

**TOWNSHIP OF DELRAN
COUNTY OF BURLINGTON**

REPORT OF AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2020**

TOWNSHIP OF DELRAN**TABLE OF CONTENTS**

<u>Exhibit No.</u>		<u>Page No.</u>
<u>PART I</u>		
	Independent Auditor's Report	2
	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	5
<u>CURRENT FUND</u>		
A	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance--Regulatory Basis	9
A-2	Statement of Revenues--Regulatory Basis	11
A-3	Statement of Expenditures--Regulatory Basis	14
<u>TRUST FUND</u>		
B	Statements of Assets, Liabilities, and Reserves--Regulatory Basis	21
B-1	Trust Fund-Open Space-Statements of Operations and Changes in Reserve for Future Use--Regulatory Basis	23
B-2	Trust Fund-Open Space-Statement of Revenues--Regulatory Basis	24
B-3	Trust Fund-Open Space-Statement of Expenditures--Regulatory Basis	25
<u>GENERAL CAPITAL FUND</u>		
C	Statements of Assets, Liabilities, Reserves and Fund Balances-- Regulatory Basis	26
<u>SEWER UTILITY FUND</u>		
D	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	27
D-1	Statements of Operations and Changes in Fund Balance-- Regulatory Basis	29
D-2	Sewer Utility Operating Fund-Statement of Revenues--Regulatory Basis	30
D-3	Sewer Utility Operating Fund-Statement of Expenditures--Regulatory Basis	31
<u>GENERAL FIXED ASSET GROUP OF ACCOUNTS</u>		
E	Statement of General Fixed Assets-- Regulatory Basis	32
	Notes to Financial Statements	33

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

<u>Exhibit No.</u>		<u>Page No.</u>
<u>SUPPLEMENTAL EXHIBITS</u>		
<u>CURRENT FUND</u>		
SA-1	Statement of Current Cash per N.J.S.40A:5-5--Treasurer	82
SA-2	Statement of Current Cash per N.J.S.40A:5-5--Collector	84
SA-3	Statement of Due to State of New Jersey for Senior Citizens' and Veterans' Deductions	85
SA-4	Statement of Taxes Receivable and Analysis of Property Tax Levy	86
SA-5	Statement of Tax Title Liens Receivable	87
SA-6	Statement of Prepaid Licenses	87
SA-7	Statement of Revenue Accounts Receivable	88
SA-8	Statement of 2019 Appropriation Reserves and Encumbrances	89
SA-9	Statement of Due to State of New Jersey-- Marriage License Fees	92
SA-10	Statement of Prepaid Taxes	92
SA-11	Statement of Due to State of New Jersey - Department of Community Affairs-- Training Fees	93
SA-12	Statement of Accounts Payable	93
SA-13	Statement of Statement of Deferred Charges - Emergency Authorizations (40A:4-47)	93
SA-14	Statement of Payroll Deductions Payable	94
SA-15	Statement of Special District Taxes Payable	94
SA-16	Statement of County Taxes Payable	94
SA-17	Statement of Due County for Added and Omitted Taxes	95
SA-18	Statement of Local District School Tax Payable	95
SA-19	Statement of Reserve for Master Plan	95
SA-20	Federal, State and Local Grant Fund-Statement of Federal, State and Local Grants Receivable	96
SA-21	Federal, State and Local Grant Fund-Statement of Unappropriated Reserves for Federal, State and Local Grants	97
SA-22	Federal, State and Local Grant Fund-Statement of Appropriated Reserves for Federal, State and Local Grants	98
SA-23	Federal, State and Local Grant Fund- Statement of Reserve for Encumbrances	99
SA-24	Federal, State and Local Grant Fund- Statement of Due from Current Fund	99
<u>TRUST FUND</u>		
SB-1	Statement of Trust Cash per N.J.S.40A:5-5--Treasurer	101
SB-2	Trust Fund - LOSAP-Statement of Investments - Length of Service Awards Program	102
SB-3	Trust Fund - LOSAP-Statement of Due to Current Fund	102
SB-4	Trust Fund - Other-Statement of Due from Current Fund	103
SB-5	Trust Fund - Other -Statement of Accounts Receivable - Outside Police Employment	104
SB-6	Trust Fund - Animal Control-Statement of Reserve for Animal Control Expenditures	104
SB-7	Trust Fund - Open Space-Statement of Reserve Open Space Trust Fund	105
SB-8	Trust Fund - Open Space-Statement of Due from Current Fund	106
SB-9	Trust Fund - Open Space-Statement of Reserve for Payment of Debt	106
SB-10	Trust Fund - Other-Statement of Accounts Payable	107
SB-11	Trust - Other Fund-Statement of Prepaid Outside Police Employment	107
SB-12	Trust Fund - Other-Statement of Miscellaneous Trust Reserves	108
SB-13	Trust Fund - LOSAP-Statement of Reserve Length of Service Awards Program	109

TOWNSHIP OF DELRAN
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
<u>SUPPLEMENTAL EXHIBITS</u>		
<u>GENERAL CAPITAL FUND</u>		
SC-1	Statement of General Capital Cash per N.J.S.40A:5-5--Treasurer	111
SC-2	Statement of General Capital Cash	112
SC-3	Statement of Grants Receivable	115
SC-4	Statement of Deferred Charges to Future Taxation--Funded	115
SC-5	Statement of Deferred Charges to Future Taxation--Unfunded	116
SC-6	Statement of Capital Improvement Fund	118
SC-7	Statement of Reserve for Payment of Bonds and Notes	118
SC-8	Schedule of Reserve for Preliminary Expenses	119
SC-9	Statement of Due from/to Other Funds	119
SC-10	Statement of Improvement Authorizations	120
SC-11	Statement of Encumbrances/Contracts Payable	122
SC-12	Statement of General Serial Bonds	123
SC-13	Statement of Bonds and Notes Authorized But Not Issued	124
<u>SEWER UTILITY FUND</u>		
SD-1	Statement of Sewer Utility Cash Per N.J.S. 40A:5-5--Sewer Treasurer	126
SD-2	Statement of Sewer Utility Cash Per N.J.S. 40A:5-5--Sewer Collector	127
SD-3	Sewer Utility Capital Fund-Analysis of Sewer Utility Capital Cash	128
SD-4	Sewer Utility Operating Fund-Statement of Consumer Accounts Receivable	129
SD-5	Sewer Utility Operating Fund-Statement of Due from / (to) Other Funds	129
SD-6	Sewer Utility Operating Fund-Statement of Prepaid Connection Fees	130
SD-7	Sewer Utility Operating Fund-Statement of Sewer Rent Prepayments	130
SD-8	Sewer Utility Capital Fund-Statement of Fixed Capital	130
SD-9	Sewer Utility Capital Fund-Statement of Fixed Capital Authorized and Uncompleted	131
SD-10	Sewer Utility Operating Fund-Statement of 2019 Appropriations Reserves and Reserve for Encumbrances	132
SD-11	Sewer Utility Operating Fund-Statement of Accrued Interest on Notes and Loans and Analysis of Balance	133
SD-12	Sewer Utility Operating Fund-Statement of Developer's Escrow Deposits	133
SD-13	Sewer Utility Capital Fund-Statement of Improvement Authorizations	134
SD-14	Sewer Utility Capital Fund-Statement of Contracts Payable and Encumbrances	135
SD-15	Sewer Utility Capital Fund-Statement of Reserve for Amortization	135
SD-16	Sewer Utility Capital Fund-Statement of Reserve for Sanitary Sewer Repairs	135
SD-17	Sewer Utility Capital Fund-Statement of New Jersey Environmental Infrastructure Trust Loan Payable	136
SD-18	Sewer Utility Capital Fund-Statement of Bonds and Notes Authorized But Not Issued	138

TOWNSHIP OF DELRAN
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
<u>PART II</u>		
<u>SINGLE AUDIT</u>		
	Report on Compliance for Each Major Program and Report on Internal Control Over Compliance Required By State of New Jersey Circular 15-08-OMB	140
Schedule B	Schedule of Expenditures of State Financial Assistance	142
	Notes to the Schedule of Expenditures of State Financial Assistance	143
<u>PART III</u>		
<u>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</u>		
Section 1	Summary of Auditor's Results	145
Section 2	Schedule of Financial Statement Findings	147
Section 3	Schedule of Federal Award Findings and Questioned Costs	148
Section 4	Schedule of State Financial Assistance Findings and Questioned Costs	149
	Summary Schedule of Prior Year Audit Findings and Recommendations as Prepared by Management	150
	Officials in Office and Surety Bonds	151
	APPRECIATION	152

TOWNSHIP OF DELRAN

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Delran
Delran, New Jersey 08075

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 Delran, in the County of Burlington, State of New Jersey, (Township) 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 Delran, 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 Delran, 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 accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and is also not a required part of the basic financial statements.

The supplemental statements and schedules presented for the various funds and the schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 June 24, 2021 on our consideration of the Township of Delran, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Delran's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees New Jersey
June 24, 2021

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Delran
Delran, New Jersey 08075

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 Delran, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 24, 2021. That report indicated that the Township of Delran'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 Delran'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 Delran's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Delran's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Delran'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 one instance of noncompliance or other matter that is 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 is described in the accompanying *Schedule of Findings and Questioned Costs* as Finding No. 2020-001.

The Township of Delran's Response to Findings

The Township of Delran's response to the findings identified in our audit is described in the accompanying *Schedule of Findings and Questioned Costs*. 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, and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 24, 2021

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Regular Fund:			
Cash--Treasurer	SA-1	\$ 14,043,721.73	\$ 12,516,558.19
Cash--Change Fund	SA-1	450.00	200.00
		<u>14,044,171.73</u>	<u>12,516,758.19</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	592,516.90	550,024.20
Tax Title Liens Receivable	SA-5	212,349.93	194,999.03
Property Acquired for Taxes--Assessed Valuation	A	282,015.00	282,015.00
Revenue Accounts Receivable	SA-7	12,149.84	15,452.80
Due from Sewer Utility Operating Fund	D	86,400.95	88,805.05
Due from Trust Fund - LOSAP	B	1,207.93	68,783.73
Due from Animal Control Fund	B	19,135.45	19,135.45
Due from General Capital Fund	C		426,784.02
		<u>1,205,776.00</u>	<u>1,645,999.28</u>
Deferred Charges:			
Emergency Authorizations (40A:4-47)	SA-13	24,000.00	30,000.00
		<u>15,273,947.73</u>	<u>14,192,757.47</u>
Federal, State and Local Grant Fund:			
Grants Receivable	SA-20	728,899.61	497,113.61
Due from Current Fund	SA-24	633,735.15	619,728.18
		<u>1,362,634.76</u>	<u>1,116,841.79</u>
		<u>\$ 16,636,582.49</u>	<u>\$ 15,309,599.26</u>

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

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3 & SA-8	\$ 1,858,784.37	\$ 1,354,311.96
Reserve for Encumbrances	A-3 & SA-8	320,303.04	220,031.10
Payroll Deductions Payable	SA-14	23,939.19	
Prepaid Licenses	SA-6	36,718.00	42,747.00
Accounts Payable	SA-12	101,169.20	226,784.99
Due to State of New Jersey:			
Marriage License Fees	SA-9	500.00	550.00
Department of Community Affairs - Training Fees	SA-11	4,390.00	13,553.00
Senior Citizens' and Veterans' Deductions	SA-3	6,550.06	13,468.62
Prepaid Taxes	SA-10	411,630.59	385,180.42
Due County for Added and Omitted Taxes	SA-17	6,741.10	36,384.45
Due Fire District	SA-15	567,588.75	
Due to Trust Fund - Open Space	B	167,919.59	214,234.59
Due to Trust Fund - Other	B	116,776.32	41,796.65
Due from General Capital Fund	C	372,287.71	
Due to Federal, State and Local Grant Fund	SA-23	633,735.15	619,728.18
Reserve for:			
Master Plan	A	21,037.35	34,243.60
Reassessment	A	11,276.73	11,276.73
Codification of Ordinances	A	2,568.00	2,568.00
Tax Appeals	A	208,953.75	208,953.75
		4,872,868.90	3,425,813.04
Reserves for Receivables and Other Assets	A	1,205,776.00	1,645,999.28
Fund Balance	A-1	9,195,302.83	9,120,945.15
		15,273,947.73	14,192,757.47
Federal, State and Local Grant Fund:			
Reserve for Encumbrances	SA-23	39,047.59	33,151.96
Unappropriated Reserves	SA-21	75,000.00	413,985.95
Appropriated Reserves	SA-22	1,248,587.17	669,703.88
		1,362,634.76	1,116,841.79
		\$ 16,636,582.49	\$ 15,309,599.26

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

TOWNSHIP OF DELRAN
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	\$ 4,000,000.00	\$ 4,008,000.00
Miscellaneous Revenues Anticipated	3,211,651.79	3,346,954.74
Receipts from Delinquent Taxes	555,387.20	659,485.20
Receipts from Current Taxes	54,772,292.12	54,152,605.03
Non-Budget Revenue	266,433.94	113,884.01
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	916,187.40	1,383,031.44
Statutory Excess from Animal Control		13,420.00
Tax Overpayments Cancelled		9,086.22
Liquidation of Reserves for:		
Due from General Capital	426,784.02	
Due from Trust - LOSAP Fund	67,575.80	
Due from Trust - Other Fund		38,291.90
Due from Sewer Utility Operating - Other Fund	2,404.10	
	<hr/>	<hr/>
Total Income	64,218,716.37	63,724,758.54
<u>Expenditures</u>		
Budget Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	6,054,362.00	5,951,533.00
Other Expenses	5,123,742.00	4,957,298.00
Deferred Charges and Statutory Expenditures		
Municipal--Within "CAPS"	1,554,374.00	1,657,110.00
Operations--Excluded from "CAPS":		
Other Expenses	861,317.57	800,211.33
Capital Improvements--Excluded from "CAPS"	100,000.00	100,000.00
Municipal Debt Service--Excluded from "CAPS"	1,958,619.00	2,612,783.09
Deferred Charges and Statutory Expenditures:		
Deferred Charges to Future Taxation	413,514.60	38,500.75
County Taxes	6,495,270.17	6,368,994.90
Due County for Added and Omitted	6,741.10	36,384.45
Special Fire District Taxes	2,264,811.00	2,265,471.00
Local School District Taxes	34,979,035.00	34,275,523.00
Municipal Open Space Trust Tax	325,000.00	325,000.00
Prior Year Deduction Disallowed	250.00	961.77
Refund of Prior Year Revenues	7,322.25	67,256.38
Creation of Reserve for:		
Due from General Capital Fund		422,917.77
Due from Trust - Sewer Utility Operating Fund		83,089.00
Due from Animal Control		13,490.00
Due from Trust - LOSAP Fund		4,446.60
	<hr/>	<hr/>
Total Expenditures	60,144,358.69	59,980,971.04
Excess in Revenue (Carried Forward)	4,074,357.68	3,743,787.50

TOWNSHIP OF DELRAN
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>
Excess in Revenue (Brought Forward)	\$ 4,074,357.68	\$ 3,743,787.50
<u>Fund Balance</u>		
Balance Jan. 1	<u>9,120,945.15</u>	<u>9,385,157.65</u>
	13,195,302.83	13,128,945.15
Decreased by:		
Utilized as Revenue	<u>4,000,000.00</u>	<u>4,008,000.00</u>
Balance Dec. 31	<u><u>\$ 9,195,302.83</u></u>	<u><u>\$ 9,120,945.15</u></u>

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

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

	<u>Anticipated</u>	<u>Special</u>	<u>Realized</u>	<u>Excess</u>
	<u>Budget</u>	<u>N.J.S.40A:4-87</u>		
Fund Balance Anticipated	\$ 4,000,000.00	\$ -	\$ 4,000,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	15,000.00		18,200.00	3,200.00
Other	33,000.00		69,302.50	36,302.50
Fees and Permits:				
Other	25,000.00		72,564.98	47,564.98
Fines and Costs:				
Municipal Court	125,000.00		143,620.56	18,620.56
Interest and Costs on Taxes	78,000.00		159,914.17	81,914.17
Interest on Investments and Deposits	50,000.00		55,812.40	5,812.40
Energy Receipts Tax	1,279,101.00		1,279,101.01	
Dedicated Uniform Construction Code Fees Offset with Appropriation Uniform Construction Code Fees	150,000.00		287,049.60	137,049.60
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
State and Federal Revenues Offset with Appropriations:				
Safe and Secure Communities Program	45,000.00		45,000.00	
Recycling Tonnage Grant	25,771.95		25,771.95	
NJ DOT - Municipal Aid	248,000.00		248,000.00	
NJ DEP - Hazardous Discharge Site Remediation	93,214.00		93,214.00	
Body Armor Replacement Fund	3,018.04		3,018.04	
Clean Communities Grant Program	2,000.00	31,346.42	33,346.42	
Burlington County Park Grant		250,000.00	250,000.00	
Community Development Block Grant		75,000.00	75,000.00	
Bulletproof Vest Partnership Grant		2,802.00	2,802.00	
Municipal Court - Alcohol Education and Rehabilitation Program		3,334.16	3,334.16	
Miscellaneous Revenues:				
Other Special Items:				
Rental Agreement--Delran Township Fire Commission	21,600.00		21,600.00	
Utility Operating Suplus of Prior Year	300,000.00		300,000.00	
Reserve for Payment of Bonds--General Capital	25,000.00		25,000.00	
	<u>2,518,704.99</u>	<u>362,482.58</u>	<u>3,211,651.79</u>	<u>330,464.21</u>

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

	<u>Anticipated Budget</u>	<u>N.J.S.40A:4-87</u>	<u>Realized</u>	<u>Excess</u>
Receipts from Delinquent Taxes	\$ 300,000.00	\$ -	\$ 555,387.20	\$ 255,387.20
Amount to be Raised by Taxes for Support of Municipal Budget: Local Tax for Municipal Purposes	11,273,977.98	-	12,990,671.23	1,716,693.25
Budget Totals	18,092,682.97	362,482.58	20,757,710.22	2,302,544.67
Non-Budget Revenue			266,433.94	266,433.94
	<u>\$ 18,092,682.97</u>	<u>\$ 362,482.58</u>	<u>\$ 21,024,144.16</u>	<u>\$ 2,568,978.61</u>

TOWNSHIP OF DELRAN
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	\$ 54,772,292.12
Allocated to:	
School, County, Special District and Municipal Open Space Taxes	<u>44,070,857.27</u>
Balance for Support of Municipal Budget Appropriations	10,701,434.85
Add: Appropriation "Reserve for Uncollected Taxes"	<u>2,289,236.38</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 12,990,671.23</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 550,082.56
Tax Title Liens	<u>5,304.64</u>
	<u><u>\$ 555,387.20</u></u>

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:

Collected by Treasurer:

Comcast Cable Franchise Fees	\$ 57,096.69
Outside Police Admin & Vehicle Fees	12,892.50
Clear Channel Reimbursement	4,360.00
Property Maintenance Fees	6,845.00
JIF Reimbursement	12,262.50
Administrative Fee for Senior Citizens and Veterans Deductions	2,245.50
Miscellaneous Fees	12,531.70
Disposition of Township Property	18,657.27
Public Works - Tire and Mulch Money	1,241.00
Forfeited Premiums	17,600.00
FEMA Reimbursement	106,473.50
EMS Fees	11,000.00
Insufficient Funds and Late Fees	<u>2,980.00</u>
Total Cash Collections	266,185.66
LOSAP Forfeitures	<u>248.28</u>
	<u><u>\$ 266,433.94</u></u>

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

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

	Appropriations		Paid or Charged	Expended		Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved		
OPERATIONS--WITHIN "CAPS"							
<u>Department of Administration</u>							
<u>Division of Administration:</u>							
Business Administration Office							
Salaries and Wages	\$ 150,541.00	\$ 150,541.00	\$ 101,577.90	\$ 2,448.69	\$ 48,963.10		
Other Expenses	69,300.00	69,300.00	57,806.48		9,044.83		
Mayor and Council							
Salaries and Wages	17,000.00	17,000.00	16,955.16		44.84		
Other Expenses	7,700.00	7,700.00	1,311.00	739.12	5,649.88		
Public Relations							
Other Expenses	6,000.00	6,000.00	699.57	54.99	5,245.44		
Office of Municipal Clerk							
Salaries and Wages	92,812.00	92,812.00	67,296.44		25,515.56		
Other Expenses	27,125.00	27,125.00	16,598.22	1,070.97	9,455.81		
Insurance							
General Liability	120,869.00	120,869.00	120,801.00		68.00		
Workers Compensation	282,000.00	282,000.00	281,840.00		160.00		
Employee Group Health	1,309,600.00	1,309,600.00	1,036,527.64	19,672.25	253,400.11		
Health Benefit Waiver	36,000.00	36,000.00	32,000.00		4,000.00		
<u>Department of Finance</u>							
<u>Division of Accounts and Controls:</u>							
Municipal Auditor							
Audit Services	35,000.00	35,000.00	33,368.00		1,632.00		
<u>Division of Treasury:</u>							
Treasurer							
Salaries and Wages	123,000.00	128,500.00	122,085.86		6,414.14		
Other Expenses	35,800.00	39,600.00	34,213.52	4,224.35	1,162.13		
<u>Division of Revenue:</u>							
Bureau of Assessments							
Salaries and Wages	55,874.00	55,874.00	52,318.70		3,555.30		
Other Expenses	37,960.00	37,960.00	10,097.28	3,326.66	24,536.06		
Bureau of Collections							
Salaries and Wages	123,000.00	119,000.00	88,467.47		30,532.53		
Other Expenses	13,800.00	14,000.00	5,822.92		8,177.08		

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

	Appropriations		Paid or Charged	Expended		Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved		
<u>OPERATIONS--WITHIN "CAPS" (CONTD):</u>							
<u>Department of Engineering</u>							
Township Engineer							
Other Expenses	\$ 50,000.00	\$ 56,500.00	\$ 33,203.75	\$ 1,214.00	\$ 22,082.25		
<u>Department of Law</u>							
Township Solicitor							
Other Expenses	135,000.00	144,500.00	133,009.51		11,490.49		
<u>Department of Public Safety</u>							
<u>Division of Police:</u>							
Police							
Salaries and Wages	3,701,857.00	3,701,857.00	3,344,825.52		357,031.48		
Other Expenses	303,000.00	301,500.00	113,983.91	168,010.05	19,506.04		
School Traffic Guards							
Salaries and Wages	108,000.00	108,000.00	90,262.53		17,737.47		
Other Expenses	1,000.00	2,000.00		1,994.15	5.85		
Municipal Court							
Salaries and Wages	169,000.00	169,000.00	152,021.28		16,978.72		
Other Expenses	12,500.00	12,500.00	4,699.35	703.86	7,096.79		
Public Defender							
Other Expenses	7,165.00	7,165.00			7,165.00		
<u>Division of Emergency Management:</u>							
Office of Emergency Management:							
Salaries and Wages	3,475.00	3,475.00	3,474.96		0.04		
Other Expenses	1,000.00	1,000.00			1,000.00		
<u>Department of Public Works</u>							
<u>Division of Roads and Public Property:</u>							
Streets and Roads							
Salaries and Wages	883,803.00	883,803.00	830,650.02		53,152.98		
Other Expenses	147,500.00	117,500.00	89,186.59	19,446.63	8,866.78		
Snow Removal - Condominium Services	40,000.00	70,000.00	50,000.00		20,000.00		
Solid Waste Collection							
Other Expenses	550,000.00	550,000.00	482,034.45		67,965.55		

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

	Appropriations		Paid or Charged	Expended		Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved		
OPERATIONS--WITHIN "CAPS" (CONTD.):							
<u>Department of Public Works</u>							
Recycling							
Salaries and Wages	\$ 149,000.00	\$ 149,000.00	\$ 143,658.58			\$ 5,341.42	
Other Expenses	31,500.00	31,500.00	26,816.09	\$ 2,663.61		2,020.30	
Public Buildings and Grounds							
Other Expenses	147,000.00	147,000.00	126,788.77	14,826.46		5,384.77	
Division of Parks and Recreation:							
Recreation Committee							
Salaries and Wages	11,000.00	11,000.00	1,086.99			9,913.01	
Other Expenses	67,700.00	27,900.00	65.19			27,834.81	
Juvenile Conference Committee							
Other Expenses	500.00	1,000.00				1,000.00	
<u>Department of Health</u>							
Division of Health:							
Salaries and Wages	43,000.00	43,000.00	41,227.70			1,772.30	
Other Expenses	200.00	200.00		185.53		14.47	
Dog Regulation:							
Other Expenses	16,000.00	16,000.00				16,000.00	
<u>Statutory Agencies</u>							
Municipal Land Use Law (N.J.S.40-55D-1)							
Zoning Board of Adjustments							
Salaries and Wages	25,000.00	25,500.00	25,459.20			40.80	
Other Expenses	11,100.00	26,100.00	3,064.89	22,618.61		416.50	
Municipal Prosecutor							
Other Expenses	17,323.00	17,323.00	9,734.40			7,588.60	
Planning Board							
Salaries and Wages	54,000.00	54,000.00	51,892.20			2,107.80	
Other Expenses	13,600.00	13,600.00	6,266.94	498.00		6,835.06	
Council on Affordable Housing							
Other Expenses	50,000.00	50,000.00	31,619.21	410.00		17,970.79	

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

	Appropriations		Paid or Charged	Expended		Unexpended Balance	Canceled
	Budget	Budget After Modification		Encumbered	Reserved		
OPERATIONS--WITHIN "CAPS" (CONTD):							
<u>Statutory Agencies</u>							
Landfill/Solid Waste Disposal Costs	\$ 510,000.00	\$ 587,000.00	\$ 447,919.99		\$ 139,080.01		
Utility Purchases and Bulk Purchases							
Electricity/Gas	190,000.00	190,000.00	152,460.44	\$ 11,036.64	26,502.92		
Street Lighting	220,000.00	220,000.00	127,592.32	18,567.48	73,840.20		
Telephone	35,000.00	37,800.00	36,601.93		1,198.07		
Water	55,000.00	55,000.00	28,760.81		26,239.19		
Gasoline	175,000.00	175,000.00	47,519.32	22,736.47	104,744.21		
Traffic Lights	40,000.00	40,000.00	19,278.85	2,084.44	18,636.71		
P.L. 2000 Chapter 26:							
Solid Waste Service to Apartments							
Collection	135,000.00	135,000.00	47,921.55		87,078.45		
Disposal	82,000.00	82,000.00	18,369.86		63,630.14		
State Uniform Construction Code:							
Construction Official							
Salaries and Wages	276,000.00	276,000.00	234,050.39		41,949.61		
Other Expenses	43,300.00	43,300.00	8,928.91	1,770.08	32,601.01		
<u>Unclassified</u>							
Salary Adjustment	5,000.00	5,000.00			5,000.00		
Accumulated Absences	30,000.00	30,000.00	30,000.00				
Green Team Other Expenses	4,200.00	4,200.00	445.10		3,754.90		
Interest on Developers Deposits	2,000.00	2,000.00			2,000.00		
Total Operations--Within "CAPS"	11,096,104.00	11,173,104.00	9,074,668.66	320,303.04	1,778,132.30	\$ -	
Contingent	5,000.00	5,000.00	-	-	5,000.00	-	
Total Operations Including Contingent--Within "CAPS"	11,101,104.00	11,178,104.00	9,074,668.66	320,303.04	1,783,132.30	-	
Detail:							
Salaries and Wages	6,052,362.00	6,054,362.00	5,429,310.90	-	625,051.10	-	
Other Expenses	5,048,742.00	5,123,742.00	3,645,357.76	320,303.04	1,158,081.20	-	

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

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL--WITHIN "CAPS"</u>						
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	\$ 253,194.00	\$ 253,194.00	253,194.00			
Social Security System (O.A.S.I.)	530,000.00	453,000.00	399,421.22		\$ 53,578.78	
Police and Firemen's Retirement System	842,180.00	842,180.00	842,180.00			
Defined Contribution Retirement Program	5,000.00	5,000.00	3,604.89		1,395.11	
Unemployment Compensation Insurance	1,000.00	1,000.00			1,000.00	
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	1,631,374.00	1,554,374.00	1,498,400.11	\$ -	55,973.89	\$ -
Total General Appropriations for Municipal Purposes Within--"CAPS"						
	12,732,478.00	12,732,478.00	10,573,068.77	320,303.04	1,839,106.19	-
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Statutory Expenditures:						
SFSP Fire District Payment	5,162.00	5,162.00	5,162.00			
Length of Service Awards Program	10,000.00	10,000.00			10,000.00	
Landfill Recycling Fees	27,000.00	27,000.00	17,321.82		9,678.18	
<u>Public and Private Programs Off-Set by Revenues</u>						
Safe and Secure Communities Program	84,669.00	84,669.00	84,669.00			
Recycling Tonnage Grant	25,771.95	25,771.95	25,771.95			
Body Armor Replacement Fund	3,018.04	3,018.04	3,018.04			
New Jersey Department of Transportation - Municipal Aid	248,000.00	248,000.00	248,000.00			
NJ DEP Hazardous Discharge	93,214.00	93,214.00	93,214.00			
Clean Communities Grant Program						
(N.J.S.A. 40A:4-87, \$31,346.42+)	2,000.00	33,346.42	33,346.42			
Bulletproof Vest Partnership Grant						
(N.J.S.A. 40A:4-87, \$2,802.00+)		2,802.00	2,802.00			

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

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)						
Public and Private Programs Off-Set by Revenues (Cont'd)						
Burlington County Barrier Compliance (N.J.S.A. 40A:4-87, \$75,000.00+)		\$ 75,000.00	\$ 75,000.00			
Burlington County Park Grant (N.J.S.A. 40A:4-87, \$250,000.00+)		250,000.00	250,000.00			
Municipal Court Alcohol Education/Rehabilitation Program (N.J.S.A. 40A:4-87, \$3,334.16+)		3,334.16	3,334.16			
Total Operations--Excluded from "CAPS"	\$ 498,834.99	861,317.57	841,639.39	\$ -	\$ 19,678.18	\$ -
Detail:						
Salaries and Wages	498,834.99	861,317.57	841,639.39	-	19,678.18	-
Other Expenses						
CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	-	-	-
MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"						
Payment of Bond Principal	1,767,600.00	1,767,600.00	1,767,600.00			
Interest on Bonds	191,019.00	191,019.00	191,019.00			
Interest on Notes	100,000.00	100,000.00				100,000.00
Total Municipal Debt Service--Excluded from "CAPS"	2,058,619.00	2,058,619.00	1,958,619.00	-	-	100,000.00
DEFERRED CHARGES -- MUNICIPAL -- EXCLUDED FROM "CAPS"						
Deferred Charges:						
Special Emergency Authorization - 5 year	6,000.00	6,000.00	6,000.00			
Deferred Charges to Future Taxation	176,623.18	176,623.18	176,623.18			
Ordinance 2014-10	230,891.42	230,891.42	230,891.42			
Ordinance 2015-7						
Total Deferred Charges--Municipal-- Excluded from "CAPS"	413,514.60	413,514.60	413,514.60	-	-	-

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

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)						
Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	\$ 3,070,968.59	\$ 3,433,451.17	\$ 3,313,772.99	\$ -	\$ 19,678.18	\$ 100,000.00
Subtotal General Appropriations Reserve for Uncollected Taxes	15,803,446.59	16,165,929.17	13,886,841.76	320,303.04	1,858,784.37	100,000.00
	2,289,236.38	2,289,236.38	2,289,236.38	-	-	-
Total General Appropriations	<u>\$ 18,092,682.97</u>	<u>\$ 18,455,165.55</u>	<u>\$ 16,176,078.14</u>	<u>\$ 320,303.04</u>	<u>\$ 1,858,784.37</u>	<u>\$ 100,000.00</u>
Adopted Budget		\$ 18,092,682.97				
Appropriated by 40:4-87		<u>362,482.58</u>				
		<u>\$ 18,455,165.55</u>				
Reserve for Federal, State and Local Grants--Appropriated			\$ 819,155.57			
Deferred Charge - Emergency Authorization			6,000.00			
Due to Trust Other			80,000.00			
Reserve for Uncollected Taxes			2,289,236.38			
Payroll and Related Deductions Payable			6,927,711.01			
Disbursed			<u>6,053,975.18</u>			
			<u>\$ 16,176,078.14</u>			

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

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Animal Control:			
Cash--Treasurer	SB-1	\$ 38,281.90	\$ 40,758.05
Change Fund--Township Clerk	B	100.00	100.00
		<u>38,381.90</u>	<u>40,858.05</u>
Open Space:			
Cash--Treasurer	SB-1	2,143,889.51	2,135,591.92
Due from Current Fund	SB-8	167,919.59	214,234.59
		<u>2,311,809.10</u>	<u>2,349,826.51</u>
Length of Service Award Program:			
Investments - Length of Service Awards Program	SB-2	655,652.58	688,922.44
Other:			
Cash--Treasurer	SB-1	3,027,970.80	2,892,387.91
Due from Sewer Utility Operating	SB-12	3,000.00	3,000.00
Due from Current	SB-4	116,776.32	41,796.65
Accounts Receivable - Due from Bank	SB-1		93,818.76
Accounts Receivable - Outside Police Employment	SB-5	4,040.00	3,750.00
		<u>3,151,787.12</u>	<u>3,034,753.32</u>
		<u>\$ 6,157,630.70</u>	<u>\$ 6,114,360.32</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control:			
Due to Current Fund	B	\$ 19,135.45	\$ 19,135.45
Accounts Payable	SB-1		830.00
Reserve for Animal Control	SB-6	19,246.45	20,892.60
		<u>38,381.90</u>	<u>40,858.05</u>
Open Space:			
Due to Capital Fund	B	508,750.00	508,750.00
Reserve for Open Space	SB-7	1,763,759.10	1,821,276.51
Reserve for Payment of Debt	SB-9	39,300.00	19,800.00
		<u>2,311,809.10</u>	<u>2,349,826.51</u>

(Continued)

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

<u>LIABILITIES AND RESERVES (CONT'D)</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Length of Service Award Program:			
Due to Current Fund	SB-3	\$ 1,207.93	\$ 68,783.73
Reserve Length of Service Awards Program	SB-13	654,444.65	620,138.71
		<u>655,652.58</u>	<u>688,922.44</u>
Other:			
Accounts Payable	SB-10	101,169.62	92,556.32
Prepaid Outside Police Employment	SB-11	20,442.50	15,432.50
Reserve for Miscellaneous Trust Reserves:			
Street Opening Deposits	SB-12	46,203.24	18,653.99
New Jersey Unemployment Insurance	SB-12	45,336.00	56,439.01
Planning Escrow Fund Deposits	SB-12	662,720.09	828,709.33
Affordable Housing Trust Funds	SB-12	966,675.58	968,856.24
Public Defender Fees	SB-12	8,940.62	10,720.00
Credit Card Program	SB-12	7,619.60	7,619.60
Parking Offense Adjudication Act	SB-12	854.00	850.00
Tax Sale Premiums	SB-12	695,600.00	551,000.00
Delran Day Donations	SB-12	10,938.64	10,938.64
Delran Events	SB-12	3,910.51	4,260.51
Deposits for Redemption of Tax Sale Certificates	SB-12	53,368.69	6,521.40
Performance/ Maintenance Escrows	SB-12	15,197.72	15,197.72
Police Emergency Service Equipment	SB-12	1,555.47	1,555.47
Special Law Enforcement	SB-12	29,170.07	29,104.39
Bike Patrol	SB-12	9,065.87	9,065.87
Jake's Place	SB-12	888.30	888.30
Storm Recovery	SB-12	75,746.57	40,000.00
Accumulated Absences	SB-12	365,221.03	335,221.03
Multiple-Dwelling Security Deposits	SB-12	14,626.39	14,626.39
Kenneth Johnston Memorial Fund	SB-12	319.23	319.23
Police Unclaimed Funds	SB-12	4,806.50	4,806.50
Easter Egg Hunt	SB-12	76.88	76.88
Community Park Donations	SB-12	9,534.00	9,534.00
Mayor's Great Grill Off	SB-12	1,800.00	1,800.00
		<u>3,151,787.12</u>	<u>3,034,753.32</u>
		<u>\$ 6,157,630.70</u>	<u>\$ 6,114,360.32</u>

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

TOWNSHIP OF DELRAN
TRUST FUND - OPEN SPACE
 Statements of Operations and Changes in Reserve for Future Use -- Regulatory Basis
 For the Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
REVENUE REALIZED:		
Amount to be Raised by Taxation	\$ 325,000.00	\$ 325,000.00
Reserve for Open Space	65,815.00	97,270.00
Reserve to Pay Debt		20,100.00
Miscellaneous Revenue Not Anticipated	8,297.59	22,505.66
	<hr/>	<hr/>
Total Income	399,112.59	464,875.66
EXPENDITURES:		
Budget Appropriations:		
Debt Service	390,815.00	442,370.00
	<hr/>	<hr/>
Excess - Reserve for Future Use	8,297.59	22,505.66
RESERVE FOR FUTURE USE:		
Balance Jan. 1	1,821,276.51	1,896,040.85
	<hr/>	<hr/>
	1,829,574.10	1,918,546.51
Decreased by:		
Utilization by Open Space Budget	65,815.00	97,270.00
	<hr/>	<hr/>
Balance Dec. 31	<u>\$ 1,763,759.10</u>	<u>\$ 1,821,276.51</u>

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

TOWNSHIP OF DELRAN
TRUST FUND - OPEN SPACE
 Statement of Revenues -- Regulatory Basis
 For the Year Ended December 31, 2020

	<u>Modified Budget</u>	<u>Realized</u>	<u>Excess</u>
Amount to be Raised by Taxation	\$ 325,000.00	\$ 325,000.00	
Reserve for Open Space	65,815.00	65,815.00	
Miscellaneous Revenue Not Anticipated		8,297.59	\$ 8,297.59
	<u>\$ 390,815.00</u>	<u>\$ 399,112.59</u>	<u>\$ 8,297.59</u>

Analysis of Realized Revenues

Amount to be Raised by Taxation:	
Current Year Levy -- Due from Current Fund	\$ 325,000.00
Miscellaneous Revenue Not Anticipated:	
Interest on Deposits	\$ 8,297.59

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

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

	<u>Appropriations</u>		<u>Unexpended</u>
	<u>Budget After</u>	<u>Paid or</u>	<u>Balance</u>
	<u>Modification</u>	<u>Charged</u>	<u>Canceled</u>
Debt Service:			
Payment of Bond Principal	\$ 324,400.00	\$ 324,400.00	
Interest on Bonds	66,415.00	66,415.00	
	<u>\$ 390,815.00</u>	<u>\$ 390,815.00</u>	<u>\$ -</u>
Due to Current Fund		<u>\$ 390,815.00</u>	

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

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balances -- Regulatory Basis
 As of December 31, 2020 and 2019

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Cash	SC-1	\$ 1,610,733.62	\$ 3,408,066.51
Grants Receivable	SC-3	334,706.87	84,706.87
Due From Trust - Open Space Fund	SC-9	508,750.00	508,750.00
Due From Current Fund	SC-9	372,287.71	
Due From Sewer Utility Operating Fund	SC-9		15,194.85
Deferred Charges to Future Taxation:			
Funded	SC-4	10,707,000.00	12,799,000.00
Unfunded	SC-5	5,156,015.23	2,993,067.83
		<u>\$ 18,689,493.43</u>	<u>\$ 19,808,786.06</u>
 <u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
Serial Bonds Payable	SC-12	\$ 10,707,000.00	\$ 12,799,000.00
Due to Current Fund	SC-9		426,784.02
Improvement Authorizations:			
Funded	SC-10	3,259,578.22	3,462,643.09
Unfunded	SC-10	3,479,098.57	1,281,600.72
Encumbrances/Contracts Payable	SC-11	778,671.48	1,317,825.07
Capital Improvement Fund	SC-6	111,932.32	142,720.32
Reserves for:			
Preliminary Expenses	SC-8	1,249.94	1,249.94
Payment of Bonds	SC-7	207,575.97	232,575.97
Facilities--Delran Harbor	C	15,000.00	15,000.00
Generator	C	20,000.00	20,000.00
Traffic Improvements	C	15,000.00	15,000.00
Storm Sewer Maintenance	C	21,750.00	21,750.00
Fund Balance	C	72,636.93	72,636.93
		<u>\$ 18,689,493.43</u>	<u>\$ 19,808,786.06</u>

There were bonds and notes authorized but not issued on December 31, 2020 totaling \$5,156,015.23 and 2019 totaling \$2,993,067.83.

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

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Operating Fund:			
Cash--Treasurer	SD-1	\$ 6,813,219.49	\$ 7,183,908.66
Change Fund--Collector	D	200.00	200.00
Due from Sewer Utility Capital Fund	SD-5		1,286,183.91
		<u>6,813,419.49</u>	<u>8,470,292.57</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-4	847,992.25	817,248.10
		<u>7,661,411.74</u>	<u>9,287,540.67</u>
Capital Fund:			
Cash--Treasurer	SD-1	1,351,766.77	916,350.10
New Jersey Infrastructure Bank Receivable	SD-3	1,523,620.00	
Due from Sewer Utility Operating Fund	SD-5	194,482.35	
Fixed Capital	SD-8	17,278,816.11	12,783,627.00
Fixed Capital Authorized and Uncompleted	SD-9	5,302,352.64	9,904,000.00
		<u>25,651,037.87</u>	<u>23,603,977.10</u>
		<u>\$ 33,312,449.61</u>	<u>\$ 32,891,517.77</u>

(Continued)

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

LIABILITIES, RESERVES
AND FUND BALANCES

	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3 & SD-10	\$ 642,767.20	\$ 1,186,335.55
Reserve for Encumbrances	D-3 & SD-10	133,432.21	61,157.07
Due to Current Fund	SD-5	86,400.95	88,805.05
Due to General Capital Fund	SD-5		15,194.85
Due to Trust--Other Fund	SD-5	3,000.00	3,000.00
Due to Sewer Utility Capital Fund	SD-5	194,482.35	
Prepaid Connection Fees	SD-6	48,761.00	
Sewer Rent Prepayments	SD-7	11,565.58	10,321.42
Accrued Interest on Notes and Loans	SD-11	4,327.09	4,660.42
Developer's Escrow Deposits	SD-12	43,685.82	27,763.32
		1,168,422.20	1,397,237.68
Reserves for Receivables	D	847,992.25	817,248.10
Fund Balance	D-1	5,644,997.29	7,073,054.89
		7,661,411.74	9,287,540.67
Total Operating Fund			
Capital Fund:			
Due to Sewer Utility Operating Fund	SD-5		1,286,183.91
Improvement Authorizations:			
Funded	SD-13	1,331,791.14	668,361.10
Unfunded	SD-13	1,928,590.00	3,734,553.54
Contracts Payable and Encumbrances	SD-14	470,844.28	343,613.85
Reserve for Amortization	SD-15	16,873,859.22	14,901,594.60
Reserve for Sanitary Sewer Repairs	SD-16	932,150.00	
NJ Environmental Trust Loan Payable	SD-17	2,753,269.53	1,309,136.40
Deferred Reserve for Amortization	D	1,025,450.00	1,025,450.00
Capital Improvement Fund	D	325,000.00	325,000.00
Fund Balance	D	10,083.70	10,083.70
		25,651,037.87	23,603,977.10
		\$ 33,312,449.61	\$ 32,891,517.77

There were bonds and notes authorized but not issued on December 31, 2020 totaling \$1,928,590.00 and 2019 totaling \$5,451,446.00.

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

TOWNSHIP OF DELRAN
SEWER UTILITY FUND
 Statements of Operations and Changes in Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2020 and 2019

<u>Revenue and Other Income Realized</u>	<u>2020</u>	<u>2019</u>
Surplus Utilized	\$ 2,557,000.00	\$ 815,000.00
Rents	3,725,419.44	3,791,700.82
Miscellaneous	101,201.17	146,413.04
Reserve to Pay Debt		640,000.00
Non-Budget Revenue	27,595.88	60,952.00
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,138,373.71	1,220,991.88
 Total Income	 <u>7,549,590.20</u>	 <u>6,675,057.74</u>
 <u>Expenditures</u>		
Operating	2,646,277.00	2,666,176.00
Capital Improvements	1,225,000.00	657,000.00
Debt Service	108,370.80	970,001.57
Deferred Charges and Statutory Expenditures	2,141,000.00	795,989.00
Contribution to Current Fund	300,000.00	
 Total Expenditures	 <u>6,420,647.80</u>	 <u>5,089,166.57</u>
 Statutory Excess to Fund Balance	 1,128,942.40	 1,585,891.17
 <u>Fund Balance</u>		
Balance Jan. 1	<u>7,073,054.89</u>	<u>6,302,163.72</u>
Decreased by:	8,201,997.29	7,888,054.89
Utilization by Sewer Operating Budget	<u>2,557,000.00</u>	<u>815,000.00</u>
 Balance Dec. 31	 <u><u>\$ 5,644,997.29</u></u>	 <u><u>\$ 7,073,054.89</u></u>

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

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2020

	Anticipated <u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Surplus Utilized	\$ 2,557,000.00	\$ 2,557,000.00	
Rents	3,674,000.00	3,725,419.44	\$ 51,419.44
Miscellaneous	16,000.00	38,019.70	22,019.70
Interest on Delinquents	20,000.00	63,181.47	43,181.47
Budget Totals	6,267,000.00	6,383,620.61	116,620.61
Non-Budget Revenue	-	27,595.88	27,595.88
	\$ 6,267,000.00	\$ 6,411,216.49	\$ 144,216.49

Analysis of Realized Revenue:

Rents:

Consumer Accounts Receivable:

Collected

\$ 3,715,098.02

Overpayments Applied

10,321.42

\$ 3,725,419.44

Analysis of Miscellaneous Revenue:

Interest on Investments:

Collected in Sewer Utility Operating Fund

\$ 25,952.50

Other - Miscellaneous

8,733.46

34,685.96

Interest on Investments:

Collected in Sewer Utility Capital Fund

3,333.74

\$ 38,019.70

Analysis of Miscellaneous Revenue Not Anticipated:

Connection Fees

\$ 27,595.88

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

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2020

	Appropriations		Expended		Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	
Operating:					
Salaries and Wages	\$ 807,835.00	\$ 807,835.00	\$ 758,164.35		\$ 49,670.65
Other Expenses	1,838,442.00	1,838,442.00	1,350,920.44	\$ 133,432.21	354,089.35
Total Operating	2,646,277.00	2,646,277.00	2,109,084.79	133,432.21	403,760.00
Capital Improvements:					
Capital Outlay	1,000,000.00	1,000,000.00	1,000,000.00		
Purchase of Utility Trucks	225,000.00	225,000.00			225,000.00
Total Capital Improvements	1,225,000.00	1,225,000.00	1,000,000.00	-	225,000.00
Debt Service:					
Principal & Interest on Loans	254,723.00	254,723.00	108,370.80		146,352.20
Total Debt Service	254,723.00	254,723.00	108,370.80	-	146,352.20
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Fund Ordinances 2014-15 and 2017-4	1,984,000.00	1,984,000.00	1,984,000.00		
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	84,000.00	84,000.00	84,000.00		
Social Security System (O.A.S.I.)	70,000.00	70,000.00	55,992.80		14,007.20
Unemployment Compensation Insurance (N.J.S.43:21-3 et seq.)	3,000.00	3,000.00	3,000.00		
Total Deferred Charges and Statutory Expenditures	2,141,000.00	2,141,000.00	2,126,992.80	-	14,007.20
Total	\$ 6,267,000.00	\$ 6,267,000.00	\$ 5,344,448.39	\$ 133,432.21	\$ 642,767.20
Due to Sewer Utility Capital Fund			\$ 2,984,000.00		
Due to Trust Other Fund			3,000.00		
Accrued Interest			13,647.93		
Disbursed			2,343,800.46		
			<u>\$ 5,344,448.39</u>		

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

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

	<u>Balance</u> <u>Dec. 31, 2019</u>		<u>Additions</u>		<u>Deletions</u>		<u>Balance</u> <u>Dec. 31, 2020</u>
General Fixed Assets:							
Land and Land Improvements	\$ 5,771,904.14	\$	120,577.00			\$	5,892,481.14
Building	8,435,029.00						8,435,029.00
Equipment and Vehicles	5,072,060.60		570,276.10	\$	2,371.00		5,639,965.70
Total Investment in General Fixed Assets	<u>\$ 19,278,993.74</u>	<u>\$</u>	<u>690,853.10</u>	<u>\$</u>	<u>2,371.00</u>	<u>\$</u>	<u>19,967,475.84</u>

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

TOWNSHIP OF DELRAN
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 Delran was incorporated in 1880 and is located in Burlington County, New Jersey approximately fifteen miles from the City of Philadelphia. The population according to the latest census is 13,178.

The Township has a Mayor-Council form of government known as the Mayor-Council Plan D under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor and two Council members are elected at large and three Council members are elected by ward. All members serve four-year terms.

Measurement Focus, Basis of Accounting and Financial Statement Presentation- The financial statements of the Township of Delran contain all funds and account groups in accordance with the *Requirements of Audit ("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 of Delran 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.

Sewer Utility Operating and Capital Funds - The Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Sewer operations.

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

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

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

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

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

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

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

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

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

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

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

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

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

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

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

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

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

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

Fund Balance - Fund Balances included in the current fund and utility operating fund represent amounts available for anticipation as revenue in future year's budgets, with certain restrictions.

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

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

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Burlington, Township of Delran School District, the Township's Open Space Fund and the Township of Delran Fire 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 Delran School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

County Taxes - The Township 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 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.

Fire District Taxes - The Township is responsible for levying, collecting, and remitting Fire District Taxes for the Township of Delran Fire District. Operations is charged for the full amount required to be raised from taxation to operate the Fire District for the period from January 1 to December 31.

Open Space Fund - In 2005, the Township established an Open Space Trust Fund as a result of a referendum passed in the general election in November 2004. The amount raised each year is limited to \$325,000.00.

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

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

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

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

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

Long-Term Debt - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital and Utility Capital Funds. Where an improvement is a "local Improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

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

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust 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 shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2020, the Township's bank balances of \$28,947,416.44 were exposed to custodial credit risk as follows:

Insured by FDIC	\$ 500,000.00
Insured by GUDPA	27,074,693.27
Uninsured and Uncollateralized	<u>1,372,723.17</u>
Total	<u>\$ 28,947,416.44</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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Tax Rate	\$ 3.883	\$ 3.847	\$ 3.783	\$ 3.723	\$ 3.668
Apportionment of Tax Rate:					
Municipal	\$ 0.790	\$ 0.791	\$ 0.772	\$ 0.761	\$ 0.764
Municipal Open Space	0.022	0.022	0.023	0.023	0.023
County & County Library	0.434	0.417	0.419	0.386	0.394
County Open Space Preservation Trust Fund	0.024	0.034	0.028	0.043	0.043
Local School	2.454	2.422	2.383	2.353	2.294
Special District Rates:					
Fire District	0.159	0.161	0.158	0.157	0.150

Assessed Valuation

<u>Year</u>	<u>Assessed Valuation</u>
2020	\$ 1,425,281,690.00
2019	1,415,647,482.00
2018	1,411,655,182.00
2017	1,407,526,492.00
2016	1,401,551,386.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2020	\$ 55,400,859.12	\$ 54,772,292.12	98.87%
2019	54,733,880.77	54,170,770.55	98.97%
2018	53,638,315.47	52,933,549.13	98.69%
2017	52,617,638.70	51,936,735.45	98.71%
2016	51,633,084.37	50,854,874.92	98.49%

Note 3: PROPERTY TAXES (CONT'D)

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 (Cont'd):

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	\$ 212,349.93	\$ 592,516.90	\$ 804,866.83	1.45%
2019	194,999.03	550,024.20	745,023.23	1.36%
2018	188,246.82	644,445.08	832,691.90	1.55%
2017	163,064.45	619,048.14	782,112.59	1.49%
2016	127,116.94	722,858.24	849,975.18	1.65%

The following comparison is made of the number of tax title liens receivable on December 31 of the last five years:

<u>Year</u>	<u>Number of Tax Title Liens Receivable</u>
2020	12
2019	12
2018	13
2017	13
2016	11

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	\$ 282,015.00
2019	282,015.00
2018	282,015.00
2017	282,015.00
2016	282,015.00

Note 5: SEWER UTILITY SERVICE CHARGES

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

<u>Year</u>	<u>Receivable Balance as of January 1</u>	<u>Levy</u>	<u>Total</u>	<u>Collections</u>	<u>Percentage of Collection</u>
2020	\$ 817,248.10	\$ 3,819,345.06	\$ 4,636,593.16	\$ 3,788,600.91	81.71%
2019	840,762.66	3,829,772.80	4,670,535.46	3,853,287.36	82.50%
2018	891,743.86	3,846,407.30	4,738,151.16	3,897,388.50	82.26%
2017	949,798.17	3,876,301.51	4,826,099.68	3,934,355.82	81.52%
2016	844,529.62	3,923,298.51	4,767,828.13	3,818,029.96	80.08%

Note 6: FUND BALANCES APPROPRIATED

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

<u>Year</u>	<u>Balance Dec. 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Current Fund</u>			
2020	\$ 9,195,302.83	\$ 4,301,500.00	46.78%
2019	9,120,945.15	4,000,000.00	43.86%
2018	9,285,157.65	4,008,000.00	43.17%
2017	8,737,686.32	3,748,000.00	42.89%
2016	8,794,642.68	3,500,000.00	39.80%
<u>Sewer Utility Operating Fund</u>			
2020	\$ 5,644,997.29	\$ 1,750,000.00	31.00%
2019	7,073,054.89	2,557,000.00	36.15%
2018	6,302,163.72	815,000.00	12.93%
2017	5,998,516.00	600,000.00	10.00%
2016	4,964,688.66	None	None

Note 7: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2020:

<u>Fund</u>	<u>Interfunds Receivables</u>	<u>Interfunds Payable</u>
Current Fund	\$ 106,744.33	\$1,290,718.77
Federal and State	633,735.15	
Trust Fund - Animal Control		19,135.45
Trust Fund - Open Space	167,919.59	508,750.00
Trust Fund - LOSAP		1,207.93
Trust Fund - Other	119,776.32	
General Capital Fund	881,037.71	
Sewer Utility Operating Fund		283,883.30
Sewer Utility Capital Fund	194,482.35	
	<u>\$2,103,695.45</u>	<u>\$2,103,695.45</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2021, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: PENSION PLANS

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

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

General Information about the Pension Plans

Plan Descriptions

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

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

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

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

Vesting and Benefit Provisions

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

The following represents the membership tiers for PERS:

Tier Definition

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

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

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

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

The following represents the membership tiers for PFRS:

Tier Definition

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

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

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

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.

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

Public Employees' Retirement System (Cont'd) - The Township's contractually required contribution rate for the year ended December 31, 2020 was 14.26% 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 \$368,083.00, 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 \$335,726.00, which was paid by April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$199,127.70.

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

Special Funding Situation Component - Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a *special funding situation* as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Township's contractually required contribution rate for the year ended December 31, 2020 was 30.70% 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 \$922,209.00, 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 \$842,180.00, which was paid by April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$301,720.00.

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 4.24% of the Township's covered payroll.

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

Police and Firemen's Retirement System (Cont'd) - Based on the most recent PFRS measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2020 was \$127,380.00, 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 \$108,556.00, which was paid by 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 \$4,895.13, and the Township's contributions were \$3,604.89. There were no forfeitures during the year.

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Public Employees' Retirement System**

Pension Liability - As of December 31, 2020, the Township's proportionate share of the PERS net pension liability was \$5,486,972.00. 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 .0336471637%, which was a decrease of .0008674990% 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 \$29,155.00. 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 \$335,726.00, and was paid by April 1, 2020.

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****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	\$ 10,666,369.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	1,655,372.00
	<u>\$ 12,321,741.00</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 .0825486090%, which was a decrease of .0008264198% 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 .0825486090%, which was a decrease of .0008264198% from its proportion, on-behalf of the Township, measured as of June 30, 2019.

Pension Expense - For the year ended December 31, 2020, the Township's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was \$490,960.00. 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 \$842,180.00, and was paid by 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 \$187,603.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

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

Deferred Outflows of Resources and Deferred Inflows of Resources - As of December 31, 2020, the Township had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 99,909.00	\$ 107,535.00	\$ 207,444.00	\$ 19,404.00	\$ 38,280.00	\$ 57,684.00
Changes of Assumptions	178,004.00	26,842.00	204,846.00	2,297,447.00	2,859,590.00	5,157,037.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	187,549.00	625,419.00	812,968.00	-	-	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	63,322.00	27,835.00	91,157.00	440,551.00	524,099.00	964,650.00
Township Contributions Subsequent to the Measurement Date	184,042.00	461,105.00	645,147.00	-	-	-
	<u>\$ 712,826.00</u>	<u>\$ 1,248,736.00</u>	<u>\$ 1,961,562.00</u>	<u>\$ 2,757,402.00</u>	<u>\$ 3,421,969.00</u>	<u>\$ 6,179,371.00</u>

Deferred outflows of resources in the amounts of \$184,042.00 and \$461,105.00 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 8: **PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

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

	<u>PERS</u>		<u>PFRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
June 30, 2019	5.21	-	-	5.92
June 30, 2020	5.16	-	5.90	-
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
June 30, 2019	-	5.21	-	5.92
June 30, 2020	-	5.16	-	5.90
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2016	5.00	-	5.00	-
June 30, 2017	5.00	-	5.00	-
June 30, 2018	5.00	-	5.00	-
June 30, 2019	5.00	-	5.00	-
June 30, 2020	5.00	-	5.00	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73
June 30, 2019	5.21	5.21	5.92	5.92
June 30, 2020	5.16	5.16	5.90	5.90

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

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

Year Ending <u>Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2021	\$ (771,390.00)	\$ (1,172,530.00)	\$ (1,943,920.00)
2022	(738,802.00)	(783,822.00)	(1,522,624.00)
2023	(479,566.00)	(369,113.00)	(848,679.00)
2024	(201,431.00)	(199,567.00)	(400,998.00)
2025	(37,429.00)	(109,306.00)	(146,735.00)
	<u>\$ (2,228,618.00)</u>	<u>\$ (2,634,338.00)</u>	<u>\$ (4,862,956.00)</u>

Actuarial Assumptions

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

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

⁽¹⁾ based on years of service

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)****Public Employees' Retirement System**

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

Police and Firemen's Retirement System

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

For both PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' and PFRS' target asset allocation as of June 30, 2020 are summarized in the table that follows:

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

Note 8: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd)

Discount Rate -

Public Employees' Retirement System - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of the June 30, 2020 measurement date based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers would be based on 78% of the actuarially determined contributions for the State and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Police and Firemen's Retirement System - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 measurement date based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers will be based on 78% of the actuarially determined contributions for the State and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

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

Public Employees' Retirement System (PERS) - The following presents the Township's proportionate share of the net pension liability as of the June 30, 2020 measurement date, calculated using a discount rate of 7.00%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	<u>\$ 6,907,183.00</u>	<u>\$ 5,486,972.00</u>	<u>\$ 4,281,885.00</u>

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

Police and Firemen's Retirement System (PFRS) - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Township's annual required contribution. As such, the net pension liability as of the June 30, 2020 measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 14,184,075.00	\$ 10,666,369.00	\$ 7,744,645.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>2,201,304.00</u>	<u>1,655,372.00</u>	<u>1,201,934.00</u>
	<u>\$ 16,385,379.00</u>	<u>\$ 12,321,741.00</u>	<u>\$ 8,946,579.00</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 8: 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)

	<u>Measurement Date Ended June 30,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net Pension Liability	0.0336471637%	0.0345146627%	0.0365431220%	0.0363370542%
Township's Proportionate Share of the Net Pension Liability	\$ 5,486,972.00	\$ 6,219,019.00	\$ 7,195,159.00	\$ 8,458,685.00
Township's Covered Payroll (Plan Measurement Period)	\$ 2,393,856.00	\$ 2,395,892.00	\$ 2,532,432.00	\$ 2,537,328.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	229.21%	259.57%	284.12%	333.37%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%
	<u>Measurement Date Ended June 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0359861706%	0.0349554359%	0.0361696042%	0.0365878531%
Township's Proportionate Share of the Net Pension Liability	\$ 10,658,072.00	\$ 7,846,795.00	\$ 6,771,939.00	\$ 6,992,666.00
Township's Covered Payroll (Plan Measurement Period)	\$ 2,528,524.00	\$ 2,360,716.00	\$ 2,484,836.00	\$ 2,530,596.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	421.51%	332.39%	272.53%	276.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

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

	<u>Year Ended December 31,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Contractually Required Contribution	\$ 368,083.00	\$ 335,726.00	\$ 363,486.00	\$ 336,624.00
Township's Contribution in Relation to the Contractually Required Contribution	\$ (368,083.00)	\$ (335,726.00)	(363,486.00)	(336,624.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 2,580,725.00	\$ 2,461,092.00	\$ 2,417,904.00	\$ 2,531,886.00
Township's Contributions as a Percentage of Covered Payroll	14.26%	13.64%	15.03%	13.30%
	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 319,696.00	\$ 300,523.00	\$ 298,177.00	\$ 275,682.00
Township's Contribution in Relation to the Contractually Required Contribution	(319,696.00)	(300,523.00)	(298,177.00)	(275,682.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 2,581,927.00	\$ 2,556,514.00	\$ 2,371,131.00	\$ 2,409,705.00
Township's Contributions as a Percentage of Covered Payroll	12.38%	11.76%	12.58%	11.44%

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

	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	0.0825486090%	0.0833750288%	0.0863716364%	0.0860009182%
Township's Proportionate Share of the Net Pension Liability	\$ 10,666,369.00	\$ 10,203,285.00	\$ 11,687,506.00	\$ 13,276,879.00
State's Proportionate Share of the Net Pension Liability associated with the Township	<u>1,655,372.00</u>	<u>1,611,118.00</u>	<u>1,587,554.00</u>	<u>1,487,122.00</u>
Total	<u>\$ 12,321,741.00</u>	<u>\$ 11,814,403.00</u>	<u>\$ 13,275,060.00</u>	<u>\$ 14,764,001.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 2,908,468.00	\$ 2,894,332.00	\$ 2,985,956.00	\$ 2,901,144.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	366.73%	352.53%	391.42%	457.64%
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	0.0871336477%	0.0906792440%	0.0882256595%	0.0883850972%
Township's Proportionate Share of the Net Pension Liability	\$ 16,644,756.00	\$ 15,104,001.00	\$ 11,097,970.00	\$ 11,750,001.00
State's Proportionate Share of the Net Pension Liability associated with the Township	<u>1,397,747.00</u>	<u>1,324,570.00</u>	<u>1,195,065.00</u>	<u>1,095,243.00</u>
Total	<u>\$ 18,042,503.00</u>	<u>\$ 16,428,571.00</u>	<u>\$ 12,293,035.00</u>	<u>\$ 12,845,244.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 2,892,160.00	\$ 3,078,700.00	\$ 2,929,272.00	\$ 2,924,976.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	575.51%	490.60%	378.86%	401.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	56.31%	62.41%	58.70%

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

	<u>Year Ended December 31,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Contractually Required Contribution	\$ 922,209.00	\$ 842,180.00	\$ 844,410.00	\$ 761,124.00
Township's Contribution in Relation to the Contractually Required Contribution	(922,209.00)	(842,180.00)	(844,410.00)	(761,124.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 3,004,368.00	\$ 2,969,996.00	\$ 2,891,717.00	\$ 2,936,631.00
Township's Contributions as a Percentage of Covered Payroll	30.70%	28.36%	29.20%	25.92%
	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 710,436.00	\$ 737,087.00	\$ 677,634.00	\$ 644,838.00
Township's Contribution in Relation to the Contractually Required Contribution	(710,436.00)	(737,087.00)	(677,634.00)	(644,838.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 2,914,484.00	\$ 2,882,684.00	\$ 2,923,223.00	\$ 2,929,231.00
Township's Contributions as a Percentage of Covered Payroll	24.38%	25.57%	23.18%	22.01%

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

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

Changes in Assumptions

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

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

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

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

The mortality assumption was updated upon direction from the DPB.

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

None

Changes in Assumptions

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

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

Note 8: PENSION PLANS (CONT'D)

Supplementary Pension Information (Cont'd)

Other Notes to Supplementary Pension Information (Cont'd)

Police and Firemen’s Retirement System (PFRS) (Cont’d)

Changes in Assumptions (Cont'd)

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

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

The mortality assumption was updated upon direction from the DPB.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM

Plan Description - The Township’s length of service awards program (the “LOSAP Plan”), which is a defined contribution plan reported in the Township’s trust fund, was created by a Township Ordinance adopted on June 7, 2006 pursuant to Section 457(e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the LOSAP Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*.

The voters of the Township approved the adoption of the LOSAP Plan at the general election held on November 7, 2006, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2007. The LOSAP Plan provides tax deferred income benefits to active volunteer emergency medical personnel, and is administered by VALIC (“Plan Administrator”), a State of New Jersey approved length of service awards program provider. The Township’s practical involvement in administering the LOSAP Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the LOSAP Plan Administrator.

The tax deferred income benefits for emergency service volunteers of the Delran Township Emergency Squad, consisting of the Emergency Squad, come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of the LOSAP Plan created by that governing body. Participants should refer to the LOSAP Plan agreement for a more complete description of the LOSAP Plan’s provisions.

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

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

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

The Township did not contribute to the LOSAP Plan for the year ended December 31, 2020, as no active members met the active service requirement. Participants direct the investment of the contributions into various investment options offered by the LOSAP Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the LOSAP Plan. The types of investment options, and the administering of such investments, rests solely with the LOSAP Plan Administrator.

Participant Accounts - Each participant's account is credited with the Township's contribution and Plan earnings, and charged with administrative expenses. For the year ended December 31, 2020, the Township elected to pay substantially all of the LOSAP Plan's administrative costs. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Township has placed the amounts deferred, including earnings, in an account maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the Township to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Township. These funds, however, are not available for funding the operations of the Township.

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

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

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

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

Forfeited Accounts - For the year ended December 31, 2020, there were no forfeited non-vested accounts that occurred during the year. The LOSAP Plan still contains forfeited accounts that have not been turned over to the Township.

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

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

The Township provides postemployment benefits other than pension benefits through the State Health Benefits Local Government Retired Employees Plan and through reimbursement of health insurance premiums directly to employees if they choose not to participate in the State Health Benefit Plan. The reimbursement for health insurance premiums and the amount of the benefit is established by the Township.

State Health Benefits Local Government Retired Employees Plan**General Information about the OPEB Plan**

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.

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

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****General Information about the OPEB Plan (Cont'd)**

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

The Township was billed monthly by the Plan and paid \$16,195.34, for the year ended December 31, 2019, representing 0.30% of the Township's covered payroll. During the year ended December 31, 2019, retirees were required to contribute \$1,552.45 to the Plan.

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

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

The 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 \$88,448.00 for the year ended December 31, 2019 representing 1.63% of the Township's covered payroll.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

State Health Benefits Local Government Retired Employees Plan (Cont'd)

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

OPEB Liability - At December 31, 2019 the Township's and State's proportionate share of the net OPEB liability were as follows:

Township's Proportionate Share of Net OPEB Liability	\$ 6,177,551.00
State of New Jersey's Proportionate Share of Net OPEB Liability Associated with the Township	<u>6,672,692.00</u>
	<u>\$ 12,850,243.00</u>

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 Township's proportion of the net OPEB liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2018 through June 30, 2019. For the June 30, 2019 measurement date, the Township's proportion was .045604% which was a decrease of .002676% from its proportion measured as of the June 30, 2018 measurement date.

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 .120757% which was a decrease of .009451% from its proportion measured as of the June 30, 2018 measurement date.

OPEB (Benefit) Expense - At December 31, 2019, the Township's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is (\$310,672.00). This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2019, the Township made contributions to the Plan totaling \$16,195.34.

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 \$88,448.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ -	\$ 1,806,556.00
Changes of Assumptions	-	2,189,187.00
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	5,089.00	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	-	1,496,551.00
Township Contributions Subsequent to the Measurement Date	7,870.90	-
	<u>\$ 12,959.90</u>	<u>\$ 5,492,294.00</u>

\$7,870.90 reported as deferred outflows of resources resulting from the Township's contributions subsequent to the measurement date will be included as a reduction of the Township's net OPEB liability during the year ending December 31, 2020.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

The Township will amortize the above other deferred outflow of resources and deferred inflows of resources related to the OPEB liability over the following number of years:

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

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

Year Ending Dec. 31,		
2020	\$	(903,044.00)
2021		(903,044.00)
2022		(903,443.00)
2023		(904,088.00)
2024		(904,677.00)
Thereafter		<u>(968,909.00)</u>
	\$	<u>(5,487,205.00)</u>

Actuarial Assumptions

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

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

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

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

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

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

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

State Health Benefits Local Government Retired Employees Plan (Cont'd)

Actuarial Assumptions (Cont'd)

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

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

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

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

As previously mentioned, the OPEB Plan has a special funding situation where the State of New Jersey pays a portion of 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, for the Township and the State of New Jersey, calculated using a discount rate of 3.50%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	1% Decrease <u>(2.50%)</u>	Current Discount Rate <u>(3.50%)</u>	1% Increase <u>(4.50%)</u>
Township's Proportionate Share of the Net OPEB Liability	\$ 7,142,819.00	\$ 6,177,550.00	\$ 5,393,141.00
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Township	<u>7,715,329.00</u>	<u>6,672,692.00</u>	<u>5,825,411.00</u>
	<u>\$ 14,858,148.00</u>	<u>\$ 12,850,242.00</u>	<u>\$ 11,218,552.00</u>

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

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

	<u>1%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rates</u>	<u>1%</u> <u>Increase</u>
Township's Proportionate Share of the Net OPEB Liability	\$ 5,213,091.00	\$ 6,177,550.00	\$ 7,407,880.00
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Township	5,630,930.00	6,672,692.00	8,001,635.00
	<u>\$ 10,844,021.00</u>	<u>\$ 12,850,242.00</u>	<u>\$ 15,409,515.00</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.

Supplementary OPEB Information

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

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

	<u>Measurement Date Ended June 30,</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net OPEB Liability	0.045604%	0.048280%	0.050516%
Township's Proportionate Share of the Net OPEB Liability	\$ 6,177,551.00	\$ 7,563,844.00	\$ 10,313,240.00
State's Proportionate Share of the Net OPEB Liability Associated with the Township	6,672,692.00	8,090,923.00	11,246,126.00
Total	<u>\$ 12,850,243.00</u>	<u>\$ 15,654,767.00</u>	<u>\$ 21,559,366.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 5,318,223.00	\$ 5,360,975.00	\$ 5,509,377.00
Township's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	116.16%	141.09%	187.19%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.97%	1.03%

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**State Health Benefits Local Government Retired Employees Plan (Cont'd)****Supplementary OPEB Information (Cont'd)*****Schedule of the Township's Contributions (Last Three Years)***

	<u>Year Ended December 31,</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Required Contributions	\$ 16,195.34	\$ 16,999.92	\$ 21,202.15
Township's Contributions in Relation to the Required Contribution	<u>(16,195.34)</u>	<u>(16,999.92)</u>	<u>(21,202.15)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 5,431,088.00	\$ 5,309,621.00	\$ 5,468,517.00
Township's Contributions as a Percentage of Covered Payroll	0.30%	0.32%	0.39%

Other Notes to Supplementary OPEB Information**Changes in Benefit Terms**

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

Changes in Assumptions

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

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

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Township of Delran Postemployment Health Benefit Plan****General Information about the OPEB Plan**

Plan Description and Benefits Provided - The Township provides reimbursement for postretirement health care benefits through a single employer post-employment healthcare plan, which is not administered through a trust that meets the criteria in paragraph 4 of the GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. The Township provides this benefit for ten years after the employee retires or until the death of the employee. The benefit is determined by negotiated contract for each collective bargaining unit. The Plan is administered by the Township; therefore, reimbursements to the retirees are paid in monthly installments directly to the retirees.

Employees Covered by Benefit Terms - As of January 1, 2020, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

	<u>December 31, 2020</u>
Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	15
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	
Active Employees	<u>59</u>
	<u>74</u>

Contributions - Employees are not required to contribute to the plan.

Total OPEB Liability

The Township's total OPEB liability of \$1,384,469.00 was measured as of December 31, 2020 and was determined by an actuarial valuation as of January 1, 2020.

Actuarial Assumptions and Other Inputs

The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00% Annually
Salary Increases	3.00% Annually
Discount Rate	1.93%
Healthcare Cost Trend Rates	
Delran Police Association Employees	5.00% Annually
All Other Employees	0.00%

The discount rate was based on the S&P Municipal Bond 20-year High Grade Rate Index.

Mortality rates were based on RP-2006 mortality table with MP-2020 projection.

An experience study was not performed on the actuarial assumptions used in the January 1, 2020 valuation since the Plan had insufficient data to produce a study with credible results. Mortality rates and termination rates were based on standard tables either issued by the SOA or developed for the applicable grade of employee. The actuary has used his/her professional judgement in applying these assumptions to this plan.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

Township of Delran Postemployment Health Benefit Plan (Cont'd)

Changes in Total OPEB Liability

Balance at Beginning of Year		\$ 1,223,443.00
Changes for the Year:		
Service Cost	\$ 34,155.00	
Interest Cost	38,717.00	
Benefit Payments	(71,580.00)	
Actuarial Assumption Changes	165,200.00	
Difference between expected and actual experience	<u>(5,466.00)</u>	
Net Changes		<u>161,026.00</u>
Balance at End of Year		<u><u>\$ 1,384,469.00</u></u>

In 2020, the discount rate changed to 1.93% from 3.26%.

Sensitivity of Total OPEB Liability to Changes in Discount Rate - The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated for using a discount rate that is 1-percentage -point lower or 1-percentage-point higher than the current discount rate:

	1.00% Decrease <u>(0.93%)</u>	Current Discount Rate <u>(1.93%)</u>	1.00% Increase <u>(2.93%)</u>
Total OPEB Liability	<u>\$1,508,680.00</u>	<u>\$1,384,469.00</u>	<u>\$1,260,256.00</u>

Sensitivity of Total OPEB Liability to Changes in Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
Total OPEB Liability	<u>\$ 1,208,530.00</u>	<u>\$ 1,384,469.00</u>	<u>\$ 1,595,238.00</u>

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Township of Delran Postemployment Health Benefit Plan (Cont'd)**

OPEB (Benefit) Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended December 31, 2020, the Township recognized OPEB expense of \$92,015.00. As of December 31, 2020, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions or Other Inputs	\$ 189,280.00	\$ -
Difference between expected and actual experience	<u>16,040.00</u>	<u>54,477.00</u>
	<u>\$ 205,320.00</u>	<u>\$ 54,477.00</u>

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

<u>Year Ending December 31,</u>	
2021	\$ 19,143.00
2022	19,143.00
2023	19,143.00
2024	19,143.00
2025	19,143.00
Thereafter	<u>55,128.00</u>
	<u>\$ 150,843.00</u>

Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Township of Delran Postemployment Health Benefit Plan (Cont'd)****Supplementary OPEB Information**

In accordance with GASB 75, the following information is also presented for the Township 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 Changes in the Township's Total OPEB Liability and Related Ratios (Last Three Years)

	<u>Plan Measurement Date December 31,</u>		
	<u>2020</u>	<u>2019</u>	<u>2019</u>
Total OPEB Liability			
Service Cost	\$ 34,155.00	\$ 32,472.00	\$ 29,737.00
Interest Cost	38,717.00	43,233.00	41,895.00
Benefit Payments	(71,580.00)	(61,989.00)	(53,634.00)
Actuarial Assumption Changes	165,200.00	53,046.00	
Differences Between Expected and Actual Experience	<u>(5,466.00)</u>	<u>(62,022.00)</u>	<u>22,913.00</u>
Net Change in Total OPEB Liability	161,026.00	4,740.00	40,911.00
Total OPEB Liability - Beginning of Fiscal Year	<u>1,223,443.00</u>	<u>1,218,703.00</u>	<u>1,177,792.00</u>
Total OPEB Liability - End of Fiscal Year	<u>\$ 1,384,469.00</u>	<u>\$ 1,223,443.00</u>	<u>\$ 1,218,703.00</u>
Covered-Employee Payroll	\$ 6,564,462.00	\$ 6,798,062.00	\$ 6,588,724.00
Total OPEB Liability as a Percentage of Covered-Employee Payroll	21.09%	18.00%	18.50%

Other Notes to Supplementary OPEB Information

Changes in Benefit Terms - None

Changes in Assumptions - In 2020, the discount rate changed to 1.93% from 3.26%.

Note 11: COMPENSATED ABSENCES

Full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year.

The Township compensates employees for unused sick leave upon termination or retirement. The current policy provides one compensated day for every two days accumulated. There is a maximum pay-out of fifty days' pay, and is paid at the rate of pay upon termination or retirement.

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 \$365,221.03. It is estimated that, at December 31, 2020, accrued benefits for compensated absences are valued at \$557,908.47.

Note 12: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 13: CAPITAL DEBT

General Obligation Bonds

County Guaranteed Pooled Loan Revenue Refunding Bonds, Series 2017A - Open Space - On March 28, 2017, the Township issued \$1,063,000.00 in county guaranteed pooled loan refunding bonds, with interest rates of 4.00% through the Burlington County Bridge Commission in their capacity as County Improvement Authority. The bonds were issued to refund the General Obligation Bonds – Open Space, Series 2009 bonds. The final maturity of the bonds is July 15, 2029.

General Obligation Bonds, Series 2019 - On October 17, 2019, the Township issued \$11,742,000.00 in general obligation bonds, with interest rates ranging from 1.50% to 2.00%. The bonds were issued to permanently finance the costs of various capital improvements and acquisition of various capital equipment. The final maturity of the bonds is October 15, 2029.

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

Year	<u>Bonded Debt</u>				
	<u>General</u>		<u>Open Space</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2021	\$ 1,500,000.00	\$ 216,132.56	\$ 94,000.00	\$ 41,300.00	\$ 1,851,432.56
2022	1,242,000.00	187,340.00	97,000.00	38,600.00	1,564,940.00
2023	1,000,000.00	164,840.00	101,000.00	34,840.00	1,300,680.00
2024	1,000,000.00	140,000.00	98,000.00	30,960.00	1,268,960.00
2025	1,000,000.00	120,000.00	105,000.00	26,920.00	1,251,920.00
2026-2029	4,000,000.00	300,000.00	470,000.00	69,640.00	4,839,640.00
	<u>\$ 9,742,000.00</u>	<u>\$ 1,128,312.56</u>	<u>\$ 965,000.00</u>	<u>\$ 242,260.00</u>	<u>\$12,077,572.56</u>

New Jersey Infrastructure Bank Loans

Sewer Utility Debt - On May 21, 2014, the Township entered into a loan agreement with the New Jersey Infrastructure Bank to provide \$1,469,550.00, at no interest, from the fund loan, and \$480,000.00 at interest rates ranging from 3.00% to 5.00% from the trust loan. The proceeds were used to fund the renovations to the waste water treatment plant. Semiannual debt payments are due March 1st and September 1st through 2033 for trust payments and February 1st and August 1st for fund payments.

On November 12, 2020, the Township entered into an interim loan agreement with the New Jersey Infrastructure Bank to provide \$1,538,856.00, at no interest. The proceeds were used to fund the renovations to the Clay Street Pump Station. The interim loan matures November 12, 2022, at which point the project will be permanently financed.

Note 13: CAPITAL DEBT (CONT'D)**New Jersey Environmental Infrastructure Trust Loans**

Sewer Utility Debt (Cont'd) - The following schedule represents the remaining debt service, through maturity, for the New Jersey Infrastructure Bank loans:

<u>Year</u>	<u>Sewer Utility</u>		
	<u>Principal</u>	<u>NJIB Loans</u> <u>Interest</u>	<u>Total</u>
2021	\$ 94,722.87	\$ 12,981.26	\$ 107,704.13
2022*	1,638,578.87	11,981.26	1,650,560.13
2023	99,722.87	10,731.26	110,454.13
2024	99,722.87	9,481.26	109,204.13
2025	99,722.87	8,231.26	107,954.13
2026-2030	518,614.35	29,006.30	547,620.65
2031-2033	202,184.83	6,500.02	208,684.85
	<u>\$ 2,753,269.53</u>	<u>\$ 88,912.62</u>	<u>\$ 2,842,182.15</u>

*In 2022, the interim loan of \$1,538,856.00 will be permanently financed.

Summary of Debt

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 and Notes	\$ 10,707,000.00	\$ 12,799,000.00	\$ 14,539,090.00
Sewer Utility:			
Loans and Notes	2,753,269.53	1,309,136.40	2,243,859.27
Total Issued	<u>13,460,269.53</u>	<u>14,108,136.40</u>	<u>16,782,949.27</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	5,156,015.23	2,993,067.83	1,857,141.58
Sewer Utility:			
Bonds and Notes	1,928,590.00	5,451,446.00	6,091,446.00
Total Authorized but Not Issued	<u>7,084,605.23</u>	<u>8,444,513.83</u>	<u>7,948,587.58</u>
Total Issued and Authorized but Not Issued	<u>20,544,874.76</u>	<u>22,552,650.23</u>	<u>24,731,536.85</u>
Deductions:			
Funds Temporarily Held To Pay Notes	246,875.97	232,575.97	282,575.97
Self-liquidating Debt	4,681,859.53	6,760,582.40	8,335,305.27
Total Deductions	<u>4,928,735.50</u>	<u>6,993,158.37</u>	<u>8,617,881.24</u>
Net Debt	<u>\$ 15,616,139.26</u>	<u>\$ 15,559,491.86</u>	<u>\$ 16,113,655.61</u>

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

Note 13: 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 .965%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 18,980,000.00	\$ 18,980,000.00	
Sewer Utility	4,681,859.53	4,681,859.53	
General	15,863,015.23	246,875.97	\$ 15,616,139.26
	<u>\$ 39,524,874.76</u>	<u>\$ 23,908,735.50</u>	<u>\$ 15,616,139.26</u>

Net Debt \$15,616,139.26 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,617,747,705.00 equals .965%.

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

3.5% of Equalized Valuation Basis (Municipal)	\$ 56,621,169.68
Net Debt	<u>15,616,139.26</u>
Remaining Borrowing Power	<u><u>\$ 41,005,030.42</u></u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest, and Other Investment Income, and Other Charges for Year	\$ 6,411,216.49
Deductions:	
Operating and Maintenance Cost	\$ 2,803,277.00
Debt Service per Sewer Fund	<u>108,370.80</u>
Total Deductions	<u>2,911,647.80</u>
Excess in Revenue	<u><u>\$ 3,499,568.69</u></u>

Note 14: 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 charges are shown on the statement of assets, liabilities, reserves and fund balance of the current fund:

<u>Description</u>	<u>Balance December 31, 2020</u>	<u>2021 Budget Appropriation</u>
Special Emergency Authorization	\$ 24,000.00	\$ 6,000.00

The appropriations in the 2021 Budget as adopted are not less than that required by the statutes.

Note 15: RISK MANAGEMENT

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

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township's trust fund for the current and previous two years:

<u>Year</u>	<u>Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Claims Paid</u>	<u>Ending Balance</u>
2020	\$ 3,000.00	\$ 8,729.41		\$ 11,546.00	\$ 56,622.42
2019	3,000.00	8,841.48	\$ 30.11	22,016.85	56,439.01
2018	3,000.00	8,629.32	7.45	5,196.00	66,584.27

At December 31, 2020, outstanding claims were \$11,786.42.

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

- Workers' Compensation and Employer's Liability
- Liability other than Motor Vehicles
- Property Damage other than Motor Vehicles
- Motor Vehicles

Note 15: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool – (Cont'd) - 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 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 Fund provides the Township with the following coverage:

Property - Blanket Building and Grounds
Boiler and Machinery
General and Automobile Liability
Burglary and Theft
Fire Insurance

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. 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 for claims in excess of \$500,000 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2020, which can be obtained from:

Burlington County Municipal Joint Insurance Fund
Five Greentree Centre/525 Lincoln Drive West
P.O. Box 489
Marlton, NJ 08053

Note 16: OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST

On November 2, 2004, pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Township authorized the establishment of the Township of Delran Trust Fund - Open Space effective January 1, 2005, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. Overall, as a result of the referendum, the Township levies a tax not to exceed \$325,000.00 for 20 years, expiring December 31, 2024. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a trust fund dedicated by rider (N.J.S.A. 40A:4-39) for the purpose stated. Interest earned on the investment of these funds is credited to the Township of Delran Trust Fund - Open Space.

Note 17: CONTINGENCIES

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

Litigation - The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements. Subsequent to December 31, 2020, the Township settled one matter of litigation for \$300,000.00. This amount was budgeted for and paid in 2021. No liability has been recorded as of December 31, 2020.

Note 18: 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 19: SUBSEQUENT EVENTS

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 the tax refunds could be material. In the event payment is required to settle these appeals, the Township has reserved \$208,953.75.

COVID-19 - As a result of the spread of the COVID-19 coronavirus in New Jersey, economic uncertainties have arisen which could negatively impact the financial position of the Township. While the impact that COVID-19 will have is expected to be temporary, as of the date of the financial statements, the related financial impact and duration cannot be reasonably estimated.

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

The Township has been allocated \$1,726,193.80 in LFRF funding with half of it to be received before December 31, 2021 and the other half before December 31, 2022.

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

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

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

As of the date of this report, the Township has not determined the amount, if any, that will be submitted for a Local Fiscal Recovery Fund Distribution Request

Note 19: SUBSEQUENT EVENTS (CONT'D)

Authorization of Debt - Subsequent to December 31, the Township adopted and introduced an ordinance to authorize additional bonds and notes as follows:

<u>Purpose</u>	<u>Introduced / Adopted</u>	<u>Amount</u>
General Capital Fund:		
Bonds and Notes:		
Stormwater Repairs on Stewart Ave	February 23, 2021	\$ 71,250.00
Completion of Various Concrete Improvements for Various Roads	March 2, 2021	\$ 408,500.00
Various Capital Improvements and Acquisition of Capital Equipment	June 1, 2021	\$ 373,100.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Current Cash per N.J.S. 40A:5-5 -- Treasurer
 For the Year Ended December 31, 2020

	<u>Regular</u>	<u>Federal and State Grant Fund</u>	
Balance Dec. 31, 2019			
Increased by Receipts:			
Collector	\$ 55,394,600.10		
Miscellaneous Revenue Not Anticipated	266,185.66		
Revenue Accounts Receivable	591,113.67		
Due from State of New Jersey - Senior Citizens' and Veterans' Deductions	112,275.00		
Energy Tax Receipts	1,279,101.01		
Rental of Office Space to Delran Fire Commission	21,600.00		
Prepaid Mercantile Licenses	36,718.00		
Due to State of New Jersey - Marriage License Fees	2,225.00		
Due to State of New Jersey - D.C.A. Training Fees	22,429.00		
Utility Operating Suplus of Prior Year	300,000.00		
Due To/From Federal, State and Local Grant Fund	14,006.97		
Due to/from Sewer Utility Operating Fund	2,404.10		
Due to/from Trust - Open Space Fund	19,500.00		
Due to/from Trust - LOSAP Fund	67,825.08		
Due to/from Trust - Other Fund	11,695.58		
Due to/from General Capital Fund	426,784.02		
Refund of Prior Year Expenditures	7,969.19		
Match Grant Funds -- Current Fund		\$ 39,669.00	
Federal, State and Local Grants		<u>208,714.62</u>	
	<u>58,576,432.38</u>		<u>248,383.62</u>
Carried Forward	71,092,990.57		248,383.62

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Current Cash per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2020

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$71,092,990.57	\$ 248,383.62
Decreased by Disbursements:		
2020 Appropriations	\$ 6,053,975.18	
2019 Appropriation Reserves and Encumbrances	595,699.83	
Accounts Payable	188,071.62	
Payroll and Related Deductions Payable	6,895,042.41	
Local District School Taxes	34,979,035.00	
County Taxes	6,495,270.17	
County Share of Added and Omitted Taxes	36,384.45	
Special Fire District Tax	1,697,222.25	
Due to State of New Jersey--Marriage License Fees	2,275.00	
Due to State of New Jersey--D.C.A. Training Fees	31,592.00	
Due to/from Trust - Other Fund	14,253.43	
Reserve for Master Plan	13,206.25	
Refund of Prior Year Revenue	7,322.25	
Matching Funds for Grants	39,669.00	
Change Fund	250.00	
Federal and State Grant Fund:		
Due to/from Current Fund		\$ 14,006.97
Reserve for Encumbrances		33,151.96
Federal, State and Local Grants		201,224.69
	57,049,268.84	248,383.62
Balance Dec. 31, 2020	\$14,043,721.73	\$ -

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

Cash Receipts:	
Taxes Receivable	\$ 54,817,750.70
Interest and Costs on Taxes	159,914.17
Tax Title Liens	5,304.64
Prepaid Taxes	<u>411,630.59</u>
	55,394,600.10
Decreased by:	
Direct Deposits to Treasurer's Bank Account	<u>\$ 55,394,600.10</u>

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

Balance Dec. 31, 2019		\$ 13,468.62
Increased by:		
Receipts		<u>112,275.00</u>
		125,743.62
Decreased by:		
Accrued in 2020		
Senior Citizens' Deductions per Tax Billings	\$ 10,750.00	
Veterans' Deductions per Tax Billings	<u>100,025.00</u>	
	110,775.00	
Senior Citizens' and Veterans' Deductions Allowed by Tax Collector	<u>8,725.00</u>	
	119,500.00	
Deduct:		
Senior Citizens' Deductions Disallowed by Tax Collector	<u>56.44</u>	
Subtotal 2020 Tax Accrual	119,443.56	
Deduct:		
Prior Year Senior Citizens' Deductions Disallowed by Tax Collector	<u>250.00</u>	
		<u>119,193.56</u>
Balance Dec. 31, 2020		<u><u>\$ 6,550.06</u></u>

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

Year	Balance Dec. 31, 2019	2020 Levy	Added Taxes	2019 Collections	2020	Due from State of New Jersey	Canceled	Transfer to Tax Title Liens	Balance Dec. 31, 2020	
2016	\$ 3,500.20				\$ 3,500.20					
2017	5,559.06				5,559.06					
2018	2,779.54				2,779.54					
2019	538,185.40		\$ 250.00		538,243.76			\$ 191.64		
	550,024.20		250.00		550,082.56			191.64		
2020		\$55,400,859.12			\$ 385,180.42	\$ 54,267,668.14	\$ 119,443.56	\$ 13,892.02	\$ 22,158.08	\$ 592,516.90
	<u>\$ 550,024.20</u>	<u>\$ 55,400,859.12</u>	<u>\$ 250.00</u>	<u>\$ 385,180.42</u>	<u>\$ 54,817,750.70</u>	<u>\$ 119,443.56</u>	<u>\$ 13,892.02</u>	<u>\$ 22,349.72</u>	<u>\$ 592,516.90</u>	

Analysis of 2020 Tax Levy

Tax Yield	
General Purpose Tax	\$53,073,283.15
Special District Tax	2,264,811.00
Added Taxes (54:4-63.1 et seq.)	<u>62,764.97</u>
	<u><u>\$55,400,859.12</u></u>

Tax Levy

Local District School Tax	\$34,979,035.00
County Taxes:	
County Tax	\$ 5,662,548.48
County Library Tax	503,257.88
County Open Space Taxes	329,463.81
Due County for Added Taxes	<u>6,741.10</u>
Total County Taxes	6,502,011.27
Fire District No. 1 Tax	2,264,811.00
Local Tax for Municipal Purposes	11,273,977.98
Local Open Space Tax	325,000.00
Add: Additional Tax Levied	<u>56,023.87</u>
Local Tax for Municipal Purposes Levied	<u>11,655,001.85</u>

\$55,400,859.12

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

Balance Dec. 31, 2019		\$ 194,999.03
Increased by:		
Transferred from Taxes Receivable	\$ 22,349.72	
Interest and Costs	<u>305.82</u>	
		<u>22,655.54</u>
		217,654.57
Decreased by:		
Receipts--Collector		<u>5,304.64</u>
Balance Dec. 31, 2020		<u><u>\$ 212,349.93</u></u>

Exhibit SA-6

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Prepaid Licenses
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 42,747.00
Increased by:		
Receipts		<u>36,718.00</u>
		79,465.00
Decreased by:		
Realized as Miscellaneous Revenue - Licenses - Other		<u>42,747.00</u>
Balance Dec. 31, 2020		<u><u>\$ 36,718.00</u></u>

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

	Balance Dec. 31, 2019	Accrued 2020	Prepaid Applied	Collected 2020	Due Other Funds	Balance Dec. 31, 2020
Clerk:						
Licenses:						
Alcoholic Beverages		\$ 18,200.00		\$ 18,200.00		
Other		69,302.50	42,747.00	26,555.50		
Fees and Permits		72,564.98		72,564.98		
Construction Code Office:						
Fees and Permits		287,049.60		287,049.60		
Municipal Court:						
Fines and Costs	\$ 15,452.80	140,317.60		143,620.56		\$ 12,149.84 (A)
Interest on Investments and Deposits		55,812.40		43,123.03	\$ 12,689.37	
	<u>\$ 15,452.80</u>	<u>\$ 643,247.08</u>	<u>\$ 42,747.00</u>	<u>\$ 591,113.67</u>	<u>\$ 12,689.37</u>	<u>\$ 12,149.84</u>

(A) Dec. 2020

	Interest on Investments - From Capital Fund \$ 10,226.89
	Interest on Investments - From Trust Other <u>2,462.48</u>
	<u>\$ 12,689.37</u>

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

	<u>Balance Dec. 31,</u>		<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>			
<u>OPERATIONS--WITHIN "CAPS"</u>					
<u>Department of Administration</u>					
Division of Administration:					
Business Administration Office					
Salaries and Wages		\$ 8,353.21	\$ 8,353.21		\$ 8,353.21
Other Expenses		17,363.94	13,763.94	\$ 1,109.79	12,654.15
Mayor and Council					
Salaries and Wages		90.40	90.40		90.40
Other Expenses		22,273.43	22,273.43		22,273.43
Public Relations					
Other Expenses		2,792.77	2,792.77		2,792.77
Office of Municipal Clerk					
Salaries and Wages		2,812.94	2,812.94		2,812.94
Other Expenses		56.25	56.25		56.25
Insurance					
Employee Group Health	\$ 17,421.48	268,406.30	286,827.78	23,363.71	263,464.07
Health Benefit Waiver		1,800.00	1,800.00	1,500.00	300.00
<u>Department of Finance</u>					
Division of Treasury:					
Treasurer					
Salaries and Wages		19,098.51	19,098.51		19,098.51
Other Expenses	103.00	1,343.44	1,446.44	1,068.60	377.84
Division of Revenue:					
Bureau of Assessments					
Salaries and Wages		0.16	0.16		0.16
Other Expenses		19,256.29	19,256.29	1,025.00	18,231.29
Bureau of Collections					
Salaries and Wages		36,951.81	36,951.81		36,951.81
Other Expenses	119.51	2,616.43	2,735.94	364.51	2,371.43
<u>Department of Engineering</u>					
Township Engineer					
Other Expenses	2,564.00	6,662.00	10,226.00	10,131.00	95.00
<u>Department of Law</u>					
Township Solicitor					
Other Expenses		28,469.71	28,469.71	10,496.55	17,973.16
<u>Department of Public Safety</u>					
Division of Police:					
Police					
Salaries and Wages		203,679.36	203,679.36	143,061.90	60,617.46
Other Expenses	170,660.86	7,841.02	178,501.88	170,370.04	8,131.84
School Traffic Guards					
Salaries and Wages		5,577.69	5,577.69		5,577.69
Municipal Court					
Salaries and Wages		10,846.13	10,846.13		10,846.13
Other Expenses	255.17	527.20	782.37	628.17	154.20
Public Defender					
Other Expenses		7,165.00	7,165.00		7,165.00
Division of Emergency Management					
Office of Emergency Management					
Other Expenses		1,000.00	1,000.00		1,000.00

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

	<u>Balance Dec. 31,</u>		<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>			
OPERATIONS--WITHIN "CAPS" (CONT'D):					
<u>Department of Public Works</u>					
Division of Roads and Public Property:					
Streets and Roads					
Salaries and Wages		\$ 13,262.37	\$ 13,262.37		\$ 13,262.37
Other Expenses	\$ 13,168.18	19,446.75	32,614.93	\$ 16,793.06	15,821.87
Snow Removal - Condominium Services		40,000.00	40,000.00		40,000.00
Solid Waste Collection					
Other Expenses		21,026.14	21,026.14		21,026.14
<u>Department of Public Works</u>					
Recycling					
Salaries and Wages		10,553.93	10,553.93		10,553.93
Other Expenses	300.00	5,256.95	5,556.95	300.00	5,256.95
Public Buildings and Grounds					
Other Expenses	8,515.76	1,104.73	9,620.49	8,672.29	948.20
Division of Parks and Recreation:					
Recreation Committee					
Salaries and Wages	985.25	420.00	1,405.25		1,405.25
Other Expenses		23,616.91	23,616.91	1,714.72	21,902.19
Juvenile Conference Committee					
Other Expenses		500.00	500.00		500.00
<u>Department of Health</u>					
Division of Health:					
Salaries and Wages		410.58	410.58		410.58
<u>Statutory Agencies</u>					
Municipal Land Use Law (N.J.S.40-55D-1)					
Zoning Board of Adjustments					
Salaries and Wages		164.80	164.80		164.80
Other Expenses		6,285.02	6,285.02	3,547.50	2,737.52
Municipal Prosecutor					
Other Expenses	3,893.76	1,277.92	5,171.68	3,893.76	1,277.92
Planning Board					
Salaries and Wages		3,400.68	3,400.68		3,400.68
Other Expenses		4,918.64	4,918.64	2,920.82	1,997.82
Council on Affordable Housing					
Other Expenses		3,763.57	5,363.57	5,279.15	84.42
<u>Statutory Agencies</u>					
Landfill/Solid Waste Disposal Costs					
Utility Purchases and Bulk Purchases		56,647.51	56,647.51	48,833.25	7,814.26
Electricity/Gas					
Street Lighting		11,322.78	11,322.78	11,322.78	
Telephone		51,270.00	51,270.00	16,809.68	34,460.32
Water		3,226.12	3,226.12	863.93	2,362.19
Gasoline	1,234.29	10,039.18	11,273.47	1,234.29	10,039.18
Traffic Lights		53,097.76	53,097.76	27,716.50	25,381.26
P.L. 2000 Chapter 26:		14,008.42	14,008.42	1,178.52	12,829.90
Solid Waste Service to Apartments					
Collection		75,813.32	75,813.32	75,813.32	
Disposal		56,148.01	56,148.01	56,148.01	
State Uniform Construction Code:					
Construction Official					
Salaries and Wages		31,577.87	31,577.87		31,577.87
Other Expenses	334.84	19,442.38	19,777.22	3,293.69	16,483.53

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

	<u>Balance Dec. 31,</u>		<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>			
<u>OPERATIONS--WITHIN "CAPS" (CONT'D):</u>					
<u>Unclassified</u>					
Green Team Other Expenses	\$ 475.00	\$ 2,635.00	\$ 3,110.00	\$ 475.00	\$ 2,635.00
Interest on Developers Deposits		2,000.00	2,000.00		2,000.00
Total Operations--Within "CAPS"	220,031.10	1,217,621.33	1,437,652.43	649,929.54	787,722.89
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL--WITHIN "CAPS"</u>					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		106,781.52	106,781.52	6,664.14	100,117.38
Defined Contribution Retirement Program		751.34	751.34		751.34
Unemployment Compensation Insurance		783.43	783.43	219.00	564.43
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	-	108,316.29	108,316.29	6,883.14	101,433.15
Total General Appropriations for Municipal Purposes Within--"CAPS"	220,031.10	1,325,937.62	1,545,968.72	656,812.68	889,156.04
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Statutory Expenditures:					
Length of Service Awards Program		12,000.00	12,000.00		12,000.00
Landfill Recycling Fees		10,874.34	10,874.34	1,342.98	9,531.36
Municipal Water Services					
Other Expenses		5,500.00	5,500.00		5,500.00
Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	-	28,374.34	28,374.34	1,342.98	27,031.36
Total General Appropriations	\$ 220,031.10	\$ 1,354,311.96	\$ 1,574,343.06	\$ 658,155.66	\$ 916,187.40
			Disbursed	\$ 595,699.83	
			Accounts Payable	62,455.83	
				<u>\$ 658,155.66</u>	

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Due to State of New Jersey - Marriage License Fees
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 550.00
Increased by:	
State Fees Collected	2,225.00
	2,775.00
Decreased by:	
State Fees Disbursed	2,275.00
Balance Dec. 31, 2020	\$ 500.00

Exhibit SA-10

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

Balance Dec. 31, 2019 (2020 Taxes)	\$ 385,180.42
Increased by:	
Collections-- 2021 Taxes -- Collector	411,630.59
	796,811.01
Decreased by:	
Application to 2020 Taxes Receivable	385,180.42
Balance Dec. 31, 2020 (2021 Taxes)	\$ 411,630.59

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Due to State of New Jersey - Department of Community Affairs - Training Fees
 For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 13,553.00
Increased by:	
State Fees Collected	<u>22,429.00</u>
	35,982.00
Decreased by:	
Disbursements	<u>31,592.00</u>
Balance Dec. 31, 2020	<u><u>\$ 4,390.00</u></u>

Exhibit SA-12

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

Balance Dec. 31, 2019	\$ 226,784.99
Increased by:	
Charges to Appropriation Reserves	<u>62,455.83</u>
	289,240.82
Decreased by:	
Disbursements	<u>188,071.62</u>
Balance Dec. 31, 2020	<u><u>\$ 101,169.20</u></u>

Exhibit SA-13

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Deferred Charges - Emergency Authorizations (40A:4-47)
 For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 30,000.00
Decreased by:	
Raised in 2020 Budget	<u>6,000.00</u>
Balance Dec. 31, 2020	<u><u>\$ 24,000.00</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Payroll Deductions Payable
For the Year Ended December 31, 2020

Charges to Budget Appropriation		\$ 6,927,711.01
Decreased by:		
Disbursements	\$ 6,895,042.41	
Due to Trust -- Other Fund - Employee Unemployment Contributions	<u>8,729.41</u>	
		<u>6,903,771.82</u>
Balance Dec. 31, 2020		<u><u>\$ 23,939.19</u></u>

Exhibit SA-15

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Special District Taxes Payable
For the Year Ended December 31, 2020

2020 Levy--Fire District No. 1		\$ 2,264,811.00
Decreased by:		
Disbursements		<u>1,697,222.25</u>
Balance Dec. 31, 2020		<u><u>\$ 567,588.75</u></u>

Exhibit SA-16

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

Levy--Calendar Year 2020		
County Tax	\$ 5,662,548.48	
County Library Tax	503,257.88	
County Open Space Taxes	<u>329,463.81</u>	
		\$ 6,495,270.17
Decreased by:		
Disbursements		<u><u>\$ 6,495,270.17</u></u>

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

Balance Dec. 31, 2019		
Added Taxes (2018)	\$ 618.52	
Added Taxes (2019)	34,985.57	
Omitted Taxes (2018)	<u>780.36</u>	
		\$ 36,384.45
Increased by County Share of 2020 Levy:		
Added Taxes (2019)	318.64	
Added Taxes (2020)	<u>6,422.46</u>	
		<u>6,741.10</u>
Decreased by:		43,125.55
Disbursements		<u>36,384.45</u>
Balance Dec. 31, 2020		
Added Taxes (2019)	318.64	
Added Taxes (2020)	<u>6,422.46</u>	
		<u>\$ 6,741.10</u>

Exhibit SA-18

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

Levy--Calendar Year 2020		\$34,979,035.00
Decreased by:		
Disbursements		<u>\$34,979,035.00</u>

Exhibit SA-19

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Reserve for Master Plan
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 34,243.60
Decreased by:		
Disbursements		<u>13,206.25</u>
Balance Dec. 31, 2020		<u>\$ 21,037.35</u>

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

Program	Federal and State Grant Funds		Balance Dec. 31, 2020
	Balance Dec. 31, 2019	Received	
Federal:			
Bulletproof Vest Partnership Grant	\$ 2,802.00	\$ 2,802.00	\$ -
Total Federal	\$ -	2,802.00	\$ -
State:			
Body Armor Replacement Fund		3,018.04	
New Jersey Department of Transportation:	403,899.61		403,899.61
Municipal Aid - Conrow Road Improvements	93,214.00	93,214.00	
Hazardous Discharge Site Remediation		31,346.42	
Clean Communities Program		3,334.16	
Municipal Court - Alcohol Education and Rehabilitation Program		75,000.00	
Safe and Secure Communities Program			
Total State	497,113.61	112,698.62	205,912.62
Local:			
Burlington County Barrier Compliance		75,000.00	75,000.00
Burlington County Park Grant		250,000.00	250,000.00
Total Local	-	325,000.00	325,000.00
	\$ 497,113.61	\$ 440,500.62	\$ 208,714.62
			\$ 728,899.61

TOWNSHIP OF DELRAN
FEDERAL, STATE AND LOCAL GRANT FUND
 Statement of Unappropriated Reserves for Federal, State and Local Grants
 For the Year Ended December 31, 2020

<u>Program</u>	Balance Dec. 31, 2019	Federal and State Grant Funds Receivable	Miscellaneous Revenue in 2020 Budget	Balance Dec. 31, 2020
Federal:				
Bulletproof Vest Partnership Grant	\$ -	\$ 2,802.00	\$ 2,802.00	\$ -
Total Federal	\$ -	2,802.00	2,802.00	\$ -
State:				
Body Armor Replacement Fund		3,018.04	3,018.04	
New Jersey Department of Transportation:				
Municipal Aid - Conrow Road Improvements	248,000.00		248,000.00	
Hazardous Discharge Site Remediation	93,214.00		93,214.00	
Clean Communities Grant Program	2,000.00	31,346.42	33,346.42	
Municipal Court - Alcohol Education and Rehabilitation Program		3,334.16	3,334.16	
Recycling Tonnage Grant	25,771.95		25,771.95	
Safe and Secure Communities Program	45,000.00	75,000.00	45,000.00	75,000.00
Total State	413,985.95	112,698.62	451,684.57	75,000.00
Local				
Burlington County Barrier Compliance		75,000.00	75,000.00	
Burlington County Park Grant		250,000.00	250,000.00	
Total Local	-	325,000.00	325,000.00	-
	\$ 413,985.95	\$ 440,500.62	\$ 779,486.57	\$ 75,000.00

TOWNSHIP OF DELRAN
FEDERAL, STATE AND LOCAL GRANT FUND
 Statement of Appropriated Reserves for Federal, State and Local Grants
 For the Year Ended December 31, 2020

<u>Program</u>	Balance Dec. 31, 2019	Transferred from Budget Appropriations	Paid or Charged	Balance Dec. 31, 2020
Federal:				
Bulletproof Vest Partnership Grant	\$ 2,802.00			\$ 2,802.00
Total Federal	\$ -	2,802.00	\$ -	2,802.00
State:				
Body Armor Replacement Fund	155,899.61	3,018.04	3,018.04	403,899.61
New Jersey Department of Transportation:				
Municipal Aid - Conrow Road Improvements	45,260.99	248,000.00	93,214.00	44,507.54
Hazardous Discharge Site Remediation	94,390.70	93,214.00	753.45	96,312.33
Drunk Driving Enforcement Fund	7,623.39	33,346.42	31,424.79	7,623.39
Clean Communities Grant Program	107,705.75	3,334.16	27,193.00	111,039.91
Governor's Council on Drug Abuse - Municipal Drug Alliance	122,132.44	25,771.95	84,669.00	120,711.39
Municipal Court - Alcohol Education and Rehabilitation Program	136,691.00	84,669.00	84,669.00	136,691.00
Recycling Tonnage Grant				
Safe and Secure Communities Program				
Total State	669,703.88	491,353.57	240,272.28	920,785.17
Local:				
Burlington County Barrier Compliance		75,000.00		75,000.00
Burlington County Park Grant		250,000.00		250,000.00
Total Local	-	325,000.00	-	325,000.00
Disbursed	\$ 669,703.88	\$ 819,155.57	\$ 240,272.28	\$ 1,248,587.17
Current Year Encumbrances			\$ 201,224.69	
			39,047.59	
			\$ 240,272.28	

TOWNSHIP OF DELRAN
 FEDERAL, STATE AND LOCAL GRANT FUND
 Statement of Reserve for Encumbrances
 For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 33,151.96
Increased by:	
Encumbered	<u>39,047.59</u>
	72,199.55
Decreased by:	
Cash Disbursed	<u>33,151.96</u>
Balance Dec. 31, 2020	<u><u>\$ 39,047.59</u></u>

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

Balance Dec. 31, 2019	\$ 619,728.18
Cash Disbursed:	
Interfund Advanced	<u>14,006.97</u>
Balance Dec. 31, 2020	<u><u>\$ 633,735.15</u></u>

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF DELRAN
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>Open Space</u>	<u>Other</u>
Balance Dec. 31, 2019	\$ 40,758.05	\$2,135,591.92	\$2,892,387.91
Increased by Receipts:			
Dog License Fees	\$ 7,772.40		
Cat License Fees	623.00		
Late Registration Fees	620.00		
State Registration Fees	876.60		
Reserve for Open Space Trust Fund			
Reserve for Payment of Debt		\$ 8,297.59	
Miscellaneous Trust Reserves		19,500.00	
Prepaid Outside Police			
Accounts Receivable - Outside Police			\$1,191,040.92
Accounts Receivable - Due from Bank			20,442.50
Due from Sewer Utility Operating Fund			3,750.00
Due from Current Fund			93,818.76
			3,000.00
			2,462.48
	<u>9,892.00</u>	<u>27,797.59</u>	<u>1,314,514.66</u>
	50,650.05	2,163,389.51	4,206,902.57
Decreased by Disbursements:			
Expenditures Under R.S.4:19-15.11	10,661.55		
State Registration Fees	876.60		
Accounts Payable	830.00		
Due to Current Fund		19,500.00	
Miscellaneous Trust Reserves			12,560.00
			1.17
			1,166,370.60
	<u>12,368.15</u>	<u>19,500.00</u>	<u>1,178,931.77</u>
Balance Dec. 31, 2020	<u>\$ 38,281.90</u>	<u>\$2,143,889.51</u>	<u>\$3,027,970.80</u>

TOWNSHIP OF DELRAN
TRUST FUND - LENGTH OF SERVICE AWARD PROGRAM
Statement of Investments - Length of Service Awards Program
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 688,922.44
Increased by:		
Unrealized Gain on Investments:		
Participant Accounts	\$ 71,502.25	
Due to Current Fund - Program Forfeitures	<u>249.28</u>	
	\$ 71,751.53	
Interest on Investments	<u>1,176.90</u>	
		<u>72,928.43</u>
		761,850.87
Decreased by:		
Benefits Paid to Participants	38,373.21	
Due to Current - Refunds Returned to the Township	<u>67,825.08</u>	
		<u>106,198.29</u>
Balance Dec. 31, 2020		<u><u>\$ 655,652.58</u></u>

Schedule of Investments, Dec. 31, 2020

<u>Description</u>	<u>Amount</u>
Fixed Annuity Contract	\$ 104,738.51
Money Market Funds	66,335.17
Variable Earnings Investments	<u>484,578.90</u>
	<u><u>\$ 655,652.58</u></u>

Exhibit SB-3

TOWNSHIP OF DELRAN
TRUST FUND - LENGTH OF SERVICE AWARD PROGRAM
Statement of Due to Current Fund
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 68,783.73
Increased by:		
Gain on Length of Service Award Program Forfeitures		<u>249.28</u>
		69,033.01
Decreased by:		
Refunds Returned to the Township		<u>67,825.08</u>
Balance Dec. 31, 2020		<u><u>\$ 1,207.93</u></u>

TOWNSHIP OF DELRAN
TRUST FUND - OTHER
Statement of Due from Current Fund
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 41,796.65
Increased by:		
Cash Disbursements:		
Interfund Advanced	\$ 1.17	
Budget Appropriation - Accumulated Absences	30,000.00	
Budget Appropriation - Storm Recovery	50,000.00	
Outside Police Employment - Collected in Current Fund	2,965.00	
Unemployment - Employee Contributions	<u>8,729.41</u>	
		<u>91,695.58</u>
		133,492.23
Decreased by:		
Cash Receipts:		
Interest Received	2,462.48	
Disbursed by Current Fund - Storm Recovery	<u>14,253.43</u>	
		<u>16,715.91</u>
Balance Dec. 31, 2020		<u><u>\$ 116,776.32</u></u>
<u>Analysis of Balance Dec. 31, 2020</u>		
Storm Recovery - Interest Earned		\$ 35,713.50
Accumulated Absences - Interest Earned		126,678.77
Escrow - Interest Earned		(7,958.39)
Unemployment - Employee Contributions		33,738.10
Outside Police Employment - Reimbursement - Miscellaneous Revenue Not Anticipated		<u>(71,395.66)</u>
		<u><u>\$ 116,776.32</u></u>

TOWNSHIP OF DELRAN
TRUST FUND - OTHER
Statement of Accounts Receivable - Outside Police Employment
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 3,750.00
Increased by:	
Accrued for Services Rendered	<u>4,040.00</u>
	7,790.00
Decreased by:	
Receipts	<u>3,750.00</u>
Balance Dec. 31, 2020	<u><u>\$ 4,040.00</u></u>

Exhibit SB-6

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

Balance Dec. 31, 2019	\$ 20,892.60
Increased by:	
Receipts:	
Dog License Fees Collected	\$ 7,772.40
Cat License Fees Collected	623.00
Late Registration Fees	<u>620.00</u>
	<u>9,015.40</u>
	29,908.00
Decreased by:	
Expenditures Under R.S.4:19-15.11:	
Cash Disbursed	<u>10,661.55</u>
Balance Dec. 31, 2020	<u><u>\$ 19,246.45</u></u>

Animal Control Fees Collected

<u>Year</u>	<u>Amount</u>
2018	\$ 9,970.20
2019	<u>9,611.20</u>
	<u><u>\$ 19,581.40</u></u>

TOWNSHIP OF DELRAN
TRUST FUND - OPEN SPACE
Statement of Reserve Open Space Trust Fund
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 1,821,276.51
Increased by:		
Interest Earned on Investments and Deposits	\$ 8,297.59	
Amount to be Raised -- 2020 Open Space Taxes	<u>325,000.00</u>	
		<u>333,297.59</u>
		2,154,574.10
Decreased by:		
Budget Appropriations for Debt Service:		
Payment of Bond Principal	324,400.00	
Payment of Bond Interest	<u>66,415.00</u>	
		<u>390,815.00</u>
Balance Dec. 31, 2020		<u><u>\$ 1,763,759.10</u></u>

TOWNSHIP OF DELRAN
TRUST FUND - OPEN SPACE
Statement of Due from Current Fund
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 214,234.59
Increased by:		
Amount to be Raised -- 2020 Open Space Taxes	\$ 325,000.00	
Disbursed	19,500.00	
		344,500.00
Decreased by:		
Budget Appropriation		390,815.00
Balance Dec. 31, 2020		\$ 167,919.59

Exhibit SB-9

TOWNSHIP OF DELRAN
TRUST FUND - OPEN SPACE
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 19,800.00
Increased by:		
Receipts		19,500.00
Balance Dec. 31, 2020		\$ 39,300.00

TOWNSHIP OF DELRAN
TRUST FUND - OTHER
Statement of Accounts Payable
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 92,556.32
Increased by:	
Miscellaneous Trust Reserves	21,173.30
	113,729.62
Decreased by:	
Disbursed	12,560.00
Balance Dec. 31, 2020	\$ 101,169.62
<u>Analysis of Balance Dec. 31, 2020</u>	
Due to Criminal Disposition and Review Collection Fund	\$ 85,183.20
New Jersey Unemployment Insurance	11,286.42
Outside Police Employment Payable	4,700.00
	\$ 101,169.62

Exhibit SB-11

TOWNSHIP OF DELRAN
TRUST - OTHER FUND
Statement of Prepaid Outside Police Employment
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 15,432.50
Increased by:	
Receipts	20,442.50
	35,875.00
Decreased by:	
Applied to Reserve for Outside Police Employment	15,432.50
Balance Dec. 31, 2020	\$ 20,442.50

TOWNSHIP OF DELRAN
TRUST FUND - OTHER
 Statement of Miscellaneous Trust Reserves
 For the Year Ended December 31, 2020

	Balance Dec. 31, 2019	Cash Receipts	Due From (to) Other Funds	Cash Disbursements	Accounts Receivable	Prepaid Applied	Accounts Payable	Balance Dec. 31, 2020
Reserve for:								
Street Opening Deposits	\$ 18,653.99	\$ 47,305.40		\$ 19,756.15				\$ 46,203.24
New Jersey Unemployment Insurance	56,439.01		\$ 11,729.41	11,546.00			\$ (11,286.42)	45,336.00
Planning Escrow Fund Deposits	828,709.33	241,860.71		407,849.95				662,720.09
Affordable Housing Trust Funds	968,856.24	7,135.60		9,316.26				966,675.58
Public Defender Fees	10,720.00	7,007.50		3,600.00			(5,186.88)	8,940.62
Credit Card Program	7,619.60							7,619.60
Parking Offense Adjudication Act	850.00	4.00						854.00
Tax Sale Premiums	551,000.00	491,200.00		346,600.00				695,600.00
Delran Day Donations	10,938.64							10,938.64
Delran Events	4,260.51			350.00				3,910.51
Deposits for Redemption of Tax Sale Certificates	6,521.40	354,907.03		308,059.74				53,368.69
Performance/ Maintenance Escrows	15,197.72							15,197.72
Police Emergency Service Equipment	1,555.47							1,555.47
Special Law Enforcement	29,104.39	65.68						29,170.07
Bike Patrol	9,065.87							9,065.87
Outside Police Employment		41,555.00					(4,700.00)	888.30
Jake's Place	888.30							888.30
Storm Recovery	40,000.00							75,746.57
Accumulated Abscences	335,221.03							365,221.03
Multiple-Dwelling Security Deposits	14,626.39							14,626.39
Kenneth Johnston Memorial Fund	319.23							319.23
Police Unclaimed Funds	4,806.50							4,806.50
Easter Egg Hunt	76.88							76.88
Community Park Donations	9,534.00							9,534.00
Mayor's Great Grill Off	1,800.00							1,800.00
Current Fund	\$ 2,926,764.50	\$ 1,191,040.92	\$ 80,440.98	\$ 1,166,370.60	\$ 4,040.00	\$ 15,432.50	\$ (21,173.30)	\$ 3,030,175.00
Sewer Utility Operating Fund			\$ 77,440.98					\$ 77,440.98
			3,000.00					3,000.00
			\$ 80,440.98					\$ 80,440.98

TOWNSHIP OF DELRAN
TRUST FUND - LENGTH OF SERVICE AWARD PROGRAM
Statement of Reserve Length of Service Awards Program
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 620,138.71
Increased by:		
Interest Earned on Investments and Deposits	\$ 1,176.90	
Unrealized Gain on Investments	<u>71,502.25</u>	
		<u>72,679.15</u>
		692,817.86
Decreased by:		
Investment Disbursements:		
Participant Withdrawals		<u>38,373.21</u>
Balance Dec. 31, 2020		<u><u>\$ 654,444.65</u></u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF DELRAN
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		\$ 3,408,066.51
Increased by Receipts:		
Capital Improvement Fund	\$ 100,000.00	
Interest on Investment due to Current Fund	10,226.89	
Improvement Authorization Refund	17,174.55	
Due to Sewer Utility Operating Fund	<u>15,194.85</u>	
		<u>142,596.29</u>
		3,550,662.80
Decreased by Disbursements:		
Improvement Authorizations	269,299.59	
Due from Current Fund	426,784.02	
Contracts Payable	<u>1,243,845.57</u>	
		<u>1,939,929.18</u>
Balance Dec. 31, 2020		<u><u>\$ 1,610,733.62</u></u>

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

	Receipts		Disbursements			Balance	
	(Deficit) Dec. 31, 2019	Miscellaneous	Improvement Authorizations	Miscellaneous		From Transfers	To
Fund Balance	\$ 72,636.93						\$ 72,636.93
Capital Improvement Fund	142,720.32	\$ 100,000.00			130,788.00		111,932.32
Due to Current Fund	426,784.02	10,226.89		\$ 426,784.02	407,514.60	\$ 25,000.00	(372,287.71)
Due from Trust - Open Space Fund	(508,750.00)				250,000.00		(908,750.00)
Grants Receivable	(84,706.87)						(334,706.87)
Due from Sewer Utility Operating Fund	(15,194.85)	15,194.85					
Reserve for:							
Repairs and Improvements to Drainage Facilities							
Generator							
Traffic Improvements							
Storm Sewer Maintenance							
Preliminary Expenses							
Payment of Bonds and Notes							
Encumbrances/Contracts Payable	1,317,825.07			1,243,845.57	25,000.00	704,880.83	207,575.97
Improvement Authorizations:							
Ordinance Number							
2008-15 Acquisition of Property		87,263.86					87,263.86
2009-19 Acquisition of Various Equipment		370.00					370.00
2011-18 Open Space Recreational Improvements		73,118.25					73,118.25
2011-20 Various Roadway Improvements		4,278.85					4,278.85
2012-01 Open Space Acquisition of Real Property		60,500.00					60,500.00
2012-04 Various Improvements		80,098.82				163.85	80,262.67
2012-06 Open Space Improvements to Fields		30,000.00					30,000.00
2012-09 Sidewalk Construction & Installation		26,790.55					26,790.55
2012-12 Open Space Upgrades to Swedes Lake Outfall		87,318.50					87,318.50

(Continued)

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

Improvement Authorizations (Cont'd): Ordinance Number	Receipts		Disbursements		From Transfers To	Balance (Deficit) Dec. 31, 2020
	Balance (Deficit) Dec. 31, 2019	Miscellaneous	Improvement Authorizations	Miscellaneous		
2012-13 Improvements to River Drive Outfall	\$ 5,195.00					\$ 5,195.00
2013-09 Various Capital Improvements and Acquisition of Capital Equipment	115,896.93					115,896.93
2014-08 Various Capital Improvements	384,754.17					384,754.17
2014-10 Reconstruction of Tenby Chase Drive	(176,623.18)				\$ 176,623.18	
2014-13 Construction of Sidewalks	31,336.50					31,336.50
2015-07 Various Capital Improvements	(236,760.70)				230,891.42	(5,869.28)
2015-10 Various Roadway Improvements	16,188.42					16,188.42
2016-07 Installation of Sidewalks	7,647.96					7,647.96
2016-11 Various Capital Improvements	109,266.65					109,266.65
2016-12 Acquisition of Real Property	3,988.36					3,988.36
2017-02 Reconstruction of Various Sidewalks and Roadways	750,522.99					750,522.99
2017-06 Installation of Sidewalks on Route 130	14,575.00					14,575.00
2017-07 Municipal Property Improvements and Acquisition of Equipment	747,240.29		\$ 2,323.66			744,916.63
2017-08 Acquisition and Installation of Sports Lighting at Delran Community Park	30,784.00					30,784.00
2018-02 / Reconstruction of Various Roads					25.00	355,098.84
2018-07	355,073.84					(Continued)

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

Improvement Authorizations (Cont'd): Ordinance Number	Receipts		Disbursements				Balance (Deficit) Dec. 31, 2020
	Balance (Deficit) Dec. 31, 2019	Miscellaneous	Improvement Authorizations	Miscellaneous	From Transfers	To	
2018-06 Various Capital Acquisitions and Improvements	\$ (168,075.17)	\$ 17,174.55	\$ 5,400.00	\$	\$ 17,174.55	\$	\$ (173,475.17)
2018-13 Reconstruction of Fairview Boulevard	(8,700.00)		1,905.41		72,713.58		(83,318.99)
2019-03 Acquisition of Dump Truck	12,666.00						12,666.00
2019-04 Reconstruction of Various Roads	(1,121,308.06)		12,476.00				(1,133,784.06)
2019-18 Various Capital Acquisitions and Improvements	427,768.15		48,576.72		152,353.34		226,838.09
2020-04 Reconstruction of Various Roads			121,085.00		132,355.00	\$ 80,952.00	(172,488.00)
2020-09 Reconstruction of Various Roads			76,817.80		457.00	4,524.00	(72,750.80)
2020-11 Various Capital Acquisitions and Improvements			715.00		329,827.36	295,312.00	(35,230.36)
	<u>\$ 3,408,066.51</u>	<u>\$ 142,596.29</u>	<u>\$ 269,299.59</u>	<u>\$ 1,670,629.59</u>	<u>\$ 1,518,372.28</u>	<u>\$ 1,518,372.28</u>	<u>\$ 1,610,733.62</u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Grants Receivable
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 84,706.87
Increased by:		
Ordinance 2020-11		250,000.00
Balance Dec. 31, 2020		\$ 334,706.87

Analysis of Balance Dec. 31, 2020

New Jersey Department of Transportation		
Safe Streets To Transit Program		\$ 21,679.62
Municipal Aid		60,343.25
Burlington County Improvement Program		252,684.00
		\$ 334,706.87

Exhibit SC-4

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

Balance Dec. 31, 2019		\$ 12,799,000.00
Decreased by:		
Current Year Budget Appropriations:		
Current Fund	\$ 1,767,600.00	
Trust Fund - Open Space	324,400.00	
		2,092,000.00
Balance Dec. 31, 2020		\$ 10,707,000.00

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2019	2020 Authorizations	Funded by Budget Appropriation	Balance Dec. 31, 2020	Analysis of Balance Dec. 31, 2020	
						Expended	Unexpended Improvement Authorizations
General Improvements:							
2000-21	Provide Funding for Payments Under a Regional Contribution Agreement between the Township of Delran and the City of Burlington	\$ 279,750.00			\$ 279,750.00		\$ 279,750.00
2011-20	Various Roadway Improvements	187.00			187.00		187.00
2014-10	Reconstruction of Tenby Chase Drive	333,300.00		\$176,623.18	156,676.82		156,676.82
2015-07	Various Capital Improvements	250,000.00		230,891.42	19,108.58	\$ 5,869.28	13,239.30
2015-10	Various Roadway Improvements	68.00			68.00		68.00
2016-12	Acquisition of Real Property	190,000.00			190,000.00		190,000.00
2016-14	Refunding Ordinance	195,000.00			195,000.00		195,000.00
2017-06	Installation of Sidewalks on Route 130	41,900.00			41,900.00		41,900.00
2017-13	Reconstruction of Pheasant Road	8,685.83			8,685.83		8,685.83
2018-02 / 2018-07	Reconstruction of Various Roads	264,050.00			264,050.00		264,050.00
2018-06	Various Capital Acquisitions and Improvements	200,000.00			200,000.00	173,475.17	26,524.83
2018-13	Reconstruction of Fairview Boulevard	85,700.00			85,700.00	83,318.99	2,381.01

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2019	2020 Authorizations	Funded by Budget Appropriation	Balance Dec. 31, 2020	Analysis of Balance Dec. 31, 2020	
						Expended	Unexpended Improvement Authorizations
General Improvements (Cont'd):							
2019-03	Acquisition of Dump Truck	\$ 761.00			\$ 761.00	\$	\$ 761.00
2019-04	Reconstruction of Various Roads	1,142,858.00			1,142,858.00	\$ 1,133,784.06	9,073.94
2019-19	Various Capital Acquisitions and Improvements	808.00			808.00		808.00
2020-04	Reconstruction of Various Roads		\$ 1,619,048.00		1,619,048.00	172,488.00	1,446,560.00
2020-09	Reconstruction of Various Roads		90,476.00		90,476.00	72,750.80	17,725.20
2020-11	Various Capital Acquisitions and Improvements		860,938.00		860,938.00	35,230.36	825,707.64
Total		\$ 2,993,067.83	\$ 2,570,462.00	\$407,514.60	\$ 5,156,015.23	\$ 1,676,916.66	\$ 3,479,098.57

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

Balance Dec. 31, 2019	\$ 142,720.32
Increased by:	
Receipts:	
Current Year Budget Appropriation	<u>100,000.00</u>
	242,720.32
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>130,788.00</u>
Balance Dec. 31, 2020	<u><u>\$ 111,932.32</u></u>

Exhibit SC-7

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Bonds and Notes
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 232,575.97
Decreased by:	
Due to Current Fund - Realized as Miscellaneous Revenue Anticipated	<u>25,000.00</u>
Balance Dec. 31, 2020	<u><u>\$ 207,575.97</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Schedule of Reserve for Preliminary Expenses
 As of December 31, 2020

Analysis of Balance--Dec. 31, 2020

Road Construction--Engineering	\$ 794.22
Building--Legal	<u>455.72</u>
	<u>\$ 1,249.94</u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Due From/To Other Funds
 For the Year Ended December 31, 2020

	<u>Trust Fund - Open Space</u>	<u>Sewer Utility Operating Fund</u>	<u>Current Fund</u>
Balance Dec. 31, 2019--Due (To) From	\$ 508,750.00	\$ 15,194.85	\$ (426,784.02)
Increased by:			
Receipts:			
Interest on Investments--Due Current Fund			10,226.89
Realized as Miscellaneous Revenue Anticipated - Current Fund			<u>25,000.00</u>
	<u>508,750.00</u>	<u>15,194.85</u>	<u>(462,010.91)</u>
Decreased by:			
Cash Receipt:			
Interfund Returned		15,194.85	
Budget Appropriations			407,514.60
Cash Disbursement:			
Interfund Returned			<u>426,784.02</u>
	<u>-</u>	<u>15,194.85</u>	<u>834,298.62</u>
Balance Dec. 31, 2020--Due (To) From	<u>\$ 508,750.00</u>	<u>\$ -</u>	<u>\$ 372,287.71</u>

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

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2019		2020 Authorizations	Prior Year Encumbrance / Contracts Payable Cancelled	Balance Dec. 31, 2020	
				Funded	Unfunded			Expended	Funded
General Improvements:									
2000-21	Provide Funding for Payments Under a Regional Contribution Agreement between the Township of Delran and the City of Burlington	11-28-00	\$ 1,140,000.00		\$ 279,750.00				\$ 279,750.00
2008-15	Acquisition of Property	12-29-08	2,000,000.00	\$ 87,263.86				\$ 87,263.86	
2009-19	Acquisition of Various Equipment	10-27-09	130,000.00	370.00				370.00	
2011-18	Open Space Recreational Improvements	7-26-11	2,200,000.00	73,118.25				73,118.25	
2011-20	Various Roadway Improvements	10-25-11	70,000.00	4,278.85	187.00			4,278.85	187.00
2012-01	Open Space Acquisition of Real Property	1-24-12	65,000.00	60,500.00				60,500.00	
2012-04	Various Improvements	6-26-12	1,000,000.00	80,098.82		\$ 163.85		80,262.67	
2012-06	Open Space Improvements to Fields	7-24-12	30,000.00	30,000.00				30,000.00	
2012-09	Sidewalk Construction & Installation	8-28-12	200,000.00	26,790.55				26,790.55	
2012-12	Open Space Upgrades to Swedes Lake Outfall	9-25-12	88,000.00	87,318.50				87,318.50	
2012-13	Improvements to River Drive Outfall	9-25-12	98,000.00	5,195.00				5,195.00	
2013-09	Various Capital Improvements and Acquisition of Capital Equipment	5-28-13	1,000,000.00	115,896.93				115,896.93	
2014-08	Various Capital Improvements	6-10-14	1,750,000.00	384,754.17				384,754.17	
2014-10	Reconstruction of Tenby Chase Drive	7-01-14	455,250.00		156,676.82				156,676.82
2014-13	Construction of Sidewalks	9-02-14	300,000.00	31,336.50				31,336.50	
2015-07	Various Capital Improvements	6-02-15	733,000.00		13,239.30				13,239.30
2015-10	Various Roadway Improvements	10-06-15	246,388.00	16,188.42	68.00			16,188.42	68.00
2016-07	Installation of Sidewalks	6-14-16	80,000.00	7,647.96				7,647.96	
2016-11	Various Capital Improvements	9-06-16	362,600.00	109,266.65				109,266.65	
2016-12	Acquisition of Real Property	10-25-16	200,000.00	3,988.36	190,000.00			3,988.36	190,000.00
2016-14	Refunding Ordinance	12-13-16	195,000.00		195,000.00				195,000.00

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

Ordinance Number	Improvement Description	Date	Balance Dec. 31, 2019		2020 Authorizations		Prior Year Encumbrance / Contracts Payable Cancelled	Expended	Balance Dec. 31, 2020	
			Funded	Unfunded	Funded	Unfunded			Funded	Unfunded
General Improvements (Cont'd):										
2017-02	Reconstruction of Various Sidewalks and Roadways	2-14-17	\$ 1,840,000.00	\$ 750,522.99					\$ 750,522.99	
2017-06	Installation of Sidewalks on Route 130	6-13-17	220,000.00	14,575.00	\$ 41,900.00				14,575.00	\$ 41,900.00
2017-07	Municipal Property Improvements and Acquisition of Equipment	7-11-17	2,587,500.00	747,240.29				\$ 2,323.66	744,916.63	
2017-08	Acquisition and Installation of Sports Lighting at Delran Community Park	7-11-17	225,000.00	30,784.00					30,784.00	
2017-13	Reconstruction of Pheasant Road	12-05-17	91,000.00	8,685.83						8,685.83
2018-02 / 2018-07	Reconstruction of Various Roads	3-06-18 / 7-10-18	1,827,473.00	355,073.84	264,050.00		25.00	5,400.00	355,098.84	264,050.00
2018-06	Various Capital Acquisitions and Improvements	7-03-18	613,000.00	31,924.83				74,618.99		26,524.83
2018-13	Reconstruction of Fairview Boulevard	12-04-18	90,000.00	77,000.00						2,381.01
2019-03	Acquisition of Dump Truck	2-05-19	110,000.00	12,666.00	761.00				12,666.00	761.00
2019-04	Reconstruction of Various Roads	3-05-19	1,200,000.00	21,549.94				12,476.00		9,073.94
2019-18	Various Capital Acquisitions and Improvements	8-27-19	806,000.00	427,768.15	808.00			200,930.06	226,838.09	808.00
2020-04	Reconstruction of Various Roads	3-03-20	1,700,000.00		\$ 1,700,000.00			253,440.00		1,446,560.00
2020-09	Reconstruction of Various Roads	9-08-20	95,000.00		95,000.00			77,274.80		17,725.20
2020-11	Various Capital Acquisitions and Improvements	10-06-20	1,156,250.00		1,156,250.00			330,542.36		825,707.64
			<u>\$ 3,462,643.09</u>	<u>\$ 1,281,600.72</u>	<u>\$ 2,951,250.00</u>	<u>\$ 188.85</u>	<u>\$ 957,005.87</u>	<u>\$ 3,259,578.22</u>	<u>\$ 3,479,098.57</u>	
Deferred Charges to Future Taxation -- Unfunded					\$ 2,570,462.00			\$ 269,299.59		(17,174.55)
Funded by Grant					250,000.00			(17,174.55)		
Capital Improvement Fund					130,788.00			704,880.83		
					<u>\$ 2,951,250.00</u>			<u>\$ 957,005.87</u>		
Cash Disbursed										
Improvement Authorization Refund										
Encumbrances/Contracts Payable										

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Encumbrances/Contracts Payable
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$	1,317,825.07
Increased by:			
2020 Contracts and Encumbrances			<u>704,880.83</u>
			2,022,705.90
Decreased by:			
Disbursed	\$1,243,845.57		
Cancelled Prior Year Encumbrances	<u>188.85</u>		
			<u>1,244,034.42</u>
Balance Dec. 31, 2020		\$	<u><u>778,671.48</u></u>

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

Purpose	Date of Issue	Original Issue	Maturities of Bonds			Interest Rate	Balance Dec. 31, 2019	Decreased	Balance Dec. 31, 2020
			Outstanding	Dec. 31, 2020	Amount				
County Guaranteed Pooled Loan Revenue									
Refunding Bonds, Series 2017A -									
Open Space	3-28-17	\$ 1,063,000.00	7-15-21	\$ 94,000.00	4.00%				
			7-15-22	97,000.00	4.00%				
			7-15-23	101,000.00	4.00%				
			7-15-24	98,000.00	4.00%				
			7-15-25	105,000.00	4.00%				
			1-15-26	60,000.00	4.00%				
			7-15-26	54,000.00	4.00%				
			7-15-27	111,000.00	4.00%				
			7-15-28	120,000.00	4.00%				
			7-15-29	125,000.00	4.00%				
				<u>965,000.00</u>					
						\$ 1,057,000.00	\$ 92,000.00	\$ 965,000.00	
General Obligation Bonds, Series 2019	10-17-19	11,742,000.00	10/15/21	1,500,000.00	1.50%				
			10/15/22	1,242,000.00	2.00%				
			10/15/23	1,000,000.00	2.00%				
			10/15/24	1,000,000.00	2.00%				
			10/15/25	1,000,000.00	2.00%				
			10/15/26	1,000,000.00	2.00%				
			10/15/27	1,000,000.00	2.00%				
			10/15/28	1,000,000.00	2.00%				
			10/15/29	1,000,000.00	2.00%				
				<u>9,742,000.00</u>					
						11,742,000.00	2,000,000.00	9,742,000.00	
						<u>\$ 12,799,000.00</u>	<u>\$ 2,092,000.00</u>	<u>\$ 10,707,000.00</u>	

Budget Appropriation - Current Fund
 Budget Appropriation - Open Space Trust Fund

\$ 1,767,600.00
 324,400.00
\$ 2,092,000.00

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

Ordinance Number	Improvement Description	Balance	2020	Funded by	Balance
		Dec. 31, 2019	Authorizations	Current Fund Appropriations	Dec. 31, 2020
2000-21	Provide Funding for Payments Under a Regional Contribution Agreement between the Township of Delran and the City of Burlington	\$ 279,750.00			\$ 279,750.00
2011-20	Improvements to Various Roads	187.00			187.00
2014-10	Reconstruction Tenby Chase Drive	333,300.00		\$ 176,623.18	156,676.82
2015-07	Various Capital Improvements	250,000.00		230,891.42	19,108.58
2015-10	Various Roadway Improvements	68.00			68.00
2016-12	Acquisition of Real Property	190,000.00			190,000.00
2016-14	Refunding Ordinance	195,000.00			195,000.00
2017-06	Installation of Sidewalks on Route 130	41,900.00			41,900.00
2017-13	Reconstruction of Pheasant Road	8,685.83			8,685.83
2018-2/ 2018-7	Reconstruction of Various Roads	264,050.00			264,050.00
2018-06	Various Capital Acquisitions and Improvements	200,000.00			200,000.00
2018-13	Reconstruction of Fairview Boulevard	85,700.00			85,700.00
2019-03	Acquisition of Dump Truck	761.00			761.00
2019-04	Reconstruction of Various Roads	1,142,858.00			1,142,858.00
2019-18	Various Capital Acquisitions and Improvements	808.00			808.00
2020-04	Reconstruction of Various Roads		\$ 1,619,048.00		1,619,048.00
2020-09	Reconstruction of Various Roads		90,476.00		90,476.00
2020-11	Various Capital Acquisitions and Improvements		860,938.00		860,938.00
		\$ 2,993,067.83	\$ 2,570,462.00	\$ 407,514.60	\$ 5,156,015.23

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

TOWNSHIP OF DELRAN
SEWER UTILITY FUND
Statement of Sewer Utility Cash
Per N.J.S. 40A:5-5--Sewer Treasurer
For the Year Ended December 31, 2020

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2019	\$ 7,183,908.66	\$ 916,350.10
Increased by Receipts:		
Sewer Collector	\$ 3,824,531.03	
Developer's Escrow Deposits	34,147.00	
Prepaid Connection Fees	76,356.88	
Due from Sewer Utility Operating Fund		<u>\$ 1,503,333.74</u>
	<u>3,935,034.91</u>	<u>1,503,333.74</u>
	11,118,943.57	2,419,683.84
Decreased by Disbursements:		
2020 Budget Appropriations	2,343,800.46	
2019 Appropriation Reserves and Encumbrances	109,118.91	
Developer's Escrow Deposits	18,224.50	
Interest on Bonds	13,981.26	
Due to Sewer Capital Fund	1,500,000.00	
Due to General Capital Fund	15,194.85	
Due to Trust--Other Fund	3,000.00	
Due to Current Fund	2,404.10	
Contribution to Current Fund	300,000.00	
Contracts Payable and Encumbrances Improvement Authorizations		1,067,119.57
		<u>797.50</u>
	<u>4,305,724.08</u>	<u>1,067,917.07</u>
Balance Dec. 31, 2020	<u><u>\$ 6,813,219.49</u></u>	<u><u>\$ 1,351,766.77</u></u>

TOWNSHIP OF DELRAN
SEWER UTILITY FUND
Statement of Sewer Utility Cash
Per N.J.S. 40A:5-5--Sewer Collector
For the Year Ended December 31, 2020

Receipts:

Consumer Accounts Receivable	\$ 3,715,098.02
Prepayments	11,565.58
Interest on Delinquent Accounts	63,181.47
Miscellaneous Revenue Anticipated	<u>34,685.96</u>

3,824,531.03

Decreased by:

Payments to Treasurer	<u><u>\$ 3,824,531.03</u></u>
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All funds are deposited directly to the Treasurer's bank account.

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Analysis of Sewer Utility Capital Cash
 For the Year Ended December 31, 2020

	Ordinance Number	Balance (Deficit) Dec. 31, 2019	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2020
			Miscellaneous	Miscellaneous	Improvement Authorization	From	To		
Capital Improvement Fund		\$ 325,000.00							\$ 325,000.00
Fund Balance		10,083.70							10,083.70
Due To (From) Sewer Utility Operating Fund		1,286,183.91	\$ 1,503,333.74			\$ 2,984,000.00			(194,482.35)
New Jersey Infrastructure Bank Receivable						1,538,856.00	\$ 15,236.00		(1,523,620.00)
Contracts Payable		343,613.85		\$ 1,067,119.57		67,850.00	1,194,350.00		470,844.28
Reserve for Sanitary Sewer Repairs							1,000,000.00		932,150.00
Improvement Authorizations:									
Various Improvements to WWTP	2012-05 / 2013-10	479,293.76							479,293.76
5th Street Pump Station, Various	2014-15 / 2017-04	(1,657,354.46)							326,645.54
Plant Upgrades	2017-09	(59,538.00)			\$ 797.50	1,141,736.00	1,538,856.00		336,784.50
Various Improvements to Sewer System									
Construction / Undertaking of a Service Water									
System Upgrade and Aeration Blower	2018-08	189,067.34							189,067.34
Replacement Project									
		\$ 916,350.10	\$ 1,503,333.74	\$ 1,067,119.57	\$ 797.50	\$ 5,732,442.00	\$ 5,732,442.00		\$ 1,351,766.77

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 817,248.10
Increased by:		
Sewer Rents Levied	\$ 3,758,886.31	
Interest on Delinquent Accounts	<u>60,458.75</u>	
		<u>3,819,345.06</u>
		4,636,593.16
Decreased by:		
Sewer Rents Collected	\$ 3,715,098.02	
Prepayments Applied	<u>10,321.42</u>	
		3,725,419.44
Interest on Delinquent Accounts Collected	<u>63,181.47</u>	
		<u>3,788,600.91</u>
Balance Dec. 31, 2020		<u><u>\$ 847,992.25</u></u>

Exhibit SD-5

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Due From / (To) Other Funds
For the Year Ended December 31, 2020

	<u>General Capital Fund</u>	<u>Sewer Utility Capital Fund</u>	<u>Trust Other Fund</u>	<u>Current Fund</u>
Balance Dec. 31, 2019--Due From (To)	\$ (15,194.85)	\$ 1,286,183.91	\$ (3,000.00)	\$ (88,805.05)
Increased by:				
Disbursed:				
Interfund Advanced		1,500,000.00		
Interfund Returned	15,194.85		3,000.00	2,404.10
Interest on Investments		<u>3,333.74</u>		
	<u>15,194.85</u>	<u>1,503,333.74</u>	<u>3,000.00</u>	<u>2,404.10</u>
Decreased by:				
Budget Appropriation				
Unemployment Compensation Insurance			3,000.00	
Capital Outlay		1,000,000.00		
Ordinances 2014-15 and 2017-4		<u>1,984,000.00</u>		
	<u>-</u>	<u>2,984,000.00</u>	<u>3,000.00</u>	<u>-</u>
Balance Dec. 31, 2020--Due To	<u><u>\$ -</u></u>	<u><u>\$ (194,482.35)</u></u>	<u><u>\$ (3,000.00)</u></u>	<u><u>\$ (86,400.95)</u></u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Prepaid Connection Fees
For the Year Ended December 31, 2020

Receipts	\$ 76,356.88
Decreased by:	
Realized as Miscellaneous Revenue Not Anticipated	27,595.88
Balance Dec. 31, 2020	\$ 48,761.00

Exhibit SD-7

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Sewer Rent Prepayments
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 10,321.42
Increased by:	
Receipts--Collector	11,565.58
	21,887.00
Decreased by:	
Applied to 2020 Consumer Accounts Receivable	10,321.42
Balance Dec. 31, 2020	\$ 11,565.58

Exhibit SD-8

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

Account	Balance Dec. 31, 2019	Additions	Balance Dec. 31, 2020
Land Improvements	\$ 122,076.00		\$ 122,076.00
Buildings	1,608,397.00		1,608,397.00
Infrastructure	1,501,481.00	\$ 4,495,189.11	5,996,670.11
Equipment	9,551,673.00		9,551,673.00
	\$ 12,783,627.00	\$ 4,495,189.11	\$ 17,278,816.11

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

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2019	Costs to Fixed Capital	Reserve for Amortization	Balance Dec. 31, 2020
		Date	Amount				
2010-04	Dissolution of Delran Sewerage Authority	2-23-10	\$ 125,000.00	\$ 125,000.00		\$ 106,458.25	\$ 18,541.75
2010-12	Brown Street Pumping Station Improvements	8-24-10	160,000.00	160,000.00	\$ 54,774.41		105,225.59
2012-05 / 2013-10	Various Improvements to WWTP	6-26-12	2,479,000.00	2,479,000.00	1,837,060.24		641,939.76
2014-15 / 2017-04	5th Street Pump Station, various Plant upgrades	10-07-14 5-03-17	2,480,000.00 450,000.00	2,930,000.00	2,603,354.46		326,645.54
2017-09	Various Improvements to Sewer System	7-17-17	2,260,000.00	2,260,000.00			2,260,000.00
2018-08	Construction / Undertaking of a Service Water System Upgrade and Aeration Blower Replacement Project	9-04-18	1,950,000.00	1,950,000.00			1,950,000.00
				<u>\$ 9,904,000.00</u>	<u>\$ 4,495,189.11</u>	<u>\$ 106,458.25</u>	<u>\$ 5,302,352.64</u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of 2019 Appropriation Reserves and Reserve for Encumbrances
For the Year Ended December 31, 2020

	Balance Dec.31, 2019		<u>Disbursed</u>	Balance <u>Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>		
Operating:				
Salary and Wages		\$ 103,277.68		\$ 103,277.68
Other Expenses	\$ 61,157.07	499,415.30	\$ 109,118.91	451,453.46
Capital Improvements:				
Capital Outlay		25,000.00		25,000.00
Purchase of Utility Trucks		32,000.00		32,000.00
Purchase of Utility Equipment		508,564.00		508,564.00
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Social Security System (O.A.S.I)		18,078.57		18,078.57
	<u>\$ 61,157.07</u>	<u>\$ 1,186,335.55</u>	<u>\$ 109,118.91</u>	<u>\$ 1,138,373.71</u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Notes and Loans and Analysis of Balance
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 4,660.42
Increased by:	
Budget Appropriation for:	
Interest on Loans	13,647.93
	18,308.35
Decreased by:	
Interest Paid	13,981.26
Balance Dec. 31, 2020	\$ 4,327.09

Analysis of Accrued Interest Dec. 31, 2020

	<u>Amount</u> <u>Outstanding</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Days</u>	<u>Amount</u>
Infrastructure Loan:						
2014A	\$ 365,000.00	Various	9/1/2020	12/31/2020	121	\$ 4,327.09

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Developer's Escrow Deposits
For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 27,763.32
Increased by:	
Receipts	34,147.00
	61,910.32
Decreased by:	
Disbursements	18,224.50
Balance Dec. 31, 2020	\$ 43,685.82

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

Improvement Description	Number	Ordinance Date	Amount	Balance Dec. 31, 2019		Disbursed	Balance Dec. 31, 2020	
				Funded	Unfunded		Funded	Unfunded
General Improvements:								
Dissolution of Sewerage Authority	2010-04	4-27-10	\$ 227,500.00		\$ 18,541.75			\$ 18,541.75
Brown Street Pumping Station	2010-12	9-15-10	160,000.00		105,225.59			105,225.59
Various Improvements to WWTP	2012-05 / 2013-10	6-26-12	2,479,000.00	\$ 479,293.76	162,646.00		\$ 479,293.76	162,646.00
5th Street Pump Station, Various Plant Upgrades	2014-15 2017-04	10-07-14 5-03-17	2,480,000.00 450,000.00		326,645.54			326,645.54
Various Improvements to Sewer System	2017-09	7-17-17	2,260,000.00		1,810,462.00	\$ 1,142,533.50	\$ 336,784.50	331,144.00
Construction / Undertaking of a Service Water System Upgrade and Aeration Blower Replacement Project	2018-08	9-04-18	1,950,000.00	189,067.34	1,311,032.66		189,067.34	1,311,032.66
				<u>\$ 668,361.10</u>	<u>\$ 3,734,553.54</u>	<u>\$ 1,142,533.50</u>	<u>\$ 1,331,791.14</u>	<u>\$ 1,928,590.00</u>
Disbursed						\$ 797.50		
Disbursed by New Jersey Infrastructure Bank						15,236.00		
Contracts Payable and Encumbrances						1,126,500.00		
						<u>\$ 1,142,533.50</u>		

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Contracts Payable and Encumbrances
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 343,613.85
Increased by:		
Improvement Authorizations	\$ 1,126,500.00	
Reserve for Sanitary Sewer Repairs	67,850.00	
		1,194,350.00
		1,537,963.85
Decreased by:		
Disbursements		1,067,119.57
Balance Dec. 31, 2020		\$ 470,844.28

Exhibit SD-15

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 14,901,594.60
Increased by:		
Budget Appropriations - Cost of Improvements Authorized - Ordinances 2014-15 and 2017-4	\$ 1,984,000.00	
NJ Environmental Trust Loan Paid by Utility Operating Budget	94,722.87	
		2,078,722.87
		16,980,317.47
Decreased by:		
Deductions for Disposal of Fixed Capital Authorized and Uncompleted		106,458.25
Balance Dec. 31, 2020		\$ 16,873,859.22

Exhibit SD-16

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Sanitary Sewer Repairs
For the Year Ended December 31, 2020

Budget Appropriations - Capital Outlay		\$ 1,000,000.00
Decreased by:		
Contracts Payable and Encumbrances		67,850.00
Balance Dec. 31, 2020		\$ 932,150.00

TOWNSHIP OF DELLRAN
SEWER UTILITY CAPITAL FUND
 Statement of New Jersey Environmental Infrastructure Trust Loan Payable
 For the Year Ended December 31, 2020

Purpose	Date of Issue	Original Issue	Maturities of Loan		Interest Rate	Balance Dec. 31, 2019	Issued	Budget Appropriation	Balance Dec. 31, 2020
			Outstanding Dec. 31, 2020	Amount					
New Jersey Environmental Infrastructure Trust Loan, Series 2014A (Non-Interest Bearing)	5/21/2014	\$ 1,469,550.00							
			2/1/2021	\$ 24,907.62	N/A				
			8/1/2021	49,815.25	N/A				
			2/1/2022	24,907.62	N/A				
			8/1/2022	49,815.25	N/A				
			2/1/2023	24,907.62	N/A				
			8/1/2023	49,815.25	N/A				
			2/1/2024	24,907.62	N/A				
			8/1/2024	49,815.25	N/A				
			2/1/2025	24,907.62	N/A				
			8/1/2025	49,815.25	N/A				
			2/1/2026	24,907.62	N/A				
			8/1/2026	49,815.25	N/A				
			2/1/2027	24,907.62	N/A				
			8/1/2027	49,815.25	N/A				
			2/1/2028	24,907.62	N/A				
			8/1/2028	49,815.25	N/A				
			2/1/2029	24,907.62	N/A				
			8/1/2029	49,815.25	N/A				
			2/1/2030	24,907.62	N/A				
			8/1/2030	49,815.25	N/A				
			2/1/2031	24,907.62	N/A				
			8/1/2031	49,815.25	N/A				
			2/1/2032	24,907.62	N/A				
			8/1/2032	2,554.34	N/A	\$ 924,136.40		\$ 74,722.87	\$ 849,413.53

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of New Jersey Environmental Infrastructure Trust Loan Payable
 For the Year Ended December 31, 2020

Purpose	Date of Issue	Original Issue	Maturities of Loan		Interest Rate	Balance Dec. 31, 2019	Issued	Budget Appropriation	Balance Dec. 31, 2020
			Outstanding Date	Dec. 31, 2020 Amount					
New Jersey Environmental Infrastructure Trust Loan, Series 2014A (Interest Bearing)	5/21/2014	\$ 480,000.00	9/1/2021	\$ 20,000.00	5.000%				
			9/1/2022	25,000.00	5.000%				
			9/1/2023	25,000.00	5.000%				
			9/1/2024	25,000.00	5.000%				
			9/1/2025	25,000.00	3.000%				
			9/1/2026	25,000.00	3.000%				
			9/1/2027	30,000.00	3.000%				
			9/1/2028	30,000.00	3.000%				
			9/1/2029	30,000.00	3.000%				
			9/1/2030	30,000.00	3.000%				
		9/1/2031	30,000.00	3.000%					
		9/1/2032	35,000.00	3.125%					
		9/1/2033	35,000.00	3.250%	\$ 385,000.00		\$ 20,000.00	\$ 365,000.00	
New Jersey Infrastructure Bank - Interim Loan	1/1/2/2020	1,538,856.00	11/1/2/2022	1,538,856.00	N/A				1,538,856.00
						\$ 1,309,136.40	\$ 1,538,856.00	\$ 94,722.87	\$ 2,753,269.53

Due from New Jersey Infrastructure Bank Receivable
 Disbursed by New Jersey Infrastructure Bank

\$ 1,523,620.00
15,236.00
\$ 1,538,856.00

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2019	Loans Issued	Funded by Budget Appropriations	Balance Dec. 31, 2020
2010-04	Dissolution of Delran Sewerage Authority	\$ 18,541.75			\$ 18,541.75
2010-12	Brown Street Pumping Station Improvements	105,225.59			105,225.59
2012-05 / 2013-10	Various Improvements to WWTP	162,646.00			162,646.00
2014-15 / 2017-04	Various Improvements to Sewer System	1,984,000.00		\$ 1,984,000.00	
2017-09	Various Improvements to Sewer System	1,870,000.00	\$ 1,538,856.00		331,144.00
2018-08	Construction / Undertaking of a Service Water System Upgrade and Aeration Blower Replacement Project	1,311,032.66			1,311,032.66
		<u>\$ 5,451,446.00</u>	<u>\$ 1,538,856.00</u>	<u>\$ 1,984,000.00</u>	<u>\$ 1,928,590.00</u>

TOWNSHIP OF DELRAN
PART II
SINGLE AUDIT
FOR THE YEAR ENDED
DECEMBER 31, 2020

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Delran
Delran, New Jersey 08075

Report on Compliance for Each Major State Program

We have audited the Township of Delran's, in the County of Burlington, State of New Jersey, compliance with the types of compliance requirements described in the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the Township's state programs for the year ended December 31, 2020. The Township's major state program is identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Township's major state program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and State of New Jersey Circular 15-08-OMB require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major state program. However, our audit does not provide a legal determination of the Township of Delran's, in the County of Burlington, State of New Jersey, compliance.

Opinion on Major State Program

In our opinion, the Township of Delran, in the County of Burlington, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state program for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the Township of Delran, in the County of Burlington, State of New Jersey, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on its major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major state program and to test and report on internal control over compliance in accordance with State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Delran's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
June 24, 2021

TOWNSHIP OF DELRAN
Notes to the Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2020

Note 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance (the "schedule") includes the state award activity of the Township of Delran (hereafter referred to as the "Township") under programs of the state government for the year ended December 31, 2020. The Township is defined in note 1 to the financial statements. The information in this schedule is presented in accordance with the requirements of the State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All state awards received directly from state agencies, as well as state financial assistance passed through other government agencies, are included on the schedule. Because this schedule present only a selected portion of the operations of the Township, it is not intended to and does not present the financial position and changes in operations of the Township.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. This basis of accounting is described in note 1 to the financial statements. Such expenditures are recognized following the cost principles contained in State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3: RELATIONSHIP TO STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedule agrees with the amounts reported in the related state financial reports.

Note 4: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" represent planning, design and engineering costs expended in prior periods prior to the grant award.

Note 5: MAJOR PROGRAMS

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.

TOWNSHIP OF DELRAN

PART III

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED

DECEMBER 31, 2020

TOWNSHIP OF DELRAN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued _____ Unmodified _____

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards **Not Applicable**

Internal control over major programs:

Material weakness(es) identified? _____ yes _____ no

Significant deficiency(ies) identified? _____ yes _____ none reported

Type of auditor's report issued on compliance for major programs _____

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? _____ yes _____ no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

Dollar threshold used to determine Type A programs _____

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

TOWNSHIP OF DELRAN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

Section 2- 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

New Jersey Statutes determine the compliance requirements for the filing by the Township of certain required information.

Condition

The Township did not receive all required financial disclosure forms from several local government officials.

Context

All local government officials shall file annually a financial disclosure statement. Statements shall be filed on or before April 30th each year, except that each local government officer shall file a financial disclosure statement within 30 days of taking office. There were seven financial disclosure forms that were not filed, and several that were not filed timely.

Effect or Potential Effect

The Township was not in compliance with N.J.S.A. 40A:9-22.6.

Cause

Several Township officials did not complete and file their financial disclosure forms online as required.

Recommendation

That the Township follows up with the appropriate officials to ensure all financial disclosure forms are received on a timely basis.

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 DELRAN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Not Applicable.

TOWNSHIP OF DELRAN
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

None.

TOWNSHIP OF DELRAN
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

The Township's record of general fixed assets included assets that could not be located.

Current Status

This finding has been resolved.

Finding No. 2019-002

Condition

The Township's cash reconciliations for several accounts contained several unadjusted differences that were not corrected in a timely manner.

Current Status

This finding has been resolved.

Finding No. 2019-003

Condition

A Township department head authorized a transaction to a related party without authorization from an official independent of the related party.

Current Status

This finding has been resolved.

TOWNSHIP OF DELRAN
 Officials in Office and Surety Bonds

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

Name	Title	Amount of Surety Bond
Ken Paris	Mayor	
Gary Catrambone	Council President	
Tyler Burrell	Vice President	
Thomas Lyons	Councilperson	
Michael Mormando	Councilperson	
Virginia Parejo	Councilperson	
Jeffrey Hatcher	Township Administrator	
Margaret Peak	Chief Financial Officer through October 15, 2020	\$1,000,000.00 (A)
Kareemah Press	Chief Financial Officer from October 15, 2020 through December 31, 2020	1,000,000.00 (A)
Tanyika Johns	Tax Collector	1,000,000.00 (A)
Jamey Eggers	Township Clerk	1,000,000.00 (A)

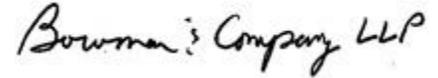
(A) Public Employees' Faithful Performance\Dishonesty Crime Coverage of \$1,000,000.00 provided by the Burlington County Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.

Township court employees and all other Township employees are under the Public Employees' Faithful Performance\Dishonesty Crime Coverage listed above.

APPRECIATION

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

Respectfully submitted,

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

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Handwritten signature in cursive script that reads "Robert S. Marrone".

Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant