

**TOWNSHIP OF MEDFORD
COUNTY OF BURLINGTON**

**REPORT OF AUDIT
FOR THE YEAR ENDED
DECEMBER 31, 2020**



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TOWNSHIP OF MEDFORD
PART I
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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, 2020 and 2019, 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, 2020, 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, 2020 and 2019, 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, 2020 and 2019, 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, 2020, 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.

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.

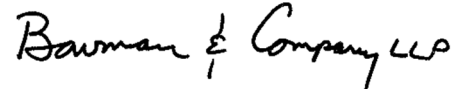
The supplemental statements and schedules presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures 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.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2021 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



Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 25, 2021

**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, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 25, 2021. 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.

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) as a basis for designing 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.

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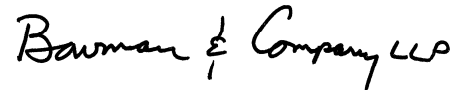
Compliance and Other Matters

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 financial statements. 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 25, 2021

TOWNSHIP OF MEDFORD
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2020 and 2019

| ASSETS: | <u>Ref.</u> | <u>2020</u> | <u>2019</u> |
|---|-------------|-------------------------|-------------------------|
| Regular Fund: | | | |
| Cash | SA-1 | \$ 14,269,894.82 | \$ 13,379,237.24 |
| Cash -- Change Fund | SA-2 | 550.00 | 550.00 |
| | | <u>14,270,444.82</u> | <u>13,379,787.24</u> |
| Receivables and Other Assets with Full Reserves: | | | |
| Delinquent Property Taxes Receivable | SA-3 | 902,407.34 | 986,044.26 |
| Tax Title Liens Receivable | SA-4 | 121,785.53 | 109,235.09 |
| Property Acquired for Taxes -- Assessed Valuation | SA-17 | 902,400.00 | 902,400.00 |
| Revenue Accounts Receivable | SA-5 | 8,525.23 | 13,242.39 |
| Due from Animal Control Fund | SB-5 | 1,538.94 | 551.24 |
| Due from Trust Other Fund | SB-6 | 4,028.26 | |
| | | <u>1,940,685.30</u> | <u>2,011,472.98</u> |
| | | <u>16,211,130.12</u> | <u>15,391,260.22</u> |
| Federal and State Grant Fund: | | | |
| Cash | SA-1 | 567,902.93 | 297,166.29 |
| State Grant Funds Receivable | SA-19 | 962,565.19 | 381,475.48 |
| Due from Current Fund | SA-18 | 3,750.00 | 9,248.06 |
| | | <u>1,534,218.12</u> | <u>687,889.83</u> |
| | | <u>\$ 17,745,348.24</u> | <u>\$ 16,079,150.05</u> |

(Continued)

TOWNSHIP OF MEDFORD
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2020 and 2019

| | <u>Ref.</u> | <u>2020</u> | <u>2019</u> |
|--|-------------|-------------------------|-------------------------|
| LIABILITIES, RESERVES AND FUND BALANCE: | | | |
| Regular Fund: | | | |
| Liabilities: | | | |
| Appropriation Reserves | A-3,SA-6 | \$ 1,369,082.10 | \$ 951,014.39 |
| Reserve for Encumbrances | SA-16 | 706,441.35 | 697,429.03 |
| Accounts Payable | SA-7 | 26,597.86 | 33,480.75 |
| Tax Overpayments | SA-8 | 1,600.00 | |
| Prepaid Taxes | SA-9 | 866,125.13 | 724,965.03 |
| Due to State of New Jersey: | | | |
| Senior Citizens/Veterans Deductions | SA-10 | 95,576.60 | 100,326.60 |
| Marriage Licenses | SA-15 | 575.00 | 425.00 |
| Construction Code Fees | SA-15 | 14,412.00 | 8,734.00 |
| Due County for Added and Omitted Taxes | SA-12 | 129,404.96 | 58,278.44 |
| Due to Federal and State Grant Fund | SA-18 | 3,750.00 | 9,248.06 |
| Local District School Taxes Payable | SA-13 | 4,334,596.52 | 3,812,426.00 |
| Regional High School Taxes Payable | SA-14 | 3,245,483.37 | 3,034,193.85 |
| | | <u>10,793,644.89</u> | <u>9,430,521.15</u> |
| Reserves for Receivables and Other Assets | A | 1,940,685.30 | 2,011,472.98 |
| Fund Balance | A-1 | <u>3,476,799.93</u> | <u>3,949,266.09</u> |
| | | <u>16,211,130.12</u> | <u>15,391,260.22</u> |
| Federal and State Grant Fund: | | | |
| Reserve for Encumbrances | SA-16 | 819,204.69 | 42,150.93 |
| Unappropriated Reserves | SA-20 | 2,633.45 | 28,965.94 |
| Appropriated Reserves | SA-21 | 712,379.98 | 616,772.96 |
| | | <u>1,534,218.12</u> | <u>687,889.83</u> |
| | | <u>\$ 17,745,348.24</u> | <u>\$ 16,079,150.05</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, 2020 and 2019

| | <u>2020</u> | <u>2019</u> |
|--|-----------------|-----------------|
| REVENUE AND OTHER INCOME REALIZED: | | |
| Fund Balance Utilized | \$ 2,385,000.00 | \$ 2,385,000.00 |
| Miscellaneous Revenues Anticipated | 6,299,078.72 | 6,219,910.40 |
| Receipts from Delinquent Taxes and Tax Title Liens | 930,487.42 | 717,672.42 |
| Receipts from Current Taxes | 97,885,442.39 | 95,665,416.73 |
| Non-Budget Revenue | 155,916.64 | 684,814.15 |
| Other Credits to Income: | | |
| Unexpended Balance of Appropriation Reserves | 827,815.59 | 471,833.57 |
| Liquidation of Interfunds | | 14,416.78 |
| Cancellation of Liabilities | | 61,876.73 |
| Cancellation of Accounts Payable | 28,827.25 | |
| Cancelled Tax Overpayments | | 31,421.62 |
| | 108,512,568.01 | 106,252,362.40 |
| EXPENDITURES: | | |
| Budget Appropriations: | | |
| Within "CAPS": | | |
| Operations: | | |
| Salaries and Wages | 6,649,011.00 | 6,359,361.00 |
| Other Expenses | 7,337,583.00 | 7,330,536.00 |
| Deferred Charges and Statutory Expenditures | 1,881,781.00 | 1,780,308.00 |
| Excluded from "CAPS": | | |
| Operations: | | |
| Salaries and Wages | 701,294.92 | 703,500.58 |
| Other Expenses | 1,170,660.73 | 573,029.38 |
| Capital Improvement Fund | 783,000.00 | 329,125.00 |
| Deferred Charges and Statutory Expenditures | | 96,000.00 |
| Municipal Debt Service | 2,386,294.48 | 2,687,417.96 |
| Regional High School Tax | 23,524,924.00 | 23,102,345.00 |
| Local District School Tax | 47,799,190.00 | 46,754,849.00 |
| County Taxes | 13,400,147.39 | 13,329,282.07 |
| Due County for Added and Omitted Taxes | 129,404.96 | 58,278.44 |
| Municipal Open Space Trust Fund Tax | 738,139.42 | 732,137.44 |
| Refund of Prior Year Revenue | 34,308.19 | 16,474.80 |
| Creation of Interfund and Other Assets | 5,015.96 | 551.24 |
| Added Tax Overpayments | 57,529.12 | |
| 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 | 1,750.00 | |
| | 106,600,034.17 | 103,865,651.85 |
| Total Expenditures | | |
| Excess in Revenue | 1,912,533.84 | 2,386,710.55 |
| FUND BALANCE: | | |
| Balance January 1, | 3,949,266.09 | 3,947,555.54 |
| | 5,861,799.93 | 6,334,266.09 |
| Decreased by: | | |
| Utilized as Revenue | 2,385,000.00 | 2,385,000.00 |
| Balance December 31, | \$ 3,476,799.93 | \$ 3,949,266.09 |

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, 2020

| | <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 | 25,188.00 | | 25,188.00 | |
| Fees and Permits: | | | | |
| Other | 161,125.00 | | 178,554.85 | \$ 17,429.85 |
| Fines and Costs: | | | | |
| Municipal Court | 210,000.00 | | 146,427.03 | (63,572.97) |
| Interest and Costs on Taxes | 187,000.00 | | 219,042.52 | 32,042.52 |
| Interest on Investments and Deposits | 211,312.50 | | 168,217.86 | (43,094.64) |
| Tower Rental | 9,600.00 | | 9,600.00 | |
| Cable Television Fees | 373,052.98 | | 373,052.98 | |
| Emergency Medical Service Billing Income | 595,000.00 | | 565,025.26 | (29,974.74) |
| 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 | 601,900.00 | | 672,192.00 | 70,292.00 |
| 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 | 641,590.00 | | 574,536.16 | (67,053.84) |
| Uniform Construction Code - Medford Lakes Borough | 18,500.00 | | 12,890.25 | (5,609.75) |
| Municipal Court - Lumberton Township | 2,500.00 | | 2,839.00 | 339.00 |
| Assessor - Medford Lakes Borough | 28,652.00 | | 28,652.00 | |

(Continued)

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2020

| | <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): | | | | |
| Body Armor Fund | \$ 3,605.58 | | \$ 3,605.58 | |
| Bulletproof Vest Partnership Grant | | \$ 2,633.45 | 2,633.45 | |
| Hurricane Sandy FEMA-4086 Grant | | 338,239.39 | 338,239.39 | |
| Clean Communities Program | | 62,970.99 | 62,970.99 | |
| Assistance to Firefighters Grant FG-09785 | | 206,818.18 | 206,818.18 | |
| Assistance to Firefighters Grant FG-02148 | | 118,789.82 | 118,789.82 | |
| Sustainable Jersey Grant Program | | 10,000.00 | 10,000.00 | |
| SJ Gas First Responders Grant Program | | 1,198.30 | 1,198.30 | |
| Emergency Management Performance Grant | 10,052.92 | | 10,052.92 | |
| Recycling Tonnage Grant | 28,694.52 | | 28,694.52 | |
| NJ DOT - 2020 Municipal Aid Program;Dixtown Road Improvements | 245,000.00 | | 245,000.00 | |
| Municipal Alliance on Alcohol and Drug Abuse | 15,000.00 | 400.00 | 15,400.00 | |
| Community Development Block Grant | 32,342.00 | | 32,342.00 | |
| Recreational Trails Grant | 218.50 | | 218.50 | |
| Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items: | | | | |
| Alarm Fees | 7,830.00 | | 5,370.00 | \$ (2,460.00) |
| BOE Contribution - Municipal Alliance Grant Match | 3,750.00 | | | (3,750.00) |
| Payment in Lieu of Taxes | 232,559.00 | | 250,392.16 | 17,833.16 |
| Total Miscellaneous Revenues | 5,635,608.00 | 741,050.13 | 6,299,078.72 | (77,579.41) |

(Continued)

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2020

| | <u>Budget</u> | <u>Anticipated</u> Special N.J.S. 40A: 4-87 | <u>Realized</u> | <u>Excess or</u> <u>(Deficit)</u> |
|---|-------------------------|---|-------------------------|--------------------------------------|
| Receipts from Delinquent Taxes | \$ 763,600.00 | | \$ 930,487.42 | \$ 166,887.42 |
| Amount to be Raised by Taxes for Support of Municipal Budget: | | | | |
| Local Tax for Municipal Purposes including Reserve for Uncollected Taxes | 12,368,040.74 | | 13,274,783.84 | 906,743.10 |
| Budget Totals | 21,152,248.74 | \$ 741,050.13 | 22,889,349.98 | 996,051.11 |
| Non-Budget Revenue | | | 155,916.64 | 155,916.64 |
| | <u>\$ 21,152,248.74</u> | <u>\$ 741,050.13</u> | <u>\$ 23,045,266.62</u> | <u>\$ 1,151,967.75</u> |

(Continued)

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2020

Analysis of Realized Revenue

Allocation of Current Tax Collections:

| | |
|---|------------------|
| Revenue from Collections | \$ 97,885,442.39 |
| Allocated to: | |
| County, School and Municipal Open Space Taxes | 85,591,805.77 |
| Amount for Support of Municipal Budget Appropriations | 12,293,636.62 |
| Add: Appropriation "Reserve for Uncollected Taxes" | 981,147.22 |
| Amount for Support of Municipal Budget Appropriations | \$ 13,274,783.84 |

Receipts from Delinquent Taxes:

| | |
|----------------------------|---------------|
| Delinquent Tax Collections | \$ 929,116.84 |
| Tax Title Lien Collections | 1,370.58 |
| | \$ 930,487.42 |

Analysis of Non-Budget Revenues

Miscellaneous Revenue not Anticipated:

Receipts:

| | |
|---|-------------|
| Rental Registration & Inspection Fees | \$ 8,400.00 |
| State Transportation Facility/ Rt. 70 Fees | 2,316.00 |
| Copy Costs | 9,001.17 |
| Prior Year Refunds and Reimbursements | 110,794.48 |
| Driveway Cut Fees | 225.00 |
| Clothing Bins | 25.00 |
| Safety Monies | 16,790.00 |
| Grass Cutting Fees | 4,948.05 |
| Senior Citizen and Veteran Administrative Fee | 3,040.00 |

| | |
|------------------------|------------|
| | 155,539.70 |
| Less Refunds Disbursed | (1,162.00) |

| | |
|--|---------------|
| Due from Animal Control Fund - Statutory Excess in Reserve for Animal Control Fund | 1,538.94 |
| | \$ 155,916.64 |

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, 2020

| | <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> | |
| OPERATIONS -- WITHIN "CAPS" | | | | | | |
| <u>General Government Functions</u> | | | | | | |
| <u>Department of Administration:</u> | | | | | | |
| Office of the Manager: | | | | | | |
| Salaries and Wages | \$ 66,938.00 | \$ 66,938.00 | \$ 61,507.60 | | \$ 5,430.40 | |
| Other Expenses | 5,550.00 | 5,550.00 | 3,725.41 | \$ 90.00 | | 1,734.59 |
| Human Resources: | | | | | | |
| Salaries and Wages | 24,717.00 | 24,717.00 | 23,648.00 | | | 1,069.00 |
| Other Expenses | 1,100.00 | 1,100.00 | 596.11 | | | 503.89 |
| Mayor and Council: | | | | | | |
| Salaries and Wages | 17,496.00 | 17,496.00 | 17,496.00 | | | |
| Other Expenses | 1,000.00 | 1,000.00 | 115.24 | 884.76 | | |
| Office of the Clerk: | | | | | | |
| Salaries and Wages | 80,916.00 | 80,916.00 | 77,627.25 | | | 3,288.75 |
| Other Expenses - Miscellaneous | 56,250.00 | 56,250.00 | 45,140.93 | 9,804.29 | | 1,304.78 |
| Other Expenses -- Elections | 14,500.00 | 14,500.00 | 10,594.05 | | | 3,905.95 |
| <u>Department of Finance:</u> | | | | | | |
| Office of the Treasurer: | | | | | | |
| Salaries and Wages | 68,070.00 | 63,570.00 | 58,210.13 | | | 5,359.87 |
| Other Expenses | 52,400.00 | 52,400.00 | 48,167.78 | 3,381.85 | | 850.37 |
| Audit Services | 29,000.00 | 29,000.00 | (5,500.00) | 23,040.00 | | 11,460.00 |
| Revenue Administration (Tax Collector): | | | | | | |
| Salaries and Wages | 72,200.00 | 76,700.00 | 74,556.59 | | | 2,143.41 |
| Other Expenses | 15,000.00 | 15,000.00 | 7,445.82 | 4,104.86 | | 3,449.32 |
| Division of Assessments (Tax Assessment Administration): | | | | | | |
| Salaries and Wages | 159,767.00 | 159,767.00 | 134,483.93 | | | 25,283.07 |
| Other Expenses | 45,000.00 | 45,000.00 | 31,570.86 | 10,895.05 | | 2,534.09 |
| Legal Services and Costs: | | | | | | |
| Other Expenses | 179,000.00 | 154,000.00 | 78,815.60 | 56,465.65 | | 18,718.75 |
| Engineering Services: | | | | | | |
| Other Expenses | 35,000.00 | 60,000.00 | 36,672.04 | 14,823.50 | | 8,504.46 |
| Economic Development Commission: | | | | | | |
| Other Expenses | 750.00 | 750.00 | 100.00 | | | 650.00 |
| Boards & Committees (Historical Sites Office): | | | | | | |
| Other Expenses | 2,000.00 | 2,000.00 | 75.00 | | | 1,925.00 |
| Planning Board: | | | | | | |
| Salaries and Wages | 131,399.00 | 131,399.00 | 120,239.60 | | | 11,159.40 |
| Other Expenses | 83,700.00 | 83,700.00 | 24,056.95 | 26,464.89 | | 33,178.16 |
| Division of Zoning (Zoning Board of Adjustment): | | | | | | |
| Other Expenses | 53,950.00 | 53,950.00 | 34,845.83 | 11,814.72 | | 7,289.45 |
| Insurance: | | | | | | |
| General Liability | 254,825.00 | 254,825.00 | 232,823.00 | | | 22,002.00 |
| Worker's Compensation | 215,268.00 | 215,268.00 | 215,268.00 | | | |
| Group Insurance for Employees | 1,304,000.00 | 1,304,000.00 | 1,180,052.52 | | | 123,947.48 |
| Health Benefit Waiver | 70,050.00 | 70,050.00 | 66,484.69 | | | 3,565.31 |
| Retiree Health Benefits | 800,000.00 | 683,000.00 | 641,195.22 | | | 41,804.78 |

(Continued)

TOWNSHIP OF MEDFORD
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2020

| | <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> | |
| <u>OPERATIONS -- WITHIN "CAPS" (CONT'D)</u> | | | | | | |
| <u>Department of Public Safety:</u> | | | | | | |
| Police: | | | | | | |
| Salaries and Wages | \$ 3,805,777.00 | \$ 3,805,777.00 | \$ 3,563,700.19 | | \$ 242,076.81 | |
| Other Expenses | 304,800.00 | 304,800.00 | 150,646.59 | \$ 137,163.36 | 16,990.05 | |
| Emergency Medical Services: | | | | | | |
| Salaries and Wages | 289,964.00 | 280,464.00 | 273,450.73 | | 7,013.27 | |
| Other Expenses | 114,100.00 | 114,100.00 | 59,712.92 | 31,937.92 | 22,449.16 | |
| Emergency Management Services: | | | | | | |
| Other Expenses | 11,650.00 | 11,650.00 | 4,681.69 | 4,586.71 | 2,381.60 | |
| Uniform Fire Safety Act: (PL 1983 C. 383) | | | | | | |
| Salaries and Wages | 611,264.00 | 646,764.00 | 629,602.58 | | 17,161.42 | |
| Other Expenses | 145,000.00 | 145,000.00 | 104,350.77 | 25,433.33 | 15,215.90 | |
| Prosecutor: | | | | | | |
| Other Expenses -- Professional Services | 25,000.00 | 25,000.00 | 20,000.00 | 2,100.00 | 2,900.00 | |
| <u>Department of Public Works:</u> | | | | | | |
| Road Repairs and Maintenance: | | | | | | |
| Salaries and Wages | 211,187.00 | 211,187.00 | 169,832.42 | | 41,354.58 | |
| Other Expenses | 188,250.00 | 178,250.00 | 133,333.66 | 34,815.32 | 10,101.02 | |
| Snow Removal (Streets & Roads Maintenance): | | | | | | |
| Salaries and Wages | 45,000.00 | 45,000.00 | 10,468.41 | | 34,531.59 | |
| Other Expenses | 80,000.00 | 80,000.00 | 1,984.43 | 35,000.00 | 43,015.57 | |
| Sanitation (Solid Waste Collection): | | | | | | |
| Salaries and Wages | 398,585.00 | 398,585.00 | 387,620.03 | | 10,964.97 | |
| Other Expenses | 1,145,200.00 | 1,145,200.00 | 941,250.45 | 72,681.60 | 131,267.95 | |
| Buildings and Grounds: | | | | | | |
| Salaries and Wages | 151,621.00 | 151,621.00 | 137,987.20 | | 13,633.80 | |
| Other Expenses | 111,000.00 | 126,000.00 | 108,420.01 | 15,942.95 | 1,637.04 | |
| Vehicle Maintenance: | | | | | | |
| Salaries and Wages | 112,086.00 | 86,086.00 | 63,014.90 | | 23,071.10 | |
| Other Expenses | 282,000.00 | 282,000.00 | 218,202.84 | 52,822.32 | 10,974.84 | |
| Community Services Act: | | | | | | |
| Other Expenses | 50,000.00 | 50,000.00 | 37,506.00 | | 12,494.00 | |
| <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 | 34,680.00 | 34,680.00 | 31,878.87 | | 2,801.13 | |
| Other Expenses | 575.00 | 575.00 | 75.00 | 233.99 | 266.01 | |
| Landfill/Solid Waste Disposal Costs | 815,000.00 | 927,000.00 | 858,063.09 | | 68,936.91 | |
| <u>Municipal Court:</u> | | | | | | |
| Salaries and Wages | 137,344.00 | 137,344.00 | 112,030.48 | | 25,313.52 | |
| Other Expenses | 30,860.00 | 30,860.00 | 22,720.51 | 1,000.00 | 7,139.49 | |

(Continued)

TOWNSHIP OF MEDFORD
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2020

| | Appropriations | | Expended | | | Unexpended Balance Canceled |
|--|----------------|------------------------------|--------------------|-------------|--------------|-----------------------------------|
| | Budget | Budget After Modification | Paid or Charged | Encumbered | Reserved | |
| OPERATIONS -- WITHIN "CAPS" (CONT'D) | | | | | | |
| <u>Utilities:</u> | | | | | | |
| Electricity and Natural Gas | \$ 125,000.00 | \$ 125,000.00 | \$ 72,111.64 | | \$ 52,888.36 | |
| Street Lighting | 270,000.00 | 270,000.00 | 264,948.81 | | 5,051.19 | |
| Telephone & Telegraph | 60,000.00 | 80,000.00 | 75,225.97 | | 4,774.03 | |
| Heating Gas/Oil | 58,000.00 | 58,000.00 | 49,213.98 | \$ 2,810.89 | 5,975.13 | |
| Gasoline/Diesel Fuel | 175,000.00 | 155,000.00 | 93,845.91 | 44,780.53 | 16,373.56 | |
| <u>Uniform Construction Code Appropriations Offset</u> | | | | | | |
| <u>By Dedicated Revenues (NJAC 5:23-4.17):</u> | | | | | | |
| Construction Code Official: | | | | | | |
| Salaries and Wages | 220,000.00 | 220,000.00 | 180,081.58 | | 39,918.42 | |
| Other Expenses: | | | | | | |
| Direct Costs | 73,949.00 | 73,949.00 | 57,067.29 | 11,861.75 | 5,019.96 | |
| Indirect Costs | 21,177.00 | 21,177.00 | 21,177.00 | | | |
| <u>Unclassified:</u> | | | | | | |
| Catastrophic Illness Fund (R.S. 26:2-48) | 250.00 | 250.00 | 199.50 | | 50.50 | |
| Hepatitis Vaccination | 500.00 | 500.00 | | | 500.00 | |
| Safety Supplies | 6,529.00 | 6,529.00 | 5,267.89 | 1,261.11 | | |
| Accumulated Compensation Leave | 10,000.00 | 10,000.00 | 10,000.00 | | | |
| Celebration of Public Events, Anniversary or Holiday | 25,000.00 | 25,000.00 | 2,502.50 | 240.00 | 22,257.50 | |
| | | | | | | |
| Total Operations -- Within "CAPS" | 13,986,594.00 | 13,986,594.00 | 12,092,189.99 | 636,441.35 | 1,257,962.66 | - |
| <u>Detail:</u> | | | | | | |
| Salaries and Wages | 6,649,011.00 | 6,649,011.00 | 6,137,436.49 | | 511,574.51 | |
| Other Expenses (Including Contingent) | 7,337,583.00 | 7,337,583.00 | 5,954,753.50 | 636,441.35 | 746,388.15 | |
| <u>Statutory Expenditures:</u> | | | | | | |
| <u>Contribution to:</u> | | | | | | |
| Public Employees Retirement Service | 234,190.00 | 234,190.00 | 234,190.00 | | | |
| Social Security System (O.A.S.I.) | 505,000.00 | 505,000.00 | 470,720.17 | | 34,279.83 | |
| Police and Fireman's Retirement System of N.J. | 1,135,091.00 | 1,135,091.00 | 1,135,091.00 | | | |
| Defined Contribution Retirement Program | 7,500.00 | 7,500.00 | 6,489.38 | | 1,010.62 | |
| | | | | | | |
| | 1,881,781.00 | 1,881,781.00 | 1,846,490.55 | - | 35,290.45 | - |
| Total Deferred Charges and Statutory Expenditures -- Municipal -- Within "CAPS" | 1,881,781.00 | 1,881,781.00 | 1,846,490.55 | - | 35,290.45 | - |
| Total General Appropriations for Municipal Purposes Within -- "CAPS" | 15,868,375.00 | 15,868,375.00 | 13,938,680.54 | 636,441.35 | 1,293,253.11 | - |

(Continued)

TOWNSHIP OF MEDFORD
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2020

| | <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> | |
| OPERATIONS -- EXCLUDED FROM "CAPS": | | | | | | |
| LOSAP | \$ 70,000.00 | \$ 70,000.00 | | \$ 70,000.00 | | |
| Landfill Recycling Tax | 31,000.00 | 31,000.00 | \$ 27,834.60 | | \$ 3,165.40 | |
| Shared Municipal Service Agreements: | | | | | | |
| Interlocal Services Agreement - Police Salaries & Wages: Lenape Regional High School | 641,590.00 | 641,590.00 | 574,536.16 | | 67,053.84 | |
| Interlocal Services Agreement - UCC - Salaries & Wages: Medford Lakes Borough | 18,500.00 | 18,500.00 | 12,890.25 | | 5,609.75 | |
| Interlocal Services Agreement - Municipal Court - Salaries & Wages: Lumberton Township | 2,500.00 | 2,500.00 | 2,500.00 | | | |
| Interlocal Services Agreement - Tax Assessment Administration Medford Lakes Borough | 28,652.00 | 28,652.00 | 28,652.00 | | | |
| OPERATIONS -- EXCLUDED FROM "CAPS" (CONT'D) | | | | | | |
| Public and Private Programs Offset by Revenue: | | | | | | |
| Body Armor Fund | 3,605.58 | 3,605.58 | 3,605.58 | | | |
| Bulletproof Vest Partnership Grant (N.J.S.A. 40A:4-87; \$2,633.45) | | 2,633.45 | 2,633.45 | | | |
| Clean Communities (N.J.S.A. 40A:4-87; \$62,970.99) | | 62,970.99 | 62,970.99 | | | |
| Emergency Management Performance Grant | 10,052.92 | 10,052.92 | 10,052.92 | | | |
| NJ DOT - 2019 Municipal Aid Program: Dixontown Road | 245,000.00 | 245,000.00 | 245,000.00 | | | |
| Recycling Tonnage Grant | 28,694.52 | 28,694.52 | 28,694.52 | | | |
| NJDEP Recreation Trails Grant | 218.50 | 218.50 | 218.50 | | | |
| SJ Gas First Responders Grant (N.J.S.A. 40A:4-87; \$1,198.30) | | 1,198.30 | 1,198.30 | | | |
| Sustainable Jersey Grant (N.J.S.A. 40A:4-87; \$10,000.00) | | 10,000.00 | 10,000.00 | | | |
| 2019 Assistance to Firefighters Grant (N.J.S.A. 40A:4-87; \$206,818.18) | | 206,818.18 | 206,818.18 | | | |
| 2020 Assistance to Firefighters Grant (N.J.S.A. 40A:4-87; \$118,789.82) | | 118,789.82 | 118,789.82 | | | |
| Hurricane Sandy FEMA Grant (N.J.S.A. 40A:4-87; \$338,239.39) | | 338,239.39 | 338,239.39 | | | |
| Municipal Alliance on Alcohol and Drug Abuse (N.J.S. 40A:4-87; \$400.00) | 18,750.00 | 19,150.00 | 19,150.00 | | | |
| Community Development Block Grant | 32,342.00 | 32,342.00 | 32,342.00 | | | |
| Total Operations -- Excluded from "CAPS" | 1,130,905.52 | 1,871,955.65 | 1,726,126.66 | 70,000.00 | 75,828.99 | - |
| Detail: | | | | | | |
| Salaries and Wages | 701,294.92 | 701,294.92 | 628,631.33 | | 72,663.59 | |
| Other Expenses | 429,610.60 | 1,170,660.73 | 1,097,495.33 | 70,000.00 | 3,165.40 | |

(Continued)

TOWNSHIP OF MEDFORD
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2020

| | <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> | |
| <u>CAPITAL IMPROVEMENTS -- EXCLUDED FROM "CAPS":</u> | | | | | | |
| Capital Improvement Fund | \$ 783,000.00 | \$ 783,000.00 | \$ 783,000.00 | | | |
| Total Capital Improvements -- Excluded from "CAPS" | <u>783,000.00</u> | <u>783,000.00</u> | <u>783,000.00</u> | - | - | - |
| <u>MUNICIPAL DEBT SERVICE -- EXCLUDED FROM "CAPS":</u> | | | | | | |
| Payment of Bond Principal | 1,488,146.00 | 1,488,146.00 | 1,488,145.00 | | | \$ 1.00 |
| Interest on Bonds | 710,529.00 | 710,529.00 | 708,697.07 | | | 1,831.93 |
| Interest on Notes | 190,146.00 | 190,146.00 | 189,452.41 | | | 693.59 |
| Total Municipal Debt Service -- Excluded from "CAPS" | <u>2,388,821.00</u> | <u>2,388,821.00</u> | <u>2,386,294.48</u> | - | - | <u>2,526.52</u> |
| Total General Appropriations for Municipal Purposes Excluded from "CAPS" | <u>4,302,726.52</u> | <u>5,043,776.65</u> | <u>4,895,421.14</u> | \$ 70,000.00 | \$ 75,828.99 | <u>2,526.52</u> |
| Subtotal General Appropriations | 20,171,101.52 | 20,912,151.65 | 18,834,101.68 | 706,441.35 | 1,369,082.10 | 2,526.52 |
| Reserve for Uncollected Taxes | <u>981,147.22</u> | <u>981,147.22</u> | <u>981,147.22</u> | | | |
| Total | <u>\$ 21,152,248.74</u> | <u>\$ 21,893,298.87</u> | <u>\$ 19,815,248.90</u> | <u>\$ 706,441.35</u> | <u>\$ 1,369,082.10</u> | <u>\$ 2,526.52</u> |
| Budget | | \$ 21,152,248.74 | | | | |
| Appropriation by 40A:4-87 - Chapter 159's | | <u>741,050.13</u> | | | | |
| | | <u>\$ 21,893,298.87</u> | | | | |
| Reserve for Federal and State Grant Fund--Appropriated Disbursed | | | \$ 1,079,713.65 | | | |
| Appropriation Refunds: | | | 18,746,789.88 | | | |
| Coronavirus Relief Fund (CFR): | | | | | | |
| Local Government Emergency Fund (COVID-19) | | | (16,359.24) | | | |
| Other Refunds | | | (976,042.61) | | | |
| Reserve for Uncollected Taxes | | | <u>981,147.22</u> | | | |
| | | | <u>\$ 19,815,248.90</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, 2020 and 2019

| | <u>Ref.</u> | <u>2020</u> | <u>2019</u> |
|--|-------------|------------------------|------------------------|
| ASSETS: | | | |
| Animal Control Fund: | | | |
| Cash | SB-1 | \$ 32,330.19 | \$ 33,110.79 |
| Birchwood Lake Dam - Trust Assessment Fund: | | | |
| Cash | SB-1 | 431,563.37 | 446,531.30 |
| Other Funds: | | | |
| Cash | SB-1 | 2,793,832.37 | 2,765,549.61 |
| Length of Service Award Program: | | | |
| Investments - Length of Service Awards Program | SB-2 | 1,707,001.39 | 1,462,298.14 |
| Municipal Open Space Fund: | | | |
| Cash | SB-1 | 3,306,978.57 | 3,473,764.45 |
| | | <u>\$ 8,271,705.89</u> | <u>\$ 8,181,254.29</u> |
| LIABILITIES, RESERVES AND FUND BALANCE: | | | |
| Animal Control Fund: | | | |
| Reserve for Animal Control Expenditures | SB-3 | \$ 30,791.25 | \$ 32,558.35 |
| Due to State of New Jersey | SB-4 | | 1.20 |
| Due to Current Fund | SB-5 | 1,538.94 | 551.24 |
| | | <u>32,330.19</u> | <u>33,110.79</u> |
| Birchwood Lake Dam - Trust Assessment Fund: | | | |
| Reserve for Homeowners Dam Restoration | SB-11 | 431,563.37 | 446,531.30 |
| Other Funds: | | | |
| Due to Current Fund | SB-6 | 4,028.26 | |
| Reserve for: | | | |
| Outside Employment of Off-Duty Municipal Policemen | SB-7 | 14,811.91 | 18,658.87 |
| Payroll Deductions Payable | SB-7 | 135,529.53 | 125,031.15 |
| Flex Trust | SB-7 | 3,099.75 | 2,899.16 |
| Special Law Enforcement | SB-7 | 25,131.66 | 24,835.27 |
| Miscellaneous Deposits | SB-7 | 37,066.50 | 43,106.50 |
| Road Improvement Escrows | SB-7 | 125,495.29 | 135,214.49 |
| Fair Share Traffic Construction | SB-7 | 9,536.00 | 9,536.00 |
| K-9 Unit Trust | SB-7 | 815.28 | 815.28 |

(Continued)

TOWNSHIP OF MEDFORD
TRUST FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2020 and 2019

| | <u>Ref.</u> | <u>2020</u> | <u>2019</u> |
|---|-------------|------------------------|------------------------|
| LIABILITIES, RESERVES AND FUND BALANCE (CONT'D): | | | |
| Other Funds (Cont'd): | | | |
| Planning Board Subdivision Escrow | SB-7 | \$ 1,172,152.92 | \$ 1,118,594.67 |
| New Jersey Unemployment Compensation Insurance | SB-7 | 112,922.41 | 111,169.41 |
| Sanitary Landfill Facility Closure and Contingency Fund | SB-7 | 13,648.13 | 13,648.13 |
| Public Defender | SB-7 | 621.08 | 843.17 |
| Police Officer Adjudication Act (POAA) | SB-7 | 828.00 | 822.00 |
| Housing | SB-7 | 125,539.74 | 614,896.48 |
| Unclaimed Bail - Disposal of Forfeited Property | SB-7 | 13,434.02 | 13,434.02 |
| Fire Safety Penalties | SB-7 | 1,309.98 | 928.35 |
| Resale of Snow Removal Chemicals - Commodity Resale | SB-7 | 7,238.15 | 5,620.85 |
| Snow Removal Trust Fund | SB-7 | 159,117.66 | 159,812.28 |
| Federal Forfeiture Trust | SB-7 | 1,619.46 | 1,610.71 |
| Tax Title Lien Redemption | SB-7 | 41,206.37 | 17,161.63 |
| Tax Sale Premium | SB-7 | 612,000.00 | 190,300.00 |
| Street Opening Trust | SB-7 | 109,497.98 | 99,678.46 |
| Accumulated Absences | SB-7 | 62,970.81 | 52,680.52 |
| Miscellaneous | SB-7 | 3,427.82 | 3,427.82 |
| Sunshine Trust | SB-7 | 783.66 | 824.39 |
| | | <u>2,793,832.37</u> | <u>2,765,549.61</u> |
| Length of Service Award Program: | | | |
| Reserve for Length of Service Awards Program | SB-2 | <u>1,707,001.39</u> | <u>1,462,298.14</u> |
| Municipal Open Space Fund: | | | |
| Accounts Payable | B-3 | 921.00 | |
| Encumbrances | B-3,SB-10 | 89,413.28 | 115,714.95 |
| Appropriation Reserves | B-3,SB-10 | 74,032.01 | 110,502.60 |
| Reserve for Future Use | B-1,SB-8 | 3,142,612.28 | 3,247,546.90 |
| | | <u>3,306,978.57</u> | <u>3,473,764.45</u> |
| | | <u>\$ 8,271,705.89</u> | <u>\$ 8,181,254.29</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, 2020 and 2019

| | <u>2020</u> | <u>2019</u> |
|--|------------------------------|------------------------------|
| REVENUE REALIZED: | | |
| Reserve for Future Use | \$ 339,214.00 | \$ 380,899.00 |
| Amount to be Raised by Taxation | 738,139.42 | 732,137.44 |
| Interest on Investments and Deposits | 16,774.06 | 40,515.75 |
| Miscellaneous | 143,290.00 | 145,600.00 |
| Unexpended Balance of Appropriation Reserves | 102,232.90 | 82,324.70 |
| Cancellation of Accounts Payable | | 7,875.54 |
| | <hr/> | <hr/> |
| Total Income | 1,339,650.38 | 1,389,352.43 |
| EXPENDITURES: | | |
| Budget Appropriations: | | |
| Salary and Wages | 144,826.00 | 144,454.00 |
| Other Expenses | 285,000.00 | 250,000.00 |
| Acquisition of Farmland | 35,000.00 | 30,000.00 |
| Down payments on Improvements | | 45,000.00 |
| Debt Service | 640,545.00 | 665,538.80 |
| | <hr/> | <hr/> |
| Total Expenditures | 1,105,371.00 | 1,134,992.80 |
| Statutory Excess to Reserve | 234,279.38 | 254,359.63 |
| RESERVE FOR FUTURE USE: | | |
| Balance January 1, | <hr/> 3,247,546.90 | <hr/> 3,374,086.27 |
| | 3,481,826.28 | 3,628,445.90 |
| Decreased by: | | |
| Reserve Funds Utilized as Revenue | <hr/> 339,214.00 | <hr/> 380,899.00 |
| Balance December 31, | <hr/> <u>\$ 3,142,612.28</u> | <hr/> <u>\$ 3,247,546.90</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, 2020

| | Anticipated <u>Budget</u> | <u>Realized</u> | Excess or <u>(Deficit)</u> |
|--------------------------------------|------------------------------|------------------------|-------------------------------|
| Amount to be Raised by Taxation | \$ 731,157.00 | \$ 738,139.42 | \$ 6,982.42 |
| Interest on Investments and Deposits | 35,000.00 | 16,774.06 | (18,225.94) |
| Reserve for Future Use | 339,214.00 | 339,214.00 | |
| Miscellaneous | | 143,290.00 | 143,290.00 |
| | <u>\$ 1,105,371.00</u> | <u>\$ 1,237,417.48</u> | <u>\$ 132,046.48</u> |

Analysis of Realized Revenues

Receipts:

| | | |
|--------------------------------------|-------------------|--------------|
| Interest on Investments and Deposits | | \$ 16,774.06 |
| Miscellaneous - County of Burlington | \$ 139,240.00 | |
| Miscellaneous - Other | 4,050.00 | |
| | <u>143,290.00</u> | |

160,064.06

Due Current Fund:

| | | |
|--|-------------------|-------------------|
| Levy - Current Year | 731,157.00 | |
| Added and Omitted Taxes - Current Year | 6,982.42 | |
| | <u>738,139.42</u> | |
| Reserve for Future Use | | <u>339,214.00</u> |

\$ 1,237,417.48

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, 2020

| | <u>Appropriations</u> | | <u>Expended</u> | | |
|--|----------------------------|--------------------------------------|----------------------------|---------------------|---------------------|
| | <u>Original Budget</u> | <u>Budget After Modification</u> | <u>Paid or Charged</u> | <u>Encumbered</u> | <u>Reserved</u> |
| Maintenance of Lands for Recreation and Conservation: | | | | | |
| Salary and Wages | \$ 144,826.00 | \$ 144,826.00 | \$ 133,945.41 | | \$ 10,880.59 |
| Other Expenses | 320,000.00 | 285,000.00 | 136,345.53 | \$ 86,913.28 | 61,741.19 |
| | <u>464,826.00</u> | <u>429,826.00</u> | <u>270,290.94</u> | <u>86,913.28</u> | <u>72,621.78</u> |
| Capital Improvements: | | | | | |
| Acquisition of Farmland | | 35,000.00 | 31,089.77 | 2,500.00 | 1,410.23 |
| | - | <u>35,000.00</u> | <u>31,089.77</u> | <u>2,500.00</u> | <u>1,410.23</u> |
| Debt Service: | | | | | |
| Payment of Bond Principal | 431,855.00 | 431,855.00 | 431,855.00 | | |
| Interest on Bonds | 203,791.00 | 203,791.00 | 203,791.00 | | |
| Interest on Notes | 4,899.00 | 4,899.00 | 4,899.00 | | |
| | <u>640,545.00</u> | <u>640,545.00</u> | <u>640,545.00</u> | - | - |
| | <u>\$ 1,105,371.00</u> | <u>\$ 1,105,371.00</u> | <u>\$ 941,925.71</u> | <u>\$ 89,413.28</u> | <u>\$ 74,032.01</u> |
| Disbursed | | | <u>\$ 941,925.71</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, 2020 and 2019

| ASSETS: | <u>Ref.</u> | <u>2020</u> | <u>2019</u> |
|--|-------------|-------------------------|-------------------------|
| Cash | SC-1 | \$ 11,005,992.29 | \$ 14,773,820.11 |
| Grants Receivable: | | | |
| Receivables offset with Reserves | SC-8 | 222,147.00 | 222,147.00 |
| Receivables Funding Improvement Authorizations | SC-8 | 100,000.00 | 515,000.00 |
| Deferred Charges to Future Taxation: | | | |
| Funded | SC-3 | 34,670,000.00 | 24,350,000.00 |
| Unfunded | SC-4 | 2,881,253.00 | 9,134,126.00 |
| | | <u>\$ 48,879,392.29</u> | <u>\$ 48,995,093.11</u> |
| | | | |
| LIABILITIES, RESERVES AND FUND BALANCE: | | | |
| General Serial Bonds | SC-9 | \$ 34,670,000.00 | \$ 24,350,000.00 |
| Bond Anticipation Notes | SC-10 | 2,880,751.00 | 9,134,126.00 |
| Improvement Authorizations: | | | |
| Funded | SC-6 | 5,024,908.21 | 1,905,829.45 |
| Unfunded | SC-6 | 101,988.43 | 3,859,673.33 |
| Reserve for Encumbrances | SC-7 | 5,145,219.70 | 8,933,615.97 |
| 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 | 305,280.00 | 70,024.00 |
| Fund Balance | C-1 | 174,138.51 | 164,717.92 |
| | | <u>\$ 48,879,392.29</u> | <u>\$ 48,995,093.11</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, 2020

| | | |
|--|-----------------|----------------------|
| Balance December 31, 2019 | | \$ 164,717.92 |
| Increased by: | | |
| Premium on Sale of Bond Anticipation Notes | \$ 4,210.38 | |
| Premium on Sale of Bonds | <u>5,210.21</u> | |
| | | <u>9,420.59</u> |
| Balance December 31, 2020 | | <u>\$ 174,138.51</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, 2020 and 2019

| ASSETS: | <u>Ref.</u> | <u>2020</u> | <u>2019</u> |
|--|-------------|-------------------------|-------------------------|
| Operating Fund: | | | |
| Cash | SD-1 | \$ 2,971,314.84 | \$ 2,220,964.31 |
| Insurance Claims Receivable | SD-18 | <u>9,273.49</u> | <u>9,922.45</u> |
| | | <u>2,980,588.33</u> | <u>2,230,886.76</u> |
| Receivables with Full Reserves: | | | |
| Water and Sewer Liens Receivable | D | 3,258.36 | 3,258.36 |
| Water and Sewer Rents Receivable | SD-3 | <u>182,019.90</u> | <u>235,645.97</u> |
| | | <u>185,278.26</u> | <u>238,904.33</u> |
| | | <u>3,165,866.59</u> | <u>2,469,791.09</u> |
| Capital Fund: | | | |
| Cash | SD-1 | 7,429,751.16 | 6,430,101.51 |
| Fixed Capital | SD-7 | 69,226,361.46 | 68,234,286.46 |
| Fixed Capital Authorized and Uncompleted | SD-6 | <u>19,116,582.44</u> | <u>17,574,906.28</u> |
| | | <u>95,772,695.06</u> | <u>92,239,294.25</u> |
| | | <u>\$ 98,938,561.65</u> | <u>\$ 94,709,085.34</u> |

(Continued)

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2020 and 2019

| | <u>Ref.</u> | <u>2020</u> | <u>2019</u> |
|--|-------------|-------------------------|-------------------------|
| LIABILITIES, RESERVES AND FUND BALANCE: | | | |
| Operating Fund: | | | |
| Liabilities: | | | |
| Reserves for Encumbrances | SD-4;D-3 | \$ 293,750.10 | \$ 430,745.76 |
| Appropriation Reserves | SD-4;D-3 | 242,636.21 | 247,299.82 |
| Prepaid Rents | SD-16 | 556,780.78 | 624,893.38 |
| Accounts Payable | SD-5 | 73,642.46 | 87,557.29 |
| Overpayments | SD-15 | 6,969.73 | 16,071.42 |
| Accrued Interest on Bonds and Notes | SD-8 | 214,370.59 | 182,408.41 |
| | | <u>1,388,149.87</u> | <u>1,588,976.08</u> |
| Reserve for Receivables | D | 185,278.26 | 238,904.33 |
| Fund Balance | D-1 | 1,592,438.46 | 641,910.68 |
| | | <u>3,165,866.59</u> | <u>2,469,791.09</u> |
| Capital Fund: | | | |
| Serial Bonds | SD-12 | 11,008,000.00 | 8,087,000.00 |
| Loans Payable | SD-13 | 10,410,325.65 | 11,549,701.86 |
| Bond Anticipation Notes | SD-19 | 466,798.00 | 2,190,298.00 |
| Improvement Authorizations: | | | |
| Funded | SD-9 | 3,626,939.08 | 1,621,609.80 |
| Unfunded | SD-9 | 368,998.70 | 2,781,022.75 |
| Capital Improvement Fund | SD-14 | 1,506,399.00 | 1,506,399.00 |
| Reserve for Encumbrances | SD-10 | 1,839,971.72 | 440,518.60 |
| Reserve for Amortization | SD-11 | 60,410,454.57 | 57,127,003.36 |
| Deferred Reserve for Amortization | SD-17 | 6,046,865.68 | 6,855,189.52 |
| Reserve for Payment of Debt Service | D | 55,488.73 | 55,488.73 |
| Fund Balance | D-4 | 32,453.93 | 25,062.63 |
| | | <u>95,772,695.06</u> | <u>92,239,294.25</u> |
| | | <u>\$ 98,938,561.65</u> | <u>\$ 94,709,085.34</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, 2020 and 2019

| | <u>2020</u> | <u>2019</u> |
|--|-------------------------------|-----------------------------|
| REVENUE AND OTHER INCOME REALIZED: | | |
| Operating Surplus Anticipated | \$ 269,089.00 | \$ 750,000.00 |
| Water and Sewer Rents | 6,488,695.80 | 6,196,393.51 |
| Miscellaneous | 1,127,344.05 | 562,714.00 |
| Reserve for Payment of Debt Service | | 300,000.00 |
| Other Credits to Income: | | |
| Accounts Payable Cancelled | 39,682.06 | |
| Unexpended Balance of Appropriation Reserves | <u>290,668.77</u> | <u>206,572.49</u> |
| Total Income | <u><u>8,215,479.68</u></u> | <u><u>8,015,680.00</u></u> |
| EXPENDITURES: | | |
| Operating | 3,980,109.00 | 3,904,478.00 |
| Capital Improvements | 78,500.00 | 1,094,000.00 |
| Debt Service | 2,725,885.90 | 2,747,032.11 |
| Deferred Charges and Statutory Expenditures | 211,368.00 | 211,469.00 |
| Refund of Prior Year Revenue | | <u>161.88</u> |
| Total Expenditures | <u><u>6,995,862.90</u></u> | <u><u>7,957,140.99</u></u> |
| Statutory Excess to Fund Balance | 1,219,616.78 | 58,539.01 |
| FUND BALANCE: | | |
| Balance January 1 | <u>641,910.68</u> | <u>1,333,371.67</u> |
| | 1,861,527.46 | 1,391,910.68 |
| Decreased by: | | |
| Utilized as Revenue | <u>269,089.00</u> | <u>750,000.00</u> |
| Balance December 31 | <u><u>\$ 1,592,438.46</u></u> | <u><u>\$ 641,910.68</u></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, 2020

| | <u>Anticipated Budget</u> | <u>Realized</u> | <u>Excess</u> |
|-----------------------|-------------------------------|------------------------|----------------------|
| Surplus Anticipated | \$ 269,089.00 | \$ 269,089.00 | |
| Water and Sewer Rents | 6,190,000.00 | 6,488,695.80 | \$ 298,695.80 |
| Miscellaneous | 537,000.00 | 1,127,344.05 | 590,344.05 |
| | <u>\$ 6,996,089.00</u> | <u>\$ 7,885,128.85</u> | <u>\$ 889,039.85</u> |

Analysis of Realized Miscellaneous Revenue

Receipts:

| | |
|--------------------------------------|------------------------|
| Interest on Investments and Deposits | \$ 49,025.79 |
| Connection Fees | 1,054,720.18 |
| Penalties | 20,530.95 |
| Refunds and Reimbursements | 3,067.13 |
| | <u>\$ 1,127,344.05</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, 2020

| | Appropriations | | Expended | | | Unexpended Balance Canceled |
|--|------------------------|------------------------------|------------------------|----------------------|----------------------|-----------------------------------|
| | Original Budget | Budget After Modification | Paid or Charged | Encumbrances | Reserved | |
| Operating: | | | | | | |
| Salaries and Wages | \$ 941,356.00 | \$ 941,356.00 | \$ 882,418.72 | | \$ 58,937.28 | |
| Other Expenses | 3,069,053.00 | 3,038,753.00 | 2,574,434.83 | \$ 293,615.10 | 170,703.07 | |
| Total Operating | <u>4,010,409.00</u> | <u>3,980,109.00</u> | <u>3,456,853.55</u> | <u>293,615.10</u> | <u>229,640.35</u> | <u>-</u> |
| Capital Improvements: | | | | | | |
| Capital Outlay | 78,500.00 | 78,500.00 | 73,865.00 | 135.00 | 4,500.00 | |
| Total Capital Improvements | <u>78,500.00</u> | <u>78,500.00</u> | <u>73,865.00</u> | <u>135.00</u> | <u>4,500.00</u> | <u>-</u> |
| Debt Service: | | | | | | |
| Payment of Bond Principal | 1,058,000.00 | 1,058,000.00 | 1,058,000.00 | | | |
| Interest on Bonds | 246,142.00 | 294,542.00 | 294,455.86 | | | \$ 86.14 |
| Interest on Notes | 49,764.00 | 37,564.00 | 37,492.08 | | | 71.92 |
| Payment of Loan Principal | 1,087,085.00 | 1,087,085.00 | 1,087,084.76 | | | 0.24 |
| Interest on Loans | 254,821.00 | 248,921.00 | 248,853.20 | | | 67.80 |
| Total Debt Service | <u>2,695,812.00</u> | <u>2,726,112.00</u> | <u>2,725,885.90</u> | <u>-</u> | <u>-</u> | <u>226.10</u> |
| Statutory Expenditures: | | | | | | |
| Public Employees Retirement System | 100,368.00 | 100,368.00 | 100,368.00 | | | |
| Retiree Health Benefits | 41,000.00 | 41,000.00 | 33,937.80 | | 7,062.20 | |
| Contributions to Social Security System (O.A.S.I.) | 70,000.00 | 70,000.00 | 68,566.34 | | 1,433.66 | |
| Total Statutory Expenditures | <u>211,368.00</u> | <u>211,368.00</u> | <u>202,872.14</u> | <u>-</u> | <u>8,495.86</u> | <u>-</u> |
| | <u>\$ 6,996,089.00</u> | <u>\$ 6,996,089.00</u> | <u>\$ 6,459,476.59</u> | <u>\$ 293,750.10</u> | <u>\$ 242,636.21</u> | <u>\$ 226.10</u> |
| Accrued Interest on Bonds and Loans Disbursed | | | \$ 580,801.14 | | | |
| Appropriations Refunded | | | 5,903,726.83 | | | |
| | | | <u>(25,051.38)</u> | | | |
| | | | <u>\$ 6,459,476.59</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, 2020

| | | |
|--|-------------|--------------|
| Balance December 31, 2019 | | \$ 25,062.63 |
| Increased by: | | |
| Premium on Sale of Bonds | \$ 6,705.89 | |
| Premium on Sale of Bond Anticipation Notes | 685.41 | |
| | | 7,391.30 |
| Balance December 31, 2020 | | \$ 32,453.93 |

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, 2020

| | Balance <u>Dec. 31, 2019</u> | Additions | Deletions | Balance <u>Dec. 31, 2020</u> |
|--|---------------------------------|--------------------------|-----------------|---------------------------------|
| General Fixed Assets: | | | | |
| Land and Improvements | \$ 23,117,200.00 | \$ 45,000.00 | | \$ 23,162,200.00 |
| Buildings and Improvements | 12,404,632.00 | 310,552.00 | | 12,715,184.00 |
| Vehicles, Machinery and Equipment | <u>13,984,775.00</u> | <u>338,820.94</u> | | <u>14,323,595.94</u> |
| Total General Fixed Assets | <u>\$ 49,506,607.00</u> | <u>\$ 694,372.94</u> | <u>\$ -</u> | <u>\$ 50,200,979.94</u> |
| Total Investments in General Fixed Assets | <u>\$ 49,506,607.00</u> | <u>\$ 694,372.94</u> | <u>\$ -</u> | <u>\$ 50,200,979.94</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, 2020

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.

Component Units - The Borough had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended.

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, 2019 and decreased by the amount deferred at December 31, 2020.

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, 2020, the Township’s bank balances of \$43,748,076.57 were exposed to custodial credit risk as follows:

| | |
|--------------------------------|-------------------------|
| Insured by FDIC and GUDPA | \$ 42,513,023.72 |
| Uninsured and Uncollateralized | <u>1,235,052.85</u> |
| Total | <u>\$ 43,748,076.57</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>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
| Tax Rate | <u>\$ 3.212</u> | <u>\$ 3.169</u> | <u>\$ 3.125</u> | <u>\$ 3.102</u> | <u>\$ 3.092</u> |
| Apportionment of Tax Rate: | | | | | |
| Municipal | \$.405 | \$.405 | \$.406 | \$.406 | \$.410 |
| Municipal Open Space | .024 | .023 | .024 | .024 | .030 |
| County | .442 | .441 | .442 | .446 | .447 |
| Regional High School | .772 | .761 | .742 | .738 | .740 |
| Local School | 1.569 | 1.539 | 1.511 | 1.488 | 1.465 |

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> |
|-------------|---------------------|
| 2020 | \$ 3,046,487,501.00 |
| 2019 | 3,038,010,579.00 |
| 2018 | 3,027,058,244.00 |
| 2017 | 3,008,189,389.00 |
| 2016 | 2,985,099,633.00 |

Comparison of Tax Levies and Collections

| <u>Year</u> | <u>Tax Levy</u> | <u>Collections</u> | <u>Percentage of Collections</u> |
|-------------|------------------|--------------------|----------------------------------|
| 2020 | \$ 98,817,220.60 | \$ 97,885,442.39 | 99.06% |
| 2019 | 96,730,415.42 | 95,665,416.73 | 98.90% |
| 2018 | 95,098,772.83 | 94,291,578.17 | 99.15% |
| 2017 | 94,028,113.02 | 93,126,657.72 | 99.04% |
| 2016 | 93,069,111.00 | 92,054,528.00 | 98.91% |

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> |
|-------------|------------------------|-------------------------|-------------------------|-------------------------------|
| 2020 | \$ 121,785.53 | \$ 902,407.34 | \$ 1,024,192.87 | 1.04% |
| 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% |

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> |
|-------------|---------------|
| 2020 | 75 |
| 2019 | 74 |
| 2018 | 37 |
| 2017 | 41 |
| 2016 | 64 |

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> |
|-------------|---------------|
| 2020 | \$ 902,400.00 |
| 2019 | 902,400.00 |
| 2018 | 1,071,200.00 |
| 2017 | 1,071,200.00 |
| 2016 | 1,071,200.00 |

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</u> <u>Beginning of</u> <u>Year</u> <u>Receivable</u> | <u>Levy</u> | <u>Total</u> | <u>Cash</u> <u>Collections</u> |
|-------------|---|-----------------|-----------------|-----------------------------------|
| 2020 | \$ 235,645.97 | \$ 6,435,069.73 | \$ 6,670,715.70 | \$ 6,488,695.80 |
| 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 |

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</u> <u>December 31,</u> | <u>Utilized in</u> <u>Budget of</u> <u>Succeeding Year</u> | <u>Percentage</u> <u>of Fund</u> <u>Balance Used</u> |
|-------------|---------------------------------------|--|--|
| 2020 | \$ 3,476,799.93 | \$ 2,492,075.00 | 71.68% |
| 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% |

Note 6: FUND BALANCES APPROPRIATED (CONT'D)

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> |
|-------------|---------------------------------|--|--|
| 2020 | \$ 1,592,438.46 | None | |
| 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% |

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, 2020:

| <u>Fund</u> | <u>Interfunds Receivable</u> | <u>Interfunds Payable</u> |
|-------------------------|----------------------------------|-------------------------------|
| Current | \$ 5,567.20 | \$ 3,750.00 |
| Federal and State Grant | 3,750.00 | |
| Animal Control Fund | | 1,538.94 |
| Trust Other Funds | | 4,028.26 |
| Totals | <u>\$ 9,317.20</u> | <u>\$ 9,317.20</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 2021, 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 plans' 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>

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

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

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

Public Employees' Retirement System (Cont'd) - Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and 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.

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.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****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 is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. 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, 2020 was 14.48% 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.

Based on the most recent PERS measurement date of June 30, 2020, the Township's contractually required contribution to the pension plan for the year ended December 31, 2020 is \$415,740.00, and is payable by April 1, 2021. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$333,468.00, which was paid on April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$218,050.62.

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 is currently 10.0% of base salary. 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, 2020 was 31.90% 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.

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, 2020, the Township's contractually required contribution to the pension plan for the year ended December 31, 2020 is \$1,311,352.00, and was payable by April 1, 2021. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$1,135,091.00, which was paid on April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$411,097.90.

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, 2020 was 4.41% of the Township's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2020 was \$181,130.00, and is payable by April 1, 2021. For the prior year 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 was \$146,312.00, which was paid on April 1, 2020.

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, 2020, employee contributions totaled \$8,634.32, and the Township's contributions were \$6,489.38. 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**

Pension Liability - As of December 31, 2020, the Township's proportionate share of the PERS net pension liability was \$6,197,390.00. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. 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, 2020 measurement date, the Township's proportion was .0380035802%, which was an increase of .0037210536% from its proportion measured as of June 30, 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)****Public Employees' Retirement System (Cont'd)**

Pension Expense - For the year ended December 31, 2020, the Township's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was \$354,335.00. 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, 2020, the Township's contribution to PERS was \$333,468.00, and was paid on April 1, 2020.

Police and Firemen's Retirement System

Pension Liability - At December 31, 2020, 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 | \$ 15,167,239.00 |
| State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township | <u>2,353,886.00</u> |
| | <u>\$ 17,521,125.00</u> |

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. 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, 2020 measurement date, the Township's proportion was .1173815084%, which was an increase of .0050085658% from its proportion measured as of June 30, 2019. Likewise, at June 30, 2020, the State of New Jersey's proportion, on-behalf of the Township, was .1173815084%, which was an increase of .0050085658% from its proportion, on-behalf of the Township, measured as of June 30, 2019.

Pension Expense - For the year ended December 31, 2020, the Township's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was \$1,301,540.00. 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, 2020, the Township's contribution to PFRS was \$1,135,091.00, and was paid on April 1, 2020.

For the year ended December 31, 2020, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Township, calculated by the Plan as of the June 30, 2020 measurement date, was \$266,766.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

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 - At December 31, 2020, the Township had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | | | <u>Deferred Inflows of Resources</u> | | |
|---|---------------------------------------|------------------------|------------------------|--------------------------------------|------------------------|------------------------|
| | <u>PERS</u> | <u>PFRS</u> | <u>Total</u> | <u>PERS</u> | <u>PFRS</u> | <u>Total</u> |
| Differences between Expected and Actual Experience | \$ 112,844.00 | \$ 152,911.00 | \$ 265,755.00 | \$ 21,917.00 | \$ 54,433.00 | \$ 76,350.00 |
| Changes of Assumptions | 201,050.00 | 38,168.00 | 239,218.00 | 2,594,906.00 | 4,066,246.00 | 6,661,152.00 |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | 211,832.00 | 889,326.00 | 1,101,158.00 | - | - | - |
| Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions | 1,136,076.00 | 1,642,610.00 | 2,778,686.00 | 77,586.00 | 121,295.00 | 198,881.00 |
| Township Contributions Subsequent to the Measurement Date | 207,870.00 | 655,676.00 | 863,546.00 | - | - | - |
| | <u>\$ 1,869,672.00</u> | <u>\$ 3,378,691.00</u> | <u>\$ 5,248,363.00</u> | <u>\$ 2,694,409.00</u> | <u>\$ 4,241,974.00</u> | <u>\$ 6,936,383.00</u> |

\$207,870.00 and \$655,676.00 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, 2021. These amounts were based on an estimated April 1, 2022 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2020 to the Township's year end of December 31, 2020.

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, 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 |
| June 30, 2020 | 5.16 | - | 5.90 | - |
| 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 |
| June 30, 2020 | - | 5.16 | - | 5.90 |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | | | | |
| Year of Pension Plan Deferral: | | | | |
| 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 | - |
| June 30, 2020 | 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 |
| June 30, 2020 | 5.16 | 5.16 | 5.90 | 5.90 |

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:

| Year Ending Dec 31, | <u>PERS</u> | <u>PFRS</u> | <u>Total</u> |
|--------------------------------|--------------------------|--------------------------|--------------------------|
| 2021 | \$ (485,598.00) | \$ (973,574.00) | \$ (1,459,172.00) |
| 2022 | (379,781.00) | (583,005.00) | (962,786.00) |
| 2023 | (158,067.00) | (108,597.00) | (266,664.00) |
| 2024 | 297.00 | 151,540.00 | 151,837.00 |
| 2025 | (9,458.00) | (5,323.00) | (14,781.00) |
| | <u>\$ (1,032,607.00)</u> | <u>\$ (1,518,959.00)</u> | <u>\$ (2,551,566.00)</u> |

Actuarial Assumptions

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

| | <u>PERS</u> | <u>PFRS</u> |
|----------------------------------|------------------------------|------------------------------|
| 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)****Public Employees' Retirement System**

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-2020.

Police and Firemen's Retirement System

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-2020.

For both PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2020) 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, 2020 are summarized in the table that follows:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|---------------------------------|--------------------------|---|
| U.S. Equity | 27.00% | 7.71% |
| Non-US Developed Markets Equity | 13.50% | 8.57% |
| Emerging Market Equity | 5.50% | 10.23% |
| Private Equity | 13.00% | 11.42% |
| Real Assets | 3.00% | 9.73% |
| Real Estate | 8.00% | 9.56% |
| High Yield | 2.00% | 5.95% |
| Private Credit | 8.00% | 7.59% |
| Investment Grade Credit | 8.00% | 2.67% |
| Cash Equivalents | 4.00% | 0.50% |
| U.S. Treasuries | 5.00% | 1.94% |
| Risk Mitigation Strategies | <u>3.00%</u> | 3.40% |
| | <u>100.00%</u> | |

Note 8: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd)

Discount Rate -

Public Employees' Retirement System - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of the June 30, 2020 measurement date 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 would be based on 78% of the actuarially determined contributions for the State 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. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Police and Firemen's Retirement System - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 measurement date 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 78% of the actuarially determined contributions for the State 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine 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 as of the June 30, 2020 measurement date, calculated using a discount rate of 7.00%, 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:

| | <u>PERS</u> | | |
|--|------------------------------------|--|------------------------------------|
| | <u>1% Decrease (6.00%)</u> | <u>Current Discount Rate (7.00%)</u> | <u>1% Increase (8.00%)</u> |
| Township's Proportionate Share of the Net Pension Liability | <u>\$ 7,801,480.00</u> | <u>\$ 6,197,390.00</u> | <u>\$ 4,836,276.00</u> |

Note 8: PENSION PLANS (CONT'D)**Sensitivity of Township's Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)**

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 the June 30, 2020 measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

| | <u>PFRS</u> | | |
|---|------------------------------------|--|------------------------------------|
| | <u>1% Decrease (6.00%)</u> | <u>Current Discount Rate (7.00%)</u> | <u>1% Increase (8.00%)</u> |
| Township's Proportionate Share of the Net Pension Liability | \$ 20,169,306.00 | \$ 15,167,239.00 | \$ 11,012,640.00 |
| State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township | <u>3,130,184.00</u> | <u>2,353,886.00</u> | <u>1,709,112.00</u> |
| | <u>\$ 23,299,490.00</u> | <u>\$ 17,521,125.00</u> | <u>\$ 12,721,752.00</u> |

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.

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.

Note 8: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Eight Plan Years)***

| | <u>Measurement Date Ended June 30,</u> | | | |
|--|--|-----------------|-----------------|-----------------|
| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
| Township's Proportion of the Net Pension Liability | 0.0380035802% | 0.0342825266% | 0.0340870481% | 0.0310660743% |
| Township's Proportionate Share of the Net Pension Liability | \$ 6,197,390.00 | \$ 6,177,191.00 | \$ 6,711,570.00 | \$ 7,231,686.00 |
| Township's Covered Payroll (Plan Measurement Period) | \$ 2,678,448.00 | \$ 2,421,152.00 | \$ 2,379,840.00 | \$ 2,242,464.00 |
| Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 231.38% | 255.13% | 282.02% | 322.49% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 58.32% | 56.27% | 53.60% | 48.10% |
| | <u>Measurement Date Ended June 30,</u> | | | |
| | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| Township's Proportion of the Net Pension Liability | 0.0291113415% | 0.0329284085% | 0.0327388066% | 0.0351794539% |
| Township's Proportionate Share of the Net Pension Liability | \$ 8,621,944.00 | \$ 7,391,768.00 | \$ 6,129,600.00 | \$ 6,723,493.00 |
| Township's Covered Payroll (Plan Measurement Period) | \$ 2,028,732.00 | \$ 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 | 424.99% | 331.85% | 271.41% | 267.53% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 40.14% | 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 Eight Years)***

| | <u>Year Ended December 31,</u> | | | |
|--|--------------------------------|-----------------|-----------------|-----------------|
| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
| Township's Contractually Required Contribution | \$ 415,740.00 | \$ 333,468.00 | \$ 339,056.00 | \$ 287,794.00 |
| Township's Contribution in Relation to the Contractually Required Contribution | \$ (415,740.00) | \$ (333,468.00) | (339,056.00) | (287,794.00) |
| Township's Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - |
| Township's Covered Payroll (Calendar Year) | \$ 2,871,017.00 | \$ 2,766,650.00 | \$ 2,469,467.00 | \$ 2,348,900.00 |
| Township's Contributions as a Percentage of Covered Payroll | 14.48% | 12.05% | 13.73% | 12.25% |
| | <u>Year Ended December 31,</u> | | | |
| | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| Township's Contractually Required Contribution | \$ 258,621.00 | \$ 283,096.00 | \$ 269,894.00 | \$ 265,070.00 |
| Township's Contribution in Relation to the Contractually Required Contribution | (258,621.00) | (283,096.00) | (269,894.00) | (265,070.00) |
| Township's Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - |
| Township's Covered Payroll (Calendar Year) | \$ 2,218,222.00 | \$ 2,008,847.00 | \$ 2,162,377.00 | \$ 2,215,793.00 |
| Township's Contributions as a Percentage of Covered Payroll | 11.66% | 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 Eight Plan Years)***

| | <u>Measurement Date Ended June 30,</u> | | | |
|--|--|-------------------------|-------------------------|-------------------------|
| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
| Township's Proportion of the Net Pension Liability | 0.1173815084% | 0.1123729426% | 0.1057186948% | 0.1073035247% |
| Township's Proportionate Share of the Net Pension Liability | \$ 15,167,239.00 | \$ 13,751,997.00 | \$ 14,305,482.00 | \$ 16,565,590.00 |
| State's Proportionate Share of the Net Pension Liability associated with the Township | <u>2,353,886.00</u> | <u>2,171,466.00</u> | <u>1,943,163.00</u> | <u>1,855,486.00</u> |
| Total | <u>\$ 17,521,125.00</u> | <u>\$ 15,923,463.00</u> | <u>\$ 16,248,645.00</u> | <u>\$ 18,421,076.00</u> |
| Township's Covered Payroll (Plan Measurement Period) | \$ 4,050,236.00 | \$ 3,742,712.00 | \$ 3,491,336.00 | \$ 3,443,384.00 |
| Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 374.48% | 367.43% | 409.74% | 481.08% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 63.52% | 65.00% | 62.48% | 58.60% |
| | <u>Measurement Date Ended June 30,</u> | | | |
| | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| Township's Proportion of the Net Pension Liability | 0.1007732337% | 0.1009314324% | 0.0998063889% | 0.0986190991% |
| Township's Proportionate Share of the Net Pension Liability | \$ 19,250,263.00 | \$ 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 | <u>1,616,545.00</u> | <u>1,474,326.00</u> | <u>1,351,932.00</u> | <u>1,222,060.00</u> |
| Total | <u>\$ 20,866,808.00</u> | <u>\$ 18,285,984.00</u> | <u>\$ 13,906,650.00</u> | <u>\$ 14,332,579.00</u> |
| Township's Covered Payroll (Plan Measurement Period) | \$ 3,175,960.00 | \$ 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 | 606.12% | 525.97% | 398.26% | 423.80% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 52.01% | 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 Eight Years)***

| | <u>Year Ended December 31,</u> | | | |
|--|--------------------------------|-----------------------|-----------------------|---------------------|
| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
| Township's Contractually Required Contribution | \$ 1,311,352.00 | \$ 1,135,091.00 | \$ 1,033,556.00 | \$ 949,656.00 |
| Township's Contribution in Relation to the Contractually Required Contribution | <u>(1,311,352.00)</u> | <u>(1,135,091.00)</u> | <u>(1,033,556.00)</u> | <u>(949,656.00)</u> |
| Township's Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Township's Covered Payroll (Calendar Year) | \$ 4,110,979.00 | \$ 4,056,445.00 | \$ 3,763,312.00 | \$ 3,522,176.00 |
| Township's Contributions as a Percentage of Covered Payroll | 31.90% | 27.98% | 27.46% | 26.96% |
| | <u>Year Ended December 31,</u> | | | |
| | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
| Township's Contractually Required Contribution | \$ 821,645.00 | \$ 820,422.00 | \$ 766,582.00 | \$ 719,503.00 |
| Township's Contribution in Relation to the Contractually Required Contribution | <u>(821,645.00)</u> | <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> | <u>\$ -</u> |
| Township's Covered Payroll (Calendar Year) | \$ 3,416,079.00 | \$ 3,244,888.00 | \$ 3,203,629.00 | \$ 3,152,433.00 |
| Township's Contributions as a Percentage of Covered Payroll | 24.05% | 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

The June 30, 2020 measurement date included two changes to the plan provisions. Chapter 157, P.L. 2019 expanded the definition of regular or assigned duties for purposes of accidental disability. The Division of Pension and Benefits (DPB) also adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions.

Changes in Assumptions

The discount rate used as of June 30 measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|
| 2020 | 7.00% | 2016 | 3.98% |
| 2019 | 6.28% | 2015 | 4.90% |
| 2018 | 5.66% | 2014 | 5.39% |
| 2017 | 5.00% | | |

The long-term expected rate of return used as of June 30 measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|
| 2020 | 7.00% | 2016 | 7.65% |
| 2019 | 7.00% | 2015 | 7.90% |
| 2018 | 7.00% | 2014 | 7.90% |
| 2017 | 7.00% | | |

The mortality assumption was updated upon direction from the DPB.

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

None

Changes in Assumptions

The discount rate used as of June 30 measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|
| 2020 | 7.00% | 2016 | 5.55% |
| 2019 | 6.85% | 2015 | 5.79% |
| 2018 | 6.51% | 2014 | 6.32% |
| 2017 | 6.14% | | |

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)**

The long-term expected rate of return used as of June 30 measurement date is as follows:

| <u>Year</u> | <u>Rate</u> | <u>Year</u> | <u>Rate</u> |
|-------------|-------------|-------------|-------------|
| 2020 | 7.00% | 2016 | 7.65% |
| 2019 | 7.00% | 2015 | 7.90% |
| 2018 | 7.00% | 2014 | 7.90% |
| 2017 | 7.00% | | |

The mortality assumption was updated upon direction from the DPB.

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, 2020 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, 2020, the Township's total expenditure to the Plan was \$57,450.00.

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, 2020, 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

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2020 was not available, therefore the information dated June 30, 2019 is disclosed below.

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:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|--|---|
| 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:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|--|---|
| 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:

| Year Ending Dec. 31, | |
|---------------------------------|---------------------------|
| 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:

| | 1% Decrease <u>(2.50%)</u> | Current Discount Rate <u>(3.50%)</u> | 1% Increase <u>(4.50%)</u> |
|---|---|---|---|
| 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:

| | 1% Decrease | Healthcare Cost Trend Rates | 1% Increase |
|---|-------------------------|--|-------------------------|
| 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, 2020, accrued benefits for compensated absences are valued at \$1,257,148.92.

The Township has established a compensated absences trust fund to set aside funds for future payments of compensated absences. At December 31, 2020, the balance of the fund was \$62,970.81.

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 was 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)**

General Improvement Bonds, Series 2020 - On October 8, 2020, the Township issued \$12,240,000.00 of general improvement bonds, with interest rates ranging from 2.0% – 3.0%. The bonds were issued for the purpose of funding the following Ordinances 2019-7, 2019-8, 2020-14 and 2020-15. The final maturity of the bonds is May 1, 2038.

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> |
|-------------|-------------------------|------------------------|-------------------------|
| 2021 | \$ 2,130,000.00 | \$ 1,140,513.62 | \$ 3,270,513.62 |
| 2022 | 2,225,000.00 | 1,058,868.76 | 3,283,868.76 |
| 2023 | 2,325,000.00 | 991,668.76 | 3,316,668.76 |
| 2024 | 2,415,000.00 | 918,768.76 | 3,333,768.76 |
| 2025 | 2,485,000.00 | 839,606.26 | 3,324,606.26 |
| 2026 - 2030 | 11,300,000.00 | 3,035,468.80 | 14,335,468.80 |
| 2031 - 2035 | 9,380,000.00 | 889,465.64 | 10,269,465.64 |
| 2036 - 2038 | <u>2,410,000.00</u> | <u>73,000.00</u> | <u>2,483,000.00</u> |
| Totals | <u>\$ 34,670,000.00</u> | <u>\$ 8,947,360.60</u> | <u>\$ 43,617,360.60</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)**

General Improvement Bonds, Series 2020 - On October 8, 2020, the Township issued \$3,979,000.00 of general improvement bonds, with interest rates ranging from 2.0% – 3.0%. The bonds were issued for the purpose of funding the following Ordinances 2019-8 and 2020-15. The final maturity of the bonds is May 1, 2040.

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> |
|-------------|-------------------------|------------------------|-------------------------|
| 2021 | \$ 1,065,000.00 | \$ 337,670.39 | \$ 1,402,670.39 |
| 2022 | 1,060,000.00 | 302,345.00 | 1,362,345.00 |
| 2023 | 978,000.00 | 272,645.00 | 1,250,645.00 |
| 2024 | 1,037,000.00 | 242,000.00 | 1,279,000.00 |
| 2025 | 1,055,000.00 | 207,120.00 | 1,262,120.00 |
| 2026 - 2030 | 2,868,000.00 | 587,997.50 | 3,455,997.50 |
| 2031 - 2035 | 1,770,000.00 | 229,606.25 | 1,999,606.25 |
| 2036 - 2040 | <u>1,175,000.00</u> | <u>59,750.00</u> | <u>1,234,750.00</u> |
| Totals | <u>\$ 11,008,000.00</u> | <u>\$ 2,239,134.14</u> | <u>\$ 13,247,134.14</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.

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

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.

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> |
|-------------|-------------------------|------------------------|-------------------------|
| 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 |
| 2024 | 1,151,988.36 | 182,250.00 | 1,334,238.36 |
| 2025 | 1,173,518.31 | 152,775.00 | 1,326,293.31 |
| 2026 - 2030 | <u>4,598,952.39</u> | <u>305,875.00</u> | <u>4,904,827.39</u> |
| Totals | <u>\$ 10,410,325.65</u> | <u>\$ 1,365,075.00</u> | <u>\$ 11,775,400.65</u> |

Note 14: CAPITAL DEBT (CONT'D)

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

| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|--------------------------------|--------------------------------|--------------------------------|
| <u>Issued</u> | | | |
| General: | | | |
| Bonds, Loans and Notes | \$ 37,550,751.00 | \$ 33,484,126.00 | \$ 29,600,902.17 |
| Water and Sewer Utility: | | | |
| Bonds, Loans and Notes | <u>21,885,123.65</u> | <u>21,826,999.86</u> | <u>22,578,349.76</u> |
| Total Issued | <u>59,435,874.65</u> | <u>55,311,125.86</u> | <u>52,179,251.93</u> |
| <u>Authorized but not Issued</u> | | | |
| General: | | | |
| Bonds, Loans and Notes | 502.00 | | |
| Water and Sewer Utility: | | | |
| Bonds, Loans and Notes | <u>500.00</u> | | |
| Total Authorized but not Issued | <u>1,002.00</u> | - | - |
| Total Issued and Authorized but not Issued | <u>59,436,876.65</u> | <u>55,311,125.86</u> | <u>52,179,251.93</u> |
| <u>Deductions</u> | | | |
| General: | | | |
| Reserve for Payment of Debt Service | 354,959.44 | 354,959.44 | 354,959.44 |
| Water and Sewer Utility: | | | |
| Self-Liquidating | <u>21,885,623.65</u> | <u>21,826,999.86</u> | <u>22,578,349.76</u> |
| Total Deductions | <u>22,240,583.09</u> | <u>22,181,959.30</u> | <u>22,933,309.20</u> |
| Net Debt | <u>\$ 37,196,293.56</u> | <u>\$ 33,129,166.56</u> | <u>\$ 29,245,942.73</u> |

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 1.096%.

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|--------------------------|-------------------------|-------------------------|-------------------------|
| Local School Purposes | \$ 11,855,000.00 | \$ 11,855,000.00 | |
| Regional School Purposes | 7,704,874.95 | 7,704,874.95 | |
| Self-Liquidating | 21,885,623.65 | 21,885,623.65 | |
| General | <u>37,551,253.00</u> | <u>354,959.44</u> | <u>\$ 37,196,293.56</u> |
| | <u>\$ 78,996,751.60</u> | <u>\$ 41,800,458.04</u> | <u>\$ 37,196,293.56</u> |

Net debt \$37,196,293.56 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$3,392,894,650.33, equals 1.096%.

Borrowing Power Under N.J.S.A. 40A:2-6 as Amended

| | |
|---|-------------------------|
| 3 1/2% of Equalized Valuation Basis (Municipal) | \$ 118,751,312.76 |
| Less: Net Debt | <u>37,196,293.56</u> |
| Remaining Borrowing Power | <u>\$ 81,555,019.20</u> |

Note 14: CAPITAL DEBT (CONT'D)

**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 | \$ | 7,885,128.85 |
| Deductions: | | |
| Operating and Maintenance Costs | \$ | 4,191,477.00 |
| Debt Service | | <u>2,725,885.90</u> |
| Total Deductions | | <u>6,917,362.90</u> |
| Excess in Revenue | \$ | <u>967,765.95</u> |

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

Note 15: 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>Issued General Capital Fund</u> | <u>Issued Sewer Utility Capital Fund</u> | <u>Total Issued</u> | <u>Liability</u> |
|---------------------|--|--|-------------------------|------------------|
| May 17, 2013 | \$ 11,470,000.00 | \$ 1,305,000.00 | \$ 12,775,000.00 | (1) |
| October 8, 2020 | 12,240,000.00 | 3,979,000.00 | 16,219,000.00 | (2) |

- (1) Arbitrage calculation was completed and no rebate is due.
- (2) 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 16: 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:

| | Local School District | | Regional School District | |
|----------------|------------------------------------|------------------------|------------------------------------|------------------------|
| | <u>Balance December 31,</u> | | <u>Balance December 31,</u> | |
| | <u>2020</u> | <u>2019</u> | <u>2020</u> | <u>2019</u> |
| Balance of Tax | \$ 23,842,475.96 | \$ 23,320,305.44 | \$ 11,762,460.65 | \$ 11,551,171.13 |
| Deferred | <u>19,507,879.44</u> | <u>19,507,879.44</u> | <u>8,516,977.28</u> | <u>8,516,977.28</u> |
| Taxes Payable | <u>\$ 4,334,596.52</u> | <u>\$ 3,812,426.00</u> | <u>\$ 3,245,483.37</u> | <u>\$ 3,034,193.85</u> |

Note 17: 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</u> | <u>Project Description</u> |
|--------------------------|---|
| <u>Number</u> | |
| 170-2020 | Barrier Removal at the Public Safety Building |
| 191-2020 | Sewer Plan Improvement Project |

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 18: 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> |
|-------------|-------------------------------|-------------------------------|--------------------------|--------------------------|-----------------------|
| 2020 | \$ - | \$ 4,529.48 | \$ - | \$ 2,776.48 | \$ 112,922.41 |
| 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 |

It is estimated that there are no unreimbursed payments on behalf of the Township at December 31, 2020.

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 19: 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>Original Amount Borrowed</u> | <u>Interest Rate</u> | <u>Term</u> | <u>Balance Dec. 31, 2020</u> |
|----------------------------------|-----------------------|---------------------------------|----------------------|-------------|------------------------------|
| Old Tauton Colony Club | 01/10/06 | \$ 433,440.00 | 2.00% | 20 Years | \$ 150,763.48 |
| YMCA Camp Ockanickon Inc. | 01/10/06 | 1,809,000.00 | 2.00% | 20 Years | 533,832.55 |
| Birchwood Lake Colony Club | 01/24/06 | 2,340,000.00 | 2.00% | 20 Years | 191,539.51 |
| Jewish Federation of Southern NJ | 01/24/06 | 227,500.00 | 2.00% | 20 Years | 96,051.61 |

The Township acts as a fiduciary for the Old Tauton Colony Club, YMCA Camp Ockanickon Inc., and 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. The Jewish Federation of Southern NJ pay their own payments to the New Jersey Department of Environmental Protection.

Note 20: 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 21: 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 22: 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 23: 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 Township did not close operations during the pandemic other than four (4) Fridays in April 2020. The Township did closed public access into the building on March 17, 2020 and re-opened for public access on July 6, 2020.

Certain Township revenues did decline during 2020 as compared to 2019 such as municipal court and emergency medical service billing income.

During the year ended December 31, 2020, the Township was awarded the following by the Federal Government in response to the COVID-19 pandemic:

| | <u>CFDA #</u> | <u>Funding Received</u> |
|---|---------------|-------------------------|
| Coronavirus Relief Fund (CRF): | | |
| Passed Through NJ Department of Community Affairs: | | |
| Local Government Emergency Fund | 20.019 | \$ 16,359.24 |

Note 24: 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> |
|--|-----------------|----------------------|
| General Improvements: | | |
| Various General Capital Improvements | 06/01/21 | \$ 4,406,879.00 |
| Water and Sewer Utility Improvements: | | |
| Various Utility Capital Improvements | 06/01/21 | 1,252,137.00 |

Note 24: SUBSEQUENT EVENTS (CONT'D)

COVID-19 - While the United States awaits to see the full effects that the COVID-19 vaccines provide, there is uncertainty around the duration of time it will take for certain revenues to increase to the levels of prior years.

The Federal American Rescue Plan Act of 2021 (the Act), signed into law on March 11, 2021, was enacted to provide funding for COVID-19 pandemic response and recovery. Among the key elements of the Act is the Coronavirus Local Fiscal Recovery Fund (LFRF). All municipalities and counties will receive LFRF funds in two tranches, with the federal government releasing the second tranche next year. Municipalities and counties with populations greater than 50,000 will receive funds directly from the Federal government. Those municipalities and counties with populations less than 50,000 will receive their funds through their respective State. Since the Township of Medford population is less than 50,000, LFRF funds will be pass through the State of New Jersey.

The Township has been allocated \$2,448,616.17 in LFRF funding with half of it to be received before December 31, 2021 and the other half before December 31, 2022.

The United States Department of Treasury (U.S. Treasury) has issued an Interim Final Rule regulating county and municipal use of LFRF funds. Permitted use of LFRF funds for municipalities and counties may be for the one or more of the following purposes:

- Replacing lost public sector revenue
- Investing in water, sewer, and broadband infrastructure
- Providing premium pay for essential workers
- Supporting public health expenditures
- Addressing COVID-19 related negative economic impacts
- Addressing the disproportionate public health and economic impacts of the crisis on the hardest-hit communities, populations, and households

For expenditures outside of revenue replacement to be LFRF-eligible under the U.S. Treasury Interim Final Rule, costs must be incurred on or after March 3, 2021 but must be obligated no later than December 31, 2024 to be LFRF-eligible. The "period of performance" will run until December 31, 2026 to allow recipients a reasonable amount of time to complete LFRF-funded projects.

The Township is awaiting on more information to be distributed by federal and state agencies and will then formulate a plan on how the LFRF funds will be spent.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Current Cash -- Treasurer
For the Year Ended December 31, 2020

| | <u>Regular</u> | <u>Federal and State Grant Fund</u> |
|--|------------------|---|
| Balance December 31, 2019 | \$ 13,379,237.24 | \$ 297,166.29 |
| Increased by Receipts: | | |
| Taxes Receivable | \$ 97,865,435.10 | |
| Tax Overpayments | 142,111.86 | |
| Prepaid Taxes | 866,125.13 | |
| Tax Title Liens | 1,370.58 | |
| Due State of New Jersey: | | |
| Marriage License Fees | 2,100.00 | |
| Burial Permit Fees | 5.00 | |
| Senior Citizens and Veterans' Deductions | 152,000.00 | |
| Construction Code Fees | 40,301.00 | |
| Reserve for Elections | 680.00 | |
| Miscellaneous Revenue Anticipated | 5,158,475.16 | |
| Miscellaneous Revenue Not Anticipated | 155,539.70 | |
| Refunds of Current Year Appropriations | 992,401.85 | |
| Petty Cash Funds | 400.00 | |
| Contra | 41,838.09 | |
| Federal and State Grants Receivable | | \$ 465,908.00 |
| Due Current Fund | | 10,794.74 |
| Due Federal and State Grant Fund | 1,546.68 | |
| Due Animal Control Fund | 551.24 | |
| Due Trust Other Fund | 59,064.97 | |
| Federal and State Grants Unappropriated | | 2,633.45 |
| Federal and State Grants Appropriated | | 1,723.85 |
| | 105,479,946.36 | 481,060.04 |
| | 118,859,183.60 | 778,226.33 |
| Decreased by Disbursements: | | |
| 2020 Appropriations | 18,746,789.88 | |
| 2019 Appropriation Reserves | 798,683.47 | |
| Due County -- Added and Omitted Taxes | 58,278.44 | |
| County Taxes Payable | 13,400,147.39 | |
| Local School Taxes Payable | 47,277,019.48 | |
| Regional High School Taxes Payable | 23,313,634.48 | |
| Due State of New Jersey: | | |
| Marriage License Fees | 1,950.00 | |
| Burial Permit Fees | 5.00 | |
| Construction Code Fees | 34,623.00 | |
| Reserve for Elections | 680.00 | |
| Petty Cash Funds | 400.00 | |
| Due Municipal Open Space Trust Fund: | | |
| Current Year Levy | 731,157.00 | |
| Added and Omitted Levy | 6,982.42 | |
| Refund of Tax Overpayments | 132,381.88 | |
| Contra | 41,838.09 | |
| Refund of Prior Year Revenue | 34,308.19 | |
| Refund Miscellaneous Revenue not Anticipated | 1,162.00 | |
| Federal and State Grants Appropriated | | 208,776.72 |
| Due Current Fund | | 1,546.68 |
| Due Federal and State Grant Fund | 9,248.06 | |
| | 104,589,288.78 | 210,323.40 |
| Balance December 31, 2020 | \$ 14,269,894.82 | \$ 567,902.93 |

TOWNSHIP OF MEDFORD
CURRENT FUND
Schedule of Change Funds
As of December 31, 2020

| <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, 2020

| | Balance Dec. 31, 2019 | 2020 Levy | Added Taxes | Collected | | Due from State of New Jersey | Overpayments Applied | Canceled | Transferred to Tax Title Liens | Transfer to Arrears | Balance Dec. 31, 2020 |
|---------|--------------------------|-------------------------|--------------------|----------------------|-------------------------|------------------------------------|-------------------------|---------------------|--------------------------------------|------------------------|--------------------------|
| | | | | 2019 | 2020 | | | | | | |
| Arrears | \$ 36,571.67 | | | | \$ 184.50 | | | | | \$ 7,966.40 | \$ 44,353.57 |
| 2017 | 3.10 | | | | 3.10 | | | | | | |
| 2018 | 1,910.40 | | | | 3.13 | | | | | (1,907.27) | |
| 2019 | 947,559.09 | | \$ 1,750.00 | | 928,926.11 | | | \$ 13,483.79 | \$ 836.98 | (6,059.13) | 3.08 |
| | 986,044.26 | - | 1,750.00 | - | 929,116.84 | - | - | 13,483.79 | 836.98 | - | 44,356.65 |
| 2020 | | \$ 98,817,220.60 | | \$ 724,965.03 | 96,936,318.26 | \$ 158,500.00 | \$ 65,659.10 | 60,743.03 | 12,984.49 | | 858,050.69 |
| | <u>\$ 986,044.26</u> | <u>\$ 98,817,220.60</u> | <u>\$ 1,750.00</u> | <u>\$ 724,965.03</u> | <u>\$ 97,865,435.10</u> | <u>\$ 158,500.00</u> | <u>\$ 65,659.10</u> | <u>\$ 74,226.82</u> | <u>\$ 13,821.47</u> | <u>\$ -</u> | <u>\$ 902,407.34</u> |

Analysis of 2020 Property Tax Levy

Tax Yield:

| | |
|---------------------------|-------------------------|
| General Purpose | \$ 97,823,459.13 |
| Added / Omitted Taxes | 935,219.29 |
| Miscellaneous Added Taxes | 58,542.18 |
| | <u>\$ 98,817,220.60</u> |

Tax Levy:

| | |
|---|-------------------------|
| Local District School Tax | \$ 47,799,190.00 |
| Regional High School Tax | 23,524,924.00 |
| County Taxes: | |
| County Tax | \$ 11,682,667.22 |
| County Library Tax | 1,038,234.74 |
| County Open Space Preservation | 679,245.43 |
| Due County for Added and Omitted Taxes | 129,404.96 |
| | <u>13,529,552.35</u> |
| Local Open Space Tax | 731,157.00 |
| Due Open Space Trust Fund for Added and Omitted Taxes | 6,982.42 |
| Local Tax for Municipal Purposes | 12,368,040.74 |
| Add: Additional Tax Levied | 857,374.09 |
| | <u>13,963,554.25</u> |
| | <u>\$ 98,817,220.60</u> |

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2020

| | | |
|---------------------------------|--------------|-----------------------------|
| Balance December 31, 2019 | | \$ 109,235.09 |
| Increased by: | | |
| Transfers from Taxes Receivable | \$ 13,821.47 | |
| Interest and Costs on Tax Sale | <u>99.55</u> | |
| | | <u>13,921.02</u> |
| | | 123,156.11 |
| Decreased by: | | |
| Collections | | <u>1,370.58</u> |
| Balance December 31, 2020 | | <u><u>\$ 121,785.53</u></u> |

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2020

| | <u>Balance</u> <u>Dec. 31, 2019</u> | <u>Accrued in</u> <u>2020</u> | <u>Collected</u> | <u>Balance</u> <u>Dec. 31, 2020</u> |
|---|--|----------------------------------|------------------------|--|
| Miscellaneous Revenues: | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | | \$ 25,188.00 | \$ 25,188.00 | |
| Fees and Permits: | | | | |
| Other | | 178,554.85 | 178,554.85 | |
| Fines and Costs: | | | | |
| Municipal Court | \$ 13,242.39 | 141,709.87 | 146,427.03 | \$ 8,525.23 |
| Interest and Costs on Taxes | | 219,042.52 | 219,042.52 | |
| Interest on Investments and Deposits | | 168,217.86 | 168,217.86 | |
| Tower Rental | | 9,600.00 | 9,600.00 | |
| Cable Television Fees | | 373,052.98 | 373,052.98 | |
| Emergency Medical Service Billing Income | | 565,025.26 | 565,025.26 | |
| 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 | | 672,192.00 | 672,192.00 | |
| Interlocal Services Agreements: | | | | |
| Police Salaries - Lenape Regional High School District | | 574,536.16 | 574,536.16 | |
| Uniform Construction Code - Medford Lakes Borough | | 12,890.25 | 12,890.25 | |
| Municipal Court - Lumberton Township | | 2,839.00 | 2,839.00 | |
| Assessor - Medford Lakes Borough | | 28,652.00 | 28,652.00 | |
| Alarm Fees | | 5,370.00 | 5,370.00 | |
| Payment in Lieu of Taxes | | 250,392.16 | 250,392.16 | |
| | <u>\$ 13,242.39</u> | <u>\$ 5,218,397.91</u> | <u>\$ 5,223,115.07</u> | <u>\$ 8,525.23</u> |
| Cash Receipts | | | \$ 5,158,475.16 | |
| Due Federal and State Grant Fund | | | 1,546.68 | |
| Due Trust Other Fund | | | 63,093.23 | |
| | | | <u>\$ 5,223,115.07</u> | |

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2020

| | Balance December 31, 2019 | | Balance After Modification | Paid or Charged | Lapsed to Fund Balance |
|--------------------------------------|---------------------------|-----------------|----------------------------------|--------------------|---------------------------|
| | <u>Encumbered</u> | <u>Reserved</u> | | | |
| OPERATIONS -- WITHIN "CAPS" | | | | | |
| <u>General Government Functions</u> | | | | | |
| <u>Department of Administration:</u> | | | | | |
| Office of the Manager: | | | | | |
| Salaries and Wages | | \$ 17,954.67 | \$ 17,954.67 | \$ 4,610.58 | \$ 13,344.09 |
| Other Expenses | \$ 114.00 | 683.69 | 797.69 | 214.00 | 583.69 |
| Human Resources: | | | | | |
| Other Expenses | 168.00 | 511.99 | 679.99 | 168.00 | 511.99 |
| Mayor and Council: | | | | | |
| Salaries and Wages | | 208.78 | 208.78 | | 208.78 |
| Office of the Clerk: | | | | | |
| Salaries and Wages | | 9,025.89 | 9,025.89 | 2,191.02 | 6,834.87 |
| Other Expenses | 1,406.47 | 7,225.43 | 8,631.90 | 1,463.87 | 7,168.03 |
| <u>Department of Finance:</u> | | | | | |
| Office of the Treasurer: | | | | | |
| Salaries and Wages | | 13,882.25 | 13,882.25 | 2,787.92 | 11,094.33 |
| Other Expenses | 1,077.51 | 3,335.68 | 4,413.19 | 1,018.12 | 3,395.07 |
| Audit Services | 22,000.00 | 12,500.00 | 34,500.00 | 26,000.00 | 8,500.00 |
| Revenue Administration: | | | | | |
| Salaries and Wages | | 2,778.98 | 2,778.98 | 2,626.51 | 152.47 |
| Other Expenses | 1,458.39 | 2,426.07 | 3,884.46 | 1,501.22 | 2,383.24 |
| Division of Assessments: | | | | | |
| Salaries and Wages | | 7,868.64 | 7,868.64 | 4,880.88 | 2,987.76 |
| Other Expenses | 5,351.22 | 9,972.41 | 15,323.63 | 10,354.51 | 4,969.12 |
| Legal Services and Costs: | | | | | |
| Other Expenses | 49,798.83 | 12,320.85 | 62,119.68 | 17,366.00 | 44,753.68 |
| Engineering Services and Costs: | | | | | |
| Other Expenses | 1,989.47 | 8,504.51 | 10,493.98 | 1,539.75 | 8,954.23 |

(Continued)

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2020

| | Balance December 31, 2019 | | 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 | | \$ 555.79 | \$ 555.79 | | \$ 555.79 |
| Division of Planning: | | | | | |
| Salaries and Wages | | 2,627.65 | 2,627.65 | \$ 1,480.12 | 1,147.53 |
| Other Expenses | \$ 45,188.59 | 31,602.38 | 76,790.97 | 31,289.62 | 45,501.35 |
| Boards & Committee's | | | | | |
| Other Expenses | 165.00 | 0.94 | 165.94 | 165.00 | 0.94 |
| Division of Zoning: | | | | | |
| Other Expenses | 7,656.30 | 1,977.89 | 9,634.19 | 4,182.31 | 5,451.88 |
| <u>Department of Public Safety:</u> | | | | | |
| Police: | | | | | |
| Salaries and Wages | | 200,873.37 | 200,873.37 | 107,420.32 | 93,453.05 |
| Other Expenses | 71,000.79 | 11,183.72 | 82,184.51 | 71,265.62 | 10,918.89 |
| First Aid Organizations: | | | | | |
| Salaries and Wages | | 38,863.74 | 38,863.74 | 6,127.06 | 32,736.68 |
| Other Expenses | 41,741.72 | 710.19 | 42,451.91 | 38,720.78 | 3,731.13 |
| Emergency Management Services: | | | | | |
| Other Expenses | 5,857.07 | 341.23 | 6,198.30 | 5,857.07 | 341.23 |
| Uniform Fire Safety Act: (PL 1983 C. 383) | | | | | |
| Salaries and Wages | | 15,406.24 | 15,406.24 | 14,619.46 | 786.78 |
| Other Expenses | 45,975.80 | 646.96 | 46,622.76 | 44,565.95 | 2,056.81 |
| Prosecutor | | | | | |
| Other Expenses -- Professional Services | 4,000.00 | 3,000.00 | 7,000.00 | 1,500.00 | 5,500.00 |

(Continued)

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2020

| | Balance December 31, 2019 | | 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 | | \$ 36,674.48 | \$ 36,674.48 | \$ 6,801.71 | \$ 29,872.77 |
| Other Expenses | \$ 32,320.29 | 184.90 | 32,505.19 | 16,733.98 | 15,771.21 |
| Snow Removal: | | | | | |
| Other Expenses | 25,445.00 | | 25,445.00 | 25,445.00 | |
| Sanitation: | | | | | |
| Salaries and Wages | | 14,273.96 | 14,273.96 | 14,259.79 | 14.17 |
| Other Expenses | 128,185.95 | 1,910.68 | 130,096.63 | 89,999.00 | 40,097.63 |
| Buildings and Grounds: | | | | | |
| Salaries and Wages | | 3,946.98 | 3,946.98 | 2,329.19 | 1,617.79 |
| Other Expenses | 20,551.15 | 4,641.75 | 25,192.90 | 8,723.14 | 16,469.76 |
| <u>Department of Public Works (Cont'd):</u> | | | | | |
| Vehicle Maintenance: | | | | | |
| Salaries and Wages | | 2,565.80 | 2,565.80 | | 2,565.80 |
| Other Expenses | 76,020.88 | 35,290.90 | 104,311.78 | 22,092.56 | 82,219.22 |
| <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 | | 580.47 | 580.47 | 392.31 | 188.16 |
| Other Expenses | 205.00 | 395.00 | 600.00 | 205.00 | 395.00 |
| Landfill/Solid Waste Disposal | | 67,675.95 | 74,675.95 | 74,666.67 | 9.28 |
| Community Services | | | | | |
| Other Expenses | | 8,444.00 | 8,444.00 | 4,050.00 | 4,394.00 |

(Continued)

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2020

| | Balance December 31, 2019 | | 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 | | \$ 26,655.80 | \$ 26,655.80 | \$ 2,849.50 | \$ 23,806.30 |
| Other Expenses | \$ 308.90 | 3,863.68 | 4,172.58 | 492.77 | 3,679.81 |
| <u>Insurance:</u> | | | | | |
| General Liability | | 5,659.00 | 5,659.00 | | 5,659.00 |
| Employee Group Insurance | | 90,802.11 | 90,802.11 | 2,423.14 | 88,378.97 |
| Health Benefit Waver | | 13,830.29 | 13,830.29 | | 13,830.29 |
| Retiree Health Benefits | | 44,806.51 | 44,806.51 | | 44,806.51 |
| <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 | | 24,621.99 | 24,621.99 | 4,744.66 | 19,877.33 |
| <u>Other Expenses:</u> | | | | | |
| Direct Costs | 1,405.62 | 2,250.52 | 3,656.14 | 1,394.62 | 2,261.52 |
| <u>Unclassified:</u> | | | | | |
| <u>Utilities:</u> | | | | | |
| Electric | 3,179.20 | 41,853.82 | 45,033.02 | 16,750.81 | 28,282.21 |
| Street Lighting | 15,770.96 | | 15,770.96 | 15,770.96 | |
| Telephone | | 8,415.96 | 8,415.96 | 923.43 | 7,492.53 |
| Heating Gas / Oil | 498.19 | 18,159.84 | 18,658.03 | 10,851.75 | 7,806.28 |
| Gasoline / Diesel Fuel | 15,154.83 | 18,169.09 | 33,323.92 | 3,671.49 | 29,652.43 |
| Safety Supplies | 1,319.24 | 4.76 | 1,324.00 | 1,250.39 | 73.61 |
| Catastrophic Illness Fund (R.S. 26:2-48) | | 43.00 | 43.00 | | 43.00 |
| Hepatitis Vaccination | | 500.00 | 500.00 | | 500.00 |
| Celebration of Public Events Anniversary or Holiday | 2,114.66 | 2,784.88 | 4,899.54 | 682.33 | 4,217.21 |

(Continued)

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2020

| | <u>Balance December 31, 2019</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.) | | \$ 45,270.35 | \$ 45,270.35 | \$ 31,757.94 | \$ 13,512.41 |
| Defined Contribution Retirement Program | | 1,208.62 | 1,208.62 | | 1,208.62 |
| <u>OPERATIONS -- EXCLUDED FROM "CAPS":</u> | | | | | |
| Landfill Fees - Recycling Tax | | 8,139.36 | 8,139.36 | | 8,139.36 |
| LOSAP | \$ 70,000.00 | | 70,000.00 | 57,450.00 | 12,550.00 |
| Total | <u>\$ 697,429.03</u> | <u>\$ 951,014.39</u> | <u>\$ 1,648,443.42</u> | <u>\$ 820,627.83</u> | <u>\$ 827,815.59</u> |
| | | | | Disbursements | \$ 798,683.47 |
| | | | | Accounts Payable | 21,944.36 |
| | | | | | <u>\$ 820,627.83</u> |

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2020

| | |
|--|----------------------------|
| Balance December 31, 2019 | \$ 33,480.75 |
| Increased by: | |
| Transferred from 2019 Appropriation Reserves | <u>21,944.36</u> |
| | 55,425.11 |
| Decreased by: | |
| Cancellation -- Fund Balance | <u>28,827.25</u> |
| Balance December 31, 2020 | <u><u>\$ 26,597.86</u></u> |

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2020

| | | | |
|--------------------------------------|-------------------|----|------------------------|
| Balance December 31, 2019 | | \$ | - |
| Increased by: | | | |
| Overpayments Created: | | | |
| Miscellaneous Added Tax Overpayments | \$ 57,529.12 | | |
| Receipts: | | | |
| 2020 Taxes | \$ 128,627.26 | | |
| 2019 Taxes | <u>13,484.60</u> | | |
| | <u>142,111.86</u> | | <u>199,640.98</u> |
| | | | 199,640.98 |
| Decreased by: | | | |
| Overpayments Applied | 65,659.10 | | |
| Refunded | <u>132,381.88</u> | | |
| | | | <u>198,040.98</u> |
| Balance December 31, 2020 | | \$ | <u><u>1,600.00</u></u> |

CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2020

| | | | |
|--|--|----|--------------------------|
| Balance December 31, 2019 (2020 Taxes) | | \$ | 724,965.03 |
| Increased by: | | | |
| Collection -- 2021 Taxes | | | <u>866,125.13</u> |
| | | | 1,591,090.16 |
| Decreased by: | | | |
| Application to 2020 Taxes Receivable | | | <u>724,965.03</u> |
| Balance December 31, 2020 (2021 Taxes) | | \$ | <u><u>866,125.13</u></u> |

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Due to State of New Jersey
Senior Citizens' and Veterans' Deductions
For the Year Ended December 31, 2020

| | | |
|--|-------------|---------------|
| Balance December 31, 2019 | | \$ 100,326.60 |
| Increased by: | | |
| Prior Year Veterans and Senior Citizens' Disallowed by Tax Collector | \$ 1,750.00 | |
| Cash Received | 152,000.00 | |
| | | 153,750.00 |
| Decreased by: | | 254,076.60 |
| 2020 Levy -- Deductions per Tax Billing | 150,250.00 | |
| 2020 Veterans and Senior Citizens' Granted by Tax Collector | 8,500.00 | |
| | 158,750.00 | |
| 2020 Veterans and Senior Citizens' Disallowed by Tax Collector | (250.00) | |
| | | 158,500.00 |
| Balance December 31, 2020 | | \$ 95,576.60 |

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2020

| | | | |
|---------------------------|----|-----------------------------|--------------------------|
| Balance December 31, 2019 | | \$ | 58,278.44 |
| Increased by: | | | |
| 2020 Omitted Taxes | \$ | 746.09 | |
| 2017 Rollback Taxes | | 852.82 | |
| 2018 Rollback Taxes | | 16,493.69 | |
| 2019 Rollback Taxes | | 18,844.59 | |
| 2019 Rollback Taxes | | 48,876.65 | |
| 2019 Added Assessments | | 1,487.37 | |
| 2020 Added Assessments | | 42,079.93 | |
| 2019 Omitted/ Added Taxes | | 23.82 | |
| | | <u> </u> | <u>129,404.96</u> |
| | | | 187,683.40 |
| Decreased by: | | | |
| Payments | | | <u>58,278.44</u> |
| Balance December 31, 2020 | | \$ | <u><u>129,404.96</u></u> |

Exhibit SA-12

CURRENT FUND
Statement of Due County Taxes
For the Year Ended December 31, 2020

| | | | |
|-----------------------|----|-----------------------------|--------------------------------|
| Increased by: | | | |
| 2020 Levy: | | | |
| County Tax | \$ | 11,682,667.22 | |
| County Library Tax | | 1,038,234.74 | |
| County Open Space Tax | | 679,245.43 | |
| | | <u> </u> | \$ 13,400,147.39 |
| Decreased by: | | | |
| Payments | | | <u><u>\$ 13,400,147.39</u></u> |

TOWNSHIP OF MEDFORD
CURRENT FUND
 Statement of Local District School Tax
 For the Year Ended December 31, 2020

| | | |
|--|----------------------|-------------------------|
| Balance December 31, 2019 | | |
| School Tax Payable | \$ 3,812,426.00 | |
| School Tax Deferred | <u>19,507,879.44</u> | |
| | | \$ 23,320,305.44 |
| Increased by: | | |
| Levy - School Year July 1, 2020 to June 30, 2021 | | <u>47,799,190.00</u> |
| | | 71,119,495.44 |
| Decreased by: | | |
| Payments | | <u>47,277,019.48</u> |
| Balance December 31, 2020 | | |
| School Tax Payable | 4,334,596.52 | |
| School Tax Deferred | <u>19,507,879.44</u> | |
| | | <u>\$ 23,842,475.96</u> |
| 2020 Liability for Local School Tax: | | |
| Tax Paid | | \$ 47,277,019.48 |
| Tax Payable December 31, 2020 | | <u>4,334,596.52</u> |
| | | 51,611,616.00 |
| Less: Tax Payable December 31, 2019 | | <u>3,812,426.00</u> |
| Amount Charged to 2020 Operations | | <u>\$ 47,799,190.00</u> |

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Regional High School Tax
For the Year Ended December 31, 2020

| | | |
|--|---------------------|-------------------------|
| Balance December 31, 2019 | | |
| School Tax Payable | \$ 3,034,193.85 | |
| School Tax Deferred | <u>8,516,977.28</u> | |
| | | \$ 11,551,171.13 |
| Increased by: | | |
| Levy - School Year July 1, 2020 to June 30, 2021 | | <u>23,524,924.00</u> |
| | | 35,076,095.13 |
| Decreased by: | | |
| Payments | | <u>23,313,634.48</u> |
| Balance December 31, 2020 | | |
| School Tax Payable | 3,245,483.37 | |
| School Tax Deferred | <u>8,516,977.28</u> | |
| | | <u>\$ 11,762,460.65</u> |
| 2020 Liability for Regional High School Tax: | | |
| Tax Paid | | \$ 23,313,634.48 |
| Tax Payable December 31, 2020 | | <u>3,245,483.37</u> |
| | | 26,559,117.85 |
| Less: Tax Payable December 31, 2019 | | <u>3,034,193.85</u> |
| Amount Charged to 2020 Operations | | <u>\$ 23,524,924.00</u> |

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Changes in (Assets), Liabilities and Reserves
For the Year Ended December 31, 2020

| <u>Description</u> | <u>Balance</u> <u>Dec. 31, 2019</u> | <u>Increased by</u> <u>Receipts</u> | <u>Decreased by</u> <u>Disbursements</u> | <u>Balance</u> <u>Dec. 31, 2020</u> |
|-------------------------------|--|--|---|--|
| Due to State of New Jersey: | | | | |
| Marriage License Fees | \$ 425.00 | \$ 2,100.00 | \$ 1,950.00 | \$ 575.00 |
| State Burial Permits | | 5.00 | 5.00 | |
| State Training Fees Surcharge | 8,734.00 | 40,301.00 | 34,623.00 | 14,412.00 |
| Reserve For: | | | | |
| Election Workers | | 680.00 | 680.00 | |
| | <u>\$ 9,159.00</u> | <u>\$ 43,086.00</u> | <u>\$ 37,258.00</u> | <u>\$ 14,987.00</u> |

TOWNSHIP OF MEDFORD
CURRENT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2020

| | | |
|--|---------------|------------------------|
| <hr/> | | |
| Balance December 31, 2019 | | |
| Current Fund | \$ 697,429.03 | |
| Federal and State Grant Fund | 42,150.93 | |
| | <hr/> | \$ 739,579.96 |
| Increased by: | | |
| Current Year Encumbrances: | | |
| Current Fund - Appropriations | 706,441.35 | |
| Federal and State Grant Fund - Appropriated Grant Reserves | 819,204.69 | |
| | <hr/> | 1,525,646.04 |
| | | <hr/> |
| | | 2,265,226.00 |
| Decreased by: | | |
| Prior Year Encumbrances Reclassified: | | |
| Current Fund - Appropriations | 697,429.03 | |
| Federal and State Grant Fund - Appropriated Grant Reserves | 42,150.93 | |
| | <hr/> | 739,579.96 |
| | | <hr/> |
| Balance December 31, 2020 | | <u>\$ 1,525,646.04</u> |

Analysis of Balance, December 31, 2020

| | | |
|------------------------------|--|------------------------|
| Current Fund | | \$ 706,441.35 |
| Federal and State Grant Fund | | 819,204.69 |
| | | <hr/> |
| | | <u>\$ 1,525,646.04</u> |

TOWNSHIP OF MEDFORD
CURRENT FUND
Schedule of Property Acquired for Taxes -- Assessed Valuation
As of December 31, 2020

Balance December 31, 2020

\$ 902,400.00

TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
Statement of Due From Current Fund
For the Year Ended December 31, 2020

| | | |
|--|-----------------|---------------------------|
| Balance December 31, 2019 | | \$ 9,248.06 |
| Increased by: | | |
| Local Match - Municipal Alliance on Alcohol and Drug Abuse | \$ 3,750.00 | |
| Disbursements -- Interfund Liquidated | <u>1,546.68</u> | |
| | | <u>5,296.68</u> |
| | | 14,544.74 |
| Decreased by: | | |
| Receipts: | | |
| Interest Earned on Deposits | 1,546.68 | |
| Interfund Received | <u>9,248.06</u> | |
| | | <u>10,794.74</u> |
| Balance December 31, 2020 | | <u><u>\$ 3,750.00</u></u> |

TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2020

| <u>Program</u> | <u>Balance Dec. 31, 2019</u> | <u>Accrued</u> | <u>Received</u> | <u>Balance Dec. 31, 2020</u> |
|---|----------------------------------|------------------------|----------------------|----------------------------------|
| Federal Grants: | | | | |
| Assistance to Firefighters Grant FG-02148 | | \$ 118,789.82 | | \$ 118,789.82 |
| Assistance to Firefighters Grant FG-09785 | | 206,818.18 | | 206,818.18 |
| Bulletproof Vest Partnership Grant | \$ 653.49 | 2,633.45 | \$ 2,633.45 | 653.49 |
| Community Development Block Grant | 78,000.00 | 32,342.00 | | 110,342.00 |
| Emergency Management - Hurricane Sandy FEMA-4086-DR-NJ Grant | | 338,239.39 | | 338,239.39 |
| Emergency Management Performance Grant | | 10,052.92 | 10,052.92 | |
| Total Federal Grants | 78,653.49 | 708,875.76 | 12,686.37 | 774,842.88 |
| State Grants: | | | | |
| Body Armor Grant | 3,255.00 | 3,605.58 | 3,605.58 | 3,255.00 |
| Clean Communities Program | | 62,970.99 | 62,970.99 | |
| Municipal Alliance on Alcohol and Drug Abuse | 26,609.60 | 15,400.00 | 2,947.98 | 39,061.62 |
| National Priority Safety Programs (Drunk Driving Enforcement) | 3,565.80 | | | 3,565.80 |
| NJ DOT - 2015 Municipal Aid Program | 9,391.59 | | | 9,391.59 |
| NJ DOT - 2019 Municipal Aid Program: Dixontown Road Improvement Project | 260,000.00 | | 260,000.00 | |
| NJ DOT - 2020 Municipal Aid Program: Dixontown Road Improvements | | 245,000.00 | 118,750.00 | 126,250.00 |
| NJDEP Recreational Trails Program | | 218.50 | 218.50 | |
| Recycling Tonnage Grant | | 28,694.52 | 28,694.52 | |
| SJ Gas First Responders Grant Program | | 1,198.30 | | 1,198.30 |
| Sustainable Jersey Grant Program | | 10,000.00 | 5,000.00 | 5,000.00 |
| Total State Grants | 302,821.99 | 367,087.89 | 482,187.57 | 187,722.31 |
| | \$ 381,475.48 | \$ 1,075,963.65 | \$ 494,873.94 | \$ 962,565.19 |
| Original Budget | | \$ 334,913.52 | | |
| Chapter 159 - 40A:4-87 | | 741,050.13 | | |
| Unappropriated Grants Realized as Revenue | | | \$ 28,965.94 | |
| Receipts | | | 465,908.00 | |
| | | \$ 1,075,963.65 | \$ 494,873.94 | |

TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Unappropriated
For the Year Ended December 31, 2020

| | <u>Balance Dec. 31, 2019</u> | <u>Realized in Budget</u> | <u>Cash Received</u> | <u>Balance Dec. 31, 2020</u> |
|--|----------------------------------|-------------------------------|--------------------------|----------------------------------|
| Federal Grants: | | | | |
| Bulletproof Vest Partnership Grant | | | \$ 2,633.45 | \$ 2,633.45 |
| Emergency Management Performance Grant | \$ 52.92 | \$ 52.92 | | |
| Total Federal Grants: | <u>52.92</u> | <u>52.92</u> | <u>2,633.45</u> | <u>2,633.45</u> |
| State Grants: | | | | |
| NJDEP Recreational Trails Program | 218.50 | 218.50 | | |
| Recycling Tonnage Grant | <u>28,694.52</u> | <u>28,694.52</u> | | |
| Total State Grants | <u>28,913.02</u> | <u>28,913.02</u> | - | - |
| | <u>\$ 28,965.94</u> | <u>\$ 28,965.94</u> | <u>\$ 2,633.45</u> | <u>\$ 2,633.45</u> |

TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants -- Appropriated
For the Year Ended December 31, 2020

| Program | Balance Dec. 31, 2019 | Increased by | | Decreased by | | Balance Dec. 31, 2020 |
|---|--------------------------|---|--|-------------------|--|--------------------------|
| | | Transferred from 2020 Budget Appropriation | Prior Year Encumbrances Reclassified | Expended | | |
| Federal Grants: | | | | | | |
| Assistance to Firefighters Grant | \$ 6,151.00 | | | | | \$ 6,151.00 |
| Assistance to Firefighters Grant - FG-09785 | | \$ 206,818.18 | | | | 206,818.18 |
| Assistance to Firefighters Grant - FG-02148 | | 118,789.82 | | | | 118,789.82 |
| Bulletproof Vest Partnership Grant | 7,813.59 | 2,633.45 | | | | 10,447.04 |
| Community Development Block Grant | 40,300.00 | 32,342.00 | | \$ 32,342.00 | | 40,300.00 |
| Emergency Management - Hurricane Sandy FEMA-4086-DR-NJ Grant | | 338,239.39 | | 284,066.17 | | 54,173.22 |
| Emergency Management Performance Grant | 22,179.22 | 10,052.92 | | 14,453.64 | | 17,778.50 |
| Total Federal Grants | 76,443.81 | 708,875.76 | - | 330,861.81 | | 454,457.76 |
| State Grants: | | | | | | |
| Advanced Training Award | 1,500.00 | | | | | 1,500.00 |
| Alcohol Education Rehabilitation Fund | 4,713.73 | | | | | 4,713.73 |
| Body Armor Grant | 7,772.52 | 3,605.58 | | 5,266.90 | | 6,111.20 |
| Clean Communities Grant | 62,380.63 | 62,970.99 | \$ 25,990.33 | 114,086.61 | | 37,255.34 |
| Drunk Driving Enforcement Grant | 30,358.26 | | 299.00 | 3,216.85 | | 27,440.41 |
| Municipal Alliance on Alcohol and Drug Abuse | 15,081.34 | 19,150.00 | | 3,546.90 | | 30,684.44 |
| NJ DOT - 2015 Municipal Aid Program | 15,924.24 | | | | | 15,924.24 |
| NJ DOT - 2019 Municipal Aid Program: Dixontown Road Improvement Project | 260,000.00 | | | 260,000.00 | | |
| NJ DOT - 2020 Municipal Aid Program: Dixontown Road Improvement Project | 97,566.44 | 245,000.00 | | 245,000.00 | | 97,566.44 |
| NJDEP Recreational Trails Program | | 218.50 | | | | 218.50 |
| Recycling Tonnage Grant | 29,720.99 | 28,694.52 | 15,861.60 | 64,278.49 | | 9,998.62 |
| SJ Grant First Responders Grant Program | | 1,198.30 | | | | 1,198.30 |
| Sustainable Jersey Grant Program | | 10,000.00 | | | | 10,000.00 |
| Total State Grants | 525,018.15 | 370,837.89 | 42,150.93 | 695,395.75 | | 242,611.22 |

(Continued)

TOWNSHIP OF MEDFORD
FEDERAL AND STATE GRANT FUND
 Statement of Reserve for Federal and State Grants -- Appropriated
 For the Year Ended December 31, 2020

| Program | Balance Dec. 31, 2019 | Increased by | | Decreased by | Balance Dec. 31, 2020 |
|--|--------------------------|---|--|------------------------|--------------------------|
| | | Transferred from 2020 Budget Appropriation | Prior Year Encumbrances Reclassified | Expended | |
| Local Grants: | | | | | |
| Burlington County Municipal Park Development Grant | \$ 15,311.00 | | | | \$ 15,311.00 |
| | 15,311.00 | - | - | - | 15,311.00 |
| | <u>\$ 616,772.96</u> | <u>\$ 1,079,713.65</u> | <u>\$ 42,150.93</u> | <u>\$ 1,026,257.56</u> | <u>\$ 712,379.98</u> |
| Original Budget | | \$ 338,663.52 | | | |
| Appropriation by 40A:4-87 | | 741,050.13 | | | |
| Disbursed | | | | \$ 208,776.72 | |
| Reimbursed | | | | (1,723.85) | |
| Reserve for Encumbrances | | | | 819,204.69 | |
| | | <u>\$ 1,079,713.65</u> | | <u>\$ 1,026,257.56</u> | |

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF MEDFORD
TRUST FUND
 Statement of Trust Cash - Treasurer
 For the Year Ended December 31, 2020

| | <u>Animal Control</u> | <u>Other</u> | <u>Birchwood Lake Dam - Trust Assessment</u> | <u>Municipal Open Space</u> |
|---|-----------------------|------------------------|--|-----------------------------|
| Balance December 31, 2019 | \$ 33,110.79 | \$ 2,765,549.61 | \$ 446,531.30 | \$ 3,473,764.45 |
| Increased by Receipts: | | | | |
| Dog License Fees Collected | \$ 13,779.65 | | | |
| Due to State Department of Health | 1,671.60 | | | |
| Due Current Fund | | \$ 63,093.23 | | \$ 738,139.42 |
| Reserve for Future Use | | | | 160,064.06 |
| Reserve for Miscellaneous Trust Other Reserves: | | | | |
| Interest on Investments and Deposits | | 5,629.95 | \$ 2,337.16 | |
| Budget Appropriations | | 10,000.00 | | |
| Other Receipts | | 18,024,609.16 | 150,456.88 | |
| | <u>15,451.25</u> | <u>18,103,332.34</u> | <u>152,794.04</u> | <u>898,203.48</u> |
| | 48,562.04 | 20,868,881.95 | 599,325.34 | 4,371,967.93 |
| Decreased by Disbursements: | | | | |
| Due State Department of Health | 1,672.80 | | | |
| Expenditures Under R.S. 4:19-15.11 | 14,007.81 | | | |
| Current Year Appropriations | | | | 941,925.71 |
| Appropriation Reserves | | | | 123,063.65 |
| Due Current Fund | 551.24 | 59,064.97 | | |
| Reserve for Miscellaneous Trust Other Reserves | | 18,015,984.61 | 167,761.97 | |
| | <u>16,231.85</u> | <u>18,075,049.58</u> | <u>167,761.97</u> | <u>1,064,989.36</u> |
| Balance December 31, 2020 | <u>\$ 32,330.19</u> | <u>\$ 2,793,832.37</u> | <u>\$ 431,563.37</u> | <u>\$ 3,306,978.57</u> |

TOWNSHIP OF MEDFORD
TRUST OTHER FUND
Statement of Investments - Length of Service Awards Program
For the Year Ended December 31, 2020

| | | |
|--------------------------------|--------------|-----------------|
| Balance December 31, 2019 | | \$ 1,462,298.14 |
| Increased by: | | |
| Township Contributions | \$ 57,450.00 | |
| Unrealized Gain on Investments | 248,748.28 | |
| | | 306,198.28 |
| | | 1,768,496.42 |
| Decreased by: | | |
| Benefits Paid to Participants | 58,370.03 | |
| Administrative Expenses | 3,125.00 | |
| | | 61,495.03 |
| Balance December 31, 2020 | | \$ 1,707,001.39 |

Schedule of Investments December 31, 2020

| <u>Description</u> | <u>Amount</u> |
|-------------------------|-----------------|
| Fixed Annuity Contract | \$ 277,588.86 |
| Mutual Funds: | |
| Large Cap Value Funds | 44,526.38 |
| Large Cap Blended Funds | 788,619.96 |
| Large Cap Growth Funds | 159,786.20 |
| Mid Cap Value Funds | 86,940.87 |
| Mid Cap Growth Funds | 219,218.10 |
| Small Cap Growth Funds | 81,174.42 |
| Bonds | 42,486.71 |
| Target Date Funds | 6,659.89 |
| | \$ 1,707,001.39 |

TOWNSHIP OF MEDFORD
ANIMAL CONTROL FUND
Statement of Reserve for Animal Control Expenditures
For the Year Ended December 31, 2020

| | | |
|------------------------------------|-------------|--------------|
| Balance December 31, 2019 | | \$ 32,558.35 |
| Increased by: | | |
| Dog License Fees Collected | | 13,779.65 |
| | | 46,338.00 |
| Decreased by: | | |
| Statutory Excess Due Current Fund | \$ 1,538.94 | |
| Expenditures Under R.S.4:19- 15.11 | 14,007.81 | |
| | | 15,546.75 |
| Balance December 31, 2020 | | \$ 30,791.25 |

License Fees Collected

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2018 | \$ 15,807.40 |
| 2019 | 14,983.85 |
| | \$ 30,791.25 |

TOWNSHIP OF MEDFORD
ANIMAL CONTROL FUND
 Statement of Due to State of New Jersey
 For the Year Ended December 31, 2020

| | | |
|---------------------------|--|----------|
| Balance December 31, 2019 | | \$ 1.20 |
| Increased by: | | |
| Collections | | 1,671.60 |
| | | 1,672.80 |
| Decreased by: | | |
| Disbursed to State | | 1,672.80 |
| | | - |
| Balance December 31, 2020 | | \$ - |

Exhibit SB-5

ANIMAL CONTROL FUND
 Statement of Due to Current Fund
 For the Year Ended December 31, 2020

| | | |
|---------------------------------------|--|-------------|
| Balance December 31, 2019 | | \$ 551.24 |
| Increased by Receipts: | | |
| Statutory Excess Due Current Fund | | 1,538.94 |
| | | 2,090.18 |
| Decreased by: | | |
| Disbursements -- Interfund Liquidated | | 551.24 |
| | | - |
| Balance December 31, 2020 | | \$ 1,538.94 |

Exhibit SB-6

TRUST OTHER FUND
 Statement of Due Current Fund
 For the Year Ended December 31, 2020

| | | |
|--|--------------|-------------|
| Balance December 31, 2019 | | \$ - |
| Increased by: | | |
| Receipts: | | |
| Interest on Investments and Deposits | \$ 12,271.73 | |
| Revenues Anticipated - Planning and Zoning Fees | 50,821.50 | |
| | | 63,093.23 |
| | | 63,093.23 |
| Decreased by: | | |
| Disbursements | | |
| Interest Earnings Turned Over | 12,271.73 | |
| Planning and Zoning Fees Turned Over to Current Fund | 46,793.24 | |
| | | 59,064.97 |
| Balance December 31, 2020 | | \$ 4,028.26 |

TOWNSHIP OF MEDFORD
TRUST OTHER FUND
Statement of Changes in Miscellaneous Trust Other Reserves
For the Year Ended December 31, 2020

| | Increased by | | | Decreased by | | |
|---|--------------------------|--|-------------------------|-------------------------|-------------------------|--------------------------|
| | Balance Dec. 31, 2019 | Interest on Investments and Deposits | Other | Budget Appropriation | Disbursements | Balance Dec. 31, 2020 |
| Reserve for: | | | | | | |
| Outside Employment of Off-Duty Municipal Policemen | \$ 18,658.87 | | \$ 233,857.13 | | \$ 237,704.09 | \$ 14,811.91 |
| Payroll Deductions Payable | 125,031.15 | | 7,590,753.23 | | 7,580,254.85 | 135,529.53 |
| Flex Trust | 2,899.16 | | 8,883.06 | | 8,682.47 | 3,099.75 |
| Net Payroll | | | 7,601,955.03 | | 7,601,955.03 | |
| Special Law Enforcement | 24,835.27 | \$ 135.39 | 161.00 | | | 25,131.66 |
| Miscellaneous Deposits: | | | | | | |
| Recreation Improvements | 11,473.42 | | | | | 11,473.42 |
| Village Parking Improvements | 6,040.00 | | | | 6,040.00 | |
| Sidewalk Construction | 13,493.08 | | | | | 13,493.08 |
| 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 | 135,214.49 | | 1,500.00 | | 11,219.20 | 125,495.29 |
| Fair Share Traffic Construction | 9,536.00 | | | | | 9,536.00 |
| Police Officer Adjudication Act (POAA) | 822.00 | | 6.00 | | | 828.00 |
| K-9 Unit Trust | 815.28 | | | | | 815.28 |
| Planning Board Subdivision Escrow | 1,118,594.67 | 2,256.64 | 659,548.68 | | 608,247.07 | 1,172,152.92 |
| New Jersey Unemployment Compensation Insurance | 111,169.41 | | 4,529.48 | | 2,776.48 | 112,922.41 |
| Sanitary Landfill Facility Closure and Contingency Fund | 13,648.13 | | | | | 13,648.13 |
| Public Defender | 843.17 | 113.69 | 5,710.05 | | 6,045.83 | 621.08 |
| Housing | 614,896.48 | 1,473.12 | 27,101.13 | | 517,930.99 | 125,539.74 |
| Unclaimed Bail - Disposal of Forfeited Property | 13,434.02 | | | | | 13,434.02 |
| Fire Safety Penalties | 928.35 | 6.63 | 375.00 | | | 1,309.98 |
| Resale of Snow Removal Chemicals - Commodity Resale | 5,620.85 | | 1,617.30 | | | 7,238.15 |
| Snow Removal Trust Fund | 159,812.28 | 776.19 | 32,118.29 | | 33,589.10 | 159,117.66 |
| Federal Forfeiture Trust | 1,610.71 | 8.75 | | | | 1,619.46 |
| Tax Title Lien Redemption | 17,161.63 | | 964,217.48 | | 940,172.74 | 41,206.37 |
| Tax Sale Premium | 190,300.00 | | 876,400.00 | | 454,700.00 | 612,000.00 |
| Street Opening Trust | 99,678.46 | 564.07 | 15,199.80 | | 5,944.35 | 109,497.98 |
| Accumulated Absences | 52,680.52 | 290.29 | | \$ 10,000.00 | | 62,970.81 |
| Miscellaneous | 3,427.82 | | | | | 3,427.82 |
| Sunshine Trust | 824.39 | 5.18 | 676.50 | | 722.41 | 783.66 |
| | <u>\$ 2,765,549.61</u> | <u>\$ 5,629.95</u> | <u>\$ 18,024,609.16</u> | <u>\$ 10,000.00</u> | <u>\$ 18,015,984.61</u> | <u>\$ 2,789,804.11</u> |

TOWNSHIP OF MEDFORD
MUNICIPAL OPEN SPACE TRUST FUND
Statement of Reserve for Future Use
For the Year Ended December 31, 2020

| | | |
|---|-----------------|-------------------------------|
| Balance December 31, 2019 | | \$ 3,247,546.90 |
| Increased by: | | |
| Receipts: | | |
| County of Burlington | \$ 139,240.00 | |
| Interest on Investments and Deposits | 16,774.06 | |
| Other | <u>4,050.00</u> | |
| | | \$ 160,064.06 |
| Due from Current Fund: | | |
| Current Year Levy | | 731,157.00 |
| Added and Omitted Taxes - Current Year | | 6,982.42 |
| Cancellation of Prior Year Appropriation Reserves | | <u>102,232.90</u> |
| | | <u>1,000,436.38</u> |
| | | 4,247,983.28 |
| Decreased by: | | |
| Current Year Appropriations | | <u>1,105,371.00</u> |
| Balance December 31, 2020 | | <u><u>\$ 3,142,612.28</u></u> |

Exhibit SB-9

MUNICIPAL OPEN SPACE TRUST FUND
Statement of Due From Current Fund
For the Year Ended December 31, 2020

| | | |
|------------------------------|-----------------|----------------------|
| Increased by: | | |
| 2020 Tax Levy | \$ 731,157.00 | |
| 2020 Added and Omitted Taxes | <u>6,982.42</u> | |
| | | <u>\$ 738,139.42</u> |
| | | 738,139.42 |
| Decreased by: | | |
| Receipts | | <u>738,139.42</u> |
| Balance December 31, 2020 | | <u><u>\$ -</u></u> |

TOWNSHIP OF MEDFORD
MUNICIPAL OPEN SPACE TRUST FUND
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2020

| | <u>Balance Dec. 31, 2019</u> | | <u>Balance After Modification</u> | <u>Disbursed</u> | <u>Transferred to Accounts Payable</u> | <u>Lapsed to Fund Balance</u> |
|-------------------------------|------------------------------|----------------------|---|----------------------|--|-----------------------------------|
| | <u>Reserved</u> | <u>Encumbered</u> | | | | |
| Salary & Wages | \$ 18,770.33 | | \$ 18,770.33 | \$ 4,991.17 | | \$ 13,779.16 |
| Other Expenses | 82,984.25 | \$ 64,834.95 | 147,819.20 | 63,777.98 | \$ 891.00 | 83,150.22 |
| Acquisition of Farmland | 8,748.02 | 5,880.00 | 14,628.02 | 9,294.50 | 30.00 | 5,303.52 |
| Down Payments on Improvements | | 45,000.00 | 45,000.00 | 45,000.00 | | |
| | <u>\$ 110,502.60</u> | <u>\$ 115,714.95</u> | <u>\$ 226,217.55</u> | <u>\$ 123,063.65</u> | <u>\$ 921.00</u> | <u>\$ 102,232.90</u> |

TOWNSHIP OF MEDFORD
BIRCHWOOD LAKE DAM TRUST ASSESSMENT FUND
 Statement of Reserve for Dam Restoration
 For the Year Ended December 31, 2020

| | | |
|---------------------------------------|-----------------|-----------------------------|
| Balance December 31, 2019 | | \$ 446,531.30 |
| Increased by: | | |
| Receipts - Homeowner Payments | \$ 150,456.88 | |
| Interest Earnings | <u>2,337.16</u> | |
| | | <u>152,794.04</u> |
| | | 599,325.34 |
| Decreased by: | | |
| Disbursed - Current Year Expenditures | | <u>167,761.97</u> |
| Balance December 31, 2020 | | <u><u>\$ 431,563.37</u></u> |

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
Statement of General Capital Cash
For the Year Ended December 31, 2020

| | | |
|--|---------------------|--------------------------------|
| Balance December 31, 2019 | | \$ 14,773,820.11 |
| Increased by Receipts: | | |
| Capital Improvement Fund | \$ 783,000.00 | |
| Refunds of Improvement Authorizations | 24,855.14 | |
| Bond Anticipation Notes | 2,880,751.00 | |
| Serial Bonds Issued: | | |
| Serial Bonds Payable | 12,240,000.00 | |
| Serial Bonds Issued and Reduced with | | |
| Bond Premium - Deferred Charges Unfunded | 620,000.00 | |
| Premium on Sale of Bonds | 5,210.21 | |
| Other Miscellaneous Receipts | 4,210.38 | |
| Grants Receivable | <u>315,000.00</u> | |
| | | <u>16,873,026.73</u> |
| | | 31,646,846.84 |
| Decreased by Disbursements: | | |
| Improvement Authorizations | 11,506,728.55 | |
| Bond Anticipation Notes | <u>9,134,126.00</u> | |
| | | <u>20,640,854.55</u> |
| Balance December 31, 2020 | | <u><u>\$ 11,005,992.29</u></u> |

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
 Statement of General Capital Cash and Investments
 For the Year Ended December 31, 2020

| | Receipts | | | | | Disbursements | | Transfers | | Balance (Deficit) <u>Dec. 31, 2020</u> | |
|-------------------------------------|---|-----------------------------------|------------------------|--------------------------------------|----------------------|--------------------------------------|-----------------------------------|------------------------|-------------------------|--|-------------------------|
| | Balance (Deficit) <u>Dec. 31, 2019</u> | Bond Anticipation <u>Notes</u> | <u>Serial Bonds</u> | Improvement <u>Authorizations</u> | <u>Miscellaneous</u> | Improvement <u>Authorizations</u> | Bond Anticipation <u>Notes</u> | <u>From</u> | <u>To</u> | | |
| Fund Balance | \$ 164,717.92 | | | | \$ 9,420.59 | | | | | \$ 174,138.51 | |
| Capital Improvement Fund | 70,024.00 | | | | 783,000.00 | | | | \$ 547,744.00 | 305,280.00 | |
| Reserve for Encumbrances | 8,933,615.97 | | | | | | | \$ 5,145,219.70 | 8,933,615.97 | 5,145,219.70 | |
| Grants Receivable | (737,147.00) | | | | 315,000.00 | | | 100,000.00 | | (322,147.00) | |
| Reserve for Receivables | 222,147.00 | | | | | | | | | 222,147.00 | |
| 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 | 7,430.34 | | | | \$ 2,716.42 | | | | 4,713.92 | |
| 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 | 99,816.19 | 2,249,542.00 | | | 5,310.66 | 2,249,542.00 | 5,310.66 | | 99,816.19 | |
| 2013-16 | Various Capital Improvements | 389,705.06 | | | | 400,676.51 | | 20,927.15 | 9,102.79 | 852.91 | |
| 2014-10 | Various Capital Improvements | 176,532.26 | | | | 4,158.24 | | 29,763.12 | 96,096.28 | 106,040.86 | |
| 2015-15 | Various Capital Improvements | 25,896.58 | | | | 14,630.14 | | 5,100.00 | | 16,366.44 | |
| 2016-08 | Various Capital Improvements | 66,815.83 | | | | 2,217.33 | | 2,989.94 | 4,571.94 | 63,016.50 | |
| 2017-06 | Various Capital Improvements | 141,517.89 | | | | 155,475.20 | | 144,189.45 | 39,102.28 | 91,129.86 | |
| 2017-12 | Improvements to Various Parks and Drainage | 25,291.50 | | | | 20,360.17 | | | | 4,931.33 | |
| 2018-03 | Purchase of Land | 23,679.60 | | | | | | | 23,679.60 | | |
| 2018-10 | Various Capital Improvements | 1,056,090.73 | | \$ 24,825.14 | | 6,757,890.04 | | 7,383,323.10 | 1,231,193.40 | 475,155.53 | |
| 2019-07 | Various Capital Improvements | 3,750,756.56 | | 30.00 | | 2,340,272.21 | 6,253,375.00 | 1,342,012.55 | 1,030,302.28 | 1,721,849.62 | |
| 2020-08 | Various Capital Improvements | | \$ 6,253,000.00 | | | | | 255,425.99 | 62,205.52 | 193,220.47 | |
| 2020-14 | Various Capital Improvements | | | 6,607,000.00 | | 1,803,021.63 | | 547,744.00 | 3,004,391.60 | 2,347,330.77 | |
| | | <u>\$ 14,773,820.11</u> | <u>\$ 2,880,751.00</u> | <u>\$ 12,860,000.00</u> | <u>\$ 24,855.14</u> | <u>\$ 1,107,420.59</u> | <u>\$ 11,506,728.55</u> | <u>\$ 9,134,126.00</u> | <u>\$ 14,982,005.66</u> | <u>\$ 14,982,005.66</u> | <u>\$ 11,005,992.29</u> |

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -- Funded
For the Year Ended December 31, 2020

| | |
|--|--------------------------------|
| Balance December 31, 2019 | \$ 24,350,000.00 |
| Increased by: | |
| Serial Bonds Issued | <u>12,240,000.00</u> |
| | 36,590,000.00 |
| Decreased by: | |
| Serial Bonds Paid by Budget Appropriations | <u>1,920,000.00</u> |
| Balance December 31, 2020 | <u><u>\$ 34,670,000.00</u></u> |

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation -- Unfunded
 For the Year Ended December 31, 2020

| Ordinance Number | Improvement Description | Increased by | | Decreased by | | Analysis of Balance December 31, 2020 | | | |
|---|---|--------------------------|------------------------|---------------------------|---|--|---|-------------|---|
| | | Balance Dec. 31, 2019 | 2020 Authorizations | Serial Bonds Issued | Serial Bonds Issued and Reduced with Bond Premium | Balance Dec. 31, 2020 | Financed by Bond Anticipation Notes | Expended | Unexpended Improvement Authorizations |
| 2008-11 | Acquisition of Real Property - Cow Pointe | \$ 166,362.00 | | | | \$ 166,362.00 | \$ 166,362.00 | | |
| 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 | | \$ 5,997,600.00 | \$ 255,400.00 | 375.00 | | | \$ 375.00 |
| 2020-14 | Various Capital Improvements | | \$ 6,607,127.00 | 6,242,400.00 | 364,600.00 | 127.00 | | | 127.00 |
| | | <u>\$ 9,134,126.00</u> | <u>\$ 6,607,127.00</u> | <u>\$ 12,240,000.00</u> | <u>\$ 620,000.00</u> | <u>\$ 2,881,253.00</u> | <u>\$ 2,880,751.00</u> | <u>\$ -</u> | <u>\$ 502.00</u> |
| Improvement Authorizations Unfunded | | | | | | | | | \$ 101,988.43 |
| Less - Unexpended Proceeds of Bond Anticipation Notes Issued: | | | | | | | | | |
| Ordinance 2009-28 | | | | | | | | | (1,670.24) |
| Ordinance 2010-15 | | | | | | | | | (99,816.19) |
| | | | | | | | | | <u>\$ 502.00</u> |

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2020

| | |
|---|-----------------------------|
| Balance December 31, 2019 | \$ 70,024.00 |
| Increased by: | |
| Budget Appropriation | <u>783,000.00</u> |
| | 853,024.00 |
| Decreased by: | |
| Appropriation to Finance Improvement Authorizations | <u>547,744.00</u> |
| Balance December 31, 2020 | <u><u>\$ 305,280.00</u></u> |

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2020

| Ordinance Number | Improvement Description | Ordinance | | Balance Dec. 31, 2019 | | 2020 | | Prior Year Encumbrances Reclassified | Paid or Charged | Canceled | Balance Dec. 31, 2020 | |
|--|--|-----------|---------------|--------------------------|------------------------|------------------------|-------------------------|--|-------------------------|----------------------|--------------------------|----------------------|
| | | Date | Amount | Funded | Unfunded | Authorizations | Reappropriation | | | | 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 | | \$ 7,430.34 | | | | \$ 2,716.42 | | 4,713.92 | |
| 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 | | 99,816.19 | | | \$ 5,310.66 | 5,310.66 | | | 99,816.19 |
| 2013-16 | Various Capital Improvements | 12/23/13 | 2,190,607.00 | 389,705.06 | | \$ (3,008.98) | | 20,927.15 | 406,770.32 | | 852.91 | |
| 2014-10 | Various Capital Improvements | 08/05/14 | 1,004,500.00 | 176,532.26 | | (14,103.03) | | 29,763.12 | 86,151.49 | | 106,040.86 | |
| 2015-15 | Various Capital Improvements | 09/07/15 | 1,985,500.00 | 25,896.58 | | | | 5,100.00 | 14,630.14 | | 16,366.44 | |
| 2016-08 | Various Capital Improvements | 07/05/16 | 2,797,000.00 | 66,815.83 | | | | 2,989.94 | 6,789.27 | | 63,016.50 | |
| 2017-06 | Various Capital Improvements | 05/02/17 | 3,702,900.00 | 141,517.89 | | (38,223.18) | | 144,189.45 | 156,354.30 | | 91,129.86 | |
| 2017-12 | Improvements to Various Parks and Drainage | 09/19/17 | 100,000.00 | 25,291.50 | | | | | 20,360.17 | | 4,931.33 | |
| 2018-03 | Purchase of Land | 03/06/18 | 650,000.00 | 23,679.60 | | (23,679.60) | | | | | | |
| 2018-10 | Various Capital Improvements | 05/22/18 | 10,231,100.00 | 1,056,090.73 | | (176,411.20) | | 7,383,323.10 | 7,687,847.10 | \$ 100,000.00 | 475,155.53 | |
| 2019-07 | Various Capital Improvements | 05/21/19 | 6,582,500.00 | | 3,750,756.56 | | | 1,342,012.55 | 3,370,544.49 | | 1,721,849.62 | 375.00 |
| 2020-08 | Various Capital Improvements | 09/15/20 | 255,425.99 | | | 255,425.99 | | | 62,205.52 | | 193,220.47 | |
| 2020-14 | Various Capital Improvements | 07/08/20 | 7,154,871.00 | | | \$ 7,154,871.00 | | | 4,807,413.23 | | 2,347,330.77 | 127.00 |
| | | | | <u>\$ 1,905,829.45</u> | <u>\$ 3,859,673.33</u> | <u>\$ 7,154,871.00</u> | <u>\$ -</u> | <u>\$ 8,933,615.97</u> | <u>\$ 16,627,093.11</u> | <u>\$ 100,000.00</u> | <u>\$ 5,024,908.21</u> | <u>\$ 101,988.43</u> |
| Capital Improvements Fund | | | | | | \$ 547,744.00 | | | | | | |
| Deferred Charges to Future Taxation - Unfunded | | | | | | 6,607,127.00 | | | | | | |
| Canceled -- Grants Receivable | | | | | | | \$ 100,000.00 | | | | | |
| Disbursed | | | | | | | \$ 11,506,728.55 | | | | | |
| Reimbursed | | | | | | | (24,855.14) | | | | | |
| Encumbered | | | | | | | 5,145,219.70 | | | | | |
| | | | | | | <u>\$ 7,154,871.00</u> | <u>\$ 16,627,093.11</u> | | | | | |
| | | | | | | | <u>\$ 100,000.00</u> | | | | | |

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2020

| | | |
|---------------------------------------|--|-----------------|
| Balance December 31, 2019 | | \$ 8,933,615.97 |
| Increased by: | | |
| Charges to Improvement Authorizations | | 5,145,219.70 |
| | | 14,078,835.67 |
| Decreased by: | | |
| Prior Year Balance Reappropriated | | 8,933,615.97 |
| Balance December 31, 2020 | | \$ 5,145,219.70 |

Exhibit SC-8

GENERAL CAPITAL FUND
Statement of General Capital Grants Receivable
For the Year Ended December 31, 2020

| | | |
|---|---------------|---------------|
| Balance December 31, 2019 | | \$ 737,147.00 |
| Decreased by: | | |
| Receipts - General Capital Fund | \$ 315,000.00 | |
| Cancellation of Burlington County Park Grant by Resolution 175-2020 | 100,000.00 | |
| | | 415,000.00 |
| Balance December 31, 2020 | | \$ 322,147.00 |
| <u>Analysis of Balance December 31, 2020</u> | | |
| 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. 2018-10 - Burlington County Park Development Grant | | 100,000.00 |
| | | \$ 322,147.00 |

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2020

| Purpose | Date of Issue | Amount of Original Issue | Maturities of Bonds Outstanding Dec. 31, 2020 | | Interest Rate | Balance Dec. 31, 2019 | Increased by | Decreased by | Balance Dec. 31, 2020 |
|--|---------------|--------------------------|---|---------------|---------------|-----------------------|--------------|------------------------------|-----------------------|
| | | | Date | Amount | | | Issued | Paid By Budget Appropriation | |
| 2013 General Obligation Bonds, Series A | 05/09/13 | \$ 11,470,000.00 | 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% | | | | |
| | | | | | | | | | |
| 2013 Refunding Bonds, Series B | 05/09/13 | 3,510,000.00 | | | | 420,000.00 | | 420,000.00 | |
| 2015 General Obligation Bonds | 12/17/15 | 3,420,000.00 | 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% | | | | |
| | | | | | 2,370,000.00 | | 325,000.00 | 2,045,000.00 | |
| General Obligation Bonds, Bridge Commission 2018 | 09/06/18 | 15,508,787.00 | 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% | | | | |
| | | | | | | | | | |

(Continued)

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2020

| Purpose | Date of Issue | Amount of Original Issue | Maturities of Bonds Outstanding Dec. 31, 2020 | | Interest Rate | Balance Dec. 31, 2019 | Increased by | Decreased by | Balance Dec. 31, 2020 |
|--|---------------|--------------------------|---|---------------|---------------|-------------------------|-------------------------|------------------------------|-------------------------|
| | | | Date | Amount | | | Issued | Paid By Budget Appropriation | |
| 2020 General Improvement Bonds, Series B | 10/08/20 | \$ 12,240,000.00 | 05/01/21 | \$ 560,000.00 | 2.00% | | | | |
| | | | 05/01/22 | 580,000.00 | 2.00% | | | | |
| | | | 05/01/23 | 590,000.00 | 2.00% | | | | |
| | | | 05/01/24 | 595,000.00 | 2.00% | | | | |
| | | | 05/01/25 | 605,000.00 | 2.00% | | | | |
| | | | 05/01/26 | 620,000.00 | 2.00% | | | | |
| | | | 05/01/27 | 630,000.00 | 2.00% | | | | |
| | | | 05/01/28 | 645,000.00 | 2.00% | | | | |
| | | | 05/01/29 | 655,000.00 | 2.00% | | | | |
| | | | 05/01/30 | 675,000.00 | 3.00% | | | | |
| | | | 05/01/31 | 695,000.00 | 3.00% | | | | |
| | | | 05/01/32 | 715,000.00 | 3.00% | | | | |
| | | | 05/01/33 | 740,000.00 | 3.00% | | | | |
| | | | 05/01/34 | 755,000.00 | 2.00% | | | | |
| | | | 05/01/35 | 770,000.00 | 2.00% | | | | |
| | | | 05/01/36 | 785,000.00 | 2.00% | | | | |
| | | | 05/01/37 | 805,000.00 | 2.00% | | | | |
| | | | 05/01/38 | 820,000.00 | 2.00% | | | | |
| | | | | | | | \$ 12,240,000.00 | | \$ 12,240,000.00 |
| | | | | | | <u>\$ 24,350,000.00</u> | <u>\$ 12,240,000.00</u> | <u>\$ 1,920,000.00</u> | <u>\$ 34,670,000.00</u> |
| | | | | | | | | \$ 1,488,145.00 | |
| | | | | | | | | <u>431,855.00</u> | |
| | | | | | | | | <u>\$ 1,920,000.00</u> | |

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2020

| Ordinance Number | Improvement Description | Date of Original Issue | Date of Issue | Date of Maturity | Interest Rate | Balance Dec. 31, 2019 | Increased | Decreased | Balance Dec. 31, 2020 |
|---------------------|---|------------------------------|------------------|---------------------|------------------|--------------------------|-------------------------------|------------------------|--------------------------|
| 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 | \$ 166,362.00 |
| 2008-11 | Acquisition of Real Property - Cow Pointe | 12/14/18 | 10/08/20 | 10/07/21 | 0.75% | | \$ 166,362.00 | | \$ 166,362.00 |
| 2009-28 | Improvements to Public Safety Facilities | 12/14/18 | 10/11/19 | 10/09/20 | 1.90% | 464,847.00 | | 464,847.00 | |
| 2009-28 | Improvements to Public Safety Facilities | 12/14/18 | 10/08/20 | 10/07/21 | 0.75% | | 464,847.00 | | 464,847.00 |
| 2010-15 | Various Capital Improvements | 12/14/18 | 10/11/19 | 10/09/20 | 1.90% | 2,249,542.00 | | 2,249,542.00 | |
| 2010-15 | Various Capital Improvements | 12/14/18 | 10/08/20 | 10/07/21 | 0.75% | | 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>\$ 9,134,126.00</u> | <u>\$ 2,880,751.00</u> | <u>\$ 9,134,126.00</u> | <u>\$ 2,880,751.00</u> |
| | | | | | | | Renewed Paid by Bond Funds | \$ 2,880,751.00 | \$ 2,880,751.00 |
| | | | | | | | | <u>6,253,375.00</u> | |
| | | | | | | | <u>\$ 2,880,751.00</u> | <u>\$ 9,134,126.00</u> | |

TOWNSHIP OF MEDFORD
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2020

| Ordinance Number | Improvement Description | Balance Dec. 31, 2019 | Increased by | | Decreased by | | Balance Dec. 31, 2020 |
|---------------------|------------------------------|--------------------------|------------------------|----------------------------------|-------------------------|--|--------------------------|
| | | | 2020 Authorizations | Notes Paid With Bond Funds | Bonds Issued | | |
| 2019-07 | Various Capital Improvements | | | \$ 6,253,375.00 | \$ 6,253,000.00 | | \$ 375.00 |
| 2020-14 | Various Capital Improvements | | \$ 6,607,127.00 | | 6,607,000.00 | | 127.00 |
| | | <u>\$ -</u> | <u>\$ 6,607,127.00</u> | <u>\$ 6,253,375.00</u> | <u>\$ 12,860,000.00</u> | | <u>\$ 502.00</u> |

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, 2020

| | <u>Operating</u> | <u>Capital</u> |
|--|------------------|-----------------|
| Balance December 31, 2019 | \$ 2,220,964.31 | \$ 6,430,101.51 |
| Increased by Receipts: | | |
| Rents Receivable | \$ 5,843,350.53 | |
| Rent Overpayments | 28,719.22 | |
| Prepaid Rents | 556,780.78 | |
| Petty Cash | 100.00 | |
| Anticipated Revenue: | | |
| Miscellaneous Revenue | 1,127,344.05 | |
| Refunds of Appropriations | 25,051.38 | |
| Reserve for Insurance Claims | 11,378.96 | |
| Serial Bonds Issued | | \$ 4,143,000.00 |
| Premium on Sale of Bonds | | 6,705.89 |
| Bond Anticipation Notes Issued | | 466,798.00 |
| Premium on Sale of Bond Anticipation Notes | | 685.41 |
| | 7,592,724.92 | 4,617,189.30 |
| | 9,813,689.23 | 11,047,290.81 |
| Decreased by Disbursements: | | |
| 2020 Budget Appropriations | 5,903,726.83 | |
| 2019 Appropriation Reserves | 342,515.75 | |
| Rent Overpayment | 17,369.02 | |
| Accounts Payable | 19,093.83 | |
| Reserve for Insurance Claims | 10,730.00 | |
| Accrued Interest on Bonds, Loans and Notes | 548,838.96 | |
| Petty Cash | 100.00 | |
| Improvement Authorizations | | 1,427,241.65 |
| Bond Anticipation Notes Redeemed | | 2,190,298.00 |
| | 6,842,374.39 | 3,617,539.65 |
| Balance December 31, 2020 | \$ 2,971,314.84 | \$ 7,429,751.16 |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
 Analysis of Water and Sewer Capital Cash and Investments
 For the Year Ended December 31, 2020

| | Balance (Deficit) Dec. 31, 2019 | Receipts | | | Disbursements | | | Transfers From To | Balance (Deficit) Dec. 31, 2020 | |
|-------------------------------------|---|------------------------|--------------------|-------------------------------|-------------------------------|-------------------------------|------------------------|------------------------|---------------------------------------|------------------------|
| | | Miscellaneous | Bond Issue | Bond Anticipation Notes | Improvement Authorizations | Bond Anticipation Notes | | | | |
| Capital Improvement Fund | \$ 1,506,399.00 | | | | | | | | \$ 1,506,399.00 | |
| Reserve for Payment of Debt Service | 55,488.73 | | | | | | | | 55,488.73 | |
| Reserve for Encumbrances | 440,518.60 | | | | | | \$ 440,518.60 | \$ 1,839,971.72 | 1,839,971.72 | |
| Fund Balance | 25,062.63 | \$ 7,391.30 | | | | | | | 32,453.93 | |
| 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 | | | | | 721.12 | | 32.00 | |
| 2002-10 | Various Utility Capital Improvements | 23.31 | | | | | 23.31 | | | |
| 2003-15 | Various Utility Capital Improvements | 39.63 | | | | | 18.38 | | 21.25 | |
| 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 | 915.75 | | | | | 915.75 | | | |
| 2007-09 | Various Utility Capital Improvements | 1,544.05 | | | | | 1,544.05 | | | |
| 2007-11 | Infrastructure Improvements to Sewer 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 | 24,422.03 | | 500.00 | 26,422.03 | 500.00 | 12,497.80 | 14,497.80 | | |
| 2009-27 | Improvements for Wastewater Treatment Plant | 134.00 | | | | | | | 134.00 | |
| 2010-16 | Various Utility Capital Improvements | 345,605.90 | | 435,000.00 | 591.50 | 435,000.00 | 26,564.04 | 23,772.91 | 342,223.27 | |
| 2010-21 | Various Utility Capital Improvements | 3,888.68 | | 4,460.00 | | 4,460.00 | 3,888.68 | | | |
| 2014-11 | Various Utility Capital Improvements | 8,008.14 | | | 8,595.96 | | | 587.82 | | |
| 2015-16 | Various Utility Capital Improvements | 220,164.67 | | | 130,937.84 | | 122,101.74 | 32,874.91 | | |
| 2017-02 | Various Utility Capital Improvements | 45,589.52 | | | 6,763.07 | | 40,488.70 | 6,763.07 | 5,100.82 | |
| 2017-05 | Various Utility Capital Improvements | 449,981.38 | | | 208,041.35 | | 147,989.16 | 16,193.24 | 110,144.11 | |
| 2018-11 | Various Utility Capital Improvements | 1,719,244.58 | | | 248,137.33 | | 889,737.38 | 186,993.41 | 768,363.28 | |
| 2019-08 | Various Utility Capital Improvements | 1,537,922.50 | \$ 1,723,000.00 | | 429,476.88 | 1,723,500.00 | 292,979.70 | 155,689.50 | 970,655.42 | |
| 2020-09 | South Standpipe Rehabilitation | | | | 196,823.84 | | | 196,823.84 | | |
| 2020-15 | Improvements to Water Distribution/Storage System | | 2,420,000.00 | | 171,051.85 | | 495,705.25 | | 1,753,242.90 | |
| | | <u>\$ 6,430,101.51</u> | <u>\$ 7,391.30</u> | <u>\$ 4,143,000.00</u> | <u>\$ 466,798.00</u> | <u>\$ 1,427,241.65</u> | <u>\$ 2,190,298.00</u> | <u>\$ 2,477,314.22</u> | <u>\$ 2,477,314.22</u> | <u>\$ 7,429,751.16</u> |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
Statement of Water and Sewer Rents Receivable
For the Year Ended December 31, 2020

| | | |
|------------------------------|-----------------|---------------|
| Balance December 31, 2019 | | \$ 235,645.97 |
| Increased by: | | |
| Water and Sewer Rents Levied | | 6,435,069.73 |
| | | 6,670,715.70 |
| Decreased by: | | |
| Collected | \$ 5,843,350.53 | |
| Overpayments Applied | 20,451.89 | |
| Prepayments Applied | 624,893.38 | |
| | | 6,488,695.80 |
| Balance December 31, 2020 | | \$ 182,019.90 |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2020

| | <u>Balance Dec. 31, 2019</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 | | \$ 83,160.48 | \$ 83,160.48 | \$ 15,739.27 | | \$ 67,421.21 |
| Other Expenses | \$ 386,710.41 | 115,472.59 | 502,183.00 | 286,747.36 | \$ 44,861.06 | 170,574.58 |
| Capital Improvements: | | | | | | |
| Capital Outlay | 44,035.35 | 34,044.30 | 78,079.65 | 39,886.16 | | 38,193.49 |
| Statutory Expenditures: | | | | | | |
| Retiree Health Benefits | | 14,479.49 | 14,479.49 | | | 14,479.49 |
| Contributions to Social Security (O.A.S.I.) | | 142.96 | 142.96 | 142.96 | | |
| | <u>\$ 430,745.76</u> | <u>\$ 247,299.82</u> | <u>\$ 678,045.58</u> | <u>\$ 342,515.75</u> | <u>\$ 44,861.06</u> | <u>\$ 290,668.77</u> |
| Disbursements | | | | <u>\$ 342,515.75</u> | | |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
 Statement of Accounts Payable
 For the Year Ended December 31, 2020

| | | |
|-----------------------------|--------------|--------------|
| Balance December 31, 2019 | | \$ 87,557.29 |
| Increased by: | | |
| 2020 Appropriation Reserves | | 44,861.06 |
| | | 132,418.35 |
| Decreased by: | | |
| Disbursements | \$ 19,093.83 | |
| Cancelled -- Fund Balance | 39,682.06 | |
| | | 58,775.89 |
| Balance December 31, 2020 | | \$ 73,642.46 |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2020

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Ordinance Date</u> | <u>Amount</u> | <u>Balance Dec. 31, 2019</u> | <u>2020 Authorizations</u> | <u>Costs to Fixed Capital</u> | <u>Canceled/ Transferred</u> | <u>Balance Dec. 31, 2020</u> |
|-------------------------|--|-----------------------|-----------------|------------------------------|----------------------------|-------------------------------|------------------------------|------------------------------|
| 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 | | | \$ (98,657.74) | 631,342.26 |
| 2017-02 | Various Utility Capital Improvements | 02/21/17 | 1,587,350.00 | 1,587,350.00 | | | (35,262.20) | 1,552,087.80 |
| 2017-05 | Various Utility Capital Improvements | 05/02/17 | 1,432,450.00 | 1,432,450.00 | | | (62,903.90) | 1,369,546.10 |
| 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 |
| 2020-09 | South Standpipe Rehabilitation | 07/21/20 | 196,823.84 | | | 196,823.84 | 196,823.84 | |
| 2020-15 | Improvements to Water Distribution/Storage System | 07/08/20 | 2,420,000.00 | | \$ 2,420,000.00 | | | 2,420,000.00 |
| | | | | <u>\$ 17,574,906.28</u> | <u>\$ 2,420,000.00</u> | <u>\$ 878,323.84</u> | <u>\$ -</u> | <u>\$ 19,116,582.44</u> |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2020

| Account | Balance Dec. 31, 2019 | Increased by | | Balance Dec. 31, 2020 |
|--|--------------------------|----------------------|---|--------------------------|
| | | Capital Outlay | Transfer from Fixed Capital Authorized and Uncompleted | |
| 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 | 1,853,418.90 | \$ 11,823.00 | | 1,865,241.90 |
| 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 | 117,316.38 | 640.40 | | 117,956.78 |
| 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 | 65,000.00 | | 779,328.81 |
| 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 | 743,195.36 | 36,287.76 | | 779,483.12 |
| 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 | | \$ 681,500.00 | 3,411,500.00 |
| 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 |
| South Standpipe Rehabilitation | | | 196,823.84 | 196,823.84 |
| | <u>\$ 68,234,286.46</u> | <u>\$ 113,751.16</u> | <u>\$ 878,323.84</u> | <u>\$ 69,226,361.46</u> |
| Current Year Budget | | \$ 73,865.00 | | |
| Appropriation Reserve | | 39,886.16 | | |
| | | <u>\$ 113,751.16</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, 2020

| | | |
|--|---------------|---------------|
| Balance December 31, 2019 | | \$ 182,408.41 |
| Increased by - Charges to Budget Appropriations: | | |
| Interest on: | | |
| Bonds | \$ 294,455.86 | |
| Loans | 248,853.20 | |
| Notes | 37,492.08 | |
| | | 580,801.14 |
| | | 763,209.55 |
| Decreased by Disbursements: | | |
| Accrued Interest on: | | |
| Bonds | 242,236.29 | |
| Loans | 259,221.44 | |
| Notes | 47,381.23 | |
| | | 548,838.96 |
| Balance December 31, 2020 | | \$ 214,370.59 |

Analysis of Accrued Interest December 31, 2020

| Principal Outstanding Dec. 31, 2020 | Interest Rate | From | To | Period | Amount |
|---|------------------|----------|----------|------------|---------------|
| Serial Bonds: | | | | | |
| \$ 915,000.00 | Various | 11/01/20 | 12/31/20 | 2.0 Months | \$ 4,327.08 |
| 1,650,000.00 | Various | 08/01/20 | 12/31/20 | 5.0 Months | 14,640.63 |
| 1,190,000.00 | Various | 12/01/20 | 12/31/20 | 1.0 Month | 2,718.75 |
| 569,000.00 | Various | 08/15/20 | 12/31/20 | 4.5 Months | 8,535.00 |
| 700,000.00 | Various | 08/01/20 | 12/31/20 | 5.0 Months | 14,583.33 |
| 2,005,000.00 | Various | 07/15/20 | 12/31/20 | 5.5 Months | 43,931.25 |
| 3,979,000.00 | Various | 10/08/20 | 12/31/20 | 3 Months | 24,692.70 |
| | | | | | 113,428.74 |
| N.J. Environmental Infrastructure Trust Loan: | | | | | |
| 130,000.00 | Various | 08/01/20 | 12/31/20 | 5.0 Months | 2,418.21 |
| 515,000.00 | Various | 08/01/20 | 12/31/20 | 5.0 Months | 9,458.33 |
| 2,040,000.00 | Various | 08/01/20 | 12/31/20 | 5.0 Months | 36,445.83 |
| 1,125,000.00 | Various | 08/01/20 | 12/31/20 | 5.0 Months | 17,816.67 |
| 420,000.00 | Various | 08/01/20 | 12/31/20 | 5.0 Months | 6,650.00 |
| 500,000.00 | Various | 08/01/20 | 12/31/20 | 5.0 Months | 9,025.00 |
| 1,015,000.00 | Various | 08/01/20 | 12/31/20 | 5.0 Months | 18,312.50 |
| | | | | | 100,126.54 |
| Bond Anticipation Notes: | | | | | |
| 466,798.00 | 0.75% | 10/08/20 | 12/31/20 | 85 Days | 815.31 |
| | | | | | 815.31 |
| | | | | | \$ 214,370.59 |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2020

| Ordinance Number | Improvement Description | Date | Ordinance Amount | Balance Dec. 31, 2019 | | Increased by | | Decreased by | | Balance Dec. 31, 2020 | |
|----------------------------|--|----------|------------------|------------------------|------------------------|------------------------|--------------------------------------|------------------------|----------------|------------------------|----------------------|
| | | | | Funded | Unfunded | 2020 Authorizations | Prior Year Encumbrances Reclassified | Paid or Charged | Reappropriated | 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 | | | | \$ 721.12 | | 32.00 | |
| 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 | | | | 18.38 | | 21.25 | |
| 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 | 915.75 | | | | 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 | 23,922.03 | 500.00 | | 14,497.80 | 38,919.83 | | | |
| 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 | | 23,772.91 | 27,155.54 | | | 342,223.27 |
| 2010-21 | Various Utility Capital Improvements | 07/31/10 | 3,470,000.00 | | 3,888.68 | | | 3,888.68 | | | |
| 2014-11 | Various Utility Capital Improvements | 08/25/14 | 681,500.00 | 8,008.14 | | | 587.82 | 8,595.96 | | | |
| 2015-16 | Various Utility Capital Improvements | 09/07/15 | 730,000.00 | 220,164.73 | | | 32,874.85 | 154,381.84 | \$ (98,657.74) | | |
| 2017-02 | Various Utility Capital Improvements | 02/21/17 | 1,587,350.00 | 45,589.52 | | | 6,763.07 | 11,989.57 | (35,262.20) | 5,100.82 | |
| 2017-05 | Various Utility Capital Improvements | 05/02/17 | 1,432,450.00 | 449,981.38 | | | 16,193.24 | 293,126.61 | (62,903.90) | 110,144.11 | |
| 2018-11 | Various Utility Capital Improvements | 06/06/18 | 2,126,500.00 | 852,992.28 | 866,252.30 | | 186,993.41 | 1,137,874.71 | | 767,863.28 | 500.00 |
| 2019-08 | Various Utility Capital Improvements | 05/21/19 | 1,723,500.00 | | 1,537,922.50 | | 155,689.50 | 722,456.58 | | 971,155.42 | |
| 2020-09 | South Standpipe Rehabilitation | 07/21/20 | 196,823.84 | | | | | 196,823.84 | 196,823.84 | | |
| 2020-15 | Improvements to Water Distribution/Storage System | 07/08/20 | 2,420,000.00 | | | \$ 2,420,000.00 | | 666,757.10 | | 1,753,242.90 | |
| | | | | <u>\$ 1,621,609.80</u> | <u>\$ 2,781,022.75</u> | <u>\$ 2,420,000.00</u> | <u>\$ 440,518.60</u> | <u>\$ 3,267,213.37</u> | <u>\$ -</u> | <u>\$ 3,626,939.08</u> | <u>\$ 368,998.70</u> |
| Bonds and Notes Authorized | | | | | | \$ 2,420,000.00 | | | | | |
| Disbursed | | | | | | | \$ 1,427,241.65 | | | | |
| Reserve for Encumbrances | | | | | | | 1,839,971.72 | | | | |
| | | | | | | <u>\$ 2,420,000.00</u> | <u>\$ 3,267,213.37</u> | | | | |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Reserve for Encumbrances
 For the Year Ended December 31, 2020

| | | |
|---------------------------------------|--|-------------------------------|
| Balance December 31, 2019 | | \$ 440,518.60 |
| Increased by: | | |
| Charges to Improvement Authorizations | | <u>1,839,971.72</u> |
| | | 2,280,490.32 |
| Decreased by: | | |
| Prior Year Balance Reappropriated | | <u>440,518.60</u> |
| Balance December 31, 2020 | | <u><u>\$ 1,839,971.72</u></u> |

Exhibit SD-11

WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Reserve for Amortization
 For the Year Ended December 31, 2020

| | | |
|--|------------------|--------------------------------|
| Balance December 31, 2019 | | \$ 57,127,003.36 |
| Increased by: | | |
| Paid by Utility Operating Fund: | | |
| Serial Bonds - Paid by Budget Appropriation | \$ 988,000.00 | |
| Loans Payable - Paid by Budget Appropriation | 1,087,084.76 | |
| Loans Payable - Decreased by NJEIT Principal Savings Credits | <u>52,291.45</u> | |
| | | \$ 2,127,376.21 |
| Receipts: | | |
| Serial Bonds Issued and Reduced with Bond Premium | | 164,000.00 |
| Completed Projects: | | |
| Transferred from Reserve for Deferred Amortization | | 878,323.84 |
| Capital Outlay: | | |
| 2020 Charges | | <u>113,751.16</u> |
| | | <u>3,283,451.21</u> |
| Balance December 31, 2020 | | <u><u>\$ 60,410,454.57</u></u> |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Water and Sewer Serial Bonds
For the Year Ended December 31, 2020

| Purpose | Date of Issue | Original Issue | Maturity of Bonds | | Interest Rate | Balance Dec. 31, 2019 | Increased by | Decreased by | Balance Dec. 31, 2020 |
|--|---------------|-----------------|---------------------------|--------------|---------------|-----------------------|--------------|--------------|-----------------------|
| | | | Outstanding Dec. 31, 2020 | Date | | | Amount | Issued | |
| General Obligation Bonds, Series 2013A | 05/09/13 | \$ 1,305,000.00 | 05/01/21-23 | \$ 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% | \$ 975,000.00 | | \$ 60,000.00 | \$ 915,000.00 |
| Refunding Bonds, Series 2013B | 05/09/13 | 5,140,000.00 | 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% | 2,180,000.00 | | 530,000.00 | 1,650,000.00 |
| General Obligation Bonds, Series 2015 | 12/17/15 | 1,470,000.00 | 06/01/21 | 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% | 1,250,000.00 | | 60,000.00 | 1,190,000.00 |
| Refunding Bonds, Bridge Commission 2017 | 03/28/17 | 905,000.00 | 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% | 652,000.00 | | 83,000.00 | 569,000.00 |
| General Obligation Bonds, Bridge Commission 2018 | 09/06/18 | 946,932.00 | 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% | 770,000.00 | | 70,000.00 | 700,000.00 |

(Continued)

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Water and Sewer Serial Bonds
For the Year Ended December 31, 2020

| Purpose | Date of Issue | Original Issue | Maturity of Bonds | | Interest Rate | Balance Dec. 31, 2019 | Increased by | Decreased by | Balance Dec. 31, 2020 |
|---|---------------|-----------------|---------------------------|---------------|---------------|------------------------|------------------------|------------------------|-------------------------|
| | | | Outstanding Dec. 31, 2020 | Date | | | Amount | Issued | |
| General Obligation Refunding Bonds, Series 2019 | 10/30/19 | \$ 2,260,000.00 | 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 | | \$ 255,000.00 | \$ 2,005,000.00 |
| General Obligation Bonds, Series 2020 | 10/08/20 | 3,979,000.00 | 05/01/21 | 164,000.00 | 2.000% | | | | |
| | | | 05/01/22 | 165,000.00 | 2.000% | | | | |
| | | | 05/01/23-24 | 170,000.00 | 2.000% | | | | |
| | | | 05/01/25-26 | 175,000.00 | 2.000% | | | | |
| | | | 05/01/27 | 180,000.00 | 2.000% | | | | |
| | | | 05/01/28-29 | 185,000.00 | 2.000% | | | | |
| | | | 05/01/30 | 190,000.00 | 3.000% | | | | |
| | | | 05/01/31 | 195,000.00 | 3.000% | | | | |
| | | | 05/01/32 | 205,000.00 | 3.000% | | | | |
| | | | 05/01/33 | 210,000.00 | 3.000% | | | | |
| | | | 05/01/34 | 215,000.00 | 2.000% | | | | |
| | | | 05/01/35 | 220,000.00 | 2.000% | | | | |
| | | | 05/01/36 | 225,000.00 | 2.000% | | | | |
| | | | 05/01/37 | 230,000.00 | 2.000% | | | | |
| | | | 05/01/38 | 235,000.00 | 2.000% | | | | |
| | | | 05/01/39 | 240,000.00 | 2.000% | | | | |
| | | | 05/01/40 | 245,000.00 | 2.000% | | | \$ 3,979,000.00 | |
| | | | | | | <u>\$ 8,087,000.00</u> | <u>\$ 3,979,000.00</u> | <u>\$ 1,058,000.00</u> | <u>\$ 11,008,000.00</u> |
| Reserve for Deferred Amortization | | | | | | | | \$ 70,000.00 | |
| Reserve for Amortization | | | | | | | | <u>988,000.00</u> | |
| | | | | | | | | <u>\$ 1,058,000.00</u> | |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
Statement of New Jersey Environmental Infrastructure Loans Payable
For the Year Ended December 31, 2020

| Purpose | Loan Amount | Date of Loan | Maturity of Notes | | Interest Rate | Balance Dec. 31, 2019 | Paid by Budget Appropriation | Balance Dec. 31, 2020 |
|---|---------------|--------------|--|---|--|-----------------------|------------------------------|-----------------------|
| | | | Outstanding Date | Dec. 31, 2020 Amount | | | | |
| N.J. Environmental Infrastructure Trust Loan - 2002 | \$ 835,000.00 | 10/30/02 | 08/01/21 08/01/22 | \$ 65,000.00 65,000.00 | 5.000% 4.750% | \$ 190,000.00 | \$ 60,000.00 | \$ 130,000.00 |
| N.J. Environmental Infrastructure Fund Loan - 2002 | 880,709.00 | 10/30/02 | 02/01/21 08/01/21 02/01/22 08/01/22 | 2,080.14 44,749.80 1,013.40 43,683.28 | NIL NIL NIL NIL | 137,043.65 | 45,517.03 | 91,526.62 |
| N.J. Environmental Infrastructure Trust Loan - 2007 | 1,100,000.00 | 11/08/07 | 08/01/21-22 08/01/23 08/01/24-25 08/01/26 08/01/27 | 65,000.00 70,000.00 75,000.00 80,000.00 85,000.00 | 5.000% 4.250% 4.500% 4.500% 4.250% | 575,000.00 | 60,000.00 | 515,000.00 |
| N.J. Environmental Infrastructure Fund Loan - 2007 | 1,106,200.00 | 11/08/07 | 02/01/21 08/01/21 02/01/22 08/01/22 02/01/23 08/01/23 02/01/24 08/01/24 02/01/25 08/01/25 02/01/26 08/01/26 02/01/27 08/01/27 | 7,633.94 49,976.91 6,575.37 48,918.34 5,516.80 51,116.92 4,547.79 53,405.07 3,448.50 52,305.78 2,349.22 54,463.64 1,176.64 56,548.43 | NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL | 453,900.49 | 55,917.14 | 397,983.35 |

(Continued)

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
Statement of New Jersey Environmental Infrastructure Loans Payable
For the Year Ended December 31, 2020

| <u>Purpose</u> | <u>Loan Amount</u> | <u>Date of Loan</u> | <u>Maturity of Notes Outstanding Dec. 31, 2020</u> | | <u>Interest Rate</u> | <u>Balance Dec. 31, 2019</u> | <u>Paid by Budget Appropriation</u> | <u>Balance Dec. 31, 2020</u> |
|---|--------------------|---------------------|--|---------------|----------------------|------------------------------|-------------------------------------|------------------------------|
| | | | <u>Date</u> | <u>Amount</u> | | | | |
| N.J. Environmental Infrastructure Trust Loan - 2008 | \$ 3,785,000.00 | 11/06/08 | 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 | 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, 2020

| Purpose | Loan Amount | Date of Loan | Maturity of Notes | | Interest Rate | Balance Dec. 31, 2019 | Paid by Budget Appropriation | Balance Dec. 31, 2020 |
|--|-----------------|--------------|-------------------|----------------------|---------------|-----------------------|------------------------------|-----------------------|
| | | | Outstanding Date | Dec. 31, 2020 Amount | | | | |
| N.J. Environmental Infrastructure Trust Loan - 2009 | \$ 1,965,000.00 | 11/19/09 | 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% | | | |
| | | | | | | | | |
| N.J. Environmental Infrastructure Fund Loan - 2009 | 1,857,763.00 | 11/19/09 | 02/01/21-29 | 31,487.50 | NIL | | | |
| | | | 08/01/21-28 | 62,975.01 | NIL | | | |
| | | | 08/01/29 | 62,975.31 | NIL | | | |
| | | | | | 944,625.40 | 94,462.51 | 850,162.89 | |
| N.J. Environmental Infrastructure Trust Loan - 2010A | 735,000.00 | 03/10/10 | 08/01/21-22 | 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% | | | |
| | | | | | 460,000.00 | 40,000.00 | 420,000.00 | |
| N.J. Environmental Infrastructure Fund Loan - 2010A | 2,252,000.00 | 03/10/10 | 02/01/21-29 | 12,711.86 | NIL | | | |
| | | | 08/01/21-28 | 25,423.72 | NIL | | | |
| | | | 08/01/29 | 25,423.98 | NIL | | | |
| | | | | | 381,356.06 | 38,135.58 | 343,220.48 | |
| N.J. Environmental Infrastructure Trust Loan - 2010B | 785,000.00 | 12/02/10 | 08/01/21 | 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% | | | |
| | | | | | | | | |
| N.J. Environmental Infrastructure Fund Loan - 2010B | 2,478,810.00 | 12/02/10 | 02/01/21-30 | 42,013.72 | NIL | | | |
| | | | 08/01/21-29 | 84,027.45 | NIL | | | |
| | | | 08/01/30 | 84,027.77 | NIL | | | |
| | | | | | 1,386,453.19 | 126,041.17 | 1,260,412.02 | |

(Continued)

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
Statement of New Jersey Environmental Infrastructure Loans Payable
For the Year Ended December 31, 2020

| Purpose | Loan Amount | Date of Loan | Maturity of Notes Outstanding Dec. 31, 2020 | | Interest Rate | Balance Dec. 31, 2019 | Paid by Budget Appropriation | Balance Dec. 31, 2020 |
|--|-----------------|--------------|---|--------------|---------------|-------------------------|------------------------------|-------------------------|
| | | | Date | Amount | | | | |
| N.J. Environmental Infrastructure Trust Loan - 2010B | \$ 1,585,000.00 | 12/02/10 | 08/01/21 | \$ 80,000.00 | 5.000% | \$ 1,090,000.00 | \$ 75,000.00 | \$ 1,015,000.00 |
| | | | 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% | | | |
| | | | N.J. Environmental Infrastructure Fund Loan - 2010B | 1,707,500.00 | 12/02/10 | | | |
| 08/01/21-29 | 28,940.67 | NIL | | | | | | |
| 08/01/30 | 28,941.00 | NIL | | | | | | |
| | | | | | | | | |
| | | | | | | <u>\$ 11,549,701.86</u> | <u>\$ 1,139,376.21</u> | <u>\$ 10,410,325.65</u> |
| | | | | | | | \$ 1,087,084.76 | |
| | | | | | | | 52,291.45 | |
| | | | | | | | <u>\$ 1,139,376.21</u> | |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
Schedule of Capital Improvement Fund
As of December 31, 2020

Balance December 31, 2020

\$ 1,506,399.00

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
Statement of Overpaid Sewer Service Charges
For the Year Ended December 31, 2020

| | | |
|---|--------------|--------------|
| Balance December 31, 2019 | | \$ 16,071.42 |
| Increased by: | | |
| Receipts | | 28,719.22 |
| | | 44,790.64 |
| Decreased by: | | |
| Applied to Water and Sewer Rents Receivable | \$ 20,451.89 | |
| Overpayment Refunds | 17,369.02 | |
| | | 37,820.91 |
| Balance December 31, 2020 | | \$ 6,969.73 |

Exhibit SD-16

WATER AND SEWER UTILITY OPERATING FUND
Statement of Prepaid Sewer Charges
For the Year Ended December 31, 2020

| | | |
|---------------------------------------|--|---------------|
| Balance December 31, 2019 | | \$ 624,893.38 |
| Increased by: | | |
| Collections - 2021 Rents | | 556,780.78 |
| | | 1,181,674.16 |
| Decreased by: | | |
| Applied to 2020 Sewer Service Charges | | 624,893.38 |
| Balance December 31, 2020 | | \$ 556,780.78 |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Deferred Reserve for Amortization
For the Year Ended December 31, 2020

| | |
|---|-------------------------------|
| Balance December 31, 2019 | \$ 6,855,189.52 |
| Increased by: | |
| Serial Bonds Paid by Budget Appropriation | <u>70,000.00</u> |
| | 6,925,189.52 |
| Decreased by: | |
| Completed Projects - Transfer to Reserve for Amortization | <u>878,323.84</u> |
| Balance December 31, 2020 | <u><u>\$ 6,046,865.68</u></u> |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY OPERATING FUND
Statement of Insurance Claims Receivable
For the Year Ended December 31, 2020

| | |
|-----------------------------------|---------------------------|
| Balance December 31, 2019 | \$ 9,922.45 |
| Increased by: | |
| Reimbursable Expenditures Paid | <u>10,730.00</u> |
| | 20,652.45 |
| Decreased by: | |
| Insurance Reimbursements Received | <u>11,378.96</u> |
| Balance December 31, 2020 | <u><u>\$ 9,273.49</u></u> |

TOWNSHIP OF MEDFORD
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2020

| Ordinance Number | Improvement Description | Date of Original Issue | Date of Issue | Date of Maturity | Interest Rate | Balance Dec. 31, 2019 | Increased | Decreased | Balance Dec. 31, 2020 |
|--|--|------------------------------|------------------|---------------------|------------------|--------------------------|----------------------|------------------------|--------------------------|
| 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 | |
| 1998-14 | Construction of Various Utility Capital Improvements | 12/14/18 | 10/08/20 | 10/07/21 | 0.75% | | \$ 26,275.00 | | \$ 26,275.00 |
| 2007-11 | Infrastructure Improvements to Sewer Treatment Plant | 12/14/18 | 10/11/19 | 10/09/20 | 1.90% | 167.00 | | 167.00 | |
| 2007-11 | Infrastructure Improvements to Sewer Treatment Plant | 12/14/18 | 10/08/20 | 10/07/21 | 0.75% | | 167.00 | | 167.00 |
| 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 | |
| 2008-20 | Phase II of the Sewer Plant Upgrade Project | 12/14/18 | 10/08/20 | 10/07/21 | 0.75% | | 396.00 | | 396.00 |
| 2009-20 | Various Utility Capital Improvements | 12/14/18 | 10/11/19 | 10/09/20 | 1.90% | 500.00 | | 500.00 | |
| 2009-20 | Various Utility Capital Improvements | 12/14/18 | 10/08/20 | 10/07/21 | 0.75% | | 500.00 | | 500.00 |
| 2010-16 | Various Utility Capital Improvements | 12/14/18 | 10/11/19 | 10/09/20 | 1.90% | 435,000.00 | | 435,000.00 | |
| 2010-16 | Various Utility Capital Improvements | 12/14/18 | 10/08/20 | 10/07/21 | 0.75% | | 435,000.00 | | 435,000.00 |
| 2010-21 | Various Utility Capital Improvements | 12/14/18 | 10/11/19 | 10/09/20 | 1.90% | 4,460.00 | | 4,460.00 | |
| 2010-21 | Various Utility Capital Improvements | 12/14/18 | 10/08/20 | 10/07/21 | 0.75% | | 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>\$ 2,190,298.00</u> | <u>\$ 466,798.00</u> | <u>\$ 2,190,298.00</u> | <u>\$ 466,798.00</u> |
| | | | | | | | \$ 466,798.00 | \$ 466,798.00 | |
| Renewed Paid with Serial Bonds Issued | | | | | | | | 1,723,500.00 | |
| | | | | | | | <u>\$ 466,798.00</u> | <u>\$ 2,190,298.00</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, 2020

| Ordinance Number | Improvement Description | Balance Dec. 31, 2019 | Increased by | | Decreased by | Balance Dec. 31, 2020 |
|---------------------|--------------------------------------|--------------------------|------------------------|----------------------------------|-----------------|--------------------------|
| | | | 2020 Authorizations | Notes Paid from Bond Funds | Bonds Issued | |
| 2019-08 | Various Utility Capital Improvements | | | \$ 1,723,500.00 | \$ 1,723,000.00 | \$ 500.00 |
| 2020-15 | Various Utility Capital Improvements | | \$ 2,420,000.00 | | 2,420,000.00 | |
| | | \$ - | \$ 2,420,000.00 | \$ 1,723,500.00 | \$ 4,143,000.00 | \$ 500.00 |

PART II
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2020

TOWNSHIP OF MEDFORD
Schedule of Findings and Recommendations
For the Year Ended December 31, 2020

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

There are no current year findings.

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

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

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

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

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 | |
| Erik Rebstock | Deputy Mayor | |
| Bradley Denn | Councilman | |
| Frank Czekay | Councilman | |
| Lauren Kochan | Councilwoman | |
| 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 (Through 9/30/20) | (A) |
| Rachel Warrington | Tax Collector (From 10/1/20) | (A) |
| 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 | |

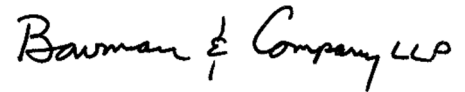
(A) Covered under the Burlington County Municipal Joint Insurance Fund, Municipal Excess Liability Joint Insurance Fund and the N.J. Municipal Environmental Risk Management Joint Insurance Fund for \$1,000,000.00

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APPRECIATION

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Bowman & Company LLP".

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in cursive script that reads "R.P. Jr.".

Robert P. Nehila, Jr.
Certified Public Accountant
Registered Municipal Accountant