

**TOWNSHIP OF MEDFORD  
COUNTY OF BURLINGTON**

**REPORT OF AUDIT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2019**



**TOWNSHIP OF MEDFORD**  
**TABLE OF CONTENTS**

<b><u>Exhibit No.</u></b>		<b><u>Page No.</u></b>
<b><u>PART I</u></b>		
	Independent Auditor's Report	2
	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	5
<b><u>CURRENT FUND</u></b>		
A	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance-- Regulatory Basis	9
A-2	Statement of Revenues--Regulatory Basis	10
A-3	Statement of Expenditures--Regulatory Basis	14
<b><u>TRUST FUND</u></b>		
B	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	19
B-1	Municipal Open Space Trust Fund--Statements of Operations and Changes in Reserve for Future Use--Regulatory Basis	21
B-2	Municipal Open Space Trust Fund--Statement of Revenues-- Regulatory Basis	22
B-3	Municipal Open Space Trust Fund----Statement of Expenditures-- Regulatory Basis	23
<b><u>GENERAL CAPITAL FUND</u></b>		
C	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	24
C-1	Statement of Fund Balance -- Regulatory Basis	25
<b><u>WATER AND SEWER UTILITY FUND</u></b>		
D	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	26
D-1	Water and Sewer Utility Operating Fund--Statements of Operations and Changes in Operating Fund Balance--Regulatory Basis	28
D-2	Water and Sewer Utility Operating Fund--Statement of Revenues-- Regulatory Basis	29
D-3	Water and Sewer Utility Operating Fund--Statement of Expenditures-- Regulatory Basis	30
D-4	Water and Sewer Utility Capital Fund-- Statement of Fund Balance-- Regulatory Basis	31
<b><u>GENERAL FIXED ASSET ACCOUNT GROUP</u></b>		
G	Statement of General Fixed Assets Group of Accounts-- Regulatory Basis	32
	Notes to Financial Statements	33

**TOWNSHIP OF MEDFORD**  
**TABLE OF CONTENTS (CONT'D)**

<u>Exhibit No.</u>		<u>Page No.</u>
<b><u>SUPPLEMENTAL EXHIBITS</u></b>		
<b><u>CURRENT FUND</u></b>		
SA-1	Statement of Current Cash--Treasurer	76
SA-2	Schedule of Change Funds	77
SA-3	Statement of Taxes Receivable and Analysis of Property Tax Levy	78
SA-4	Statement of Tax Title Liens	79
SA-5	Statement of Revenue Accounts Receivable	80
SA-6	Statement of Appropriation Reserves	81
SA-7	Statement of Tax Overpayments	86
SA-8	Statement of Prepaid Taxes	86
SA-9	Statement of Due to State of New Jersey--Senior Citizens' and Veterans' Deductions	87
SA-10	Statement of Due County for Added and Omitted Taxes	88
SA-11	Statement of Due County Taxes	88
SA-12	Statement of Local District School Tax	89
SA-13	Statement of Regional High School Tax	90
SA-14	Statement of Changes in (Assets), Liabilities and Reserves	91
SA-15	Statement of Reserve for Encumbrances	92
SA-16	Statement of Property Acquired for Taxes -- Assessed Valuation	93
SA-17	Federal and State Grant Fund-- Statement of Due To/(From) Current Fund	94
SA-18	Federal and State Grant Fund--Statement of Federal and State Grants Receivable	95
SA-19	Federal and State Grant Fund--Statement of Reserve for Federal And State Grants--Unappropriated	96
SA-20	Federal and State Grant Fund--Statement of Reserve for Federal And State Grants--Appropriated	97
<b><u>TRUST FUND</u></b>		
SB-1	Statement of Trust Cash --Treasurer	100
SB-2	Trust Other Fund-- Statement of Investments - Length of Service Awards Program	101
SB-3	Animal Control Fund--Statement of Reserve for Animal Control Expenditures	102
SB-4	Animal Control Fund-- Statement of Due to State of New Jersey	103
SB-5	Animal Control Fund -- Trust Other Fund--Statement of Due to Current Fund	103
SB-6	Trust Other Fund --Statement of Due Current Fund	103
SB-7	Trust Other Fund--Statement of Changes in Miscellaneous Trust Other Reserves	104
SB-8	Municipal Open Space Trust Fund--Statement of Reserve for Future Use	105
SB-9	Municipal Open Space Trust Fund--Statement of Due From Current Fund	105
SB-10	Municipal Open Space Trust Fund--Statement of Appropriation Reserves	106
SB-11	Birchwood Lake Dam Trust Assessment Fund--Statement of Reserve for Dam Restoration	107
SB-12	Municipal Open Space Trust Fund--Statement of Accounts Payable	108

**TOWNSHIP OF MEDFORD**  
**TABLE OF CONTENTS (CONT'D)**

<b><u>Exhibit No.</u></b>		<b><u>Page No.</u></b>
<b><u>SUPPLEMENTAL EXHIBITS</u></b>		
<b><u>GENERAL CAPITAL FUND</u></b>		
SC-1	Statement of General Capital Cash	110
SC-2	Statement of General Capital Cash and Investments	111
SC-3	Statement of Deferred Charges to Future Taxation--Funded	112
SC-4	Statement of Deferred Charges to Future Taxation--Unfunded	113
SC-5	Statement of Capital Improvement Fund	114
SC-6	Statement of Improvement Authorizations	115
SC-7	Statement of Reserve for Encumbrances	116
SC-8	Statement of General Capital Grants Receivable	116
SC-9	Statement of Green Acres Trust Loans Payable	117
SC-10	Statement of General Serial Bonds	118
SC-11	Statement of Bond Anticipation Notes	119
SC-12	Statement of Due Federal and State Grant Fund	120
SC-13	Statement of Bonds and Notes Authorized But Not Issued	121
<b><u>WATER AND SEWER UTILITY FUND</u></b>		
SD-1	Statement of Water and Sewer Utility Cash--Treasurer	123
SD-2	Water and Sewer Utility Capital Fund--Analysis of Water and Sewer Capital Cash and Investments	124
SD-3	Water and Sewer Utility Operating Fund--Statement of Water and Sewer Rents Receivable	125
SD-4	Water and Sewer Utility Operating Fund--Statement of Appropriation Reserves	126
SD-5	Water and Sewer Utility Capital Fund--Statement of Fixed Capital Authorized and Uncompleted	127
SD-6	Water and Sewer Utility Capital Fund--Statement of Fixed Capital	128
SD-7	Water and Sewer Utility Operating Fund--Statement of Accrued Interest on Bonds, Loans and Notes	129
SD-8	Water and Sewer Utility Capital Fund--Statement of Improvement Authorizations	130
SD-9	Water and Sewer Utility Capital Fund--Statement of Reserve for Encumbrances	131
SD-10	Water and Sewer Utility Capital Fund--Statement of Reserve for Amortization	131
SD-11	Water and Sewer Utility Capital Fund--Statement of Water and Sewer Serial Bonds	132
SD-12	Water and Sewer Utility Capital Fund--Statement of New Jersey Environmental Infrastructure Loans Payable	134
SD-13	Water and Sewer Utility Capital Fund--Statement of Capital Improvement Fund	138
SD-14	Water and Sewer Utility Operating Fund--Statement of Overpaid Sewer Service Charges	139
SD-15	Water and Sewer Utility Operating Fund--Statement of Prepaid Sewer Charges	139

**TOWNSHIP OF MEDFORD**  
**TABLE OF CONTENTS**

<b><u>Exhibit No.</u></b>		<b><u>Page No.</u></b>
<b><u>WATER AND SEWER UTILITY FUND (CONT'D)</u></b>		
SD-16	Water and Sewer Utility Capital Fund--Statement of Deferred Reserve for Amortization	140
SD-17	Water and Sewer Utility Operating Fund--Statement of Insurance Claims Receivable	141
SD-18	Water and Sewer Utility Capital Fund--Statement of Bond Anticipation Notes	142
SD-19	Water and Sewer Utility Capital Fund--Statement of Water and Sewer Bonds and Notes Authorized But Not Issued	143
 <b><u>PART II</u></b>  		
<b><u>SCHEDULE OF FINDINGS AND RECOMMENDATIONS</u></b>		
	Schedule of Findings and Recommendations	145
	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	146
	<b>OFFICIALS IN OFFICE AND SURETY BONDS</b>	147
	<b>APPRECIATION</b>	148

**TOWNSHIP OF MEDFORD**

**PART I**

**REPORT OF AUDIT OF FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Council  
Township of Medford  
Medford, New Jersey 08055

### **Report on the Financial Statements**

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Medford, in the County of Burlington, State of New Jersey, as of December 31, 2019 and 2018, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Township'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 financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

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

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

**Opinions**

*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*

As described in note 1 to the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of 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 the State of New Jersey.

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

*Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*

In our opinion, because of the significance of the matter discussed in the “*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Medford, in the County of Burlington, State of New Jersey, as of December 31, 2019 and 2018, or the results of its operations and changes in fund balance for the years then ended.

*Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Medford, in the County of Burlington, State of New Jersey, as of December 31, 2019 and 2018, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2019, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

**Emphasis of Matter**

*Prior Period Restatement*

As discussed in note 24 to the financial statements, during the year ended December 31, 2019, the Township restated its General Fixed Assets Group of Accounts due to adjustments required from a physical inventory being completed, as well as a change in their capitalization threshold. Our opinion is not modified with respect to this matter.

**Other Matters**

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township’s basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.



**Other Matters (Cont'd)**

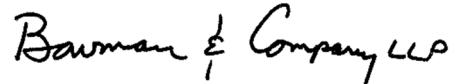
*Other Information (Cont'd)*

The supplemental statements and schedules presented for the various funds are the responsibility of management and were derived from and relate 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 statements and schedules described in the previous paragraph are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 10, 2020 on our consideration of the Township of Medford, in the County of Burlington, State of New Jersey, 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 solely 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 the effectiveness of the Township of Medford's 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 Medford's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
August 10, 2020

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Council  
Township of Medford  
Medford, New Jersey 08055

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Township of Medford, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated August 10, 2020. That report indicated that the Township of Medford's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our report on the financial statements included an emphasis of matter paragraph describing the restatement of the prior period financial statements due to adjustments required from a physical inventory being completed, as well as a change in their capitalization threshold.

**Internal Control over Financial Reporting**

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

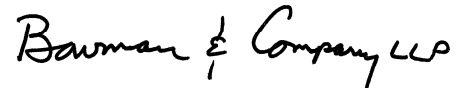
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township of Medford'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*, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**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* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
August 10, 2020

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2019 and 2018

ASSETS:	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Regular Fund:			
Cash	SA-1	\$ 13,379,237.24	\$ 12,462,928.28
Cash -- Change Fund	SA-2	<u>550.00</u>	<u>550.00</u>
		<u>13,379,787.24</u>	<u>12,463,478.28</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	986,044.26	741,611.43
Tax Title Liens Receivable	SA-4	109,235.09	109,852.85
Property Acquired for Taxes -- Assessed Valuation	SA-16	902,400.00	1,071,200.00
Revenue Accounts Receivable	SA-5	13,242.39	17,988.29
Due from Federal and State Grant Fund	SA-16		14,416.78
Due from Animal Control Fund	SB-5	<u>551.24</u>	
		<u>2,011,472.98</u>	<u>1,955,069.35</u>
Deferred Charges:			
Emergency Appropriations	A-3		<u>96,000.00</u>
		<u>15,391,260.22</u>	<u>14,514,547.63</u>
Federal and State Grant Fund:			
Cash	SA-1	297,166.29	252,397.45
State Grant Funds Receivable	SA-18	381,475.48	600,513.01
Due from Current Fund	SA-17	<u>9,248.06</u>	
		<u>687,889.83</u>	<u>852,910.46</u>
		<u>\$ 16,079,150.05</u>	<u>\$ 15,367,458.09</u>

(Continued)

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2019 and 2018

LIABILITIES, RESERVES AND FUND BALANCE:	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,SA-6	\$ 951,014.39	\$ 621,368.44
Reserve for Encumbrances	SA-15	697,429.03	827,037.79
Accounts Payable	SA-1,SA-6	33,480.75	65,411.88
Tax Overpayments	SA-7		10,307.51
Prepaid Taxes	SA-8	724,965.03	805,821.72
Due to State of New Jersey:			
Senior Citizens/Veterans Deductions	SA-9	100,326.60	101,326.60
Marriage Licenses	SA-14	425.00	600.00
Construction Code Fees	SA-14	8,734.00	10,982.00
Due County for Added and Omitted Taxes	SA-10	58,278.44	68,887.10
Due to Federal and State Grant Fund	SA-16	9,248.06	
Due to Open Space Fund	SA-1		3,739.04
Local District School Taxes Payable	SA-12	3,812,426.00	3,310,771.02
Regional High School Taxes Payable	SA-13	3,034,193.85	2,723,792.85
Reserve for:			
Election Workers	SA-14		2,331.66
Purchase of Public Safety Equipment	SA-14		45,410.72
Auction	SA-14		4,292.41
Payment in Lieu of Taxes	SA-14		9,842.00
		<u>9,430,521.15</u>	<u>8,611,922.74</u>
Reserves for Receivables and Other Assets	A	2,011,472.98	1,955,069.35
Fund Balance	A-1	<u>3,949,266.09</u>	<u>3,947,555.54</u>
		<u>15,391,260.22</u>	<u>14,514,547.63</u>
Federal and State Grant Fund:			
Due to Current Fund	SA-17		14,416.78
Due to General Capital Fund	SA-1		63,000.00
Reserve for Encumbrances	SA-15	42,150.93	31,594.21
Unappropriated Reserves	SA-19	28,965.94	300.00
Appropriated Reserves	SA-20	616,772.96	743,599.47
		<u>687,889.83</u>	<u>852,910.46</u>
		<u>\$ 16,079,150.05</u>	<u>\$ 15,367,458.09</u>

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

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis  
 For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>REVENUE AND OTHER INCOME REALIZED:</b>		
Fund Balance Utilized	\$ 2,385,000.00	\$ 2,498,500.00
Miscellaneous Revenues Anticipated	6,219,910.40	5,848,344.25
Receipts from Delinquent Taxes and Tax Title Liens	717,672.42	813,230.69
Receipts from Current Taxes	95,665,416.73	94,291,578.17
Non-Budget Revenue	684,814.15	180,090.16
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	471,833.57	1,060,124.97
Liquidation of Interfunds	14,416.78	1,570.26
Cancellation of Liabilities	61,876.73	
Cancelled Tax Overpayments	31,421.62	
Cancellation of Appropriated Grants		14,416.78
	<u>106,252,362.40</u>	<u>104,707,855.28</u>
Total Income		
<b>EXPENDITURES:</b>		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	6,359,361.00	5,822,404.00
Other Expenses	7,330,536.00	7,886,578.00
Deferred Charges and Statutory Expenditures	1,780,308.00	1,612,908.00
Excluded from "CAPS":		
Operations:		
Salaries and Wages	703,500.58	730,737.63
Other Expenses	573,029.38	413,285.29
Capital Improvement Fund	329,125.00	534,055.00
Deferred Charges and Statutory Expenditures	96,000.00	
Municipal Debt Service	2,687,417.96	3,241,264.09
Regional High School Tax	23,102,345.00	22,481,543.00
Local District School Tax	46,754,849.00	45,751,539.00
County Taxes	13,329,282.07	13,319,502.09
Due County for Added and Omitted Taxes	58,278.44	68,887.10
Municipal Open Space Trust Fund Tax	732,137.44	730,233.04
Refund of Prior Year Revenue	16,474.80	2,315.00
Creation of Interfund and Other Assets	551.24	14,416.78
Added Tax Overpayments		2,504.93
Cancellation of Grants Receivable	6,285.20	
Re-Establishment of Appropriated Grant Reserve	4,420.80	
Other	1,749.94	
Prior Year Senior Citizens and Veterans' Deductions Disallowed		1,000.00
	<u>103,865,651.85</u>	<u>102,613,172.95</u>
Total Expenditures		
Excess in Revenue	2,386,710.55	2,094,682.33
Adjustment to Income Before Fund Balance:		
Expenditures Included Above which are by Statute Deferred		
Charges to Budget of Succeeding Year		96,000.00
	<u>2,386,710.55</u>	<u>2,190,682.33</u>
Statutory Excess to Fund Balance		
<b>FUND BALANCE:</b>		
Balance January 1,	<u>3,947,555.54</u>	<u>4,255,373.21</u>
	6,334,266.09	6,446,055.54
Decreased by:		
Utilized as Revenue	<u>2,385,000.00</u>	<u>2,498,500.00</u>
Balance December 31,	<u>\$ 3,949,266.09</u>	<u>\$ 3,947,555.54</u>

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

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A: 4-87</u>		
Fund Balance Anticipated	\$ 2,385,000.00		\$ 2,385,000.00	
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverages	22,000.00		25,188.00	\$ 3,188.00
Fees and Permits:				
Other	141,250.00		177,575.82	36,325.82
Fines and Costs:				
Municipal Court	200,000.00		230,945.87	30,945.87
Interest and Costs on Taxes	205,000.00		197,150.27	(7,849.73)
Interest on Investments and Deposits	163,000.00		361,337.37	198,337.37
Tower Rental	8,000.00		9,600.00	1,600.00
Cable Television Fees	380,328.00		380,328.07	0.07
Emergency Medical Service Billing Income	575,000.00		667,476.96	92,476.96
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax	1,981,293.00		1,981,293.00	
Garden State Trust	9,842.00		9,842.00	
Dedicated Uniform Construction Code Fees Offset				
With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17):				
Uniform Construction Code Fees	551,000.00		601,973.00	50,973.00
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Interlocal Municipal Service Agreements:				
Police Salaries - Lenape Regional High School District	609,100.00		653,404.95	44,304.95
Uniform Construction Code - Medford Lakes Borough	18,500.00		18,500.00	
Assessor - Medford Lakes Borough	28,090.00		28,090.08	0.08

(Continued)

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Anticipated</u> Special N.J.S. <u>40A: 4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Special Items of General Revenue Anticipated with Prior Written Consent of the Director of the Division of Local Government Services: Public and Private Revenue Off-Set with Appropriations (Cont'd):				
Medford Business Association - Annual Festival of Art, Wine & Music		\$ 8,000.00	\$ 8,000.00	
Body Armor Fund		3,866.95	3,866.95	
Bulletproof Vest Partnership Grant		2,116.59	2,116.59	
Clean Communities Program		69,845.10	69,845.10	
Columbia Bank Foundation Grant	\$ 23,963.00		23,963.00	
Distracted Driving Crackdown		5,500.00	5,500.00	
Drunk Driving Enforcement Fund		4,930.18	4,930.18	
Emergency Management Performance Grant		10,000.00	10,000.00	
Flying W Airport and Resort - Air Show		4,993.22	4,993.22	
Headwater Village Civic Association Inc. - Community Bonfire Program		950.00	950.00	
Medford Business Association - Oktoberfest Event		3,000.00	3,000.00	
Medford Celebrates Foundation – Annual Independence Day Celebration		47,500.00	47,500.00	
Medford-Vincetown Rotary Club - Annual Halloween Parade		15,000.00	15,000.00	
NJ DOT - 2019 Municipal Aid Program: Dixontown Road Improvements		260,000.00	260,000.00	
NJ Motor Vehicle Security and Customer Service Grant		19,880.40	19,880.40	
Recycling Tonnage Grant		28,994.52	28,994.52	
YMCA Camp Ockanickon Fireworks Display		500.00	500.00	
Shawnee Field Hockey Corners Club "Tournament"		800.00	800.00	
Medford Business Association - Dickens Festival		10,000.00	10,000.00	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items:				
Alarm Fees	6,500.00		7,830.00	\$ 1,330.00
Payment in Lieu of Taxes	63,000.00		349,535.05	286,535.05
Total Miscellaneous Revenues	<u>4,985,866.00</u>	<u>495,876.96</u>	<u>6,219,910.40</u>	<u>738,167.44</u>

(Continued)



**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A: 4-87</u>		
Receipts from Delinquent Taxes	\$ 650,000.00		\$ 717,672.42	\$ 67,672.42
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	12,333,694.90		12,678,152.68	344,457.78
Budget Totals	20,354,560.90	\$ 495,876.96	22,000,735.50	1,150,297.64
Non-Budget Revenue			684,814.15	684,814.15
	<u>\$ 20,354,560.90</u>	<u>\$ 495,876.96</u>	<u>\$ 22,685,549.65</u>	<u>\$ 1,835,111.79</u>

(Continued)

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2019

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collections	\$ 95,665,416.73
Allocated to:	
County, School and Municipal Open Space Taxes	83,976,891.95
Amount for Support of Municipal Budget Appropriations	11,688,524.78
Add: Appropriation "Reserve for Uncollected Taxes"	989,627.90
Amount for Support of Municipal Budget Appropriations	\$ 12,678,152.68

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 704,438.69
Tax Title Lien Collections	13,233.73
	\$ 717,672.42

Analysis of Non-Budget Revenues

Miscellaneous Revenue not Anticipated:

Receipts:

State Transportation Facility/ Rt. 70 Fees	\$ 2,316.00
Copy Costs	8,642.75
Prior Year Refunds and Reimbursements	222,691.02
Driveway Cut Fees	525.00
Bid/Auction/Asset Sale	97,285.00
FEMA Reimbursements	322,926.30
Clothing Bins	25.00
Safety Monies	6,529.15
Demolition Charges	17,800.00
Grass Cutting Fees	1,757.69
Senior Citizen and Veteran Administrative Fee	3,085.00
Miscellaneous Other	680.00

	684,262.91
Due from Animal Control Fund - Statutory Excess in Reserve for Animal Control Fund	551.24
	\$ 684,814.15

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

**TOWNSHIP OF MEDFORD**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b>OPERATIONS -- WITHIN "CAPS"</b>						
<u>General Government Functions</u>						
<u>Department of Administration:</u>						
Office of the Manager:						
Salaries and Wages	\$ 77,139.00	\$ 77,139.00	\$ 59,184.33		\$ 17,954.67	
Other Expenses	5,550.00	5,550.00	4,752.31	\$ 114.00		683.69
Human Resources:						
Salaries and Wages	24,216.00	24,216.00	24,216.00			
Other Expenses	1,100.00	1,100.00	420.01	168.00		511.99
Mayor and Council:						
Salaries and Wages	17,497.00	17,497.00	17,288.22			208.78
Other Expenses	1,000.00	1,000.00	1,000.00			
Office of the Clerk:						
Salaries and Wages	86,707.00	86,707.00	77,681.11			9,025.89
Other Expenses - Miscellaneous	56,250.00	56,250.00	47,618.10	1,406.47		7,225.43
Other Expenses -- Elections	13,000.00	13,000.00	13,000.00			
<u>Department of Finance:</u>						
Office of the Treasurer:						
Salaries and Wages	67,173.00	67,173.00	53,290.75			13,882.25
Other Expenses	33,600.00	33,600.00	29,186.81	1,077.51		3,335.68
Audit Services	29,000.00	29,000.00	(5,500.00)	22,000.00		12,500.00
Revenue Administration (Tax Collector):						
Salaries and Wages	67,752.00	67,752.00	64,973.02			2,778.98
Other Expenses	19,100.00	19,100.00	15,215.54	1,458.39		2,426.07
Division of Assessments (Tax Assessment Administration):						
Salaries and Wages	156,470.00	156,470.00	148,601.36			7,868.64
Other Expenses	47,000.00	42,000.00	26,676.37	5,351.22		9,972.41
Legal Services and Costs:						
Other Expenses	179,000.00	179,000.00	116,880.32	49,798.83		12,320.85
Engineering Services:						
Other Expenses	31,000.00	52,000.00	41,506.02	1,989.47		8,504.51
Economic Development Commission:						
Other Expenses	750.00	750.00	194.21			555.79
Boards & Committees (Historical Sites Office):						
Other Expenses	2,000.00	2,000.00	1,834.06	165.00		0.94
Planning Board:						
Salaries and Wages	125,341.00	125,341.00	122,713.35			2,627.65
Other Expenses	87,600.00	87,600.00	10,809.03	45,188.59		31,602.38
Division of Zoning (Zoning Board of Adjustment):						
Other Expenses	53,700.00	53,700.00	44,065.81	7,656.30		1,977.89
Insurance:						
General Liability	252,434.00	252,434.00	246,775.00			5,659.00
Worker's Compensation	220,825.00	220,825.00	220,825.00			
Group Insurance for Employees	1,315,500.00	1,315,500.00	1,224,697.89			90,802.11
Health Benefit Waiver	75,000.00	75,000.00	61,169.71			13,830.29
Retiree Health Benefits	850,000.00	709,000.00	664,193.49			44,806.51

(Continued)

**TOWNSHIP OF MEDFORD**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b>OPERATIONS -- WITHIN "CAPS" (CONT'D)</b>						
<u>Department of Public Safety:</u>						
Police:						
Salaries and Wages	\$ 3,689,472.00	\$ 3,689,472.00	\$ 3,488,598.63		\$ 200,873.37	
Other Expenses	304,800.00	339,800.00	257,615.49	\$ 71,000.79	11,183.72	
Emergency Medical Services:						
Salaries and Wages	261,560.00	248,560.00	209,696.26		38,863.74	
Other Expenses	112,100.00	112,100.00	69,648.09	41,741.72	710.19	
Emergency Management Services:						
Other Expenses	11,650.00	11,650.00	5,451.70	5,857.07	341.23	
Uniform Fire Safety Act: (PL 1983 C. 383)						
Salaries and Wages	578,735.00	598,735.00	583,328.76		15,406.24	
Other Expenses	187,300.00	187,300.00	140,677.24	45,975.80	646.96	
Prosecutor:						
Other Expenses -- Professional Services	25,000.00	25,000.00	18,000.00	4,000.00	3,000.00	
<u>Department of Public Works:</u>						
Road Repairs and Maintenance:						
Salaries and Wages	207,073.00	192,073.00	155,398.52		36,674.48	
Other Expenses	187,250.00	167,250.00	134,744.81	32,320.29	184.90	
Snow Removal (Streets & Roads Maintenance):						
Salaries and Wages	45,000.00	45,000.00	45,000.00			
Other Expenses	90,000.00	90,000.00	64,555.00	25,445.00		
Sanitation (Solid Waste Collection):						
Salaries and Wages	386,109.00	386,109.00	371,835.04		14,273.96	
Other Expenses	1,035,700.00	1,061,700.00	931,603.37	128,185.95	1,910.68	
Buildings and Grounds:						
Salaries and Wages	128,328.00	124,328.00	120,381.02		3,946.98	
Other Expenses	115,500.00	124,500.00	99,307.10	20,551.15	4,641.75	
Vehicle Maintenance:						
Salaries and Wages	95,360.00	95,360.00	92,794.20		2,565.80	
Other Expenses	287,000.00	287,000.00	175,688.22	76,020.88	35,290.90	
Community Services Act:						
Other Expenses	50,000.00	50,000.00	41,556.00		8,444.00	
<u>Health and Human Services:</u>						
Environmental Commission (NJS 40:56A-1):						
Other Expenses	400.00	400.00			400.00	
<u>Department of Parks, Recreation and Education:</u>						
Parks and Playgrounds:						
Salaries and Wages	34,000.00	34,000.00	33,419.53		580.47	
Other Expenses	675.00	675.00	75.00	205.00	395.00	
Landfill/Solid Waste Disposal Costs	800,000.00	857,000.00	789,324.05		67,675.95	
<u>Municipal Court:</u>						
Salaries and Wages	134,233.00	134,233.00	107,577.20		26,655.80	
Other Expenses	30,860.00	30,860.00	26,687.42	308.90	3,863.68	

(Continued)

**TOWNSHIP OF MEDFORD**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b>OPERATIONS -- WITHIN "CAPS" (CONT'D)</b>						
<u>Utilities:</u>						
Electricity and Natural Gas	\$ 125,000.00	\$ 125,000.00	\$ 79,966.98	\$ 3,179.20	\$ 41,853.82	
Street Lighting	260,000.00	260,000.00	244,229.04	15,770.96		
Telephone & Telegraph	60,000.00	90,000.00	81,584.04		8,415.96	
Heating Gas/Oil	58,000.00	58,000.00	39,341.97	498.19	18,159.84	
Gasoline/Diesel Fuel	180,000.00	180,000.00	146,676.08	15,154.83	18,169.09	
<u>Uniform Construction Code Appropriations Offset</u>						
<u>By Dedicated Revenues (NJAC 5:23-4.17):</u>						
Construction Code Official:						
Salaries and Wages	179,196.00	179,196.00	154,574.01		24,621.99	
Other Expenses:						
Direct Costs	70,250.00	70,250.00	66,593.86	1,405.62	2,250.52	
Indirect Costs	21,127.00	21,127.00	21,127.00			
<u>Unclassified:</u>						
Catastrophic Illness Fund (R.S. 26:2-48)	250.00	250.00	207.00		43.00	
Hepatitis Vaccination	500.00	500.00			500.00	
Safety Supplies	6,815.00	6,815.00	5,491.00	1,319.24	4.76	
Accumulated Compensation Leave	10,000.00	10,000.00	10,000.00			
Celebration of Public Events, Anniversary or Holiday	24,950.00	24,950.00	20,050.46	2,114.66	2,784.88	
<b>Total Operations -- Within "CAPS"</b>	<b>13,689,897.00</b>	<b>13,689,897.00</b>	<b>12,166,071.91</b>	<b>627,429.03</b>	<b>896,396.06</b>	<b>-</b>
<u>Detail:</u>						
Salaries and Wages	6,371,361.00	6,359,361.00	5,940,551.31		418,809.69	
Other Expenses (Including Contingent)	7,318,536.00	7,330,536.00	6,225,520.60	627,429.03	477,586.37	
<u>Statutory Expenditures:</u>						
<u>Contribution to:</u>						
Public Employees Retirement Service	234,752.00	234,752.00	234,752.00			
Social Security System (O.A.S.I.)	505,000.00	505,000.00	459,729.65		45,270.35	
Police and Fireman's Retirement System of N.J.	1,033,556.00	1,033,556.00	1,033,556.00			
Defined Contribution Retirement Program	7,000.00	7,000.00	5,791.38		1,208.62	
	1,780,308.00	1,780,308.00	1,733,829.03	-	46,478.97	-
<b>Total Deferred Charges and Statutory Expenditures -- Municipal -- Within "CAPS"</b>	<b>1,780,308.00</b>	<b>1,780,308.00</b>	<b>1,733,829.03</b>	<b>-</b>	<b>46,478.97</b>	<b>-</b>
<b>Total General Appropriations for Municipal Purposes Within -- "CAPS"</b>	<b>15,470,205.00</b>	<b>15,470,205.00</b>	<b>13,899,900.94</b>	<b>627,429.03</b>	<b>942,875.03</b>	<b>-</b>

(Continued)

**TOWNSHIP OF MEDFORD**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b>OPERATIONS -- EXCLUDED FROM "CAPS":</b>						
LOSAP	\$ 70,000.00	\$ 70,000.00		\$ 70,000.00		
Landfill Recycling Tax	31,000.00	31,000.00	\$ 22,860.64		\$ 8,139.36	
<b>Shared Municipal Service Agreements:</b>						
Interlocal Services Agreement - Police Salaries & Wages: Lenape Regional High School	609,100.00	609,100.00	609,100.00			
Interlocal Services Agreement - UCC - Salaries & Wages: Medford Lakes Borough	18,500.00	18,500.00	18,500.00			
Interlocal Services Agreement - Tax Assessment Administration Medford Lakes Borough	28,090.00	28,090.00	28,090.00			
<b>OPERATIONS -- EXCLUDED FROM "CAPS" (CONT'D)</b>						
<b>Public and Private Programs Offset by Revenue:</b>						
Medford Business Association - Annual Festival of Art, Wine & Music (N.J.S.A. 40A:4-87; \$8,000.00)		8,000.00	8,000.00			
Body Armor Fund (N.J.S.A. 40A:4-87; \$3,866.95)		3,866.95	3,866.95			
Bulletproof Vest Partnership Grant (N.J.S.A. 40A:4-87; \$2,116.59)		2,116.59	2,116.59			
Clean Communities (N.J.S.A. 40A:4-87; \$69,845.10)		69,845.10	69,845.10			
Columbia Bank Foundation Grant	23,963.00	23,963.00	23,963.00			
Distracted Driving Crackdown (N.J.S.A. 40A:4-87; \$5,500.00)		5,500.00	5,500.00			
Drunk Driving Enforcement Fund (N.J.S.A. 40A:4-87; \$4,930.18)		4,930.18	4,930.18			
Emergency Management Performance Grant (N.J.S.A. 40A:4-87; \$10,000.00)		10,000.00	10,000.00			
Flying W Airport and Resort - Air Show (N.J.S.A. 40A:4-87; \$4,993.22)		4,993.22	4,993.22			
Headwater Village Civic Association Inc.- Community Bonfire Program (N.J.S.A. 40A:4-87; \$950.00)		950.00	950.00			
Medford Celebrates Foundation -- Annual Independence Day Celebration (N.J.S.A. 40A:4-87; \$47,500.00)		47,500.00	47,500.00			
Medford-Vincentown Rotary Club - Annual Halloween Parade (N.J.S.A. 40A:4-87; \$15,000.00)		15,000.00	15,000.00			
NJ DOT - 2019 Municipal Aid Program: Dixontown Road Improvements (N.J.S.A. 40A:4-87; \$260,000.00)		260,000.00	260,000.00			
NJ Motor Vehicle Security and Customer Service Grant Grant (N.J.S.A. 40A:4-87; \$19,880.40)		19,880.40	19,880.40			
Recycling Tonnage Grant (N.J.S.A. 40A:4-87; \$28,694.52); (N.J.S.A. 40A:4-87; \$300.00)		28,994.52	28,994.52			
Shawnee Field Hockey Corners Club "Tournament" (N.J.S.A. 40A:4-87; \$800.00)		800.00	800.00			
Medford Business Association - Dickens Festival (N.J.S.A. 40A:4-87; \$10,000.00)		10,000.00	10,000.00			
YMCA Camp Ockanickon Fireworks (N.J.S.A. 40A:4-87; \$500.00)		500.00	500.00			
Medford Business Association - Oktoberfest Event (N.J.S.A. 40A:4-87; \$3,000.00)		3,000.00	3,000.00			
<b>Total Operations -- Excluded from "CAPS"</b>	<b>780,653.00</b>	<b>1,276,529.96</b>	<b>1,198,390.60</b>	<b>70,000.00</b>	<b>8,139.36</b>	<b>-</b>
<b>Detail:</b>						
Salaries and Wages	655,690.00	703,500.58	703,500.58			
Other Expenses	124,963.00	573,029.38	494,890.02	70,000.00	8,139.36	

(Continued)

**TOWNSHIP OF MEDFORD**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<b><u>CAPITAL IMPROVEMENTS -- EXCLUDED FROM "CAPS":</u></b>						
Capital Improvement Fund	\$ 329,125.00	\$ 329,125.00	\$ 329,125.00			
Total Capital Improvements -- Excluded from "CAPS"	<u>329,125.00</u>	<u>329,125.00</u>	<u>329,125.00</u>	-	-	-
<b><u>MUNICIPAL DEBT SERVICE -- EXCLUDED FROM "CAPS":</u></b>						
Payment of Bond Principal	1,594,609.00	1,594,609.00	1,594,609.00			
Payment of Bond Anticipation Notes and Capital Notes	320,084.00	320,086.00	320,086.00			
Interest on Bonds	695,757.00	695,755.00	695,377.18			\$ 377.82
Interest on Notes	78,500.00	78,500.00	77,345.78			1,154.22
Total Municipal Debt Service -- Excluded from "CAPS"	<u>2,688,950.00</u>	<u>2,688,950.00</u>	<u>2,687,417.96</u>	-	-	<u>1,532.04</u>
<b><u>DEFERRED CHARGES -- EXCLUDED FROM "CAPS"</u></b>						
Emergency Authorizations	96,000.00	96,000.00	96,000.00			
Total Deferred Charges - Municipal - Excluded from CAPS	<u>96,000.00</u>	<u>96,000.00</u>	<u>96,000.00</u>	-	-	-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>3,894,728.00</u>	<u>4,390,604.96</u>	<u>4,310,933.56</u>	\$ 70,000.00	\$ 8,139.36	<u>1,532.04</u>
Subtotal General Appropriations	19,364,933.00	19,860,809.96	18,210,834.50	697,429.03	951,014.39	1,532.04
Reserve for Uncollected Taxes	989,627.90	989,627.90	989,627.90			
<b>Total</b>	<u><u>\$ 20,354,560.90</u></u>	<u><u>\$ 20,850,437.86</u></u>	<u><u>\$ 19,200,462.40</u></u>	<u><u>\$ 697,429.03</u></u>	<u><u>\$ 951,014.39</u></u>	<u><u>\$ 1,532.04</u></u>
Budget		\$ 20,354,560.90				
Appropriation by 40A:4-87 - Chapter 159's		<u>495,876.96</u>				
		<u><u>\$ 20,850,437.86</u></u>				
Reserve for Federal and State Grant Fund--Appropriated Disbursed			\$ 519,839.96			
Appropriation Refunds			18,579,053.36			
Deferred Charges - Emergency Appropriation			(984,058.82)			
Reserve for Uncollected Taxes			96,000.00			
			<u>989,627.90</u>			
			<u><u>\$ 19,200,462.40</u></u>			

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

**TOWNSHIP OF MEDFORD**  
**TRUST FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2019 and 2018

	Ref.	2019	2018
<b>ASSETS:</b>			
Animal Control Fund:			
Cash	SB-1	\$ 33,110.79	\$ 33,687.14
Birchwood Lake Dam - Trust Assessment Fund:			
Cash	SB-1	446,531.30	435,093.20
Other Funds:			
Cash	SB-1	2,765,549.61	3,504,140.19
Length of Service Award Program:			
Investments - Length of Service Awards Program	SB-2	1,462,298.14	1,161,533.07
Municipal Open Space Fund:			
Cash	SB-1	3,473,764.45	3,488,566.33
Due From Current Fund	SB-9		3,739.04
		<u>3,473,764.45</u>	<u>3,492,305.37</u>
		<u>\$ 8,181,254.29</u>	<u>\$ 8,626,758.97</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE:</b>			
Animal Control Fund:			
Due to State of New Jersey	SB-4	\$ 1.20	
Reserve for Animal Control Expenditures	SB-3	32,558.35	\$ 33,687.14
Due to Current Fund	SB-5	551.24	
		<u>33,110.79</u>	<u>33,687.14</u>
Birchwood Lake Dam - Trust Assessment Fund:			
Reserve for Homeowners Dam Restoration	SB-11	446,531.30	435,093.20
Other Funds:			
Reserve for:			
Outside Employment of Off-Duty Municipal Policemen	SB-7	18,658.87	13,408.74
Payroll Deductions Payable	SB-7	125,031.15	266,815.28
Flex Trust	SB-7	2,899.16	3,124.50
Net Payroll	SB-7		264.38
Special Law Enforcement	SB-7	24,835.27	31,483.28
Miscellaneous Deposits	SB-7	43,106.50	59,701.05
Road Improvement Escrows	SB-7	135,214.49	111,219.49
Fair Share Traffic Construction	SB-7	9,536.00	9,536.00
Redevelopment Project	SB-7		4,753.00
K-9 Unit Trust	SB-7	815.28	1,588.25

(Continued)



**TOWNSHIP OF MEDFORD**  
**TRUST FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE (CONT'D):</b>			
Other Funds (Cont'd):			
Planning Board Subdivision Escrow	SB-7	\$ 1,118,594.67	\$ 1,570,331.23
New Jersey Unemployment Compensation Insurance	SB-7	111,169.41	108,523.47
Sanitary Landfill Facility Closure and Contingency Fund	SB-7	13,648.13	13,648.13
Public Defender	SB-7	843.17	1,204.51
Police Officer Adjudication Act (POAA)	SB-7	822.00	810.00
Housing	SB-7	614,896.48	623,427.36
Unclaimed Bail - Disposal of Forfeited Property	SB-7	13,434.02	13,434.02
Fire Safety Penalties	SB-7	928.35	731.37
Resale of Snow Removal Chemicals - Commodity Resale	SB-7	5,620.85	28,124.21
Snow Removal Trust Fund	SB-7	159,812.28	77,230.09
Federal Forfeiture Trust	SB-7	1,610.71	15.48
Tax Title Lien Redemption	SB-7	17,161.63	19,167.80
Tax Sale Premium	SB-7	190,300.00	399,800.00
Street Opening Trust	SB-7	99,678.46	99,755.65
Accumulated Absences	SB-7	52,680.52	42,140.57
Miscellaneous	SB-7	3,427.82	3,377.82
Sunshine Trust	SB-7	824.39	524.51
		<u>2,765,549.61</u>	<u>3,504,140.19</u>
Length of Service Award Program: Reserve for Length of Service Awards Program	SB-2	<u>1,462,298.14</u>	<u>1,161,533.07</u>
Municipal Open Space Fund: Accounts Payable	SB-12		18,068.74
Encumbrances	B-3,SB-10	115,714.95	14,674.41
Appropriation Reserves	B-3,SB-10	110,502.60	85,475.95
Reserve for Future Use	B-1,SB-8	3,247,546.90	3,374,086.27
		<u>3,473,764.45</u>	<u>3,492,305.37</u>
		<u>\$ 8,181,254.29</u>	<u>\$ 8,626,758.97</u>

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

**TOWNSHIP OF MEDFORD**  
**MUNICIPAL OPEN SPACE TRUST FUND**  
 Statements of Operations and Changes in Reserve for Future Use -- Regulatory Basis  
 For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>REVENUE REALIZED:</b>		
Reserve for Future Use	\$ 380,899.00	\$ 200,320.00
Amount to be Raised by Taxation	732,137.44	730,233.04
Interest on Investments and Deposits	40,515.75	31,107.11
Miscellaneous	145,600.00	178,560.00
Unexpended Balance of Appropriation Reserves	82,324.70	140,435.16
Cancellation of Accounts Payable	<u>7,875.54</u>	
 Total Income	 <u>1,389,352.43</u>	 <u>1,280,655.31</u>
<b>EXPENDITURES:</b>		
Budget Appropriations:		
Salary and Wages	144,454.00	141,477.00
Other Expenses	250,000.00	195,000.00
Acquisition of Farmland	30,000.00	
Down payments on Improvements	45,000.00	
Debt Service	665,538.80	597,336.65
Direct Charges to Reserve:		
Acquisition of Farmland		<u>7,777.50</u>
 Total Expenditures	 <u>1,134,992.80</u>	 <u>941,591.15</u>
 Statutory Excess to Reserve	 254,359.63	 339,064.16
<b>RESERVE FOR FUTURE USE:</b>		
Balance January 1,	<u>3,374,086.27</u>	<u>3,235,342.11</u>
	3,628,445.90	3,574,406.27
Decreased by:		
Reserve Funds Utilized as Revenue	<u>380,899.00</u>	<u>200,320.00</u>
 Balance December 31,	 <u>\$ 3,247,546.90</u>	 <u>\$ 3,374,086.27</u>

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

**TOWNSHIP OF MEDFORD**  
**MUNICIPAL OPEN SPACE TRUST FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2019

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Amount to be Raised by Taxation	\$ 729,094.00	\$ 732,137.44	\$ 3,043.44
Interest on Investments and Deposits	25,000.00	40,515.75	15,515.75
Reserve for Future Use	380,899.00	380,899.00	
Miscellaneous		145,600.00	145,600.00
	<u>\$ 1,134,993.00</u>	<u>\$ 1,299,152.19</u>	<u>\$ 164,159.19</u>

Analysis of Realized Revenues

Receipts:

Interest on Investments and Deposits		\$ 40,515.75	
Miscellaneous - County of Burlington	\$ 141,600.00		
Miscellaneous - Other	<u>4,000.00</u>		
		<u>145,600.00</u>	
		186,115.75	
Due Current Fund:			
Levy - Current Year	729,094.00		
Added and Omitted Taxes - Current Year	<u>3,043.44</u>		
		732,137.44	
Reserve for Future Use		<u>380,899.00</u>	
		<u>\$ 1,299,152.19</u>	

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

**TOWNSHIP OF MEDFORD**  
**MUNICIPAL OPEN SPACE TRUST FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Expended			
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Canceled
Maintenance of Lands for Recreation and Conservation:						
Salary and Wages	\$ 144,454.00	\$ 144,454.00	\$ 125,683.67		\$ 18,770.33	
Other Expenses	325,000.00	250,000.00	102,180.80	\$ 64,834.95	82,984.25	
	<u>469,454.00</u>	<u>394,454.00</u>	<u>227,864.47</u>	<u>64,834.95</u>	<u>101,754.58</u>	<u>-</u>
Capital Improvements:						
Acquisition of Farmland		30,000.00	15,371.98	5,880.00	8,748.02	
Down Payment on Improvements		45,000.00		45,000.00	-	
	<u>-</u>	<u>75,000.00</u>	<u>15,371.98</u>	<u>50,880.00</u>	<u>8,748.02</u>	<u>-</u>
Debt Service:						
Payment of Bond Principal	423,991.00	423,991.00	423,991.00			
Interest on Bonds	209,768.00	209,768.00	209,768.00			
Payment of Loan Principal	31,465.00	31,465.00	31,465.00			
Interest on Loans	315.00	315.00	314.80			\$ 0.20
	<u>665,539.00</u>	<u>665,539.00</u>	<u>665,538.80</u>	<u>-</u>	<u>-</u>	<u>0.20</u>
	<u>\$ 1,134,993.00</u>	<u>\$ 1,134,993.00</u>	<u>\$ 908,775.25</u>	<u>\$ 115,714.95</u>	<u>\$ 110,502.60</u>	<u>\$ 0.20</u>
Disbursed			<u>\$ 908,775.25</u>			

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

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2019 and 2018

ASSETS:	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Cash	SC-1	\$ 14,773,820.11	\$ 11,953,307.68
Grants Receivable:			
Receivables offset with Reserves	SC-8	222,147.00	222,147.00
Receivables Funding Improvement Authorizations	SC-8	515,000.00	565,000.00
Due from Federal and State Grant Fund	SC-14		63,000.00
Deferred Charges to Future Taxation:			
Funded	SC-3	24,350,000.00	26,400,065.17
Unfunded	SC-4	9,134,126.00	3,200,837.00
		<u>\$ 48,995,093.11</u>	<u>\$ 42,404,356.85</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
General Serial Bonds	SC-10	\$ 24,350,000.00	\$ 26,368,600.00
Loans Payable	SC-9		31,465.17
Bond Anticipation Notes	SC-11	9,134,126.00	3,200,837.00
Improvement Authorizations:			
Funded	SC-6	1,905,829.45	9,989,646.13
Unfunded	SC-6	3,859,673.33	123,833.23
Reserve for Encumbrances	SC-7	8,933,615.97	1,927,965.06
Reserve for Payment of Debt Service	C	354,959.44	354,959.44
Reserves for Receivables	C	222,147.00	222,147.00
Capital Improvement Fund	SC-5	70,024.00	70,024.00
Fund Balance	C-1	164,717.92	114,879.82
		<u>\$ 48,995,093.11</u>	<u>\$ 42,404,356.85</u>

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

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
Statement of Fund Balance -- Regulatory Basis  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 114,879.82
Increased by:	
Premium on Sale of Bonds	<u>49,838.10</u>
Balance December 31, 2019	<u><u>\$ 164,717.92</u></u>

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

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2019 and 2018

ASSETS:	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Operating Fund:			
Cash	SD-1	\$ 2,220,964.31	\$ 2,924,050.07
Insurance Claims Receivable	SD-17	9,922.45	33,217.45
		<u>2,230,886.76</u>	<u>2,957,267.52</u>
Receivables with Full Reserves:			
Water and Sewer Liens Receivable	D	3,258.36	3,258.36
Water and Sewer Rents Receivable	SD-3	235,645.97	191,578.99
		<u>238,904.33</u>	<u>194,837.35</u>
		<u>2,469,791.09</u>	<u>3,152,104.87</u>
Capital Fund:			
Cash	SD-1	6,430,101.51	4,548,555.45
Fixed Capital	SD-6	68,234,286.46	68,213,486.73
Fixed Capital Authorized and Uncompleted	SD-5	17,574,906.28	15,851,406.28
		<u>92,239,294.25</u>	<u>88,613,448.46</u>
		<u>\$ 94,709,085.34</u>	<u>\$ 91,765,553.33</u>

(Continued)

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE:</b>			
Operating Fund:			
Liabilities:			
Reserves for Encumbrances	SD-4;D-3	\$ 430,745.76	\$ 279,254.49
Appropriation Reserves	SD-4;D-3	247,299.82	318,208.88
Prepaid Rents	SD-15	624,893.38	719,872.98
Accounts Payable	SD-1,SD-4	87,557.29	70,774.54
Overpayments	SD-14	16,071.42	4,162.84
Accrued Interest on Bonds and Notes	SD-7	182,408.41	231,622.12
		<u>1,588,976.08</u>	<u>1,623,895.85</u>
Reserve for Receivables	D	238,904.33	194,837.35
Fund Balance	D-1	641,910.68	1,333,371.67
		<u>2,469,791.09</u>	<u>3,152,104.87</u>
Capital Fund:			
Serial Bonds	SD-11	8,087,000.00	9,447,400.00
Loans Payable	SD-12	11,549,701.86	12,664,151.76
Bond Anticipation Notes	SD-18	2,190,298.00	466,798.00
Improvement Authorizations:			
Funded	SD-8	1,621,609.80	2,040,815.05
Unfunded	SD-8	2,781,022.75	1,243,536.57
Capital Improvement Fund	SD-13	1,506,399.00	506,399.00
Reserve for Encumbrances	SD-9	440,518.60	391,310.37
Reserve for Amortization	SD-10	57,127,003.36	54,701,353.73
Deferred Reserve for Amortization	SD-16	6,855,189.52	6,785,189.52
Reserve for Payment of Debt Service	D-2	55,488.73	355,488.73
Fund Balance	D-4	25,062.63	11,005.73
		<u>92,239,294.25</u>	<u>88,613,448.46</u>
		<u>\$ 94,709,085.34</u>	<u>\$ 91,765,553.33</u>

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



**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY OPERATING FUND**  
**Statements of Operations and Changes in Operating Fund Balance -- Regulatory Basis**  
**For the Years Ended December 31, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
<b>REVENUE AND OTHER INCOME REALIZED:</b>		
Operating Surplus Anticipated	\$ 750,000.00	\$ 1,000,000.00
Water and Sewer Rents	6,196,393.51	6,491,008.62
Miscellaneous	562,714.00	704,742.15
Reserve for Payment of Debt Service	300,000.00	
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	206,572.49	345,826.88
	<u>8,015,680.00</u>	<u>8,541,577.65</u>
Total Income		
<b>EXPENDITURES:</b>		
Operating	3,904,478.00	3,767,484.00
Capital Improvements	1,094,000.00	1,273,568.00
Debt Service	2,747,032.11	2,650,582.42
Deferred Charges and Statutory Expenditures	211,469.00	254,966.67
Refund of Prior Year Revenue	161.88	
	<u>7,957,140.99</u>	<u>7,946,601.09</u>
Total Expenditures		
Statutory Excess to Fund Balance	58,539.01	594,976.56
<b>FUND BALANCE:</b>		
Balance January 1	<u>1,333,371.67</u>	<u>2,333,371.67</u>
	1,391,910.68	2,928,348.23
Decreased by:		
Utilized as Revenue	<u>750,000.00</u>	<u>1,000,000.00</u>
Balance December 31	<u>\$ 641,910.68</u>	<u>\$ 1,333,371.67</u>

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

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY OPERATING FUND**  
 Statement of Revenues -- Regulatory Basis  
 For the Year Ended December 31, 2019

	Anticipated <u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Surplus Anticipated	\$ 750,000.00	\$ 750,000.00	
Water and Sewer Rents	6,300,000.00	6,196,393.51	\$ (103,606.49)
Miscellaneous	646,089.00	562,714.00	(83,375.00)
Reserve for Payment of Debt Service	300,000.00	300,000.00	
	<u>\$ 7,996,089.00</u>	<u>\$ 7,809,107.51</u>	<u>\$ (186,981.49)</u>

Analysis of Realized Miscellaneous Revenue

Receipts:

Interest on Investments and Deposits	\$ 94,023.85
Connection Fees	433,393.66
Penalties	28,056.18
Refunds and Reimbursements	7,240.31
	<u>\$ 562,714.00</u>

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

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY OPERATING FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances</u>	<u>Reserved</u>	
Operating:						
Salaries and Wages	\$ 915,528.00	\$ 915,528.00	\$ 832,367.52		\$ 83,160.48	
Other Expenses	2,988,950.00	2,988,950.00	2,486,767.00	\$ 386,710.41	115,472.59	
Total Operating	<u>3,904,478.00</u>	<u>3,904,478.00</u>	<u>3,319,134.52</u>	<u>386,710.41</u>	<u>198,633.07</u>	-
Capital Improvements:						
Capital Improvement Fund	1,000,000.00	1,000,000.00	1,000,000.00			
Capital Outlay	94,000.00	94,000.00	15,920.35	44,035.35	34,044.30	
Total Capital Improvements	<u>1,094,000.00</u>	<u>1,094,000.00</u>	<u>1,015,920.35</u>	<u>44,035.35</u>	<u>34,044.30</u>	-
Debt Service:						
Payment of Bond Principal	1,120,400.00	1,120,400.00	1,120,400.00			
Interest on Bonds	295,512.00	287,800.00	254,876.94			\$ 32,923.06
Interest on Notes	14,272.00	21,984.00	21,983.98			0.02
Payment of Loan Principal	1,114,450.00	1,082,723.00	1,076,536.79			6,186.21
Interest on Loans	241,508.00	273,235.00	273,234.40			0.60
Total Debt Service	<u>2,786,142.00</u>	<u>2,786,142.00</u>	<u>2,747,032.11</u>	-	-	<u>39,109.89</u>
Statutory Expenditures:						
Public Employees Retirement System	105,469.00	105,469.00	105,469.00			
Retiree Health Benefits	41,000.00	41,000.00	26,520.51		14,479.49	
Contributions to Social Security System (O.A.S.I.)	65,000.00	65,000.00	64,857.04		142.96	
Total Statutory Expenditures	<u>211,469.00</u>	<u>211,469.00</u>	<u>196,846.55</u>	-	<u>14,622.45</u>	-
	<u>\$ 7,996,089.00</u>	<u>\$ 7,996,089.00</u>	<u>\$ 7,278,933.53</u>	<u>\$ 430,745.76</u>	<u>\$ 247,299.82</u>	<u>\$ 39,109.89</u>
Accrued Interest on Bonds and Loans Disbursed			\$ 550,095.32			
Appropriations Refunded			6,750,694.03			
			<u>(21,855.82)</u>			
			<u>\$ 7,278,933.53</u>			

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

**TOWNSHIP OF MEDFORD**  
WATER AND SEWER UTILITY CAPITAL FUND  
Statement of Fund Balance -- Regulatory Basis  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 11,005.73
Increased by:	
Premium on Sale of Bonds	<u>14,056.90</u>
Balance December 31, 2019	<u><u>\$ 25,062.63</u></u>

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

**TOWNSHIP OF MEDFORD**  
**GENERAL FIXED ASSET ACCOUNT GROUP**  
Statement of General Fixed Assets Group of Accounts - Regulatory Basis  
For the Year Ended December 31, 2019

	(Restated) Balance Dec. 31, 2018	Additions	Deletions	Balance Dec. 31, 2019
General Fixed Assets:				
Land and Improvements	\$ 22,979,400.00	\$ 137,800.00		\$ 23,117,200.00
Buildings and Improvements	11,204,632.00	1,200,000.00		12,404,632.00
Vehicles, Machinery and Equipment	14,283,814.00	907,834.00	\$ 1,206,873.00	13,984,775.00
<b>Total General Fixed Assets</b>	<u>\$ 48,467,846.00</u>	<u>\$ 2,245,634.00</u>	<u>\$ 1,206,873.00</u>	<u>\$ 49,506,607.00</u>
<b>Total Investments in General Fixed Assets</b>	<u>\$ 48,467,846.00</u>	<u>\$ 2,245,634.00</u>	<u>\$ 1,206,873.00</u>	<u>\$ 49,506,607.00</u>

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

**TOWNSHIP OF MEDFORD**  
Notes to Financial Statements  
For the Year Ended December 31, 2019

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**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Financial Reporting Entity** - The Township of Medford (hereafter referred to as the "Township") was incorporated as a township by an act of the New Jersey legislature on February 4, 1847 from portions of Evesham Township. The Township, located in Burlington County, New Jersey, has a total area of approximately forty square miles, and is located approximately twenty miles from the City of Philadelphia. The Township borders Evesham Township, Tabernacle Township, Mount Laurel Township, Southampton Township, Shamong Township, and Lumberton Township. According to the 2010 census, the population is 23,033.

The Township has a Council - Manager form of government known as the Council - Manager Plan E under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. There are four Township Council Members who are elected to four-year terms. The Mayor is elected at large to a four-year term. Administrative responsibilities fall under the Township Manager, who is appointed by Council. Executive responsibilities rest with the Township Council.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation** - The financial statements of the Township contain all funds and account groups in accordance with the *Requirements of Audit* (the "*Requirements*") as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the *Requirements* 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these *Requirements*. In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this note.

In accordance with the *Requirements*, the Township accounts for its financial transactions through the use of separate funds and an account group which are described as follows:

**Current Fund** - The current fund accounts for resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

**General Capital Fund** - The general capital fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the current fund.

**Water and Sewer Utility Operating and Capital Funds** - The water and sewer utility operating and capital funds account for the operations and acquisition of capital facilities of the municipally owned water and sewer operations.

**General Fixed Asset Group of Accounts** - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Budgets and Budgetary Accounting** - The Township must adopt an annual budget for its current, municipal open space, and water and sewer utility funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval, and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded. Investments recorded in the trust fund for the Township's length of service awards program, however, are stated at fair value.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

**Interfunds** - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the current fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

**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 statements of assets, liabilities, reserves and fund balance.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**General Fixed Assets** - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that include accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

**Utility Fixed Assets** - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment, improvements, and contributed capital.

**Foreclosed Property** - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the general fixed asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

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

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

**Fund Balance** - Fund balances included in the current fund and water and sewer utility operating fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.



**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

**Property Tax Revenues** - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Burlington, the Township of Medford School District, and the Lenape Regional High School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The Township is responsible for levying, collecting, and remitting school taxes for the Township of Medford School District and the Lenape Regional High School District. For both school districts, operations is charged for the Township's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2018 and decreased by the amount deferred at December 31, 2019.

**County Taxes** - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Burlington. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year, and due to be paid to the County by February 15 of the following year.

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

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

**Appropriation Reserves** - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as income.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Long-Term Debt** - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital and utility capital funds. Where an improvement is a “local Improvement”, i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the trust fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

**Compensated Absences and Postemployment Benefits** - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Township’s deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of December 31, 2019, the Township’s bank balances of \$44,151,035.11 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 42,998,812.95
Uninsured and Uncollateralized	<u>1,152,222.16</u>
Total	<u>\$ 44,151,035.11</u>

**Note 3: PROPERTY TAXES**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years:

	<u>Year Ended</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Tax Rate	<u>\$ 3.169</u>	<u>\$ 3.125</u>	<u>\$ 3.102</u>	<u>\$ 3.092</u>	<u>\$ 3.046</u>
Apportionment of Tax Rate:					
Municipal	\$ .405	\$ .406	\$ .406	\$ .410	\$ .411
Municipal Open Space	.023	.024	.024	.030	.030
County	.441	.442	.446	.447	.435
Regional High School	.761	.742	.738	.740	.720
Local School	1.539	1.511	1.488	1.465	1.450

**Note 3: PROPERTY TAXES (CONT'D)**

Five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (cont'd):

**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2019	\$ 3,038,010,579.00
2018	3,027,058,244.00
2017	3,008,189,389.00
2016	2,985,099,633.00
2015	2,972,790,205.00

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2019	\$ 96,730,415.42	\$ 95,665,416.73	98.90%
2018	95,098,772.83	94,291,578.17	99.15%
2017	94,027,113.02	93,126,657.72	99.04%
2016	93,069,111.00	92,054,528.00	98.91%
2015	91,626,530.00	90,516,057.00	98.79%

**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2019	\$ 109,235.09	\$ 986,044.26	\$ 1,095,279.35	1.13%
2018	109,852.85	741,611.43	851,464.28	0.90%
2017	95,091.06	825,592.16	920,683.22	0.98%
2016	82,620.80	1,001,198.00	1,083,818.80	1.16%
2015	275,481.00	898,511.00	1,173,992.00	1.28%

The following comparison is made of the number of tax title liens receivable on December 31 for the current and previous four calendar years:

<u>Year</u>	<u>Number</u>
2019	74
2018	37
2017	41
2016	64
2015	41

**Note 4: 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, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 902,400.00
2018	1,071,200.00
2017	1,071,200.00
2016	1,071,200.00
2015	962,500.00

**Note 5: SEWER UTILITY SERVICE CHARGES**

The following is a five-year comparison of water and sewer utility service charges (rents) for the current and previous four years:

<u>Year</u>	<u>Balance Beginning of Year Receivable</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
2019	\$ 191,578.99	\$ 6,240,460.49	\$ 6,432,039.48	\$ 6,196,393.51
2018	190,541.59	6,492,046.02	6,682,587.61	6,491,008.62
2017	214,036.23	6,042,467.79	6,256,504.02	6,062,704.07
2016	198,754.00	6,493,484.00	6,692,238.00	6,478,202.00
2015	226,610.00	5,819,922.00	6,046,532.00	5,847,778.00

**Note 6: FUND BALANCES APPROPRIATED**

The following schedules detail the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

**Current Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2019	\$ 3,949,266.09	\$ 2,385,000.00	60.39%
2018	3,947,555.54	2,385,000.00	60.42%
2017	4,255,373.21	2,498,500.00	58.71%
2016	3,607,687.80	1,944,000.00	53.88%
2015	2,265,775.00	1,017,604.00	44.91%

**Water and Sewer Utility Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2019	\$ 641,910.68	\$ 269,089.00	41.92%
2018	1,333,371.67	750,000.00	56.25%
2017	1,738,395.11	1,000,000.00	57.52%
2016	3,159,620.11	1,421,225.00	44.98%
2015	3,524,974.00	901,173.00	25.57%

**Note 7: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2019:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 551.24	\$ 9,248.06
Federal and State Grant	9,248.06	
Animal Control Fund		551.24
	<u>                    </u>	<u>                    </u>
Totals	<u>\$ 9,799.30</u>	<u>\$ 9,799.30</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2020, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 8: PENSION PLANS**

A substantial number of the Township's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several Township employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS and PFRS plan's fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

**General Information about the Pension Plans****Plan Descriptions**

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Township, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

**Police and Firemen's Retirement System** - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Township. The PFRS' Board of Trustees is primarily responsible for the administration of the PFRS.

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Vesting and Benefit Provisions**

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The following represents the membership tiers for PERS:

**Tier Definition**

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

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

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Police and Firemen's Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

**Tier Definition**

- 1 Members who were enrolled prior to May 22, 2010
- 2 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 3 Members who were eligible to enroll on or after June 28, 2011

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

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2019. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) was 10.0% in State fiscal year 2019. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2019 was 12.05% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** - Based on the most recent PERS measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 is \$333,468.00, and was payable by April 1, 2020. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2018, the Township's contractually required contribution to the pension plan for the year ended December 31, 2018 was \$339,056.00, which was paid on April 1, 2019. Employee contributions to the Plan during the year ended December 31, 2019 were \$214,949.65.

**Police and Firemen's Retirement System** - The contribution policy for PFRS is set by N.J.S.A 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 10.0% in State fiscal year 2019. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability.

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

The Township's contractually required contribution rate for the year ended December 31, 2019 was 27.98% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 is \$1,135,091.00, and was payable by April 1, 2020. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2018, the Township's contractually required contribution to the pension plan for the year ended December 31, 2018 was \$1,033,556.00, which was paid on April 1, 2019. Employee contributions to the Plan during the year ended December 31, 2019 were \$407,833.17.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2019 was 3.61% of the Township's covered payroll.



**Note 8: PENSION PLANS (CONT'D)**

**General Information about the Pension Plans (Cont'd)**

**Contributions (Cont'd)**

**Police and Firemen's Retirement System (Cont'd)** - Based on the most recent PFRS measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2019 is \$146,312.00, and was payable by April 1, 2020. Based on the PFRS measurement date of June 30, 2018, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2018 was \$115,082.00, which was paid on April 1, 2019.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the year ended December 31, 2019, employee contributions totaled \$8,162.91, and the Township's contributions were \$5,791.38. There were no forfeitures during the year.

**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

**Public Employees' Retirement System** - At December 31, 2019, the Township's proportionate share of the PERS net pension liability was \$6,177,191.00. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. 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. For the June 30, 2019 measurement date, the Township's proportion was .0342825266%, which was an increase of .0001954785% from its proportion measured as of June 30, 2018.

At December 31, 2019, the Township's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is \$293,473.00. This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2019, the Township's contribution to PERS was \$339,056.00, and was paid on April 1, 2019.

**Police and Firemen's Retirement System** - At December 31, 2019, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 13,751,997.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>2,171,466.00</u>
	<u>\$ 15,923,463.00</u>

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Police and Firemen's Retirement System (Cont'd)** - The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. 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 and the State of New Jersey, actuarially determined. For the June 30, 2019 measurement date, the Township's proportion was .1123729426%, which was an increase of .0066542478% from its proportion measured as of June 30, 2018. Likewise, at June 30, 2019, the State of New Jersey's proportion, on-behalf of the Township, was .1123729426%, which was an increase of .0066542478% from its proportion, on-behalf of the Township, measured as of June 30, 2018.

At December 31, 2019, the Township's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is \$1,589,869.00. This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2019, the Township's contribution to PFRS was \$1,033,556.00, and was paid on April 1, 2019.

At December 31, 2019, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Township, calculated by the Plan as of the June 30, 2019 measurement date is \$252,307.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - At December 31, 2019, the Township had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 110,873.00	\$ 116,085.00	\$ 226,958.00	\$ 27,288.00	\$ 87,066.00	\$ 114,354.00
Changes of Assumptions	616,815.00	471,218.00	1,088,033.00	2,144,084.00	4,444,519.00	6,588,603.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	97,509.00	186,335.00	283,844.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	672,557.00	1,355,460.00	2,028,017.00	245,573.00	168,854.00	414,427.00
Township Contributions Subsequent to the Measurement Date	166,734.00	567,546.00	734,280.00	-	-	-
	<u>\$ 1,566,979.00</u>	<u>\$ 2,510,309.00</u>	<u>\$ 4,077,288.00</u>	<u>\$ 2,514,454.00</u>	<u>\$ 4,886,774.00</u>	<u>\$ 7,401,228.00</u>

\$166,734.00 and \$567,546.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2020. These amounts were based on an estimated April 1, 2021 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2019 to the Township's year end of December 31, 2019.

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - The Township will amortize the above other deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

	PERS		PFRS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
June 30, 2019	5.21	-	-	5.92
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
June 30, 2019	-	5.21	-	5.92
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2014	-	5.00	-	5.00
June 30, 2015	5.00	-	5.00	-
June 30, 2016	5.00	-	5.00	-
June 30, 2017	-	5.00	-	5.00
June 30, 2018	-	5.00	-	5.00
June 30, 2019	-	5.00	-	5.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73
June 30, 2019	5.21	5.21	5.92	5.92

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

<b>Year Ending Dec 31,</b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>	<b><u>Total</u></b>
2020	\$ (134,472.00)	\$ (393,716.00)	\$ (528,188.00)
2021	(448,921.00)	(1,203,278.00)	(1,652,199.00)
2022	(349,827.00)	(832,392.00)	(1,182,219.00)
2023	(157,862.00)	(382,207.00)	(540,069.00)
2024	(23,127.00)	(132,418.00)	(155,545.00)
	<u>\$ (1,114,209.00)</u>	<u>\$ (2,944,011.00)</u>	<u>\$ (4,058,220.00)</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b><u>PERS</u></b>	<b><u>PFRS</u></b>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases (1):		
Through 2026	2.00% - 6.00%	
Thereafter	3.00% - 7.00%	
Through All Future Years		3.25% - 15.25%
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018	July 1, 2013 - June 30, 2018

(1) Based on Years of Service

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

For PERS, 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% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

For PFRS, 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 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-2019.

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' and PFRS' target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
	<u>100.00%</u>	

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

**Discount Rate** - The discount rate used to measure the total pension liability at June 30, 2019 was 6.28% for PERS and 6.85% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057 for PERS and 2076 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 for PERS and 2076 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of Township's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Public Employees' Retirement System (PERS)** - The following presents the Township's proportionate share of the net pension liability at June 30, 2019, the Plan's measurement date, calculated using a discount rate of 6.28%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>PERS</b>		
	<b>1% Decrease (5.28%)</b>	<b>Current Discount Rate (6.28%)</b>	<b>1% Increase (7.28%)</b>
Township's Proportionate Share of the Net Pension Liability	\$ 7,802,796.00	\$ 6,177,191.00	\$ 4,807,389.00

**Police and Firemen's Retirement System (PFRS)** - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Township's annual required contribution. As such, the net pension liability as of June 30, 2019, the Plan's measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 6.85%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	<b>PFRS</b>		
	<b>1% Decrease (5.85%)</b>	<b>Current Discount Rate (6.85%)</b>	<b>1% Increase (7.85%)</b>
Township's Proportionate Share of the Net Pension Liability	\$ 18,587,689.00	\$ 13,751,997.00	\$ 9,749,765.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	2,935,031.00	2,171,466.00	1,539,506.00
	<u>\$ 21,522,720.00</u>	<u>\$ 15,923,463.00</u>	<u>\$ 11,289,271.00</u>

**Note 8: PENSION PLANS (CONT'D)****Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about PERS and PFRS, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

**Supplementary Pension Information**

In accordance with GASBS 68, the following information is also presented for the PERS and PFRS Pension Plans. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

***Schedule of the Township's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Seven Plan Years)***

	<u>Measurement Date Ended June 30,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Proportion of the Net Pension Liability	0.0342825266%	0.0340870481%	0.0310660743%	0.0291113415%
Township's Proportionate Share of the Net Pension Liability	\$ 6,177,191.00	\$ 6,711,570.00	\$ 7,231,686.00	\$ 8,621,944.00
Township's Covered Payroll (Plan Measurement Period)	\$ 2,421,152.00	\$ 2,379,840.00	\$ 2,242,464.00	\$ 2,028,732.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	255.13%	282.02%	322.49%	424.99%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.27%	53.60%	48.10%	40.14%
	<u>Measurement Date Ended June 30,</u>			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Proportion of the Net Pension Liability	0.0329284085%	0.0327388066%	0.0351794539%	
Township's Proportionate Share of the Net Pension Liability	\$ 7,391,768.00	\$ 6,129,600.00	\$ 6,723,493.00	
Township's Covered Payroll (Plan Measurement Period)	\$ 2,227,412.00	\$ 2,258,416.00	\$ 2,513,128.00	
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	331.85%	271.41%	267.53%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%	

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Public Employees' Retirement System (PERS) (Last Seven Years)***

	<u>Year Ended December 31,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Contractually Required Contribution	\$ 333,468.00	\$ 339,056.00	\$ 287,794.00	\$ 258,621.00
Township's Contribution in Relation to the Contractually Required Contribution	\$ (333,468.00)	(339,056.00)	(287,794.00)	(258,621.00)
Township's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Township's Covered Payroll (Calendar Year)	\$ 2,766,650.00	\$ 2,469,467.00	\$ 2,348,900.00	\$ 2,218,222.00
Township's Contributions as a Percentage of Covered Payroll	12.05%	13.73%	12.25%	11.66%
	<u>Year Ended December 31,</u>			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Contractually Required Contribution	\$ 283,096.00	\$ 269,894.00	\$ 265,070.00	
Township's Contribution in Relation to the Contractually Required Contribution	(283,096.00)	(269,894.00)	(265,070.00)	
Township's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	
Township's Covered Payroll (Calendar Year)	\$ 2,008,847.00	\$ 2,162,377.00	\$ 2,215,793.00	
Township's Contributions as a Percentage of Covered Payroll	14.09%	12.48%	11.96%	



**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the Township's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Seven Plan Years)***

	<u>Measurement Date Ended June 30,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Proportion of the Net Pension Liability	0.1123729426%	0.1057186948%	0.1073035247%	0.1007732337%
Township's Proportionate Share of the Net Pension Liability	\$ 13,751,997.00	\$ 14,305,482.00	\$ 16,565,590.00	\$ 19,250,263.00
State's Proportionate Share of the Net Pension Liability associated with the Township	2,171,466.00	1,943,163.00	1,855,486.00	1,616,545.00
<b>Total</b>	<b>\$ 15,923,463.00</b>	<b>\$ 16,248,645.00</b>	<b>\$ 18,421,076.00</b>	<b>\$ 20,866,808.00</b>
Township's Covered Payroll (Plan Measurement Period)	\$ 3,742,712.00	\$ 3,491,336.00	\$ 3,443,384.00	\$ 3,175,960.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	367.43%	409.74%	481.08%	606.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.00%	62.48%	58.60%	52.01%
	<u>Measurement Date Ended June 30,</u>			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Proportion of the Net Pension Liability	0.1009314324%	0.0998063889%	0.0986190991%	
Township's Proportionate Share of the Net Pension Liability	\$ 16,811,658.00	\$ 12,554,718.00	\$ 13,110,519.00	
State's Proportionate Share of the Net Pension Liability associated with the Township	1,474,326.00	1,351,932.00	1,222,060.00	
<b>Total</b>	<b>\$ 18,285,984.00</b>	<b>\$ 13,906,650.00</b>	<b>\$ 14,332,579.00</b>	
Township's Covered Payroll (Plan Measurement Period)	\$ 3,196,312.00	\$ 3,152,368.00	\$ 3,093,556.00	
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	525.97%	398.26%	423.80%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.31%	62.41%	58.70%	

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Police and Firemen's Retirement System (PFRS) (Last Seven Years)***

	<u>Year Ended December 31,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Contractually Required Contribution	\$ 1,135,091.00	\$ 1,033,556.00	\$ 949,656.00	\$ 821,645.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(1,135,091.00)</u>	<u>(1,033,556.00)</u>	<u>(949,656.00)</u>	<u>(821,645.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 4,056,445.00	\$ 3,763,312.00	\$ 3,522,176.00	\$ 3,416,079.00
Township's Contributions as a Percentage of Covered Payroll	27.98%	27.46%	26.96%	24.05%
	<u>Year Ended December 31,</u>			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Contractually Required Contribution	\$ 820,422.00	\$ 766,582.00	\$ 719,503.00	
Township's Contribution in Relation to the Contractually Required Contribution	<u>(820,422.00)</u>	<u>(766,582.00)</u>	<u>(719,503.00)</u>	
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Township's Covered Payroll (Calendar Year)	\$ 3,244,888.00	\$ 3,203,629.00	\$ 3,152,433.00	
Township's Contributions as a Percentage of Covered Payroll	25.28%	23.93%	22.82%	

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)***Changes in Benefit Terms

None

Changes in Assumptions

The Discount Rate changed at June 30th over the following years, 5.39% 2014, 4.90% 2015, 3.98% 2016, 5.00% 2017, 5.66% 2018, and 6.28% 2019.

The Long-term Expected Rate of Return changed at June 30<sup>th</sup> over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017, 2018 and 2019.

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2014 - June 30, 2018 Experience Study. For pre-retirement mortality, the Pub-2010 General Below-Median Income Employee mortality table with a 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 was used. For healthy retirees and beneficiaries, 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 was used. For disabled retiree mortality, the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males, and a 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter.

***Police and Firemen's Retirement System (PFRS)***Changes in Benefit Terms

In 2017, Chapter 26, P.L. 2016 increased the accidental death benefit payable to children if there is no surviving spouse to 70% of final compensation.

Changes in Assumptions

The Discount Rate changed at June 30th over the following years, 6.32% 2014, 5.79% 2015, 5.55% 2016, 6.14% 2017, 6.51% 2018 and 6.85% 2019.

The Long-term Expected Rate of Return changed at June 30<sup>th</sup> over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017, 2018 and 2019.

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information (Cont'd)*****Police and Firemen's Retirement System (PFRS) (Cont'd)*****Changes in Assumptions (Cont'd)**

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2013 - June 30, 2018 Experience Study. For pre-retirement mortality, the Pub-201 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 was used. For healthy retirees, the Pub-2010 Safety Retiree Below-Median Income Weighted mortality 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 was used. For beneficiaries mortality, the Pub-2010 General Retiree Below-Median Income Weighted mortality table, unadjusted, and with future improvement from the base year of 2010 on a generational basis was used. For disabled mortality, 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 was used. For mortality improvement, Scale MP-2019 was used.

For 2016, the mortality improvement scale incorporated the plan actuary's modified 2014 projection scale. Further, salary increases were assumed to increase between 2.10% and 8.98% (based on age through fiscal year 2026 and 3.10% and 9.98% (based on age) for each fiscal year thereafter. For 2015, demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study.

**Note 9: LENGTH OF SERVICE AWARDS PROGRAM**

**Plan Description** - The Township's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Township's trust fund, was created by a Township Ordinance adopted on August 27, 2002 pursuant to Section 457(e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*.

The voters of the Township approved the adoption of the Plan at the general election held on November 6, 2001, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2002. The Plan provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel, and is administered by Lincoln National Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The Township's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

The tax deferred income benefits for emergency service volunteers of the Medford Fire Department and Township Emergency Squad, consisting of the volunteer fire department and the first aid organization, come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**Note 9: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)**

**Plan Amendments** - The Township may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the Township, and the following procedures must be followed: (a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the Township's governing body, provided, however, that any amendment required by the IRS, may be adopted by the Township's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the Township shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The Township may amend the Plan agreement to accommodate changes in the Internal Revenue Code, Federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the Township shall notify all participants in writing prior to making any amendment to the Plan.

**Contributions** - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually.

The Township elected to contribute between \$300.00 and \$1,150.00 for the year ended December 31, 2019 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2019, the Township's total expenditure to the Plan was \$50,150.00.

**Participant Accounts** - Each participant's account is credited with the Township's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Township has placed the amounts deferred, including earnings, in an account maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the Township to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Township. These funds, however, are not available for funding the operations of the Township.

**Vesting** - The Township, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-11.63 may make a yearly contribution to the length of service awards program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

**Payment of Benefits** - Upon separation from volunteer service, retirement or disability, termination of the Plan, participants may select various payout options of vested accumulated deferrals, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate.

**Note 9: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)**

**Payment of Benefits** - In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

**Forfeited Accounts** - For the year ended December 31, 2019, no accounts were forfeited.

**Investments** - The investments of the length of service awards program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

**Plan Information** - Additional information about the Township's length of service awards program can be obtained by contacting the Plan Administrator.

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS****General Information about the OPEB Plan**

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

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

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

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****General Information about the OPEB Plan (Cont'd)**

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

**Contributions** - The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members.

The Township was billed monthly by the Plan and paid \$690,714.00 for the year ended December 31, 2019, representing 10.12% of the Township's covered payroll. During the year ended December 31, 2019, retirees were not required to contribute to the Plan.

*Special Funding Situation Component* - The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1997, as disclosed below. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis. Partially funded benefits are also available to local police officers and firefighters who retire with 25 years of service or on disability from an employer who does not provide coverage under the provisions of Chapter 330, P.L. 1997. Upon retirement, these individuals must enroll in the OPEB plan.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80% of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do 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 in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

The Township does not have a Special Funding Situation within the Plan.

**OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

**OPEB Liability** - At December 31, 2019 the Township's proportionate share of the net OPEB liability was \$18,048,243.00.

The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

**OPEB Liability (Cont'd)** - The Township's proportion of the net OPEB liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2018 through June 30, 2019. For the June 30, 2019 measurement date, the Township's proportion was .133236% which was a decrease of .005809% from its proportion measured as of the June 30, 2018 measurement date.

**OPEB (Benefit) Expense** - At December 31, 2019, the Township's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is (\$587,150.00). This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2019, the Township made contributions to the Plan totaling \$690,714.00.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - At December 31, 2019, the Township had deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience	\$ -	\$ 5,278,010.00
Changes of Assumptions	-	6,395,896.00
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	14,867.00	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	306,714.00	2,694,072.00
Township Contributions Subsequent to the Measurement Date	<u>346,024.19</u>	<u>-</u>
	<u>\$ 667,605.19</u>	<u>\$ 14,367,978.00</u>

\$346,024.19 reported as deferred outflows of resources resulting from the Township's contributions subsequent to the measurement date will be included as a reduction of the Township's net OPEB liability during the year ending December 31, 2020.



**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources** - The Township will amortize the above other deferred outflow of resources and deferred inflows of resources related to the OPEB liability over the following number of years:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience		
June 30, 2017	-	-
June 30, 2018	-	8.14
June 30, 2019	-	8.05
Changes of Assumptions		
Year of OPEB Plan Deferral:		
June 30, 2017	-	8.04
June 30, 2018	-	8.14
June 30, 2019	-	8.05
Net Difference between Projected and Actual Earnings on OPEB Plan Investments		
Year of OPEB Plan Deferral:		
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions		
Year of OPEB Plan Deferral:		
June 30, 2017	8.04	8.04
June 30, 2018	8.14	8.14
June 30, 2019	8.05	8.05

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - Other amounts included as deferred outflows of resources and deferred inflows of resources related to the OPEB liability will be recognized in future periods as follows:

<b>Year Ending Dec. 31,</b>	
2020	\$ (2,317,812.00)
2021	(2,317,812.00)
2022	(2,318,978.00)
2023	(2,320,862.00)
2024	(2,322,583.00)
Thereafter	<u>(2,448,350.00)</u>
	<u>\$ (14,046,397.00)</u>

**Actuarial Assumptions**

The actuarial assumptions vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2019 used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases *	
PERS:	
Initial Fiscal Year Applied:	
Rate Through 2026	2.00% to 6.00%
Rate Thereafter	3.00% to 7.00%
PFRS:	
Rate for all Years	3.25% to 15.25%

\* Salary Increases are Based on Years of Service  
Within the Respective Plan

PERS mortality rates were based on Pub-2010 General classification headcount weighted mortality with fully generational morality improvement projections from the central year using Scale MP-2019.

PFRS mortality rates were based on Pub-2010 Safety classification headcount weighted mortality with fully generational morality improvement projections from the central year using Scale MP-2019.

Actuarial assumptions used in the July 1, 2018 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the Plan upon retirement.

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Actuarial Assumptions (Cont'd)**

All of the Plan's investments are in the State of New Jersey Cash Management Fund ("CMF"). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, *Certain Investments and External Investment Pools*. The CMF invests in U.S. Government and Agency Obligations, Commercial Paper, Corporate Obligations and Certificates of Deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) are the unit cost of value of \$1.00. Participant shares are valued on a fair value basis. The CMF pay interest to participants on a monthly basis.

**Discount Rate** - The discount rate used to measure the OPEB Liability at June 30, 2019 was 3.50%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Health Care Trend Assumptions** - For pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

**Sensitivity of the net OPEB Liability to Changes in the Discount Rate**

The Township's proportionate share of the net OPEB liability as of June 30, 2019, the Plan's measurement date, calculated using a discount rate of 3.50%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	<b>1% Decrease <u>(2.50%)</u></b>	<b>Current Discount Rate <u>(3.50%)</u></b>	<b>1% Increase <u>(4.50%)</u></b>
Township's Proportionate Share of the Net OPEB Liability	<u>\$ 20,868,360.00</u>	<u>\$ 18,048,243.00</u>	<u>\$ 15,756,525.00</u>

**Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The Township's proportionate share of the net OPEB Liability as of June 30, 2019, the Plan's measurement date, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
Township's Proportionate Share of the Net OPEB Liability	<u>\$ 15,230,493.00</u>	<u>\$ 18,048,243.00</u>	<u>\$ 21,642,758.00</u>

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****OPEB Plan Fiduciary Net Position**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB (benefit) expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about the Plan, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

**Supplementary OPEB Information**

In accordance with GASBS No. 75, the following information is also presented for the State Health Benefits Local Government Retired Employees Plan. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

***Schedule of the Township's Proportionate Share of the net OPEB Liability (Last Three Plan Years)***

	<u>Measurement Date Ended June 30,</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net OPEB Liability	0.133236%	0.139045%	0.137252%
Township's Proportionate Share of the Net OPEB Liability	\$ 18,048,243.00	\$ 21,783,649.00	\$ 28,021,078.00
Township's Covered Payroll (Plan Measurement Period)	\$ 6,560,153.00	\$ 5,955,101.00	\$ 5,748,063.00
Township's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	275.12%	365.80%	487.49%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.97%	1.03%

***Schedule of the Township's Contributions (Last Three Years)***

	<u>Year Ended December 31,</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Required Contributions	\$ 690,714.00	\$ 1,273,883.05	\$ 1,361,532.26
Township's Contributions in Relation to the Required Contribution	<u>(690,714.00)</u>	<u>(1,273,883.05)</u>	<u>(1,361,532.26)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 6,823,095.00	\$ 6,232,779.00	\$ 5,871,076.00
Township's Contributions as a Percentage of Covered Payroll	10.12%	20.44%	23.19%

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Other Notes to Supplementary OPEB Information****Changes in Benefit Terms**

In 2019, there were slight changes to the Chapter 48 provisions.

**Changes in Assumptions**

In 2019, the discount rate changed to 3.50% from 3.87%, and there were changes in the assumed health care cost trend, PPO/HMO future retiree elections, and excise tax assumptions. Further, decrements, salary scale, and mortality assumptions were updated based on the July 1, 2013 - June 30, 2018 PFRS and July 1, 2014 - June 30, 2018 PERS experience studies. For mortality related to PFRS members and retirees, the Pub-2010 "Safety" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019 was used. For mortality related to PERS members and retirees, the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019 was used.

In 2018, the discount rate changed to 3.87% from 3.58%, there were changes in the census, claims and premiums experience and a decrease in the assumed health care cost trend and excise tax assumptions.

In 2017, the discount rate changed to 3.58% from 2.85%.

**Note 11: COMPENSATED ABSENCES**

The Township does not have a policy for compensating all employees for unused sick, vacation or personal leave days upon retirement. However, policies negotiated in the union contracts of the public works, utility, fire and police departments exist. Per the Township handbook non-aligned employees will be compensated in the same manner as employees in the public works union.

In accordance with all union negotiated contracts of the Township employees are entitled to be paid for vacation and comp time upon termination at their current hourly rates.

Additionally, in accordance with the Township's Officer's Association, up to 45 days of accumulated sick time will be compensated at current hourly rates upon termination, and in accordance with Township's Police Superior Officers Association contract, sick time will be compensated upon termination as follows:

- Hours 1 -1,040 – 55% of the Officer's Hourly Rate
- Hours 1,041 – 1,500 50% of the Officer's Hourly Rate
- Hours 1,501+ 45% of the Officer's Hourly Rate

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2019, accrued benefits for compensated absences are valued at \$1,160,525.28.

The Township has established a compensated absences trust fund to set aside funds for future payments of compensated absences. At December 31, 2019, the balance of the fund was \$52,680.52.

**Note 12: DEFERRED COMPENSATION SALARY ACCOUNT**

The Township offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

**Note 13: SANITARY LANDFILL ESCROW CLOSURE FUND**

The Township previously operated a municipal landfill located in the Township. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

Under the provisions of N.J.S.A.13:1E-1 et seq., known as the Solid Waste Management Act, approval was granted on November 2, 1995 by the State of New Jersey, Department of Environmental Protection (NJDEP) for a closure and post closure plan. On February 24, 2000, the NJDEP accepted the Township's As-Built Documents for the closure of the landfill as complete.

The Township presently holds funds in escrow in accordance with the post closure financial plan approved by the NJDEP on November 2, 1995.

**Note 14: CAPITAL DEBT****General Improvement Bonds**

General Improvement Bonds, Series 2013 - On May 9, 2013, the Township issued \$11,470,000.00 of general improvement bonds, with interest rates ranging from 2.0% - 3.25%. The bonds were issued to fund ordinances 2008-11 and 2009-19. The final maturity of the bonds is May 1, 2033.

Refunding Bonds, Series 2013 - On May 9, 2013, the Township issued \$3,510,000.00 of refunding bonds, with interest rates ranging from 1.0% – 2.5%. The bonds were issued to refund \$796,000.00 of General Obligation Bonds, Series 2004. The final maturity of the bonds is August 1, 2020.

General Improvement Bonds, Series 2015 - On December 17, 2015, the Township issued \$3,420,000.00 of general improvement bonds, with interest rates ranging from 2.0% – 2.25%. The bonds were issued for the purpose of funding the following Ordinances 2010-15, 2013-16, 2014-1 and 2015-15. The final maturity of the bonds is June 1, 2025.

General Improvement Bonds, Bridge Commission Series 2018 - On September 6, 2018, the Bridge Commission issued \$15,508,787.00 of general improvement bonds, with interest rates ranging from 4.0% – 5.0% on behalf of the Township. The bonds were issued for the purpose of funding the following Ordinances 2016-08, 2017-06, 2018-03 and 2018-10. The final maturity of the bonds is August 1, 2033.

**Note 14: CAPITAL DEBT (CONT'D)****General Improvement Bonds (Cont'd)**

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,920,000.00	\$ 914,318.76	\$ 2,834,318.76
2021	1,570,000.00	855,618.76	2,425,618.76
2022	1,645,000.00	802,818.76	2,447,818.76
2023	1,735,000.00	747,318.76	2,482,318.76
2024	1,820,000.00	686,268.76	2,506,268.76
2025 - 2029	8,210,000.00	2,447,906.30	10,657,906.30
2030 - 2033	<u>7,450,000.00</u>	<u>724,559.40</u>	<u>8,174,559.40</u>
Totals	<u>\$ 24,350,000.00</u>	<u>\$ 7,178,809.50</u>	<u>\$ 31,528,809.50</u>

**Water and Sewer Improvement Bonds**

General Improvement Bonds, Series 2013 - On May 17, 2013, the Township issued \$1,305,000.00 of general improvement bonds, with interest rates ranging from 2.0% - 3.25%. The bonds were issued to fund ordinance 2009-20. The final maturity of the bonds is May 1, 2033.

Refunding Bonds, Series 2013 - On May 17, 2013, the Township issued \$5,140,000.00 of refunding bonds, with interest rates ranging from 1.0% – 2.5%. The bonds were issued to refund \$4,750,000.00 of General Obligation Bonds, Series 2004 and to advance refund \$2,963,000.00 of General Obligation Bonds, Series 2005. The final maturity of the bonds is August 1, 2025.

General Improvement Bonds, Series 2015 - On December 17, 2015, the Township issued \$1,470,000.00 of general improvement bonds, with interest rates ranging from 2.0% – 2.25%. The bonds were issued for the purpose of funding the following Ordinances 2008-20, 2010-16, 2010-21 and 2015-16. The final maturity of the bonds is June 1, 2035.

On March 28, 2017, the Burlington County Bridge Commission issued, on behalf of the Township, \$905,000.00 in county guaranteed pooled loan revenue refunding bonds with interest rates from 3.0% to 4.0% to advance refund \$946,000.00 of outstanding 2006 series bonds. The final maturity of the bonds is February 15, 2026.

On September 6, 2018, the Burlington County Bridge Commission issued, on behalf of the Township, \$946,932.00 in county guaranteed pooled loan revenue bonds with interest rates from 4.0% to 5.0%. The bonds were issued for the purpose of funding Ordinances 2018-11. The final maturity of the bonds is August 1, 2028.

Refunding Bonds, Series 2019 - On October 30, 2019, the Township issued \$2,260,000.00 of refunding bonds, with interest rates ranging from 3.0% – 5.0%. The bonds were issued to refund \$2,500,000.00 of General Obligation Bonds, Series 2008. The final maturity of the bonds is July 15, 2028.

**Note 14: CAPITAL DEBT (CONT'D)****Water and Sewer Improvement Bonds (Cont'd)**

The following schedule represents the remaining debt service, through maturity, for the Water and Sewer Improvement Bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,058,000.00	\$ 242,577.50	\$ 1,300,577.50
2021	901,000.00	246,135.00	1,147,135.00
2022	895,000.00	219,695.00	1,114,695.00
2023	808,000.00	193,345.00	1,001,345.00
2024	867,000.00	166,100.00	1,033,100.00
2025 - 2029	2,673,000.00	390,705.00	3,063,705.00
2030 - 2034	775,000.00	72,168.75	847,168.75
2035	110,000.00	1,650.00	111,650.00
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Totals	<u>\$ 8,087,000.00</u>	<u>\$ 1,532,376.25</u>	<u>\$ 9,619,376.25</u>

**Water and Sewer Debt - New Jersey Environmental Infrastructure Loans**

On October 30, 2002, the Township entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$880,709.00, at no interest, from the fund loan, and \$835,000.00 at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund improvements to the water and sewer systems. Semiannual debt payments are due February 1st and August 1st through 2022.

On November 8, 2007, the Township entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$1,106,200.00, at no interest, from the fund loan, and \$1,100,000.00 at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund improvements to the water and sewer systems. Semiannual debt payments are due February 1st and August 1st through 2027.

On November 6, 2008, the Township entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$3,141,145.00, at no interest, from the fund loan, and \$3,785,000.00 at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund improvements to the water and sewer systems. Semiannual debt payments are due February 1st and August 1st through 2028.

On November 19, 2009, the Township entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$1,857,000.00, at no interest, from the fund loan, and \$1,965,000.00 at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund improvements to the water and sewer systems. Semiannual debt payments are due February 1st and August 1st through 2029.

On March 10, 2010, the Township entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$2,252,000.00, at no interest, from the fund loan, and \$735,000.00 at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund improvements to the water and sewer systems. Semiannual debt payments are due February 1st and August 1st through 2029.



**Note 14: CAPITAL DEBT (CONT'D)****Water and Sewer Debt - New Jersey Environmental Infrastructure Loans (Cont'd)**

On December 2, 2010, the Township entered into a loan agreement (Part A and Part B) with the New Jersey Environmental Infrastructure Trust to provide \$4,186,000.00, at no interest, from the fund loan, and \$2,370,000.00 at interest rates ranging from 3.0% to 5.0% from the trust loan. The proceeds were used to fund improvements to the water and sewer systems. Semiannual debt payments are due February 1st and August 1st through 2030.

The following schedule represents the remaining debt service, through maturity, for the Water and Sewer Infrastructure Loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,139,376.21	\$ 299,312.50	\$ 1,438,688.71
2021	1,171,874.23	271,162.50	1,443,036.73
2022	1,194,378.46	241,712.50	1,436,090.96
2023	1,119,613.90	211,300.00	1,330,913.90
2023	1,151,988.36	182,250.00	1,334,238.36
2025 - 2029	5,418,017.88	449,400.00	5,867,417.88
2030	<u>354,452.82</u>	<u>9,250.00</u>	<u>363,702.82</u>
Totals	<u>\$ 11,549,701.86</u>	<u>\$ 1,664,387.50</u>	<u>\$ 13,214,089.36</u>

The following schedule represents the Township's summary of debt for the current and two previous years:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b><u>Issued</u></b>			
General:			
Bonds, Loans and Notes	\$ 33,484,126.00	\$ 29,600,902.17	\$ 21,804,605.98
Water and Sewer Utility:			
Bonds, Loans and Notes	<u>21,826,999.86</u>	<u>22,578,349.76</u>	<u>23,338,032.59</u>
Total Issued	<u>55,311,125.86</u>	<u>52,179,251.93</u>	<u>45,142,638.57</u>
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds, Loans and Notes			3,200,837.56
Water and Sewer Utility:			
Bonds, Loans and Notes			<u>466,798.57</u>
Total Authorized but not Issued	<u>-</u>	<u>-</u>	<u>3,667,636.13</u>
Total Issued and Authorized but not Issued	<u>55,311,125.86</u>	<u>52,179,251.93</u>	<u>48,810,274.70</u>
<b><u>Deductions</u></b>			
General:			
Reserve for Payment of Debt Service	354,959.44	354,959.44	153,966.20
Water and Sewer Utility:			
Self-Liquidating	<u>21,826,999.86</u>	<u>22,578,349.76</u>	<u>23,804,831.16</u>
Total Deductions	<u>22,181,959.30</u>	<u>22,933,309.20</u>	<u>23,958,797.36</u>
<b>Net Debt</b>	<u>\$ 33,129,166.56</u>	<u>\$ 29,245,942.73</u>	<u>\$ 24,851,477.34</u>

**Note 14: CAPITAL DEBT (CONT'D)****Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of .992%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Purposes	\$ 13,595,000.00	\$ 13,595,000.00	
Regional School Purposes	8,272,490.01	8,272,490.01	
Self-Liquidating	21,826,999.86	21,826,999.86	
General	33,484,126.00	354,959.44	\$ 33,129,166.56
	<u>\$ 77,178,615.87</u>	<u>\$ 44,049,449.31</u>	<u>\$ 33,129,166.56</u>

Net debt \$33,129,166.56 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$3,340,400,703.33, equals .992%.

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 116,914,024.62
Less: Net Debt	<u>33,129,166.56</u>
Remaining Borrowing Power	<u>\$ 83,784,858.06</u>

**Calculation of "Self-Liquidating Purpose,"  
Water and Sewer Utility Per N.J.S.A. 40:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$ 7,809,107.51
Deductions:	
Operating and Maintenance Costs	\$ 4,115,947.00
Debt Service	<u>2,747,032.11</u>
Total Deductions	<u>6,862,979.11</u>
Excess in Revenue	<u>\$ 946,128.40</u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

**Note 15: CAPITAL DEBT REFUNDING**

On October 30, 2019, the Township issued \$2,260,000.00 in general obligation refunding bonds with interest rates ranging from 3.00% to 5.00% to refund \$2,500,000.00 of outstanding water and sewer General Obligation Bonds, Series 2011, bearing interest rates ranging from 4.125% to 4.50%. The net proceeds of \$2,540,176.74 (after payment of issuance costs) were used to purchase U.S. Treasury Bills. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2008 series bonds. As a result of the current refunding, the Township will reduce its total debt service payments over the next ten years by almost \$274,538.00, which results in an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$257,698.78, or 10.31% of the principal amount being refunded. The current refunding meets the requirements of an in-substance defeasance and the liability for the refunded bonds was removed from the Township's financial statements.

**Note 16: ARBITRAGE REBATE**

The Tax Reform Act of 1986 placed restriction on investments of the proceeds of certain tax-exempt bonds issued after December 31, 1986. Specifically, investment earnings which are above arbitrage bond yield are required to be rebated to the United States Treasury Department within sixty days of the end of the fifth bond year. A bond year is defined, at the option of the issuing entity, as either the date of the first anniversary of bond settlement or the issuing entity's year end.

The Township has the following bond issue outstanding that requires a rebate calculation:

<u>Bonds Issued</u>	<u>General Capital Fund</u>	<u>Sewer Utility Capital Fund</u>	<u>Liability</u>
September 6, 2018	\$ 15,508,787.00	\$ 946,932.00	(1)

(1) The rebate calculation on these bonds is required to be made at least once every five years. It is anticipated that when such calculation is made, the liability, if any, will be appropriated in that year's general budget.

**Note 17: SCHOOL TAXES**

The Township of Medford School District tax and Lenape Regional High School tax have been raised and the liabilities deferred by statutes, resulting in the school taxes payable set forth in the current fund liabilities as follows:

	<u>Local School District Balance December 31,</u>		<u>Regional School District Balance December 31,</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Balance of Tax	\$ 23,320,305.44	\$ 22,818,650.46	\$ 11,551,171.13	\$ 11,240,770.13
Deferred	<u>19,507,879.44</u>	<u>8,516,977.28</u>	<u>8,516,977.28</u>	<u>8,516,977.28</u>
Taxes Payable	<u>\$ 3,812,426.00</u>	<u>\$ 14,301,673.18</u>	<u>\$ 3,034,193.85</u>	<u>\$ 2,723,792.85</u>

**Note 18: CHANGE ORDERS**

During the year 2020, the Township amended contracts by approving the following change orders that resulted in the total amount of change orders executed for these projects to exceed the originally awarded contract price by more than twenty percent (20%):

<u>Resolution Number</u>	<u>Project Description</u>
167-2019	2017 Road Improvement Program
263-2019	Professional Services Leaf Contractor & Contracting Services

N.J.A.C. 5:30-11.3 (a) 9 and 10 states that the total number of change orders executed for a particular contract shall not cause the originally awarded contract price to be exceeded by more than twenty percent (20%) unless otherwise authorized, and that if proposed change orders do exceed that twenty percent limitation, no work shall be performed or purchases made until the procedures of N.J.A.C. 5:30-11.9 have been completed.

N.J.A.C. 5:30-11.9 delineates the required procedures for change orders, which exceed the twenty percent (20%) limitation. The Township has complied with all provisions of N.J.A.C. 5:30-11.9.

**Note 19: RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**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, reimbursements to the State for benefits paid and the ending balance of the Township's trust fund for the current and previous two years:

<u>Year</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019		\$ 4,952.91	\$ 1,375.49	\$ 3,682.46	\$ 111,169.41
2018		3,062.48	987.64	2,279.87	108,523.47
2017	\$ 10,000.00	3,297.27	491.50	2,848.36	106,753.22

It is estimated that there are no unreimbursed payments on behalf of the Township at December 31, 2019.

**Joint Insurance Pool** - The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Employee health and accident insurance and public officials bonds in amounts required by New Jersey statutes are provided through commercial insurance. Unemployment compensation benefits are provided by the State of New Jersey, supported by mandatory contributions by the Township. The Township is a member of the Burlington County Municipal Joint Insurance Fund (the "JIF") and the Municipal Excess Liability Joint Fund (the "MEL"), both public entity risk pools. Covered losses not provided by either the JIF or MEL are covered by reinsurance policies in varying amounts. The following coverage is provided by the JIF and MEL:

- Public Officials Bonds in excess of amounts statutorily required
- Public Employees Dishonesty Bonds
- Automobile Liability
- Workers' Compensation and Employer's Liability
- Commercial Property
- General Liability
- Public Officials Liability
- Employment Practices Liability
- Environmental Liability

Contributions to the JIF and MEL, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the each of the fund's actuaries. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Funds publish their own financial reports, which can be obtained from:

- Burlington County Municipal Joint Insurance Fund  
P.O. Box 325  
Hammonton, New Jersey 08037
- Municipal Excess Liability Joint Insurance Fund  
Park 80 West Plaza I  
Saddle Brook, New Jersey 07663

**Note 20: GUARANTOR OF DEBT**

In 2006, the Township became co-borrower of various loans for the reconstruction of several dams located within the Township. All of the loans were made from the New Jersey Department of Environmental Protection, Dam Restoration Loan Program. In the event the original borrower defaults on a loan the Township will be required to make the remaining payments. The terms of the loans are as follows:

<u>Borrower</u>	<u>Agreement Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Term</u>
Old Tauton Colony Club	01/10/06	\$ 433,440.00	2.00%	20 Years
YMCA Camp Ockanickon Inc.	01/10/06	1,809,000.00	2.00%	20 Years
Birchwood Lake Colony Club	01/24/06	2,340,000.00	2.00%	20 Years
Jewish Federation of Southern NJ	01/24/06	227,500.00	2.00%	20 Years

In addition, the Township acts as a fiduciary for the Birchwood Lakes Colony Club with regards to collecting the annual billings of their association for the repayment of their loan and then pays their debt service payments with the collections.

**Note 21: OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST**

On November 4, 1997, pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Township authorized the establishment of the Township of Medford Open Space, Recreation and Farmland Preservation Trust Fund effective July 1, 1998, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. Overall, as a result of the two referendums, the Township levies a tax not to exceed three cents per one hundred dollars of equalized valuation. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a trust fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Township of Medford Open Space, Recreation and Farmland Preservation Trust Funds.

**Note 22: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Township expects such amount, if any, to be immaterial.

**Litigation** - The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

**Note 23: CONCENTRATIONS**

The Township depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Township is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

**Note 24: PRIOR PERIOD RESTATEMENT**

During calendar year 2019, the Township had an inventory completed by an outside inventory company, and also changed its capitalization threshold from \$1,000.00 to \$5,000.00. The net effect of the change in capitalization threshold, as well as the effect of the inventory company identifying assets not on the inventory listing, adjusting estimated historical cost values, or not locating assets previously reported in the Township's General Fixed Assets Group of Accounts, is as follows:

	<b>(As Originally Reported) Balance <u>Dec. 31, 2018</u></b>	<b>Prior Period Adjustment</b>	<b>(As Restated) Balance <u>Dec. 31, 2018</u></b>
General Fixed Assets:			
Land and Improvements	\$ 23,154,400.00	\$ (175,000.00)	\$ 22,979,400.00
Buildings and Improvements	10,721,200.00	483,432.00	11,204,632.00
Vehicles, Machinery and Equipment	15,006,015.00	(722,201.00)	14,283,814.00
	<u>\$ 48,881,615.00</u>	<u>\$ (413,769.00)</u>	<u>\$ 48,467,846.00</u>
Total Investment in General Fixed Assets	<u>\$ 48,881,615.00</u>	<u>\$ (413,769.00)</u>	<u>\$ 48,467,846.00</u>

**Note 25: SUBSEQUENT EVENTS**

**Authorization of Debt** - Subsequent to December 31, the Township authorized additional bonds and notes as follows:

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
<b>General Improvements:</b>		
Various General Capital Improvements	07/08/20	\$ 6,607,127.00
<b>Water and Sewer Utility Improvements:</b>		
Various Utility Capital Improvements	07/08/20	2,420,000.00

**COVID-19** - On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Township's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Township is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for calendar year 2020.

**SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**



**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Current Cash -- Treasurer  
For the Year Ended December 31, 2019

	<u>Regular</u>		<u>Federal and State Grant Fund</u>
Balance December 31, 2018	\$ 12,462,928.28		\$ 252,397.45
Increased by Receipts:			
Taxes Receivable	\$ 95,328,070.68		
Tax Overpayments	147,134.92		
Prepaid Taxes	724,965.03		
Tax Title Liens	13,233.73		
Due State of New Jersey:			
Marriage License Fees	2,125.00		
Senior Citizens and Veterans' Deductions	154,000.00		
Construction Code Fees	34,592.00		
Miscellaneous Revenue Anticipated	5,700,070.44		
Miscellaneous Revenue Not Anticipated	684,262.91		
Refunds of Current Year Appropriations	984,058.82		
Refunds of Appropriation Reserves	1,200.00		
Petty Cash Funds	400.00		
Due Federal and State Grant Fund	12,958.84		
Contra	124,957.59		
Federal and State Grants Receivable		\$ 495,470.54	
Federal and State Grants Unappropriated		28,965.94	
	103,912,029.96		524,436.48
	116,374,958.24		776,833.93
Decreased by Disbursements:			
2019 Appropriations	18,579,053.36		
2018 Appropriation Reserves	977,772.66		
Due County -- Added and Omitted Taxes	68,887.10		
County Taxes Payable	13,329,282.07		
Local School Taxes Payable	46,253,194.02		
Regional High School Taxes Payable	22,791,944.00		
Accounts Payable	31,931.13		
Due State of New Jersey:			
Marriage License Fees	2,300.00		
Construction Code Fees	36,840.00		
Petty Cash Funds	400.00		
Due Municipal Open Space Trust Fund:			
Current Year Levy	729,094.00		
Added and Omitted Levy	3,043.44		
Interfunds Liquidated	3,739.04		
Refund of Tax Overpayments	46,807.79		
Contra	124,957.59		
Refund of Prior Year Revenue	16,474.80		
Federal and State Grants Appropriated		403,708.80	
Due to Current Fund		12,958.84	
Due to General Capital Fund		63,000.00	
	102,995,721.00		479,667.64
Balance December 31, 2019	\$ 13,379,237.24		\$ 297,166.29

**TOWNSHIP OF MEDFORD**  
CURRENT FUND  
Schedule of Change Funds  
As of December 31, 2019

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<u>Office</u>	<u>Amount</u>
Tax Office	\$ 350.00
Municipal Court	<u>200.00</u>
	<u>\$ 550.00</u>

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
 Statement of Taxes Receivable and Analysis of Property Tax Levy  
 For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	2019 Levy	Added Taxes	Collected		Due from State of New Jersey	Overpayments Applied	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2019
				2018	2019					
Arrears	\$ 36,571.67									\$ 36,571.67
2017	3.10									3.10
2018	705,036.66		\$ 1,750.00		\$ 704,438.69				\$ 437.57	1,910.40
	741,611.43	-	1,750.00	-	704,438.69	-	-	-	437.57	38,485.17
2019		\$ 96,730,415.42		\$ 805,821.72	94,623,631.99	\$ 156,750.00	\$ 79,213.02	\$ 105,408.30	12,031.30	947,559.09
	<u>\$ 741,611.43</u>	<u>\$ 96,730,415.42</u>	<u>\$ 1,750.00</u>	<u>\$ 805,821.72</u>	<u>\$ 95,328,070.68</u>	<u>\$ 156,750.00</u>	<u>\$ 79,213.02</u>	<u>\$ 105,408.30</u>	<u>\$ 12,468.87</u>	<u>\$ 986,044.26</u>

Analysis of 2019 Property Tax Levy

Tax Yield:

General Purpose	\$ 96,249,264.97
Added / Omitted Taxes	418,571.63
Miscellaneous Added Taxes	62,578.82
	<u>\$ 96,730,415.42</u>

Tax Levy:

Local District School Tax	\$ 46,754,849.00
Regional High School Tax	23,102,345.00
County Taxes:	
County Tax	\$ 11,271,417.67
County Library Tax	1,053,357.85
County Open Space Preservation	1,004,506.55
Due County for Added and Omitted Taxes	<u>58,278.44</u>
	13,387,560.51
Local Open Space Tax	729,094.00
Due Open Space Trust Fund for Added and Omitted Taxes	3,043.44
Local Tax for Municipal Purposes	12,333,694.90
Add: Additional Tax Levied	<u>419,828.57</u>
	<u>13,485,660.91</u>
	<u>\$ 96,730,415.42</u>

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
 Statement of Tax Title Liens  
 For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 109,852.85
Increased by:		
Transfers from Taxes Receivable	\$ 12,468.87	
Interest and Costs on Tax Sale	<u>147.10</u>	
		<u>12,615.97</u>
		122,468.82
Decreased by:		
Collections		<u>13,233.73</u>
Balance December 31, 2019		<u><u>\$ 109,235.09</u></u>

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2019

	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>Accrued in</u> <u>2019</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages		\$ 25,188.00	\$ 25,188.00	
Fees and Permits:				
Other		177,575.82	177,575.82	
Fines and Costs:				
Municipal Court	\$ 17,988.29	226,199.97	230,945.87	\$ 13,242.39
Interest and Costs on Taxes		197,150.27	197,150.27	
Interest on Investments and Deposits		361,337.37	361,337.37	
Tower Rental		9,600.00	9,600.00	
Cable Television Fees		380,328.07	380,328.07	
Emergency Medical Service Billing Income		667,476.96	667,476.96	
Energy Receipts Tax		1,981,293.00	1,981,293.00	
Reserve for Payment in Lieu of Taxes - Garden State Trust		9,842.00	9,842.00	
Dedicated Uniform Construction Code Fees Offset				
With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17):				
Uniform Construction Code Fees		601,973.00	601,973.00	
Interlocal Services Agreements:				
Police Salaries - Lenape Regional High School District		653,404.95	653,404.95	
Uniform Construction Code - Medford Lakes Borough		18,500.00	18,500.00	
Assessor - Medford Lakes Borough		28,090.08	28,090.08	
Alarm Fees		7,830.00	7,830.00	
Payment in Lieu of Taxes		349,535.05	349,535.05	
	<u>\$ 17,988.29</u>	<u>\$ 5,695,324.54</u>	<u>\$ 5,700,070.44</u>	<u>\$ 13,242.39</u>

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	Balance December 31, 2018		Balance After Modification	Paid or Charged	Lapsed to Fund Balance
	<u>Encumbered</u>	<u>Reserved</u>			
<u>OPERATIONS -- WITHIN "CAPS"</u>					
<u>General Government Functions</u>					
<u>Department of Administration:</u>					
Office of the Manager:					
Salaries and Wages		\$ 13,102.06	\$ 13,102.06	\$ 11,142.11	\$ 1,959.95
Other Expenses	\$ 351.24	1,027.48	1,378.72	501.24	877.48
Human Resources:					
Other Expenses	315.96	216.24	532.20	315.96	216.24
Mayor and Council:					
Salaries and Wages		0.50	0.50		0.50
Other Expenses	100.00		100.00	100.00	
Office of the Clerk:					
Salaries and Wages		414.69	414.69		414.69
Other Expenses	1,390.98	14,708.44	16,099.42	4,129.12	11,970.30
<u>Department of Finance:</u>					
Office of the Treasurer:					
Salaries and Wages		5,448.24	5,448.24	2,524.80	2,923.44
Other Expenses	6,007.82	418.27	6,426.09	6,007.82	418.27
Audit Services	29,000.00	2,500.00	31,500.00	31,500.00	
Revenue Administration:					
Salaries and Wages		672.07	672.07	595.00	77.07
Other Expenses	1,294.80	32.55	1,327.35	1,294.80	32.55
Division of Assessments:					
Salaries and Wages		6,880.25	6,880.25	4,107.57	2,772.68
Other Expenses	7,998.32	14,388.05	22,386.37	9,756.02	12,630.35
Legal Services and Costs:					
Other Expenses	40,347.99	29,626.38	69,974.37	17,195.62	52,778.75
Engineering Services and Costs:					
Other Expenses	5,846.83	2,019.14	7,865.97	6,646.25	1,219.72

(Continued)

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	Balance December 31, 2018		Balance After Modification	Paid or Charged	Lapsed to Fund Balance
	<u>Encumbered</u>	<u>Reserved</u>			
<u>OPERATIONS -- WITHIN "CAPS" (CONT'D)</u>					
<u>General Government Functions (Cont'd)</u>					
<u>Department of Finance (Cont'd):</u>					
Economic Development Commission					
Other Expenses	\$ 112.50	\$ 382.17	\$ 494.67	\$ 112.50	\$ 382.17
Division of Planning:					
Salaries and Wages	380.00	3,039.51	3,419.51	1,671.78	1,747.73
Other Expenses	14,625.17	6,454.08	21,079.25	6,379.01	14,700.24
Boards & Committee's					
Other Expenses	78.32	680.73	759.05	78.32	680.73
Division of Zoning:					
Other Expenses	27,671.70	13.69	29,085.39	25,802.26	3,283.13
<u>Department of Public Safety:</u>					
Police:					
Salaries and Wages		26,658.54	26,658.54	25,040.06	1,618.48
Other Expenses	107,347.41	14,587.52	121,934.93	113,400.53	8,534.40
First Aid Organizations:					
Salaries and Wages		12,892.90	12,892.90	3,470.29	9,422.61
Other Expenses	41,951.90	4,730.35	46,682.25	34,272.45	12,409.80
Emergency Management Services:					
Other Expenses	2,056.51	791.43	2,847.94	2,643.55	204.39
Uniform Fire Safety Act: (PL 1983 C. 383)					
Salaries and Wages		8,695.05	8,695.05	6,962.04	1,733.01
Other Expenses	34,122.02	9,602.47	43,724.49	30,170.20	13,554.29
Prosecutor					
Other Expenses -- Professional Services	4,200.00	88.57	4,288.57	4,000.00	288.57

(Continued)

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	Balance December 31, 2018		Balance After Modification	Paid or Charged	Lapsed to Fund Balance
	<u>Encumbered</u>	<u>Reserved</u>			
<u>OPERATIONS -- WITHIN "CAPS" (CONT'D)</u>					
<u>General Government Functions (Cont'd)</u>					
<u>Department of Public Works:</u>					
Road Repairs and Maintenance:					
Salaries and Wages		\$ 14,141.44	\$ 14,141.44	\$ 12,053.39	\$ 2,088.05
Other Expenses	\$ 17,516.32	1,676.89	19,193.21	18,182.89	1,010.32
Snow Removal:					
Salaries and Wages		21,917.09	21,917.09	21,917.09	
Other Expenses	32,644.78	18,110.51	50,755.29	50,755.28	0.01
Sanitation:					
Salaries and Wages		191.63	191.63		191.63
Other Expenses	282,128.75	19,989.81	302,118.56	291,747.90	10,370.66
Buildings and Grounds:					
Salaries and Wages		8,471.49	8,471.49	2,509.36	5,962.13
Other Expenses	22,935.28	2,329.36	25,264.64	11,983.16	13,281.48
<u>Department of Public Works (Cont'd):</u>					
Vehicle Maintenance:					
Salaries and Wages	39,298.09	4,556.48	4,556.48	2,222.78	2,333.70
		38,394.70	63,390.79	25,576.62	37,814.17
<u>Health and Human Services:</u>					
Environmental Commission (NJS 40:56A-1):					
Other Expenses		400.00	400.00		400.00
<u>Department of Parks, Recreation and Education:</u>					
Parks and Playgrounds:					
Salaries and Wages		1,923.09	1,923.09		1,923.09
Other Expenses		243.96	243.96		243.96
Landfill/Solid Waste Disposal		47,205.91	62,137.91	62,134.84	3.07
Community Services					
Other Expenses		8,444.00	7,814.00		7,814.00

(Continued)



**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	Balance December 31, 2018		Balance After Modification	Paid or Charged	Lapsed to Fund Balance
	<u>Encumbered</u>	<u>Reserved</u>			
<u>OPERATIONS -- WITHIN "CAPS" (CONT'D)</u>					
<u>Municipal Court:</u>					
Salaries and Wages		\$ 6,519.59	\$ 6,519.59	\$ 2,349.05	\$ 4,170.54
Other Expenses	\$ 1,210.80	7,135.96	8,346.76	4,254.97	4,091.79
<u>Insurance:</u>					
General Liability		1,456.00	1,456.00		1,456.00
Employee Group Insurance		47,511.62	47,511.62	402.00	47,109.62
Health Benefit Waver		6,007.71	6,007.71		6,007.71
Retiree Health Benefits		82,371.67	55,971.67		55,971.67
<u>Uniform Construction Code Appropriations Offset</u>					
<u>By Dedicated Revenues (NJAC 5:23-4.17):</u>					
<u>Construction Code Official:</u>					
Salaries and Wages		7,248.68	7,248.68	3,458.58	3,790.10
<u>Other Expenses:</u>					
Direct Costs	1,570.93	16,696.41	18,267.34	1,570.93	16,696.41
<u>Unclassified:</u>					
<u>Utilities:</u>					
Electric		44,618.98	44,618.98	7,160.76	37,458.22
Street Lighting		6,224.05	6,224.05	6,224.05	
Telephone	4,010.00	10,392.04	14,402.04	11,379.16	3,022.88
Heating Gas / Oil	1,089.76	5,168.90	6,258.66	5,854.27	404.39
Gasoline / Diesel Fuel	24,818.75	474.84	25,293.59	15,860.85	9,432.74
Safety Supplies	3,800.74		3,800.74	3,735.61	65.13
Catastrophic Illness Fund (R.S. 26:2-48)		53.50	53.50		53.50
Celebration of Public Events Anniversary or Holiday	814.12	7,672.20	8,486.32	337.92	8,148.40

(Continued)

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance December 31, 2018</u>		<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Lapsed to Fund Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>			
<u>OPERATIONS -- WITHIN "CAPS" (CONT'D)</u>					
<u>Statutory Expenditures:</u>					
Contribution to:					
Social Security System (O.A.S.I.)			\$ 25,000.00	\$ 11,810.66	\$ 13,189.34
Defined Contribution Retirement Program		\$ 777.79	777.79	777.79	
<u>OPERATIONS -- EXCLUDED FROM "CAPS":</u>					
Landfill Fees - Recycling Tax		2,970.77	2,970.77	2,343.45	627.32
LOSAP	\$ 70,000.00		70,000.00	50,150.00	19,850.00
Total	<u>\$ 827,037.79</u>	<u>\$ 621,368.44</u>	<u>\$ 1,448,406.23</u>	<u>\$ 976,572.66</u>	<u>\$ 471,833.57</u>
				Disbursements	\$ 977,772.66
				Refunds of Appropriations Reserves	<u>(1,200.00)</u>
					<u>\$ 976,572.66</u>

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
**Statement of Tax Overpayments**  
**For the Year Ended December 31, 2019**

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Balance December 31, 2018		\$ 10,307.51
Increased by:		
Overpayments Created:		
2019 Taxes		147,134.92
		157,442.43
Decreased by:		
Overpayments Applied	\$ 79,213.02	
Miscellaneous Cancelled Tax Overpayments	31,421.62	
Refunded	46,807.79	
		157,442.43
Balance December 31, 2019		\$ -

**CURRENT FUND**  
**Statement of Prepaid Taxes**  
**For the Year Ended December 31, 2019**

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Balance December 31, 2018 (2019 Taxes)		\$ 805,821.72
Increased by:		
Collections -- 2020 Taxes		724,965.03
		1,530,786.75
Decreased by:		
Application to 2019 Taxes Receivable		805,821.72
Balance December 31, 2019 (2020 Taxes)		\$ 724,965.03

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Due to State of New Jersey  
Senior Citizens' and Veterans' Deductions  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 101,326.60
Increased by:		
2018 Veterans and Senior Citizens' Disallowed by Tax Collector	\$ 1,750.00	
Cash Received	154,000.00	
		155,750.00
Decreased by:		257,076.60
2019 Levy -- Deductions per Tax Billing	153,500.00	
2019 Veterans and Senior Citizens' Granted by Tax Collector	3,750.00	
	157,250.00	
2019 Veterans and Senior Citizens' Disallowed by Tax Collector	(500.00)	
		156,750.00
Balance December 31, 2019		\$ 100,326.60

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
 Statement of Due County for Added and Omitted Taxes  
 For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 68,887.10
Increased by:		
2019 Omitted Assessments	\$ 293.27	
2018 Added Assessments	1,840.84	
2019 Added Assessments	<u>56,144.33</u>	
		<u>58,278.44</u>
		127,165.54
Decreased by:		
Payments		<u>68,887.10</u>
Balance December 31, 2019		<u><u>\$ 58,278.44</u></u>

**CURRENT FUND**  
 Statement of Due County Taxes  
 For the Year Ended December 31, 2019

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Increased by:		
2019 Levy:		
County Tax	\$ 11,271,417.67	
County Library Tax	1,053,357.85	
County Open Space Tax	<u>1,004,506.55</u>	
		\$ 13,329,282.07
Decreased by:		
Payments		<u><u>\$ 13,329,282.07</u></u>

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Local District School Tax  
For the Year Ended December 31, 2019

<hr/>		
Balance December 31, 2018		
School Tax Payable	\$ 3,310,771.02	
School Tax Deferred	<u>19,507,879.44</u>	\$ 22,818,650.46
Increased by:		
Levy -- School Year July 1, 2019 to June 30, 2020		<u>46,754,849.00</u>
		69,573,499.46
Decreased by:		
Payments		<u>46,253,194.02</u>
Balance December 31, 2019		
School Tax Payable	3,812,426.00	
School Tax Deferred	<u>19,507,879.44</u>	<u>\$ 23,320,305.44</u>
2019 Liability for Local District School Tax:		
Tax Paid		\$ 46,253,194.02
Tax Payable December 31, 2019		<u>3,812,426.00</u>
		50,065,620.02
Less: Tax Payable December 31, 2018		<u>3,310,771.02</u>
Amount Charged to 2019 Operations		<u>\$ 46,754,849.00</u>

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Regional High School Tax  
For the Year Ended December 31, 2019

Balance December 31, 2018		
School Tax Payable	\$ 2,723,792.85	
School Tax Deferred	<u>8,516,977.28</u>	
		\$ 11,240,770.13
Increased by:		
Levy -- School Year July 1, 2019 to June 30, 2020		<u>23,102,345.00</u>
		34,343,115.13
Decreased by:		
Payments		<u>22,791,944.00</u>
Balance December 31, 2019		
School Tax Payable	3,034,193.85	
School Tax Deferred	<u>8,516,977.28</u>	
		<u>\$ 11,551,171.13</u>
2019 Liability for Regional High School Tax:		
Tax Paid		\$ 22,791,944.00
Tax Payable December 31, 2019		<u>3,034,193.85</u>
		25,826,137.85
Less: Tax Payable December 31, 2018		<u>2,723,792.85</u>
Amount Charged to 2019 Operations		<u>\$ 23,102,345.00</u>

**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
Statement of Changes in (Assets), Liabilities and Reserves  
For the Year Ended December 31, 2019

<u>Description</u>	Balance <u>Dec. 31, 2018</u>	Increased by		Decreased by		Balance Cancelled to <u>Surplus</u>	Balance <u>Dec. 31, 2019</u>
		<u>Receipts</u>	<u>Disbursements</u>				
Due to State of New Jersey:							
Marriage License Fees	\$ 600.00	\$ 2,125.00	\$ 2,300.00				\$ 425.00
State Training Fees Surcharge	10,982.00	34,592.00	36,840.00				8,734.00
Reserve For:							
Election Workers	2,331.60				\$ 2,331.60		
Purchase of Public Safety Equipment	45,410.72				45,410.72		
Auction	4,292.41				4,292.41		
Payment in Lieu of Taxes	9,842.00				9,842.00		
	<u>\$ 73,458.73</u>	<u>\$ 36,717.00</u>	<u>\$ 39,140.00</u>		<u>\$ 61,876.73</u>		<u>\$ 9,159.00</u>



**TOWNSHIP OF MEDFORD**  
**CURRENT FUND**  
 Statement of Reserve for Encumbrances  
 For the Year Ended December 31, 2019

Balance December 31, 2018:		
Current Fund	\$ 827,037.79	
Federal and State Grant Fund	31,594.21	
	\$ 858,632.00	\$ 858,632.00
Increased by:		
Current Year Encumbrances:		
Current Fund - Appropriations	697,429.03	
Federal and State Grant Fund - Appropriated Grant Reserves	42,150.93	
	739,579.96	739,579.96
		1,598,211.96
Decreased by:		
Prior Year Encumbrances Reclassified:		
Current Fund - Appropriations	827,037.79	
Federal and State Grant Fund - Appropriated Grant Reserves	31,594.21	
	858,632.00	858,632.00
Balance December 31, 2019		\$ 739,579.96

Analysis of Balance, December 31, 2019

Current Fund	\$ 697,429.03	
Federal and State Grant Fund	42,150.93	
	\$ 739,579.96	\$ 739,579.96
		\$ 739,579.96

**TOWNSHIP OF MEDFORD**  
CURRENT FUND  
Statement of Property Acquired for Taxes -- Assessed Valuation  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 1,071,200.00
Decreased by:		
Sale of Foreclosed Property	\$ 66,750.00	
Adjustment for Assessed Value of Property Sold	<u>102,050.00</u>	
		<u>168,800.00</u>
Balance December 31, 2019		<u>\$ 902,400.00</u>

**TOWNSHIP OF MEDFORD**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Due To / (From) Current Fund  
For the Year Ended December 31, 2019

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Balance December 31, 2018 (Due To)		\$ (14,416.78)
Increased by:		
Cancellation of Grants Receivable	\$ 6,285.20	
Re-Establishment of Appropriated Grant Reserve	4,420.80	
Disbursements - Interfund Liquidated	<u>12,958.84</u>	
		<u>23,664.84</u>
Balance December 31, 2019 (Due From)		<u><u>\$ 9,248.06</u></u>

**TOWNSHIP OF MEDFORD**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal and State Grants Receivable  
For the Year Ended December 31, 2019

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>Accrued</u>	<u>Received</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
<b>Federal Grants:</b>					
Bulletproof Vest Partnership Grant		\$ 2,116.59	\$ 1,463.10		\$ 653.49
Community Development Block Grant	\$ 78,000.00				78,000.00
Drive Sober or Get Pulled Over Grant	1,670.64			\$ 1,670.64	
Emergency Management Performance Grant	9,947.08	10,000.00	19,947.08		
	<u>89,617.72</u>	<u>12,116.59</u>	<u>21,410.18</u>	<u>1,670.64</u>	<u>78,653.49</u>
<b>State Grants:</b>					
Body Armor Grant	3,255.00	3,866.95	3,866.95		3,255.00
Clean Communities Program		69,845.10	69,845.10		
Columbia Bank Foundation Grant		23,963.00	23,963.00		
Distracted Driving Crackdown		5,500.00	1,435.44	4,064.56	
Municipal Alliance on Alcohol and Drug Abuse	34,598.66		7,989.06		26,609.60
National Priority Safety Programs (Drunk Driving Enforcement)	3,565.80	4,930.18	4,930.18		3,565.80
NJ DOT - 2015 Municipal Aid Program	9,391.59				9,391.59
NJ DOT - 2017 Municipal Aid Program	210,000.00			210,000.00	
NJ DOT - 2019 Municipal Aid Program: Dixontown Road Improvement Project		260,000.00			260,000.00
NJ Historic Preservation Trust Fund Grant	3,095.00			3,095.00	
NJ Motor Vehicles Security and Customer Service Grant	38,431.05	19,880.40	58,311.45		
NJDEP Recreational Trails Program	23,781.50		23,781.50		
Recycling Tonnage Grant		28,994.52	28,994.52		
	<u>326,118.60</u>	<u>416,980.15</u>	<u>223,117.20</u>	<u>217,159.56</u>	<u>302,821.99</u>
<b>Local Grants:</b>					
Burlington County Municipal Park Development Grant	180,000.00		180,000.00		
Flying W Airport and Resort - Air Show	4,303.44	4,993.22	8,250.35	1,046.31	
Headwater Village Civic Association Inc. - Community Bonfire Program		950.00		950.00	
Medford Business Association - Annual Festival of Art, Wine & Music		8,000.00	4,676.44	3,323.56	
Medford Business Association - Oktoberfest Event at Freedom Park		3,000.00	1,456.48	1,543.52	
Medford Celebrates Foundation – Annual Independence Day Celebration		47,500.00	36,263.32	11,236.68	
Medford-Vincetown Rotary Club - Annual Halloween Parade	473.25	15,000.00	13,758.09	1,715.16	
Medford Business Association - Dickens Festival		10,000.00	6,619.77	3,380.23	
Shawnee Field Hockey Corners Club "Tournament"		800.00	218.71	581.29	
YMCA Camp Ockanickon - Fireworks Display		500.00		500.00	
	<u>184,776.69</u>	<u>90,743.22</u>	<u>251,243.16</u>	<u>24,276.75</u>	<u>-</u>
	<u>\$ 600,513.01</u>	<u>\$ 519,839.96</u>	<u>\$ 495,770.54</u>	<u>\$ 243,106.95</u>	<u>\$ 381,475.48</u>
Original Budget		\$ 23,963.00			
Chapter 159 - 40A:4-87		495,876.96			
Unappropriated Grants Realized as Revenue			\$ 300.00		
Receipts			495,470.54		
Cancelled Against Appropriated Grant Reserves				\$ 236,821.75	
Cancelled - Due from Current Fund				6,285.20	
		<u>\$ 519,839.96</u>	<u>\$ 495,770.54</u>	<u>\$ 243,106.95</u>	

**TOWNSHIP OF MEDFORD**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants -- Unappropriated  
For the Year Ended December 31, 2019

	<u>Balance Dec. 31, 2018</u>	<u>Realized in Budget</u>	<u>Cash Received</u>	<u>Balance Dec. 31, 2019</u>
Federal Grants:				
Emergency Management Performance Grant	<u>                    </u>	<u>                    </u>	<u>\$          52.92</u>	<u>\$          52.92</u>
State Grants:				
NJDEP Recreational Trails Program			218.50	218.50
Recycling Tonnage Grant	<u>\$          300.00</u>	<u>\$          300.00</u>	<u>28,694.52</u>	<u>28,694.52</u>
Total State Grants	<u>300.00</u>	<u>300.00</u>	<u>28,913.02</u>	<u>28,913.02</u>
	<u><u>\$          300.00</u></u>	<u><u>\$          300.00</u></u>	<u><u>\$          28,965.94</u></u>	<u><u>\$          28,965.94</u></u>

**TOWNSHIP OF MEDFORD**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants -- Appropriated  
For the Year Ended December 31, 2019

Program	Balance Dec. 31, 2018	Increased by			Decreased by		Balance Dec. 31, 2019
		Transferred from 2019 Budget Appropriation	Prior Year Encumbrances Reclassified	Due From Current Fund	Expended	Canceled	
<b>Federal Grants:</b>							
Assistance to Firefighters Grant	\$ 6,151.00						\$ 6,151.00
Bulletproof Vest Partnership Grant	5,697.00	\$ 2,116.59					7,813.59
Community Development Block Grant	40,300.00						40,300.00
Drive Sober or Get Pulled Over							
Emergency Management Assistance (Performance) Grant	13,184.22	10,000.00	\$ 1,800.00		\$ 2,805.00		22,179.22
NJ DEP National Recreation Trails Program							
NJ DOT - Bicycle Network Plan			5,814.88		5,814.88		
<b>Total Federal Grants</b>	<b>65,332.22</b>	<b>12,116.59</b>	<b>7,614.88</b>	<b>-</b>	<b>8,619.88</b>	<b>-</b>	<b>76,443.81</b>
<b>State Grants:</b>							
Advanced Training Award	1,500.00						1,500.00
Alcohol Education Rehabilitation Fund	292.93			\$ 4,420.80			4,713.73
Body Armor Grant	9,172.47	3,866.95			5,266.90		7,772.52
Clean Communities Grant	51,570.97	69,845.10	10,425.53		69,460.97		62,380.63
Columbia Bank Foundation Grant		23,963.00			23,963.00		
Distracted Driving Crackdown		5,500.00			1,435.44	\$ 4,064.56	
Municipal Alliance on Alcohol and Drug Abuse	22,489.69		1,000.00		8,408.35		15,081.34
Drunk Driving Enforcement Grant	28,931.61	4,930.18	432.00		3,935.53		30,358.26
NJ DOT - 2015 Municipal Aid Program	15,924.24						15,924.24
NJ DOT - 2017 Municipal Aid Program	210,000.00					210,000.00	
NJ DOT - 2019 Municipal Aid Program: Dixontown Road Improvement Project		260,000.00					260,000.00
NJ Motor Vehicles Security and Customer Service Grant	181,101.38	19,880.40			103,415.34		97,566.44
Recreational Trails	21,414.91				21,414.91		0.00
Recycling Tonnage Grant	102,021.23	28,994.52	12,121.80		113,416.56		29,720.99
<b>Total State Grants</b>	<b>644,419.43</b>	<b>416,980.15</b>	<b>23,979.33</b>	<b>4,420.80</b>	<b>350,717.00</b>	<b>214,064.56</b>	<b>525,018.15</b>

(Continued)

**TOWNSHIP OF MEDFORD**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Reserve for Federal and State Grants -- Appropriated  
 For the Year Ended December 31, 2019

Program	Balance Dec. 31, 2018	Increased by			Decreased by		Balance Dec. 31, 2019
		Transferred from 2019 Budget Appropriation	Prior Year Encumbrances Reclassified	Due From Current Fund	Expended	Canceled	
Local Grants:							
Burlington County Municipal Park Development Grant	\$ 33,847.82				\$ 18,536.82		\$ 15,311.00
Flying W Airport and Resort - Air Show		\$ 4,993.22			4,993.22		
Headwater Village Civic Association Inc. - Community Bonfire Program		950.00				\$ 950.00	
Medford Business Association - Annual Festival of Art, Wine & Music		8,000.00			4,676.44	3,323.56	
Medford Business Association - Oktoberfest		3,000.00			1,456.48	1,543.52	
Medford Celebrates Foundation – Annual Independence Day Celebration		47,500.00			36,263.32	11,236.68	
Medford-Vincetown Rotary Club - Annual Halloween Parade		15,000.00			13,758.09	1,241.91	
Medford Business Association - Dickens Festival		10,000.00			6619.77	3,380.23	
Shawnee Field Hockey Corners Club "Tournament"		800.00			218.71	581.29	
YMCA Camp Ockanickon - Fireworks Display		500.00				500.00	
	<u>33,847.82</u>	<u>90,743.22</u>	<u>-</u>	<u>-</u>	<u>86,522.85</u>	<u>22,757.19</u>	<u>15,311.00</u>
	<u>\$ 743,599.47</u>	<u>\$ 519,839.96</u>	<u>\$ 31,594.21</u>	<u>\$ 4,420.80</u>	<u>\$ 445,859.73</u>	<u>\$ 236,821.75</u>	<u>\$ 616,772.96</u>
Original Budget		\$ 23,963.00					
Appropriation by 40A:4-87		495,876.96					
Canceled Against Grants Receivable						\$ 236,821.75	
Disbursed					\$ 403,708.80		
Reserve for Encumbrances					42,150.93		
		<u>\$ 519,839.96</u>			<u>\$ 445,859.73</u>	<u>\$ 236,821.75</u>	

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**



**TOWNSHIP OF MEDFORD**  
**TRUST FUND**  
Statement of Trust Cash - Treasurer  
For the Year Ended December 31, 2019

	<u>Animal Control</u>	<u>Other</u>	<u>Birchwood Lake Dam - Trust Assessment</u>	<u>Municipal Open Space</u>
Balance December 31, 2018	\$ 33,687.14	\$ 3,504,140.19	\$ 435,093.20	\$ 3,488,566.33
Increased by Receipts:				
Dog License Fees Collected	\$ 14,983.85			
Due to State Department of Health	1,778.40			
Due Current Fund		\$ 58,557.68		\$ 735,876.48
Reserve for Future Use				186,115.75
Reserve for Miscellaneous Trust Other Reserves:				
Interest on Investments and Deposits		29,285.49	\$ 5,459.17	
Budget Appropriations		10,000.00		
Other Receipts		18,260,654.95	173,740.88	
Contra		375,909.22		
	<u>16,762.25</u>	<u>18,734,407.34</u>	<u>179,200.05</u>	<u>921,992.23</u>
	50,449.39	22,238,547.53	614,293.25	4,410,558.56
Decreased by Disbursements:				
Due State Department of Health	1,777.20			
Expenditures Under R.S. 4:19-15.11	15,561.40			
Current Year Appropriations				908,775.25
Appropriation Reserves				17,825.66
Accounts Payable				10,193.20
Due Current Fund		58,557.68		
Reserve for Miscellaneous Trust Other Reserves		19,038,531.02	167,761.95	
Contra		375,909.22		
	<u>17,338.60</u>	<u>19,472,997.92</u>	<u>167,761.95</u>	<u>936,794.11</u>
Balance December 31, 2019	<u>\$ 33,110.79</u>	<u>\$ 2,765,549.61</u>	<u>\$ 446,531.30</u>	<u>\$ 3,473,764.45</u>

**TOWNSHIP OF MEDFORD**  
**TRUST OTHER FUND**  
Statement of Investments - Length of Service Awards Program  
For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 1,161,533.07
Increased by:		
Township Contributions	\$ 50,150.00	
Unrealized Gain on Investments	<u>267,870.40</u>	
		<u>318,020.40</u>
		1,479,553.47
Decreased by:		
Benefits Paid to Participants	14,305.33	
Administrative Expenses	<u>2,950.00</u>	
		<u>17,255.33</u>
Balance December 31, 2019		<u><u>\$ 1,462,298.14</u></u>

Schedule of Investments, December 31, 2019

<u>Description</u>	<u>Amount</u>
Fixed Annuity Contract	\$ 266,266.27
Mutual Funds:	
Large Cap Value Funds	40,937.95
Large Cap Blended Funds	688,713.09
Large Cap Growth Funds	109,084.78
Mid Cap Value Funds	79,741.64
Mid Cap Growth Funds	167,555.37
Small Cap Growth Funds	75,164.48
Bonds	30,821.76
Target Date Funds	<u>4,012.80</u>
	<u><u>\$ 1,462,298.14</u></u>

**TOWNSHIP OF MEDFORD**  
**ANIMAL CONTROL FUND**  
Statement of Reserve for Animal Control Expenditures  
For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 33,687.14
Increased by:		
Dog License Fees Collected		14,983.85
		48,670.99
Decreased by:		
Statutory Excess Due Current Fund	\$ 551.24	
Expenditures Under R.S.4:19- 15.11	15,561.40	
		16,112.64
Balance December 31, 2019		\$ 32,558.35

License Fees Collected

<u>Year</u>	<u>Amount</u>
2017	\$ 16,750.95
2018	15,807.40
	\$ 32,558.35

**TOWNSHIP OF MEDFORD**  
**ANIMAL CONTROL FUND**  
Statement of Due to State of New Jersey  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ -
Increased by:		
Collections		1,778.40
		1,778.40
Decreased by:		
Disbursed to State		1,777.20
		1,777.20
Balance December 31, 2019		\$ 1.20

## Exhibit SB-5

ANIMAL CONTROL FUND  
Statement of Due to Current Fund  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ -
Increased by Receipts:		
Statutory Excess Due Current Fund		551.24
		551.24
Balance December 31, 2019		\$ 551.24

## Exhibit SB-6

TRUST OTHER FUND  
Statement of Due Current Fund  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ -
Increased by:		
Receipts:		
Interest on Investments and Deposits	\$ 13,306.86	
Revenues Anticipated - Planning and Zoning Fees	45,250.82	
	88,557.68	58,557.68
		58,557.68
Decreased by:		
Disbursements		
Interest Earnings Turned Over	13,306.86	
Planning and Zoning Fees Turned Over to Current Fund	45,250.82	
	58,557.68	58,557.68
Balance December 31, 2019		\$ -

**TOWNSHIP OF MEDFORD**  
**TRUST OTHER FUND**  
Statement of Changes in Miscellaneous Trust Other Reserves  
For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Increased by		Decreased by		Balance Dec. 31, 2019
		Interest on Investments and Deposits	Other	Budget Appropriation	Disbursements	
Reserve for:						
Outside Employment of Off-Duty Municipal Policemen	\$ 13,408.74		\$ 249,213.94		\$ 243,963.81	\$ 18,658.87
Payroll Deductions Payable	266,815.28		7,644,123.20		7,785,907.33	125,031.15
Flex Trust	3,124.50		9,076.59		9,301.93	2,899.16
Net Payroll	264.38		7,925,814.70		7,926,079.08	
Special Law Enforcement	31,483.28	\$ 344.99			6,993.00	24,835.27
Miscellaneous Deposits:						
Recreation Improvements	11,473.42					11,473.42
Reserve for Street Opening Escrow's	9,942.00				9,942.00	
Village Parking Improvements	5,940.00		100.00			6,040.00
Sidewalk Construction	20,245.32		5,814.88		12,567.12	13,493.08
Park Pump Station	0.31				0.31	
Off-Site Fire Hydrant	6,100.00					6,100.00
Bond Street Apron	1,000.00					1,000.00
Pedestrian Barrier - Jennings Road	5,000.00					5,000.00
Road Improvement Escrows	111,219.49		37,200.00		13,205.00	135,214.49
Fair Share Traffic Construction	9,536.00					9,536.00
Redevelopment Project	4,753.00				4,753.00	
Police Officer Adjudication Act (POAA)	810.00		12.00			822.00
K-9 Unit Trust	1,588.25		500.00		1,272.97	815.28
Planning Board Subdivision Escrow	1,570,331.23	16,762.12	378,330.31		846,828.99	1,118,594.67
New Jersey Unemployment Compensation Insurance	108,523.47	1,375.49	4,952.91		3,682.46	111,169.41
Sanitary Landfill Facility Closure and Contingency Fund	13,648.13					13,648.13
Public Defender	1,204.51	28.23	8,464.43		8,854.00	843.17
Housing	623,427.36	7,771.39	34,132.07		50,434.34	614,896.48
Unclaimed Bail - Disposal of Forfeited Property	13,434.02					13,434.02
Fire Safety Penalties	731.37	9.48	187.50			928.35
Resale of Snow Removal Chemicals - Commodity Resale	28,124.21		11,773.64		34,277.00	5,620.85
Snow Removal Trust Fund	77,230.09	1,201.57	170,280.02		88,899.40	159,812.28
Federal Forfeiture Trust	15.48	4.40	1,590.83			1,610.71
Tax Title Lien Redemption	19,167.80		1,187,325.93		1,189,332.10	17,161.63
Tax Sale Premium	399,800.00		584,800.00		794,300.00	190,300.00
Street Opening Trust	99,755.65	1,239.80	6,093.00		7,409.99	99,678.46
Accumulated Absences	42,140.57	539.95		\$ 10,000.00		52,680.52
Miscellaneous	3,377.82		200.00		150.00	3,427.82
Sunshine Trust	524.51	8.07	669.00		377.19	824.39
	<u>\$ 3,504,140.19</u>	<u>\$ 29,285.49</u>	<u>\$ 18,260,654.95</u>	<u>\$ 10,000.00</u>	<u>\$ 19,038,531.02</u>	<u>\$ 2,765,549.61</u>

**TOWNSHIP OF MEDFORD**  
**MUNICIPAL OPEN SPACE TRUST FUND**  
 Statement of Reserve for Future Use  
 For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 3,374,086.27
Increased by:		
Receipts:		
County of Burlington	\$ 141,600.00	
Interest on Investments and Deposits	40,515.75	
Other	<u>4,000.00</u>	
		\$ 186,115.75
Due from Current Fund:		
Current Year Levy		729,094.00
Added and Omitted Taxes - Current Year		3,043.44
Cancellation of Prior Year Appropriation Reserves		82,324.70
Cancellation of Prior Year Accounts Payable		<u>7,875.54</u>
		<u>1,008,453.43</u>
		4,382,539.70
Decreased by:		
Current Year Appropriations		<u>1,134,992.80</u>
Balance December 31, 2019		<u><u>\$ 3,247,546.90</u></u>

**MUNICIPAL OPEN SPACE TRUST FUND**  
 Statement of Due From Current Fund  
 For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 3,739.04
Increased by:		
2019 Tax Levy	\$ 729,094.00	
2019 Added and Omitted Levy	<u>3,043.44</u>	
		<u>732,137.44</u>
		735,876.48
Decreased by:		
Receipts		<u>735,876.48</u>
Balance December 31, 2019		<u><u>\$ -</u></u>

**TOWNSHIP OF MEDFORD**  
**MUNICIPAL OPEN SPACE TRUST FUND**  
 Statement of Appropriation Reserves  
 For the Year Ended December 31, 2019

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	<u>Balance Dec. 31, 2018</u>		<u>Balance After Modification</u>	<u>Disbursed</u>	<u>Lapsed to Fund Balance</u>
	<u>Reserved</u>	<u>Encumbered</u>			
Salary & Wages	\$ 17,389.73		\$ 17,389.73	\$ 4,910.18	\$ 12,479.55
Other Expenses	68,086.22	\$ 14,674.41	82,760.63	12,915.48	69,845.15
	<u>\$ 85,475.95</u>	<u>\$ 14,674.41</u>	<u>\$ 100,150.36</u>	<u>\$ 17,825.66</u>	<u>\$ 82,324.70</u>

**TOWNSHIP OF MEDFORD**  
**BIRCHWOOD LAKE DAM TRUST ASSESSMENT FUND**  
Statement of Reserve for Dam Restoration  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 435,093.20
Increased by:		
Receipts - Homeowner Payments	\$ 173,740.88	
Interest Earnings	<u>5,459.17</u>	
		<u>179,200.05</u>
		614,293.25
Decreased by:		
Disbursed - Current Year Expenditures		<u>167,761.95</u>
Balance December 31, 2019		<u><u>\$ 446,531.30</u></u>



**TOWNSHIP OF MEDFORD**  
MUNICIPAL OPEN SPACE TRUST FUND  
Statement of Accounts Payable  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 18,068.74
Decreased by:		
Canceled by Resolution	\$ 7,875.54	
Disbursements	<u>10,193.20</u>	
		<u>18,068.74</u>
Balance December 31, 2019		<u><u>\$ -</u></u>

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 11,953,307.68
Increased by Receipts:		
Capital Improvement Fund	\$ 329,125.00	
Bond Anticipation Notes	9,134,126.00	
Premium on Sale of Bonds	49,838.10	
Due from Federal and State Grant Fund	<u>63,000.00</u>	
		<u>9,576,089.10</u>
		21,529,396.78
Decreased by Disbursements:		
Improvement Authorizations	3,874,825.67	
Bond Anticipation Notes	<u>2,880,751.00</u>	
		<u>6,755,576.67</u>
Balance December 31, 2019		<u><u>\$ 14,773,820.11</u></u>

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash and Investments  
For the Year Ended December 31, 2019

	Balance (Deficit) <u>Dec. 31, 2018</u>	Receipts		Disbursements		Transfers		Balance (Deficit) <u>Dec. 31, 2019</u>
		Bond Anticipation <u>Notes</u>	Miscellaneous	Improvement <u>Authorizations</u>	Bond Anticipation <u>Notes</u>	<u>From</u>	<u>To</u>	
Fund Balance	\$ 114,879.82		\$ 49,838.10					\$ 164,717.92
Capital Improvement Fund	70,024.00		329,125.00				\$ 329,125.00	70,024.00
Reserve for Encumbrances	1,927,965.06					\$ 8,933,615.97	1,927,965.06	8,933,615.97
Grants Receivable	(565,000.00)					50,000.00		(515,000.00)
Due from Federal and State Grant Fund	(63,000.00)		63,000.00					
Reserve for Payment of Debt Service	354,959.44							354,959.44
Improvement Authorizations:								
Ordinance								
<u>Number</u>								
2003-16 Reconstruction and Resurfacing of Hopewell Road	300.00							300.00
2008-18 Various Capital Improvements		\$ 166,362.00			\$ 166,362.00			
2009-19 Various Capital Improvements	4,560.14			\$ 9,240.00		12,110.20		7,430.34
2009-28 Improvements to Public Safety Facilities and Related Expenses	1,670.24	464,847.00			464,847.00			1,670.24
2010-15 Various Capital Improvements	117,602.85	2,249,542.00		12,476.00	2,249,542.00		5,310.66	99,816.19
2013-16 Various Capital Improvements	408,861.27			28,429.71		30,200.65	20,927.15	389,705.06
2014-10 Various Capital Improvements	176,532.26			40,393.53		70,156.65	29,763.12	176,532.26
2015-15 Various Capital Improvements	50,825.58			23,281.36		3,452.36	5,100.00	25,896.58
2016-08 Various Capital Improvements	111,639.30			74,927.48		33,093.95	2,989.94	66,815.83
2017-06 Various Capital Improvements	749,465.45			735,849.22		322,091.11	194,189.45	141,517.89
2017-12 Improvements to Various Parks and Drainage	25,291.50			316.25		316.25		25,291.50
2018-03 Purchase of Land	20,175.85			4,598.25		8,102.00		23,679.60
2018-10 Various Capital Improvements	8,446,554.92			1,455,582.98		1,448,441.89	7,383,323.10	1,056,090.73
2019-07 Various Capital Improvements		6,253,375.00		1,489,730.89		329,125.00	1,342,012.55	3,750,756.56
	<u>\$ 11,953,307.68</u>	<u>\$ 9,134,126.00</u>	<u>\$ 441,963.10</u>	<u>\$ 3,874,825.67</u>	<u>\$ 2,880,751.00</u>	<u>\$ 11,240,706.03</u>	<u>\$ 11,240,706.03</u>	<u>\$ 14,773,820.11</u>

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation -- Funded  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 26,400,065.17
Decreased by:		
Loans Canceled	\$ 0.17	
2019 Budget Appropriations:		
Serial Bonds	2,018,600.00	
Green Acres Loans	31,465.00	
		2,050,065.17
Balance December 31, 2019		\$ 24,350,000.00

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
 Statement of Deferred Charges to Future Taxation -- Unfunded  
 For the Year Ended December 31, 2019

Ordinance Number	Improvement Description	Balance Dec. 31, 2018	Increased by	Decreased by	Balance Dec. 31, 2019	Analysis of Balance December 31, 2019		Unexpended Improvement Authorizations
			2019 Authorizations	Notes Paid By Budget Appropriation		Financed by Bond Anticipation Notes	Expended	
2008-11	Acquisition of Real Property - Cow Pointe	\$ 426,100.00		\$ 259,738.00	\$ 166,362.00	\$ 166,362.00		
2008-18	Various Capital Improvements	24.00		24.00				
2009-19	Various Capital Improvements	60,324.00		60,324.00				
2009-28	Improvements to Public Safety Facilities	464,847.00			464,847.00	464,847.00		
2010-15	Various Capital Improvements	2,249,542.00			2,249,542.00	2,249,542.00		
2019-07	Various Capital Improvements		\$ 6,253,375.00		6,253,375.00	6,253,375.00		
		<u>\$ 3,200,837.00</u>	<u>\$ 6,253,375.00</u>	<u>\$ 320,086.00</u>	<u>\$ 9,134,126.00</u>	<u>\$ 9,134,126.00</u>	<u>\$ -</u>	<u>\$ -</u>
Improvement Authorizations Unfunded								\$ 3,859,673.33
Less - Unexpended Proceeds of Bond Anticipation Notes Issued:								
	Ordinance 2009-19							(7,430.34)
	Ordinance 2009-28							(1,670.24)
	Ordinance 2010-15							(99,816.19)
	Ordinance 2019-07							(3,750,756.56)
								<u>\$ -</u>

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 70,024.00
Increased by:	
Budget Appropriation	<u>329,125.00</u>
	399,149.00
Decreased by:	
Appropriation to Finance Improvement Authorizations	<u>329,125.00</u>
Balance December 31, 2019	<u><u>\$ 70,024.00</u></u>

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For the Year Ended December 31, 2019

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2018		2019 Authorizations	Prior Year Encumbrances Reclassified	Paid or Charged	Canceled	Balance Dec. 31, 2019	
				Funded	Unfunded					Funded	Unfunded
General Improvements:											
2003-16	Reconstruction and Resurfacing of Hopewell Road	06/10/03	\$ 61,427.91	\$ 300.00						\$ 300.00	
2009-19	Various Capital Improvements	06/09/09	3,739,144.00		\$ 4,560.14		\$ 12,110.20	\$ 9,240.00			\$ 7,430.34
2009-28	Improvements to Public Safety Facilities and Related Expenses	11/24/09	700,000.00		1,670.24						1,670.24
2010-15	Various Capital Improvements	05/25/10	3,975,169.00		117,602.85			17,786.66			99,816.19
2013-16	Various Capital Improvements	12/23/13	2,190,607.00	408,861.27			30,200.65	49,356.86			389,705.06
2014-10	Various Capital Improvements	08/05/14	1,004,500.00	176,532.26			70,156.65	70,156.65			176,532.26
2015-15	Various Capital Improvements	09/07/15	1,985,500.00	50,825.58			3,452.36	28,381.36			25,896.58
2016-08	Various Capital Improvements	07/05/16	2,797,000.00	111,639.30			33,093.95	77,917.42			66,815.83
2017-06	Various Capital Improvements	05/02/17	3,702,900.00	749,465.45			322,091.11	880,038.67	\$ 50,000.00		141,517.89
2017-12	Improvements to Various Parks and Drainage	09/19/17	100,000.00	25,291.50			316.25	316.25			25,291.50
2018-03	Purchase of Land	03/06/18	650,000.00	20,175.85			8,102.00	4,598.25			23,679.60
2018-10	Various Capital Improvements	05/22/18	10,231,100.00	8,446,554.92			1,448,441.89	8,838,906.08			1,056,090.73
2019-07	Various Capital Improvements	05/21/19	6,582,500.00			\$ 6,582,500.00		2,831,743.44			3,750,756.56
				<u>\$ 9,989,646.13</u>	<u>\$ 123,833.23</u>	<u>\$ 6,582,500.00</u>	<u>\$ 1,927,965.06</u>	<u>\$ 12,808,441.64</u>	<u>\$ 50,000.00</u>	<u>\$ 1,905,829.45</u>	<u>\$ 3,859,673.33</u>
Capital Improvements Fund						\$ 329,125.00					
Deferred Charges to Future Taxation - Unfunded						6,253,375.00					
Canceled Against Grants Receivable									\$ 50,000.00		
Disbursed								\$ 3,874,825.67			
Encumbered								8,933,615.97			
						<u>\$ 6,582,500.00</u>		<u>\$ 12,808,441.64</u>	<u>\$ 50,000.00</u>		



**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
Statement of Reserve for Encumbrances  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 1,927,965.06
Increased by:	
Charges to Improvement Authorizations	8,933,615.97
	10,861,581.03
Decreased by:	
Prior Year Balance Reappropriated	1,927,965.06
Balance December 31, 2019	\$ 8,933,615.97

## Exhibit SC-8

GENERAL CAPITAL FUND  
Statement of General Capital Grants Receivable  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 787,147.00
Decreased by:	
Cancelation of Burlington County Park Grant by Resolution 210-2019	50,000.00
Balance December 31, 2019	\$ 737,147.00

Analysis of Balance December 31, 2019

Receivables Offset with Reserves:			
Ord. 2009-19 - Burlington County Grant	\$ 25,000.00		
Ord. 2010-15 - Burlington County Grant	150,000.00		
Ord. 2015-15 - Burlington County Grant	37,147.00		
Other Burlington County Grant	10,000.00		
		\$ 222,147.00	
Receivables Funding Improvement Authorizations:			
Ord. 2017-06 - Burlington County Grant	200,000.00		
Ord. 2018-10:			
Burlington County Park Development Grant	200,000.00		
NJ DOT Grant	115,000.00		
		515,000.00	
		\$ 737,147.00	

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
 Statement of Green Acres Trust Loans Payable  
 For the Year Ended December 31, 2019

<u>Date of Issue</u>	<u>Purpose</u>	<u>Balance Dec. 31, 2018</u>	<u>Paid by Budget Appropriation</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2019</u>
10/23/99	Distefano Tract	\$ 15,391.88	\$ 15,391.86	\$ 0.02	
09/06/00	Distefano Tract Phase II	<u>16,073.29</u>	<u>16,073.14</u>	<u>0.15</u>	
		<u>\$ 31,465.17</u>	<u>\$ 31,465.00</u>	<u>\$ 0.17</u>	<u>\$ -</u>
	Municipal Open Space Trust Fund Budget Appropriation		<u>\$ 31,465.00</u>		

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
 Statement of General Serial Bonds  
 For the Year Ended December 31, 2019

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2019		Interest Rate	Balance Dec. 31, 2018	Decreased by	
			Date	Amount			Paid By Budget Appropriation	Balance Dec. 31, 2019
2011 Refunding Bonds	11/21/11	\$ 1,251,800.00				\$ 83,600.00	\$ 83,600.00	
2013 General Obligation Bonds, Series A	05/09/13	11,470,000.00	05/01/20	\$ 510,000.00	2.00%			
			05/01/21	520,000.00	2.00%			
			05/01/22	535,000.00	2.00%			
			05/01/23	545,000.00	2.00%			
			05/01/24	560,000.00	3.00%			
			05/01/25	580,000.00	3.00%			
			05/01/26	595,000.00	3.00%			
			05/01/27	610,000.00	3.00%			
			05/01/28	630,000.00	3.00%			
			05/01/29	650,000.00	3.00%			
			05/01/30	670,000.00	3.00%			
			05/01/31	695,000.00	3.00%			
			05/01/32	715,000.00	3.13%			
			05/01/33	740,000.00	3.25%	9,055,000.00	500,000.00	\$ 8,555,000.00
2013 Refunding Bonds, Series B	05/09/13	3,510,000.00	08/01/20	420,000.00	2.00%	855,000.00	435,000.00	420,000.00
2015 General Obligation Bonds	12/17/15	3,420,000.00	06/01/20	325,000.00	2.00%			
			06/01/21	350,000.00	2.00%			
			06/01/22	375,000.00	2.00%			
			06/01/23	420,000.00	2.00%			
			06/01/24	450,000.00	2.00%			
			06/01/25	450,000.00	2.25%	2,670,000.00	300,000.00	2,370,000.00
General Obligation Bonds, Bridge Commission 2018	09/06/18	15,508,787.00	08/01/20	665,000.00	5.00%			
			08/01/21	700,000.00	5.00%			
			08/01/22	735,000.00	5.00%			
			08/01/23	770,000.00	5.00%			
			08/01/24	810,000.00	5.00%			
			08/01/25	850,000.00	5.00%			
			08/01/26	890,000.00	5.00%			
			08/01/27	935,000.00	5.00%			
			08/01/28	985,000.00	5.00%			
			08/01/29	1,035,000.00	4.00%			
			08/01/30	1,075,000.00	5.00%			
			08/01/31	1,125,000.00	5.00%			
			08/01/32	1,185,000.00	5.00%			
			08/01/33	1,245,000.00	4.00%	13,705,000.00	700,000.00	13,005,000.00
						<u>\$ 26,368,600.00</u>	<u>\$ 2,018,600.00</u>	<u>\$ 24,350,000.00</u>
							Current Fund Budget Appropriation	\$ 1,594,609.00
							Municipal Open Space Trust Fund Budget Appropriation	423,991.00
								<u>\$ 2,018,600.00</u>

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2019

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2018	Increased	Decreased	Balance Dec. 31, 2019
2008-11	Acquisition of Real Property - Cow Pointe	12/14/18	12/14/18	10/15/19	2.89%	\$ 426,100.00		\$ 426,100.00	
2008-11	Acquisition of Real Property - Cow Pointe	12/14/18	10/11/19	10/09/20	1.90%		\$ 166,362.00		\$ 166,362.00
2008-18	Various Capital Improvements	12/14/18	12/14/18	10/15/19	2.89%	24.00		24.00	
2009-19	Various Capital Improvements	12/14/18	12/14/18	10/15/19	2.89%	60,324.00		60,324.00	
2009-28	Improvements to Public Safety Facilities	12/14/18	12/14/18	10/15/19	2.89%	464,847.00		464,847.00	
2009-28	Improvements to Public Safety Facilities	12/14/18	10/11/19	10/09/20	1.90%		464,847.00		464,847.00
2010-15	Various Capital Improvements	12/14/18	12/14/18	10/15/19	2.89%	2,249,542.00		2,249,542.00	
2010-15	Various Capital Improvements	12/14/18	10/11/19	10/09/20	1.90%		2,249,542.00		2,249,542.00
2019-07	Various Capital Improvements	10/11/19	10/11/19	10/09/20	2.25%		6,253,375.00		6,253,375.00
						<u>\$ 3,200,837.00</u>	<u>\$ 9,134,126.00</u>	<u>\$ 3,200,837.00</u>	<u>\$ 9,134,126.00</u>
							\$ 2,880,751.00	\$ 2,880,751.00	
							6,253,375.00		
								320,086.00	
							<u>\$ 9,134,126.00</u>	<u>\$ 3,200,837.00</u>	

Renewed  
Issued for Cash  
Current Fund Budget Appropriation

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
Statement of Due Federal and State Grant Fund  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$	63,000.00
Decreased by:		
Interfund Liquidated		63,000.00
Balance December 31, 2019	\$	-

**TOWNSHIP OF MEDFORD**  
**GENERAL CAPITAL FUND**  
 Statement of Bonds and Notes Authorized But Not Issued  
 For the Year Ended December 31, 2019

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2018</u>	<u>Increased by 2019 Authorizations</u>	<u>Decreased by Notes Issued</u>	<u>Balance Dec. 31, 2019</u>
2019-07	Various Capital Improvements		\$ 6,253,375.00	\$ 6,253,375.00	-
		\$ -	\$ 6,253,375.00	\$ 6,253,375.00	\$ -

**SUPPLEMENTAL EXHIBITS**  
**WATER AND SEWER UTILITY FUND**

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY FUND**  
Statement of Water and Sewer Utility Cash -- Treasurer  
For the Year Ended December 31, 2019

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2018	\$ 2,924,050.07	\$ 4,548,555.45
Increased by Receipts:		
Rents Receivable	\$ 5,476,520.53	
Rent Overpayments	11,908.58	
Prepaid Rents	624,893.38	
Anticipated Revenue:		
Miscellaneous Revenue	562,714.00	
Reserve for Payment of Debt Service	300,000.00	
Refunds of Appropriations	21,855.82	
Reserve for Insurance Claims	57,186.65	
Petty Cash	100.00	
Capital Improvement Fund		\$ 1,000,000.00
Bond Anticipation Notes		2,190,298.00
Premium on Sale of Bonds		14,056.90
Contra		23,761.57
	7,055,178.96	3,228,116.47
	9,979,229.03	7,776,671.92
Decreased by Disbursements:		
2019 Budget Appropriations	6,750,694.03	
2018 Appropriation Reserves	358,188.88	
Accounts Payable	15,919.25	
Reserve for Insurance Claims	33,891.65	
Accrued Interest on Bonds, Loans and Notes	599,309.03	
Petty Cash	100.00	
Refund of Prior Year Revenue	161.88	
Improvement Authorizations		556,010.84
Bond Anticipation Notes		466,798.00
Reserve for Payment of Debt Service		300,000.00
Contra		23,761.57
	7,758,264.72	1,346,570.41
Balance December 31, 2019	\$ 2,220,964.31	\$ 6,430,101.51



**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
 Analysis of Water and Sewer Capital Cash and Investments  
 For the Year Ended December 31, 2019

	Balance (Deficit) Dec. 31, 2018	Receipts		Disbursements			Transfers		Balance (Deficit) Dec. 31, 2019	
		Miscellaneous	Notes Issued	Improvement Authorizations	Notes Redeemed	Miscellaneous	From	To		
Capital Improvement Fund	\$ 506,399.00	\$ 1,000,000.00							\$ 1,506,399.00	
Reserve for Payment of Debt Service	355,488.73					\$ 300,000.00			55,488.73	
Reserve for Encumbrances	391,310.37						\$ 391,310.37	\$ 440,518.60	440,518.60	
Contra		23,761.57				23,761.57				
Fund Balance	11,005.73	14,056.90							25,062.63	
Improvement Authorizations:										
Ordinance										
<u>Number</u>										
1996-11	Construction of Various Utility Capital Improvements	14,285.27							14,285.27	
1997-06	Construction of Various Utility Capital Improvements	150.65							150.65	
1998-14	Construction of Various Utility Capital Improvements	26,275.43	\$ 26,275.00		\$ 26,275.00				26,275.43	
2001-11	Various Utility Capital Improvements	753.12							753.12	
2002-10	Various Utility Capital Improvements	23.31							23.31	
2003-15	Various Utility Capital Improvements	39.63							39.63	
2003-17	Improvements to the Water Treatment Plant, and Rehabilitation of Wells 9, 10 and 15 and the Englishtown Well and to Improve Related Water Mains at Deerbrook	1,042.56							1,042.56	
2004-15	Various Utility Capital Improvements						2,746.00	2,746.00		
2004-19	Various Utility Capital Improvements	1,151.37					400.00	400.00	1,151.37	
2005-14	Various Utility Capital Improvements	912.01							912.01	
2006-10	Various Utility Capital Improvements	3,063.25		\$ 2,147.50					915.75	
2007-09	Various Utility Capital Improvements	1,544.05							1,544.05	
2007-11	Infr Sewage Treatment Plant	182.00	167.00		167.00				182.00	
2008-20	Phase II of the Sewer Plant Upgrade Project	396.00	396.00		396.00				396.00	
2009-20	Various Utility Capital Improvements	24,122.03	500.00	6,023.75	500.00		14,497.80	20,821.55	24,422.03	
2009-27	Improvements for Wastewater Treatment Plant	134.00							134.00	
2010-16	Various Utility Capital Improvements	345,605.90	435,000.00	34,551.58	435,000.00		23,772.91	58,324.49	345,605.90	
2010-21	Various Utility Capital Improvements	4,325.00	4,460.00	436.32	4,460.00				3,888.68	
2014-11	Various Utility Capital Improvements	8,008.14					587.82	587.82	8,008.14	
2015-16	Various Utility Capital Improvements	317,501.08		136,054.07			32,874.85	71,592.51	220,164.67	
2017-02	Various Utility Capital Improvements	76,591.20		75,562.43			6,763.07	51,323.82	45,589.52	
2017-05	Various Utility Capital Improvements	412,425.32		51,085.18			16,193.24	104,834.48	449,981.38	
2018-11	Various Utility Capital Improvements	2,045,820.30		220,262.01			186,993.41	80,679.70	1,719,244.58	
2019-08	Various Utility Capital Improvements		1,723,500.00	29,888.00			155,689.50		1,537,922.50	
		<u>\$ 4,548,555.45</u>	<u>\$ 1,037,818.47</u>	<u>\$ 2,190,298.00</u>	<u>\$ 556,010.84</u>	<u>\$ 466,798.00</u>	<u>\$ 323,761.57</u>	<u>\$ 831,828.97</u>	<u>\$ 831,828.97</u>	<u>\$ 6,430,101.51</u>

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY OPERATING FUND**  
**Statement of Water and Sewer Rents Receivable**  
**For the Year Ended December 31, 2019**

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Balance December 31, 2018		\$ 191,578.99
Increased by:		
Water and Sewer Rents Levied		6,240,460.49
		6,432,039.48
Decreased by:		
Collected	\$ 5,476,520.53	
Prepayments Applied	719,872.98	
		6,196,393.51
Balance December 31, 2019		\$ 235,645.97

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY OPERATING FUND**  
 Statement of Appropriation Reserves  
 For the Year Ended December 31, 2019

	<u>Balance Dec. 31, 2018</u>		<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Transferred to Accounts Payable</u>	<u>Canceled to Fund Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>				
Operations:						
Salaries and Wages		\$ 90,006.15	\$ 90,006.15	\$ 15,939.21		\$ 74,066.94
Other Expenses	\$ 267,821.56	205,524.12	473,345.68	337,370.29	\$ 32,702.00	103,273.39
Capital Improvements:						
Capital Outlay	11,432.93	2,133.33	13,566.26	4,879.38		8,686.88
Statutory Expenditures:						
Retiree Health Benefits		20,545.28	20,545.28			20,545.28
	<u>\$ 279,254.49</u>	<u>\$ 318,208.88</u>	<u>\$ 597,463.37</u>	<u>\$ 358,188.88</u>	<u>\$ 32,702.00</u>	<u>\$ 206,572.49</u>
Disbursements				<u>\$ 358,188.88</u>		

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
Statement of Fixed Capital Authorized and Uncompleted  
For the Year Ended December 31, 2019

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2018	2019 Authorizations	Balance Dec. 31, 2019
1996-11	Construction of Various Utility Capital Improvements	06/17/96	\$ 1,349,000.00	\$ 14,285.27		\$ 14,285.27
1997-06	Construction of Various Utility Capital Improvements	03/17/97	1,357,000.00	150.65		150.65
1998-14	Construction of Various Utility Capital Improvements	06/03/98	1,750,000.00	26,275.43		26,275.43
2001-11	Various Utility Capital Improvements	05/22/01	1,635,000.00	753.12		753.12
2003-15	Various Utility Capital Improvements	06/10/03	370,000.00	39.63		39.63
2003-17	Improvements to the Water Treatment Plant, and Rehabilitation of Wells 9, 10 and 15 and the Englishtown Well and to Improve Related Water Mains at Deerbrook	06/10/03	188,794.03	1,042.56		1,042.56
2004-15	Various Utility Capital Improvements	05/11/04	995,000.00	2,746.00		2,746.00
2004-19	Various Utility Capital Improvements	08/24/04	2,900,000.00	6,591.37		6,591.37
2005-14	Various Utility Capital Improvements	05/24/05	1,540,000.00	912.01		912.01
2006-10	Various Utility Capital Improvements	05/23/06	1,665,000.00	3,063.25		3,063.25
2007-09	Various Utility Capital Improvements	05/08/07	3,478,658.00	1,544.05		1,544.05
2007-11	Various Infrastructure Improvements to the Sewage Treatment Plant	05/08/07	2,245,000.00	181.94		181.94
2008-20	Improvements for Phase II of the Sewer Plant Upgrade Project	05/27/08	7,051,172.00	396.00		396.00
2009-20	Various Utility Capital Improvements	06/09/09	1,305,500.00	1,254,777.00		1,254,777.00
2009-27	Improvements for Wastewater Treatment Plant	11/10/09	3,500,000.00	3,500,000.00		3,500,000.00
2010-16	Various Utility Capital Improvements	06/22/10	1,050,000.00	1,010,848.00		1,010,848.00
2010-21	Various Utility Capital Improvements	07/31/10	3,470,000.00	3,470,000.00		3,470,000.00
2014-11	Various Utility Capital Improvements	08/25/14	681,500.00	681,500.00		681,500.00
2015-16	Various Utility Capital Improvements	09/07/15	730,000.00	730,000.00		730,000.00
2017-02	Various Utility Capital Improvements	02/21/17	1,587,350.00	1,587,350.00		1,587,350.00
2017-05	Various Utility Capital Improvements	05/02/17	1,432,450.00	1,432,450.00		1,432,450.00
2018-11	Various Utility Capital Improvements	06/06/18	2,126,500.00	2,126,500.00		2,126,500.00
2019-08	Various Utility Capital Improvements	05/21/19	1,732,500.00		\$ 1,723,500.00	1,723,500.00
				<u>\$ 15,851,406.28</u>	<u>\$ 1,723,500.00</u>	<u>\$ 17,574,906.28</u>

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
**Statement of Fixed Capital**  
**For the Year Ended December 31, 2019**

<u>Account</u>	<u>Increased by</u>		
	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>Capital</u> <u>Outlay</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
Enlargement of Plant and Extension of Stokes Road Sewer Line	\$ 413,390.00		\$ 413,390.00
Sanitary Sewer System	19,289,761.00		19,289,761.00
Extension of Sewer Line on Christopher Mill Road	1,375.00		1,375.00
Extension of Sewer Line on Tuckerton Road	3,517.00		3,517.00
Extension of Sewer Line on Taunton Road	3,963.00		3,963.00
Site Work for Addition to Sewer Plant	6,111.00		6,111.00
Reconstruction of Oakwood Wastewater System and Installation of Southside Water Supply Wells	1,720,000.00		1,720,000.00
Rodding Machine	1,231.00		1,231.00
High Water Alarm System	1,815.00		1,815.00
Road and Drainage System	30,000.00		30,000.00
Manhole Covers	4,848.00		4,848.00
Extension of Sewer Line on Hoot Owl Section	207,450.00		207,450.00
Sludge De-Watering System	171,657.00		171,657.00
General System	328,668.00		328,668.00
Pick-up Truck	61,123.00		61,123.00
Meters and Hydrants	1,847,228.00	\$ 6,190.90	1,853,418.90
Lab Equipment and Furniture	20,342.50		20,342.50
Communications Equipment	2,558.00		2,558.00
Reconditioning of Wells	8,466.00		8,466.00
Fencing	1,565.00		1,565.00
Office Equipment and Furniture	47,773.28		47,773.28
Interim Upgrade of Sewer Plant	324,279.00		324,279.00
Feasibility Study of Waste Water Treatment Facility	26,287.00		26,287.00
Gate Valve Installation	10,898.00		10,898.00
Computer	28,149.00		28,149.00
Flow Control System	3,335.00		3,335.00
Gasoline Storage Tank	2,596.00		2,596.00
Safety Equipment	114,733.18	2,583.20	117,316.38
Manhole Inserts	22,974.00		22,974.00
Rehabilitation of Waste Water Treatment Tanks	100,000.00		100,000.00
Wastewater Jetter/Vector	130,000.00		130,000.00
Construction of Water Line in Vicinity of Jackson Road	46,000.00		46,000.00
Discount on Repayment of Loan from Farmers Home Administration	3,120,000.00		3,120,000.00
Installation of Water Line at Laurel Knoll Subdivision	53,000.00		53,000.00
Rehabilitation of Sewerage Treatment Tank #1	84,200.00		84,200.00
Trucks	714,328.81		714,328.81
Sewerage Treatment Plant and Extension of Sewer Line on Stokes Road	1,240,105.00		1,240,105.00
Rehabilitation and Upgrading of Elm Drive Pumping Station	139,128.00		139,128.00
Charles Street Water Main	33,234.00		33,234.00
Acquisition of Seven Yard Pickup Truck	50,462.00		50,462.00
Cost to Refinance Serial Bonds	432,497.00		432,497.00
Utility Equipment	731,169.73	12,025.63	743,195.36
Water Diversion Rights	1,164,274.40		1,164,274.40
Rehabilitation of Wells and Other Improvements to the Water and Sewer Utility System	1,250,930.00		1,250,930.00
Various Water and Sewer Capital Improvements and Upgrading and Rehabilitation of Utility System	872,100.00		872,100.00
Construction of Southside Water Supply Wells	474,050.00		474,050.00
Furniture and Equipment	8,560.86		8,560.86
Construction of a Water Storage Tank	3,349.00		3,349.00
Improvements to Wastewater Treatment Plant	2,730,000.00		2,730,000.00
Various Improvements to the Water and Sewer System	15,941,381.12		15,941,381.12
Improvements to the Sewage Treatment Plant	2,244,818.06		2,244,818.06
Improvements to Phase II Sewer Plant Upgrade Project	11,041,038.00		11,041,038.00
Water and Sewer Improvements on Various Municipal Roadways	902,767.79		902,767.79
	<u>\$ 68,213,486.73</u>	<u>\$ 20,799.73</u>	<u>\$ 68,234,286.46</u>
Current Year Budget		\$ 15,920.35	
Appropriation Reserve		<u>4,879.38</u>	
		<u>\$ 20,799.73</u>	

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY OPERATING FUND**  
**Statement of Accrued Interest on Bonds, Loans and Notes**  
**For the Year Ended December 31, 2019**

Balance December 31, 2018		\$ 231,622.12
Increased by:		
Charged to Budget Appropriations: - Interest on Bonds, Loans and Notes		
Bonds	\$ 254,876.94	
Loans	273,234.40	
Notes	21,983.98	
		550,095.32
		781,717.44
Decreased by:		
Disbursed		
Bonds	304,633.20	
Loans	283,396.31	
Notes	11,279.52	
		599,309.03
Balance December 31, 2019		\$ 182,408.41

Analysis of Accrued Interest December 31, 2019

Principal Outstanding Dec. 31, 2019	Interest Rate	From	To	Period	Amount
Serial Bonds:					
\$ 2,180,000.00	Various	08/01/19	12/31/19	5.0 Months	\$ 19,057.29
975,000.00	Various	11/01/19	12/31/19	2.0 Months	4,527.08
1,250,000.00	Various	12/01/19	12/31/19	1.0 Month	2,818.75
652,000.00	Various	08/15/19	12/31/19	4.5 Months	9,780.00
770,000.00	Various	08/01/19	12/31/19	5.0 Months	16,041.67
2,260,000.00	Various	10/17/19	12/31/19	2.5 Months	8,984.38
					61,209.17
N.J. Environmental Infrastructure Trust Loan:					
190,000.00	Various	08/01/19	12/31/19	5.0 Months	3,544.78
575,000.00	Various	08/01/19	12/31/19	5.0 Months	10,541.67
2,240,000.00	Various	08/01/19	12/31/19	5.0 Months	40,237.50
1,225,000.00	Various	08/01/19	12/31/19	5.0 Months	19,383.33
460,000.00	Various	08/01/19	12/31/19	5.0 Months	7,283.33
540,000.00	Various	08/01/19	12/31/19	5.0 Months	9,775.00
1,090,000.00	Various	08/01/19	12/31/19	5.0 Months	19,729.17
					110,494.78
Bond Anticipation Notes:					
466,798.00	1.90%	10/11/19	12/31/19	82 Days	1,992.52
1,723,500.00	2.25%	10/11/19	12/31/19	82 Days	8,711.94
					10,704.46
					\$ 182,408.41

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For the Year Ended December 31, 2019

Ordinance Number	Improvement Description	Date	Ordinance		Balance Dec. 31, 2018		2019 Authorizations	Increased by		Decreased by		Balance Dec. 31, 2019		
			Date	Amount	Funded	Unfunded		Prior Year Encumbrances Reclassified	Paid or Charged	Funded	Unfunded			
1996-11	Construction of Various Utility Capital Improvements	06/17/96	\$ 1,349,000.00	\$ 14,285.27								\$ 14,285.27		
1997-06	Construction of Various Utility Capital Improvements	04/21/97	1,357,000.00	150.65								150.65		
1998-14	Construction of Various Utility Capital Improvements	06/03/98	1,750,000.00		\$ 26,275.43								\$ 26,275.43	
2001-11	Various Utility Capital Improvements	05/22/01	1,635,000.00	753.12								753.12		
2002-10	Various Utility Capital Improvements	03/12/02	303,604.14	23.31								23.31		
2003-15	Various Utility Capital Improvements	06/10/03	370,000.00	39.63								39.63		
2003-17	Improvements to the Water Treatment Plant, and Rehabilitation of Wells 9, 10 and 15 and the Englishtown Well and to Improve Related Water Mains at Deerbrook	06/10/03	188,794.03	1,042.56								1,042.56		
2004-15	Various Utility Capital Improvements	05/11/04	995,000.00					\$ 2,746.00	\$ 2,746.00					
2004-19	Various Utility Capital Improvements	08/24/04	2,900,000.00	1,151.37				400.00	400.00			1,151.37		
2005-14	Various Utility Capital Improvements	05/24/05	1,540,000.00	912.01								912.01		
2006-10	Various Utility Capital Improvements	05/23/06	1,665,000.00	3,063.25					2,147.50			915.75		
2007-09	Various Utility Capital Improvements	05/08/07	3,478,658.00	1,544.05								1,544.05		
2007-11	Infrastructure Improvements to Sewer Treatment Plant	05/08/07	2,245,000.00		181.94								181.94	
2008-20	Phase II of the Sewer Plant Upgrade Project	05/27/08	7,051,172.00		396.00								396.00	
2009-20	Various Utility Capital Improvements	06/09/09	1,305,500.00	23,622.03	500.00			20,821.55	20,521.55			23,922.03	500.00	
2009-27	Improvements for Wastewater Treatment Plant	11/10/09	3,500,000.00	134.00								134.00		
2010-16	Various Utility Capital Improvements	06/22/10	1,050,000.00		345,605.90			58,324.49	58,324.49				345,605.90	
2010-21	Various Utility Capital Improvements	07/31/10	3,470,000.00		4,325.00				436.32				3,888.68	
2014-11	Various Utility Capital Improvements	08/25/14	681,500.00	8,008.14				587.82	587.82			8,008.14		
2015-16	Various Utility Capital Improvements	09/07/15	730,000.00	317,501.14				71,592.51	168,928.92			220,164.73		
2017-02	Various Utility Capital Improvements	02/21/17	1,587,350.00	76,591.20				51,323.82	82,325.50			45,589.52		
2017-05	Various Utility Capital Improvements	05/02/17	1,432,450.00	412,425.32				104,834.48	67,278.42			449,981.38		
2018-11	Various Utility Capital Improvements	06/06/18	2,126,500.00	1,179,568.00	866,252.30			80,679.70	407,255.42			852,992.28	866,252.30	
2019-08	Various Utility Capital Improvements	05/21/19	1,723,500.00				\$ 1,723,500.00		185,577.50				1,537,922.5	
				<u>\$ 2,040,815.05</u>	<u>\$ 1,243,536.57</u>		<u>\$ 1,723,500.00</u>	<u>\$ 391,310.37</u>	<u>\$ 996,529.44</u>			<u>\$ 1,621,609.80</u>	<u>\$ 2,781,022.75</u>	
							Bonds and Notes Authorized	\$ 1,723,500.00						
							Disbursed		\$ 556,010.84					
							Reserve for Encumbrances		440,518.60					
								<u>\$ 1,723,500.00</u>	<u>\$ 996,529.44</u>					

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
**Statement of Reserve for Encumbrances**  
**For the Year Ended December 31, 2019**

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Balance December 31, 2018		\$ 391,310.37
Increased by:		
Charges to Improvement Authorizations		440,518.60
		831,828.97
Decreased by:		
Prior Year Balance Reappropriated		391,310.37
		391,310.37
Balance December 31, 2019		\$ 440,518.60

## Exhibit SD-10

**WATER AND SEWER UTILITY CAPITAL FUND**  
**Statement of Reserve for Amortization**  
**For the Year Ended December 31, 2019**

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Balance December 31, 2018		\$ 54,701,353.73
Increased by:		
Paid by Utility Operating Fund:		
Serial Bonds - Paid by Budget Appropriation	\$ 1,050,400.00	
Serial Bonds - Defeased	2,500,000.00	
Loans Payable - Paid by Budget Appropriation	1,076,536.79	
Loans Payable - Decreased by NJEIT Principal Savings Credits	37,913.11	
Capital Outlay:		
2019 Charges	20,799.73	
		4,685,649.63
		59,387,003.36
Decreased by:		
Refunding Serial Bonds Issued		2,260,000.00
Balance December 31, 2019		\$ 57,127,003.36



**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
 Statement of Water and Sewer Serial Bonds  
 For the Year Ended December 31, 2019

Purpose	Date of Issue	Original Issue	Maturity of Bonds		Interest Rate	Balance Dec. 31, 2018	Increased by		Decreased by		Balance Dec. 31, 2019
			Outstanding Dec. 31, 2019	Amount			Issued	Defeased	Paid by Budget Appropriation		
General Obligation Bonds, Series 2008	07/15/08	\$ 4,563,000.00				\$ 2,750,000.00		\$ 2,500,000.00	\$ 250,000.00		
Refunding Bonds, Series 2011	11/21/11	1,593,200.00				106,400.00				106,400.00	
General Obligation Bonds, Series 2013A	05/09/13	1,305,000.00	05/01/20-23	\$ 60,000.00	2.000%						
			05/01/24-25	65,000.00	3.000%						
			05/01/26-28	70,000.00	3.000%						
			05/01/29-30	75,000.00	3.000%						
			05/01/31	80,000.00	3.000%						
			05/01/32	80,000.00	3.125%						
			05/01/33	85,000.00	3.250%	1,030,000.00			55,000.00		\$ 975,000.00
Refunding Bonds, Series 2013B	05/09/13	5,140,000.00	08/01/20	530,000.00	2.000%						
			08/01/21	400,000.00	2.000%						
			08/01/22	385,000.00	2.000%						
			08/01/23	295,000.00	2.000%						
			08/01/24	285,000.00	2.250%						
			08/01/25	285,000.00	2.500%	2,685,000.00			505,000.00		2,180,000.00
General Obligation Bonds, Series 2015	12/17/15	1,470,000.00	06/01/20-21	60,000.00	2.000%						
			06/01/22-24	65,000.00	2.000%						
			06/01/25	70,000.00	2.250%						
			06/01/26	70,000.00	3.000%						
			06/01/27-28	75,000.00	3.000%						
			06/01/29	80,000.00	3.000%						
			06/01/30	85,000.00	3.000%						
			06/01/31-33	90,000.00	3.000%						
			06/01/34	100,000.00	3.000%						
			06/01/35	110,000.00	3.000%	1,305,000.00			55,000.00		1,250,000.00
Refunding Bonds, Bridge Commission 2017	03/28/17	905,000.00	02/15/20	42,000.00	4.000%						
			08/15/20	41,000.00	4.000%						
			08/15/21	86,000.00	4.000%						
			08/15/22	90,000.00	4.000%						
			08/15/23	93,000.00	4.000%						
			08/15/24	97,000.00	4.000%						
			08/15/25	100,000.00	4.000%						
			02/15/26	103,000.00	4.000%	731,000.00			79,000.00		652,000.00

(Continued)

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
 Statement of Water and Sewer Serial Bonds  
 For the Year Ended December 31, 2019

Purpose	Date of Issue	Original Issue	Maturity of Bonds		Interest Rate	Balance Dec. 31, 2018	Increased by		Decreased by		Balance Dec. 31, 2019
			Outstanding Dec. 31, 2019	Amount			Issued	Defeased	Paid by Budget Appropriation		
General Obligation Bonds, Bridge Commission 2018	09/06/18	\$ 946,932.00	08/01/20	\$ 70,000.00	5.000%						
			08/01/21	75,000.00	5.000%						
			08/01/22	75,000.00	5.000%						
			08/01/23	80,000.00	5.000%						
			08/01/24	85,000.00	5.000%						
			08/01/25	90,000.00	5.000%						
			08/01/26	95,000.00	5.000%						
			08/01/27	100,000.00	5.000%						
			08/01/28	100,000.00	5.000%	\$ 840,000.00				\$ 70,000.00	\$ 770,000.00
			General Obligation Refunding Bonds, Series 2019	10/30/19	2,260,000.00	07/15/20	255,000.00	3.000%			
07/15/21	220,000.00	4.000%									
07/15/22	220,000.00	4.000%									
07/15/23	215,000.00	5.000%									
07/15/24	270,000.00	5.000%									
07/15/25	270,000.00	5.000%									
07/15/26	270,000.00	5.000%									
07/15/27	270,000.00	5.000%									
07/15/28	270,000.00	5.000%									
										\$ 2,260,000.00	
						\$ 9,447,400.00	\$ 2,260,000.00	\$ 2,500,000.00	\$ 1,120,400.00	\$ 8,087,000.00	

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
Statement of New Jersey Environmental Infrastructure Loans Payable  
For the Year Ended December 31, 2019

Purpose	Loan Amount	Date of Loan	Maturity of Notes		Interest Rate	Balance Dec. 31, 2018	Paid by Budget Appropriation	Balance Dec. 31, 2019
			Outstanding Date	Dec. 31, 2019 Amount				
N.J. Environmental Infrastructure Trust Loan - 2002	\$ 835,000.00	10/30/02	08/01/20	\$ 60,000.00	5.000%	\$ 245,000.00	\$ 55,000.00	\$ 190,000.00
			08/01/21	65,000.00	5.000%			
			08/01/22	65,000.00	4.750%			
N.J. Environmental Infrastructure Fund Loan - 2002	880,709.00	10/30/02	02/01/20	3,064.83	NIL	181,083.65	44,040.00	137,043.65
			08/01/20	42,452.20	NIL			
			02/01/21	2,080.14	NIL			
			08/01/21	44,749.80	NIL			
			02/01/22	1,013.40	NIL			
			08/01/22	43,683.28	NIL			
N.J. Environmental Infrastructure Trust Loan - 2007	1,100,000.00	11/08/07	08/01/20	60,000.00	4.000%	635,000.00	60,000.00	575,000.00
			08/01/21-22	65,000.00	5.000%			
			08/01/23	70,000.00	4.250%			
			08/01/24-25	75,000.00	4.500%			
			08/01/26	80,000.00	4.500%			
N.J. Environmental Infrastructure Fund Loan - 2007	1,106,200.00	11/08/07	08/01/27	85,000.00	4.250%	511,381.07	57,480.58	453,900.49
			02/01/20	8,415.66	NIL			
			08/01/20	47,501.48	NIL			
			02/01/21	7,633.94	NIL			
			08/01/21	49,976.91	NIL			
			02/01/22	6,575.37	NIL			
			08/01/22	48,918.34	NIL			
			02/01/23	5,516.80	NIL			
			08/01/23	51,116.92	NIL			
			02/01/24	4,547.79	NIL			
			08/01/24	53,405.07	NIL			
			02/01/25	3,448.50	NIL			
			08/01/25	52,305.78	NIL			
			02/01/26	2,349.22	NIL			
			08/01/26	54,463.64	NIL			
02/01/27	1,176.64	NIL						
08/01/27	56,548.43	NIL						

(Continued)

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
Statement of New Jersey Environmental Infrastructure Loans Payable  
For the Year Ended December 31, 2019

<u>Purpose</u>	<u>Loan Amount</u>	<u>Date of Loan</u>	<u>Maturity of Notes</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>
			<u>Outstanding Date</u>	<u>Dec. 31, 2019 Amount</u>				
N.J. Environmental Infrastructure Trust Loan - 2008	\$ 3,785,000.00	11/06/08	08/01/20	\$ 200,000.00	4.000%	\$ 2,430,000.00	\$ 190,000.00	\$ 2,240,000.00
			08/01/21	210,000.00	4.000%			
			08/01/22	225,000.00	5.000%			
			08/01/23	235,000.00	5.000%			
			08/01/24	250,000.00	4.250%			
			08/01/25	260,000.00	4.500%			
			08/01/26	275,000.00	4.500%			
			08/01/27	285,000.00	4.500%			
			08/01/28	300,000.00	4.250%			
			N.J. Environmental Infrastructure Fund Loan - 2008	3,141,145.00	11/06/08			
08/01/20	131,304.68	NIL						
02/01/21	26,789.86	NIL						
08/01/21	133,593.32	NIL						
02/01/22	23,852.77	NIL						
08/01/22	138,285.04	NIL						
02/01/23	20,705.88	NIL						
08/01/23	140,224.04	NIL						
02/01/24	17,419.13	NIL						
08/01/24	144,566.11	NIL						
02/01/25	14,240.46	NIL						
08/01/25	146,473.31	NIL						
02/01/26	10,934.63	NIL						
08/01/26	150,796.31	NIL						
02/01/27	7,438.09	NIL						
08/01/27	152,385.64	NIL						
02/01/28	3,814.40	NIL						
08/01/28	156,390.97	NIL						

(Continued)

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
Statement of New Jersey Environmental Infrastructure Loans Payable  
For the Year Ended December 31, 2019

<u>Purpose</u>	<u>Loan Amount</u>	<u>Date of Loan</u>	<u>Maturity of Notes</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>			
			<u>Outstanding Dec. 31, 2019</u>	<u>Date</u>					<u>Amount</u>		
N.J. Environmental Infrastructure Trust Loan - 2009	\$ 1,965,000.00	11/19/09	08/01/20	\$ 100,000.00	5.000%						
			08/01/21	105,000.00	4.000%						
			08/01/22	110,000.00	4.000%						
			08/01/23	115,000.00	5.000%						
			08/01/24	120,000.00	5.000%						
			08/01/25	125,000.00	4.250%						
			08/01/26	130,000.00	4.500%						
			08/01/27	135,000.00	4.500%						
			08/01/28	140,000.00	4.500%						
			08/01/29	145,000.00	4.250%				\$ 1,325,000.00	\$ 100,000.00	\$ 1,225,000.00
N.J. Environmental Infrastructure Fund Loan - 2009	1,857,763.00	11/19/09	02/01/20-29	31,487.50	NIL						
			08/01/20-28	62,975.01	NIL						
			08/01/29	62,975.31	NIL				1,039,087.91	94,462.51	944,625.40
N.J. Environmental Infrastructure Trust Loan - 2010A	735,000.00	03/10/10	08/01/20-22	40,000.00	4.000%						
			08/01/23-24	45,000.00	5.000%						
			08/01/25	45,000.00	4.250%						
			08/01/26-28	50,000.00	4.500%						
			08/01/29	55,000.00	4.250%				495,000.00	35,000.00	460,000.00
N.J. Environmental Infrastructure Fund Loan - 2010A	2,252,000.00	03/10/10	02/01/20-29	12,711.86	NIL						
			08/01/20-28	25,423.72	NIL						
			08/01/29	25,423.98	NIL				419,491.64	38,135.58	381,356.06
N.J. Environmental Infrastructure Trust Loan - 2010B	785,000.00	12/02/10	08/01/20-21	40,000.00	5.000%						
			08/01/22	40,000.00	4.000%						
			08/01/23	45,000.00	4.000%						
			08/01/24	45,000.00	5.000%						
			08/01/25	50,000.00	5.000%						
			08/01/26	50,000.00	4.250%						
			08/01/27-28	55,000.00	4.500%						
			08/01/29	60,000.00	4.500%						
			08/01/30	60,000.00	4.250%				575,000.00	35,000.00	540,000.00
			N.J. Environmental Infrastructure Fund Loan - 2010B	2,478,810.00	12/02/10				02/01/20-30	42,013.72	NIL
08/01/20-29	84,027.45	NIL									
08/01/30	84,027.77	NIL				1,512,494.36	126,041.17	1,386,453.19			

(Continued)

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
Statement of New Jersey Environmental Infrastructure Loans Payable  
For the Year Ended December 31, 2019

<u>Purpose</u>	<u>Loan Amount</u>	<u>Date of Loan</u>	<u>Maturity of Notes</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>
			<u>Outstanding Dec. 31, 2019</u>	<u>Date</u>				
N.J. Environmental Infrastructure Trust Loan - 2010B	\$ 1,585,000.00	12/02/10	08/01/20	\$ 75,000.00	5.000%			
			08/01/21	80,000.00	5.000%			
			08/01/22	85,000.00	4.000%			
			08/01/23	90,000.00	4.000%			
			08/01/24	95,000.00	5.000%			
			08/01/25	100,000.00	5.000%			
			08/01/26	100,000.00	4.250%			
			08/01/27	105,000.00	4.500%			
			08/01/28	115,000.00	4.500%			
			08/01/29	120,000.00	4.500%			
			08/01/30	125,000.00	4.250%	\$ 1,165,000.00	\$ 75,000.00	\$ 1,090,000.00
N.J. Environmental Infrastructure Fund Loan - 2010B	1,707,500.00	12/02/10	02/01/20-30	14,470.33	NIL			
			08/01/20-29	28,940.67	NIL			
			08/01/30	28,941.00	NIL			
						520,932.33	43,411.00	477,521.33
						<u>\$ 12,664,151.76</u>	<u>\$ 1,114,449.90</u>	<u>\$ 11,549,701.86</u>
							\$ 1,076,536.79	
							<u>37,913.11</u>	
							<u>\$ 1,114,449.90</u>	

**TOWNSHIP OF MEDFORD**  
WATER AND SEWER UTILITY CAPITAL FUND  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 506,399.00
Increased by:	
Budget Appropriation	<u>1,000,000.00</u>
Balance December 31, 2019	<u><u>\$ 1,506,399.00</u></u>

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY OPERATING FUND**  
**Statement of Overpaid Sewer Service Charges**  
**For the Year Ended December 31, 2019**

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Balance December 31, 2018	\$	4,162.84
Increased by:		
Receipts		11,908.58
Balance December 31, 2019	\$	16,071.42

## Exhibit SD-15

**WATER AND SEWER UTILITY OPERATING FUND**  
**Statement of Prepaid Sewer Charges**  
**For the Year Ended December 31, 2019**

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Balance December 31, 2018	\$	719,872.98
Increased by:		
Collections - 2019 Rents		624,893.38
		1,344,766.36
Decreased by:		
Applied to 2019 Sewer Service Charges		719,872.98
Balance December 31, 2019	\$	624,893.38



**TOWNSHIP OF MEDFORD**  
WATER AND SEWER UTILITY CAPITAL FUND  
Statement of Deferred Reserve for Amortization  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 6,785,189.52
Increased by:	
Serial Bonds Paid by Budget Appropriation	<u>70,000.00</u>
Balance December 31, 2019	<u><u>\$ 6,855,189.52</u></u>

**TOWNSHIP OF MEDFORD**  
WATER AND SEWER UTILITY OPERATING FUND  
Statement of Insurance Claims Receivable  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 33,217.45
Increased by:	
Reimbursable Expenditures Paid	<u>33,891.65</u>
	67,109.10
Decreased by:	
Insurance Reimbursements Received	<u>57,186.65</u>
Balance December 31, 2019	<u><u>\$ 9,922.45</u></u>

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
**Statement of Bond Anticipation Notes**  
**For the Year Ended December 31, 2019**

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2018	Increased	Decreased	Balance Dec. 31, 2019
1998-14	Construction of Various Utility Capital Improvements	12/14/18	12/14/18	10/15/19	2.89%	\$ 26,275.00		\$ 26,275.00	
1998-14	Construction of Various Utility Capital Improvements	12/14/18	10/11/19	10/09/20	1.90%		\$ 26,275.00		\$ 26,275.00
2007-11	Infrastructure Improvements to Sewer Treatment Plant	12/14/18	12/14/18	10/15/19	2.89%	167.00		167.00	
2007-11	Infrastructure Improvements to Sewer Treatment Plant	12/14/18	10/11/19	10/09/20	1.90%		167.00		167.00
2008-20	Phase II of the Sewer Plant Upgrade Project	12/14/18	12/14/18	10/15/19	2.89%	396.00		396.00	
2008-20	Phase II of the Sewer Plant Upgrade Project	12/14/18	10/11/19	10/09/20	1.90%		396.00		396.00
2009-20	Various Utility Capital Improvements	12/14/18	12/14/18	10/15/19	2.89%	500.00		500.00	
2009-20	Various Utility Capital Improvements	12/14/18	10/11/19	10/09/20	1.90%		500.00		500.00
2010-16	Various Utility Capital Improvements	12/14/18	12/14/18	10/15/19	2.89%	435,000.00		435,000.00	
2010-16	Various Utility Capital Improvements	12/14/18	10/11/19	10/09/20	1.90%		435,000.00		435,000.00
2010-21	Various Utility Capital Improvements	12/14/18	12/14/18	10/15/19	2.89%	4,460.00		4,460.00	
2010-21	Various Utility Capital Improvements	12/14/18	10/11/19	10/09/20	1.90%		4,460.00		4,460.00
2019-08	Various Utility Capital Improvements	10/11/19	10/11/19	10/09/20	2.25%		1,723,500.00		1,723,500.00
						<u>\$ 466,798.00</u>	<u>\$ 2,190,298.00</u>	<u>\$ 466,798.00</u>	<u>\$ 2,190,298.00</u>
					Renewed Issued for Cash		\$ 466,798.00	\$ 466,798.00	
							<u>1,723,500.00</u>		
							<u>\$ 2,190,298.00</u>	<u>\$ 466,798.00</u>	

**TOWNSHIP OF MEDFORD**  
**WATER AND SEWER UTILITY CAPITAL FUND**  
 Statement of Water and Sewer Bonds and Notes Authorized But Not Issued  
 For the Year Ended December 31, 2019

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2018</u>	<u>Increased by 2019 Authorizations</u>	<u>Decreased by Notes Issued</u>	<u>Balance Dec. 31, 2019</u>
2019-08	Various Utility Capital Improvements		\$ 1,723,500.00	\$ 1,723,500.00	
		\$ -	\$ 1,723,500.00	\$ 1,723,500.00	\$ -

**PART II**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**TOWNSHIP OF MEDFORD**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2019

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***Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

There are no current year findings.

**TOWNSHIP OF MEDFORD**  
Summary Schedule of Prior Year Audit Findings  
and Questioned Costs as Prepared by Management

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This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**FINANCIAL STATEMENT FINDINGS**

There were no prior year findings.

**FEDERAL AWARDS**

There were no prior year findings.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

Not applicable – A State Single Audit was not performed in the prior year.

**TOWNSHIP OF MEDFORD**  
 Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Charles Watson	Mayor	
Bradley Denn	Councilman	
Jeffrey Beenstock	Councilman	
Christopher Buoni	Councilman (1/1/19-2/5/19)	
Frank Czekay	Deputy Mayor	
Lauren Kochan	Councilwoman (3/5/19-12/31/19)	(A)
Katherine Burger	Township Manager / Township Clerk	(A)
Robin Sarlo	Chief Financial Officer / QPA	(A)
Dawn Bielec	Deputy Township Clerk / Registrar	(A)
Patricia Capasso	Tax Collector	
Joseph Rahman	Tax Assessor	(A)
Peter Lange	Magistrate	(A)
Stacy McBride	Court Administrator	(A)
Timothy Prime	Solicitor	
Environmental Resolutions Inc.	Engineer	
Christopher Koutsouris	Prosecutor	
James Fattorini	Public Defender	

(A) Covered under the Burlington County Municipal Joint Insurance Fund, Municipal Excess Liability Joint Insurance Fund and the N.J. Municipal Environmental Risk Management Joint Insurance Fund for \$1,000,000.00



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**APPRECIATION**

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I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Certified Public Accountant  
Registered Municipal Accountant