</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the Township's OPEB expense would have been \$243,596 if New Jersey municipalities followed GAAP accounting principles. The Township's deferred outflows of resources and deferred inflows of resources (which are not recorded) related to OPEB are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 458,938	
Difference Between Expected and Actual Experience	166,089	\$ 144,290
	<u>\$ 625,027</u>	<u>\$ 144,290</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognize in OPEB expense as follows:

Year Ending	
2021	\$ 67,377
2022	67,377
2023	67,377
2024	67,377
2025	67,377
2026-2029	<u>143,852</u>
	<u>\$ 480,737</u>

NOTE 16: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS

New Jersey municipalities do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, NJAC 5:30-6.1(c)(2) requires municipalities and counties to disclose GASB 68 & GASB 71 information in the Notes to the Financial Statements. The following

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 16: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

disclosures meet the requirements of GASB 68 & GASB 71 for the PERS and PFRS retirement systems.

Public Employee's Retirement System - At December 31, 2020, the Township's proportionate share of net pension liability was \$11,290,865. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020 and 2019, the Township's allocation percentage was 0.0692377442% and 0.0628903651%, respectively.

For the year ended December 31, 2020, the Township's pension expense would have been (\$1,255,109) if New Jersey municipalities followed GAAP accounting principles. The Township's deferred outflows of resources and deferred inflows of resources (which are not recorded) related to the PERS are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions		\$ 4,343,940
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ 244,451	
Changes in Proportion and Differences Between the Township's Contributions and Proportionate Share of Contributions	1,620,349	
Difference Between Expected and Actual Experience		120,532
	<u>\$ 1,864,800</u>	<u>\$ 4,464,472</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions are not recognized in pension expense since New Jersey municipalities do not follow GAAP accounting principles.

If GAAP accounting principles were followed, the other amounts reported as deferred outflows of resources and deferred inflows of resources would have been recognized in pension expense as follows:

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 16: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

Public Employee's Retirement System (Continued)

Year Ended December 31,	Amount
2021	\$ (1,272,057)
2022	(991,364)
2023	(431,687)
2024	88,539
2025	6,897
	<u>\$ (2,599,672)</u>

Additional information – Collective balances at June 30, 2020 and 2019, are as follows:

	June 30, 2020	June 30, 2019
Collective Deferred Outflows of Resources	\$ 2,347,583,337	\$ 3,149,522,616
Collective Deferred Inflows of Resources	7,849,949,467	7,645,087,574
Collective Net Pension Liability	<u>16,307,384,832</u>	<u>18,018,482,972</u>
Township's Proportion	0.0692377442%	0.0628903651%

Contributions - The contribution policy for the PERS is set by NJSA 15A and requires contributions by active members and contributing employers. The Township's contribution amount was based on an actuarially determined rate which includes the normal cost and unfunded accrued liability.

Actuarial Assumptions

The total pension liability for the June 30, 2020, measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 – 6.00% Based on Age
Thereafter	3.00 – 7.00% Based on Age
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2%

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 16: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions (Continued)

adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pension and Benefits financial report at: <http://www.state.nj.us/treasury/pensions/gasb-notice.shtml>.

Police and Firemen's Retirement System - At December 31, 2020, the Township's proportionate share of net pension liability for Police was \$14,510,458. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the Township's proportion was 0.1122985795% compared to 0.1153778611% at June 30, 2019.

For the year ended December 31, 2020, the Township's pension expense would have been \$(260,369) if New Jersey municipalities followed GAAP accounting principles. The Township's deferred outflows of resources and deferred inflows of resources (which are not recorded) related to the PFRS are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions		\$ 3,313,130
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ 426,533	
Changes in Proportion and Differences Between the Township's Contributions and Proportionate Share of Contributions		773,699
Difference Between Expected and Actual Experience	114,021	
	\$ 540,554	\$ 4,086,829

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions are not recognized in pension expense since New Jersey municipalities do not follow GAAP accounting principles.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 16: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

Police and Firemen's Retirement System (Continued)

If GAAP accounting principles were followed, the other amounts reported as deferred outflows of resources and deferred inflows of resources would have been recognized in pension expense as follows:

Year Ended December 31,	Amount
2021	\$ (1,614,635)
2022	(1,077,171)
2023	(620,431)
2024	(178,536)
2025	(55,502)
	<u>\$ (3,546,275)</u>

Additional information – Collective balances at June 30, 2020 and 2019, are as follows:

	June 30, 2020	June 30, 2019
Collective Deferred Outflows of Resources	\$ 1,601,195,680	\$ 1,198,936,924
Collective Deferred Inflows of Resources	4,191,274,402	4,874,748,912
Collective Net Pension Liability	<u>12,921,318,904</u>	<u>12,237,818,793</u>
 Township's Proportion	 0.1122985795%	 0.1153778611%

Contributions

The contribution policy for the PFRS is set by NJSA 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The Township's contribution amount was based on an actuarially determined rate which includes the normal cost and unfunded accrued liability.

Actuarial Assumptions

The total pension liability for the June 30, 2020, measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all Future Years	3.25 – 15.25% Based on Years of Service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 16: FINANCIAL INFORMATION RELATED TO GASB 68 & GASB 71 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions (Continued)

table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pension and Benefits financial report at: <http://www.state.nj.us/treasury/pensions/gasb-notices.shtml>.

A special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers under 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 201, P.L. 2001. The June 30, 2020 and June 30, 2019, special funding situation net pension liability amounts of \$2,251,957 and \$2,229,533 for Police are the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date.

NOTE 17: FINANCIAL INFORMATION RELATED TO GASB 75 FOR PUBLIC RETIREMENT SYSTEMS

New Jersey municipalities do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net other postemployment benefit (OPEB) liability as a liability on their balance sheets. However, NJAC 5:30-6.1(c)(2) requires municipalities and counties to disclose GASB 75 information in the Notes to the Financial Statements. The following OPEB liability note information is reported at the State's level and is not specific to the municipality. The following disclosures meet the requirements of GASB 75 for the PERS and PFRS retirement systems.

Actuarial Assumptions

The total OPEB liability as of June 30, 2019, was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 17: FINANCIAL INFORMATION RELATED TO GASB 75 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions (Continued)

Inflation Rate	2.50%
Salary Increases (PERS):	
Through 2026	2.00 – 6.00% Based on Age
Thereafter	3.00 – 7.00% Based on Age
Salary Increases (PFRS):	
All Future Years	3.25 – 15.25% Based on Age
Discount Rate	3.50%

Pre-retirement mortality rates were based on the (PERS): PUB-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019 and (PFRS): PUB-2010 “Safety” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019.

Post-retirement health mortality rates were based on (Chapter 330 Retirees): PUB-2010 “Safety” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019. Other Retirees: PUB-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019.

Disability mortality was based on the PUB-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019 for PERS Future Disabled Retirees and Other Current Retirees. PFRS Future Disabled Retirees and Chapter 330 Current Retirees was based on PUB-2010 “Safety” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019.

Certain actuarial assumptions used in the June 30, 2018, valuation were based on the results of the pension plans’ experience studies for which the members are eligible for coverage under this Plan – The Police and Firemen Retirement System (PFRS) and the Public Employees Retirement System (PERS). The PFRS and PERS experience studies were prepared for the periods July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Bond index.

Detailed information about the pension plan’s fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report at: <http://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

Changes in the Total Net OPEB Liability reported by the State of New Jersey:

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 17: FINANCIAL INFORMATION RELATED TO GASB 75 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions (Continued)

Total OPEB Liability

Service Cost	\$ 666,574,660
Interest	636,082,461
Changes of Benefit Terms	(1903958)
Differences Between Expected and Actual Experience	(1,399,921,930)
Changes in Assumptions or Other Inputs	(1,635,760,217)
Benefit Payments	(470,179,613)
Contributions - Members	43,249,952
Net Change in OPEB Liability	(2,161,858,645)
Total OPEB Liability Beginning	15,981,103,227
Total OPEB Liability Ending	<u><u>\$ 13,819,244,582</u></u>

Plan Fiduciary Net Position

Contributions - Employer	\$ 346,415,056
Contributions - Non-Employer Contributing Entities	43,854,500
Contributions - Members	43,249,952
Net Investment Income	4,826,936
Benefit Payments	(470,179,613)
Administrative Expense	(9,478,435)
Net Change in Plan Fiduciary Net Position	(41,311,604)
Plan Fiduciary Net Position Beginning	314,485,086
Plan Fiduciary Net Position Ending	<u><u>\$ 273,173,482</u></u>

Net OPEB Liability Ending	<u><u>\$ 13,546,071,100</u></u>
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There were no changes in benefit terms during the year.

Differences Between Expected and Actual Experiences: The decrease in the liability from June 30, 2018 to June 30, 2019, is due to changes in the census, claims, and premiums experience.

Changes in Assumptions: The decrease in the liability from June 30, 2018 to June 30, 2019, is due to the combined effect of the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019, and changes in the trend, excise tax, updated decrements, PPO/HMO future retiree elections, salary scale, and mortality assumptions.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate: The following represents the collective net OPEB liability of the participating employers as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percent-point lower or 1-percent-point higher than the current rate.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 17: FINANCIAL INFORMATION RELATED TO GASB 75 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions (Continued)

	1% Decrease 2.50%	Current Rate 3.50%	1% Increase 4.50%
Net OPEB Liability	<u>\$ 15,662,704,137</u>	<u>\$ 13,546,071,100</u>	<u>\$ 11,826,026,995</u>

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate: The following presents the net OPEB liability as of June 30, 2019, as well as what the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease	Health Care Costs Trend Rate	1% Increase
Net OPEB Liability	<u>\$ 11,431,214,644</u>	<u>\$ 13,546,071,100</u>	<u>\$ 16,243,926,531</u>

OPEB Liability, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2019, the Township would have reported a liability of \$23,135,741 for its proportionate share of the net OPEB liability if New Jersey municipalities followed GAAP accounting principles. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Township's proportion of the net OPEB liability was based on a projection of the Township's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2019, the Township's proportion was .170793 percent.

For the year ended December 31, 2019, the Township would have recognized net OPEB expense of (\$786,685) if New Jersey municipalities followed GAAP accounting principles. The Township's deferred outflows of resources and deferred inflows of resources (which are not recorded) are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience		\$ 6,765,793
Differences Between Projected and Actual Investment Earnings	\$ 19,057	
Changes in Assumptions		8,198,792
Changes in Proportions		3,148,699
	<u>\$ 19,057</u>	<u>\$ 18,113,284</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 17: FINANCIAL INFORMATION RELATED TO GASB 75 FOR PUBLIC RETIREMENT SYSTEMS (CONTINUED)

OPEB Liability, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Year Ending	
2020	\$ (3,016,998)
2021	(3,016,998)
2022	(3,018,532)
2023	(3,021,019)
2024	(3,023,151)
Thereafter	(2,997,529)
	<u>\$ (18,094,227)</u>

Special Funding Situation

A special funding situation exists for some local employers of the Police and Firefighters Retirement System who do not pay for health benefits coverage for their retired employees. Under Chapter 330, P.L. 1997, certain retired local police officers and firefighters are eligible for enrollment in the State Health Benefits Program with part of the cost paid by the State. 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 State is treated as a nonemployer contributing entity. Since the local participating employer does not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report. The Township's proportionate share of the State's collective net OPEB liability is \$105,646.

NOTE 18: LABOR CONTRACTS

As of December 31, 2020, the Township's employees are organized in the following collective bargaining units:

Public Works Committee - Term of contract is January 1, 2017 through December 31, 2020.

PBA Local #122 - Term of contract is January 1, 2019 through December 31, 2023.

PBA Superior Officers - Term of contract is January 1, 2019 through December 31, 2024.

NOTE 19: SCHOOL TAXES

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the School District. In the Township's case, the amount of \$17,750,132.50 would be the maximum amount permitted to be deferred as of December 31, 2020, under these regulations. The Township has elected to defer school taxes as stated below.

Local School District Tax has been raised and liabilities deferred by statute, resulting in the school taxes payable set forth in the Current Fund liabilities as follows:

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 19: SCHOOL TAXES (CONTINUED)

	Balance Dec. 31, 2020	Balance Dec. 31, 2019
Local School Taxes:		
Balance of Tax	\$ 16,260,017.53	\$ 15,890,572.55
Deferred	13,540,017.68	13,540,017.68
Tax Payable	<u>\$ 2,719,999.85</u>	<u>\$ 2,350,554.87</u>

NOTE 20: LONG-TERM DEBT

Summary of Municipal Debt Service

Long-term debt as of December 31, 2020, consisted of the following:

	Year 2020	Year 2019	Year 2018
Bonds, Notes, and Loans Issued	\$ 87,067,963.42	\$ 95,921,918.19	\$ 102,880,250.47
Bonds and Notes Authorized But Not Issued	<u>8,581,391.50</u>	<u>8,621,944.50</u>	<u>519,694.50</u>
Net Bonds, Notes, and Loans Issued and Authorized But Not Issued	<u>\$ 95,649,354.92</u>	<u>\$ 104,543,862.69</u>	<u>\$ 103,399,944.97</u>

	Balance 12/31/2019	Increased	Retired/ Reduction	Balance 12/31/2020	Balance Due in One Year
Issued:					
General:					
Serial Bonds Payable	\$ 83,743,042.00	\$ 9,390,000.00	\$ 16,883,478.00	\$ 76,249,564.00	\$ 6,329,502.00
Utility:					
Serial Bonds Payable	6,237,958.00		602,522.00	5,635,436.00	630,498.00
Loans	4,540,918.19		757,954.77	3,782,963.42	762,515.07
Project Note Payable	1,400,000.00			1,400,000.00	
Authorized But Not Issued:					
General:					
Bonds and Notes	1,151,944.50		40,553.00	1,111,391.50	
Utility:					
Bonds and Notes	7,470,000.00			7,470,000.00	
	<u>\$ 104,543,862.69</u>	<u>\$ 9,390,000.00</u>	<u>\$ 18,284,507.77</u>	<u>\$ 95,649,354.92</u>	<u>\$ 7,722,515.07</u>

Permanently Funded Debt as of December 31, 2020, consisted of the following:

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 20: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

\$9,945,000.00 General Obligation Bonds dated October 2001, payable in annual installments through October 2027. Interest is paid semi-annually at a rate of 3.25% per annum. The balance remaining at December 31, 2020, was \$4,235,000.00.

\$8,298,673.00 General Obligation Refunding Bonds dated November 2012, payable in annual installments through September 2028. Interest is paid semi-annually at a rate of 2.00% - 4.00% per annum. The balance remaining at December 31, 2020, was \$3,831,000.00.

\$5,986,327.00 Utility Obligation Refunding Bonds dated November 2012, payable in annual installments through September 2028. Interest is paid semi-annually at a rate of 2.00% - 4.00% per annum. The balance remaining at December 31, 2020, was \$2,754,000.00.

\$50,776,834.00 General Obligation Refunding Bonds dated November 2014, payable in annual installments through September 2030. Interest is paid semi-annually at a rate of 3.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$38,315,104.00.

\$3,008,166.00 Utility Obligation Refunding Bonds dated November 2014, payable in annual installments through September 2030. Interest is paid semi-annually at a rate of 3.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$2,269,896.00.

\$14,040,223.00 General Obligation Refunding Bonds dated May 2017, payable in annual installments through July 2027. Interest is paid semi-annually at a rate of 4.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$11,568,460.00.

\$174,777.00 Utility Obligation Refunding Bonds dated May 2017, payable in annual installments through July 2022. Interest is paid semi-annually at a rate of 4.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$71,540.00.

\$690,000.00 NJ Environmental Infrastructure Loan dated November 2004, payable in annual installments through August 2024. Interest is paid semi-annually at a rate of 4.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$200,000.00.

\$711,288.00 NJ Environmental Infrastructure Loan dated November 2004, payable in semi-annual installments through August 2024. Interest is paid semi-annually at a rate of 4.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$146,611.31.

\$9,368,000.00 General Obligation Bonds dated March 2019, payable in annual installments through February 2032. Interest is paid semi-annually at a rate of 2.00% - 3.00% per annum. The balance remaining at December 31, 2020, was \$8,910,000.00.

\$568,000.00 Utility Obligation Bonds dated March 2019, payable in annual installments through February 2032. Interest is paid semi-annually at a rate of 2.00% - 3.00% per annum. The balance remaining at December 31, 2020, was \$540,000.00.

\$1,840,000.00 NJ Environmental Infrastructure Loan dated November 2004, payable in annual installments through August 2024. Interest is paid semi-annually at a rate of 4.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$395,000.00.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 20: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

\$2,672,058.00 NJ Environmental Infrastructure Loan dated November 2004, payable in semi-annual installments through August 2024. Interest is paid semi-annually at a rate of 4.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$196,539.45.

\$410,000.00 NJ Environmental Infrastructure Loan dated November 2007, payable in annual installments through August 2027. Interest is paid semi-annually at a rate of 4.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$190,000.00.

\$401,631.00 NJ Environmental Infrastructure Loan dated November 2007, payable in semi-annual installments through August 2027. Interest is paid semi-annually at a rate of 4.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$143,012.72.

\$3,045,000.00 NJ Environmental Infrastructure Loan dated November 2007, payable in annual installments through August 2027. Interest is paid semi-annually at a rate of 4.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$1,425,000.00.

\$9,390,000.00 General Obligation Refunding Bonds dated May 2020, payable in annual installments through July 2032. Interest is paid semi-annually at a rate of 3.00% - 4.00% per annum. The balance remaining at December 31, 2020, was \$9,390,000.00.

\$3,023,500.00 NJ Environmental Infrastructure Loan dated November 2007, payable in semi-annual installments through August 2027. Interest is paid semi-annually at a rate of 4.00% - 5.00% per annum. The balance remaining at December 31, 2020, was \$1,086,799.94.

**Schedule of Annual Debt Service for Principal and Interest For Bonded
Debt Issued and Outstanding**

Year Ended	Principal	Interest	Total
2021	7,722,515.07	3,198,361.26	\$ 10,920,876.33
2022	7,898,348.08	2,911,236.26	10,809,584.34
2023	7,786,116.52	2,571,248.76	10,357,365.28
2024	8,038,431.17	2,250,106.26	10,288,537.43
2025	8,238,690.57	1,913,206.25	10,151,896.82
2026-2030	40,083,862.01	4,995,418.75	45,079,280.76
2031-2032	5,900,000.00	299,775.00	6,199,775.00
	<u>\$ 85,667,963.42</u>	<u>\$ 18,139,352.54</u>	<u>\$ 103,807,315.96</u>

SUMMARY OF STATUTORY DEBT CONDITION

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 2.401%.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 20: LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt Service (Continued)

	Gross Debt	Deductions	Net Debt
Local School District Debt	\$ 11,720,000.00	\$ 11,720,000.00	
Water & Sewer Debt	18,288,399.42	18,288,399.42	
General Debt	77,360,954.37	20,725,188.90	\$ 56,635,765.47
	<u>\$ 107,369,353.79</u>	<u>\$ 50,733,588.32</u>	<u>\$ 56,635,765.47</u>

Net Debt \$56,635,765.47/Equalized Valuation Basis per NJSA 40A:2-2 as amended
\$2,359,079,066.67 = 2.401%.

Borrowing Power Under NJSA 40A:2-6 as Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 82,567,767.33
Net Debt	<u>56,635,765.47</u>
Remaining Borrowing Power	<u>\$ 25,932,001.86</u>

Calculation of "Self-Liquidating Purpose" Water & Sewer Utility per NJSA 40:2-45.

Cash Receipts from Fees, Rents, or Other Charges	\$ 14,095,288.26
Deductions:	
Operating and Maintenance Costs	\$ 10,097,880.81
Debt Service per Water and Sewer Account	<u>1,592,030.44</u>
	11,689,911.25
Deficit in Revenue	<u>\$ 2,405,377.01</u>

NOTE 21: PROJECT NOTE PAYABLE

During the year 2018, the Township passed a Resolution authorizing the submission of application to the New Jersey Infrastructure Trust to fund a project to construct, renovate, or replace Pump Stations. The application was reviewed and approved by the Trust. In anticipation of permanent financing, the Trust issued a short-term, interest free, subordinate project note in the amount of \$1,400,000.00 to temporarily finance the cost of the project. This note is expected to be permanently financed when the project is completed.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 22: OPERATING LEASES

The Township has a commitment to lease one copier with a term of 48 months. The monthly lease payment is \$272.09.

Future lease payments are as follows:

Year Ended	
December 31,	Payments
2021	<u>\$ 544.18</u>

NOTE 23: TAX ABATEMENT PROGRAMS

The Township entered into long-term tax abatement agreements (in excess of 5 year term) under the provisions of the New Jersey statutes as described below to promote and stimulate redevelopment and rehabilitation.

NJSA 40A:12A-1 et seq. "The Local Redevelopment and Housing Law" (LRHL), which designates "areas in need of redevelopment" as defined in the statute.

NJSA 40A:20-1 et seq. "Long Term Tax Exemption Law," which provides for long-term tax exemption for the LRHL designated areas.

The statutes were utilized by the Township to attract redevelopers. Additionally, in many, but not all of the agreements, the Township retained ownership of the land and charged a ground lease that mitigated the impact of the tax abatement.

For the fiscal year ended December 31, 2020, the Township abated property taxes totaling \$356,715.71, offset by ground leases in the amount of \$54,802.00, for a net effective tax abatement of \$356,715.71. The following agreements were in effect as of December 31, 2020, under the provisions of the aforementioned statutes:

- A 60.24% abatement (no ground lease) to a developer for construction and operation of an affordable housing project. The abatement amounted to \$62,914.61.
- An 86.50% abatement (no ground lease) to a developer for construction and operation of a low to moderate income 76-unit apartment complex for elderly residents and one resident manager. The abatement amounted to \$293,801.10.

NOTE 24: CONTINGENCIES

The Township participates in federal and state assisted grant programs. The Township is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

It is the Township of West Deptford Counsel's opinion that there exists no litigation or contingent liability that may be pending against the Township of West Deptford that would have an adverse effect on the financial position in the future.

TOWNSHIP OF WEST DEPTFORD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NOTE 25: JOINT VENTURES/SHARED SERVICES

On September 17, 2015, the Township of West Deptford entered into a joint venture agreement with the Borough of National Park to provide police services effective January 1, 2016.

On December 16, 2015, the Township of West Deptford entered into a joint venture agreement with the City of Woodbury to provide construction code enforcement services.

On December 7, 2016, the Township of West Deptford entered into a joint venture agreement with the West Deptford Board of Education to provide IT services effective December 7, 2016.

In 2019, the Township of West Deptford entered into a joint venture agreement with the Mantua Township to provide vehicle maintenance services effective January 1, 2019.

On May 4, 2020, the Township of West Deptford entered into a joint venture agreement with the Mantua Township to provide land use coordinator services effective May 4, 2020.

NOTE 26: SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2020 and June 14, 2021, the date that the financial statements were issued. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the collection of certain anticipated revenues, such as licenses, fees and permits, and municipal court fees. Other financial impact could occur though such potential impact is unknown at this time.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS
(GASB 68 & GASB 71)**

SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - PERS
Last Seven Fiscal Years

	Year Ended						
	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14
Township's Proportion of the Net Pension Liability (Asset)	0.0692377442%	0.0628903651%	0.0715933000%	0.0673934134%	0.0681993180%	0.0697519851%	0.0798331531%
Township's Proportionate Share of the Net Pension Liability (Asset)	\$ 11,290,865	\$ 11,331,890	\$ 14,096,364	\$ 15,688,109	\$ 20,198,682	\$ 15,657,923	\$ 14,946,950
Township's Covered-Employee Payroll	5,025,242	4,769,860	4,624,823	4,962,065	4,580,430	4,732,651	4,773,466
Township's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	224.68%	237.57%	304.80%	316.16%	440.98%	330.85%	313.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.59%	48.10%	40.14%	47.92%	52.08%
Measurement Date	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014

SCHEDULE OF TOWNSHIP CONTRIBUTIONS - PERS
Last Seven Fiscal Years

	Year Ended						
	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14
Contractually Required Contribution	\$ 611,738	\$ 712,122	\$ 624,328	\$ 605,873	\$ 599,680	\$ 658,133	\$ 620,394
Contributions in Relation to the Contractually Required Contribution	611,738	712,122	624,328	605,873	599,680	658,133	620,394
Contribution Deficiency (Excess)	None	None	None	None	None	None	None
Township's Covered-Employee Payroll	\$ 5,025,242	\$ 4,769,860	\$ 4,624,823	\$ 4,962,065	\$ 4,580,430	\$ 4,732,651	\$ 4,773,466
Contributions as a Percentage of Covered-Employee Payroll	12.17%	14.93%	13.50%	12.21%	13.09%	13.91%	13.00%
Measurement Date	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014

SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - PFRS
Last Seven Fiscal Years

	Year Ended						
	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14
Township's Proportion of the Net Pension Liability (Asset)	0.1122985795%	0.1153778611%	0.1176193052%	0.1159202942%	0.1092735978%	0.1070225868%	0.1116161341%
Township's Proportionate Share of the Net Pension Liability (Asset)	\$ 14,510,458	\$ 14,119,734	\$ 15,915,831	\$ 17,895,852	\$ 20,874,052	\$ 17,826,232	\$ 14,040,274
Township's Covered-Employee Payroll	3,994,645	3,869,538	3,932,006	3,788,839	3,714,130	3,407,833	3,384,014
Township's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	363.25%	364.89%	404.78%	472.33%	562.02%	523.10%	414.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.52%	64.99%	62.47%	58.60%	52.01%	56.30%	62.41%
Measurement Date	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014

SCHEDULE OF TOWNSHIP CONTRIBUTIONS - PFRS
Last Seven Fiscal Years

	Year Ended						
	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14
Contractually Required Contribution	\$ 1,165,444	\$ 1,149,902	\$ 1,025,916	\$ 890,952	\$ 869,934	\$ 857,289	\$ 774,685
Contributions in Relation to the Contractually Required Contribution	1,165,444	1,149,902	1,025,916	890,952	869,934	857,289	774,685
Contribution Deficiency (Excess)	None	None	None	None	None	None	None
Township's Covered-Employee Payroll	\$ 3,994,645	\$ 3,869,538	\$ 3,932,006	\$ 3,788,839	\$ 3,714,130	\$ 3,407,833	\$ 3,384,014
Contributions as a Percentage of Covered-Employee Payroll	29.18%	29.72%	26.09%	23.52%	23.42%	25.16%	22.89%
Measurement Date	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014

SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - PFRS
Special Funding Situation
Last Seven Fiscal Years

	Year Ended						
	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14
Township's Proportion of the Net Pension Liability (Asset)	0.1122985795%	0.1153778611%	0.1176193052%	0.1159202942%	0.1092735978%	0.1070225868%	0.1116161341%
Township's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,251,957	\$ 2,229,533	\$ 2,161,902	\$ 2,004,486	\$ 1,752,903	\$ 1,563,301	\$ 1,511,902
Township's Covered-Employee Payroll	3,994,645	3,869,538	3,932,006	3,788,839	3,714,130	3,407,833	3,384,014
Township's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	56.37%	57.62%	54.98%	52.91%	47.20%	45.87%	44.68%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.52%	64.99%	62.47%	58.60%	52.01%	56.30%	62.41%
Measurement Date	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014

The data in the above schedule represents the allocation of the State of New Jersey's obligation on behalf of the Township.

The Police & Firemen's Retirement System is a Cost-Sharing, Multi-Employer Defined Benefit Plan with a Special Funding Situation - 100% of the additional costs incurred by local employers under 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 201, P.L. 2001.

SCHEDULE OF TOWNSHIP CONTRIBUTIONS - PFRS
Special Funding Situation
Last Seven Fiscal Years

	Year Ended						
	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14
Contractually Required Contribution	\$ 173,287	\$ 150,224	\$ 128,037	\$ 100,233	\$ 67,166	\$ 81,378	\$ 62,778
Contributions in Relation to the Contractually Required Contribution	173,287	150,224	128,037	100,233	67,166	81,378	62,778
Contribution Deficiency (Excess)	None	None	None	None	None	None	None
Township's Covered-Employee Payroll	\$ 3,994,645	\$ 3,869,538	\$ 3,932,006	\$ 3,788,839	\$ 3,714,130	\$ 3,407,833	\$ 3,384,014
Contributions as a Percentage of Covered-Employee Payroll	4.34%	3.88%	3.26%	2.65%	1.81%	2.39%	1.86%
Measurement Date	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014

SUPPLEMENTARY INFORMATION

PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants
P.O. Box 279 • Glassboro, NJ 08028
(856) 881-1600

MEMBER: AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Nick L. Petroni, CPA, RMA

Mary A. Carey, RMA
Denise R. Nevico, CPA
Deanna L. Roller, CPA, RMA

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Independent Auditor's Report

Honorable Mayor and Members
of the Township Council
Township of West Deptford
400 Crown Point Road
West Deptford, NJ 08086

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the accompanying balance sheets - regulatory basis of the various funds and account group, the related statement of operations and changes in fund balance - regulatory basis, the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the Township of West Deptford, as of and for the year ended December 31, 2020, the related notes to the financial statements, which collectively comprise the Township of West Deptford's basic financial statements, and have issued our report thereon dated June 14, 2021, which contained an adverse opinion on those financial statements due to being presented in accordance with the New Jersey regulatory basis of accounting. The financial statements of the Length of Service Award Program (LOSAP) have not been audited, and we were not engaged to audit the LOSAP financial statements as part of the audit of the Township of West Deptford's financial statements.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented,

or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Purpose of this Report

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

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252

June 14, 2021

CURRENT FUND

SCHEDULE OF CURRENT FUND CASH - TREASURER

	Ref.	Current	Grants
Balance December 31, 2019	A	<u>\$ 14,163,065.49</u>	<u>\$ 143,038.39</u>
Increased by Receipts:			
Taxes Receivable	A-6	74,655,451.68	
Tax Title Liens	A-7	29,028.05	
Prepaid Taxes	A	710,119.45	
Tax Overpayments		81,496.64	
Payroll Taxes		5,236,238.25	
Grants Receivable	A-16		708,228.87
Revenue Accounts Receivable	A-10	9,667,169.16	
Due State of New Jersey - Senior Citizen and Veterans Deductions	A-9	189,250.00	
Due State of New Jersey Registrar Fees		2,275.00	
Construction DCA Fees		83,251.00	
Due County - PILOT		265,667.58	
Other Municipal Liens & Special Charges		6,256.35	
Due from Grant Fund	A-4	47,154.55	
Due Trust Other		15,190.39	
		<u>90,988,548.10</u>	<u>708,228.87</u>
		<u>105,151,613.59</u>	<u>851,267.26</u>
Decreased by Disbursements:			
Current Year Budget Appropriations	A-3	29,776,067.31	
Appropriation Reserves	A-11	868,669.32	
Encumbrances Payable	A-12	318,089.34	200,150.00
Reserve for Grants - Appropriated	A-17		596,140.01
Tax Overpayments		11,587.34	
County Taxes	A-6	16,825,441.90	
Due County Added & Omitted Taxes		39,681.67	
Local District School Tax	A-14	35,130,820.02	
Due County - PILOT		265,667.58	
Due Municipal Open Space	A-6	110,639.61	
Due State of New Jersey Registrar Fees		2,450.00	
Construction DCA Fees		87,681.00	
Reserve for Master Plan		3,757.75	
Prior Cash Year Refunds	A-1	1,126.66	
Payroll Taxes		5,230,228.96	
Due Current Fund	A-4		47,154.55
Due Utility Fund	D	1,046.45	
		<u>88,672,954.91</u>	<u>843,444.56</u>
Balance December 31, 2020	A	<u><u>\$ 16,478,658.68</u></u>	<u><u>\$ 7,822.70</u></u>

SCHEDULE OF CHANGE FUND

Balance December 31, 2019	Ref. A	<u>\$ 1,150.00</u>
Balance December 31, 2020	A	<u><u>\$ 1,150.00</u></u>

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2019	Levy	Added Taxes	Collected		Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2020
				2019	2020			
2017	\$ 23.08				\$ 23.08			
2018	269.10				266.65			\$ 2.45
2019	829,676.14		\$ 6,500.00		795,352.35	\$ 200.69	\$ 35,061.17	5,561.93
	829,968.32		6,500.00		795,642.08	200.69	35,061.17	5,564.38
2020		\$ 75,628,215.93		\$ 599,518.63	74,053,059.60	29,815.69	160,925.52	784,896.49
	<u>\$ 829,968.32</u>	<u>\$ 75,628,215.93</u>	<u>\$ 6,500.00</u>	<u>\$ 599,518.63</u>	<u>\$ 74,848,701.68</u>	<u>\$ 30,016.38</u>	<u>\$ 195,986.69</u>	<u>\$ 790,460.87</u>
Ref.	A						A-7	A
		Cash - Treasurer		Ref.				
		Due State of New Jersey		A-4	\$ 74,655,451.68			
				A-9	193,250.00			
					<u>\$ 74,848,701.68</u>			

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Analysis of Property Tax Levy

Tax Yield

General Purpose Tax:			
Business Personalty Tax	\$	162,096.14	
General Property Tax		75,283,866.92	
		<hr/>	
	\$	75,445,963.06	
Added Taxes (54:4-63.1 et seq.)		182,252.87	
		<hr/>	
	\$	75,628,215.93	
			<hr/> <hr/>

Tax Levied

	Ref.		
Local District School Tax (Abstract)	A-14	\$	35,500,265.00
County Taxes:			
County Tax (Abstract)		\$	15,868,961.50
Due County for Open Space			956,480.40
Due County for Added Taxes (54:4-63.1 et seq.)			40,689.54
Total County Taxes			16,866,131.44
Local Tax for Municipal Purposes	A-2	22,193,873.70	
Municipal Open Space	B	110,639.61	
Minimum Library Tax	A-2	799,778.35	
Add: Additional Taxes Levied		157,527.83	
		<hr/>	
		23,261,819.49	
		<hr/>	
		\$	75,628,215.93
			<hr/> <hr/>

EXHIBIT A-7

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

Balance December 31, 2019	Ref. A		\$ 2,047,698.80
Increased by:			
Transfers from Taxes Receivable	A-6	\$ 195,986.69	
Interest and Costs		<u>8,707.79</u>	
			<u>204,694.48</u>
			<u>2,252,393.28</u>
Decreased by:			
Cash Receipts	A-4	\$ 29,028.05	
Canceled		<u>6,104.15</u>	
			<u>35,132.20</u>
Balance December 31, 2020	A		<u><u>\$ 2,217,261.08</u></u>

EXHIBIT A-8

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

Balance December 31, 2019	Ref. A	<u>\$ 887,100.00</u>
Balance December 31, 2020	A	<u><u>\$ 887,100.00</u></u>

SCHEDULE OF AMOUNT DUE FROM STATE OF NEW JERSEY -
SENIOR CITIZEN AND VETERANS DEDUCTIONS

Balance December 31, 2019	Ref. A		\$ 29,736.24
Increased By:			
Current Year Deductions Per Tax Duplicate		\$ 196,500.00	
Current Year Deductions Allowed by Collector		1,000.00	
Current Year Deductions Disallowed by Collector		(4,250.00)	
			<u>193,250.00</u>
			222,986.24
Decreased by:			
Prior Year Deductions Disallowed by Collector		6,500.00	
Cash Receipts		189,250.00	
	A-4		<u>195,750.00</u>
Balance December 31, 2020	A		<u><u>\$ 27,236.24</u></u>

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2019	Accrued in 2020	Collected	Balance Dec. 31, 2020
Miscellaneous Revenue Anticipated				
Licenses:				
Alcoholic Beverages		\$ 20,550.00	\$ 20,550.00	
Fees and Permits		91,090.40	91,090.40	
Fines and Costs:				
Municipal Court	\$ 16,593.74	119,642.33	129,827.77	\$ 6,408.30
Interest and Costs on Taxes		199,767.06	199,767.06	
Interest on Investments and Deposits		139,591.00	139,591.00	
Energy Receipts Tax		2,009,240.99	2,009,240.99	
Borough of National Park Police		579,102.00	579,102.00	
City of Woodbury Construction Code Official		82,500.00	82,500.00	
Uniform Construction Code Fees		1,087,538.50	1,087,538.50	
Riverwinds Fees		689,641.06	689,641.06	
Uniform Fire Safety Act		145,529.74	145,529.74	
Franchise Fees - Cable Television		318,863.00	318,863.00	
Host Community Benefit Agreement		457,854.75	457,854.75	
Reserve for Tax Defeasance		87,386.26	87,386.26	
Payment in Lieu of Taxes		419,140.75	419,140.75	
Rental of Buildings & Grounds		373,771.18	373,771.18	
LS Power Pilot		1,661,642.57	1,661,642.57	
School Resource Officer		104,538.23	104,538.23	
NJMV Resource Officer		90,480.00	90,480.00	
Miscellaneous Revenue Not Anticipated				
Insurance Refunds		47,060.81	47,060.81	
Fuel Purchases		22,125.88	22,125.88	
Off Duty Administrative Fees		45,049.79	45,049.79	
Senior Citizen Administrative Fee		3,785.00	3,785.00	
Vacant Property Fees		84,250.00	84,250.00	
Rivergate Parking		19,832.00	19,832.00	
Shared Services - Mantua Zoning		14,731.50	14,731.50	
Shared Services - Wenonah Leaves		3,040.00	3,040.00	
Tax Abatements		560,726.41	560,726.41	
Dumpster Fees		11,500.00	11,500.00	
Tax Collector Fees & Penalties		9,025.94	9,025.94	
Property Maintenance Liens		6,256.35	6,256.35	
Miscellaneous		163,896.47	163,896.47	
	<u>\$ 16,593.74</u>	<u>\$ 9,669,149.97</u>	<u>\$ 9,679,335.41</u>	<u>\$ 6,408.30</u>
Ref.	A			A
		<u>Ref.</u>		
TTL & Premium Interest Due Current			5,909.90	
Property Maintenance Liens			6,256.35	
Cash Receipts		A-4	9,667,169.16	
			<u>9,679,335.41</u>	

SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2019	Balance After Transfers	Paid or Charged	From Grant Fund	Balance Lapsed
General Administration					
Salaries & Wages	\$ 8,339.49	\$ 8,339.49			\$ 8,339.49
Other Expenses	22,314.95	22,314.95	\$ 5,370.66		16,944.29
Mayor and Township Council					
Other Expenses	1,940.00	1,940.00			1,940.00
Municipal Clerk					
Salaries & Wages	1,624.54	1,624.54			1,624.54
Other Expenses	33,136.07	33,136.07	4,796.25		28,339.82
Financial Administration					
Salaries & Wages	6,773.55	6,773.55			6,773.55
Other Expenses	30,856.77	30,856.77	4,184.21		26,672.56
Audit Services					
Other Expenses	1,580.00	1,580.00			1,580.00
Computerized Data Processing					
Other Expenses	10,000.00	10,000.00			10,000.00
Revenue Administration (Tax Collection)					
Salaries & Wages	5,433.29	5,433.29			5,433.29
Other Expenses	15,735.92	15,735.92			15,735.92
Legal Services & Costs					
Other Expenses	132,125.06	132,125.06	103,176.81		28,948.25
Engineering Services & Costs					
Salaries & Wages	1.00	1.00			1.00
Other Expenses	89,921.35	89,921.35	65,206.82		24,714.53
Planning Board					
Salaries & Wages	697.26	697.26			697.26
Other Expenses	33,469.83	33,469.83	10,997.25		22,472.58
Zoning Board and Board of Adjustment					
Salaries & Wages	1,072.74	1,072.74			1,072.74
Other Expenses	830.75	830.75	42.00		788.75
Rental Control Commission					
Other Expenses	4,000.00	4,000.00			4,000.00
Liability Insurance	15,232.34	15,232.34			15,232.34
Workmen's Compensation Insurance	35,181.70	35,181.70			35,181.70
Group Plans for Employees	242,813.95	242,813.95	11,172.25		231,641.70
Police					
Salaries & Wages	59,589.47	59,589.47		\$ 45,000.00	104,589.47
Other Expenses	44,952.20	44,952.20	19,115.83		25,836.37
Emergency Management Services					
Salaries & Wages	704.16	704.16			704.16
Aid to Volunteer Fire Companies					
Other Expenses	36,201.64	36,201.64			36,201.64
Fire Department					
Salaries & Wages	582.73	582.73			582.73
Other Expenses	1,724.12	1,724.12			1,724.12
Road Repairs & Maintenance					
Salaries & Wages	18,100.89	18,100.89			18,100.89
Other Expenses	80,489.32	80,489.32	32,416.73		48,072.59
Snow Removal					
Salaries & Wages	42,194.73	42,194.73	42,194.73		
Other Expenses	34,812.36	34,812.36	34,812.36		
Other Public Works Functions (Leaf Collection)					
Salaries & Wages	6,429.73	6,429.73			6,429.73
Other Expenses	12,794.34	12,794.34			12,794.34
Solid Waste Collection					
Salaries & Wages	10,553.31	10,553.31			10,553.31
Other Expenses	104,034.10	104,034.10	5,776.97		98,257.13
Public Buildings & Grounds					
Other Expenses	2,537.86	2,537.86			2,537.86

SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2019	Balance After Transfers	Paid or Charged	From Grant Fund	Balance Lapsed
Vehicle Maintenance					
Other Expenses	39,241.95	39,241.95	10,614.35		28,627.60
Public Health Services (Board of Health)					
Other Expenses	5,000.00	5,000.00			5,000.00
Environmental Commission (40:56A et seq.)					
Other Expenses	1,967.65	1,967.65	1,967.65		
Animal Control Services					
Salaries & Wages	81.35	81.35			81.35
Commission of Disabled					
Other Expenses	16.72	16.72			16.72
Beautification Committee					
Salaries & Wages	1.00	1.00			1.00
Green Team Committee					
Salaries & Wages	1.00	1.00			1.00
Recreation Services & Programs					
Salaries & Wages	74,211.21	74,211.21	40,000.00		34,211.21
Other Expenses	58,988.37	58,988.37	2,699.95		56,288.42
Electricity	43,552.50	43,552.50	21,564.24		21,988.26
Street Lighting	33,517.82	33,517.82	22,686.51		10,831.31
Telephone	18,147.09	18,147.09	3,480.67		14,666.42
Fuel Oil		3,000.00	1,146.26		1,853.74
Telecommunications	1,550.00	1,550.00			1,550.00
Gasoline	42,797.45	42,797.45	6,102.66		36,694.79
Landfill/Solid Waste Disposal Costs					
Other Expenses	409,858.72	409,858.72	233,421.92		176,436.80
Municipal Court					
Salaries & Wages	32,168.69	32,168.69			32,168.69
Other Expenses	12,603.94	12,603.94	737.91		11,866.03
Public Defender					
Other Expenses	50.00	50.00			50.00
State Uniform Construction Code					
Construction Official					
Salaries & Wages	24,759.34	11,759.34			11,759.34
Other Expenses	29,964.52	29,964.52	590.29		29,374.23
Plumbing Sub-Code Official					
Salaries & Wages	879.94	5,879.94	5,000.00		879.94
Electrical Sub-Code Official					
Salaries & Wages	370.74	5,370.74	5,000.00		370.74
Housing Official					
Salaries & Wages	7,697.20	7,697.20			7,697.20
Other Expenses	74,190.92	74,190.92			74,190.92
Public Employees' Retirement System	69,310.45	69,310.45	4,945.35		64,365.10
Social Security System (OASI)	47,397.47	47,397.47			47,397.47
New Jersey Disability Insurance	1,642.41	1,642.41			1,642.41
Defined Compensation Retirement System	7,777.64	7,777.64			7,777.64
Length of Service Awards Program (P.L. 1997, c. 388)	80,000.00	80,000.00	42,550.00		37,450.00
Maintenance of Free Public Library					
Other Expenses	66,660.27	66,660.27	66,660.27		
Township of Mantua					
Other Expenses	14,389.95	14,389.95			14,389.95
Riverwinds					
Salaries and Wages	70,748.25	70,748.25			70,748.25
Other Expenses	232,910.93	232,910.93	60,238.42		172,672.51
	<u>\$ 2,651,237.01</u>	<u>\$ 2,651,237.01</u>	<u>\$ 868,669.32</u>	<u>\$ 45,000.00</u>	<u>\$ 1,827,567.69</u>
Ref.	A		A-4	A-17	A-1

SCHEDULE OF ENCUMBRANCES PAYABLE

	Ref.	Current	Grants
Balance December 31, 2019	A	<u>\$ 351,940.18</u>	<u>\$ 200,150.00</u>
Increased by:			
Charges to Current Year Appropriations	A-3:A-17	715,780.85	386,527.89
		<u>1,067,721.03</u>	<u>586,677.89</u>
Decreased by:			
Payments	A-4	318,089.34	200,150.00
Canceled	A-1	33,850.84	
		<u>351,940.18</u>	<u>200,150.00</u>
Balance December 31, 2020	A	<u><u>\$ 715,780.85</u></u>	<u><u>\$ 386,527.89</u></u>

SCHEDULE OF ACCOUNTS PAYABLE

Balance December 31, 2019	Ref. A	\$ 29,869.00
Decreased by:		
Cancelled	A-1	<u>29,869.00</u>

SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE

Balance December 31, 2019	Ref.		
School Tax Payable	A	\$ 2,350,554.87	
School Tax Deferred		<u>13,540,017.68</u>	
			\$ 15,890,572.55
Increased by:			
2020 Calendar Year School Levy	A-6		<u>35,500,265.00</u>
			51,390,837.55
Decreased by:			
Payments	A-4		<u>35,130,820.02</u>
Balance December 31, 2020	Ref.		
School Tax Payable	A	2,719,999.85	
School Tax Deferred		<u>13,540,017.68</u>	
			<u>\$ 16,260,017.53</u>
2020 Tax Liability for Local District School Tax:			
School Tax Payable December 31, 2019	A		\$ (2,350,554.87)
Tax Paid/Encumbered	A-14		35,130,820.02
School Tax Payable December 31, 2020	A		<u>2,719,999.85</u>
Amount Charged to 2020 Operations	A-1		<u>\$ 35,500,265.00</u>

SCHEDULE OF RESERVE FOR MASTER PLAN

Balance December 31, 2019	Ref. A	\$ 22,326.00
Decreased: Expenditures	A-4	<u>3,757.75</u>
Balance December 31, 2020	A	<u><u>\$ 18,568.25</u></u>

SCHEDULE OF GRANTS RECEIVABLE

	Balance Dec. 31, 2019	Budget Revenue Realized	Received	From Grants Unappropriated	Balance Dec. 31, 2020
Federal Grants:					
Bulletproof Vest Program	\$ 4,206.98				\$ 4,206.98
CDBG	100,000.00		\$ 100,000.00		
	<u>104,206.98</u>		<u>100,000.00</u>		<u>4,206.98</u>
State Grants:					
Clean Communities		\$ 43,137.74	43,137.74		
Municipal Alliance Youth Service	14,070.41	6,250.00	5,963.13		14,357.28
Recycling Tonnage Grant		64,192.55		\$ 64,192.55	
Body Armor	4,109.18		4,109.18		
Safe and Secure	25,000.00	60,000.00	55,000.00		30,000.00
NJ Transportation Trust	725,000.00	705,908.00	501,268.82		929,639.18
	<u>768,179.59</u>	<u>879,488.29</u>	<u>609,478.87</u>	<u>64,192.55</u>	<u>973,996.46</u>
	<u>\$ 872,386.57</u>	<u>\$ 879,488.29</u>	<u>\$ 709,478.87</u>	<u>\$ 64,192.55</u>	<u>\$ 978,203.44</u>
Ref.	A	A-2	A-4	A-18	A
		Due from Current Fund	\$ 1,250.00		
		Cash Received	<u>708,228.87</u>		
			<u>\$ 709,478.87</u>		

SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED

	Balance Dec. 31, 2019	Transferred from Budget Appropriation	Paid	Encumbered	From Appropriation Reserves	Balance Dec. 31, 2020
Federal Grants:						
Bulletproof Vest Program	\$ 4,206.98		\$ 1,745.92			\$ 2,461.06
CDBG	50,000.00		50,000.00			
	<u>54,206.98</u>		<u>51,745.92</u>			<u>2,461.06</u>
State Grants:						
Clean Communities	180,949.06	\$ 43,137.74	78,676.09	\$ 133.18		145,277.53
Municipal Alliance Youth Service	29,421.68	6,250.00	4,921.09			30,750.59
Recycling Tonnage Grant	365.20	64,192.55	7,223.10			57,334.65
Body Armor	8,528.96		1,745.92			6,783.04
Drunk Driving Enforcement	23,468.80		716.40			22,752.40
Safe and Secure	60,000.00	60,000.00	60,000.00		\$ 45,000.00	15,000.00
Municipal Court Alcohol Education	395.49					395.49
NJ Transportation Trust	391,591.69	705,908.00	391,111.49	386,394.71		319,993.49
	<u>694,720.88</u>	<u>879,488.29</u>	<u>544,394.09</u>	<u>386,527.89</u>	<u>45,000.00</u>	<u>598,287.19</u>
	<u>\$ 748,927.86</u>	<u>\$ 879,488.29</u>	<u>\$ 596,140.01</u>	<u>\$ 386,527.89</u>	<u>\$ 45,000.00</u>	<u>\$ 600,748.25</u>
Ref.	A	A-3	A-4	A-12	A-11	A

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

	Balance Dec. 31, 2019	Appropriated in Subsequent Budget
State Grants:		
Recycling Tonnage Grant	\$ 64,192.55	\$ 64,192.55
Ref.	A	A-16

SCHEDULE OF DEFERRED CHARGES

		Balance	Raised in	Balance
		Dec. 31, 2019	2020 Budget	Dec. 31, 2020
06/19/19	Preparation of a Master Plan	<u>\$ 40,000.00</u>	<u>\$ 8,000.00</u>	<u>\$ 32,000.00</u>
	Ref.	A	A-3	A

TRUST FUND

SCHEDULE OF TRUST FUND CASH - TREASURER

Balance December 31, 2019	Ref. B		\$ 3,432,018.39
Increased by Receipts:			
Interfund Receivable		\$ 2,403.38	
Dog License Fees:			
Municipal Share	B-2	2,641.80	
State Share		430.20	
Forfeited Funds	B-3	16,847.65	
Off-Duty Police Fees	B-3	274,105.91	
Tax Sale Premiums	B-3	429,216.45	
Tax Sale Redemptions	B-3	571,087.61	
Storm Recovery	B-3	90,651.31	
POAA Fees	B-3	8.00	
Public Defender Fees	B-3	3,418.00	
Street Openings	B-3	12,500.00	
Environmental Resources	B-3	1,967.65	
Community Donations - Police	B-3	5,433.00	
Municipal Open Space	B-3	112,999.42	
Affordable Housing	B-3	72,537.68	
Unemployment Trust	B-3	99,329.21	
Recreation	B-3	43,380.00	
Escrow Fees	B-3	239,857.22	
Interest Due Current		3,161.99	
			<u>1,981,976.48</u>
			<u>5,413,994.87</u>
Decreased by Disbursements:			
Interfund Payable	B-3	\$ 14,063.73	
Due to State of New Jersey		408.60	
Expenditures Under RS 4:19-15.11	B-2	2,182.00	
Escrow Fees	B-3	259,698.26	
Forfeited Funds	B-3	7,046.00	
Off-Duty Police Fees	B-3	253,513.76	
Tax Sale Premiums	B-3	396,400.00	
Tax Sale Redemptions	B-3	572,988.70	
Community Donations - Police	B-3	2,089.38	
Storm Recovery	B-3	23,527.85	
Street Opening	B-3	5,776.75	
Public Defender	B-3	450.00	
Environmental Resource	B-3	375.00	
Municipal Open Space	B-3	206,622.49	
Affordable Housing	B-3	12,568.75	
Unemployment Compensation	B-3	8,132.76	
Adopt a Bench	B-3	55.00	
Encumbrances Payable	B-4	27,450.00	
Interest Due Current		3,161.99	
			<u>1,796,511.02</u>
Balance December 31, 2020	B		<u>\$ 3,617,483.85</u>

SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

Balance December 31, 2019	Ref. B		\$ 6,420.20
Increased by:			
Municipal Share of Dog License Fees	B-1		2,641.80
			<u>9,062.00</u>
Decreased by:			
Expenditures Under RS 4:19-15.11	B-1	\$ 2,182.00	
Excess Fees due Current Fund		<u>483.80</u>	
			<u>2,665.80</u>
Balance December 31, 2020	B		<u><u>\$ 6,396.20</u></u>

License Fees Collected

Year	Amount
2018	\$ 3,044.00
2019	<u>3,352.20</u>
	<u><u>\$ 6,396.20</u></u>

EXHIBIT B-3

SCHEDULE OF MISCELLANEOUS TRUST RESERVES

	Balance Dec. 31, 2019	Receipts	Disbursements	Due to Current Fund	Encumbered	Balance Dec. 31, 2020
Tax Sale Redemption	\$ 28,982.53	\$ 571,087.61	\$ 572,988.70	\$ (290.07)		\$ 26,791.37
Tax Sale Premium	547,100.00	429,216.45	396,400.00	(3,216.45)		576,700.00
Open Space	270,045.39	112,999.42	206,622.49			176,422.32
Forfeited Funds	9,711.06	16,847.65	7,046.00			19,512.71
Storm Recovery	41,684.10	90,651.31	23,527.85		\$ 22,556.88	86,250.68
Accumulated Absences	46,000.00					46,000.00
POAA Fees	1,828.17	8.00				1,836.17
Street Opening	40,026.50	12,500.00	5,776.75			46,749.75
Affordable Housing	1,692,797.20	72,537.68	12,568.75			1,752,766.13
Drainage Basin	77,329.02					77,329.02
Police Off-Duty	52,682.40	274,105.91	253,513.76	(36,222.57)	37,051.98	
Public Defender	26,202.00	3,418.00	450.00			29,170.00
Unemployment Compensation	143,257.42	99,329.21	8,132.76		92,131.13	142,322.74
Mayor's Food & Holiday Drive	1,879.00					1,879.00
Developer's Escrow Fund	365,229.39	239,857.22	259,698.26		5,977.27	339,411.08
Uniform Fire Safety	1,615.75					1,615.75
Environmental Resources	9,312.00	1,967.65	375.00			10,904.65
Recreation	53,619.07	43,380.00				96,999.07
Community Donations - Police		5,433.00	2,089.38		3,037.00	306.62
Donations Field of Dreams	1,379.00					1,379.00
Donations Flag Pole	5,000.00					5,000.00
Donations Dante Finocchi Memorial	1,500.00					1,500.00
Adopt a Bench	200.00		55.00			145.00
	<u>\$ 3,417,380.00</u>	<u>\$ 1,973,339.11</u>	<u>\$ 1,749,244.70</u>	<u>\$ (39,729.09)</u>	<u>\$ 160,754.26</u>	<u>\$ 3,440,991.06</u>
Ref.	B	B-1	B-1		B-4	B

SCHEDULE OF ENCUMBRANCES PAYABLE

Balance December 31, 2019	Ref. B		\$ 30,372.83
Increased by Charges for:			
Developers Escrow	B-3	\$ 5,977.27	
Police O/S	B-3	37,051.98	
Storm Recovery	B-3	22,556.88	
Unemployment	B-3	92,131.13	
Community Police Donations	B-3	3,037.00	
			<u>160,754.26</u>
			191,127.09
Decreased by:			
Cash Disbursements	B-1		<u>27,450.00</u>
Balance December 31, 2020	B		<u><u>\$ 163,677.09</u></u>

GENERAL CAPITAL FUND

EXHIBIT C-2

SCHEDULE OF GENERAL CAPITAL CASH - TREASURER

Balance December 31, 2019	Ref. C		\$ 1,928,756.83
Increased by:			
Budget Appropriation			
Capital Improvement Fund	C-6	\$ 1,210,000.00	
Miscellaneous Receipts	C-3 :C-13	40,553.00	
Premium	C-3 :C-13	9,926.23	
			<u>1,260,479.23</u>
			3,189,236.06
Decreased by:			
Encumbrances Payable	C-10	420,863.43	
Improvement Authorizations	C-7	753,007.07	
			<u>1,173,870.50</u>
Balance December 31, 2020	C		<u>\$ 2,015,365.56</u>

ANALYSIS OF GENERAL CAPITAL FUND CASH

		Balance	Receipts	Disbursements		Transfers	Balance
		Dec. 31, 2019	Miscellaneous	Improvement Authorizations	Miscellaneous	To/(From)	Dec. 31, 2020
Due Current Fund			\$ 40,553.00			\$ (40,553.00)	
Capital Improvement Fund		\$ 205,929.52	1,210,000.00			(885,000.00)	\$ 530,929.52
Reserve for Down Payment on Improvements		36,302.00					36,302.00
Reserve for Payment of Debt Service - BANS		95,447.40					95,447.40
Reserve for Payment of Debt Service - Bonds		178,500.86	9,926.23				188,427.09
Encumbrances Payable		420,863.43			\$ 420,863.43	813,327.37	813,327.37
Fund Balance		81,860.88				38,158.35	120,019.23
Improvement Authorizations:							
Ordinance							
Number							
2008-09	Acquisition, Construction, Repair, and Installation of Various Capital Improvements	(576.06)				576.06	
2009-13	Acquisition, Construction, Repair, and Installation of Various Capital Improvements	(0.94)				0.94	
2012-07	Tax Appeal Refunding Issue	(479,717.50)				39,976.00	(439,741.50)
2018-04	Various Capital Improvements	13,470.97		\$ 7,970.00		(5,500.97)	
2018-10	RW Pool Resurfacing	7,978.16		1.00		(3,049.54)	4,927.62
2018-15	Various Capital Improvements	953,128.23		4,057.57			949,070.66
2019-04	Acq. Trash and Dump Trucks, Park Improvements	37,470.39		1,644.64		(35,825.75)	
2019-09	Roadway Improvements and DPW Equipment	66,002.20		22,138.12			43,864.08
2019-16	Storm Water Repairs & DPW Equipment	(137,549.00)		119,452.63		(262,728.00)	(519,729.63)
2019-22	Reappropriation Ordinance - Various Improvements	449,646.29		447,532.16		(2,114.13)	
2020-08	Various Roadway Improvements & Building Upgrades			148,515.45		236,636.67	88,121.22
2020-22	Little League Park Improvements			1,695.50		106,096.00	104,400.50
		<u>\$ 1,928,756.83</u>	<u>\$ 1,260,479.23</u>	<u>\$ 753,007.07</u>	<u>\$ 420,863.43</u>		<u>\$ 2,015,365.56</u>
Ref.		C-2	C-2	C-7	C-2		C-2

EXHIBIT C-4

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance December 31, 2019	Ref. C	\$ 83,743,042.00
Increased by:		
General Serial Bond Issuance	C-8	9,390,000.00
		<hr/> 93,133,042.00
Decreased by:		
Payments on General Serial Bonds	C-8	16,883,478.00
		<hr/> 16,883,478.00
Balance December 31, 2020	C	<hr/> <hr/> \$ 76,249,564.00

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance Number	Improvement Description	Balance Dec. 31, 2019	Funded By Budget Appropriation	Balance Dec. 31, 2020	Analysis of Balances Dec. 31, 2020	
					Expenditures	Unexpended Improvement Authorizations
2008-09	Acquisition, Construction, Repair, and Installation of Various Capital Improvements	\$ 576.06	\$ 576.06			
2009-13	Acquisition, Construction, Repair, and Installation of Various Capital Improvements	0.94	0.94			
2012-07	Tax Appeal Refunding	479,717.50	39,976.00	\$ 439,741.50	\$ 439,741.50	
2019-16	Storm Water Repairs & DPW Equipment	671,650.00		671,650.00	519,729.63	\$ 151,920.37
		<u>\$ 1,151,944.50</u>	<u>\$ 40,553.00</u>	<u>\$ 1,111,391.50</u>	<u>\$ 959,471.13</u>	<u>\$ 151,920.37</u>
	Ref.	C	C-9	C	C-3	C-7

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.		
Balance December 31, 2019	C	\$	205,929.52
Increased by:			
Budget Appropriation			<u>1,210,000.00</u>
			1,415,929.52
Decreased by:			
Roadway Improvements and DPW Infrastructure Upgrades	C-7	\$	325,000.00
Little League Park Improvements	C-7		<u>560,000.00</u>
			885,000.00
Balance December 31, 2020	C	\$	<u><u>530,929.52</u></u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Date	Amount	Balance December 31, 2019		2020 Authorizations	Canceled	Paid or Charged	Encumbrance	Balance December 31, 2020	
				Funded	Unfunded	Capital Improvement Fund				Funded	Unfunded
2018-04	Various Capital Improvements	2/21/2018	\$ 1,585,000.00	\$ 13,470.97			\$ 218.47	\$ 7,970.00	\$ 5,282.50		
2018-10	Pool Improvements	7/2/2018	250,000.00	7,978.16				1.00	3,049.54	\$ 4,927.62	
2018-15	Various Capital Improvements - Riverwinds	9/19/2018	1,926,000.00	953,128.23				4,057.57		949,070.66	
2019-04	Acq Trash and Dump Trucks, Park Improvements	2/6/2019	650,000.00	37,470.39			35,825.75	1,644.64			
2019-09	Roadway Improvements and DPW Equipment	6/19/2019	290,000.00	66,002.20				22,138.12		43,864.08	
2019-16	Storm Water Repairs & DPW Equipment	9/18/2019	707,000.00		\$ 534,101.00			119,452.63	262,728.00		\$ 151,920.37
2019-22	Reappropriation Ordinance - Various Improvements	12/4/2019	449,646.29	449,646.29			2,114.13	447,532.16			
2020-08	Various Roadway Improvements & Building Upgrades	7/15/2020	325,000.00			\$ 325,000.00		148,515.45	88,363.33	88,121.22	
2020-22	Little League Park Improvements	12/16/2020	560,000.00			560,000.00		1,695.50	453,904.00	104,400.50	
				<u>\$ 1,527,696.24</u>	<u>\$ 534,101.00</u>	<u>\$ 885,000.00</u>	<u>\$ 38,158.35</u>	<u>\$ 753,007.07</u>	<u>\$ 813,327.37</u>	<u>\$ 1,190,384.08</u>	<u>\$ 151,920.37</u>
Ref.				C	C	C-6	C-9	C-2	C-11	C	C

SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2020		Interest Rate	Balance Dec. 31, 2019	Increased	Decreased	Balance Dec. 31, 2020
			Date	Amount					
Golf Course	10/01/01	\$ 9,945,000.00	10/1/2021	\$ 510,000.00	3.25%				
			10/1/2022	540,000.00	3.25%				
			10/1/2023	570,000.00	3.25%				
			10/1/2024	600,000.00	3.25%				
			10/1/2025	635,000.00	3.25%				
			10/1/2026	670,000.00	3.25%				
			10/1/2027	710,000.00	3.25%	\$ 4,720,000.00		\$ 485,000.00	\$ 4,235,000.00
General Obligation Refunding Bonds, Series 2012	08/21/12	30,930,000.00	7/1/2028	1,995,000.00	3.25%				
			7/1/2029	2,070,000.00	3.25%				
			7/1/2030	2,170,000.00	3.38%				
			7/1/2031	2,230,000.00	3.38%				
			7/1/2032	2,335,000.00	3.50%	10,800,000.00		10,800,000.00	
General Obligation Refunding Bonds, Series 2012, Series B	11/20/12	8,298,673.00	9/1/2021	456,000.00	2.00%				
			9/1/2021	58,000.00	4.00%				
			9/1/2022	334,000.00	2.25%				
			9/1/2022	174,000.00	4.00%				
			9/1/2023	499,000.00	2.30%				
			9/1/2024	485,000.00	2.50%				
			9/1/2025	475,000.00	2.50%				
			9/1/2026	465,000.00	2.50%				
			9/1/2027	450,000.00	2.75%				
			9/1/2028	435,000.00	2.75%	4,333,000.00		502,000.00	3,831,000.00
General Obligation Refunding Bonds, Series 2014	11/13/14	50,776,834.00	9/1/2021	3,101,272.00	4.00%				
			9/1/2022	3,233,442.00	5.00%				
			9/1/2023	3,403,374.00	5.00%				
			9/1/2024	3,582,748.00	5.00%				
			9/1/2025	3,771,562.00	5.00%				
			9/1/2026	3,965,096.00	3.00%				
			9/1/2027	4,092,546.00	3.00%				
			9/1/2028	4,219,995.00	4.00%				
			9/1/2029	4,399,369.00	3.125%				
			9/1/2030	4,545,700.00	3.250%	41,288,926.00		2,973,822.00	38,315,104.00
General Obligation Refunding Bonds, Series 2017	05/18/17	14,040,223.00	7/1/2021	1,734,230.00	5.00%				
			7/1/2022	1,799,230.00	5.00%				
			7/1/2023	1,485,000.00	5.00%				
			7/1/2024	1,555,000.00	5.00%				
			7/1/2025	1,595,000.00	5.00%				
			7/1/2026	1,675,000.00	5.00%				
			7/1/2027	1,725,000.00	5.00%	13,233,116.00		1,664,656.00	11,568,460.00

SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2019	Increased	Decreased	Balance Dec. 31, 2020
			Outstanding December 31, 2020						
			Date	Amount					
General Obligation Bonds, Series 2019	03/26/19	9,368,000.00	2/15/2021	470,000.00	2.00%				
			2/15/2022	470,000.00	2.00%				
			2/15/2023	700,000.00	2.00%				
			2/15/2024	715,000.00	2.00%				
			2/15/2025	735,000.00	2.25%				
			2/15/2026	760,000.00	2.25%				
			2/15/2027	780,000.00	3.00%				
			2/15/2028	805,000.00	3.00%				
			2/15/2029	830,000.00	3.00%				
			2/15/2030	855,000.00	3.00%				
			2/15/2031	880,000.00	3.00%				
			2/15/2032	910,000.00	3.00%	9,368,000.00		458,000.00	8,910,000.00
General Obligation Refunding Bonds, Series 2020	05/05/20	9,390,000.00	7/1/2028	1,720,000.00	3.00%				
			7/1/2029	1,780,000.00	4.00%				
			7/1/2030	1,885,000.00	4.00%				
			7/1/2031	1,950,000.00	4.00%				
			7/1/2032	2,055,000.00	4.00%		\$ 9,390,000.00		9,390,000.00
						\$ 83,743,042.00	\$ 9,390,000.00	\$ 16,883,478.00	\$ 76,249,564.00
Ref.						C		C-4	C

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2019	Funded by Budget Appropriation	Balance Dec. 31, 2020
2008-09	Acquisition, Construction, Repair, and Installation of Various Capital Improvements	\$ 576.06	\$ 576.06	
2009-13	Acquisition, Construction, Repair, and Installation of Various Capital Improvements	0.94	0.94	
2012-07	Tax Appeal Refunding	479,717.50	39,976.00	\$ 439,741.50
2019-16	Storm Water Repairs & DPW Equipment	671,650.00		671,650.00
		<u>\$ 1,151,944.50</u>	<u>\$ 40,553.00</u>	<u>\$ 1,111,391.50</u>
	Ref.		A-3	

SCHEDULE OF ENCUMBRANCES PAYABLE

	Ref.	
Balance December 31, 2019	C	\$ 420,863.43
Increased by:		
Charges to Improvement Authorizations	C-7	<u>813,327.37</u>
		1,234,190.80
Decreased by:		
Payments	C-2	<u>420,863.43</u>
Balance December 31, 2020	C	<u><u>\$ 813,327.37</u></u>

EXHIBIT C-11

SCHEDULE OF RESERVE FOR DOWN PAYMENTS ON IMPROVEMENTS

	Ref.	
Balance December 31, 2019	C	\$ 36,302.00
		<hr/>
Balance December 31, 2020	C	\$ 36,302.00
		<hr/> <hr/>

EXHIBIT C-12

SCHEDULE OF RESERVE TO PAY DEBT SERVICES - BANS

	Ref.	
Balance December 31, 2019	C	\$ 95,447.40
		<hr/>
Balance December 31, 2020	C	\$ 95,447.40
		<hr/> <hr/>

EXHIBIT C-13

SCHEDULE OF RESERVE TO PAY DEBT SERVICES - BONDS

Balance December 31, 2019	Ref. C	\$ 178,500.86
Add: Premium	C-2	<u>9,926.23</u>
Balance December 31, 2020	C	<u><u>\$ 188,427.09</u></u>

WATER AND SEWER UTILITY FUND

EXHIBIT D-5

SCHEDULE OF WATER AND SEWER UTILITY FUND CASH

	Ref.	Operating	Capital
Balance December 31, 2019	D	<u>\$ 3,262,545.15</u>	<u>\$ (394,883.31)</u>
Increased by:			
Consumer Accounts Receivable	D-7	12,514,640.12	
Capital Improvements Fund	D-14		600,000.00
Miscellaneous Revenues	D-3	166,062.11	
Due Current		1,046.45	
Other Revenues	D-19:D-21		812,841.80
Utility Rent Overpayments	D	27,376.80	
		<u>12,709,125.48</u>	<u>1,412,841.80</u>
		<u>15,971,670.63</u>	<u>1,017,958.49</u>
Decreased by:			
Budget Appropriations	D-4	10,649,444.83	
Appropriation Reserves	D-11	149,237.56	
Encumbrances Payable	D-12	79,441.04	627,351.93
Accrued Interest Paid	D-13	246,279.47	
Improvement Authorizations	D-16		599.50
Miscellaneous Refunds	D-1	1,394.87	
		<u>11,125,797.77</u>	<u>627,951.43</u>
Balance December 31, 2020	D	<u><u>\$ 4,845,872.86</u></u>	<u><u>\$ 390,007.06</u></u>

ANALYSIS OF WATER AND SEWER UTILITY CAPITAL FUND CASH

		Receipts		Disbursements			
		Balance Dec. 31, 2019	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers (From)/To	Balance Dec. 31, 2020
Fund Balance		\$ 41,846.32					\$ 41,846.32
Capital Improvement Fund		13,087.38	\$ 600,000.00				613,087.38
Encumbrances Payable		888,325.55			\$ 627,351.93	\$ 161,001.81	421,975.43
Down Payment on Improvements		16,250.00					16,250.00
Reserve for Debt Payment		33,996.63	526,243.80			40,316.24	600,556.67
Note Receivable		(479,902.00)	286,598.00				(193,304.00)
Improvement Authorizations:							
Ordinance							
Number							
2005-14	Various Capital Improvements	14,006.40				(14,006.40)	
2016-11	Extension of Water System	25,697.34		\$ 599.50		(25,097.84)	
2017-03	Sewer Utility Improvements	35,329.10				8,000.00	43,329.10
2017-05	Kings Highway Water Waterline	1,212.00				(1,212.00)	
2019-11	Various Water & Sewer Impr's	(984,732.03)				(169,001.81)	(1,153,733.84)
		<u>\$ (394,883.31)</u>	<u>\$ 1,412,841.80</u>	<u>\$ 599.50</u>	<u>\$ 627,351.93</u>		<u>\$ 390,007.06</u>
Ref.		D	D-5	D-16	D-5		D

EXHIBIT D-7

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance December 31, 2019	Ref. D		\$ 1,720,099.29
Increased by:			
Utility Rents Levied			12,451,723.24
			<u>14,171,822.53</u>
Decreased by:			
Collections	D-5	\$ 12,514,640.12	
Overpayments Applied	D-3	24,183.22	
Transfer to Liens	D-8	928.07	
Canceled		256,876.60	
		<u></u>	12,796,628.01
Balance December 31, 2020	D		<u><u>\$ 1,375,194.52</u></u>

EXHIBIT D-8

SCHEDULE OF UTILITY LIENS RECEIVABLE

Balance December 31, 2019	Ref. D		<u>\$ 12,691.84</u>
Increased by:			
Transfer from Consumer Accounts Receivable	D-7	928.07	
Interest and Costs on Sale		66.64	
		<u></u>	994.71
Balance December 31, 2020	D		<u><u>\$ 13,686.55</u></u>

SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2019	Additions	Balance Dec. 31, 2020
Wells	\$ 147,627.70		\$ 147,627.70
Pumping and Storage Facilities	194,841.06	\$ 222,915.00	417,756.06
Land for Administration Building	9,414.17		9,414.17
Distribution Mains and Accessories	11,543,476.31	23,026.00	11,566,502.31
Attendant Improvements	171,691.12		171,691.12
Construction of New Wells	839,809.28		839,809.28
Attendant Improvements	786,159.21		786,159.21
Improvements to Water Supply and Distribution System	37,374,327.53	703,801.16	38,078,128.69
Improvements Along Waterfront	1,997,720.00		1,997,720.00
Improvements to Kings Highway	85,178.91		85,178.91
Meters and Fittings	1,095,859.34		1,095,859.34
Sewer System	4,213,250.16		4,213,250.16
Office Machinery and Equipment	246,139.63	10,107.18	256,246.81
Trucks	297,001.86	34,170.96	331,172.82
Miscellaneous	546,808.57	30,387.90	577,196.47
	<u>\$ 59,549,304.85</u>	<u>\$ 1,024,408.20</u>	<u>\$ 60,573,713.05</u>
Ref.	D	D-10:D-15	D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Purpose	Ordinance		Balance	Costs to	Authorization	Balance
		Date	Amount	Dec. 31, 2019	Fixed Capital	Canceled	Dec. 31, 2020
2015-14	Various Capital Improvements	07/27/15	\$ 323,635.40	\$ 323,635.40	\$ 309,629.00	\$ 14,006.40	
2016-11	Extension of Township Water System	05/18/16	350,000.00	350,000.00	324,902.16	25,097.84	
2017-03	Sewer Utility Improvements	04/05/17	1,400,000.00	1,400,000.00			\$ 1,400,000.00
2017-05	Kings Highway Water Waterline	04/05/17	70,482.00	70,482.00	69,270.00	1,212.00	
2019-11	Various Water & Sewer Impr's	06/19/19	7,550,000.00	7,550,000.00			7,550,000.00
				<u>\$ 9,694,117.40</u>	<u>\$ 703,801.16</u>	<u>\$ 40,316.24</u>	<u>\$ 8,950,000.00</u>
			Ref.	D	D-9	D-16	D

SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2019	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 66,838.60	\$ 66,838.60		\$ 66,838.60
Other Expenses	1,256,916.29	1,256,916.29	\$ 149,237.56	1,107,678.73
Capital Improvements:				
Capital Outlay	947.82	947.82		947.82
Statutory Expenditures:				
Public Employees' Retirement System	2.00	2.00		2.00
Social Security System (OASI)	10,058.29	10,058.29		10,058.29
	<u>\$ 1,334,763.00</u>	<u>\$ 1,334,763.00</u>	<u>\$ 149,237.56</u>	<u>\$ 1,185,525.44</u>
Ref.	D		D-5	D-1

SCHEDULE OF ENCUMBRANCES PAYABLE

	Ref.	Operating Fund	Capital Fund
Balance December 31, 2019	D	<u>\$ 79,441.04</u>	<u>\$ 888,325.55</u>
Increased by:			
Charges to:			
Current Appropriations	D-4	299,771.33	
Improvement Authorizations	D-16		421,975.43
		<u>379,212.37</u>	<u>1,310,300.98</u>
Decreased by:			
Canceled	D-1		260,973.62
Payments	D-5	79,441.04	627,351.93
Balance December 31, 2020	D	<u><u>\$ 299,771.33</u></u>	<u><u>\$ 421,975.43</u></u>

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
AND ANALYSIS OF BALANCE

	Ref.	NJEIT Loans	Bonds
Balance December 31, 2019	D	\$ 46,931.96	\$ 70,592.33
Increased by:			
Budget Appropriation for:			
Interest on Bonds and Notes	D-4	41,133.17	190,420.50
		<u>88,065.13</u>	<u>261,012.83</u>
Decreased by:			
Interest Paid	D-5	45,623.98	200,655.49
Balance December 31, 2020	D	<u>\$ 42,441.15</u>	<u>\$ 60,357.34</u>

Analysis of Accrued Interest December 31, 2020

Serial Bonds		Payment Due	From	To	Period	Amount
2012 Bonds		\$ 34,994.00	9/01/2020	12/31/2020	4 Months	\$ 23,329.33
2014 Bonds		45,005.36	9/01/2020	12/31/2020	4 Months	30,003.57
2017 Bonds		1,788.50	7/01/2020	12/31/2020	6 Months	1,788.50
2019 Bonds		6,981.25	8/15/2020	12/31/2020	4.5 Months	5,235.94
						<u>\$ 60,357.34</u>
NJEIT						
2004A Clean Water		\$ 9,706.25	8/1/2020	12/31/2020	5 Months	\$ 8,088.54
2004A Drinking Water		4,460.63	8/1/2020	12/31/2020	5 Months	3,717.19
2007A Clean Water		32,431.25	8/1/2020	12/31/2020	5 Months	27,026.04
2007A Drinking Water		4,331.25	8/1/2020	12/31/2020	5 Months	3,609.38
						<u>\$ 42,441.15</u>
Notes						

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2019	Ref. D	\$ 13,087.38
Increased by:		
Budget Appropriation	D-4	<u>600,000.00</u>
Balance December 31, 2020	D	<u><u>\$ 613,087.38</u></u>

SCHEDULE OF RESERVE FOR AMORTIZATION

Balance December 31, 2019	Ref. D		\$ 49,594,546.06
Increased by:			
Serial Bonds Paid by Operating Budget	D-17	\$ 602,522.00	
NJ Wastewater Loans Paid by Operating Budget	D-18	757,954.77	
Payments in Capital Outlay	D-9	320,607.04	
			<u>1,681,083.81</u>
			51,275,629.87
Decreased by:			
Canceled Capital Improvement Authorizations	D-16		<u>40,316.24</u>
Balance December 31, 2020	D		<u><u>\$ 51,235,313.63</u></u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Purpose	Date	Amount	Balance Dec. 31, 2019		Encumbrance Canceled	Paid or Charged	Encumbered	Canceled	Balance Dec. 31, 2020	
				Funded	Unfunded					Funded	Unfunded
2015-14	Various Capital Improvements	07/27/15	\$ 323,635.40	\$ 14,006.40					\$ 14,006.40		
2016-11	Extension of Water System	05/18/16	350,000.00	25,697.34			\$ 599.50		25,097.84		
2017-03	Sewer Utility Improvements	04/05/17	1,400,000.00	35,329.10		\$ 35,797.01		\$ 27,797.01		\$ 43,329.10	
2017-05	Kings Highway Water Waterline	04/05/17	70,482.00	1,212.00					1,212.00		
2019-11	Various Water & Sewer Impr's	06/19/19	7,550,000.00		\$ 6,485,267.97	225,176.61		394,178.42			\$ 6,316,266.16
				\$ 76,244.84	\$ 6,485,267.97	\$ 260,973.62	\$ 599.50	\$ 421,975.43	\$ 40,316.24	\$ 43,329.10	\$ 6,316,266.16
		Ref.		D	D	D-12	D-5	D-12	D-10	D	D

SCHEDULE OF WATER AND SEWER CAPITAL SERIAL BONDS PAYABLE

Date of Issue	Purpose	Original Issue	Maturities of Bonds Outstanding December 31, 2020		Interest Rate	Balance Dec. 31, 2019	Decreased	Balance Dec. 31, 2020
			Date	Amount				
11/20/12	Refunding Bonds of 2012	\$ 5,986,327.00	9/1/21	371,000.00	2% & 4%			
			9/1/22	367,000.00	2% & 4%			
			9/1/23	361,000.00	2.30%			
			9/1/24	350,000.00	2.50%			
			9/1/25	340,000.00	2.50%			
			9/1/26	330,000.00	2.50%			
			9/1/27	320,000.00	2.75%			
			9/1/28	315,000.00	2.75%	\$ 3,117,000.00	\$ 363,000.00	\$ 2,754,000.00
11/13/14	Refunding Bonds of 2014	3,008,166.00	9/1/21	183,728.00	4.00%			
			9/1/22	191,558.00	5.00%			
			9/1/23	201,626.00	5.00%			
			9/1/24	212,252.00	5.00%			
			9/1/25	223,438.00	5.00%			
			9/1/26	234,904.00	3.00%			
			9/1/27	242,454.00	3.00%			
			9/1/28	250,005.00	4.00%			
			9/1/29	260,631.00	3.125%			
			9/1/30	269,300.00	3.25%	2,446,074.00	176,178.00	2,269,896.00
05/18/17	Refunding Bonds of 2017	174,777.00	7/1/21	35,770.00	5.00%			
			7/1/22	35,770.00	5.00%	106,884.00	35,344.00	71,540.00
03/26/19	General Obligation Bonds of 2019	568,000.00	2/15/21	40,000.00	2.00%			
			2/15/22	40,000.00	2.00%			
			2/15/23	40,000.00	2.00%			
			2/15/24	40,000.00	2.00%			
			2/15/25	40,000.00	2.25%			
			2/15/26	45,000.00	2.25%			
			2/15/27	45,000.00	3.00%			
			2/15/28	45,000.00	3.00%			
			2/15/29	50,000.00	3.00%			
			2/15/30	50,000.00	3.00%			
			2/15/31	50,000.00	3.00%			
			2/15/32	55,000.00	3.00%	568,000.00	28,000.00	540,000.00
						<u>\$ 6,237,958.00</u>	<u>\$ 602,522.00</u>	<u>\$ 5,635,436.00</u>
					Ref.	D	D-15	D

SCHEDULE OF NEW JERSEY WASTEWATER LOANS PAYABLE

Balance December 31, 2019	Ref. D	\$ 4,540,918.19
Decreased by:		
NJ Wastewater Loans Paid by Operating Budget	D-15	<u>757,954.77</u>
Balance December 31, 2020	D	<u>\$ 3,782,963.42</u>

EXHIBIT D-19

SCHEDULE OF RESERVE FOR DEBT SERVICE

Balance December 31, 2019	Ref. D		\$ 33,996.63
Increased by:			
NJ DEP Reimbursement - Potable Wells		\$526,243.80	
Premiums		40,316.24	
	D-5	<u> </u>	<u>566,560.04</u>
Balance December 31, 2020	D		<u><u>\$ 600,556.67</u></u>

EXHIBIT D-20

SCHEDULE OF RESERVE FOR DOWN PAYMENTS ON IMPROVEMENTS

Balance December 31, 2019	Ref. D		<u>\$ 16,250.00</u>
Balance December 31, 2020	D		<u><u>\$ 16,250.00</u></u>

SCHEDULE OF NOTE RECEIVABLE

	Ref.	
Balance December 31, 2019	D	\$ 479,902.00
Decreased by:		
Receipts	D-5	<u>286,598.00</u>
Balance December 31, 2020	D	<u><u>\$ 193,304.00</u></u>

SCHEDULE OF NOTES PAYABLE

Ordinance Number	Purpose	Balance Dec. 31, 2019	Balance Dec. 31, 2020
2017-3	Sewer Utility Improvements	\$ 1,400,000.00	\$ 1,400,000.00
	Ref.	D	D

SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Purpose	Balance Dec. 31, 2019	Balance Dec. 31, 2020
2019-11 Part 1	Town-wide Meter Replacement	\$ 3,250,000.00	\$ 3,250,000.00
2019-11 Part 2	Jessup Tank Rehabilitation	3,200,000.00	3,200,000.00
2019-11 Part 3	Water Main Extension	1,020,000.00	1,020,000.00
		<u>\$ 7,470,000.00</u>	<u>\$ 7,470,000.00</u>

PART II

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2020

GENERAL COMMENTS

Contracts and Agreements Required to be Advertised for NJSA 40A:11-4

NJSA 40A:11-4 states "Every contract or agreement awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law."

The governing body of the Township has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertisement for various items including:

- Riverwinds Outdoor Light Fixtures
- Water Meters
- Mid-Atlantic Parkway Resurfacing
- Resurfacing of Storrie Ave and Snyder Avenue
- Budd & Lavenham Storm Drainage Improvements
- Grandview Pump Station Improvements
- ADA Improvements for Oakland Road at Red Bank Avenue
- Red Bank Court and Linda Lane Roadway Improvements
- Jessup Road Improvements Phase 2
- Drainage Improvements on Garrett Ave to Lewis Ave
- Mid-Atlantic Parkway Resurfacing Phase 2
- Removal of Field Lights at the Marty Gray Field
- Removal of Field Lights at Little League Complex
- Steam Boiler Replacement Project
- Vinyl Fence Installation

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per NJSA 40A:11.5.

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

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

NJSA 40A:11-6.1 requires that at least two competitive quotations be obtained for all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount.

Collection of Interest on Delinquent Taxes and Assessments

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

Collection of Interest on Delinquent Taxes and Assessments (Continued)

The governing body on January 1, 2020, adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, RS 54:4-67 provides that the governing body of the municipality may fix a rate of interest to be charged for nonpayment of taxes, assessments, or other municipal liens or charges, unless otherwise provided by law, on or before the date when they would become delinquent subject to any abatements and discount for the late payment of taxes or assessments as provided by law and may provide that no interest shall be charged if a payment on an installment is made within the tenth calendar day following the date upon which same became payable; and

WHEREAS, the said statute provides that the rate so fixed by the governing body shall not exceed 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00, to be calculated from the date the tax was payable until the date of actual payment; and

WHEREAS, the said statute further provides that the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00, if the taxpayer fails to pay that delinquency prior to the end of the calendar year and that said penalty shall not exceed 6% of the amount of the delinquency, payment must be received by the Township prior to year-end to avoid penalty; and

WHEREAS, the West Deptford Township Committee deems it to be in the interest of the township to impose the maximum rate of interest and penalty of delinquent taxes and assessments; and

WHEREAS, the statutes of the State of New Jersey, expressly NJSA et. seq., provide for the enforcement and collection of such delinquencies through a tax lien sale; and

WHEREAS, the Tax Collector is empowered by statute to conduct and preside over the sale of liens;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to NJSA. 54:4-67 the West Deptford Township Committee hereby fixes a rate of interest to be charged for nonpayment of taxes assessments or other municipal liens or charges, unless otherwise provided by law on or before the date when they would become delinquent, at 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00, to be calculated from the date that the tax was payable until the date that the actual payment is received by the Township. A penalty shall be charged to a taxpayer with delinquency in excess of \$10,000.00 who fails to pay the delinquency prior to the end of the calendar year. The penalty so fixed shall be 6% of the amount of the delinquency as provided by NJSA 54:4-67; payment must be received by the Township prior to year-end to avoid the penalty

It appears from an examination of the collector's records that interest was collected in accordance with the statutes.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on October 7, 2020, and was complete.

Delinquent Taxes and Tax Title Liens (Continued)

The following comparison is made of the number of tax title liens receivable on December 31 of the current and previous two years.

<u>Year</u>	<u>Number of Liens</u>
2020	115
2019	101
2018	108

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax-paying basis.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services. A separate report will be rendered if any irregularities develop after the date of the audit.

PROPERTY TAX INFORMATION**COMPARATIVE STATEMENT OF TAX RATE INFORMATION**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Rate	3.411	3.316	3.226
Apportionment of Tax Rate:			
Municipal	1.044	1.045	1.008
County	0.762	0.695	0.704
Local School	1.605	1.576	1.514
Assessed Valuation	2,211,842,859	2,270,659,675	2,250,266,605

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Levy	\$ 75,628,215.93	\$ 73,350,391.24	\$ 72,774,680.81
Cash Collections	74,652,578.23	72,313,264.08	70,455,909.43
Percentage of Collections	98.71%	98.59%	96.81%

DELINQUENT TAXES AND TAX TITLE LIENS

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Amount of Tax Title Liens	\$ 2,217,261.08	\$ 2,047,698.80	\$ 1,971,729.70
Delinquent Taxes	790,460.87	829,968.32	993,342.24
Total Delinquent	<u>\$ 3,007,721.95</u>	<u>\$ 2,877,667.12</u>	<u>\$ 2,965,071.94</u>
Percentage of Tax Levy	3.98%	3.92%	4.07%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

	2020	2019	2018
Property Acquired for Taxes (Assessed Valuation)	887,100	887,100	764,800

COMPARISON OF WATER & SEWER RENTS

This tabulation includes a comparison, expressed in percentage, of the total of delinquent water and sewer rents and utility liens, in relation to the levy of the current and previous two years.

WATER & SEWER	2020	2019	2018
Balance January 1	\$ 1,720,099.29	\$ 1,458,883.12	\$ 1,333,742.75
Levy	12,451,723.24	11,581,244.96	11,487,434.78
Cash Collections	12,538,823.34	11,270,921.19	11,350,659.44
Percentage of Collections	88.48%	86.43%	88.53%

OTHER COMMENTS

Chief Financial Officer

The records maintained by the Chief Financial Officer were found to be in compliance with requirements prescribed by the Division of Local Government Services, state statutes, and administrative code requirements.

Tax Collector

The records maintained by the Tax Collector were found to be in good condition.

Corrective Action Plan

A corrective action plan was filed for the 2019 audit.

STATUS OF PRIOR RECOMMENDATIONS

Finding 2019-001: The municipality paid services to the off-duty police officers prior to receiving escrow funds from the private person or entity.

Current Status: This has been corrected.

FINDINGS AND RECOMMENDATIONS

None

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

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

We received the complete cooperation of all the officials of the Township and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,



Nick L. Petroni
Certified Public Accountant
Registered Municipal Accountant #252