

TOWNSHIP OF WESTAMPTON
COUNTY OF BURLINGTON
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2020



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TOWNSHIP OF WESTAMPTON
PART 1
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 Committee
Township of Westampton
Westampton, New Jersey 08060

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 Westampton, 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 Westampton, 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 Westampton, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2021 on our consideration of the Township of Westampton, 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 Westampton'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 Westampton's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Todd R. Saler
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
September 9, 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 Committee
Township of Westampton
Westampton, New Jersey 08060

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 Westampton, 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 September 9, 2021. That report indicated that the Township of Westampton'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 Westampton'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 Westampton's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Westampton'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, as described in the accompanying *Schedule of Findings and Recommendations* as Finding No. 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Westampton'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 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, and which are described in the accompanying *Schedule of Findings and Recommendations* as Finding No. 2020-001 and Finding No 2020-002.

The Township of Westampton's Response to Findings

The Township of Westampton's response to the findings identified in our audit is described in the accompanying *Schedule of Findings and Recommendations*. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Joel Allen

Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
September 9, 2021

TOWNSHIP OF WESTAMPTON
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>
<u>ASSETS</u>			
Regular Fund:			
Cash--Treasurer	SA-1	\$ 4,233,563.66	\$ 3,104,414.35
Cash--Change Funds	SA-3	950.00	950.00
Due from State of New Jersey-- Senior Citizen & Veteran Deductions	SA-4	11,813.89	11,022.29
		<u>4,246,327.55</u>	<u>3,116,386.64</u>
Receivables and Other Assets with Full Reserves:			
Tax Title Liens Receivable	SA-5	127,488.51	109,456.62
Delinquent Property Taxes Receivable	SA-6	242,912.31	376,035.52
Revenue Accounts Receivable	SA-7	81,847.29	104,246.78
Property Acquired for Taxes	A	1,306,500.00	1,306,500.00
Due from Federal and State Grant Fund	SA-23	81,214.62	
Due from Trust Other Funds	SB-7		349.41
Due from Trust Municipal Open Space Fund	SB-13		6,770.92
		<u>1,839,962.73</u>	<u>1,903,359.25</u>
Deferred Charges:			
Emergency Authorizations	A-3	12,500.00	
		<u>12,500.00</u>	<u>-</u>
		<u>6,098,790.28</u>	<u>5,019,745.89</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	SA-20	148,787.19	91,366.41
Due from Current Fund	SA-23		6,650.86
Due from Trust Other Fund	B	10,504.80	10,504.80
		<u>159,291.99</u>	<u>108,522.07</u>
		<u>\$ 6,258,082.27</u>	<u>\$ 5,128,267.96</u>

TOWNSHIP OF WESTAMPTON
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>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3; SA-8	\$ 777,985.50	\$ 339,605.20
Reserve for Encumbrances	A-3; SA-8	74,303.79	51,294.03
Reserve for Tax Appeals	A	11,676.40	11,676.40
Due to County of Burlington--PILOT Fees	SA-19	53,854.62	39,017.21
Prepaid Taxes	SA-9	357,738.08	344,607.84
Tax Overpayments	SA-10	59,152.28	42,986.95
Due County for Added & Omitted Taxes	SA-11	123,348.11	66,652.72
Due to State of New Jersey:			
Division of Youth and Family Services	SA-12	150.00	250.00
D.C.A. State Training Fees	SA-13	72,627.00	11,620.00
Local District School Tax Payable	SA-16	0.42	473,692.88
Regional High School Tax Payable	SA-17	0.26	317,374.26
Reserve for Tax Map	A	13,362.50	13,362.50
Due to Mount Holly Sewerage Authority	SA-18		4,981.56
Prepaid Revenues	SA-1	6,972.46	
Due to Federal and State Grant Fund	SA-23		6,650.86
Due to Trust Other Funds	SB-7	36.41	
Due from Trust Municipal Open Space Fund	SB-13	5,074.53	
Due to General Capital Fund	C	134,298.00	134,298.00
		<u>1,690,580.36</u>	<u>1,858,070.41</u>
Reserves for Receivables and Other Assets	A	1,839,962.73	1,903,359.25
Fund Balance	A-1	2,568,247.19	1,258,316.23
		<u>6,098,790.28</u>	<u>5,019,745.89</u>
Federal and State Grant Fund:			
Reserve for Federal and State Grants:			
Appropriated	SA-21	77,677.37	76,327.91
Unappropriated	SA-22		19,102.36
Due to Current Fund	SA-23	81,214.62	
Reserve for Encumbrances	SA-21	400.00	13,091.80
		<u>159,291.99</u>	<u>108,522.07</u>
		<u>\$ 6,258,082.27</u>	<u>\$ 5,128,267.96</u>

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

TOWNSHIP OF WESTAMPTON
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>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 1,093,500.00	\$ 1,130,500.00
Miscellaneous Revenues Anticipated	3,670,747.98	3,393,749.33
Receipts from Delinquent Taxes	373,003.50	230,315.39
Receipts from Current Taxes	29,152,019.48	27,969,527.54
Non-Budget Revenue	100,450.71	106,995.79
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	52,001.90	75,426.58
Canceled Tax Overpayments	6,870.31	
Canceled Accounts Payable	4,306.07	
Liquidation of Reserves for:		
Other Accounts Receivable		26,950.00
Due Federal and State Grant Fund		30,334.95
Due Trust Other Funds	349.41	19,847.64
Due Trust Municipal Open Space Fund	6,770.92	6,404.77
	<u>34,460,020.28</u>	<u>32,990,051.99</u>
Total Income		
<u>Expenditures</u>		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	5,369,433.60	4,902,304.00
Other Expenses	3,240,604.31	3,065,342.31
Deferred Charges and Statutory Expenditures		
Municipal	1,565,885.26	1,526,225.00
Excluded from "CAPS":		
Operations:		
Salaries and Wages	301,292.19	316,556.11
Other Expenses	185,777.55	206,004.11
Capital Improvements	274,337.00	183,500.00
Municipal Debt Service	702,875.14	601,937.50
Judgments		325,000.00
County Taxes	4,819,613.59	4,812,290.30
Municipal Open Space Taxes	478,149.64	471,293.66
Due County for Added and Omitted Taxes	123,348.11	66,652.72
Local District School Taxes	10,377,459.00	10,758,067.00
Regional High School Taxes	4,535,202.00	4,775,683.00
Prior Year Tax Overpayments	12,688.91	2,115.02
Veterans and Senior Citizens Deductions Disallowed - Prior Years Taxes:		
Tax Collector	458.40	1,000.00
State Taxation Audit	750.00	

(Continued)

TOWNSHIP OF WESTAMPTON
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>
<u>Expenditures (Cont'd)</u>		
Refund of Prior Year Revenue:		
Disbursed		\$ 18,303.66
Creation of Reserves for:		
Due Federal and State Grant Fund	\$ 81,214.62	
Total Expenditures	<u>32,069,089.32</u>	<u>32,032,274.39</u>
Excess in Revenues	2,390,930.96	957,777.60
Adjustments to Income Before Fund Balance:		
Expenditures Included above which are by		
Statute Deferred Charges to Budget of		
Succeeding Year	<u>12,500.00</u>	<u>-</u>
Statutory Excess to Fund Balance	2,403,430.96	957,777.60
<u>Fund Balance</u>		
Fund Balance Jan. 1	<u>1,258,316.23</u>	<u>1,431,038.63</u>
	3,661,747.19	2,388,816.23
Utilized as Anticipated Revenue	<u>1,093,500.00</u>	<u>1,130,500.00</u>
Fund Balance Dec. 31	<u><u>\$ 2,568,247.19</u></u>	<u><u>\$ 1,258,316.23</u></u>

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

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

	<u>Budget</u>	<u>Anticipated</u> Special N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Surplus Anticipated	\$ 1,093,500.00	-	\$ 1,093,500.00	-
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	15,000.00		15,814.00	\$ 814.00
Fees and Permits	45,000.00		50,714.29	5,714.29
Fines and Costs:				
Municipal Court	310,000.00		194,806.14	(115,193.86)
Interest and Costs on Taxes	60,000.00		74,402.01	14,402.01
Interest on Investments and Deposits	50,000.00		25,076.15	(24,923.85)
Emergency Medical Service Fees	575,000.00		425,279.31	(149,720.69)
Energy Receipts Tax	653,387.00		653,386.99	(0.01)
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	190,000.00		834,257.00	644,257.00
Shared Services Agreements offset with Appropriations:				
Shared Services Agreement--Construction Code Enforcement-- Township of Hainesport	81,054.38		81,054.38	
Shared Services Agreement-- Municipal Court-- Township of Eastampton	89,559.38		89,559.38	
Shared Services Agreement-- Police-- Burlington County Institute of Technology	113,398.00		113,398.00	

(Continued)

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

	<u>Budget</u>	<u>Anticipated</u> <u>Special N.J.S.A.</u> <u>40A:4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Miscellaneous Revenues (Cont'd):				
Public and Private Revenues Offset with Appropriations:				
Municipal Alliance on Alcoholism and Drug Abuse	\$ 44,700.00		\$ 44,700.00	
Body Armor Replacement Grant		\$ 2,598.36	2,598.36	
Bulletproof Vest Partnership Grant		905.40	905.40	
Clean Communities Program		16,946.77	16,946.77	
Alcohol Education and Rehabilitation Grant		1,333.66	1,333.66	
Recycling Tonnage Grant	19,102.36		19,102.36	
FEMA - Firefighter Assistance Grant		18,571.43	18,571.43	
County Park Development Grant		70,587.00	70,587.00	
NJ Transportation Trust Fund Authority		191,250.00	191,250.00	
Other Special Items:				
Payments in Lieu of Taxes (PILOT)	300,000.00		355,316.37	\$ 55,316.37
Municipal Occupancy Tax	350,000.00		293,566.00	(56,434.00)
Local Fire Bureau Fees	40,000.00		39,967.75	(32.25)
Uniform Fire Safety Act	60,000.00		58,155.23	(1,844.77)
Total Miscellaneous Revenues	<u>2,996,201.12</u>	<u>302,192.62</u>	<u>3,670,747.98</u>	<u>372,354.24</u>
Receipts from Delinquent Taxes	<u>200,000.00</u>	<u>-</u>	<u>373,003.50</u>	<u>173,003.50</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	<u>7,548,785.88</u>	<u>-</u>	<u>8,357,202.85</u>	<u>808,416.97</u>
Budget Totals	<u>11,838,487.00</u>	<u>302,192.62</u>	<u>13,494,454.33</u>	<u>1,353,774.71</u>
Non-Budget Revenues	<u>-</u>	<u>-</u>	<u>100,450.71</u>	<u>100,450.71</u>
	<u>\$ 11,838,487.00</u>	<u>\$ 302,192.62</u>	<u>\$ 13,594,905.04</u>	<u>\$ 1,454,225.42</u>

(Continued)

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections \$ 29,152,019.48

Allocated to:

School, County and Municipal Open Space Taxes 21,294,816.34

Balance for Support of Municipal
Budget Appropriations

7,857,203.14

Add: Appropriation "Reserve for
Uncollected Taxes"

499,999.71

Amount for Support of Municipal
Budget Appropriations

\$ 8,357,202.85

Receipts from Delinquent Taxes:

Tax Title Liens \$ 604.89

Taxes Receivable 372,398.61

\$ 373,003.50

Fees and Permits:

Revenue Accounts Receivable:

Clerk:

200 Foot Property Listings	\$ 320.00
Administrative Fees--Police Outside Services	6,560.77
Copies	420.00
Death Certificates	350.00
Kennel Licenses	50.00
LDB Application	4,100.00
Marriage Certificates	400.00
Mercantile Licenses	6,800.00
OPRA Request	101.52
Police Discoveries & Accident Reports	7,812.00
Raffle Licenses	580.00
Solicitors Permits	50.00
Street Openings	22,570.00
Towing Application Fees	<u>600.00</u>

\$ 50,714.29

(Continued)

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

Analysis of Realized Revenues

Miscellaneous Revenue Not Anticipated:

Treasurer:

Administration Fees:

Senior Citizens and Veterans	\$ 1,340.00
DMV Inspection Reimbursements	5,090.17
Municipal Building Rent	1.00
Dated Marriage License	75.00
Recycling of Scrap Metal	326.25
Restitution	150.00
Vacant Property Fees	11,071.16
CARES Act Relief	11,986.41
Various Refunds	1,175.73
Flexible Spending Account Forfeitures	427.68
Cancellation of Outstanding Checks	805.35
Cell Tower Rental	<u>4,075.87</u>

\$ 36,524.62

Revenue Accounts Receivable:

Telecommunications Franchise Fees	<u>63,926.09</u>
	<u><u>\$ 100,450.71</u></u>

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

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS"</u>						
<u>General Government Functions</u>						
Mayor and Township Committee						
Salaries and Wages	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00			
Administrative and Executive						
Salaries and Wages	180,500.00	180,500.00	165,422.73		\$ 15,077.27	
Other Expenses	43,550.00	43,550.00	39,390.28	\$ 1,205.98	2,953.74	
Elections						
Other Expenses	6,000.00	6,000.00	3,853.21		2,146.79	
Financial Administration						
Salaries and Wages	92,700.00	92,700.00	92,671.80		28.20	
Other Expenses	1,500.00	1,500.00	1,465.00		35.00	
Audit Services	55,000.00	55,000.00	53,000.00		2,000.00	
Collection of Taxes						
Salaries and Wages	77,033.00	77,033.00	77,032.93		0.07	
Other Expenses	4,950.00	5,950.00	5,489.30		460.70	
Assessment of Taxes						
Salaries and Wages	56,700.00	56,700.00	55,083.33		1,616.67	
Other Expenses	3,650.00	6,150.00	3,673.16	1,730.00	746.84	
Legal Services and Costs						
Codification of Ordinances	2,500.00	2,500.00			2,500.00	
Special Counsel	20,000.00	20,000.00	14,501.07	950.13	4,548.80	
Other Expenses	52,000.00	52,000.00	47,496.93		4,503.07	
Engineering Services and Costs						
Other Expenses	12,000.00	12,000.00	10,715.75		1,284.25	
<u>Land Use Administration</u>						
Municipal Land Use Law (NJS 40:55D-1):						
Land Development Board:						
Salaries and Wages	6,001.00	6,001.00	6,000.93		0.07	
Other Expenses						
Review of Master Plan	1,500.00	1,500.00			1,500.00	
Miscellaneous Other Expenses	2,400.00	2,400.00	801.00		1,599.00	

(Continued)

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

			Expended			Unexpended
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>			<u>Canceled</u>
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>Insurance</u>						
General Liability	\$ 105,300.00	\$ 105,300.00	\$ 72,237.00		\$ 33,063.00	
Workers Compensation	232,458.00	232,458.00	232,458.00			
Employee Group Insurance	1,009,753.31	959,753.31	838,979.56		120,773.75	
Health Benefit Waiver	45,000.00	45,000.00	40,000.00		5,000.00	
<u>Public Safety Functions</u>						
<u>Police</u>						
Salaries and Wages	2,368,500.00	2,368,500.00	2,349,724.39		18,775.61	
Other Expenses	98,000.00	98,000.00	81,803.92	\$ 4,663.00	11,533.08	
Purchase of Police Vehicles	26,000.00	26,000.00	25,671.93		328.07	
<u>Emergency Medical Services</u>						
Salaries and Wages	1,385,000.00	1,385,000.00	1,322,712.15		62,287.85	
Other Expenses	116,750.00	131,750.00	109,116.38	10,042.99	12,590.63	
Emergency Services Billing	28,500.00	28,500.00	19,250.41	1,408.99	7,840.60	
<u>Emergency Management</u>						
Salaries and Wages	5,000.00	5,000.00	500.00		4,500.00	
<u>Fire</u>						
Fire Hydrant Service	81,000.00	82,000.00	74,533.11	7,122.15	344.74	
<u>Uniform Fire Safety Act (P.L. 1983, Ch.383)</u>						
Salaries and Wages	90,000.00	90,000.00	90,000.00			
Other Expenses	49,143.00	49,143.00	37,328.48	2,996.82	8,817.70	
<u>Municipal Prosecutor</u>						
Salaries and Wages	35,000.00	35,000.00	35,000.00			
<u>Public Works Functions</u>						
<u>Streets and Roads</u>						
Salaries and Wages	579,500.00	579,500.00	521,785.20	180.00	57,534.80	
Other Expenses	106,400.00	106,400.00	68,007.18	6,042.69	32,350.13	
<u>Trash Removal</u>						
Collection	215,000.00	218,500.00	197,762.16		20,737.84	
Vehicle Maintenance	177,000.00	177,000.00	98,849.46	14,857.04	50,793.50	\$ 12,500.00
Municipal Services Act Costs	17,500.00	17,500.00			17,500.00	

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>Utility Expenses and Bulk Purchases</u>						
Electricity and Natural Gas	\$ 200,000.00	\$ 207,000.00	\$ 187,701.33	\$ 340.26	\$ 18,958.41	
Water/Sewer	9,000.00	9,000.00	7,731.07	583.77	685.16	
Petroleum Products	90,000.00	90,000.00	47,899.05	1,151.14	40,949.81	
Telecommunications	35,000.00	42,000.00	39,915.47	723.71	1,360.82	
<u>Landfill/Solid Waste Disposal Costs</u>						
Trash Removal						
Disposal	297,500.00	337,500.00	301,481.11	2,516.18	33,502.71	
<u>Municipal Court Functions</u>						
Municipal Court						
Salaries and Wages	315,000.00	272,498.60	195,869.90		76,628.70	
Other Expenses	42,500.00	42,500.00	30,135.62	971.34	11,393.04	
<u>Health and Human Services Functions</u>						
Animal Control Services						
Other Expenses	10,000.00	10,000.00	10,000.00			
<u>Uniform Construction Code</u>						
Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)						
Construction Code Official						
Salaries and Wages	200,000.00	200,000.00	188,398.81		11,601.19	
Other Expenses	25,250.00	26,250.00	25,076.84		1,173.16	
<u>Other Common Operating Functions</u>						
Accumulated Leave Compensation	1.00	1.00	1.00			
Community and Cultural Affairs						
Other Expenses	3,000.00	3,000.00	208.82	2,791.18		
Total Operations--Within "CAPS"	<u>8,637,039.31</u>	<u>8,622,537.91</u>	<u>7,847,735.77</u>	<u>60,277.37</u>	<u>702,024.77</u>	<u>\$ 12,500.00</u>
Detail:						
Salaries and Wages	5,411,935.00	5,369,433.60	5,121,203.17	180.00	248,050.43	-
Other Expenses	<u>3,225,104.31</u>	<u>3,253,104.31</u>	<u>2,726,532.60</u>	<u>60,097.37</u>	<u>453,974.34</u>	<u>12,500.00</u>

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>						
<u>MUNICIPAL--WITHIN "CAPS"</u>						
Deferred Charges:						
Deficit in Animal Control Fund	\$ 1,548.86	\$ 1,548.86	\$ 1,548.86			
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	240,561.00	240,562.40	240,562.40			
Social Security System (O.A.S.I.)	420,000.00	430,000.00	410,110.93		\$ 19,889.07	
Police and Firemen's Retirement of NJ	852,200.00	852,200.00	852,127.82		72.18	
Unemployment Compensation Insurance	24,000.00	24,000.00	20,528.60		3,471.40	
Public Employees' Retirement System-ERIP	12,574.00	12,574.00	12,574.00			
Defined Contribution Retirement Program	1,500.00	5,000.00	4,727.52		272.48	
Municipal--Within "CAPS"	<u>1,552,383.86</u>	<u>1,565,885.26</u>	<u>1,542,180.13</u>		<u>23,705.13</u>	
Total General Appropriations for Municipal Purposes Within "CAPS"	<u>10,189,423.17</u>	<u>10,188,423.17</u>	<u>9,389,915.90</u>	<u>\$ 60,277.37</u>	<u>725,729.90</u>	<u>\$ 12,500.00</u>
<u>OPERATIONS--EXCLUDED FROM "CAPS"</u>						
Recycling Tax	10,500.00	11,500.00	10,285.23		1,214.77	
Reserve for Tax Appeals	85,000.00	85,000.00	19,981.75	14,026.42	50,991.83	
Shared Services Agreements						
Construction Code Enforcement						
Salaries and Wages	80,054.38	80,054.38	80,054.38			
Other Expenses	1,000.00	1,000.00	1,000.00			
Municipal Court						
Salaries and Wages	89,559.38	89,559.38	89,559.38			
Police						
Salaries and Wages	113,398.00	113,398.00	113,398.00			

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--EXCLUDED FROM "CAPS" (CONT'D)</u>						
Public and Private Programs Offset by Revenues:						
Municipal Drug Alliance						
State Share	\$ 44,700.00	\$ 44,700.00	\$ 44,700.00			
Township Share	2,400.00	2,400.00	2,400.00			
Body Armor Replacement Grant (40A:4-87, \$2,598.36+)		2,598.36	2,598.36			
Bulletproof Vest Partnership Grant (40A:4-87, \$905.40+)		905.40	905.40			
Recycling Tonnage Grant	19,102.36	19,102.36	19,102.36			
Clean Communities Grant (40A:4-87, \$16,946.77+)		16,946.77	16,946.77			
Alcohol Education and Rehabilitation Grant (40A:4-87, \$1,333.66+)		1,333.66	1,333.66			
FEMA - Firefighter Assistance Grant (40A:4-87, \$18,571.43+)		18,571.43	18,571.43			
Total Operations--Excluded from "CAPS"	<u>445,714.12</u>	<u>487,069.74</u>	<u>420,836.72</u>	<u>\$ 14,026.42</u>	<u>\$ 52,206.60</u>	<u>-</u>
Detail:						
Salaries and Wages	283,011.76	301,292.19	301,292.19	-	-	-
Other Expenses	<u>162,702.36</u>	<u>185,777.55</u>	<u>119,544.53</u>	<u>14,026.42</u>	<u>52,206.60</u>	<u>-</u>
<u>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</u>						
Purchase of a Police Admin Vehicle (Emergency \$12,500.00)		12,500.00	12,451.00		49.00	
Public and Private Programs Offset by Revenues:						
NJ Transportation Trust Fund Authority (40A:4-87, \$191,250.00+)		191,250.00	191,250.00			
County Park Development Grant (40A:4-87, \$70,587.00+)		70,587.00	70,587.00			
Total Capital Improvements--Excluded from "CAPS"	<u>-</u>	<u>274,337.00</u>	<u>274,288.00</u>	<u>-</u>	<u>49.00</u>	<u>-</u>

(Continued)

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

	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Expended</u>		<u>Unexpended Balance Canceled</u>
				<u>Encumbered</u>	<u>Reserved</u>	
<u>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	\$ 495,000.00	\$ 495,000.00	\$ 495,000.00			
Payment of Bond Anticipation Notes and Capital Notes	105,750.00	105,750.00	105,750.00			
Interest on Bonds	48,100.00	48,100.00	48,087.50			\$ 12.50
Interest on Notes	54,500.00	54,500.00	54,037.64			462.36
Total Municipal Debt Service--Excluded from "CAPS"	<u>703,350.00</u>	<u>703,350.00</u>	<u>702,875.14</u>	<u>-</u>	<u>-</u>	<u>474.86</u>
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>1,149,064.12</u>	<u>1,464,756.74</u>	<u>1,397,999.86</u>	<u>\$ 14,026.42</u>	<u>\$ 52,255.60</u>	<u>474.86</u>
Subtotal General Appropriations	11,338,487.29	11,653,179.91	10,787,915.76	74,303.79	777,985.50	12,974.86
Reserve for Uncollected Taxes	<u>499,999.71</u>	<u>499,999.71</u>	<u>499,999.71</u>			
Total General Appropriations	<u>\$ 11,838,487.00</u>	<u>\$ 12,153,179.62</u>	<u>\$ 11,287,915.47</u>	<u>\$ 74,303.79</u>	<u>\$ 777,985.50</u>	<u>\$ 12,974.86</u>
Budget		\$ 11,838,487.00				
Appropriation by 40A:4-87		302,192.62				
Emergency Authorization		<u>12,500.00</u>				
		<u>\$ 12,153,179.62</u>				
Reserve for Federal and State Grants--Appropriated			\$ 368,394.98			
Reserve for Uncollected Taxes			499,999.71			
Refunded			(581,809.87)			
Disbursed			<u>11,001,330.65</u>			
			<u>\$ 11,287,915.47</u>			

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

TOWNSHIP OF WESTAMPTON

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>
<u>ASSETS</u>			
Animal Control Fund:			
Cash--Treasurer	SB-1	\$ 3,237.09	\$ 786.34
Deferred Charge:			
Deficit in Reserve for Animal Control Expenditures	SB-3		1,523.06
		<u>3,237.09</u>	<u>2,309.40</u>
Other Funds:			
Cash--Treasurer	SB-1	1,580,494.99	1,737,697.54
Cash--Collector	SB-2	283,485.68	262,526.32
Due from Current Fund	SB-7	36.41	
Other Accounts Receivable	SB-10	10,504.80	2,200.00
		<u>1,874,521.88</u>	<u>2,002,423.86</u>
Municipal Open Space Fund:			
Cash--Treasurer	SB-1	273,647.73	233,038.23
Grants Receivable	SB-12	148,200.00	161,000.00
Due from Current Fund	SB-13	5,074.53	
Other Accounts Receivable	SB-14	289,676.00	295,192.72
		<u>716,598.26</u>	<u>689,230.95</u>
		<u>\$ 2,594,357.23</u>	<u>\$ 2,693,964.21</u>

(Continued)

TOWNSHIP OF WESTAMPTON

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>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-3	\$ 1,132.89	
Due to State of New Jersey:			
State Registration Fees	SB-4	213.60	\$ 60.00
Prepaid Animal Control Licenses	SB-6	1,890.60	2,249.40
		<u>3,237.09</u>	<u>2,309.40</u>
Other Funds:			
Due to Current Fund	SB-7		349.41
Due to Federal and State Grant Fund	A	10,504.80	10,504.80
Payroll Deductions Payable	SB-8	4,731.71	4,430.41
Premiums Received at Tax Sales	SB-9	275,100.00	262,000.00
Reserve for Redemption of Tax Title Liens	SB-9	8,369.45	207.91
Reserve for Accumulated Sick Time	SB-9	157,404.86	163,049.22
Reserve for Affordable Housing	SB-9	29,647.15	29,513.82
Reserve for COAH Development Fees	SB-9	794,885.32	972,300.19
Reserve for Community Events	SB-9	7,270.65	8,939.60
Reserve for Escrow Deposits	SB-9	291,582.82	185,182.37
Reserve for Fire Code Penalties	SB-9	7,545.26	8,533.90
Reserve for K-9 Unit	SB-9	9,150.01	1,438.68
Reserve for Municipal Drug Alliance	SB-9		28,896.66
Reserve for Municipal Law Enforcement Grant	SB-9	3,093.91	6,225.49
Reserve for Outside Police Services	SB-9	95.35	96.35
Reserve for Performance Bonds	SB-9	8,305.50	8,305.50
Reserve for Public Defender Fees	SB-9	7,227.26	14,641.68
Reserve for Recreation Expenditures	SB-9	246,406.47	284,665.86
Reserve for Snow Removal	SB-9	13,201.36	13,142.01
		<u>1,874,521.88</u>	<u>2,002,423.86</u>

(Continued)

TOWNSHIP OF WESTAMPTON

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>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE (CONTINUED)</u>			
Municipal Open Space Fund:			
Reserve for Municipal Open Space	SB-11	\$ 135,008.24	\$ 78,317.16
Reserve for Grants Receivable	SB-12	148,200.00	161,000.00
Due to Current Fund	SB-13		6,770.92
Reserve for Other Accounts Receivable	SB-14	289,676.00	295,192.72
Reserve for Encumbrances	SB-15	1,714.02	5,950.15
Due to General Capital Fund	C	142,000.00	142,000.00
		<u>716,598.26</u>	<u>689,230.95</u>
		<u>\$ 2,594,357.23</u>	<u>\$ 2,693,964.21</u>

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

TOWNSHIP OF WESTAMPTON
MUNICIPAL OPEN SPACE TRUST 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 REALIZED:		
Amount to be Raised by Taxation	\$ 478,149.64	\$ 471,293.66
Reserve for Open Space	78,317.16	109,815.98
Reserve for Payment of Notes		58,154.29
Public and Private Revenues	87,949.63	73,008.54
Miscellaneous	<u>34,829.37</u>	<u>39,179.86</u>
Total Income	<u>679,245.80</u>	<u>751,452.33</u>
EXPENDITURES		
Budget Appropriations:		
Maintenance of Lands for Recreation and Conservation:		
Salaries and Wages	160,000.00	112,000.00
Other Expenses	175,674.56	140,000.00
Historic Preservation:		
Other Expenses	1,628.00	
Debt Service		
Payment of Bond Anticipation Notes	187,735.00	364,292.00
Interest on Notes	19,200.00	29,400.00
Reserve for Future Use		166.87
Direct Charges to Reserve		<u>27,276.30</u>
Total Expenditures	<u>544,237.56</u>	<u>673,135.17</u>
Excess to Reserve	135,008.24	78,317.16
Balance January 1	<u>78,317.16</u>	<u>109,815.98</u>
	213,325.40	188,133.14
Decreased by:		
Reserve for Future Use Anticipated	<u>78,317.16</u>	<u>109,815.98</u>
Fund Balance December 31	<u><u>\$ 135,008.24</u></u>	<u><u>\$ 78,317.16</u></u>

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

TOWNSHIP OF WESTAMPTON
TRUST MUNICIPAL OPEN SPACE 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	\$ 466,304.19	\$ 478,149.64	\$ 11,845.45
Reserve for Open Space	78,317.16	78,317.16	
Public and Private Revenues	83,759.00	87,949.63	4,190.63
Miscellaneous	<u> </u>	<u>34,829.37</u>	<u>34,829.37</u>
	<u><u>\$ 628,380.35</u></u>	<u><u>\$ 679,245.80</u></u>	<u><u>\$ 50,865.45</u></u>

Analysis of Realized Revenues

Amount to be Raised by Taxation:

Current Year Levy	\$ 466,304.19
Added/Omitted Levy	<u>11,845.45</u>
	<u><u>\$ 478,149.64</u></u>

Public and Private Revenues:

Burlington County Open Space Grant	\$ 12,800.00
Players Development Academy	70,759.63
Other Grants	<u>4,390.00</u>
	<u><u>\$ 87,949.63</u></u>

Miscellaneous:

Interest Earned:	
Licensing and Use Agreement	\$ 9,010.67
Interest Earned on Deposits	975.95
Field Lighting	22,673.50
Refunds	<u>2,169.25</u>
	<u><u>\$ 34,829.37</u></u>

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

TOWNSHIP OF WESTAMPTON
TRUST MUNICIPAL OPEN SPACE FUND
Statement of Expenditures--Regulatory Basis
For the Year Ended December 31, 2020

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>	<u>Disbursed</u>	<u>Encumbered</u>	<u>Reserved</u>	
Maintenance of Lands for Recreation and Conservation						
Salary & Wages	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00			
Other Expenses	200,000.00	200,000.00	173,960.54	\$ 1,714.02		\$ 24,325.44
Historic Preservation:						
Other Expenses	15,000.00	15,000.00	1,628.00			13,372.00
Debt Service						
Payment of Bond Anticipation Notes	187,735.00	187,735.00	187,735.00			
Interest on Notes	19,200.00	19,200.00	19,200.00			
Reserve for Future Use	46,445.35	46,445.35				46,445.35
	<u>\$ 628,380.35</u>	<u>\$ 628,380.35</u>	<u>\$ 542,523.54</u>	<u>\$ 1,714.02</u>	<u>\$ -</u>	<u>\$ 84,142.79</u>

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

TOWNSHIP OF WESTAMPTON
GENERAL CAPITAL 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>
<u>ASSETS</u>			
Cash--Treasurer	SC-1; SC-2	\$ 386,619.82	\$ 1,218,896.18
Unfunded	SC-3	3,656,671.33	3,713,131.33
Funded	SC-4	2,090,000.00	2,585,000.00
Due from Current Fund	C	134,298.00	134,298.00
Due from Trust Municipal Open Space Fund	A	142,000.00	142,000.00
		<u>\$ 6,409,589.15</u>	<u>\$ 7,793,325.51</u>
<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>			
Capital Improvement Fund	SC-5	\$ 17,821.00	\$ 30,296.00
Reserve for Encumbrances	SC-6	25,968.82	89,003.19
Improvement Authorizations:			
Funded	SC-6	1,080.72	1,080.72
Unfunded	SC-6	810,959.14	1,330,701.13
Bond Anticipation Notes	SC-7	3,419,151.00	3,712,636.00
General Serial Bonds	SC-8	2,090,000.00	2,585,000.00
Fund Balance	C	44,608.47	44,608.47
		<u>\$ 6,409,589.15</u>	<u>\$ 7,793,325.51</u>

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

TOWNSHIP OF WESTAMPTON
GENERAL FIXED ASSET GROUP OF ACCOUNTS
Statement of General Fixed Assets Account Group--Regulatory Basis
For the Year Ended December 31, 2020

	Balance <u>Dec. 31, 2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2020</u>
General Fixed Assets:				
Land and Improvements	\$ 6,038,281.72			\$ 6,038,281.72
Buildings	2,157,000.00			2,157,000.00
Machinery and Equipment	<u>5,065,052.99</u>	<u>\$ 112,465.51</u>	<u>\$ 105,980.00</u>	<u>5,071,538.50</u>
Total General Fixed Assets	<u><u>\$ 13,260,334.71</u></u>	<u><u>\$ 112,465.51</u></u>	<u><u>\$ 105,980.00</u></u>	<u><u>\$ 13,266,820.22</u></u>
 Total Investments in General Fixed Assets	 <u><u>\$ 13,260,334.71</u></u>	 <u><u>\$ 112,465.51</u></u>	 <u><u>\$ 105,980.00</u></u>	 <u><u>\$ 13,266,820.22</u></u>

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

TOWNSHIP OF WESTAMPTON
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 Westampton (hereafter referred to as the "Township") was incorporated in 1850 and is located in central New Jersey in Burlington County, approximately twenty miles south of the City of Trenton. The 2010 population according to the U.S. Census Bureau was is 8,813.

The Township has a Township Committee form of government. The Mayor is elected at the first meeting of each year from among the five committee members, by the five committee members. The committee members serve three year terms that are staggered. Two members are elected in two successive years and one member is elected in the third year.

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.

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 and municipal open space 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.

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.

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 represents amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

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.

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

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 Westampton School District and the Rancocas Valley 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 Westampton School District and the Rancocas Regional High School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district and the Township's share of the amount required to be raised from taxation to operate the regional high school district 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 notes are provided on the cash basis; interest on general capital indebtedness is on the cash 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.

Long-Term Debt - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital fund. 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.

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

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 \$6,937,391.62 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 6,190,956.76
Uninsured and Uncollateralized	<u>746,434.86</u>
Total	<u>\$ 6,937,391.62</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:

Comparative Schedule of Tax Rates

	<u>Year Ended</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Tax Rate	<u>\$ 2.463</u>	<u>\$ 2.413</u>	<u>\$ 2.382</u>	<u>\$ 2.319</u>	<u>\$ 2.276</u>
Apportionment of Tax Rate:					
Municipal	\$.647	\$.622	\$.612	\$.562	\$.563
Municipal Open Space	.040	.040	.040	.040	.040
County	.415	.416	.416	.427	.407
Local School	.939	.925	.887	.873	.864
Regional High School District	.422	.410	.427	.417	.402

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	\$ 1,165,760,468.00
2019	1,162,222,228.00
2018	1,153,164,763.00
2017	1,158,836,480.00
2016	1,155,340,830.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2020	\$ 29,428,328.06	\$ 29,152,019.48	99.06%
2019	28,423,989.00	27,969,527.54	98.40%
2018	27,717,500.23	27,445,965.53	99.02%
2017	27,076,675.12	26,487,476.42	97.82%
2016	26,552,805.03	26,262,135.13	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	\$ 127,488.51	\$ 242,912.31	\$ 370,400.82	1.26%
2019	109,456.62	376,035.52	485,492.14	1.71%
2018	97,940.09	217,315.76	315,255.85	1.14%
2017	64,263.93	414,555.07	478,819.00	1.77%
2016	53,372.86	216,854.81	270,227.67	1.02%

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	16
2019	15
2018	17
2017	11
2016	12

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	\$ 1,306,500.00
2019	1,306,500.00
2018	1,306,500.00
2017	1,306,500.00
2016	1,306,500.00

Note 5: FUND BALANCES APPROPRIATED

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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2020	\$ 2,568,247.19	\$ 1,820,700.00	70.89%
2019	1,258,316.23	1,093,500.00	86.90%
2018	1,431,038.63	1,130,500.00	79.00%
2017	985,733.74	833,000.00	84.51%
2016	1,438,591.50	1,150,000.00	79.94%

Note 6: 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	\$ 81,214.62	\$ 139,408.94
Federal and State Grant	10,504.80	81,214.62
Trust - Other	36.41	10,504.80
Trust - Municipal Open Space	5,074.53	142,000.00
General Capital	276,298.00	
Totals	<u>\$ 373,128.36</u>	<u>\$ 373,128.36</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 7: 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>

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.

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

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

The following represents the membership tiers for PERS:

Tier Definition

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

Service retirement benefits of 1/55th 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.

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

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

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate 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 14.84% 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 \$251,340.00, 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 \$238,847.00, which was paid on April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$128,107.14.

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.

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Police and Firemen's Retirement System (Cont'd) - 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 31.05% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

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 \$934,240.00, 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 \$850,076.00, which was paid on April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$304,192.90.

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 4.29% 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 \$129,042.00, 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 \$109,574.00, 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 \$6,420.16, and the Township's contributions were \$4,727.52.

Note 7: PENSION PLANS (CONT'D)**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 \$3,746,698.00. 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 0.0229754651%, which was a decrease of 0.0015794506% from its proportion measured as of June 30, 2019.

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 \$(94,844.00). 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 \$238,847.00, and was paid on April 1, 2020.

Police and Firemen's Retirement System

Pension Liability - As of 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	\$ 10,805,521.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>1,676,968.00</u>
	<u>\$ 12,482,489.00</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 0.0836255257%, which was a decrease of 0.0005311996% 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 0.0836255257%, which was a decrease of 0.0005311996% from its proportion, on-behalf of the Township, measured as of June 30, 2019.

Note 7: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Police and Firemen's Retirement System (Cont'd)**

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 \$890,267.00. 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 \$850,076.00, 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 \$190,051.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

Deferred Outflows of Resources and Deferred Inflows of Resources - As of 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	\$ 68,221.00	\$ 108,938.00	\$ 177,159.00	\$ 13,250.00	\$ 38,780.00	\$ 52,030.00
Changes of Assumptions	121,547.00	27,192.00	148,739.00	1,568,778.00	2,896,896.00	4,465,674.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	128,065.00	633,578.00	761,643.00	-	-	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	135,779.00	542,114.00	677,893.00	745,914.00	220,427.00	966,341.00
Township Contributions Subsequent to the Measurement Date	125,670.00	467,120.00	592,790.00	-	-	-
	<u>\$ 579,282.00</u>	<u>\$ 1,778,942.00</u>	<u>\$ 2,358,224.00</u>	<u>\$ 2,327,942.00</u>	<u>\$ 3,156,103.00</u>	<u>\$ 5,484,045.00</u>

Deferred outflows of resources in the amounts of \$125,670.00 and \$467,120.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability during 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 7: 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 other deferred outflows 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 7: 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:

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2021	\$ (666,220.00)	\$ (717,146.00)	\$ (1,383,366.00)
2022	(586,643.00)	(550,616.00)	(1,137,259.00)
2023	(396,798.00)	(331,003.00)	(727,801.00)
2024	(192,217.00)	(142,212.00)	(334,429.00)
2025	(32,452.00)	(103,304.00)	(135,756.00)
	<u>\$ (1,874,330.00)</u>	<u>\$ (1,844,281.00)</u>	<u>\$ (3,718,611.00)</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 7: 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	3.00%	3.40%
	<u>100.00%</u>	

Note 7: 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:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	<u>\$ 4,716,467.00</u>	<u>\$ 3,746,698.00</u>	<u>\$ 2,923,821.00</u>

Note 7: 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:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 14,369,119.00	\$ 10,805,521.00	\$ 7,845,681.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	2,230,022.00	1,676,968.00	1,217,614.00
	<u>\$ 16,599,141.00</u>	<u>\$ 12,482,489.00</u>	<u>\$ 9,063,295.00</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.

Note 7: PENSION PLANS (CONT'D)**Supplementary Pension Information**

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

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

	Measurement Date Ended June 30,			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net Pension Liability	0.0229754651%	0.0245549157%	0.0272106445%	0.0259219303%
Township's Proportionate Share of the Net Pension Liability	\$ 3,746,698.00	\$ 4,424,423.00	\$ 5,357,640.00	\$ 6,034,211.00
Township's Covered Payroll (Plan Measurement Period)	\$ 1,643,524.00	\$ 1,718,892.00	\$ 1,908,204.00	\$ 1,808,728.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	227.97%	257.40%	280.77%	333.62%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%
	Measurement Date Ended June 30,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0272450351%	0.0277708698%	0.0277106983%	0.0263082115%
Township's Proportionate Share of the Net Pension Liability	\$ 8,069,198.00	\$ 6,234,004.00	\$ 5,188,201.00	\$ 5,028,022.00
Township's Covered Payroll (Plan Measurement Period)	\$ 1,863,656.00	\$ 1,936,676.00	\$ 1,817,436.00	\$ 1,675,512.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	432.98%	321.89%	285.47%	300.09%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

Note 7: 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	\$ 251,340.00	\$ 238,847.00	\$ 270,658.00	\$ 240,139.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>\$ (251,340.00)</u>	<u>\$ (238,847.00)</u>	<u>(270,658.00)</u>	<u>(240,139.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 1,694,129.00	\$ 1,625,838.00	\$ 1,714,163.00	\$ 1,862,323.00
Township's Contributions as a Percentage of Covered Payroll	14.84%	14.69%	15.79%	12.89%
	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 242,041.00	\$ 238,755.00	\$ 228,443.00	\$ 198,227.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(242,041.00)</u>	<u>(238,755.00)</u>	<u>(228,443.00)</u>	<u>(198,227.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 1,768,983.00	\$ 1,828,345.00	\$ 1,880,908.00	\$ 1,816,610.00
Township's Contributions as a Percentage of Covered Payroll	13.68%	13.06%	12.15%	10.91%

Note 7: 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)***

	Measurement Date Ended June 30,			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net Pension Liability	0.0836255257%	0.0841567253%	0.0850906019%	0.0857875893%
Township's Proportionate Share of the Net Pension Liability	\$ 10,805,521.00	\$ 10,298,948.00	\$ 11,514,161.00	\$ 13,243,945.00
State's Proportionate Share of the Net Pension Liability associated with the Township	1,676,968.00	1,626,223.00	1,564,008.00	1,483,433.00
Total	<u>\$ 12,482,489.00</u>	<u>\$ 11,925,171.00</u>	<u>\$ 13,078,169.00</u>	<u>\$ 14,727,378.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 2,869,188.00	\$ 2,868,216.00	\$ 2,861,312.00	\$ 2,674,780.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	376.61%	359.07%	402.41%	495.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.52%	65.00%	62.48%	58.60%
	Measurement Date Ended June 30,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0739776733%	0.0719141777%	0.0752550812%	0.0744225003%
Township's Proportionate Share of the Net Pension Liability	\$ 14,131,628.00	\$ 11,978,395.00	\$ 9,466,391.00	\$ 9,893,800.00
State's Proportionate Share of the Net Pension Liability associated with the Township	1,186,706.00	1,050,465.00	1,019,371.00	922,222.00
Total	<u>\$ 15,318,334.00</u>	<u>\$ 13,028,860.00</u>	<u>\$ 10,485,762.00</u>	<u>\$ 10,816,022.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 2,368,632.00	\$ 2,376,988.00	\$ 2,498,628.00	\$ 2,437,352.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	596.62%	503.93%	378.86%	405.92%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	56.31%	62.41%	58.70%

Note 7: 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	\$ 934,240.00	\$ 850,076.00	\$ 831,886.00	\$ 759,236.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(934,240.00)</u>	<u>(850,076.00)</u>	<u>(831,886.00)</u>	<u>(759,236.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 3,008,932.00	\$ 2,877,178.00	\$ 2,839,333.00	\$ 2,873,159.00
Township's Contributions as a Percentage of Covered Payroll	31.05%	29.55%	29.30%	26.43%
	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 603,170.00	\$ 584,555.00	\$ 578,011.00	\$ 542,970.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(603,170.00)</u>	<u>(584,555.00)</u>	<u>(578,011.00)</u>	<u>(542,970.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 2,649,819.00	\$ 2,432,584.00	\$ 2,342,787.00	\$ 2,426,415.00
Township's Contributions as a Percentage of Covered Payroll	22.76%	24.03%	24.67%	22.38%

Note 7: 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 7: 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 8: 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 GASBS No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. As of the date of this report, the information for the measurement period ended June 30, 2020 was not available; therefore, the information from the measurement period June 30, 2019 is disclosed below.

General Information about the OPEB Plan

Plan Description and Benefits Provided - The Township does not provide postemployment benefits to its retirees, however, the State of New Jersey (the "State") provides these benefits to certain Township retirees and their dependents under a special funding situation as described below.

The State of New Jersey, on-behalf of 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>.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**General Information about the OPEB Plan (Cont'd)**

Plan Description and Benefits Provided (Cont'd) - 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.

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.

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, the Township is 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.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**General Information about the OPEB Plan (Cont'd)**

Contributions (Cont'd) - Special Funding Situation Component (Cont'd) - Since the Township does not contribute under this legislation directly to the Plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the Township is required disclose:

- a) the State's proportion (percentage) of the collective net OPEB liability that is associated with the Township,
- b) the State's proportionate share of the collective net OPEB liability that is associated with the Township, and
- c) the State's proportionate share of the OPEB (benefit) expense that is associated with the Township.

The amount of actual contributions to the OPEB Plan made by the State, on-behalf of the Township, is not known, however, under the Special Funding Situation, the State's OPEB (benefit) expense, on-behalf of the Township, is \$120,387.00 for the year ended December 31, 2019 representing 4.18% of the Township's covered payroll.

OPEB Liability and OPEB (Benefit) Expense

OPEB Liability - At December 31, 2019 the State's proportionate Share of the Net OPEB liability associated with the Township is \$9,082,237.00. 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.

The State's proportion of the net OPEB liability, on-behalf of the Township, was based on the ratio of the plan members of an individual employer to the total members of the Plan's special funding situation during the measurement period July 1, 2018 through June 30, 2019. For the June 30, 2019 measurement date, the State's proportion on-behalf of the Township was 0.164363% which was an increase of 0.006002% from its proportion measured as of the June 30, 2018 measurement date.

OPEB (Benefit) Expense - At December 31, 2019, the State's proportionate share of the OPEB (benefit) expense, associated with the Township, calculated by the Plan as of the June 30, 2019 measurement date, is \$120,387.00. 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: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**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:	
Not Applicable Under Special Funding Situation	
PFRS:	
Rate for all Years	3.25% to 15.25%

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

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 experience study prepared for July 1, 2013 to June 30, 2018.

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

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) at the unit cost of value of \$1.00. Participant shares are valued on a fair value basis. The CMF pays 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.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Sensitivity of the net OPEB Liability to Changes in the Discount Rate**

As previously mentioned, the OPEB Plan has a special funding situation where the State of New Jersey pays the Township's contributions for certain eligible employees. As such, the 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>
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Township	<u>\$ 10,501,376.00</u>	<u>\$ 9,082,237.00</u>	<u>\$ 7,928,999.00</u>

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

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
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Township	<u>\$ 7,664,289.00</u>	<u>\$ 9,082,237.00</u>	<u>\$ 10,891,069.00</u>

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>.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Supplementary OPEB Information**

In accordance with GASB 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 State's Proportionate Share of the net OPEB Liability Associated with the Township (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	0.000000%	0.000000%	0.000000%
State's Proportion of the Net OPEB Liability Associated with the Township	100.000000%	100.000000%	100.000000%
	<u>100.000000%</u>	<u>100.000000%</u>	<u>100.000000%</u>
Township's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Township	9,082,237.00	9,840,306.00	13,745,187.00
Total	<u>\$ 9,082,237.00</u>	<u>\$ 9,840,306.00</u>	<u>\$ 13,745,187.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 2,824,128.00	\$ 2,908,253.00	\$ 2,740,169.00
Township's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%
State's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	321.594%	338.358%	501.618%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.97%	1.03%

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Supplementary OPEB Information (Cont'd)*****Schedule of the State's Contributions Associated with the Township (Last Three Years)***

The amount of actual contributions that the State made on-behalf of the Township is not known.

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 experience study. 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.

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 9: COMPENSATED ABSENCES

Full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated from year to year, or an employee may choose to be reimbursed at one half pay at the end of each year for any unused sick leave from the current year. Other than employees contracted under the police contract, vacation days not used during the year may not be accumulated and carried forward.

The Township compensates employees for unused sick leave upon retirement. Compensation of accumulated time is paid in accordance with applicable employment and union contracts.

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 \$157,404.86. It is estimated that, at December 31, 2020, accrued benefits for compensated absences are valued at \$376,587.94.

Note 10: 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 11: CAPITAL DEBT**General Improvement Bonds**

General Improvement Bonds, Series 2015 - On June 15, 2015, the Township issued \$4,469,000.00 of general improvement bonds, with a net interest cost of 3.983%. The bonds were issued for the purpose of funding various capital projects in the Township. The final maturity of the bonds is June 15, 2024.

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	\$ 505,000.00	\$ 38,087.50	\$ 543,087.50
2022	515,000.00	27,887.50	542,887.50
2023	530,000.00	17,106.25	547,106.25
2024	540,000.00	5,737.50	545,737.50
Totals	<u>\$ 2,090,000.00</u>	<u>\$ 88,818.75</u>	<u>\$ 2,178,818.75</u>

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	<u>\$ 5,509,151.00</u>	<u>\$ 6,297,636.00</u>	<u>\$ 4,985,129.00</u>
Total Issued	<u>5,509,151.00</u>	<u>6,297,636.00</u>	<u>4,985,129.00</u>
<u>Authorized but not Issued</u>			
General:			
Bonds, Loans and Notes	<u>237,520.33</u>	<u>495.33</u>	<u>752,494.33</u>
Total Authorized but not Issued	<u>237,520.33</u>	<u>495.33</u>	<u>752,494.33</u>
Total Issued and Authorized but not Issued	<u>5,746,671.33</u>	<u>6,298,131.33</u>	<u>5,737,623.33</u>
<u>Deductions</u>			
General:			
Open Space Debt	<u>579,352.33</u>	<u>767,087.33</u>	<u>1,131,379.33</u>
Cash Held for the Payment of Notes	<u>43,432.95</u>		
Total Deductions	<u>622,785.28</u>	<u>767,087.33</u>	<u>1,131,379.33</u>
Net Debt	<u>\$ 5,123,886.05</u>	<u>\$ 5,531,044.00</u>	<u>\$ 4,606,244.00</u>

Note 11: CAPITAL DEBT (CONT'D)**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of .422%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School Purposes	\$ 8,352,645.99	\$ 8,352,645.99	
Local School Purposes	2,160,000.00	2,160,000.00	
General	5,746,671.33	622,785.28	\$ 5,123,886.05
	<u>\$ 16,259,317.32</u>	<u>\$ 11,135,431.27</u>	<u>\$ 5,123,886.05</u>

Net debt \$5,123,886.05 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$1,215,327,247.00 equals .422%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 42,536,453.65
Less: Net Debt	<u>5,123,886.05</u>
Remaining Borrowing Power	<u>\$ 37,412,567.60</u>

Note 12: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2020, the following deferred charge is shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

<u>Description</u>	<u>Balance Dec. 31, 2020</u>	<u>2021 Budget Appropriation</u>
Current Fund:		
Emergency Authorizations	<u>\$ 12,500.00</u>	<u>\$ 12,500.00</u>

The appropriation in the 2021 Budget as adopted is not less than that required by the statutes.

Note 13: SCHOOL TAXES

Local District School Taxes and Rancocas Valley Regional High School tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the current fund liabilities as follows:

	<u>Local District School Tax</u>		<u>Regional High School Tax</u>	
	<u>Balance Dec. 31,</u>		<u>Balance Dec. 31,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Balance of Tax	\$ 5,472,117.42	\$ 5,379,032.88	\$ 2,464,532.26	\$ 2,387,639.26
Deferred	5,472,117.00	4,905,340.00	2,464,532.00	2,070,265.00
Tax Payable	<u>\$ 0.42</u>	<u>\$ 473,692.88</u>	<u>\$ 0.26</u>	<u>\$ 317,374.26</u>

Note 14: 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.

Joint Insurance Pool - The Township of Westampton is a member of the Burlington County Municipal Insurance Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation including Employer's Liability
 General Liability including Police Professional and Employee Benefit Liability
 Automobile Liability
 Blanket Crime including Public Employee Dishonesty
 Property Including Boiler and Machinery
 Public Officials and Employment Practices Liability

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation
 Excess General Liability
 Excess Auto Liability
 Excess Property including Boiler and Machinery
 Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and 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 Township's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report for the year ended December 31, 2020, which can be obtained at burlcojif.org.

Note 14: RISK MANAGEMENT (CONT'D)

New Jersey Unemployment Compensation Insurance - The Township elected the "Contributory Method" to fund its New Jersey Unemployment Compensation Insurance, which requires the Township to annually appropriate funds to pay the projected costs of contributions at the rate determined by the Commissioner of Labor. The expense for these benefits for the years ended December 31, 2020 and 2019 was \$20,002.94 and \$19,229.62, respectively.

Note 15: OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST

On November 2, 1999, pursuant to N.J.S.A. 40:12-15.1, et seq., the voters of the Township of Westampton authorized the establishment of the Township of Westampton Open Space, Recreation, Farmland and Historic Preservation Trust Fund, effective January 1, 2000, to be used exclusively for the acquisition of land for open space preservation, farmland preservation, historic preservation, parks and recreation through the property's outright acquisition or the acquisition of development rights. The Township proposed to levy a tax in the amount of two cents per one hundred dollars of assessed value for a period not to exceed twenty years. Additionally, on November 8, 2005, the voters of the Township of Westampton authorized the establishment of an additional two cents per one hundred dollars of assessed value, effective January 1, 2006 for a period not to exceed twenty years, for the purpose of continuing to acquire property or pay the cost of bonding on the indebtedness incurred for the purpose of acquiring such property. Finally, on November 7, 2017, the voters authorized the extension of, for a period not to exceed twenty (20) years, the Municipal Open Space, Recreation and Farmland and Historic Preservation Trust Fund previously created in 2000 and continue to annually levy an additional two cents per one hundred dollars (\$0.02 per \$100.00) of assessed real property valuation. 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 Open Space, Recreation, Farmland and Historic Preservation Trust Fund.

Note 16: 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.

Tax Appeals - As of December 31, 2020, several tax appeals were on file against the Township. Based upon information provided by the tax assessor, if such appeals are not settled in favor of the Township, the estimated impact of such tax appeals would not be material to the financial statements.

Note 17: 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 18: COVID-19

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

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Township’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Township is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for calendar year 2021.

Note 19: 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		
Acquisition of Various Capital Equipment	6/15/2021	<u>\$ 1,005,590.00</u>

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS
CURRENT FUND

TOWNSHIP OF WESTAMPTON
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5--Treasurer
For the Year Ended December 31, 2020

	Regular	Federal and State Grant Fund
Balance Dec. 31, 2019	\$ 3,104,414.35	\$ -
Increased by Receipts:		
Collector	\$ 29,562,113.43	
Municipal Occupancy Tax	293,566.00	
Local Fire Bureau Fees	39,967.75	
Uniform Fire Safety Act Fees	58,155.23	
Emergency Medical Service Fees	425,279.31	
Energy Receipts Tax	653,386.99	
Shared Service Fees	284,011.76	
Miscellaneous Revenue Not Anticipated	36,524.62	
Due from State of New Jersey--Veterans' and Senior Citizens' Deductions	66,250.00	
Budget Refunds	581,809.87	
Appropriation Reserve Refunds	8,277.76	
Revenue Accounts Receivable	1,539,851.10	
Due Mount Holly Sewerage Authority	114,061.08	
Due State of N.J.--Division of Youth and Family Services	925.00	
Due State of N.J.--D.C.A. State Training Fees	77,686.00	
Due to County Of Burlington--PILOT Fees	14,837.41	
Prepaid Revenues	6,972.46	
Matching Funds for Grants		\$ 2,400.00
Federal and State Grants Receivable		244,771.84
Due Current Fund		87,865.48
Due Trust Other Funds	444.76	
Contra	1,300.00	
Petty Cash--Contra	400.00	
	<u>33,765,820.53</u>	<u>335,037.32</u>
Carried Forward	36,870,234.88	335,037.32

(Continued)

TOWNSHIP OF WESTAMPTON
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5--Treasurer
For the Year Ended December 31, 2020

	Regular	Federal and State Grant Fund
Brought Forward	\$ 36,870,234.88	\$ 335,037.32
Decreased by Disbursements:		
2020 Appropriations	\$ 11,001,330.65	
2019 Appropriation Reserves	347,175.09	
Tax Overpayments	7,461.47	
Due County for Added and Omitted Taxes	66,652.72	
Due State of N.J.--Division of Youth and Family Services	1,025.00	
Due State of N.J.--D.C.A. State Training Fees	16,679.00	
County Taxes Payable	4,819,613.59	
Municipal Open Space Taxes Payable	466,304.19	
Due Mount Holly Sewerage Authority	114,736.57	
Local District School Taxes	10,851,151.46	
Regional High School Taxes Payable	4,852,576.00	
Due Federal and State Grant Fund	87,865.48	
Reserve for Federal and State Grant Fund--Appropriated		\$ 335,037.32
Matching Funds for Grants	2,400.00	
Contra	1,300.00	
Petty Cash--Contra	400.00	
	<u>32,636,671.22</u>	<u>335,037.32</u>
Balance Dec. 31, 2020	<u><u>\$ 4,233,563.66</u></u>	<u><u>\$ -</u></u>

TOWNSHIP OF WESTAMPTON
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5--Collector
For the Year Ended December 31, 2020

	<u>Regular</u>
Receipts:	
Interest and Costs on Taxes	\$ 74,402.01
Tax Title Liens	604.89
Taxes Receivable	29,084,671.53
Prepaid Taxes	357,738.08
Tax Overpayments	<u>44,696.92</u>
	29,562,113.43
Decreased by:	
Deposits to Treasurer's Account	<u><u>\$ 29,562,113.43</u></u>

All funds are deposited directly to the Treasurer's bank account.

Exhibit SA-3

CURRENT FUND
Schedule of Change Funds
As of December 31, 2020

<u>Office</u>	<u>Balance</u> <u>Dec. 31, 2020</u>
Municipal Clerk	\$ 150.00
Collector	200.00
Court Clerk	<u>600.00</u>
	<u><u>\$ 950.00</u></u>

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

Balance Dec. 31, 2019		\$	11,022.29
Increased by:			
Accrued in 2020:			
Deductions Allowed per Tax Billings	\$	67,000.00	
Deductions Allowed by Tax Collector		<u>1,250.00</u>	
			<u>68,250.00</u>
			79,272.29
Decreased by:			
Deductions Disallowed:			
By Tax Collector -- Prior Years Taxes (Net)		458.40	
By State Taxation Audit		750.00	
Collected		<u>66,250.00</u>	
			<u>67,458.40</u>
Balance Dec. 31, 2020		\$	<u><u>11,813.89</u></u>

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

Balance Dec. 31, 2019			\$ 109,456.62
Increased by:			
Transfer from Taxes Receivable:			
Prior Year Taxes	\$ 199.80		
Current year Taxes	<u>18,284.23</u>		
		\$ 18,484.03	
Interest and Costs on Taxes		<u>152.75</u>	
			<u>18,636.78</u>
			128,093.40
Decreased by:			
Collections			<u>604.89</u>
Balance Dec. 31, 2020			<u><u>\$ 127,488.51</u></u>

TOWNSHIP OF WESTAMPTON
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2020

Year	Balance	2020	Added	Collections		Canceled	Transferred to	Overpayments	Due from	Balance
	Dec. 31, 2019	Levy	Taxes	2019	2020		Tax Title Liens	Applied	State of New Jersey	Dec. 31, 2020
2015	\$ 1,701.02				\$ 1,701.02					
2016	3,563.30				3,563.30					
2018	5,006.71				5,004.58	\$ 2.13				
2019	365,764.49		\$ 1,265.89		360,775.74		\$ 199.80	\$ 1,353.97		\$ 4,700.87
	376,035.52	-	1,265.89	-	371,044.64	2.13	199.80	1,353.97	-	4,700.87
2020		\$ 29,428,328.06	-	\$ 344,607.84	28,713,626.89	19,812.91	18,284.23	25,534.75	\$ 68,250.00	238,211.44
	<u>\$ 376,035.52</u>	<u>\$ 29,428,328.06</u>	<u>\$ 1,265.89</u>	<u>\$ 344,607.84</u>	<u>\$ 29,084,671.53</u>	<u>\$ 19,815.04</u>	<u>\$ 18,484.03</u>	<u>\$ 26,888.72</u>	<u>\$ 68,250.00</u>	<u>\$ 242,912.31</u>

Analysis of 2020 Property Tax Levy

Tax Yield

General Purpose Tax	\$ 28,712,681.87
Added/Omitted Taxes	<u>715,646.19</u>
	<u>\$ 29,428,328.06</u>

Tax Levy

Local School Tax	\$ 10,944,236.00
Regional High School Tax	4,929,469.00
County Taxes:	
County Tax	\$ 4,202,832.07
County Library	373,411.35
County Open Space	243,370.17
Due County for Added and Omitted Taxes	<u>123,348.11</u>
Total County Taxes	4,942,961.70
Municipal Open Space Tax	478,149.64
Local Tax for Municipal Purposes	7,548,785.88
Add: Additional Tax Levied	<u>584,725.84</u>
Local Tax for Municipal Purposes Levied	<u>8,133,511.72</u>
	<u>\$ 29,428,328.06</u>

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

	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Accrued</u> <u>2020</u>	<u>Collections</u> <u>Treasurer</u>	<u>Interfunds</u> <u>Receivable</u>	<u>Balance</u> <u>Dec. 31, 2020</u>
Clerk:					
Alcoholic Beverage Licenses		\$ 15,814.00	\$ 15,814.00		
200 Foot Property Listings		320.00	320.00		
Administrative Fees--Police Outside Services		6,560.77	6,560.77		
Copies		420.00	420.00		
Death Certificates		350.00	350.00		
Kennel Licenses		50.00	50.00		
LDB Application		4,100.00	4,100.00		
Marriage Certificates		400.00	400.00		
Mercantile Licenses		6,800.00	6,800.00		
OPRA Request		101.52	101.52		
Police Discoveries & Accident Reports		7,812.00	7,812.00		
Raffle Licenses		580.00	580.00		
Solicitors Permits		50.00	50.00		
Street Openings		22,570.00	22,570.00		
Towing Application Fees		600.00	600.00		
Construction Code Official		834,257.00	834,257.00		
Municipal Court:					
Fines and Costs	\$ 20,963.42	185,943.37	194,806.14		\$ 12,100.65
Payments in Lieu of Taxes	19,357.27	336,483.10	355,316.37		524.00
Telecommunications Franchise Fees	63,926.09	69,222.64	63,926.09		69,222.64
Interest on Investments		25,076.15	25,017.21	\$ 58.94	
	<u>\$ 104,246.78</u>	<u>\$ 1,517,510.55</u>	<u>\$ 1,539,851.10</u>	<u>\$ 58.94</u>	<u>\$ 81,847.29</u>
Due Trust Other Funds				<u>\$ 58.94</u>	

TOWNSHIP OF WESTAMPTON
CURRENT FUND
Statement of 2019 Appropriation Reserves
For the Year Ended December 31, 2020

	<u>Balance Dec. 31, 2019</u>		<u>Balance</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Encumbered</u>	<u>Reserves</u>	<u>After</u> <u>Modification</u>	<u>Charged</u>	<u>Lapsed</u>
<u>General Government Functions</u>					
Administrative and Executive					
Other Expenses	\$ 1,778.14	\$ 2,543.87	\$ 1,322.01		\$ 1,322.01
Elections					
Other Expenses		200.00			
Collection of Taxes					
Other Expenses		709.17	9.17		9.17
Assessment of Taxes					
Salaries and Wages		19.09	19.09		19.09
Other Expenses		66.26	66.26		66.26
Legal Services and Costs					
Codification of Ordinances		2,500.00	2,500.00	\$ 1,352.07	1,147.93
Other Expenses		7,012.60	6,012.60	5,888.32	124.28
Engineering Services and Costs					
Other Expenses	615.00	5,578.29	3,193.29	2,990.50	202.79
<u>Land Use Administration</u>					
Municipal Land Use Law (NJS 40:55D-1):					
Land Development Board:					
Other Expenses					
Miscellaneous Other Expenses		129.50	529.50	500.22	29.28
<u>Insurance</u>					
Employee Group Insurance	45.50	76,863.67	75,409.17	75,230.84	178.33
<u>Public Safety Functions</u>					
Police					
Salaries and Wages		43,304.66	19,304.66	18,714.07	590.59
Other Expenses	4,335.05	12,577.13	7,912.18	7,580.21	331.97
Emergency Medical Services					
Salaries and Wages		5,111.34	62,111.34	25,980.75	36,130.59
Other Expenses	195.75	3,483.44	3,679.19	3,254.28	424.91
Emergency Services Billing		2,541.80	2,541.80	1,720.44	821.36
Fire					
Fire Hydrant Service	6,767.19	345.76	7,112.95	6,767.19	345.76
Uniform Fire Safety Act (P.L. 1983, Ch.383)					
Other Expenses		2,031.91	2,031.91	1,670.50	361.41
<u>Public Works Functions</u>					
Streets and Roads					
Salaries and Wages		3,593.57	593.57		593.57
Other Expenses	2,371.66	22,041.21	5,412.87	4,160.14	1,252.73
Trash Removal					
Collection		19,473.07	18,473.07	17,731.16	741.91
Vehicle Maintenance	5,408.73	4,753.31	13,662.04	13,371.02	291.02
Municipal Services Act Costs		15,000.00	15,000.00	15,000.00	
<u>Other Common Operating Functions</u>					
Accumulated Leave Compensation			53,300.00	53,300.00	

(Continued)

TOWNSHIP OF WESTAMPTON
CURRENT FUND
Statement of 2019 Appropriation Reserves
For the Year Ended December 31, 2020

	<u>Balance Dec. 31, 2019</u>		Balance	Paid or	Balance
	<u>Encumbered</u>	<u>Reserves</u>	<u>After</u> <u>Modification</u>	<u>Charged</u>	<u>Lapsed</u>
<u>Utility Expenses and Bulk Purchases</u>					
Electricity and Natural Gas	\$ 14,255.29	\$ 15,993.42	\$ 28,248.71	\$ 27,621.34	\$ 627.37
Telecommunications	370.30	1,943.27	2,313.57	1,449.18	864.39
Water/Sewer	695.66	607.04	1,302.70	695.66	607.04
Petroleum Products	7,101.43	9,771.66	12,873.09	12,515.51	357.58
<u>Landfill/Solid Waste Disposal Costs</u>					
Trash Removal					
Disposal		33,407.56	22,407.56	21,957.23	450.33
<u>Municipal Court Functions</u>					
Municipal Court					
Salaries and Wages		5,046.29	1,046.29	483.60	562.69
Other Expenses	389.00	9,150.06	3,539.06	3,143.50	395.56
<u>Uniform Construction Code</u>					
Construction Code Official					
Salaries and Wages		87.60	87.60		87.60
Other Expenses		1,303.74	303.74		303.74
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		1,374.36	5,574.36	5,548.52	25.84
Unemployment Compensation Insurance		2,021.66	2,021.66	882.20	1,139.46
Defined Contribution Retirement Program		67.33	67.33		67.33
Recycling Tax		1,397.55	1,397.55	668.55	729.00
Reserve for Tax Appeals	<u>6,965.33</u>	<u>27,554.01</u>	<u>9,519.34</u>	<u>8,720.33</u>	<u>799.01</u>
	<u>\$ 51,294.03</u>	<u>\$ 339,605.20</u>	<u>\$ 390,899.23</u>	<u>\$ 338,897.33</u>	<u>\$ 52,001.90</u>
			Disbursed	\$ 347,175.09	
			Reimbursed	(8,277.76)	
				<u>\$ 338,897.33</u>	

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

Balance Dec. 31, 2019 (2020 Taxes)	\$ 344,607.84
Increased by:	
Collections--2021 Taxes	<u>357,738.08</u>
	702,345.92
Decreased by:	
Applied to 2020 Taxes Receivable	<u>344,607.84</u>
Balance Dec. 31, 2020 (2021 Taxes)	<u><u>\$ 357,738.08</u></u>

Exhibit SA-10

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

Balance Dec. 31, 2019		\$ 42,986.95
Increased by:		
Overpayments Collected	\$ 44,696.92	
Prior Year Overpayments	<u>12,688.91</u>	
		<u>57,385.83</u>
		100,372.78
Decreased by:		
Refunded	7,461.47	
Canceled	6,870.31	
Applied to Taxes Receivable	<u>26,888.72</u>	
		<u>41,220.50</u>
Balance Dec. 31, 2020		<u><u>\$ 59,152.28</u></u>

A complete detailed list is on file at the office of the Tax Collector.

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

Balance Dec.31, 2019		\$	66,652.72
Increased by:			
County Share of 2020 Levy:			
Added Taxes	\$	18,860.36	
Rollback Taxes		24,482.35	
County Share of Prior Year Taxes:			
Rollback Taxes (2017)		10,087.19	
Rollback Taxes (2018)		34,968.29	
Rollback Taxes (2019)		34,877.02	
Added/Omitted Taxes		<u>72.90</u>	
			<u>123,348.11</u>
			190,000.83
Decreased by:			
Payments			<u>66,652.72</u>
Balance Dec.31, 2020		\$	<u><u>123,348.11</u></u>

TOWNSHIP OF WESTAMPTON
CURRENT FUND
Statement of Due to the State of New Jersey
Division of Youth and Family Services
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 250.00
Increased by:	
Receipts	<u>925.00</u>
	1,175.00
Decreased by:	
Disbursements	<u>1,025.00</u>
Balance Dec. 31, 2020	<u><u>\$ 150.00</u></u>

Exhibit SA-13

CURRENT FUND
Statement of Due to State of New Jersey
D.C.A. State Training Fees
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 11,620.00
Increased by:	
Receipts	<u>77,686.00</u>
	89,306.00
Decreased by:	
Disbursements	<u>16,679.00</u>
Balance Dec. 31, 2020	<u><u>\$ 72,627.00</u></u>

TOWNSHIP OF WESTAMPTON
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2020

2020 Levy:		
County	\$ 4,202,832.07	
County Library	373,411.35	
County Open Space	<u>243,370.17</u>	
		\$ 4,819,613.59
Decreased by:		
Payments		<u><u>\$ 4,819,613.59</u></u>

Exhibit SA-15

CURRENT FUND
Statement of Municipal Open Space Tax Payable
For the Year Ended December 31, 2020

2020 Levy	\$ 466,304.19	
2020 Added and Omitted Taxes	<u>11,845.45</u>	
		\$ 478,149.64
Decreased by:		
Payments	466,304.19	
Due to Trust Municipal Open Space Fund	<u>11,845.45</u>	
		<u><u>\$ 478,149.64</u></u>

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

Balance Dec. 31, 2019:		
School Tax Payable	\$ 473,692.88	
School Tax Deferred	<u>4,905,340.00</u>	
		\$ 5,379,032.88
Increased by:		
Levy--School Year July 1, 2020 to June 30, 2021		<u>10,944,236.00</u>
		16,323,268.88
Decreased by:		
Payments		<u>10,851,151.46</u>
Balance Dec. 31, 2020:		
School Tax Payable	0.42	
School Tax Deferred	<u>5,472,117.00</u>	
		<u>\$ 5,472,117.42</u>
2020 Liability for Local District School Tax:		
Tax Paid		\$ 10,851,151.46
Tax Payable Dec. 31, 2020		<u>0.42</u>
		10,851,151.88
Less: Tax Payable Dec. 31, 2019		<u>473,692.88</u>
Amount Charged to 2020 Operations		<u>\$ 10,377,459.00</u>

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

Balance Dec. 31, 2019:		
School Tax Payable	\$ 317,374.26	
School Tax Deferred	<u>2,070,265.00</u>	
		\$ 2,387,639.26
Increased by:		
Levy--School Year July 1, 2020 to June 30, 2021		<u>4,929,469.00</u>
		7,317,108.26
Decreased by:		
Payments		<u>4,852,576.00</u>
Balance Dec. 31, 2020:		
School Tax Payable	0.26	
School Tax Deferred	<u>2,464,532.00</u>	
		<u>\$ 2,464,532.26</u>
2020 Liability for Regional High School Tax:		
Tax Paid		\$ 4,852,576.00
Tax Payable Dec. 31, 2020		<u>0.26</u>
		4,852,576.26
Less: Tax Payable Dec. 31, 2019		<u>317,374.26</u>
Amount Charged to 2020 Operations		<u>\$ 4,535,202.00</u>

TOWNSHIP OF WESTAMPTON
CURRENT FUND
Statement of Due to Mount Holly Sewerage Authority
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 4,981.56
Increased by:		
Receipts:		
Collections on Behalf of Sewerage Authority		<u>114,061.08</u>
		119,042.64
Decreased by:		
Disbursements	\$ 114,736.57	
Canceled	<u>4,306.07</u>	
		<u><u>\$ 119,042.64</u></u>

Exhibit SA-19

CURRENT FUND
Statement of Due to County of Burlington--PILOT Fees
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 39,017.21
Increased by:	
Receipts	
County Portion of PILOT Fees Collected	<u>14,837.41</u>
Balance Dec. 31, 2020	<u><u>\$ 53,854.62</u></u>

TOWNSHIP OF WESTAMPTON
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>Collected</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2020</u>
Federal Grants:					
Bulletproof Vest Partnership Grant		\$ 905.40	\$ 905.40		
FEMA - SAFER Program	\$ 45,343.05				\$ 45,343.05
FEMA - Assistance to Firefighters	14,285.71	18,571.43			32,857.14
State Grants:					
Municipal Alliance on Alcoholism and Drug Abuse	31,737.65	44,700.00	31,737.65	\$ 44,700.00	
New Jersey Transportation Trust Fund Authority Act		191,250.00	191,250.00		
Body Armor Replacement Grant		2,598.36	2,598.36		
Clean Communities Program		16,946.77	16,946.77		
Alcohol Education and Rehabilitation Grant		1,333.66	1,333.66		
Local Grants:					
County Municipal Park Development Grant		70,587.00			70,587.00
	<u>\$ 91,366.41</u>	<u>\$ 346,892.62</u>	<u>\$ 244,771.84</u>	<u>\$ 44,700.00</u>	<u>\$ 148,787.19</u>

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

<u>Program</u>	<u>Balance Dec. 31, 2019</u>	<u>Transferred from 2020 Budget Appropriation</u>	<u>Prior Year Orders Reclassified</u>	<u>Paid or Charged</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2020</u>
Federal Grants:						
Bulletproof Vest Partnership Grant	\$ 4,199.85	\$ 905.40		\$ 3,209.47		\$ 1,895.78
FEMA - Firefighters Assistance Grant		18,571.43	\$ 9,860.00	25,233.15		3,198.28
State Grants:						
Municipal Drug Alliance Program		47,100.00		2,400.00	\$ 44,700.00	
New Jersey Transportation Trust Fund Authority Act		191,250.00		191,250.00		
Body Armor Replacement Grant	1,553.17	2,598.36		4,151.53		
Drunk Driving Enforcement Grant	4,964.53		3,231.80	5,778.00		2,418.33
Clean Communities Grant	12,741.43	16,946.77		13,824.83		15,863.37
Alcohol Education and Rehabilitation Grant	11,967.60	1,333.66		3,493.67		9,807.59
Recycling Tonnage Grant	40,901.33	19,102.36		15,509.67		44,494.02
Local Grants:						
County Municipal Park Development Grant		70,587.00		70,587.00		
	<u>\$ 76,327.91</u>	<u>\$ 368,394.98</u>	<u>\$ 13,091.80</u>	<u>\$ 335,437.32</u>	<u>\$ 44,700.00</u>	<u>\$ 77,677.37</u>
Disbursed				\$ 335,037.32		
Reserve for Encumbrances				400.00		
				<u>\$ 335,437.32</u>		

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

<u>Program</u>	<u>Balance Dec. 31, 2019</u>	<u>Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2020 Budget</u>	<u>Balance Dec. 31, 2020</u>
Federal Grants:				
Bulletproof Vest Partnership Grant		\$ 905.40	\$ 905.40	
FEMA - Assistance to Firefighters		18,571.43	18,571.43	
State Grants:				
Municipal Alliance on Alcoholism and Drug Abuse		44,700.00	44,700.00	
New Jersey Transportation Trust Fund Authority Act		191,250.00	191,250.00	
Body Armor Replacement Grant		2,598.36	2,598.36	
Clean Communities Program		16,946.77	16,946.77	
Alcohol Education and Rehabilitation Grant		1,333.66	1,333.66	
Recycling Tonnage Grant	\$ 19,102.36		19,102.36	
Local Grants:				
County Municipal Park Development Grant		70,587.00	70,587.00	
	<u>\$ 19,102.36</u>	<u>\$ 346,892.62</u>	<u>\$ 365,994.98</u>	<u>\$ -</u>
Original Budget			\$ 63,802.36	
Appropriation by 40A:4-87			<u>302,192.62</u>	
			<u>\$ 365,994.98</u>	

TOWNSHIP OF WESTAMPTON
FEDERAL AND STATE GRANT FUND
Statement of Due from/(to) Current Fund
For the Year Ended December 31, 2020

Balance Dec. 31, 2019 (Due from)	\$ 6,650.86
Decreased by:	
Interfund Loans Received	<u>87,865.48</u>
Balance Dec. 31, 2020 (Due to)	<u><u>\$ (81,214.62)</u></u>

SUPPLEMENTAL EXHIBITS
TRUST FUND

TOWNSHIP OF WESTAMPTON
TRUST FUND
Statement of Trust Cash Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2020

	<u>Animal Control</u>	<u>Other</u>	<u>Municipal Open Space</u>
Balance Dec. 31, 2019	\$ 786.34	\$ 1,737,697.54	\$ 233,038.23
Increased by Receipts:			
Dog License Fees	\$ 8,786.40		
State Registration Fees	1,038.00		
Prepaid Animal Control Licenses	1,890.60		
Reserve for Municipal Open Space			\$ 589,083.19
Due Current Fund	25.75	\$ 7,918.47	
Accounts Receivable		2,200.00	
Budget Appropriations	1,548.86	53,301.00	
Interest Earnings		6,336.91	
Reserve for COAH Development Fees		52,299.90	
Reserve for Community Events		640.00	
Reserve for Escrow Deposits		384,111.57	
Reserve for Fire Code Penalties		6,561.87	
Reserve for Municipal Drug Alliance		4,567.88	
Reserve for Municipal Law Enforcement Grant		1,266.00	
Reserve for Police K9 Unit		8,735.00	
Reserve for Police Outside Services		122,286.73	
Reserve for Public Defender Fees		10,185.58	
Reserve for Recreation		268,066.64	
Net Payroll		3,559,468.93	
Payroll Deductions Payable		2,921,900.58	
	<u>13,289.61</u>	<u>7,409,847.06</u>	<u>589,083.19</u>
Carried Forward	14,075.95	9,147,544.60	822,121.42

(Continued)

TOWNSHIP OF WESTAMPTON
TRUST FUND
Statement of Trust Cash Per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2020

	<u>Animal Control</u>	<u>Other</u>	<u>Municipal Open Space</u>
Brought Forward	\$ 14,075.95	\$ 9,147,544.60	\$ 822,121.42
Decreased by Disbursements:			
Budget Appropriations			\$ 542,523.54
Reserve for Animal Control Fund Expenditures	\$ 9,869.31		
State Registration Fees	943.80		
Due Current Fund	25.75	\$ 8,002.11	
Other Accounts Receivable		10,504.80	
Reserve for Accumulated Sick Time		59,651.20	
Reserve for COAH Development Fees		233,832.95	
Reserve for Community Events		2,352.74	
Reserve for Escrow Deposits		277,794.13	
Reserve for Fire Code Penalties		7,550.51	
Reserve for Municipal Drug Alliance		33,464.54	
Reserve for Municipal Law Enforcement Grant		4,415.83	
Reserve for Police K9 Unit		1,030.50	
Reserve for Police Outside Services		122,287.73	
Reserve for Public Defender Fees		17,600.00	
Reserve for Recreation Expenditures		307,494.36	
Reserve for Encumbrances			5,950.15
Net Payroll		3,559,468.93	
Payroll Deductions Payable		2,921,599.28	
	<u>10,838.86</u>	<u>7,567,049.61</u>	<u>548,473.69</u>
Balance Dec. 31, 2020	<u>\$ 3,237.09</u>	<u>\$ 1,580,494.99</u>	<u>\$ 273,647.73</u>

TOWNSHIP OF WESTAMPTON
TRUST OTHER FUNDS
Statement of Trust Cash Per N.J.S 40A:5-5--Collector
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 262,526.32
Increased by Receipts:		
Reserve for Redemption of Tax Title Liens	\$ 247,385.77	
Premiums Received at Tax Sale	291,500.00	
Due Current Fund	<u>1,035.53</u>	
		<u>539,921.30</u>
		802,447.62
Decreased by Disbursements:		
Reserve for Redemption of Tax Title Liens	239,224.23	
Premiums Received at Tax Sale	278,400.00	
Due Current Fund	<u>1,337.71</u>	
		<u>518,961.94</u>
Balance Dec. 31, 2020		<u><u>\$ 283,485.68</u></u>

TOWNSHIP OF WESTAMPTON
TRUST ANIMAL CONTROL FUND
Statement of Reserve/(Deficit) for Animal Control Fund Expenditures
For the Year Ended December 31, 2020

Balance (Defecit) Dec. 31, 2019		\$ (1,523.06)
Increased by:		
Receipts:		
Dog License Fees Collected	\$ 8,786.40	
Budget Appropriation	1,548.86	
Prepaid Licenses Applied	<u>2,190.00</u>	
		<u>12,525.26</u>
		11,002.20
Decreased by:		
Expenditures Under RS 4:19-15.11:		
Disbursed		<u>9,869.31</u>
Balance Dec. 31, 2020		<u><u>\$ 1,132.89</u></u>

<u>License Fees Collected</u>	<u>Amount</u>
2018	\$ 12,862.20
2019	<u>11,914.00</u>
	<u><u>\$ 24,776.20</u></u>

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

Balance Dec. 31, 2019		\$ 60.00
Increased by:		
State Registration Fees Collected	\$ 1,038.00	
Prepaid Licenses Applied	<u>59.40</u>	
		<u>1,097.40</u>
		1,157.40
Decreased by:		
Disbursed		<u>943.80</u>
Balance Dec. 31, 2020		<u><u>\$ 213.60</u></u>

Exhibit SB-5

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

Receipts:		
Interest on Deposits		\$ 25.75
Decreased		
Disbursements:		
Remitted to Current Fund		<u><u>\$ 25.75</u></u>

TOWNSHIP OF WESTAMPTON
TRUST ANIMAL CONTROL FUND
Statement of Prepaid Animal Control Licenses
For the Year Ended December 31, 2020

Balance Dec. 31, 2019 (2020 Licenses)		\$	2,249.40
Increased by:			
Receipts:			
Prepaid 2021 Dog Licenses			<u>1,890.60</u>
			4,140.00
Decreased by:			
Applied to:			
Reserve for Animal Control Fund Expenditures	\$	2,190.00	
Due to State of New Jersey		<u>59.40</u>	
			<u>2,249.40</u>
Balance Dec. 31, 2020 (2021 Licenses)		\$	<u><u>1,890.60</u></u>

TOWNSHIP OF WESTAMPTON
TRUST OTHER FUNDS
Statement of Due to / (from) Current Fund
For the Year Ended December 31, 2020

Balance Dec. 31, 2019 (Due to)		\$	349.41
Increased by:			
Receipts:			
Administrative Fees--Police Outside Services	\$	6,560.77	
Interest Earned on Deposits:			
Collector		1,035.53	
Treasurer		1,357.70	
			<u>8,954.00</u>
			9,303.41
Decreased by:			
Disbursements:			
Remitted to Current Fund:			
Collector		1,337.71	
Treasurer		8,002.11	
			<u>9,339.82</u>
Balance Dec. 31, 2020 (Due from)		\$	<u><u>(36.41)</u></u>

TOWNSHIP OF WESTAMPTON
TRUST OTHER FUNDS
Statement of Payroll Deductions Payable
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 4,430.41
Increased by:	
Payroll Deductions	<u>2,921,900.58</u>
	2,926,330.99
Decreased by:	
Disbursed	<u>2,921,599.28</u>
Balance Dec. 31, 2020	<u><u>\$ 4,731.71</u></u>
<u>Analysis of Balance Dec. 31, 2020</u>	
Flexible Spending Account Balances	<u><u>\$ 4,731.71</u></u>

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

		Increased by:			Decreased by:	
		Receipts				
	Balance Dec. 31, 2019	Interest Earnings	Other Receipts	Budget Appropriations	Disbursements	Balance Dec. 31, 2020
Collector:						
Reserve For:						
Premiums Received at Tax Sale	\$ 262,000.00		\$ 291,500.00		\$ 278,400.00	\$ 275,100.00
Tax Title Lien Redemption	207.91		247,385.77		239,224.23	8,369.45
	<u>262,207.91</u>	<u>-</u>	<u>538,885.77</u>	<u>-</u>	<u>517,624.23</u>	<u>283,469.45</u>
Treasurer:						
Reserve for:						
Accumulated Sick Time	163,049.22	\$ 705.84		\$ 53,301.00	59,651.20	157,404.86
Affordable Housing	29,513.82	133.33				29,647.15
COAH Development Fees	972,300.19	4,118.18	52,299.90		233,832.95	794,885.32
Community Events	8,939.60	43.79	640.00		2,352.74	7,270.65
Escrow Deposits	185,182.37	83.01	384,111.57		277,794.13	291,582.82
Fire Code Penalties	8,533.90		6,561.87		7,550.51	7,545.26
K-9 Unit	1,438.68	6.83	8,735.00		1,030.50	9,150.01
Municipal Drug Alliance	28,896.66		4,567.88		33,464.54	
Municipal Law Enforcement Grant	6,225.49	18.25	1,266.00		4,415.83	3,093.91
Outside Police Services	96.35		122,286.73		122,287.73	95.35
Performance Bonds	8,305.50					8,305.50
Public Defender Fees	14,641.68		10,185.58		17,600.00	7,227.26
Recreation Expenditures	284,665.86	1,168.33	268,066.64		307,494.36	246,406.47
Snow Removal	13,142.01	59.35				13,201.36
	<u>1,724,931.33</u>	<u>6,336.91</u>	<u>858,721.17</u>	<u>53,301.00</u>	<u>1,067,474.49</u>	<u>1,575,815.92</u>
	<u>\$ 1,987,139.24</u>	<u>\$ 6,336.91</u>	<u>\$ 1,397,606.94</u>	<u>\$ 53,301.00</u>	<u>\$ 1,585,098.72</u>	<u>\$ 1,859,285.37</u>

TOWNSHIP OF WESTAMPTON
TRUST OTHER FUNDS
Statement of Other Accounts Receivable
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 2,200.00
Increased by:	
Disbursments:	
Refund Receivable - Overpayment to Vendor	<u>10,504.80</u>
	12,704.80
Decreased by:	
Receipts	<u>2,200.00</u>
Balance Dec. 31, 2020	<u><u>\$ 10,504.80</u></u>

TOWNSHIP OF WESTAMPTON
TRUST MUNICIPAL OPEN SPACE FUND
Statement of Reserve for Municipal Open Space
For the Year Ended December 31, 2020

Balance Dec. 31, 2019			\$ 78,317.16
Increased by:			
Receipts:			
2020 Tax Levy	\$ 466,304.19		
Public and Private Revenues	87,949.63		
Miscellaneous Revenues	<u>34,829.37</u>		
		\$ 589,083.19	
Due from Current Fund:			
2020 Added/Omitted Tax Levy		<u>11,845.45</u>	
			<u>600,928.64</u>
			679,245.80
Decreased by:			
Disbursements:			
Budget Appropriations		542,523.54	
Direct Charges to Reserve			
Reserve for Encumbrances		<u>1,714.02</u>	
			<u>544,237.56</u>
Balance Dec. 31, 2020			<u><u>\$ 135,008.24</u></u>

TOWNSHIP OF WESTAMPTON
TRUST MUNICIPAL OPEN SPACE FUND
Statement of Grants Receivable
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 161,000.00
Decreased by:	
Receipts	<u>12,800.00</u>
Balance Dec. 31, 2020	<u><u>\$ 148,200.00</u></u>

Exhibit SB-13

TRUST MUNICIPAL OPEN SPACE FUND
Statement of Due to/(from) Current Fund
For the Year Ended December 31, 2020

Balance Dec. 31, 2019 (Due to)	\$ 6,770.92
Decreased by:	
Reserve for Municipal Open Space:	
2020 Added/Omitted Tax Levy	<u>11,845.45</u>
Balance Dec. 31, 2020 (Due from)	<u><u>\$ (5,074.53)</u></u>

TOWNSHIP OF WESTAMPTON
TRUST MUNICIPAL OPEN SPACE FUND
Statement of Other Accounts Receivable
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 295,192.72
Increased by:		
General Capital Expenditures:		
Additional Expenditures	\$ 6,638.57	
Reserve for Payment of Notes - Realized in Prior Year	<u>58,604.34</u>	
		<u>65,242.91</u>
		360,435.63
Decreased by:		
Collections		<u>70,759.63</u>
Balance Dec. 31, 2020		<u><u>\$ 289,676.00</u></u>

Exhibit SB-15

TRUST MUNICIPAL OPEN SPACE FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 5,950.15
Increased by:		
Charged to 2020 Appropriations		<u>1,714.02</u>
		7,664.17
Decreased by:		
Disbursements		<u>5,950.15</u>
Balance Dec. 31, 2020		<u><u>\$ 1,714.02</u></u>

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

TOWNSHIP OF WESTAMPTON
GENERAL CAPITAL FUND
Statement of General Capital Cash
Per N.J.S. 40A:5-5--Treasurer
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 1,218,896.18
Decreased by Disbursements: Improvement Authorizations	<u>832,276.36</u>
Balance Dec. 31, 2020	<u><u>\$ 386,619.82</u></u>

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

	Balance (Deficit) Dec. 31, 2019	Disbursements		Balance (Deficit) Dec. 31, 2020	
		Improvement Authorizations	Transfers		
			From	To	
Capital Improvement Fund	\$ 30,296.00		\$ 12,475.00		\$ 17,821.00
Due Current Fund	(134,298.00)				(134,298.00)
Due Municipal Open Space Trust Fund	(142,000.00)				(142,000.00)
Reserve for Encumbrances	89,003.19		89,003.19	\$ 25,968.82	25,968.82
Cash Held to Pay Notes				43,432.95	43,432.95
Fund Balance	44,608.47				44,608.47
Improvement Authorizations:					
16-2004	(0.33)				(0.33)
2-2014	13,277.13	\$ 13,277.13			
4-2014	1,080.72				1,080.72
2-2015	(495.00)				(495.00)
10-2016	109,649.44	4,594.58	43,432.95		61,621.91
3-2017	142,662.34	22,630.00			120,032.34
3-2018	585,125.40	478,007.09		13,448.39	120,566.70
3-2019	479,986.82	131,942.13	7,500.66	75,554.80	416,098.83
4-2020		181,825.43	18,468.16	12,475.00	(187,818.59)
	<u>\$ 1,218,896.18</u>	<u>\$ 832,276.36</u>	<u>\$ 170,879.96</u>	<u>\$ 170,879.96</u>	<u>\$ 386,619.82</u>

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

Improvement Description	Ordinance Number	Balance Dec. 31, 2019	2020 Authorizations	Notes Paid by Budget Appropriation	Authorizations Reappropriated	Balance Dec. 31, 2020	Analysis of Balance December 31, 2020		Financed by Bond Anticipation Notes
							Unexpended Improvement Authorizations	Expenditures	
General Improvements:									
Acquisition of Real Property	16-2004	\$ 0.33				\$ 0.33		\$ 0.33	
Acquisition of Certain Real Property for Open Space and Various Recreational Improvements	6-2010	46,216.00		\$ 46,216.00					
Completion of Various Capital Improvements to the Westampton Sports Complex	2-2014	720,871.00		141,519.00		579,352.00			\$ 579,352.00
Various Capital Improvements	2-2015	495.00				495.00		495.00	
Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	10-2016	299,250.00		42,750.00	\$ (43,432.95)	213,067.05			213,067.05
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	3-2017	441,750.00		63,000.00		378,750.00			378,750.00
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	3-2018	751,999.00				751,999.00			751,999.00
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	3-2019	1,452,550.00				1,452,550.00			1,452,550.00
Acquisition of Various Capital Equipment and	4-2020		\$ 237,025.00			237,025.00	\$ 49,206.41	187,818.59	
Completion of Various Improvements to the Municipal Building and Grounds and for the Acquisition of All of All Wheel Drive Vehicles	18-2020				43,432.95	43,432.95	43,432.95		
		<u>\$ 3,713,131.33</u>	<u>\$ 237,025.00</u>	<u>\$ 293,485.00</u>	<u>\$ -</u>	<u>\$ 3,656,671.33</u>	<u>\$ 92,639.36</u>	<u>\$ 188,313.92</u>	<u>\$ 3,375,718.05</u>
Current Fund				\$ 105,750.00					
Trust Municipal Open Space Fund				187,735.00					
				<u>\$ 293,485.00</u>					
Bond Anticipation Notes									\$ 3,419,151.00
Less:									
Cash Held to Pay Notes									<u>43,432.95</u>
									<u>\$ 3,375,718.05</u>
Improvement Authorizations--Unfunded							\$ 810,959.14		
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:									
Ordinance Nos.									
10-2016						\$ 61,621.91			
3-2017						120,032.34			
3-2018						120,566.70			
3-2019						<u>416,098.83</u>			
							<u>718,319.78</u>		
							<u>\$ 92,639.36</u>		

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

Balance Dec. 31, 2019	\$ 2,585,000.00
Decreased by:	
2020 Budget Appropriation to Pay:	
Serial Bonds	<u>495,000.00</u>
Balance Dec. 31, 2020	<u><u>\$ 2,090,000.00</u></u>

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

Balance Dec. 31, 2019	\$ 30,296.00
Decreased by:	
Appropriation to Finance Improvement Authorizations	<u>12,475.00</u>
Balance Dec. 31, 2020	<u><u>\$ 17,821.00</u></u>

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

Improvement Description	Ordinance Number	Amount	Balance Dec. 31, 2019		2020 Authorizations		Prior Year Encumbrances Reclassified	Paid or Charged	Reappropriated	Balance Dec. 31, 2020		
			Funded	Unfunded	Capital Improvement Fund	Deferred Charges to Future Taxation				Funded	Unfunded	
General Improvements:												
Various Capital Improvements to Recreational Facilities in the Township	2-2014	\$ 1,400,000.00		\$ 13,277.13				\$ 13,277.13				
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	4-2014	629,000.00	\$ 1,080.72							\$ 1,080.72		
Various Capital Improvements	2-2015	948,000.00										
Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	10-2016	400,000.00		109,649.44				4,594.58	\$ (43,432.95)		\$ 61,621.91	
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	3-2017	465,000.00		142,662.34				22,630.00			120,032.34	
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	3-2018	791,578.00		585,125.40			\$ 13,448.39	478,007.09			120,566.70	
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	3-2019	1,529,000.00		479,986.82			75,554.80	139,442.79			416,098.83	
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	4-2020	249,500.00			\$ 12,475.00	\$ 237,025.00		200,293.59			49,206.41	
Completion of Various Improvements to the Municipal Building and Grounds and for the Acquisition of All of All Wheel Drive Vehicles	18-2020	43,432.95							43,432.95		43,432.95	
			<u>\$ 1,080.72</u>	<u>\$ 1,330,701.13</u>	<u>\$ 12,475.00</u>	<u>\$ 237,025.00</u>	<u>\$ 89,003.19</u>	<u>\$ 858,245.18</u>	<u>\$ -</u>	<u>\$ 1,080.72</u>	<u>\$ 810,959.14</u>	
Disbursed								\$ 832,276.36				
Reserve for Encumbrances								<u>25,968.82</u>				
								<u>\$ 858,245.18</u>				

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

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2019</u>	<u>Increased</u>	<u>Decreased</u>		<u>Balance Dec. 31, 2020</u>
							<u>Renewals</u>	<u>Paid by Budget Appropriation</u>	<u>Renewals</u>	
Acquisition of Certain Real Property for Open Space and Various Recreational Improvements	6-2010	6-25-10	6-05-19	6-04-20	2.50%	\$ 46,216.00		\$ 46,216.00		
Completion of Various Capital Improvements to the Westampton Sports Complex	2-2014	6-17-14 6-17-14	6-05-19 6-03-20	6-04-20 6-02-21	2.50% 0.85%	720,871.00	\$ 579,352.00	141,519.00	\$ 579,352.00	\$ 579,352.00
Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	10-2016	6-14-16 6-14-16	6-05-19 6-03-20	6-04-20 6-02-21	2.50% 0.85%	299,250.00	256,500.00	42,750.00	256,500.00	256,500.00
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	3-2017	6-08-17 6-08-17	6-05-19 6-03-20	6-04-20 6-02-21	2.50% 0.85%	441,750.00	378,750.00	63,000.00	378,750.00	378,750.00
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	3-2018	8-13-19 8-13-19	8-13-19 6-03-20	6-04-20 6-02-21	2.00% 0.85%	751,999.00	751,999.00		751,999.00	751,999.00
Acquisition of Various Capital Equipment and Completion of Various Capital Improvements	3-2019	8-13-19 8-13-19	8-13-19 6-03-20	6-04-20 6-02-21	2.00% 0.85%	1,452,550.00	1,452,550.00		1,452,550.00	1,452,550.00
						<u>\$ 3,712,636.00</u>	<u>\$ 3,419,151.00</u>	<u>\$ 293,485.00</u>	<u>\$ 3,419,151.00</u>	<u>\$ 3,419,151.00</u>
Current Fund								\$ 105,750.00		
Trust Municipal Open Space Fund								187,735.00		
								<u>\$ 293,485.00</u>		

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

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2019</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2020</u>
			<u>Outstanding Dec. 31, 2020</u>	<u>Date</u>				
General Obligation Bonds - Series 2015	6-15-15	\$ 4,469,000.00	6-15-21	\$ 505,000.00	2.000%			
			6-15-22	515,000.00	2.000%			
			6-15-23	530,000.00	2.125%			
			6-15-24	540,000.00	2.125%	<u>\$ 2,585,000.00</u>	<u>\$ 495,000.00</u>	<u>\$ 2,090,000.00</u>

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

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Balance Dec. 31, 2019</u>	<u>2020 Authorizations</u>	<u>Balance Dec. 31, 2020</u>
General Improvements:				
Acquisition of Real Property	16-2004	\$ 0.33		\$ 0.33
Various Capital Improvements	2-2015	495.00		495.00
Acquisition of Various Capital Equipment and	4-2020		\$ 237,025.00	237,025.00
		<u>\$ 495.33</u>	<u>\$ 237,025.00</u>	<u>\$ 237,520.33</u>

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

TOWNSHIP OF WESTAMPTON
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.

Finding No. 2020-001

Criteria or Specific Requirement

An effective system of internal controls over the collection, recording, and depositing of receipts is necessary to minimize the risk of unauthorized use of Township funds.

Condition

A lack of effective internal controls exists over the collection, recording and depositing of concession stand sales in the Trust Other Funds.

Context

Proper internal controls over the collection of cash and sales inventory are not in place at the Township's concession stand.

Effect or Potential Effect

The lack of effective internal controls over the collection, recording and depositing of receipts increases the potential for unauthorized use of such receipts.

Cause

Proper internal controls over the collection of cash and sales inventory are not in place at the Township's concession stand.

Recommendation

That a system of effective internal controls be implemented over the collection, recording and depositing of concession stand sales receipts in the Trust Other Funds.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

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

Schedule of Financial Statement Findings (Cont'd)

Finding No. 2020-002

Criteria or Specific Requirement

Per N.J.S.A. 40A: 11-4, every contract awarded for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold (\$17,500), shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law.

Per N.J.S.A. 40A:11-6.1, for all contracts that in the aggregate are less than the bid threshold, but 15 percent or more of that amount, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable.

Per N.J.S.A. 40A:11-7b, in contracting for the provision or performance of any goods or services included in or incidental to the provision or performance of any work which is single in character or inclusive of the provision or performance of additional goods or services, all of the goods or services requisite for the completion of such contract shall be included in one contract.

Condition

The Township made several purchases, the individual cost of which exceeded the quotation threshold and/or the aggregate cost exceeded the bid threshold, without solicitation of at least two competitive quotations or public advertisement for bids, as required.

Context

We randomly selected purchases from 10 different vendors where the cost of the goods or services purchased were in excess of the quotation threshold and/or bid threshold. We noted that for 7 of the 10 vendors selected, the Township could not provide evidence of the solicitation of quotations or public advertisement of bids, as required by the statutes.

Effect or Potential Effect

Noncompliance with the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.).

Cause

Unknown.

Recommendation

That, when required, the Township publicly advertise for bids and/or solicit quotations for purchases made in excess of the bid and/or quotations threshold, as required by the statutes.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF WESTAMPTON
Summary Schedule of Prior Year Audit Findings
and Recommendations 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

Finding No. 2019-001

Condition

A lack of effective internal control exists over the collection, recording, and depositing of concession stand sales in the Trust Other Funds.

Current Status

This condition remains unresolved as reported in Finding No. 2020-001.

Planned Corrective Action

As noted in Finding No. 2020-001, the responsible officials agree with the finding and will address the matter as part of their corrective action plan.

Finding No. 2019-002

Condition

Numerous instances were noted where the vendor invoice date predated the approval date on the purchase order where checks did not carry three authorizing signatures as required by Township Code.

Current Status

This condition has been resolved.

Finding No. 2019-003

Condition

The Township purchased an item of equipment, the cost of which exceeded the bid threshold, without public advertisement for bids and without a resolution of the governing body approving such purchase.

Current Status

This condition remains unresolved as reported in Finding No. 2020-002.

Planned Corrective Action

As noted in Finding No. 2020-002, the responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF WESTAMPTON
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>
Sandy Henley	Mayor	
Linda A. Hynes	Committee Member (to 1/21/20)	
Jaime Mungo	Committee Member (from 1/21/20)	
Anthony DeSilva	Committee Member	
Glynn Lee Eckart	Committee Member	
John Wisniewski	Committee Member	
Robert Hudnell	Chief Financial Officer	\$ 1,000,000.00 (C)
Stephen Ent	Acting Township Administrator (to 3/3/20)	1,000,000.00 (A)
Wendy Gibson	Township Administrator (from 3/3/20)	1,000,000.00 (A)
Marion Karp	Township Clerk	1,000,000.00 (A)
Carol Brown-Layou	Tax Collector	1,000,000.00 (C)
Marlin Gene Blair, Jr.	Construction Official, Zoning Officer and Building Sub-Code Official	1,000,000.00 (A)
Corey Ahart	Municipal Magistrate	1,000,000.00 (B)
Sue Graubart	Court Administrator	1,000,000.00 (B)
Jodie Termi	Acting Deputy Court Administrator	1,000,000.00 (A)
Andrea Di Tomaso	Acting Deputy Court Administrator	1,000,000.00 (A)
Lisa Jordan	Violations Clerk	1,000,000.00 (A)
Brianna Nichols	Part-Time Violations Clerk (from 9/3/20)	1,000,000.00 (A)
Emily Marshall-Hess	Part-Time Violations Clerk (to 6/13/20)	1,000,000.00 (A)
Jordyn DiMarco-Bichler	Part-Time Violations Clerk (to 3/31/20)	1,000,000.00 (A)
David Minchello	Solicitor	
Marie Procacci	Assessor	

(A) Covered by the Public Employee Dishonesty Coverage in the amount of \$50,000 written by the Burlington County Municipal Joint Insurance Fund and the Excess Public Employee Dishonesty Coverage in the amount of \$950,000 written by the Municipal Excess Liability Joint Insurance Fund.

(B) Covered by the Excess Public Officials Bond Coverage in the amount of \$1,000,000 written by the Municipal Excess Liability Joint Insurance Fund.

(C) Covered by the Primary Statutory Positions Bond Coverage in the amount of \$1,000,000 written by the Municipal Excess Liability Joint Insurance Fund.

All of the Bonds were examined and properly executed.

15900

APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in dark ink, appearing to read "Todd R. Saler". The signature is fluid and cursive, with the first name "Todd" being more prominent.

Todd R. Saler
Certified Public Accountant
Registered Municipal Accountant

