

**TOWNSHIP OF DELRAN
COUNTY OF BURLINGTON**

REPORT OF AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2021**



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	13
	<u>TRUST FUND</u>	
B	Statements of Assets, Liabilities, and Reserves--Regulatory Basis	20
B-1	Trust Fund-Open Space-Statements of Operations and Changes in Reserve for Future Use--Regulatory Basis	22
B-2	Trust Fund-Open Space-Statement of Revenues--Regulatory Basis	23
B-3	Trust Fund-Open Space-Statement of Expenditures--Regulatory Basis	24
	<u>GENERAL CAPITAL FUND</u>	
C	Statements of Assets, Liabilities, Reserves and Fund Balances-- Regulatory Basis	25
C-1	Statement of Fund Balance--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 2020 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 Deferred Charges – Special Emergency Authorizations (40A:4-55)	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 – Open Space-Schedule of Due to General Capital Fund	102
SB-4	Trust Fund - Other-Statement of Due from / (to) Current Fund	103
SB-5	Trust Fund - Other -Statement of Accounts Receivable - Outside Police Employment	103
SB-6	Trust Fund - Animal Control-Statement of Due to Current Fund	104
SB-7	Trust Fund - Animal Control-Statement of Reserve for Animal Control Expenditures	104
SB-8	Trust Fund - Open Space-Statement of Reserve Open Space Trust Fund	105
SB-9	Trust Fund - Open Space-Statement of Due from Current Fund	106
SB-10	Trust Fund - Open Space-Statement of Reserve for Payment of Debt	106
SB-11	Trust Fund - Other-Statement of Accounts Payable	107
SB-12	Trust - Other Fund-Statement of Prepaid Outside Police Employment	107
SB-13	Trust Fund - Other-Statement of Miscellaneous Trust Reserves	108
SB-14	Trust Fund - LOSAP-Statement of Reserve Length of Service Awards Program	109
SB-15	Trust Fund – Other-Statement of Due from Sewer Utility Operating	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	Schedule 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 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 Bond Anticipation Notes	124
SC-14	Statement of Bonds and Notes Authorized But Not Issued	125
<u>SEWER UTILITY FUND</u>		
SD-1	Statement of Sewer Utility Cash Per N.J.S. 40A:5-5--Sewer Treasurer	127
SD-2	Statement of Sewer Utility Cash Per N.J.S. 40A:5-5--Sewer Collector	128
SD-3	Sewer Utility Capital Fund-Analysis of Sewer Utility Capital Cash	129
SD-4	Sewer Utility Operating Fund-Statement of Consumer Accounts Receivable	130
SD-5	Sewer Utility Operating Fund-Statement of Due to Other Funds	130
SD-6	Sewer Utility Operating Fund-Statement of Prepaid Connection Fees	131
SD-7	Sewer Utility Operating Fund-Statement of Sewer Rent Prepayments	131
SD-8	Sewer Utility Capital Fund-Statement of Fixed Capital	131
SD-9	Sewer Utility Capital Fund-Statement of Fixed Capital Authorized and Uncompleted	132
SD-10	Sewer Utility Operating Fund-Statement of 2020 Appropriation Reserves and Reserve for Encumbrances	133
SD-11	Sewer Utility Operating Fund-Statement of Accrued Interest on Notes and Loans and Analysis of Balance	134
SD-12	Sewer Utility Operating Fund-Statement of Developer's Escrow Deposits	134
SD-13	Sewer Utility Capital Fund-Statement of Improvement Authorizations	135
SD-14	Sewer Utility Capital Fund-Statement of Contracts Payable and Encumbrances	136
SD-15	Sewer Utility Capital Fund-Statement of Reserve for Amortization	136
SD-16	Sewer Utility Capital Fund-Statement of Reserve for Sanitary Sewer Repairs	136
SD-17	Sewer Utility Capital Fund-Statement of New Jersey Environmental Infrastructure Bank Loans Payable	137
SD-18	Sewer Utility Capital Fund-Statement of Bonds and Notes Authorized But Not Issued	139

TOWNSHIP OF DELRAN
TABLE OF CONTENTS (CONT'D)

Exhibit No.

Page No.

PART II

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

Schedule of Findings and Recommendations	141
Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	142
OFFICIALS IN OFFICE AND SURETY BONDS	143
APPRECIATION	144

TOWNSHIP OF DELRAN

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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, as of December 31, 2021 and 2020, 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, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above 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, 2021 and 2020, 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, 2021, 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.

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* section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the Township of Delran, in the County of Burlington, State of New Jersey, as of December 31, 2021 and 2020, or the results of its operations and changes in fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions on Regulatory Basis of Accounting

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, 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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

15300

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 and pervasive.

Responsibilities of Management 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. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

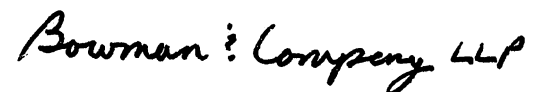
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The accompanying supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes 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 supplemental statements and schedules presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 accompanying supplemental statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2022 on our consideration of the Township of Delran's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Delran's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of 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
August 30, 2022

**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 statement 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, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated August 30, 2022. 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.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township'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 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 an 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 Recommendations* as *Finding No. 2021-001*.

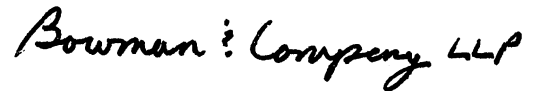
The Township of Delran's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Township's response to the findings identified in our audit and described in the accompanying *Schedule of Findings and Recommendations*. The Township's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 30, 2022

TOWNSHIP OF DELRAN
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2021 and 2020

<u>ASSETS</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
Regular Fund:			
Cash--Treasurer	SA-1	\$ 14,545,925.39	\$ 14,043,721.73
Cash--Change Fund	SA-1	450.00	450.00
		<u>14,546,375.39</u>	<u>14,044,171.73</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	682,863.53	592,516.90
Tax Title Liens Receivable	SA-5	235,557.47	212,349.93
Property Acquired for Taxes--Assessed Valuation	A	282,015.00	282,015.00
Revenue Accounts Receivable	SA-7	9,468.12	12,149.84
Due from Sewer Utility Operating Fund	D		86,400.95
Due from Trust Fund - LOSAP	B	1,207.93	1,207.93
Due from Animal Control Fund	B	16,000.00	19,135.45
Due from Trust Fund - Other	B	8,026.59	
		<u>1,235,138.64</u>	<u>1,205,776.00</u>
Deferred Charges:			
Special Emergency Authorization (40A:4-55)	SA-13	18,000.00	24,000.00
		<u>15,799,514.03</u>	<u>15,273,947.73</u>
Federal, State and Local Grant Fund:			
Grants Receivable	SA-20	661,999.61	728,899.61
Due from Current Fund	SA-24	1,335,302.56	633,735.15
		<u>1,997,302.17</u>	<u>1,362,634.76</u>
		<u>\$ 17,796,816.20</u>	<u>\$ 16,636,582.49</u>

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2021 and 2020

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3 & SA-8	\$ 1,584,042.61	\$1,858,784.37
Reserve for Encumbrances	A-3 & SA-8	390,986.68	320,303.04
Payroll Deductions Payable	SA-14	4,724.03	23,939.19
Prepaid Licenses	SA-6	42,276.00	36,718.00
Accounts Payable	SA-12	46,849.57	101,169.20
Due to State of New Jersey:			
Marriage License Fees	SA-9	450.00	500.00
Department of Community Affairs - Training Fees	SA-11	14,448.00	4,390.00
Senior Citizens' and Veterans' Deductions	SA-3	13,243.62	6,550.06
Prepaid Taxes	SA-10	412,066.64	411,630.59
Due County for Added and Omitted Taxes	SA-17	14,801.86	6,741.10
Due Fire District	SA-15		567,588.75
Due Local School District	SA-18	1,683.98	
Due to Trust Fund - Open Space	B	325,000.00	167,919.59
Due to Trust Fund - Other	B		116,776.32
Due to General Capital Fund	C	155,056.42	372,287.71
Due to Federal, State and Local Grant Fund	SA-24	1,335,302.56	633,735.15
Reserve for:			
Master Plan	SA-19	6,666.60	21,037.35
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
		4,570,397.05	4,872,868.90
Reserves for Receivables and Other Assets	A	1,235,138.64	1,205,776.00
Fund Balance	A-1	9,993,978.34	9,195,302.83
		15,799,514.03	15,273,947.73
Federal, State and Local Grant Fund:			
Due to General Capital Fund	SA-22	62,274.80	
Reserve for Encumbrances	SA-23	4,039.40	39,047.59
Unappropriated Reserves	SA-21	884,649.98	75,000.00
Appropriated Reserves	SA-22	1,046,337.99	1,248,587.17
		1,997,302.17	1,362,634.76
		\$ 17,796,816.20	\$ 16,636,582.49

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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 4,301,500.00	\$4,000,000.00
Miscellaneous Revenues Anticipated	2,826,539.01	3,211,651.79
Receipts from Delinquent Taxes	594,170.31	555,387.20
Receipts from Current Taxes	54,943,411.71	54,772,292.12
Non-Budget Revenue	234,166.68	266,433.94
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,617,428.42	916,187.40
Refund of Prior Year Expenses	203,385.25	
Liquidation of Reserves for:		
Due from General Capital		426,784.02
Due from Trust - LOSAP Fund		67,575.80
Due from Animal Control Fund	3,135.45	
Due from Sewer Utility Operating - Other Fund	86,400.95	2,404.10
	<hr/>	<hr/>
Total Income	64,810,137.78	64,218,716.37
<u>Expenditures</u>		
Budget Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	6,010,296.00	6,054,362.00
Other Expenses	5,382,969.00	5,123,742.00
Deferred Charges and Statutory Expenditures		
Municipal--Within "CAPS"	1,735,456.00	1,554,374.00
Judgements	300,000.00	
Operations--Excluded from "CAPS":		
Other Expenses	270,808.28	861,317.57
Capital Improvements--Excluded from "CAPS"	50,000.00	100,000.00
Municipal Debt Service--Excluded from "CAPS"	1,491,271.09	1,958,619.00
Deferred Charges and Statutory Expenditures:		
Deferred Charges to Future Taxation	194,044.45	413,514.60
County Taxes	6,380,863.00	6,495,270.17
Due County for Added and Omitted	14,801.86	6,741.10
Special Fire District Taxes	2,236,124.00	2,264,811.00
Local School District Taxes	35,309,302.00	34,979,035.00
Municipal Open Space Trust Tax	325,000.00	325,000.00
Prior Year Deduction Disallowed	1,000.00	250.00
Refund of Prior Year Revenues		7,322.25
Creation of Reserve for:		
Due from Trust Fund - Other	8,026.59	
	<hr/>	<hr/>
Total Expenditures	59,709,962.27	60,144,358.69
Excess in Revenue (Carried Forward)	5,100,175.51	4,074,357.68

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Excess in Revenue (Brought Forward)	\$ 5,100,175.51	\$ 4,074,357.68
<u>Fund Balance</u>		
Balance Jan. 1	<u>9,195,302.83</u>	<u>9,120,945.15</u>
	14,295,478.34	13,195,302.83
Decreased by:		
Utilized as Revenue	<u>4,301,500.00</u>	<u>4,000,000.00</u>
Balance Dec. 31	<u><u>\$ 9,993,978.34</u></u>	<u><u>\$ 9,195,302.83</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, 2021

	<u>Anticipated</u> Budget	<u>Special</u> N.J.S.40A:4-87	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Fund Balance Anticipated	\$ 4,301,500.00	-	\$ 4,301,500.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	15,000.00		18,100.00	3,100.00
Other	33,000.00		65,083.00	32,083.00
Fees and Permits:				
Other	25,000.00		73,378.63	48,378.63
Fines and Costs:				
Municipal Court	130,000.00		125,784.27	(4,215.73)
Interest and Costs on Taxes	76,000.00		152,130.82	76,130.82
Interest on Investments and Deposits	35,000.00		17,665.01	(17,334.99)
Energy Receipts Tax	1,279,101.00		1,279,101.00	
Dedicated Uniform Construction Code Fees Offset with Appropriation Uniform Construction Code Fees	150,000.00		870,719.00	720,719.00
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	40,000.00	67,400.00	107,400.00	
Recycling Tonnage Grant		33,859.61	33,859.61	
Body Armor Replacement Fund		2,218.72	2,218.72	
Clean Communities Grant Program		33,362.96	33,362.96	
Municipal Court - Alcohol Education and Rehabilitation Program		1,135.99	1,135.99	
Miscellaneous Revenues:				
Other Special Items:				
Rental Agreement--Delran Township Fire Commission	21,600.00		21,600.00	
Reserve for Payment of Bonds--General Capital	25,000.00		25,000.00	
Receipts from Delinquent Taxes	1,829,701.00	137,977.28	2,826,539.01	858,860.73
Amount to be Raised by Taxes for Support of Municipal Budget Local Tax for Municipal Purposes	300,000.00	-	594,170.31	294,170.31
Budget Totals	11,278,695.45	-	12,940,320.85	1,661,625.40
Non-Budget Revenue	17,709,896.45	137,977.28	20,662,530.17	2,814,656.44
			234,166.68	234,166.68
	\$ 17,709,896.45	\$ 137,977.28	\$ 20,896,696.85	\$ 3,048,823.12

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2021

Analysis of Realized Revenues

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 54,943,411.71
Allocated to:	
School, County, Special District and Municipal Open Space Taxes	<u>44,266,090.86</u>
Balance for Support of Municipal Budget Appropriations	10,677,320.85
Add: Appropriation "Reserve for Uncollected Taxes"	<u>2,263,000.00</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 12,940,320.85</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 592,629.49
Tax Title Liens	<u>1,540.82</u>
	<u><u>\$ 594,170.31</u></u>

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:

Collected by Treasurer:

Comcast Cable Franchise Fees	\$ 56,281.66
Outside Police Admin & Vehicle Fees	70,590.00
Clear Channel Reimbursement	4,360.00
Property Maintenance Fees	3,505.00
JIF Reimbursement	2,222.06
Administrative Fee for Senior Citizens and Veterans Deductions	2,474.24
Insurance Settlement	75,000.00
Public Works - Tire and Mulch Money	1,313.50
Snow Removal	17,075.50
Insufficient Funds and Late Fees	<u>1,344.72</u>

Total Cash Collections	<u><u>\$ 234,166.68</u></u>
------------------------	-----------------------------

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	
OPERATIONS--WITHIN "CAPS"					
<u>Department of Administration</u>					
Division of Administration:					
Business Administration Office					
Salaries and Wages	\$ 155,848.00	\$ 155,848.00	\$ 152,870.59	\$ 2,977.41	
Other Expenses	71,300.00	84,550.00	78,528.95	3,873.91	2,147.14
Mayor and Council					
Salaries and Wages	15,760.00	15,760.00	14,255.16		1,504.84
Other Expenses	33,700.00	33,700.00	13,497.80		20,202.20
Public Relations					
Other Expenses	16,000.00	16,000.00	14,050.50		1,949.50
Office of Municipal Clerk					
Salaries and Wages	63,293.00	63,293.00	62,402.84		890.16
Other Expenses	26,125.00	36,125.00	32,516.97	882.51	2,725.52
Insurance					
General Liability	120,869.00	120,869.00	118,871.00		1,998.00
Workers Compensation	282,000.00	282,000.00	282,000.00		
Employee Group Health	1,365,100.00	1,365,100.00	1,089,050.93	27,890.33	248,158.74
Health Benefit Waiver	36,000.00	36,000.00	34,000.00		2,000.00
<u>Department of Finance</u>					
Division of Accounts and Controls:					
Municipal Auditor					
Audit Services	38,000.00	38,000.00	34,250.00		3,750.00
Division of Treasury:					
Treasurer					
Salaries and Wages	123,713.00	123,713.00	118,095.40		5,617.60
Other Expenses	44,500.00	44,500.00	31,263.88	1,046.09	12,190.03
Division of Revenue:					
Bureau of Assessments					
Salaries and Wages	30,000.00	30,000.00	27,499.94		2,500.06
Other Expenses	27,560.00	27,560.00	23,502.41	1,646.66	2,410.93
Bureau of Collections					
Salaries and Wages	119,910.00	79,910.00	76,486.38		3,423.62
Other Expenses	14,600.00	14,600.00	10,987.29	218.36	3,394.35

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS--WITHIN "CAPS" (CONTD):						
<u>Department of Engineering</u>						
Township Engineer						
Other Expenses	\$ 50,000.00	\$ 50,000.00	\$ 46,992.62	\$ 1,807.38	\$ 1,200.00	
<u>Department of Law</u>						
Township Solicitor	140,000.00	140,000.00	117,531.65	16,075.85	6,392.50	
Other Expenses						
<u>Department of Public Safety</u>						
Division of Police:						
Police						
Salaries and Wages	3,769,270.00	3,769,270.00	3,430,759.16		338,510.84	
Other Expenses	310,500.00	310,500.00	136,385.69	172,481.89	1,632.42	
School Traffic Guards						
Salaries and Wages	112,000.00	112,000.00	87,647.79		24,352.21	
Other Expenses	1,000.00	1,000.00	999.80		0.20	
Municipal Court						
Salaries and Wages	166,000.00	166,000.00	150,325.38		15,674.62	
Other Expenses	17,500.00	17,500.00	3,701.14	696.00	13,102.86	
Public Defender						
Other Expenses	7,165.00	7,165.00			7,165.00	
Division of Emergency Management:						
Office of Emergency Management						
Salaries and Wages	3,545.00	3,545.00	3,474.96		70.04	
Other Expenses	1,000.00	1,000.00			1,000.00	
<u>Department of Public Works</u>						
Division of Roads and Public Property:						
Streets and Roads						
Salaries and Wages	915,307.00	890,007.00	744,594.17		145,412.83	
Other Expenses	142,000.00	152,000.00	105,326.12	38,934.03	7,739.85	
Snow Removal - Condominium Services	40,000.00	40,000.00	40,000.00			
Solid Waste Collection						
Other Expenses	560,000.00	655,000.00	565,874.51		89,125.49	

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS--WITHIN "CAPS" (CONTD):						
<u>Department of Public Works</u>						
Recycling						
Salaries and Wages	\$ 156,350.00	\$ 156,350.00	\$ 145,719.29	\$ 10,630.71		
Other Expenses	30,500.00	30,500.00	17,757.10	1,389.95		
Public Buildings and Grounds						
Other Expenses	152,500.00	152,500.00	124,152.12	1,076.74		
Division of Parks and Recreation:						
Recreation Committee						
Salaries and Wages	12,000.00	12,000.00	7,803.00	4,197.00		
Other Expenses	71,700.00	71,700.00	54,164.33	8,684.98		
Juvenile Conference Committee						
Other Expenses	500.00	500.00		500.00		
<u>Department of Health</u>						
Division of Health:						
Salaries and Wages	48,000.00	48,000.00	43,811.48	4,188.52		
Other Expenses	200.00	200.00	197.73	2.27		
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	25,250.00	25,550.00	25,459.20	90.80		
Other Expenses	13,850.00	13,850.00	8,593.30	3,241.92		
Municipal Prosecutor						
Other Expenses	18,000.00	18,000.00	15,575.00	2,425.00		
Planning Board						
Salaries and Wages	54,000.00	54,000.00	52,466.96	1,533.04		
Other Expenses	14,300.00	14,300.00	10,790.66	3,509.34		
Council on Affordable Housing						
Other Expenses	50,000.00	50,000.00	10,239.53	33,722.50		

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>OPERATIONS--WITHIN "CAPS" (CONTD):</u>						
<u>Statutory Agencies</u>						
Landfill/Solid Waste Disposal Costs	\$ 570,000.00	\$ 570,000.00	\$ 496,446.77	\$ 73,553.23		
Utility Purchases and Bulk Purchases						
Electricity/Gas	190,000.00	190,000.00	148,007.83	41,992.17		
Street Lighting	220,000.00	220,000.00	174,921.20	2,850.00	42,228.80	
Telephone	37,000.00	37,000.00	30,630.31	4,234.84	2,134.85	
Water	50,000.00	50,000.00	28,473.26	21,526.74		
Gasoline	175,000.00	175,000.00	75,528.20	24,024.60	75,447.20	
Traffic Lights	40,000.00	40,000.00	14,014.82	25,985.18		
P.L. 2000 Chapter 26:						
Solid Waste Service to Apartments						
Collection	135,000.00	135,000.00	95,542.06		39,457.94	
Disposal	82,000.00	82,000.00	42,924.72		39,075.28	
State Uniform Construction Code:						
Construction Official	302,300.00	237,300.00	233,512.41		3,787.59	
Salaries and Wages	43,050.00	43,050.00	20,034.18	8,930.67	14,085.15	
Other Expenses						
<u>Unclassified</u>						
Salary Adjustment	25,000.00	25,000.00		25,000.00		
Accumulated Absences	30,000.00	31,750.00	31,750.00			
Green Team Other Expenses	4,200.00	4,200.00	1,525.90	2,181.50	492.60	
Interest on Developers Deposits	2,000.00	2,000.00		2,000.00		
Total Operations--Within "CAPS"	11,388,265.00	11,388,265.00	9,557,784.39	390,986.68	1,439,493.93	\$ -
Contingent	5,000.00	5,000.00	-	-	5,000.00	-
Total Operations Including Contingent--Within "CAPS"	11,393,265.00	11,393,265.00	9,557,784.39	390,986.68	1,444,493.93	-
<u>Detail:</u>						
Salaries and Wages	6,138,546.00	6,010,296.00	5,442,934.11	-	567,361.89	-
Other Expenses	5,254,719.00	5,382,969.00	4,114,850.28	390,986.68	877,132.04	-

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	
<u>DEFERRED CHARGES AND STATUTORY</u> <u>EXPENDITURES MUNICIPAL--WITHIN "CAPS"</u>					
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	\$ 277,247.00	\$ 277,247.00	\$ 277,247.00		
Social Security System (O.A.S.I.)	530,000.00	530,000.00	416,230.77		\$ 113,769.23
Police and Firemen's Retirement System	922,209.00	922,209.00	922,209.00		
Defined Contribution Retirement Program	5,000.00	5,000.00	3,731.02		1,268.98
Unemployment Compensation Insurance	1,000.00	1,000.00			1,000.00
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	1,735,456.00	1,735,456.00	1,619,417.79	-	116,038.21
Judgements	300,000.00	300,000.00	300,000.00	-	-
Total General Appropriations for Municipal Purposes Within--"CAPS"	13,428,721.00	13,428,721.00	11,477,202.18	390,986.68	1,560,532.14
<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	16,000.00	16,000.00			16,000.00
Landfill Recycling Fees	27,000.00	27,000.00	19,489.53		7,510.47
<u>Public and Private Programs Off-Set by Revenues</u>					
Safe and Secure Communities Program (N.J.S.A. 40A:4-87, \$67,400.00+)	84,669.00	152,069.00	152,069.00		
Recycling Tonnage Grant (N.J.S.A. 40A:4-87, \$33,859.61+)		33,859.61	33,859.61		
Body Armor Replacement Fund (N.J.S.A. 40A:4-87, \$2,218.72+)		2,218.72	2,218.72		
Clean Communities Grant Program (N.J.S.A. 40A:4-87, \$33,362.96+)		33,362.96	33,362.96		

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
<u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u> Public and Private Programs Off-Set by Revenues (Cont'd) Municipal Court Alcohol Education/Rehabilitation Program (N.J.S.A. 40A:4-87, \$1,135.99+)	\$	1,135.99	\$	1,135.99	
Total Operations--Excluded from "CAPS"	\$	132,831.00	270,808.28	247,297.81	\$ 23,510.47
Detail:					
Other Expenses		132,831.00	270,808.28	247,297.81	23,510.47
<u>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</u> Capital Improvement Fund		50,000.00	50,000.00	-	-
<u>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</u> Payment of Bond Principal	1,325,700.00	1,325,700.00	1,325,700.00		50,000.00
Payment of Bond Anticipation Notes and Capital Notes	50,000.00	50,000.00			28.91
Interest on Bonds	165,600.00	165,600.00	165,571.09		100,000.00
Interest on Notes	100,000.00	100,000.00			
Total Municipal Debt Service--Excluded from "CAPS"	1,641,300.00	1,641,300.00	1,491,271.09	-	150,028.91
<u>DEFERRED CHARGES -- MUNICIPAL -- EXCLUDED FROM "CAPS"</u> Deferred Charges:					
Special Emergency Authorization - 5 year	6,000.00	6,000.00	6,000.00		
Deferred Charges to Future Taxation					
Ordinance 2018-06	173,475.17	173,475.17	173,475.17		
Ordinance 2015-7	5,869.28	5,869.28	5,869.28		
Ordinance 2018-13	8,700.00	8,700.00	8,700.00		
Total Deferred Charges--Municipal-- Excluded from "CAPS"	194,044.45	194,044.45	194,044.45	-	-

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
<u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u>					
Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	\$ 2,018,175.45	\$ 2,156,152.73	\$ 1,982,613.35	\$ -	\$ 23,510.47
Subtotal General Appropriations Reserve for Uncollected Taxes	15,446,896.45	15,584,873.73	13,459,815.53	390,986.68	1,584,042.61
	2,263,000.00	2,263,000.00	2,263,000.00	-	-
Total General Appropriations	<u>\$ 17,709,896.45</u>	<u>\$ 17,847,873.73</u>	<u>\$ 15,722,815.53</u>	<u>\$ 390,986.68</u>	<u>\$ 1,584,042.61</u>
Adopted Budget Appropriated by 40:4-87		\$ 17,709,896.45			
		<u>137,977.28</u>			
		<u>\$ 17,847,873.73</u>			
Reserve for Federal, State and Local Grants--Appropriated Due to Trust Other Fund			\$ 222,646.28		
Due to General Capital Fund			5,650.56		
Deferred Charge - Special Emergency Authorization			188,044.45		
Reserve for Uncollected Taxes			6,000.00		
Payroll and Related Deductions Payable Disbursed			2,263,000.00		
			7,062,351.90		
			<u>5,975,122.34</u>		
			<u>\$ 15,722,815.53</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, 2021 and 2020

<u>ASSETS</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
Animal Control:			
Cash--Treasurer	SB-1	\$ 31,544.15	\$ 38,281.90
Change Fund--Township Clerk	B	100.00	100.00
		<u>31,644.15</u>	<u>38,381.90</u>
Open Space:			
Cash--Treasurer	SB-1	1,496,217.65	2,143,889.51
Due from Current Fund	SB-9	325,000.00	167,919.59
		<u>1,821,217.65</u>	<u>2,311,809.10</u>
Length of Service Award Program:			
Investments - Length of Service Awards Program	SB-2	770,664.62	655,652.58
Other:			
Cash--Treasurer	SB-1	3,779,407.18	3,027,970.80
Due from Sewer Utility Operating	SB-15	3,000.00	3,000.00
Due from Current	SB-4		116,776.32
Accounts Receivable - Outside Police Employment	SB-5	9,050.00	4,040.00
		<u>3,791,457.18</u>	<u>3,151,787.12</u>
		<u>\$ 6,414,983.60</u>	<u>\$ 6,157,630.70</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control:			
Due to Current Fund	SB-6	\$ 16,000.00	\$ 19,135.45
Reserve for Animal Control	SB-7	15,644.15	19,246.45
		<u>31,644.15</u>	<u>38,381.90</u>
Open Space:			
Due to Capital Fund	SB-3		508,750.00
Reserve for Open Space	SB-8	1,762,717.65	1,763,759.10
Reserve for Payment of Debt	SB-10	58,500.00	39,300.00
		<u>1,821,217.65</u>	<u>2,311,809.10</u>

(Continued)

TOWNSHIP OF DELRAN
TRUST FUND
 Statements of Assets, Liabilities and Reserves-- Regulatory Basis
 As of December 31, 2021 and 2020

<u>LIABILITIES AND RESERVES (CONT'D)</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
Length of Service Award Program:			
Due to Current Fund	B	\$ 1,207.93	\$ 1,207.93
Reserve Length of Service Awards Program	SB-14	769,456.69	654,444.65
		<u>770,664.62</u>	<u>655,652.58</u>
Other:			
Accounts Payable	SB-11	118,616.27	101,169.62
Prepaid Outside Police Employment	SB-12	32,077.50	20,442.50
Due to Current Fund	SB-4	8,026.59	
Reserve for Miscellaneous Trust Reserves:			
Street Opening Deposits	SB-13	49,924.07	46,203.24
New Jersey Unemployment Insurance	SB-13	55,394.11	45,336.00
Planning Escrow Fund Deposits	SB-13	1,378,069.54	662,720.09
Affordable Housing Trust Funds	SB-13	1,041,109.84	966,675.58
Public Defender Fees	SB-13	4,000.00	8,940.62
Credit Card Program	SB-13	7,619.60	7,619.60
Parking Offense Adjudication Act	SB-13	860.00	854.00
Tax Sale Premiums	SB-13	559,100.00	695,600.00
Delran Day Donations	SB-13	10,938.64	10,938.64
Delran Events	SB-13	835.67	3,910.51
Deposits for Redemption of Tax Sale Certificates	SB-13	6,317.95	53,368.69
Performance/ Maintenance Escrows	SB-13	15,197.72	15,197.72
Police Emergency Service Equipment	SB-13	1,555.47	1,555.47
Special Law Enforcement	SB-13	14,078.88	29,170.07
Bike Patrol	SB-13	9,065.87	9,065.87
Jake's Place	SB-13	888.30	888.30
Storm Recovery	SB-13	81,397.13	75,746.57
Accumulated Absences	SB-13	365,221.03	365,221.03
Multiple-Dwelling Security Deposits	SB-13	14,626.39	14,626.39
Kenneth Johnston Memorial Fund	SB-13	319.23	319.23
Police Unclaimed Funds	SB-13	4,806.50	4,806.50
Easter Egg Hunt	SB-13	76.88	76.88
Community Park Donations	SB-13	9,534.00	9,534.00
Mayor's Great Grill Off	SB-13	1,800.00	1,800.00
		<u>3,791,457.18</u>	<u>3,151,787.12</u>
		<u>\$ 6,414,983.60</u>	<u>\$ 6,157,630.70</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
REVENUE REALIZED:		
Amount to be Raised by Taxation	\$ 325,000.00	\$ 325,000.00
Reserve for Open Space	3,668.91	65,815.00
Miscellaneous Revenue Not Anticipated	2,626.65	8,297.59
	<hr/>	<hr/>
Total Income	331,295.56	399,112.59
	<hr/>	<hr/>
EXPENDITURES:		
Budget Appropriations:		
Debt Service	328,668.10	390,815.00
	<hr/>	<hr/>
Excess - Reserve for Future Use	2,627.46	8,297.59
RESERVE FOR FUTURE USE:		
Balance Jan. 1	1,763,759.10	1,821,276.51
	<hr/>	<hr/>
	1,766,386.56	1,829,574.10
Decreased by:		
Utilization by Open Space Budget	3,668.91	65,815.00
	<hr/>	<hr/>
Balance Dec. 31	<u>\$ 1,762,717.65</u>	<u>\$ 1,763,759.10</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, 2021

	<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	3,668.91	3,668.91	
Miscellaneous Revenue Not Anticipated		2,626.65	\$ 2,626.65
	<u>\$ 328,668.91</u>	<u>\$ 331,295.56</u>	<u>\$ 2,626.65</u>

Analysis of Realized Revenues

Amount to be Raised by Taxation:	
Current Year Levy -- Due from Current Fund	<u>\$ 325,000.00</u>
Miscellaneous Revenue Not Anticipated:	
Interest on Deposits	<u>\$ 2,626.65</u>

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, 2021

	<u>Appropriations</u>	<u>Paid or</u>	<u>Unexpended</u>
	<u>Budget</u>	<u>Charged</u>	<u>Balance</u>
			<u>Canceled</u>
Debt Service:			
Payment of Bond Principal	\$ 268,300.00	\$ 268,300.00	
Interest on Bonds	60,368.91	60,368.10	\$ 0.81
	<u>\$ 328,668.91</u>	<u>\$ 328,668.10</u>	<u>\$ 0.81</u>
Disbursed		<u>\$ 328,668.10</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, 2021 and 2020

<u>ASSETS</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
Cash	SC-1	\$ 5,040,446.18	\$ 1,610,733.62
Grants Receivable	SC-3	334,706.87	334,706.87
Due From Trust - Open Space Fund	SC-9		508,750.00
Due From Federal, State and Local Grant Fund	SC-9	62,274.80	
Due From Current Fund	SC-9	155,056.42	372,287.71
Deferred Charges to Future Taxation:			
Funded	SC-4	9,113,000.00	10,707,000.00
Unfunded	SC-5	4,976,452.83	5,156,015.23
		<u>\$ 19,681,937.10</u>	<u>\$ 18,689,493.43</u>
 <u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
Serial Bonds Payable	SC-12	\$ 9,113,000.00	\$ 10,707,000.00
Bond Anticipation Note	SC-13	4,102,947.00	
Improvement Authorizations:			
Funded	SC-10	2,245,511.48	3,259,578.22
Unfunded	SC-10	1,164,474.12	3,479,098.57
Encumbrances/Contracts Payable	SC-11	1,496,543.29	778,671.48
Capital Improvement Fund	SC-6	117,032.32	111,932.32
Reserves for:			
Preliminary Expenses	SC-8	1,249.94	1,249.94
Payment of Bonds and Notes	SC-7	867,162.72	207,575.97
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-1	502,266.23	72,636.93
		<u>\$ 19,681,937.10</u>	<u>\$ 18,689,493.43</u>

There were bonds and notes authorized but not issued on December 31, 2021 totaling \$879,374.83 and 2020 totaling \$5,156,015.23.

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

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$	72,636.93
Increased by:			
Cash Received:			
Premium on Bond Anticipation Notes Issued	\$		43,661.51
Permanently Funded Improvement Authorizations Canceled			<u>385,967.79</u>
			<u>429,629.30</u>
Balance Dec. 31, 2021		\$	<u><u>502,266.23</u></u>

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, 2021 and 2020

<u>ASSETS</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
Operating Fund:			
Cash--Treasurer	SD-1	\$ 8,245,225.93	\$ 6,813,219.49
Change Fund--Collector	D	200.00	200.00
		<u>8,245,425.93</u>	<u>6,813,419.49</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-4	839,148.35	847,992.25
		<u>9,084,574.28</u>	<u>7,661,411.74</u>
Capital Fund:			
Cash--Treasurer	SD-1	2,770,053.18	1,351,766.77
New Jersey Infrastructure Bank Receivable	SD-3	248,063.00	1,523,620.00
Due from Sewer Utility Operating Fund	SD-5	1,253,914.21	194,482.35
Fixed Capital	SD-8	18,269,349.86	17,278,816.11
Fixed Capital Authorized and Uncompleted	SD-9	4,311,818.89	5,302,352.64
		<u>26,853,199.14</u>	<u>25,651,037.87</u>
		<u>\$ 35,937,773.42</u>	<u>\$ 33,312,449.61</u>

(Continued)

TOWNSHIP OF DELRAN
SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--
 Regulatory Basis
 As of December 31, 2021 and 2020

<u>LIABILITIES, RESERVES AND FUND BALANCES</u>	<u>Ref.</u>	<u>2021</u>	<u>2020</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3 & SD-10	\$ 547,548.85	\$ 642,767.20
Reserve for Encumbrances	D-3 & SD-10	214,869.27	133,432.21
Due to Current Fund	SD-5		86,400.95
Due to Trust--Other Fund	SD-5	3,000.00	3,000.00
Due to Sewer Utility Capital Fund	SD-5	1,253,914.21	194,482.35
Prepaid Connection Fees	SD-6	700,644.04	48,761.00
Sewer Rent Prepayments	SD-7	15,332.42	11,565.58
Accrued Interest on Notes and Loans	SD-11	3,993.76	4,327.09
Developer's Escrow Deposits	SD-12	38,909.19	43,685.82
		<u>2,778,211.74</u>	<u>1,168,422.20</u>
Reserves for Receivables	D	839,148.35	847,992.25
Fund Balance	D-1	<u>5,467,214.19</u>	<u>5,644,997.29</u>
Total Operating Fund		<u>9,084,574.28</u>	<u>7,661,411.74</u>
Capital Fund:			
Improvement Authorizations:			
Funded	SD-13	1,798,901.39	1,331,791.14
Unfunded	SD-13	1,597,446.00	1,928,590.00
Contracts Payable and Encumbrances	SD-14	232,216.30	470,844.28
Reserve for Amortization	SD-15	17,299,726.09	16,873,859.22
Reserve for Sanitary Sewer Repairs	SD-16	1,905,829.00	932,150.00
NJ Environmental Trust Loan Payable	SD-17	2,658,546.66	2,753,269.53
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	<u>10,083.70</u>	<u>10,083.70</u>
Total Capital Fund		<u>26,853,199.14</u>	<u>25,651,037.87</u>
		<u>\$ 35,937,773.42</u>	<u>\$ 33,312,449.61</u>

There were bonds and notes authorized but not issued on December 31, 2021 totaling \$1,597,446.00 and 2020 totaling \$1,928,590.00.

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, 2021 and 2020

<u>Revenue and Other Income Realized</u>	<u>2021</u>	<u>2020</u>
Surplus Utilized	\$ 1,750,000.00	\$ 2,557,000.00
Rents	3,798,193.16	3,725,419.44
Miscellaneous	64,949.46	101,201.17
Non-Budget Revenue	54,856.80	27,595.88
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	386,061.28	1,138,373.71
 Total Income	 <u>6,054,060.70</u>	 <u>7,549,590.20</u>
 <u>Expenditures</u>		
Operating	2,654,493.00	2,646,277.00
Capital Improvements	1,225,000.00	1,225,000.00
Debt Service	107,370.80	108,370.80
Deferred Charges and Statutory Expenditures	494,980.00	2,141,000.00
Contribution to Current Fund		300,000.00
 Total Expenditures	 <u>4,481,843.80</u>	 <u>6,420,647.80</u>
 Statutory Excess to Fund Balance	 1,572,216.90	 1,128,942.40
 <u>Fund Balance</u>		
Balance Jan. 1	<u>5,644,997.29</u>	<u>7,073,054.89</u>
	7,217,214.19	8,201,997.29
Decreased by:		
Utilization by Sewer Operating Budget	<u>1,750,000.00</u>	<u>2,557,000.00</u>
 Balance Dec. 31	 <u>\$ 5,467,214.19</u>	 <u>\$ 5,644,997.29</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, 2021

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess or <u>(Deficit)</u>
Surplus Utilized	\$ 1,750,000.00	\$ 1,750,000.00	
Rents	3,578,000.00	3,798,193.16	\$ 220,193.16
Miscellaneous	16,000.00	14,128.72	(1,871.28)
Interest on Delinquents	20,000.00	50,820.74	30,820.74
Budget Totals	\$ 5,364,000.00	\$ 5,613,142.62	\$ 249,142.62

Analysis of Realized Revenue:

Rents:

Consumer Accounts Receivable:

Collected

\$ 3,786,627.58

Overpayments Applied

11,565.58

\$ 3,798,193.16

Analysis of Miscellaneous Revenue:

Interest on Investments:

Collected in Sewer Utility Operating Fund

\$ 9,465.98

Other - Miscellaneous

2,556.25

12,022.23

Interest on Investments:

Collected in Sewer Utility Capital Fund

2,106.49

\$ 14,128.72

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, 2021

	Appropriations		Expended		Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	
Operating:					
Salaries and Wages	\$ 823,040.00	\$ 823,040.00	\$ 744,844.67		\$ 78,195.33
Other Expenses	1,832,273.00	1,831,453.00	1,387,022.72	\$ 142,920.27	301,510.01
Total Operating	2,655,313.00	2,654,493.00	2,131,867.39	142,920.27	379,705.34
Capital Improvements:					
Capital Outlay	225,000.00	225,000.00		71,949.00	153,051.00
Upgrade to Sewer Collection System	1,000,000.00	1,000,000.00	1,000,000.00		-
Total Capital Improvements	1,225,000.00	1,225,000.00	1,000,000.00	71,949.00	153,051.00
Debt Service:					
Principal & Interest on Loans	120,671.00	120,671.00	107,370.80		13,300.20
Total Debt Service	120,671.00	120,671.00	107,370.80	-	13,300.20
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Fund Ordinance 2017-09	1,200,000.00	1,200,000.00	331,144.00		868,856.00
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	90,016.00	90,836.00	90,836.00		
Social Security System (O.A.S.I.)	70,000.00	70,000.00	55,207.49		14,792.51
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	1,363,016.00	1,363,836.00	480,187.49	-	14,792.51
Total	\$ 5,364,000.00	\$ 5,364,000.00	\$ 3,719,425.68	\$ 214,869.27	\$ 547,548.85
Due to Sewer Utility Capital Fund			\$ 1,313,050.00		
Due to Trust Other Fund			3,000.00		
Accrued Interest			12,647.93		
Disbursed			<u>2,390,727.75</u>		
			<u>\$ 3,719,425.68</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, 2021

	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2021</u>
General Fixed Assets:				
Land and Land Improvements	\$ 5,892,481.14	\$ 49,510.00		\$ 5,941,991.14
Building	8,435,029.00	170,010.00		8,605,039.00
Equipment and Vehicles	5,639,965.70	279,626.55	\$ 219,755.00	5,699,837.25
	<hr/>			<hr/>
Total General Fixed Assets	\$ 19,967,475.84	\$ 499,146.55	\$ 219,755.00	\$ 20,246,867.39
	<hr/>			<hr/>
Total Investment in General Fixed Assets	\$ 19,967,475.84	\$ 499,146.55	\$ 219,755.00	\$ 20,246,867.39
	<hr/>			<hr/>

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, 2021

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. According to the 2020 census, the population is 17,882.

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 immediately 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 classified as uninsured and uncollateralized.

As of December 31, 2021, the Township's bank balances of \$36,299,382.73 were exposed to custodial credit risk as follows:

Insured by FDIC	\$ 500,000.00
Insured by GUDPA	33,920,652.56
Uninsured and Uncollateralized	<u>1,878,730.17</u>
Total	<u>\$ 36,299,382.73</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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Tax Rate	\$ 3.891	\$ 3.883	\$ 3.847	\$ 3.783	\$ 3.723
Apportionment of Tax Rate:					
Municipal	\$ 0.790	\$ 0.790	\$ 0.791	\$ 0.772	\$ 0.761
Municipal Open Space	0.022	0.022	0.022	0.023	0.023
County & County Library	0.425	0.434	0.417	0.419	0.386
County Open Space Preservation Trust Fund	0.023	0.024	0.034	0.028	0.043
Local School	2.474	2.454	2.422	2.383	2.353
Special District Rates:					
Fire District	0.157	0.159	0.161	0.158	0.157

Assessed Valuation

<u>Year</u>	<u>Assessed Valuation</u>
2021	\$ 1,427,628,287.00
2020	1,425,281,690.00
2019	1,415,647,482.00
2018	1,411,655,182.00
2017	1,407,526,492.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2021	\$ 55,677,559.80	\$ 54,943,411.71	98.68%
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%

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>
2021	\$ 235,557.47	\$ 682,863.53	\$ 918,421.00	1.65%
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%

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>
2021	12
2020	12
2019	12
2018	13
2017	13

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>
2021	\$ 282,015.00
2020	282,015.00
2019	282,015.00
2018	282,015.00
2017	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>
2021	\$ 847,992.25	\$ 3,838,248.28	\$ 4,686,240.53	\$ 3,847,092.18	82.09%
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%

Note 6: FUND BALANCES APPROPRIATED

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

<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>			
2021	\$ 9,993,978.34	\$ 4,345,800.00	43.48%
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%
<u>Sewer Utility Operating Fund</u>			
2021	\$ 5,467,214.19	\$ 2,685,000.00	49.11%
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%

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, 2021:

<u>Fund</u>	<u>Interfunds Receivables</u>	<u>Interfunds Payable</u>
Current Fund	\$ 25,234.52	\$1,815,358.98
Federal and State	1,335,302.56	62,274.80
Trust Fund - Animal Control		16,000.00
Trust Fund - Open Space	325,000.00	
Trust Fund - LOSAP		1,207.93
Trust Fund - Other	3,000.00	8,026.59
General Capital Fund	217,331.22	
Sewer Utility Operating Fund		1,256,914.21
Sewer Utility Capital Fund	1,253,914.21	
	<u>\$3,159,782.51</u>	<u>\$3,159,782.51</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 2022, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: PENSION PLANS

In June 2022, the New Jersey Division of Local Government Services issued Local Finance Notice 2022-12 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. 68, Accounting and Financial Reporting for Pensions. As of the date of this report, the information for the measurement period ended June 30, 2021 was not available; therefore, the information from the measurement period June 30, 2020 is disclosed below.

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

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

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

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

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

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

Vesting and Benefit Provisions

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

The following represents the membership tiers for PERS:

Tier Definition

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

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

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

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

The following represents the membership tiers for PFRS:

Tier Definition

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

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

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

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 was payable by April 1, 2021. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$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 was payable by April 1, 2021. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$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 was 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, 2021, employee contributions totaled \$5,026.74, and the Township's contributions were \$3,731.02. 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	<u>1,655,372.00</u>
	<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:

	<u>Deferred Outflows of Resources</u>			<u>Deferred Inflows of Resources</u>		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 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 ended 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 elected to contribute between \$100.00 and \$1,150.00 for the year ended December 31, 2021, per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator

For the year ended December 31, 2021, the Township's total expenditure, net of forfeitures of \$0.00, to the Plan was \$15,150.00.

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, 2021, 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.

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

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.

Forfeited Accounts - For the year ended December 31, 2021, 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 State Health Benefit Local Government Retired Employees Plan**

In June 2022, the New Jersey Division of Local Government Services issued Local Finance Notice 2022-12 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, 2021 was not available; therefore, the information from the measurement period June 30, 2020 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") annual financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

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

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

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

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

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

The Township was billed monthly by the Plan and paid \$24,020.74, for the year ended December 31, 2020, representing 0.43% of the Township's covered payroll. During the year ended December 31, 2020, retirees were required to contribute \$4,267.32 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.

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

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

General Information about the State Health Benefit Local Government Retired Employees Plan (Cont'd)

Special Funding Situation Component (Cont'd) - 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 participating employer is required to disclose in their respective notes to the financial statements, an expense and corresponding revenue, and their proportionate share of the OPEB expense allocated to the State under the special funding situation.

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 expense, on-behalf of the Township, is \$391,742.00 for the year ended December 31, 2020, representing (7.01%) of the Township's covered payroll.

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

OPEB Liability - At December 31, 2020 the Township's and State's proportionate share of the net OPEB liability were as follows:

Township's Proportionate Share of Net OPEB Liability	\$ 9,128,365.00
State of New Jersey's Proportionate Share of Net OPEB Liability Associated with the Township	<u>7,869,431.00</u>
	<u>\$ 16,997,796.00</u>

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020.

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, 2019 through June 30, 2020. For the June 30, 2020 measurement date, the Township's proportion was 0.050864% which was an increase of 0.005260% from its proportion measured as of the June 30, 2019 measurement date.

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 (Cont'd) - 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, 2019 through June 30, 2020. For the June 30, 2020 measurement date, the State's proportion on-behalf of the Township was 0.144068% which was an increase of 0.023311% from its proportion measured as of the June 30, 2019 measurement date.

OPEB (Benefit) Expense - At December 31, 2020, the Township's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date is (\$31,851.00). 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 made contributions to the Plan totaling \$24,020.74.

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2020, the Township had deferred outflows of resources and deferred inflows of resources related to 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	\$ 240,434.00	\$ 1,699,872.00
Changes of Assumptions	1,365,316.00	2,030,008.00
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	5,797.00	-
Changes in Proportion	1,023,787.00	1,243,457.00
Township Contributions Subsequent to the Measurement Date	12,339.90	-
	<u>\$ 2,647,673.90</u>	<u>\$ 4,973,337.00</u>

Deferred outflows of resources in the amount of \$12,339.90 will be included as a reduction of the Township's net OPEB liability during the year ending December 31, 2021.

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, 2018	-	8.14
June 30, 2019	-	8.05
June 30, 2020	7.87	-
Changes of Assumptions		
Year of OPEB Plan Deferral:		
June 30, 2017	-	8.04
June 30, 2018	-	8.14
June 30, 2019	-	8.05
June 30, 2020	7.87	-
Net Difference between Projected and Actual Investment 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	-
June 30, 2020	5.00	-
Changes in Proportion		
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
June 30, 2020	7.87	7.87

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,		
2021	\$	(594,767.00)
2022		(595,212.00)
2023		(595,931.00)
2024		(596,588.00)
2025		(329,543.00)
Thereafter		374,038.00
		<u>\$ (2,338,003.00)</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 Future Years	3.25% to 15.25%

* salary increases are based on years of service within the respective Plan

PERS mortality rates were based on Pub-2010 General classification headcount weighted mortality with fully generational morality improvement projections from the central year using Scale MP-2020.

PFRS mortality rates were based on Pub-2010 Safety classification headcount weighted mortality with fully generational morality improvement projections from the central year using Scale MP-2020.

Actuarial assumptions used in the June 30, 2019 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 (the "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, 2020 was 2.21%. 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 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.00% and decreases to a 4.5% long-term trend rate after seven years.

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

The net OPEB liability, calculated using a discount rate of 2.21%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used, is as follows:

	1% Decrease <u>(1.21%)</u>	Current Discount Rate <u>(2.21%)</u>	1% Increase <u>(3.21%)</u>
Township's Proportionate Share of the Net OPEB Liability	\$ 10,791,656.00	\$ 9,128,365.00	\$ 7,811,719.00
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Township	<u>9,303,330.00</u>	<u>7,869,431.00</u>	<u>6,734,369.00</u>
	<u>\$ 20,094,986.00</u>	<u>\$ 16,997,796.00</u>	<u>\$ 14,546,088.00</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 net OPEB liability, using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Township's Proportionate Share of the Net OPEB Liability	\$ 7,553,731.00	\$ 9,128,365.00	\$ 11,190,369.00
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Township	<u>6,511,962.00</u>	<u>7,869,431.00</u>	<u>9,647,055.00</u>
	<u>\$ 14,065,693.00</u>	<u>\$ 16,997,796.00</u>	<u>\$ 20,837,424.00</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 Four 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 OPEB Liability	0.050864%	0.045604%	0.048280%	0.050516%
Township's Proportionate Share of the Net OPEB Liability	\$ 9,128,365.00	\$ 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	<u>7,869,431.00</u>	<u>6,672,692.00</u>	<u>8,090,923.00</u>	<u>11,246,126.00</u>
Total	<u>\$ 16,997,796.00</u>	<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)	\$ 5,568,281.00	\$ 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	163.94%	116.16%	141.09%	187.19%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.91%	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 Four Years)

	<u>Year Ended December 31,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Required Contributions	\$ 24,020.74	\$ 16,195.34	\$ 16,999.92	\$ 21,202.15
Township's Contributions in Relation to the Required Contribution	<u>(24,020.74)</u>	<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>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 5,585,093.00	\$ 5,431,088.00	\$ 5,309,621.00	\$ 5,468,517.00
Township's Contributions as a Percentage of Covered Payroll	0.43%	0.30%	0.32%	0.39%

Other Notes to Supplementary OPEB Information

Changes in Benefit Terms - The actuarial valuation as of June 30, 2019 included updates to the provisions of Chapter 48, along with newly adopted changes in different levels of subsidy for employers.

Changes in Assumptions - The discount rate used as of the June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	2.21%	2018	3.87%
2019	3.50%	2017	3.58%

The expected investment rate of return is based on guidance provided by the State. These expected rates of return are the same as the discount rates listed above.

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included changes in the trend, repealment of the excise tax, and updated mortality improvement assumptions.

The health care trend assumption is used to project the growth of the expected claims over the lifetime of the health care recipients. Medical and prescription drug trend rates are determined by utilizing experience data, industry experience which includes surveys and Aon trend guidance. These rates are adjusted further to be appropriate with respect to the plan provisions. For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage rates for Plan Years 2019 through 2022 are reflected. For Plan Year 2023 the Medicare Advantage trend rate includes an assumed increase in the premiums based on recent experience and discussions with the Medicare Advantage vendor. The assumed post-65 medical trend is 4.50% for all future years. For prescription drug benefits, the initial trend rate is 7.00% decreasing to a 4.50% long-term trend rate after seven years.

On October 21, 2020, the Society of Actuaries (SOA) released an updated set of life expectancy mortality improvement assumptions, Scale MP-2020. The MP-2020 scale reflects more recent mortality data for the U.S. population.

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, 2021, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

	<u>December 31, 2021</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><u>74</u></u>

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

Total OPEB Liability

The Township's total OPEB liability of \$1,325,956.00 was measured as of December 31, 2021 and was determined by an actuarial valuation as of January 1, 2021.

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	2.25%
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, 2021 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		\$ 1,384,469.00
Changes for the Year:		
Service Cost	\$ 41,704.00	
Interest Cost	26,131.00	
Benefit Payments	(61,079.00)	
Actuarial Assumption Changes	(40,639.00)	
Difference between expected and actual experience	<u>(24,630.00)</u>	
Net Changes		<u>(58,513.00)</u>
Balance at End of Year		<u><u>\$ 1,325,956.00</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 1.93% at December 31, 2020 to 2.25% at December 31, 2021.

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>(1.25%)</u>	Current Discount Rate <u>(2.25%)</u>	1.00% Increase <u>(3.25%)</u>
Total OPEB Liability	<u>\$ 1,453,011.00</u>	<u>\$ 1,325,956.00</u>	<u>\$ 1,198,899.00</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>\$ 1,150,221.00</u>	<u>\$ 1,325,956.00</u>	<u>\$ 1,536,795.00</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, 2021, the Township recognized OPEB expense of \$79,726.00. As of December 31, 2021, 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	\$ 165,619.00	\$ 36,124.00
Difference between expected and actual experience	<u>13,749.00</u>	<u>69,561.00</u>
	<u>\$ 179,368.00</u>	<u>\$ 105,685.00</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>	
2022	\$ 11,891.00
2023	11,891.00
2024	11,891.00
2025	11,891.00
2026	11,891.00
Thereafter	<u>14,228.00</u>
	<u>\$ 73,683.00</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 Four Years)

	Plan Measurement Date December 31,			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Cost	\$ 41,704.00	\$ 34,155.00	\$ 32,472.00	\$ 29,737.00
Interest Cost	26,131.00	38,717.00	43,233.00	41,895.00
Benefit Payments	(61,079.00)	(71,580.00)	(61,989.00)	(53,634.00)
Actuarial Assumption Changes	(40,639.00)	165,200.00	53,046.00	
Differences Between Expected and Actual Experience	<u>(24,630.00)</u>	<u>(5,466.00)</u>	<u>(62,022.00)</u>	<u>22,913.00</u>
Net Change in Total OPEB Liability	(58,513.00)	161,026.00	4,740.00	40,911.00
Total OPEB Liability - January 1,	<u>1,384,469.00</u>	<u>1,223,443.00</u>	<u>1,218,703.00</u>	<u>1,177,792.00</u>
Total OPEB Liability - December 31,	<u>\$ 1,325,956.00</u>	<u>\$ 1,384,469.00</u>	<u>\$ 1,223,443.00</u>	<u>\$ 1,218,703.00</u>
Covered-Employee Payroll	\$ 6,701,742.00	\$ 6,564,462.00	\$ 6,798,062.00	\$ 6,588,724.00
Total OPEB Liability as a Percentage of Covered-Employee Payroll	19.79%	21.09%	18.00%	18.50%

Other Notes to Supplementary OPEB Information**Changes in Benefit Terms - None**

Changes in Assumptions – The discount rate used as of the December 31 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	2.25%	2019	3.26%
2020	1.93%	2018	3.64%

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. Vacation days and comp time earned during the year are also allowed to be carried forward to the subsequent year.

The Township compensates employees for unused sick leave, vacation and comp time upon termination or retirement. The current policy provides one compensated day for every two days accumulated for sick leave and full pay for vacation and comp time. There are various maximums for sick time, dependent on the applicable union or contract, but there is no cap for vacation or comp time.

The Township has established a compensated absences trust fund to set aside funds for future payments of compensated absences. At December 31, 2021, the balance of the fund was \$365,569.29. It is estimated that, at December 31, 2021, accrued benefits for compensated absences are valued at \$801,376.39.

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>	
2022	\$ 1,242,000.00	\$ 164,840.00	\$ 97,000.00	\$ 34,840.00	\$ 1,538,680.00
2023	1,000,000.00	140,000.00	101,000.00	30,960.00	1,271,960.00
2024	1,000,000.00	120,000.00	98,000.00	26,920.00	1,244,920.00
2025	1,000,000.00	100,000.00	105,000.00	23,000.00	1,228,000.00
2026	1,000,000.00	80,000.00	114,000.00	17,600.00	1,211,600.00
2027-2029	3,000,000.00	120,000.00	356,000.00	29,040.00	3,505,040.00
	<u>\$ 8,242,000.00</u>	<u>\$ 724,840.00</u>	<u>\$ 871,000.00</u>	<u>\$ 162,360.00</u>	<u>\$10,000,200.00</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 Bank Loans (Cont'd)**

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 Interest</u>	<u>Total</u>
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	99,722.87	7,481.26	107,204.13
2027-2031	523,614.35	24,656.30	548,270.65
2032-2033	97,461.96	3,368.76	100,830.72
	<u>\$ 2,658,546.66</u>	<u>\$ 75,931.36</u>	<u>\$ 2,734,478.02</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>2021</u>	<u>2020</u>	<u>2019</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 13,215,947.00	\$ 10,707,000.00	\$ 12,799,000.00
Sewer Utility:			
Loans and Notes	2,658,546.66	2,753,269.53	1,309,136.40
Total Issued	<u>15,874,493.66</u>	<u>13,460,269.53</u>	<u>14,108,136.40</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	879,374.83	5,156,015.23	2,993,067.83
Sewer Utility:			
Bonds and Notes	1,597,446.00	1,928,590.00	5,451,446.00
Total Authorized but Not Issued	<u>2,476,820.83</u>	<u>7,084,605.23</u>	<u>8,444,513.83</u>
Total Issued and Authorized but Not Issued	<u>18,351,314.49</u>	<u>20,544,874.76</u>	<u>22,552,650.23</u>
Deductions:			
Funds Temporarily Held To Pay Notes	873,031.72	246,875.97	232,575.97
Self-liquidating Debt	4,255,992.66	4,681,859.53	6,760,582.40
Total Deductions	<u>5,129,024.38</u>	<u>4,928,735.50</u>	<u>6,993,158.37</u>
Net Debt	<u>\$ 13,222,290.11</u>	<u>\$ 15,616,139.26</u>	<u>\$ 15,559,491.86</u>

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 0.795%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 17,155,000.00	\$ 17,155,000.00	
Sewer Utility	4,255,992.66	4,255,992.66	
General	14,095,321.83	873,031.72	\$ 13,222,290.11
	<u>\$ 35,506,314.49</u>	<u>\$ 22,284,024.38</u>	<u>\$ 13,222,290.11</u>

Net Debt \$13,222,290.11 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,663,221,865.33 equals 0.795%.

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

3.5% of Equalized Valuation Basis (Municipal)	\$ 58,212,765.29
Net Debt	<u>13,222,290.11</u>
Remaining Borrowing Power	<u>\$ 44,990,475.18</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	\$ 5,667,999.42
Deductions:	
Operating and Maintenance Cost	\$ 2,654,493.00
Debt Service per Sewer Fund	<u>107,370.80</u>
Total Deductions	<u>2,761,863.80</u>
Excess in Revenue	<u>\$ 2,906,135.62</u>

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

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, 2021, 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</u> <u>December 31, 2021</u>	<u>2022</u> <u>Budget</u> <u>Appropriation</u>
Special Emergency Authorization	\$ 18,000.00	\$ 6,000.00

The appropriations in the 2022 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</u> <u>Contributions</u>	<u>Interest</u> <u>Earnings</u>	<u>Claims</u> <u>Paid</u>	<u>Ending</u> <u>Balance</u>
2021	\$ 3,000.00	\$ 9,148.24	\$ 8.72	\$ 2,098.85	\$ 66,680.53
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

At December 31, 2021, outstanding claims were \$2,098.85.

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, 2021, 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. The Township settled one matter of litigation for \$300,000.00. This amount was budgeted for and paid in 2021.

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, 2021, 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 in the year ending December 31, 2021 and the other half will be received 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.

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:		
Development and Construction of Bikeway	May 10, 2022	\$ 1,407,000.00
Various Capital Improvements and Acquisition of Capital Equipment	May 10, 2022	\$ 1,190,350.00
Various Roadway Improvements	May 10, 2022	\$ 1,455,000.00
Various Roadway Improvements as Part of the Safe Streets to Transit Program	May 10, 2022	\$ 665,000.00
Utility Capital Fund:		
Bonds and Notes:		
Completion of Water Tank Improvements	June 14, 2022	\$ 4,650,000.00
Completion of Sewer Line Rehabilitation And Improvements	June 14, 2022	\$ 2,100,000.00

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, 2021

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2020	\$ 14,043,721.73	\$ -
Increased by Receipts:		
Collector	\$ 55,572,130.30	
Miscellaneous Revenue Not Anticipated	234,166.68	
Revenue Accounts Receivable	1,129,983.13	
Due from State of New Jersey - Senior Citizens' and Veterans' Deductions	123,712.15	
Energy Tax Receipts	1,279,101.00	
Rental of Office Space to Delran Fire Commission	21,600.00	
Prepaid Mercantile Licenses	42,276.00	
Due to State of New Jersey - Marriage License Fees	2,600.00	
Due to State of New Jersey - D.C.A. Training Fees	60,810.00	
Due To/From Federal, State and Local Grant Fund	904,952.66	
Due to/from Sewer Utility Operating Fund	86,400.95	
Due to/from Trust - Animal Control	3,135.45	
Match Grant Funds -- Current Fund		\$ 44,669.00
Federal, State and Local Grants		<u>1,041,802.06</u>
	<u>59,460,868.32</u>	<u>1,086,471.06</u>
Carried Forward	73,504,590.05	1,086,471.06

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Current Cash per N.J.S. 40A:5-5 -- Treasurer
For the Year Ended December 31, 2021

	<u>Regular</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$73,504,590.05	\$ 1,086,471.06
Decreased by Disbursements:		
2021 Appropriations	\$ 5,975,122.34	
2020 Appropriation Reserves and Encumbrances	561,658.99	
Accounts Payable	54,319.63	
Payroll and Related Deductions Payable	7,081,567.06	
Local District School Taxes	35,307,618.02	
County Taxes	6,380,863.00	
County Share of Added and Omitted Taxes	6,741.10	
Special Fire District Tax	2,803,712.75	
Due to State of New Jersey--Marriage License Fees	2,650.00	
Due to State of New Jersey--D.C.A. Training Fees	50,752.00	
Due to/from Trust - Other Fund	128,543.44	
Due to/from Trust - Open Space Fund	167,919.59	
Due to/from General Capital Fund	378,156.99	
Reserve for Master Plan	14,370.75	
Matching Funds for Grants	44,669.00	
Federal and State Grant Fund:		
Due to/from Current Fund		904,952.66
Reserve for Encumbrances		39,047.59
Federal, State and Local Grants		<u>142,470.81</u>
	<u>58,958,664.66</u>	<u>1,086,471.06</u>
Balance Dec. 31, 2021	<u>\$14,545,925.39</u>	<u>\$ -</u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Current Cash per N.J.S. 40A:5-5 -- Collector
For the Year Ended December 31, 2021

Cash Receipts:	
Taxes Receivable	\$ 55,006,392.02
Interest and Costs on Taxes	152,130.82
Tax Title Liens	1,540.82
Prepaid Taxes	<u>412,066.64</u>
	55,572,130.30
Decreased by:	
Direct Deposits to Treasurer's Bank Account	<u><u>\$ 55,572,130.30</u></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, 2021

Balance Dec. 31, 2020		\$ 6,550.06
Increased by:		
Receipts		<u>123,712.15</u>
		130,262.21
Decreased by:		
Accrued in 2021		
Senior Citizens' Deductions per Tax Billings	\$ 11,500.00	
Veterans' Deductions per Tax Billings	<u>97,750.00</u>	
	109,250.00	
Senior Citizens' and Veterans' Deductions Allowed by Tax Collector	<u>10,250.00</u>	
	119,500.00	
Deduct:		
Senior Citizens' & Veterans' Deductions Disallowed by Tax Collector	<u>1,481.41</u>	
Subtotal 2021 Tax Accrual	118,018.59	
Deduct:		
Prior Year Senior Citizens' Deductions Disallowed by Tax Collector	<u>1,000.00</u>	
		<u>117,018.59</u>
Balance Dec. 31, 2021		<u><u>\$ 13,243.62</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND

Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2021

Year	Balance Dec. 31, 2020	2021 Levy	Added Taxes	2020 Collections	2021 Collections	Due from State of New Jersey	Canceled	Transfer to Tax Title Liens	Balance Dec. 31, 2021
2020	\$ 592,516.90		\$ 1,000.00		\$ 592,629.49			\$ 887.41	
2021		\$ 55,677,559.80		\$ 411,630.59	54,413,762.53	\$ 118,018.59	\$ 27,450.23	23,834.33	\$ 682,863.53
	\$ 592,516.90	\$ 55,677,559.80	\$ 1,000.00	\$ 411,630.59	\$ 55,006,392.02	\$ 118,018.59	\$ 27,450.23	\$ 24,721.74	\$ 682,863.53

Analysis of 2021 Tax Levy

<u>Tax Yield</u>									
General Purpose Tax					\$ 53,293,860.45				
Special District Tax					2,236,124.00				
Added Taxes (54:4-63.1 et seq.)					<u>147,575.35</u>				
									<u>\$55,677,559.80</u>
<u>Tax Levy</u>									
Local District School Tax									
County Taxes:									
County Tax					\$ 5,561,413.64				
County Library Tax					493,988.16				
County Open Space Taxes					325,461.20				
Due County for Added Taxes					<u>14,801.86</u>				
Total County Taxes									6,395,664.86
Fire District No. 1 Tax									2,236,124.00
Local Tax for Municipal Purposes					11,278,695.45				
Local Open Space Tax					325,000.00				
Add: Additional Tax Levied					<u>132,773.49</u>				
Local Tax for Municipal Purposes Levied									<u>11,736,468.94</u>
									<u>\$55,677,559.80</u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Tax Title Liens Receivable
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$ 212,349.93
Increased by:		
Transferred from Taxes Receivable	\$ 24,721.74	
Interest and Costs	<u>26.62</u>	
		<u>24,748.36</u>
		237,098.29
Decreased by:		
Receipts--Collector		<u>1,540.82</u>
Balance Dec. 31, 2021		<u><u>\$ 235,557.47</u></u>

Exhibit SA-6

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Prepaid Licenses
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$ 36,718.00
Increased by:		
Receipts		<u>42,276.00</u>
		78,994.00
Decreased by:		
Realized as Miscellaneous Revenue - Licenses - Other		<u>36,718.00</u>
Balance Dec. 31, 2021		<u><u>\$ 42,276.00</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of 2020 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2021

	Balance Dec. 31,		Balance After Modification	Disbursed	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
OPERATIONS--WITHIN "CAPS"					
<u>Department of Administration</u>					
Division of Administration:					
Business Administration Office					
Salaries and Wages		\$ 48,963.10	\$ 48,963.10		\$ 48,963.10
Other Expenses	\$ 2,448.69	9,044.83	11,493.52	\$ 4,685.91	6,807.61
Mayor and Council					
Salaries and Wages		44.84	44.84		44.84
Other Expenses	739.12	5,649.88	6,389.00	759.12	5,629.88
Public Relations					
Other Expenses	54.99	5,245.44	5,300.43	60.32	5,240.11
Office of Municipal Clerk					
Salaries and Wages		25,515.56	25,515.56		25,515.56
Other Expenses	1,070.97	9,455.81	10,526.78	1,226.33	9,300.45
Insurance					
General Liability		68.00	68.00		68.00
Workers Compensation		160.00	160.00		160.00
Employee Group Health	19,672.25	253,400.11	273,072.36	23,981.20	249,091.16
Health Benefit Waiver		4,000.00	4,000.00		4,000.00
<u>Department of Finance</u>					
Division of Accounts and Controls:					
Municipal Auditor					
Audit Services		1,632.00	1,632.00		1,632.00
Division of Treasury:					
Treasurer					
Salaries and Wages		6,414.14	6,414.14		6,414.14
Other Expenses	4,224.35	1,162.13	17,386.48	14,248.36	3,138.12
Division of Revenue:					
Bureau of Assessments					
Salaries and Wages		3,555.30	3,555.30		3,555.30
Other Expenses	3,326.66	24,536.06	27,862.72	3,584.99	24,277.73
Bureau of Collections					
Salaries and Wages		30,532.53	30,532.53		30,532.53
Other Expenses		8,177.08	8,177.08		8,177.08
<u>Department of Engineering</u>					
Township Engineer					
Other Expenses	1,214.00	22,082.25	23,296.25	1,214.00	22,082.25
<u>Department of Law</u>					
Township Solicitor					
Other Expenses		11,490.49	11,490.49	9,345.00	2,145.49
<u>Department of Public Safety</u>					
Division of Police:					
Police					
Salaries and Wages		357,031.48	357,031.48	30,889.86	326,141.62
Other Expenses	168,010.05	19,506.04	187,516.09	151,362.32	36,153.77
School Traffic Guards					
Salaries and Wages		17,737.47	17,737.47		17,737.47
Other Expenses	1,994.15	5.85	2,000.00		2,000.00
Municipal Court					
Salaries and Wages		16,978.72	16,978.72		16,978.72
Other Expenses	703.86	7,096.79	7,800.65	814.11	6,986.54
Public Defender					
Other Expenses		7,165.00	7,165.00		7,165.00
Division of Emergency Management:					
Office of Emergency Management					
Salaries and Wages		0.04	0.04		0.04
Other Expenses		1,000.00	1,000.00		1,000.00

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of 2020 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2021

	Balance Dec. 31,		Balance After Modification	Disbursed	Balance Lapsed
	<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		\$ 53,152.98	\$ 53,152.98		\$ 53,152.98
Other Expenses	\$ 19,446.63	8,866.78	28,313.41	\$ 23,132.77	5,180.64
Snow Removal - Condominium Services		20,000.00	20,000.00	5,432.54	14,567.46
Solid Waste Collection					
Other Expenses		67,965.55	67,965.55	42,499.70	25,465.85
Recycling					
Salaries and Wages		5,341.42	5,341.42		5,341.42
Other Expenses	2,663.61	2,020.30	4,683.91	2,663.61	2,020.30
Public Buildings and Grounds					
Other Expenses	14,826.46	5,384.77	20,211.23	14,330.05	5,881.18
Division of Parks and Recreation:					
Recreation Committee					
Salaries and Wages		9,913.01	9,913.01		9,913.01
Other Expenses		27,834.81	18,434.81		18,434.81
Juvenile Conference Committee					
Other Expenses		1,000.00	1,000.00		1,000.00
<u>Department of Health</u>					
Division of Health:					
Salaries and Wages		1,772.30	1,772.30		1,772.30
Other Expenses	185.53	14.47	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		40.80	40.80		40.80
Other Expenses	22,618.61	416.50	27,035.11	25,638.60	1,396.51
Municipal Prosecutor					
Other Expenses		7,588.60	7,588.60	3,893.76	3,694.84
Planning Board					
Salaries and Wages		2,107.80	2,107.80		2,107.80
Other Expenses	498.00	6,835.06	7,333.06	653.42	6,679.64
Council on Affordable Housing					
Other Expenses	410.00	17,970.79	18,380.79	829.00	17,551.79
Landfill/Solid Waste Disposal Costs					
		139,080.01	139,080.01	48,375.91	90,704.10
Utility Purchases and Bulk Purchases					
Electricity/Gas	11,036.64	26,502.92	37,539.56	23,710.34	13,829.22
Street Lighting	18,567.48	73,840.20	92,407.68	30,554.69	61,852.99
Telephone		1,198.07	1,198.07	208.95	989.12
Water		26,239.19	26,239.19	1,162.23	25,076.96
Gasoline	22,736.47	104,744.21	127,480.68		127,480.68
Traffic Lights	2,084.44	18,636.71	20,721.15		20,721.15
P.L. 2000 Chapter 26:					
Solid Waste Service to Apartments					
Collection		87,078.45	87,078.45	58,308.04	28,770.41
Disposal		63,630.14	63,630.14	19,026.68	44,603.46
State Uniform Construction Code:					
Construction Official					
Salaries and Wages		41,949.61	41,949.61		41,949.61
Other Expenses	1,770.08	32,601.01	34,371.09	40.08	34,331.01
<u>Unclassified</u>					
Salary Adjustment		5,000.00	5,000.00		5,000.00
Green Team Other Expenses		3,754.90	3,754.90	1,159.00	2,595.90
Interest on Developers Deposits		2,000.00	2,000.00		2,000.00
Total Operations--Within "CAPS"	320,303.04	1,778,132.30	2,105,035.34	543,976.42	1,561,058.92

(Continued)

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of 2020 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2021

	Balance Dec. 31,		Balance After Modification	Disbursed	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
<u>OPERATIONS--WITHIN "CAPS" (CONT'D):</u>					
Contingent		\$ 5,000.00	\$ 5,000.00		\$ 5,000.00
Total Operations Including Contingent--Within "CAPS"	\$320,303.04	1,783,132.30	2,110,035.34	\$543,976.42	1,566,058.92
<u>DEFERRED CHARGES AND STATUTORY</u>					
<u>EXPENDITURES MUNICIPAL--WITHIN "CAPS"</u>					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		53,578.78	41,578.78	2,363.07	39,215.71
Defined Contribution Retirement Program		1,395.11	1,395.11		1,395.11
Unemployment Compensation Insurance		1,000.00	1,000.00	169.50	830.50
Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"	-	55,973.89	43,973.89	2,532.57	41,441.32
Total General Appropriations for Municipal Purposes Within--"CAPS"	320,303.04	1,839,106.19	2,154,009.23	546,508.99	1,607,500.24
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Statutory Expenditures:					
Length of Service Awards Program		10,000.00	15,400.00	15,150.00	250.00
Landfill Recycling Fees		9,678.18	9,678.18		9,678.18
Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	-	19,678.18	25,078.18	15,150.00	9,928.18
Total General Appropriations	\$320,303.04	\$1,858,784.37	\$2,179,087.41	\$561,658.99	\$1,617,428.42

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Due to State of New Jersey - Marriage License Fees
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 500.00
Increased by:	
State Fees Collected	2,600.00
	3,100.00
Decreased by:	
State Fees Disbursed	2,650.00
Balance Dec. 31, 2021	\$ 450.00

Exhibit SA-10

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2021

Balance Dec. 31, 2020 (2021 Taxes)	\$ 411,630.59
Increased by:	
Collections-- 2022 Taxes -- Collector	412,066.64
	823,697.23
Decreased by:	
Application to 2021 Taxes Receivable	411,630.59
Balance Dec. 31, 2021 (2022 Taxes)	\$ 412,066.64

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, 2021

Balance Dec. 31, 2020	\$ 4,390.00
Increased by:	
State Fees Collected	60,810.00
	65,200.00
Decreased by:	
Disbursements	50,752.00
Balance Dec. 31, 2021	\$ 14,448.00

Exhibit SA-12

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$101,169.20
Decreased by:	
Disbursements	54,319.63
Balance Dec. 31, 2021	\$ 46,849.57

Exhibit SA-13

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Deferred Charges - Special Emergency Authorizations (40A:4-55)
For the Year Ended December 31, 2021

Date <u>Authorized</u>	Purpose <u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	1/5 of <u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Dec. 31, 2021</u>
11/12/2019	Master Plan	\$ 30,000.00	\$ 6,000.00	\$ 24,000.00	\$ 6,000.00	\$ 18,000.00

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Payroll Deductions Payable
 For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$	23,939.19
Increased by:		
Charges to Budget Appropriation		<u>7,062,351.90</u>
		7,086,291.09
Decreased by:		
Disbursements		<u>7,081,567.06</u>
Balance Dec. 31, 2021	\$	<u><u>4,724.03</u></u>

Exhibit SA-15

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of Special District Taxes Payable
 For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$	567,588.75
Increased by:		
2021 Levy--Fire District No. 1		<u>2,236,124.00</u>
		2,803,712.75
Decreased by:		
Disbursements		<u><u>\$ 2,803,712.75</u></u>

Exhibit SA-16

TOWNSHIP OF DELRAN
CURRENT FUND
 Statement of County Taxes Payable
 For the Year Ended December 31, 2021

Levy--Calendar Year 2021		
County Tax	\$	5,561,413.64
County Library Tax		493,988.16
County Open Space Taxes		<u>325,461.20</u>
		\$ 6,380,863.00
Decreased by:		
Disbursements		<u><u>\$ 6,380,863.00</u></u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		
Added Taxes (2019)	\$ 318.64	
Added Taxes (2020)	<u>6,422.46</u>	
		\$ 6,741.10
Increased by County Share of 2021 Levy:		
Added Taxes (2020)	81.17	
Added Taxes (2021)	<u>14,720.69</u>	
		<u>14,801.86</u>
Decreased by:		21,542.96
Disbursements		<u>6,741.10</u>
Balance Dec. 31, 2021		
Added Taxes (2020)	81.17	
Added Taxes (2021)	<u>14,720.69</u>	
		<u>\$ 14,801.86</u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Local District School Tax Payable
For the Year Ended December 31, 2021

Levy--Calendar Year 2021		\$35,309,302.00
Decreased by:		
Disbursements		<u>35,307,618.02</u>
Balance Dec. 31, 2021		<u>\$ 1,683.98</u>

TOWNSHIP OF DELRAN
CURRENT FUND
Statement of Reserve for Master Plan
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$ 21,037.35
Decreased by:		
Disbursements		<u>14,370.75</u>
Balance Dec. 31, 2021		<u>\$ 6,666.60</u>

TOWNSHIP OF DELRAN
FEDERAL, STATE AND LOCAL GRANT FUND
 Statement of Federal, State and Local Grants Receivable
 For the Year Ended December 31, 2021

<u>Program</u>	<u>Balance Dec. 31, 2020</u>	<u>Federal and State Grant Funds Receivable</u>	<u>Cash Receipts</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2021</u>
Federal:					
American Rescue Plan (ARP) Funds	\$ -	\$ 863,096.90	\$ 863,096.90	\$ -	\$ -
Total Federal					
State:					
Body Armor Replacement Fund		3,771.80	3,771.80		
New Jersey Department of Transportation:					
Municipal Aid - Conrow Road Improvements	403,899.61				403,899.61
Recycling Tonnage		33,859.61	33,859.61		
Clean Communities Program		33,362.96	33,362.96		
Municipal Court - Alcohol Education and Rehabilitation Program		1,135.99	1,135.99		
Safe and Secure Communities Program		52,400.00	44,300.00		8,100.00
Total State	403,899.61	124,530.36	116,430.36	-	411,999.61
Local:					
Burlington County Barrier Compliance	75,000.00		62,274.80	12,725.20	
Burlington County Park Grant	250,000.00				250,000.00
Total Local	325,000.00	-	62,274.80	12,725.20	250,000.00
Total	\$ 728,899.61	\$ 987,627.26	\$ 1,041,802.06	\$ 12,725.20	\$ 661,999.61

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, 2021

<u>Program</u>	<u>Balance Dec. 31, 2020</u>	<u>Federal and State Grant Funds Receivable</u>	<u>Miscellaneous Revenue in 2021 Budget</u>	<u>Balance Dec. 31, 2021</u>
Federal:				
American Rescue Plan (ARP) Funds	\$ -	\$ 863,096.90		\$ 863,096.90
Total Federal	\$ -	\$ 863,096.90	-	863,096.90
State:				
Body Armor Replacement Fund		3,771.80	2,218.72	1,553.08
Clean Communities Grant Program		33,362.96	33,362.96	
Municipal Court - Alcohol Education and Rehabilitation Program		1,135.99	1,135.99	
Recycling Tonnage Grant		33,859.61	33,859.61	
Safe and Secure Communities Program	75,000.00	52,400.00	107,400.00	20,000.00
Total State	75,000.00	124,530.36	177,977.28	21,553.08
	<u>\$ 75,000.00</u>	<u>\$ 987,627.26</u>	<u>\$ 177,977.28</u>	<u>\$ 884,649.98</u>

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, 2021

<u>Program</u>	<u>Balance Dec. 31, 2020</u>	<u>Transferred from Budget Appropriations</u>	<u>Paid or Charged</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2021</u>
Federal:					
Bulletproof Vest Partnership Grant	\$ 2,802.00				\$ 2,802.00
Total Federal	\$ 2,802.00	\$ -	\$ -	\$ -	\$ 2,802.00
State:					
Body Armor Replacement Fund		2,218.72	2,218.72		
New Jersey Department of Transportation:					
Municipal Aid - Conrow Road Improvements	403,899.61				403,899.61
Drunk Driving Enforcement Fund	44,507.54				44,507.54
Clean Communities Grant Program	96,312.33	33,362.96	37,701.67		91,973.62
Governor's Council on Drug Abuse - Municipal Drug Alliance	7,623.39				7,623.39
Municipal Court - Alcohol Education and Rehabilitation Program	111,039.91	1,135.99	1,307.37		110,868.53
Recycling Tonnage Grant	120,711.39	33,859.61	26,330.12		128,240.88
Safe and Secure Communities Program	136,691.00	152,069.00	78,952.33	203,385.25	6,422.42
Total State	920,785.17	222,646.28	146,510.21	203,385.25	793,535.99
Local:					
Burlington County Barrier Compliance	75,000.00		62,274.80	12,725.20	
Burlington County Park Grant	250,000.00				250,000.00
Total Local	325,000.00	-	62,274.80	12,725.20	250,000.00
	<u>\$ 1,248,587.17</u>	<u>\$ 222,646.28</u>	<u>\$ 208,785.01</u>	<u>\$ 216,110.45</u>	<u>\$ 1,046,337.99</u>
Disbursed			\$ 142,470.81		
Due Capital			62,274.80		
Current Year Encumbrances			4,039.40		
			<u>\$ 208,785.01</u>		
Due Current Fund				\$ 203,385.25	
Federal, State and Local Grant Receivable				<u>12,725.20</u>	
				<u>\$ 216,110.45</u>	

TOWNSHIP OF DELRAN
FEDERAL, STATE AND LOCAL GRANT FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 39,047.59
Increased by:	
Encumbered	<u>4,039.40</u>
	43,086.99
Decreased by:	
Cash Disbursed	<u>39,047.59</u>
Balance Dec. 31, 2021	<u><u>\$ 4,039.40</u></u>

TOWNSHIP OF DELRAN
FEDERAL, STATE AND LOCAL GRANT FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 633,735.15
Cash Disbursed:	
Interfund Advanced	<u>904,952.66</u>
	1,538,687.81
Decreased by:	
Cancellation of Appropriated Reserves	<u>203,385.25</u>
Balance Dec. 31, 2021	<u><u>\$ 1,335,302.56</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, 2021

	<u>Animal Control</u>	<u>Open Space</u>	<u>Other</u>
Balance Dec. 31, 2020	\$ 38,281.90	\$2,143,889.51	\$3,027,970.80
Increased by Receipts:			
Dog License Fees	\$ 7,238.80		
Cat License Fees	611.00		
Late Registration Fees	140.00		
State Registration Fees	805.20		
Reserve for Open Space Trust Fund	\$ 2,626.65		
Reserve for Payment of Debt	19,200.00		
Due from Current Fund	167,919.59		
Miscellaneous Trust Reserves			\$ 130,453.47
Prepaid Outside Police			2,534,763.50
Due from Sewer Utility Operating Fund			32,077.50
	<u>8,795.00</u>	<u>189,746.24</u>	<u>2,700,294.47</u>
	47,076.90	2,333,635.75	5,728,265.27
Decreased by Disbursements:			
Expenditures Under R.S.4:19-15.11	11,592.10		
State Registration Fees	805.20		
Due to Current Fund	3,135.45		
Due to General Capital Fund		508,750.00	
Budget Appropriations		328,668.10	
Accounts Payable			7,694.32
Miscellaneous Trust Reserves			1,941,163.77
	<u>15,532.75</u>	<u>837,418.10</u>	<u>1,948,858.09</u>
Balance Dec. 31, 2021	<u>\$ 31,544.15</u>	<u>\$1,496,217.65</u>	<u>\$3,779,407.18</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, 2021

Balance Dec. 31, 2020		\$ 655,652.58
Increased by:		
Unrealized Gain on Investments:		
Participant Accounts	\$ 114,532.63	
Municipal Contributions	15,150.00	
Interest on Investments	<u>1,059.79</u>	
		<u>130,742.42</u>
		786,395.00
Decreased by:		
Benefits Paid to Participants		<u>15,730.38</u>
Balance Dec. 31, 2021		<u><u>\$ 770,664.62</u></u>

Schedule of Investments, Dec. 31, 2021

<u>Description</u>	<u>Amount</u>
Fixed Annuity Contract	\$ 59,562.12
Money Market Funds	38,026.02
Variable Earnings Investments	<u>673,076.48</u>
	<u><u>\$ 770,664.62</u></u>

Exhibit SB-3

TOWNSHIP OF DELRAN
TRUST FUND - OPEN SPACE
Schedule of Due to General Capital Fund
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$ 508,750.00
Decreased by:		
Interfund Returned		<u><u>\$ 508,750.00</u></u>

TOWNSHIP OF DELRAN
TRUST FUND - OTHER
Statement of Due from / (to) Current Fund
For the Year Ended December 31, 2021

Balance Dec. 31, 2020--Due From		\$ 116,776.32
Increased by:		
Budget Appropriation - Storm Recovery		5,650.56
		122,426.88
Decreased by:		
Cash Receipts:		
Interest Received	\$ 1,910.03	
Interfund Advanced	\$ 11,767.12	
Interfund Returned	116,776.32	
	128,543.44	
		130,453.47
Balance Dec. 31, 2021--Due (to)		\$ 8,026.59

Analysis of Balance Dec. 31, 2021

Storm Recovery - Interest Earned		\$ 15.20
Storm Recovery - Net Budget Appropriations		(5,650.56)
Accumulated Absences - Interest Earned		348.26
Escrow - Interest Earned		1,546.57
Unemployment - Interfund Advanced		8,729.41
Trust Other - Interfund Advanced		3,037.71
		\$ 8,026.59

Exhibit SB-5

TOWNSHIP OF DELRAN
TRUST FUND - OTHER
Statement of Accounts Receivable - Outside Police Employment
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$ 4,040.00
Increased by:		
Accrued for Services Rendered		5,010.00
Balance Dec. 31, 2021		\$ 9,050.00

TOWNSHIP OF DELRAN
 TRUST FUND - ANIMAL CONTROL
 Statement of Due to Current Fund
 For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 19,135.45
Decreased by:	
Interfund Returned	3,135.45
Balance Dec. 31, 2021	\$ 16,000.00

TOWNSHIP OF DELRAN
 TRUST FUND - ANIMAL CONTROL
 Statement of Reserve for Animal Control Expenditures
 For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 19,246.45
Increased by:	
Receipts:	
Dog License Fees Collected	\$ 7,238.80
Cat License Fees Collected	611.00
Late Registration Fees	140.00
	7,989.80
	27,236.25
Decreased by:	
Expenditures Under R.S.4:19-15.11:	
Cash Disbursed	11,592.10
Balance Dec. 31, 2021	\$ 15,644.15

Animal Control Fees Collected

<u>Year</u>	<u>Amount</u>
2019	\$ 9,611.20
2020	9,015.40
	\$ 18,626.60

TOWNSHIP OF DELRAN
TRUST FUND - OPEN SPACE
Statement of Reserve Open Space Trust Fund
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$ 1,763,759.10
Increased by:		
Interest Earned on Investments and Deposits	\$ 2,626.65	
Amount to be Raised -- 2021 Open Space Taxes	325,000.00	
		327,626.65
		2,091,385.75
Decreased by:		
Budget Appropriations for Debt Service:		
Payment of Bond Principal	268,300.00	
Payment of Bond Interest	60,368.10	
		328,668.10
Balance Dec. 31, 2021		\$ 1,762,717.65

TOWNSHIP OF DELRAN
TRUST FUND - OPEN SPACE
Statement of Due from Current Fund
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 167,919.59
Increased by:	
Amount to be Raised -- 2021 Open Space Taxes	<u>325,000.00</u>
	492,919.59
Decreased by:	
Interfund Returned	<u>167,919.59</u>
Balance Dec. 31, 2021	<u><u>\$ 325,000.00</u></u>

Exhibit SB-10

TOWNSHIP OF DELRAN
TRUST FUND - OPEN SPACE
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 39,300.00
Increased by:	
Receipts	<u>19,200.00</u>
Balance Dec. 31, 2021	<u><u>\$ 58,500.00</u></u>

TOWNSHIP OF DELRAN
TRUST FUND - OTHER
Statement of Accounts Payable
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 101,169.62
Increased by:	
Miscellaneous Trust Reserves	25,140.97
	126,310.59
Decreased by:	
Disbursed	7,694.32
Balance Dec. 31, 2021	\$ 118,616.27
<u>Analysis of Balance Dec. 31, 2021</u>	
Due to Criminal Disposition and Review Collection Fund	\$ 89,645.32
New Jersey Unemployment Insurance	10,390.95
Outside Police Employment Payable	18,580.00
	\$ 118,616.27

Exhibit SB-12

TOWNSHIP OF DELRAN
TRUST - OTHER FUND
Statement of Prepaid Outside Police Employment
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 20,442.50
Increased by:	
Receipts	32,077.50
	52,520.00
Decreased by:	
Applied to Reserve for Outside Police Employment	20,442.50
Balance Dec. 31, 2021	\$ 32,077.50

TOWNSHIP OF DELRAN
TRUST FUND - OTHER
 Statement of Miscellaneous Trust Reserves
 For the Year Ended December 31, 2021

	Balance <u>Dec. 31, 2020</u>	Cash <u>Receipts</u>	Due From <u>Current Fund</u>	Due From		Cash <u>Disbursements</u>	Accounts <u>Receivable</u>	Prepaid <u>Applied</u>	Accounts <u>Payable</u>	Balance <u>Dec. 31, 2021</u>
				Sewer Utility <u>Operating Fund</u>	Sewer Utility <u>Operating Fund</u>					
Reserve for:										
Street Opening Deposits	\$ 46,203.24	\$ 27,981.33		\$ 3,000.00	\$ 24,260.50				\$ (2,098.85)	\$ 49,924.07
New Jersey Unemployment Insurance	45,336.00	9,156.96								55,394.11
Planning Escrow Fund Deposits	662,720.09	1,325,859.34			610,509.89					1,378,069.54
Affordable Housing Trust Funds	966,675.58	83,940.14			9,505.88					1,041,109.84
Public Defender Fees	8,940.62	2,721.50			3,200.00				(4,462.12)	4,000.00
Credit Card Program	7,619.60									7,619.60
Parking Offense Adjudication Act	854.00	6.00								860.00
Tax Sale Premiums	695,600.00	253,900.00			390,400.00					559,100.00
Delran Day Donations	10,938.64									10,938.64
Delran Events	3,910.51	42,566.43			45,641.27					835.67
Deposits for Redemption of Tax Sale Certificates	53,368.69	462,509.64			509,560.38					6,317.95
Performance/Maintenance Escrows	15,197.72									15,197.72
Police Emergency Service Equipment	1,555.47									1,555.47
Special Law Enforcement	29,170.07	14.66			15,105.85					14,078.88
Bike Patrol	9,065.87									9,065.87
Outside Police Employment		326,107.50			332,980.00		\$ 5,010.00	\$ 20,442.50	(18,580.00)	
Jake's Place	888.30									888.30
Storm Recovery	75,746.57									81,397.13
Accumulated Absences	365,221.03		\$ 5,650.56							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
	\$ 3,030,175.00	\$ 2,534,763.50	\$ 5,650.56	\$ 3,000.00	\$ 1,941,163.77	\$ 5,010.00	\$ 20,442.50	\$ (25,140.97)	\$ 3,632,736.82	

TOWNSHIP OF DELRAN
TRUST FUND - LENGTH OF SERVICE AWARD PROGRAM
 Statement of Reserve Length of Service Awards Program
 For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$	654,444.65
Increased by:			
Municipal Contributions	\$	15,150.00	
Interest Earned on Investments and Deposits		1,059.79	
Unrealized Gain on Investments		114,532.63	
			130,742.42
			785,187.07
Decreased by:			
Investment Disbursements:			
Participant Withdrawals			15,730.38
Balance Dec. 31, 2021		\$	769,456.69

TOWNSHIP OF DELRAN
TRUST FUND - OTHER
 Statement of Due from Sewer Utility Operating
 For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$	3,000.00
Increased by:			
Budget Appropriation			3,000.00
			6,000.00
Decreased by:			
Interfund Returned			3,000.00
Balance Dec. 31, 2021		\$	3,000.00

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, 2021

Balance Dec. 31, 2020		\$ 1,610,733.62
Increased by Receipts:		
Capital Improvement Fund	\$ 50,000.00	
Interest on Investment due to Current Fund	2,118.75	
Bond Anticipation Note	4,102,947.00	
Bond Anticipation Note Premium	43,661.51	
Due from Trust - Open Space Fund	508,750.00	
Due from Current Fund	<u>378,156.99</u>	
		<u>5,085,634.25</u>
		6,696,367.87
Decreased by Disbursements:		
Improvement Authorizations	1,128,971.85	
Encumbrances / Contracts Payable	<u>526,949.84</u>	
		<u>1,655,921.69</u>
Balance Dec. 31, 2021		<u><u>\$ 5,040,446.18</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Capital Cash
 For the Year Ended December 31, 2021

	Receipts			Disbursements			Balance (Deficit) Dec. 31, 2021
	Balance (Deficit) Dec. 31, 2020	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers From	
Fund Balance	\$ 72,636.93		\$ 43,661.51			\$ 385,967.79	\$ 502,266.23
Capital Improvement Fund	111,932.32		50,000.00			44,900.00	117,032.32
Due to Current Fund	(372,287.71)		380,275.74			188,044.45	(155,056.42)
Due from Trust - Open Space Fund	(508,750.00)		508,750.00			62,274.80	(62,274.80)
Due from Federal, State and Local Grant Fund	(334,706.87)						(334,706.87)
Grants Receivable							
Reserve for:							
Repairs and Improvements to Drainage Facilities	15,000.00						15,000.00
Generator	20,000.00						20,000.00
Traffic Improvements	15,000.00						15,000.00
Storm Sewer Maintenance	21,750.00						21,750.00
Preliminary Expenses	1,249.94						1,249.94
Payment of Bonds and Notes	207,575.97					25,000.00	684,586.75
Excess Note Proceeds:							
Ordinance 2015-17, Various Capital Improvements	778,671.48					13,988.32	5,869.00
Encumbrances/Contracts Payable							1,496,543.29
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	80,262.67					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	
2012-13 Improvements to River Drive Outfall	5,195.00					5,195.00	

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Capital Cash
 For the Year Ended December 31, 2021

	Receipts			Disbursements			Balance (Deficit) Dec. 31, 2021
	Balance (Deficit) Dec. 31, 2020	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers	
					From	To	
Improvement Authorizations (Cont'd):							
Ordinance Number							
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		
2014-11 Improvements to Community Park					\$	271.00	271.00
2014-13 Construction of Sidewalks	31,336.50				31,336.50		
2015-07 Various Capital Improvements	(5,869.28)	\$ 5,869.00			5,869.00	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	41,900.00					56,475.00
2017-07 Municipal Property Improvements and Acquisition of Equipment	744,916.63						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	355,098.84	264,050.00					619,148.84
2018-07	(173,475.17)						(125.00)
2018-06 Various Capital Acquisitions and Improvements	(83,318.99)			\$ 125.00		173,475.17	173,475.17
2018-13 Reconstruction of Fairview Boulevard		77,000.00				22,417.32	16,098.33

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Capital Cash
 For the Year Ended December 31, 2021

	Receipts			Disbursements			Balance (Deficit) Dec. 31, 2021
	Balance (Deficit) Dec. 31, 2020	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	Transfers From	
Improvement Authorizations (Cont'd):							
Ordinance Number							
2019-03 Acquisition of Dump Truck	\$ 12,666.00						\$ 12,666.00
2019-04 Reconstruction of Various Roads	(1,133,784.06)	\$ 1,142,858.00					9,073.94
2019-18 Various Capital Acquisitions and Improvements	226,838.09	808.00		\$ 6,000.00		58.00	221,588.09
2020-04 Reconstruction of Various Roads	(172,488.00)	1,619,048.00		622,462.82		711,142.27	112,954.91
2020-09 Reconstruction of Various Roads	(72,750.80)	90,476.00					17,725.20
2020-11 Various Capital Acquisitions and Improvements	(35,230.36)	860,938.00		84,869.75		352,180.25	388,657.64
2021-03 Stormwater Repairs on Stewart Avenue				37,849.82		4,863.31	(38,963.13)
2021-06 Various Concrete Improvements				333,814.46		71,816.14	(384,130.60)
2021-11 Various Capital Acquisitions and Improvements				43,850.00		118,750.00	(142,950.00)
	\$ 1,610,733.62	\$ 4,102,947.00	\$ 982,687.25	\$ 1,128,971.85	\$ 526,949.84	\$ 2,607,166.28	\$ 5,040,446.18

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Schedule of Grants Receivable
 As of December 31, 2021

Analysis of Balance Dec. 31, 2021

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

Exhibit SC-4

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation - Funded
 For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$ 10,707,000.00
Decreased by:		
Current Year Budget Appropriations:		
Current Fund	\$ 1,325,700.00	
Trust Fund - Open Space	<u>268,300.00</u>	
		<u>1,594,000.00</u>
Balance Dec. 31, 2021		<u><u>\$ 9,113,000.00</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation -Unfunded
 For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Balance Dec. 31, 2020	2021 Authorizations	Funded by Budget Appropriation	Authorizations Cancelled	Balance Dec. 31, 2021	Analysis of Balance Dec. 31, 2021		
							Financed by Bond Anticipation Notes	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				
2011-20	Various Roadway Improvements	187.00			187.00				
2014-10	Reconstruction of Tenby Chase Drive	156,676.82			156,676.82				
2015-07	Various Capital Improvements	19,108.58		\$ 5,869.28	13,239.30				
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	\$ 41,900.00		
2017-13	Reconstruction of Pheasant Road	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		173,475.17		26,524.83	\$ 125.00	\$ 26,399.83	
2018-13	Reconstruction of Fairview Boulevard	85,700.00		8,700.00		77,000.00	77,000.00		
2019-03	Acquisition of Dump Truck	761.00			761.00				
2019-04	Reconstruction of Various Roads	1,142,858.00				1,142,858.00	1,142,858.00		
2019-18	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	1,619,048.00		
2020-09	Reconstruction of Various Roads	90,476.00				90,476.00	90,476.00		
2020-11	Various Capital Acquisitions and Improvements	860,938.00				860,938.00	860,938.00		
2021-03	Stormwater Repairs on Stewart Avenue		\$ 71,250.00			71,250.00	38,963.13	32,286.87	

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation - Unfunded
 For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Analysis of Balance Dec. 31, 2021			
		Balance Dec. 31, 2020	2021 Authorizations	Funded by Budget Appropriation Cancelled	Authorizations Dec. 31, 2021
General Improvements (Cont'd):					
2021-06	Various Concrete Improvements		\$ 408,500.00		\$ 408,500.00
2021-11	Various Capital Acquisitions and Improvements		373,100.00		373,100.00
Total		\$ 5,156,015.23	\$ 852,850.00	\$ 188,044.45	\$ 4,976,452.83
Bond Anticipation Notes Issued					
Less: Excess Proceeds from Bond Anticipation Notes Held to Pay Debt				\$ 4,102,947.00	
				5,869.00	
				\$ 4,097,078.00	
Improvement Authorizations - Unfunded					
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:					\$ 1,164,474.12
	Ord. 2017-06			\$ 41,900.00	
	Ord. 2018-02 / 2018-07			264,050.00	
	Ord. 2018-13			16,098.33	
	Ord. 2019-04			9,073.94	
	Ord. 2019-18			808.00	
	Ord. 2020-04			112,954.91	
	Ord. 2020-09			17,725.20	
	Ord. 2020-11			388,657.64	
					851,268.02
					\$ 313,206.10

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 111,932.32
Increased by:	
Receipts:	
Current Year Budget Appropriation	<u>50,000.00</u>
	161,932.32
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>44,900.00</u>
Balance Dec. 31, 2021	<u><u>\$ 117,032.32</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, 2021

Balance Dec. 31, 2020	\$ 207,575.97
Increased by:	
Cancellation of Funded Improvement Authorizations	\$622,311.95
Due from Federal, State and Local Grant Fund	<u>62,274.80</u>
	<u>684,586.75</u>
	892,162.72
Decreased by:	
Due to Current Fund - Realized as Miscellaneous Revenue Anticipated	<u>25,000.00</u>
Balance Dec. 31, 2021	<u><u>\$ 867,162.72</u></u>
 <u>Analysis of Balance Dec. 31, 2021</u>	
Reserve for Open Space Debt	\$ 73,118.25
Reserve for Debt	<u>794,044.47</u>
	<u><u>\$ 867,162.72</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Schedule of Reserve for Preliminary Expenses
 As of December 31, 2021

Analysis of Balance--Dec. 31, 2021

Road Construction--Engineering	\$ 794.22
Building--Legal	455.72
	\$ 1,249.94

Exhibit SC-9

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Due From Other Funds
 For the Year Ended December 31, 2021

	<u>Trust Fund - Open Space</u>	<u>Federal, State and Local Grant Fund</u>	<u>Current Fund</u>
Balance Dec. 31, 2020	\$ 508,750.00		\$ 372,287.71
Increased by:			
Community Development Block Grant		\$ 62,274.80	
Budget Appropriations			188,044.45
	508,750.00	62,274.80	560,332.16
Decreased by:			
Cash Receipt:			
Interfund Returned	508,750.00		378,156.99
Interest on Investments--Due Current Fund			2,118.75
Realized as Miscellaneous Revenue Anticipated - Current Fund			25,000.00
	508,750.00	-	405,275.74
Balance Dec. 31, 2021	\$ -	\$ 62,274.80	\$ 155,056.42

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2020		2021 Authorizations	Prior Year Encumbrance / Contracts Payable Cancelled	Expended	Improvement Authorization Cancelled	Balance Dec. 31, 2021	
				Funded	Unfunded					Funded	Unfunded
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			(4,465.85)		
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		80,262.67				(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)		
2014-11	Improvements to Community Park	8-05-14	248,000.00				\$	271.00			271.00
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			(16,256.42)		
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			(193,988.36)		
2016-14	Refunding Ordinance	12-13-16	195,000.00		195,000.00				(195,000.00)		
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

(Continued)

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2020		2021 Authorizations	Prior Year Encumbrance / Contracts Payable Cancelled	Expenditures	Improvement Authorization Cancelled	Balance Dec. 31, 2021		
				Funded	Unfunded					Funded	Unfunded	
General Improvements (Cont'd):												
2017-07	Municipal Property Improvements and Acquisition of Equipment	7-11-17	\$ 2,587,500.00	\$ 744,916.63					\$	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 /		3-06-18										
2018-07	Reconstruction of Various Roads	7-10-18	1,827,473.00	355,098.84	264,050.00					355,098.84	264,050.00	
2018-06	Various Capital Acquisitions and Improvements	7-03-18	613,000.00	26,524.83		\$ 125.00					26,399.83	
2018-13	Reconstruction of Fairview Boulevard	12-04-18	90,000.00	2,381.01		\$ 13,717.32					16,098.33	
2019-03	Acquisition of Dump Truck	2-05-19	110,000.00	12,666.00	761.00			(761.00)		12,666.00		
2019-04	Reconstruction of Various Roads	3-05-19	1,200,000.00	9,073.94							9,073.94	
2019-18	Various Capital Acquisitions and Improvements	8-27-19	806,000.00	226,838.09	808.00			6,058.00		220,780.09	808.00	
2020-04	Reconstruction of Various Roads	3-03-20	1,700,000.00	1,446,560.00				1,333,605.09			112,954.91	
2020-09	Reconstruction of Various Roads	9-08-20	95,000.00	17,725.20							17,725.20	
2020-11	Various Capital Acquisitions and Improvements	10-06-20	1,156,250.00	825,707.64				437,050.00			388,657.64	
2021-03	Stormwater Repairs on Stewart Avenue	2-23-21	75,000.00		\$ 75,000.00			42,713.13			32,286.87	
2021-06	Various Concrete Improvements	3-02-21	430,000.00	430,000.00				405,630.60			24,369.40	
2021-11	Various Capital Acquisitions and Improvements	7-06-21	392,750.00	392,750.00				162,600.00			230,150.00	
				\$ 3,259,578.22	\$ 3,479,098.57	\$ 897,750.00	\$ 13,988.32	\$ 2,387,781.82	\$ (1,852,647.69)	\$ 2,245,511.48	\$ 1,164,474.12	
Deferred Charges to Future Taxation -- Unfunded Capital Improvement Fund					\$ 852,850.00							
					44,900.00							
					<u>\$ 897,750.00</u>							
Cash Disbursed Encumbrances/Contracts Payable								\$ 1,128,971.85				
								<u>1,258,809.97</u>				
								<u>\$ 2,387,781.82</u>				
Deferred Charge - Unfunded Capital Fund Balance									\$ 844,367.95			
Reserve for Payment of Bonds and Notes									385,967.79			
									622,311.95			
									<u>\$ 1,852,647.69</u>			

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
Statement of Encumbrances/Contracts Payable
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$	778,671.48
Increased by:			
2021 Contracts and Encumbrances			<u>1,258,809.97</u>
			2,037,481.45
Decreased by:			
Disbursed	\$ 526,949.84		
Cancelled Prior Year Encumbrances	<u>13,988.32</u>		
			<u>540,938.16</u>
Balance Dec. 31, 2021		\$	<u><u>1,496,543.29</u></u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2021

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2020	Decreased	Balance Dec. 31, 2021
			Outstanding Date	Amount				
County Guaranteed Pooled Loan Revenue Refunding Bonds, Series 2017A - Open Space	3-28-17	\$ 1,063,000.00	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>871,000.00</u>		\$ 965,000.00	\$ 94,000.00	\$ 871,000.00
General Obligation Bonds, Series 2019	10-17-19	11,742,000.00	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>8,242,000.00</u>		9,742,000.00	1,500,000.00	8,242,000.00
						<u>\$10,707,000.00</u>	<u>\$ 1,594,000.00</u>	<u>\$ 9,113,000.00</u>
Budget Appropriation - Current Fund								\$ 1,325,700.00
Budget Appropriation - Open Space Trust Fund								<u>268,300.00</u>
								<u>\$ 1,594,000.00</u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2021

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Issued</u>	<u>Balance Dec. 31, 2021</u>
2015-07	Various Capital Improvements	12-08-21	12-08-21	12-07-22	1.50%	\$ 5,869.00	\$ 5,869.00
2017-06	Installation of Sidewalks on Route 130	12-08-21	12-08-21	12-07-22	1.50%	41,900.00	41,900.00
2018-2 / 2018-7	Reconstruction of Various Roads	12-08-21	12-08-21	12-07-22	1.50%	264,050.00	264,050.00
2018-13	Reconstruction of Fairview Boulevard	12-08-21	12-08-21	12-07-22	1.50%	77,000.00	77,000.00
2019-04	Reconstruction of Various Roads	12-08-21	12-08-21	12-07-22	1.50%	1,142,858.00	1,142,858.00
2019-18	Various Capital Acquisitions and Improvements	12-08-21	12-08-21	12-07-22	1.50%	808.00	808.00
2020-04	Reconstruction of Various Roads	12-08-21	12-08-21	12-07-22	1.50%	1,619,048.00	1,619,048.00
2020-09	Reconstruction of Various Roads	12-08-21	12-08-21	12-07-22	1.50%	90,476.00	90,476.00
2020-11	Various Capital Acquisitions and Improvements	12-08-21	12-08-21	12-07-22	1.50%	860,938.00	860,938.00
						<u>\$ 4,102,947.00</u>	<u>\$ 4,102,947.00</u>

TOWNSHIP OF DELRAN
GENERAL CAPITAL FUND

Statement of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Balance Dec. 31, 2020	2021 Authorizations	Funded by Current Fund Appropriations	Cancelled by Resolution	Bond Anticipation Notes Issued	Balance Dec. 31, 2021
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	156,676.82			156,676.82		
2015-07	Various Capital Improvements	19,108.58		\$ 5,869.28	13,239.30		
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		173,475.17		\$ 26,524.83	
2018-13	Reconstruction of Fairview Boulevard	85,700.00		8,700.00		77,000.00	
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	
2021-03	Stormwater Repairs on Stewart Avenue		\$ 71,250.00				71,250.00
2021-06	Various Concrete Improvements		408,500.00				408,500.00
2021-11	Various Capital Acquisitions and Improvements		373,100.00				373,100.00
		<u>\$ 5,156,015.23</u>	<u>\$ 852,850.00</u>	<u>\$ 188,044.45</u>	<u>\$ 844,367.95</u>	<u>\$ 4,097,078.00</u>	<u>\$ 879,374.83</u>

Issued \$ 4,102,947.00
 Excess Proceeds (5,869.00)
\$ 4,097,078.00

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, 2021

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2020	\$ 6,813,219.49	\$ 1,351,766.77
Increased by Receipts:		
Sewer Collector	\$ 3,864,802.97	
Developer's Escrow Deposits	1,000.00	
Prepaid Connection Fees	706,739.84	
NJIB Loan Receivable		\$ 1,275,557.00
Due from Sewer Utility Operating Fund		196,588.84
	<u>4,572,542.81</u>	<u>1,472,145.84</u>
	11,385,762.30	2,823,912.61
Decreased by Disbursements:		
2021 Budget Appropriations	2,390,727.75	
2020 Appropriation Reserves and Encumbrances	390,138.13	
Developer's Escrow Deposits	5,776.63	
Interest on Bonds	12,981.26	
Due to Trust--Other Fund	3,000.00	
Due to Current Fund	86,400.95	
Due to Sewer Utility Capital Fund	194,482.35	
Expenditures Paid on Behalf of Utility Capital Fund	57,029.30	
Contracts Payable and Encumbrances		53,859.43
	<u>3,140,536.37</u>	<u>53,859.43</u>
Balance Dec. 31, 2021	<u><u>\$ 8,245,225.93</u></u>	<u><u>\$ 2,770,053.18</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, 2021

Receipts:

Consumer Accounts Receivable	\$ 3,786,627.58
Prepayments	15,332.42
Interest on Delinquent Accounts	50,820.74
Miscellaneous Revenue Anticipated	<u>12,022.23</u>

3,864,802.97

Decreased by:

Payments to Treasurer	<u><u>\$ 3,864,802.97</u></u>
-----------------------	-------------------------------

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, 2021

Ordinance Number	Balance (Deficit) Dec. 31, 2020	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2021
		Miscellaneous		Miscellaneous		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	(194,482.35)	\$ 196,588.84		\$ 1,313,050.00	\$ 57,029.30			(1,253,914.21)
New Jersey Infrastructure Bank Receivable	(1,523,620.00)	1,275,557.00						(248,063.00)
Contracts Payable	470,844.28			\$ 53,859.43	184,768.55			232,216.30
Reserve for Sanitary Sewer Repairs	932,150.00				8,227.00			1,905,829.00
Improvement Authorizations:								
Various Improvements to WWTP	2012-05 / 2013-10							479,293.76
5th Street Pump Station, Various Plant Upgrades	2014-15 / 2017-04							326,645.54
Various Improvements to Sewer System Construction / Undertaking of a Service Water System Upgrade and Aeration Blower Replacement Project	2017-09						467,110.25	803,894.75
	2018-08							189,067.34
		\$ 1,351,766.77	\$ 1,472,145.84	\$ 53,859.43	\$ 1,506,045.55	\$ 1,506,045.55	\$ 1,506,045.55	\$ 2,770,053.18

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$ 847,992.25
Increased by:		
Sewer Rents Levied	\$ 3,798,499.62	
Interest on Delinquent Accounts	<u>41,670.38</u>	
		<u>3,840,170.00</u>
		4,688,162.25
Decreased by:		
Sewer Rents Collected	\$ 3,786,627.58	
Prepayments Applied	<u>11,565.58</u>	
		3,798,193.16
Interest on Delinquent Accounts Collected	<u>50,820.74</u>	
		<u>3,849,013.90</u>
Balance Dec. 31, 2021		<u><u>\$ 839,148.35</u></u>

Exhibit SD-5

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Due To Other Funds
For the Year Ended December 31, 2021

	<u>Sewer Utility Capital Fund</u>	<u>Trust Other Fund</u>	<u>Current Fund</u>
Balance Dec. 31, 2020	\$ 194,482.35	\$ 3,000.00	\$ 86,400.95
Increased by:			
Budget Appropriation			
Unemployment Compensation Insurance		3,000.00	
Capital Outlay	981,906.00		
Ordinance 2017-09	<u>331,144.00</u>		
	<u>1,313,050.00</u>	<u>3,000.00</u>	<u>-</u>
Decreased by:			
Disbursed:			
Interfund Returned	194,482.35	3,000.00	86,400.95
Expenditures Paid on Behalf of Utility Capital Fund	57,029.30		
Interest on Investments	<u>2,106.49</u>		
	<u>253,618.14</u>	<u>3,000.00</u>	<u>86,400.95</u>
Balance Dec. 31, 2021	<u><u>\$ 1,253,914.21</u></u>	<u><u>\$ 3,000.00</u></u>	<u><u>\$ -</u></u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Prepaid Connection Fees
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 48,761.00
Increased by:	
Receipts	<u>706,739.84</u>
Balance Dec. 31, 2021	<u><u>\$ 755,500.84</u></u>

Exhibit SD-7

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Sewer Rent Prepayments
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 11,565.58
Increased by:	
Receipts--Collector	<u>15,332.42</u>
	26,898.00
Decreased by:	
Applied to 2021 Consumer Accounts Receivable	<u>11,565.58</u>
Balance Dec. 31, 2021	<u><u>\$ 15,332.42</u></u>

Exhibit SD-8

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2021

Account	Balance Dec. 31, 2020	Additions	Balance Dec. 31, 2021
Land Improvements	\$ 122,076.00		\$ 122,076.00
Buildings	1,608,397.00		1,608,397.00
Infrastructure	5,996,670.11	\$ 990,533.75	6,987,203.86
Equipment	<u>9,551,673.00</u>		<u>9,551,673.00</u>
	<u><u>\$ 17,278,816.11</u></u>	<u><u>\$ 990,533.75</u></u>	<u><u>\$ 18,269,349.86</u></u>

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2020	Costs to Fixed Capital	Balance Dec. 31, 2021
		Date	Amount			
2010-04	Dissolution of Delran Sewerage Authority	2-23-10	\$ 125,000.00	\$ 18,541.75	\$	\$ 18,541.75
2010-12	Brown Street Pumping Station Improvements	8-24-10	160,000.00	105,225.59		105,225.59
2012-05 / 2013-10	Various Improvements to WWTP	6-26-12	2,479,000.00	641,939.76		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	326,645.54		326,645.54
2017-09	Various Improvements to Sewer System	7-17-17	2,260,000.00	2,260,000.00	\$ 990,533.75	1,269,466.25
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>\$ 5,302,352.64</u>	<u>\$ 990,533.75</u>	<u>\$ 4,311,818.89</u>

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of 2020 Appropriation Reserves and Reserve for Encumbrances
For the Year Ended December 31, 2021

	Balance Dec.31, 2020		<u>Disbursed</u>	Balance <u>Lapsed</u>
	<u>Encumbered</u>	<u>Reserved</u>		
Operating:				
Salary and Wages		\$ 49,670.65		\$ 49,670.65
Other Expenses	\$ 133,432.21	354,089.35	\$ 165,497.52	322,024.04
Capital Improvements:				
Purchase of Utility Trucks		225,000.00	224,640.61	359.39
Deferred Charges and Statutory Expenditures:				
Statutory Expenditures:				
Social Security System (O.A.S.I)		14,007.20		14,007.20
	<u>\$ 133,432.21</u>	<u>\$ 642,767.20</u>	<u>\$ 390,138.13</u>	<u>\$ 386,061.28</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, 2021

Balance Dec. 31, 2020	\$ 4,327.09
Increased by:	
Budget Appropriation for:	
Interest on Loans	12,647.93
	16,975.02
Decreased by:	
Interest Paid	12,981.26
Balance Dec. 31, 2021	\$ 3,993.76

Analysis of Accrued Interest Dec. 31, 2021

	<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	\$ 345,000.00	Various	9/1/2021	12/31/2021	121	\$ 3,993.76

TOWNSHIP OF DELRAN
SEWER UTILITY OPERATING FUND
Statement of Developer's Escrow Deposits
For the Year Ended December 31, 2021

Balance Dec. 31, 2020	\$ 43,685.82
Increased by:	
Receipts	1,000.00
	44,685.82
Decreased by:	
Disbursements	5,776.63
Balance Dec. 31, 2021	\$ 38,909.19

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2021

Improvement Description	Ordinance Number	Date	Amount	Balance Dec. 31, 2020		Prior Year Encumbrances / Contracts Payable Cancelled	Balance Dec. 31, 2021	
				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	\$	479,293.76	162,646.00
5th Street Pump Station, Various Plant Upgrades	2014-15	10-07-14	2,480,000.00					
	2017-04	5-03-17	450,000.00	326,645.54		326,645.54		
Various Improvements to Sewer System	2017-09	7-17-17	2,260,000.00	336,784.50	331,144.00	\$	135,966.25	803,894.75
	2018-08	9-04-18	1,950,000.00	189,067.34	1,311,032.66		189,067.34	1,311,032.66
Construction / Undertaking of a Service Water System Upgrade and Aeration Blower Replacement Project								
				\$ 1,331,791.14	\$ 1,928,590.00	\$	135,966.25	\$ 1,798,901.39
								\$ 1,597,446.00

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Contracts Payable and Encumbrances
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$	470,844.28
Decreased by:			
Cancelled	\$ 135,966.25		
Disbursed by Sewer Operating Disbursements	48,802.30		
	<u>53,859.43</u>		
			<u>238,627.98</u>
Balance Dec. 31, 2021		\$	<u>232,216.30</u>

Exhibit SD-15

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$	16,873,859.22
Increased by:			
Budget Appropriations - Cost of Improvements Authorized - Ordinance 2017-09	\$ 331,144.00		
NJ Environmental Trust Loan Paid by Utility Operating Budget	<u>94,722.87</u>		
			<u>425,866.87</u>
Balance Dec. 31, 2021		\$	<u>17,299,726.09</u>

Exhibit SD-16

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Sanitary Sewer Repairs
For the Year Ended December 31, 2021

Balance Dec. 31, 2020		\$	932,150.00
Increased by:			
Budget Appropriations - Capital Outlay			<u>981,906.00</u>
			1,914,056.00
Decreased by:			
Due to Sewer Operating Fund			<u>8,227.00</u>
Balance Dec. 31, 2021		\$	<u>1,905,829.00</u>

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of New Jersey Environmental Infrastructure Bank Loans Payable
 For the Year Ended December 31, 2021

Purpose	Date of Issue	Original Issue	Maturities of Loan Outstanding Dec. 31, 2021	Interest Rate	Balance		Budget	
					Dec. 31, 2020	Dec. 31, 2021	Appropriation	Balance Dec. 31, 2021
New Jersey Environmental Infrastructure Trust Loan, Series 2014A (Non-Interest Bearing)	5/21/2014	\$ 1,469,550.00	\$ 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	\$ 849,413.53	\$ 74,722.87	\$ 774,690.66	
New Jersey Environmental Infrastructure Trust Loan, Series 2014A (Interest Bearing)	5/21/2014	480,000.00	25,000.00	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%				

(Continued)

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
 Statement of New Jersey Environmental Infrastructure Bank Loans Payable
 For the Year Ended December 31, 2021

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Date</u>	<u>Maturities of Loan</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2020</u>	<u>Budget Appropriation</u>	<u>Balance Dec. 31, 2021</u>
				<u>Dec. 31, 2021</u>	<u>Amount</u>				
New Jersey Environmental Infrastructure Trust Loan, Series 2014A (Interest Bearing) (Cont'd)	5/21/2014	\$ 480,000.00	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%	\$ 365,000.00	\$ 20,000.00	\$ 345,000.00	
New Jersey Infrastructure Bank - Interim Loan	11/12/2020	1,538,856.00	11/12/2022	1,538,856.00	N/A	1,538,856.00		1,538,856.00	
						<u>\$ 2,753,269.53</u>	<u>\$ 94,722.87</u>	<u>\$ 2,658,546.66</u>	

TOWNSHIP OF DELRAN
SEWER UTILITY CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2021

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2020</u>	<u>Funded by Budget Appropriations</u>	<u>Balance Dec. 31, 2021</u>
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
2017-09	Various Improvements to Sewer System	331,144.00	\$ 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>\$ 1,928,590.00</u>	<u>\$ 331,144.00</u>	<u>\$ 1,597,446.00</u>

TOWNSHIP OF DELRAN

PART II

SCHEDULE OF FINDINGS AND RECCOMENDATIONS

FOR THE YEAR ENDED

DECEMBER 31, 2021

TOWNSHIP OF DELRAN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2021

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. 2021-001

Criteria or Specific Requirement

Local Public Contract Law (N.J.S.A. 40A:11-7) states, "No contract in the aggregate which is single in character or which necessarily or by reason of the quantities required to effectuate the purpose of the contract includes the provision or performance of additional goods or services, shall be divided, so as to bring it or any of the parts thereof under the bid threshold, for the purpose of dispensing with the requirement of public advertising and bidding therefor."

Condition

The Township paid two vendors for the performance of services, that in the aggregate exceeded the bid threshold.

Context

Local Public Contract Law defines aggregate as "the sums expended or to be expended for the provision or performance of any goods or services in connection with the same immediate purpose or task." We noted that the Township paid \$61,500.00 to two vendors that were related to a Township celebratory event held in October 2021, which appears to be for the same purpose or task.

Effect or Potential Effect

The Township was not in compliance with N.J.S.A. 40A:11-7.

Cause

The Township officials, including the Recreation Advisory Committee, were under the advice that these were two separate contracts for different services and were not subject to bid. However, Local Public Contract Law states that goods or services in connection with the same immediate purpose or task should be considered together. If these contracts were aggregated, they would have exceeded the bid threshold and therefore, could have been bid, depending on the timing of providing the service.

Recommendation

That the Township review Local Public Contract Law and ensure compliance when contracts should be aggregated.

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

This section identifies the status of prior year findings related to the financial statements and State Financial Assistance that are required to be reported in accordance with *Government Auditing Standards* and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

Finding No. 2020-001

Condition

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

Current Status

This finding has been resolved.

FEDERAL AWARDS

Not Applicable.

STATE FINANCIAL ASSISTANCE PROGRAMS

None.

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
Gary Catrambone	Mayor	
Tyler Burrell	Council President	
Thomas Lyon	Vice President	
Lynn Jeney	Councilperson	
Virginia Parejo	Councilperson	
Marlowe Smith	Councilperson	
Jeffrey Hatcher	Township Administrator	
Kareemah Press	Chief Financial Officer	1,000,000.00 (A)
Tanyika Johns	Tax Collector	1,000,000.00 (A)
Jamey Eggers	Township Clerk	1,000,000.00 (A)

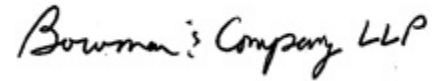
(A) Public Employees' Faithful Performance\Dishonesty Crime Coverage of \$1,000,000.00 provided by the Burlington County Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.

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,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

