

TOWNSHIP OF CARNEYS POINT

COUNTY OF SALEM

REPORT OF AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2019



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TOWNSHIP OF CARNEYS POINT
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Carneys Point
Carneys Point, New Jersey 08069

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Carneys Point, in the County of Salem, State of New Jersey, as of December 31, 2019 and 2018, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

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

As described in note 1 to the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

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

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

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Other Information

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

The supplemental statements and schedules presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental statements and schedules described in the previous paragraph are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2020 on our consideration of the Township of Carneys Point, in the County of Salem, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Carneys Point'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 Carneys Point's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Fred S. Caltabiano

Fred S. Caltabiano
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
August 31, 2020

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Carneys Point
Carneys Point, New Jersey 08069

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Township of Carneys Point, in the County of Salem, State of New Jersey, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated August 31, 2020. That report indicated that the Township of Carneys Point's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Carneys Point's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Fred S. Caltabiano
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
August 31, 2020

TOWNSHIP OF CARNEYS POINT

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis

As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS:</u>			
Regular Fund:			
Cash - Chief Financial Officer	SA-1	\$ 5,003,360.98	\$ 4,844,358.45
Cash - Tax Collector	SA-1	3,368.36	3,368.36
Cash - Change Funds	SA-2	775.00	775.00
		<u>5,007,504.34</u>	<u>4,848,501.81</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	849,668.50	831,144.16
Tax Title Liens Receivable	SA-4	913,904.31	822,200.80
Property Acquired for Taxes	A	1,618,200.00	1,618,200.00
Revenue Accounts Receivable	SA-5		6,086.16
Solid Waste Fee Liens	A	1,426.70	1,426.70
Due from Federal and State Grant Fund	SA-1, SA-14		38,124.00
Due from Trust - Other Funds	SB-7	19,837.34	1,120.12
Due from Trust - Open Space	SB-8	61.65	
		<u>3,403,098.50</u>	<u>3,318,301.94</u>
Deferred Charges:			
Special Emergency - Revaluation	SA-17	420,000.00	525,000.00
		<u>420,000.00</u>	<u>525,000.00</u>
Total Regular Fund		<u>8,830,602.84</u>	<u>8,691,803.75</u>
Federal and State Grant Fund:			
Cash	SA-1	171,199.11	170,209.02
Grants Receivable	SA-13	65,657.47	35,635.76
Total Federal and State Grant Fund		<u>236,856.58</u>	<u>205,844.78</u>
		<u>\$ 9,067,459.42</u>	<u>\$ 8,897,648.53</u>

(Continued)

TOWNSHIP OF CARNEYS POINT
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>LIABILITIES, RESERVES, AND FUND BALANCE:</u>			
Regular Fund:			
Appropriation Reserves	A-3, SA-6	\$ 688,353.56	\$ 767,559.19
Reserve for Encumbrances	A-3, SA-6	190,013.89	75,039.18
Tax Overpayments	SA-7	164,386.86	11,247.71
Prepaid Taxes	SA-9	258,148.56	170,024.12
County Taxes Payable	SA-10		94,528.07
Due State of New Jersey:			
Senior Citizens and Veterans Deductions	SA-8	15,652.68	16,800.97
DCA Training Fees	SA-12	14,048.00	2,351.00
Reserve for:			
Revaluation	SA-16	212,427.34	292,380.00
Property Registration Fee	A	1,000.00	1,000.00
Trash Truck	SA-1	92,825.21	
Motor Vehicle Fines	SA-1	700.00	
Fire Fighting Equipment and Training	SA-1	4,200.00	3,700.00
		<u>1,641,756.10</u>	<u>1,434,630.24</u>
Reserves for Receivables and Other Assets	A	3,403,098.50	3,318,301.94
Fund Balance	A-1	<u>3,785,748.24</u>	<u>3,938,871.57</u>
Total Regular Fund		<u>8,830,602.84</u>	<u>8,691,803.75</u>
Federal and State Grant Fund:			
Due Current Fund	SA-1, SA-14		38,124.00
Reserve for Encumbrances	SA-14	10,365.19	3,152.51
Reserve for Grants - Appropriated	SA-14	185,952.34	164,568.27
Reserve for Grants - Unappropriated	SA-15	40,539.05	
Total Federal and State Grant Fund		<u>236,856.58</u>	<u>205,844.78</u>
		<u>\$ 9,067,459.42</u>	<u>\$ 8,897,648.53</u>

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

TOWNSHIP OF CARNEYS POINT

CURRENT FUND

Statements of Operations and Changes in Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
REVENUE AND OTHER INCOME REALIZED:		
Fund Balance Utilized	\$ 1,163,500.00	\$ 925,000.00
Miscellaneous Revenues Anticipated	4,867,867.15	5,386,476.54
Receipts from Delinquent Taxes and Tax Title Liens	804,030.26	609,501.90
Receipts from Current Taxes	20,622,900.70	19,548,084.11
Non-Budget Revenue	164,916.80	145,380.44
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	571,192.83	656,256.88
Interfunds Liquidated	19,920.98	
	<u>28,214,328.72</u>	<u>27,270,699.87</u>
Total Income		
EXPENDITURES:		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	3,186,782.00	3,083,267.00
Other Expenses	3,520,657.00	3,946,560.00
Deferred Charges and Statutory Expenditures	793,804.00	709,102.00
Excluded from "CAPS":		
Operations:		
Salaries and Wages	274,782.00	250,380.00
Other Expenses	614,238.52	595,383.25
Capital Improvements	118,677.00	90,000.00
Debt Service	569,504.66	570,457.70
Deferred Charges	120,625.00	15,625.64
County Taxes	7,800,464.89	7,113,584.43
Regional School Tax	9,923,481.00	9,715,590.00
Municipal Open Space Tax	6,382.98	6,444.63
Other Debits to Income:		
Refund of Prior Year Taxes - Tax Appeals	269,013.00	
Refund of Prior Year Revenue	5,540.00	5,694.87
Reserve for Fire Fighting Equipment and Training		750.00
Creation of Interfunds		38,594.85
	<u>27,203,952.05</u>	<u>26,141,434.37</u>
Total Expenditures		
Excess Revenue and Other Income Realized Over Expenditures	1,010,376.67	1,129,265.50
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute Deferred		
Charges to Budget of Succeeding Year		525,000.00
	<u>1,010,376.67</u>	<u>1,654,265.50</u>
Statutory Excess to Fund Balance		
FUND BALANCE:		
Balance January 1	<u>3,938,871.57</u>	<u>3,209,606.07</u>
	4,949,248.24	4,863,871.57
Decreased by:		
Utilized as Revenue	<u>1,163,500.00</u>	<u>925,000.00</u>
Balance December 31	<u>\$ 3,785,748.24</u>	<u>\$ 3,938,871.57</u>

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

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

	<u>Anticipated</u>		
	<u>Budget</u>	<u>Special N.J.S. 40A: 4-87</u>	<u>Realized</u>
			<u>Excess or (Deficit)</u>
Fund Balance Anticipated	\$ 1,163,500.00		\$ 1,163,500.00
Miscellaneous Revenues:			
Local Revenues:			
Alcoholic Beverages	8,000.00		8,072.00 \$ 72.00
Fees and Permits - Other	40,000.00		49,802.50 9,802.50
Fines and Costs - Municipal Court	100,000.00		104,764.50 4,764.50
Interest and Costs on Taxes	100,000.00		188,157.21 88,157.21
Interest on Investments and Deposits	13,200.00		37,525.81 24,325.81
Payments in Lieu Of Taxes Pursuant to N.J.S.A. 54:4-3.95			
Chambers Co-Generation Limited Partnership	2,000,000.00		2,190,937.50 190,937.50
Senior Housing	90,000.00		91,025.00 1,025.00
Cable Television Fees	24,791.11		24,791.11
Contribution from Carneys Point Twp. Sewerage Authority - Health Insurance Premiums	20,000.00		20,572.56 572.56
Hotel/Motel Tax	119,000.00		131,627.16 12,627.16
Police Outside Employment Trust	46,000.00		46,000.00
Verizon Lease Agreement	18,000.00		16,680.00 (1,320.00)
State Aid Without Offsetting Appropriations:			
Consolidated Municipal Property Tax Relief Aid	10,742.00		10,742.00
Energy Receipts Tax	796,632.00		796,632.00
Dedicated Uniform Construction Code Fees Offset with Appropriations:			
Uniform Construction Code Fees	150,000.00		238,714.80 88,714.80
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Shared Service Agreement:			
Borough of Penns Grove - Interlocal Services Agreement - Tax Collector	64,357.00		64,357.00
Borough of Penns Grove - Interlocal Services Agreement - Public Works	617,026.00		607,769.86 (9,256.14)
Township of Pilesgrove - Interlocal Services Agreement - Tax Collector	5,425.00		5,318.00 (107.00)

(Continued)

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

	<u>Anticipated</u>			
	<u>Budget</u>	<u>Special N.J.S.</u> <u>40A: 4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues:				
Clean Communities Program		\$ 20,847.59	\$ 20,847.59	
Municipal Alliance on Alcoholism & Drug Abuse	\$ 15,465.00		15,465.00	
Body Armor Replacement Program	2,046.90		2,046.90	
Recycling Tonnage Grant	17,997.60		17,997.60	
Drunk Driving Enforcement Grant		3,000.00	3,000.00	
Hazardous Discharge		28,208.00	28,208.00	
Drive Sober or Get Pulled Over		5,500.00	5,500.00	
Joint Insurance Fund Award		2,725.00	2,725.00	
Bulletproof Vest Partnership Grant		11,187.45	11,187.45	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items:				
Reserve for Payment of Debt	47,400.60		47,400.60	
Contribution from Carneys Point Twp. Sewerage Authority - Surplus Anticipated	80,000.00		80,000.00	
	4,386,083.21	71,468.04	4,867,867.15	\$ 410,315.90
Receipts from Delinquent Taxes	700,000.00		804,030.26	104,030.26
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	3,847,710.57		3,862,118.13	14,407.56
Budget Totals	10,097,293.78	71,468.04	10,697,515.54	528,753.72
Non-Budget Revenues			164,916.80	164,916.80
	\$ 10,097,293.78	\$ 71,468.04	\$ 10,862,432.34	\$ 693,670.52

(Continued)

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

Analysis of Realized Revenue

Allocation of Current Tax Collections:	
Revenue from Collections	\$ 20,622,900.70
Allocated to:	
County, School and Open Space Taxes	<u>17,730,328.87</u>
Amount for Support of Municipal Budget Appropriations	2,892,571.83
Add: Appropriation "Reserve for Uncollected Taxes"	<u>969,546.30</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 3,862,118.13</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 769,103.43
Tax Title Lien Collections	<u>34,926.83</u>
	<u><u>\$ 804,030.26</u></u>
Fees and Permits - Other	
Trailer Fees	\$ 250.00
Bingo Raffle	3,300.00
Planning and Zoning Board	5,000.00
Street Opening Permits	5,300.00
Driveway Opening Permit	35.00
Grading Plan Application Fee	770.00
White Oaks Monthly Pad Fees	13,572.50
Westwood Villa Pad Fees	13,475.00
Garden Homes Montly Pad Fees	<u>8,100.00</u>
	<u><u>\$ 49,802.50</u></u>

Analysis for Non-Budget Revenue

Miscellaneous Revenue not Anticipated:	
Chief Financial Officer:	
Hazardous Waste Facilities Tax	\$ 2,620.02
Payment in Lieu of Taxes - MMTM	16,578.00
Sewerage Authority IT	2,250.00
Recycling Receipts	781.80
Sewerage Authority Rent	1,200.00
Senior and Veterans Administration Fees	1,534.53
Recreation/Park Fees & Permits	9,890.00
CP Bulk Trash Tag	9,598.00
Election Workers	8,650.00
Bulk Trash Stickers - PG	4,215.00
Carneys Point Sewerage Authority - Fuel Usage	10,325.00
Registrar	1,116.00
Miscellaneous - Other	<u>53,070.79</u>
Total Chief Financial Officer -- Cash Collections	121,829.14

(Continued)

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

Analysis for Non-Budget Revenue (Cont'd)

Tax Collector:

Grass Cut Liens	\$ 13,956.39
Advertising Fee	20,362.69
Tax Searches	40.00
Tax Sale Costs	8,138.58
Recording Fee	60.00
Duplicate Bill / Redemption Request Fee	430.00
Bad Check Fee	100.00
	<hr/>

Total Tax Collector -- Cash Collections	<hr/> 43,087.66
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	<hr/> \$ 164,916.80 <hr/>
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The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2019

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled
<u>OPERATIONS -- WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT FUNCTIONS</u>						
Mayor and Council						
Salaries and Wages	\$ 31,000.00	\$ 31,000.00	\$ 30,959.95		\$ 40.05	
Other Expenses	3,300.00	3,750.00	3,643.69		106.31	
Municipal Clerk						
Salaries and Wages	66,700.00	66,700.00	62,364.55		4,335.45	
Other Expenses	18,600.00	15,600.00	13,205.96	\$ 414.18	1,979.86	
Computer Consultant Other Expenses	12,000.00	12,000.00	7,671.07	1,500.00	2,828.93	
Financial Administration						
Salaries and Wages	154,250.00	155,250.00	155,230.65		19.35	
Other Expenses	16,700.00	22,100.00	19,896.86	676.93	1,526.21	
Audit Services Other Expenses	51,000.00	51,300.00	50,140.00		1,160.00	
Grants Consultant Other Expenses	10,000.00	10,000.00	6,000.00	3,200.00	800.00	
Assessment of Taxes						
Salaries and Wages	29,200.00	29,200.00	24,388.57		4,811.43	
Other Expenses	44,600.00	44,600.00	33,452.63	2,373.48	8,773.89	
Collection of Taxes						
Salaries and Wages	14,150.00	14,150.00	13,999.48		150.52	
Other Expenses	26,700.00	22,700.00	17,794.02	395.00	4,510.98	
Foreclosure of TTL	10,000.00	10,000.00	3,250.00	5,750.00	1,000.00	
Legal Services Other Expenses	435,000.00	435,000.00	393,457.69	17,491.88	24,050.43	
Engineering Services Other Expenses	30,000.00	28,000.00	16,814.62	5,946.50	5,238.88	
Industrial Commission Other Expenses	1,585.00	1,585.00	1,585.00			
Planning Board						
Salaries and Wages	8,900.00	8,900.00	6,479.39		2,420.61	
Other Expenses	31,150.00	39,150.00	7,433.24	31,516.16	200.60	
Insurance						
Salaries and Wages - Insurance Administration	10,200.00	10,200.00	9,792.50		407.50	
General Liability	86,000.00	86,000.00	86,000.00			
Workers Compensation	145,000.00	145,000.00	143,049.00		1,951.00	
Employee Group Health	1,300,000.00	1,266,300.00	989,013.38		277,286.62	
JIF - Other Expenses	6,450.00	6,450.00	4,864.21	734.40	851.39	

(Continued)

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2019

	Appropriations		Expended			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
PUBLIC SAFETY						
Volunteer Fire Co.						
Fire Hydrant Service	\$ 80,000.00	\$ 80,000.00	\$ 67,045.44		\$ 12,954.56	
Miscellaneous Other Expenses	47,600.00	47,600.00	31,333.16	\$ 11,833.44	4,433.40	
Police						
Salaries and Wages	1,879,500.00	1,878,500.00	1,796,990.95		81,509.05	
Miscellaneous Other Expenses	85,125.00	86,125.00	65,200.29	12,966.67	7,958.04	
First Aid Organization						
Other Expenses - Rescue	32,500.00	32,500.00	25,468.95	6,163.76	867.29	
Ambulance Services	85,000.00	64,050.00	60,000.00		4,050.00	
Emergency Management Services						
Salaries and Wages	800.00	800.00	380.43		419.57	
Other Expenses	3,275.00	3,275.00	1,496.66		1,778.34	
Fire Business Other Expenses	2,600.00	2,600.00	550.00	175.00	1,875.00	
Municipal Prosecutor Other Expenses	12,500.00	12,500.00	12,499.92		0.08	
Municipal Court						
Salaries and Wages	153,200.00	153,200.00	144,212.44		8,987.56	
Other Expenses	19,035.00	19,035.00	16,607.25	1,567.57	860.18	
Public Defender Other Expenses	7,500.00	7,500.00	5,833.31		1,666.69	
PUBLIC WORKS FUNCTIONS						
Garbage and Trash Removal						
Salaries and Wages	198,550.00	198,550.00	166,131.66		32,418.34	
Other Expenses	9,900.00	9,900.00	5,630.79	2,155.23	2,113.98	
Sanitary Landfill Other Expenses	180,000.00	180,000.00	162,019.20		17,980.80	
Streets and Roads Maintenance						
Salaries and Wages	255,000.00	255,000.00	251,731.70		3,268.30	
Other Expenses	26,575.00	26,575.00	18,211.92	132.12	8,230.96	
Snow Removal	2,000.00	2,000.00	2,000.00			
Recycling						
Salaries and Wages	165,000.00	165,000.00	150,387.27		14,612.73	
Other Expenses	25,700.00	31,700.00	24,856.73	1,908.86	4,934.41	
Public Buildings and Grounds						
Salaries and Wages	10,000.00	10,000.00	9,568.15		431.85	
Other Expenses	68,650.00	67,150.00	50,236.89	7,669.06	9,244.05	

(Continued)

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2019

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled
HEALTH AND HUMAN SERVICES FUNCTIONS						
Board of Health						
Salaries and Wages	\$ 6,500.00	\$ 6,500.00	\$ 5,980.00		\$ 520.00	
Other Expenses	10,150.00	1,150.00	34.02		1,115.98	
Registrar of Vital Statistics						
Salaries and Wages	5,500.00	5,500.00	5,107.17		392.83	
Other Expenses	800.00	800.00	274.04	\$ 50.00	475.96	
Dog Regulation						
Salaries and Wages	3,620.00	3,620.00	3,458.00		162.00	
Other Expenses	51,900.00	31,900.00	29,801.53		2,098.47	
PARK AND RECREATION FUNCTIONS						
Maintenance of Parks Other Expenses	7,400.00	7,400.00	3,402.56		3,997.44	
Recreation Services and Programs						
Salaries and Wages	2,412.00	2,412.00	2,364.00		48.00	
Other Expenses	6,352.00	6,352.00	2,448.90	147.97	3,755.13	
UTILITY EXPENSES AND BULK PURCHASES						
Electricity	130,000.00	182,000.00	148,988.85		33,011.15	
Street Lighting	160,000.00	165,000.00	151,371.16	3,043.84	10,585.00	
Telephone	41,700.00	41,700.00	40,863.29	351.56	485.15	
Sewerage Processing and Disposal	1,760.00	1,760.00	1,760.00			
Gas (Natural or Propane)	19,000.00	19,500.00	13,571.50	647.67	5,280.83	
Gasoline & Diesel	72,000.00	89,000.00	73,596.67	6,333.91	9,069.42	
UNIFORM CONSTRUCTION CODE						
Code Enforcement and Administrator						
Salaries and Wages	153,000.00	156,000.00	154,857.53		1,142.47	
Other Expenses	88,700.00	88,700.00	80,571.23	4,571.00	3,557.77	
Other Code Enforcement Functions						
Housing						
Salaries and Wages	17,700.00	17,700.00	16,396.62		1,303.38	
Other Expenses	3,300.00	2,800.00	2,205.20		594.80	
COAH						
Salaries and Wages	1,500.00	1,500.00			1,500.00	
Other Expenses	10,000.00	10,000.00	1,073.00	70.00	8,857.00	
Zoning						
Salaries and Wages	7,000.00	7,000.00	6,278.72		721.28	
Other Expenses	550.00	550.00	199.94		350.06	

(Continued)

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2019

	Appropriations		Expended			Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
UNCLASSIFIED						
Salary Adjustment	\$ 4,000.00	\$ 100.00			\$ 100.00	
Compensated Absences						
Salaries and Wages	10,000.00	10,000.00	\$ 10,000.00			
Total Operations -- Within "CAPS"	6,707,339.00	6,707,439.00	5,923,483.50	\$ 129,786.19	654,169.31	
Detail:						
Salaries and Wages	3,187,682.00	3,186,782.00	3,027,059.73		159,722.27	
Other Expenses	3,519,657.00	3,520,657.00	2,896,423.77	129,786.19	494,447.04	
DEFERRED CHARGES AND STATUTORY EXPENDITURES						
Statutory Expenditures						
Contribution to:						
Public Employees Retirement System	155,276.00	155,276.00	155,276.00			
Social Security System (O.A.S.I.)	150,000.00	145,300.00	132,053.32		13,246.68	
Police & Fireman's Retirement System	474,328.00	474,328.00	474,328.00			
New Jersey Disability	9,300.00	13,300.00	10,526.34		2,773.66	
Defined Contribution Retirement Plan	5,000.00	5,600.00	5,539.97		60.03	
Total Deferred Charges and Statutory Expenditures -- Within "CAPS"	793,904.00	793,804.00	777,723.63		16,080.37	
Total General Appropriations for Municipal Purposes Within -- "CAPS"	7,501,243.00	7,501,243.00	6,701,207.13	129,786.19	670,249.68	
<u>OPERATIONS -- EXCLUDED FROM "CAPS"</u>						
Solid Waste Recycling Tax	9,093.90	9,093.90	9,093.90			
LOSAP	21,000.00	21,000.00	17,250.00		3,750.00	
Total Other Operations -- Excluded from "CAPS"	30,093.90	30,093.90	26,343.90		3,750.00	
SHARED SERVICE AGREEMENTS						
Tax Collector						
Salary and Wages	64,357.00	64,357.00	64,323.57		33.43	
Township of Pilesgrove Interlocal Service Agreement	5,425.00	5,425.00	437.50		4,987.50	
Police Dispatching						
Other Expenses	107,100.00	107,100.00	107,100.00			
Public Works						
Salary and Wages	205,000.00	205,000.00	204,964.75		35.25	
Other Expenses	368,349.00	368,349.00	298,823.60	60,227.70	9,297.70	
Total Shared Service Agreements -- Excluded from "CAPS"	750,231.00	750,231.00	675,649.42	60,227.70	14,353.88	

(Continued)

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2019

	Appropriations		Expended			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Clean Communities Program (NJSA 40A:4-87 \$20,847.59)		\$ 20,847.59	\$ 20,847.59			
Municipal Alliance on Alcoholism & Drug Abuse	\$ 17,183.00	17,183.00	17,183.00			
Body Armor Replacement Program	2,046.98	2,046.98	2,046.98			
Recycling Tonnage Grant	17,997.60	17,997.60	17,997.60			
Drunk Driving Enforcement Grant (NJSA 40A:4-87 \$3,000.00)		3,000.00	3,000.00			
Hazardous Discharge (NJSA 40A:4-87 \$28,208.00)		28,208.00	28,208.00			
Drive Sober or Get Pulled Over (NJSA 40A:4-87 \$5,500.00)		5,500.00	5,500.00			
Joint Insurance Fund Award (NJSA 40A:4-87 \$2,725.00)		2,725.00	2,725.00			
Bulletproof Vest Partnership Grant (NJSA 40A:4-87 \$11,187.45)		11,187.45	11,187.45			
Total Public and Private Programs Offset by Revenues -- Excluded from "CAPS"	37,227.58	108,695.62	108,695.62			
Total Operations -- Excluded from "CAPS"	817,552.48	889,020.52	810,688.94	\$ 60,227.70	\$ 18,103.88	
Detail:						
Salaries and Wages	274,782.00	274,782.00	269,725.82		5,056.18	
Other Expenses	542,770.48	614,238.52	540,963.12	60,227.70	13,047.70	
CAPITAL IMPROVEMENT FUND -- EXCLUDED FROM "CAPS"						
Capital Improvement Fund	75,000.00	75,000.00	75,000.00			
Capital Improvement Fund - Penns Grove Interlocal	43,677.00	43,677.00	43,677.00			
Total Capital Improvements -- Excluded from "CAPS"	118,677.00	118,677.00	118,677.00			
MUNICIPAL DEBT SERVICE -- EXCLUDED FROM "CAPS"						
Payment of Bond Principal	400,000.00	400,000.00	400,000.00			
Interest on Bonds	128,450.00	128,450.00	128,450.00			
Green Trust Loan Program	14,000.00	14,000.00	13,912.11			\$ 87.89
NJEIT Loans						
Loan Payment	25,350.00	25,350.00	25,329.53			20.47
Interest on Loan	1,850.00	1,850.00	1,813.02			36.98
Total Municipal Debt Service -- Excluded from "CAPS"	569,650.00	569,650.00	569,504.66			145.34

(Continued)

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2019

	Appropriations		Expended			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
DEFERRED CHARGES -- EXCLUDED FROM "CAPS"						
Special Emergency Authorizations - 5 Years (N.J.S.40A:4-55)	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00			
Deferred Charges to Future Taxation - Unfunded Ordinance 894	15,625.00	15,625.00	15,625.00			
Total Deferred Charges -- Excluded from "CAPS"	120,625.00	120,625.00	120,625.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,626,504.48	1,697,972.52	1,619,495.60	\$ 60,227.70	\$ 18,103.88	\$ 145.34
Subtotal General Appropriations	9,127,747.48	9,199,215.52	8,320,702.73	190,013.89	688,353.56	145.34
Reserve for Uncollected Taxes	969,546.30	969,546.30	969,546.30			
Total General Appropriations	<u>\$ 10,097,293.78</u>	<u>\$ 10,168,761.82</u>	<u>\$ 9,290,249.03</u>	<u>\$ 190,013.89</u>	<u>\$ 688,353.56</u>	<u>\$ 145.34</u>
Adopted Budget		\$ 10,097,293.78				
Appropriation by 40A:4-87		71,468.04				
Deferred Charges			\$ 105,000.00			
Reserve for Federal and State Grant Funds Appropriated			108,695.62			
Reserve for Uncollected Taxes			969,546.30			
Disbursed			8,107,007.11			
		<u>\$ 10,168,761.82</u>	<u>\$ 9,290,249.03</u>			

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

TOWNSHIP OF CARNEYS POINT
TRUST FUNDS
 Statements of Assets, Liabilities and Reserves -- Regulatory Basis
 As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS:</u>			
Animal Control Fund:			
Cash	SB-1	\$ 2,871.99	\$ 2,586.32
		<u>2,871.99</u>	<u>2,586.32</u>
Other Funds:			
Cash - CFO	SB-1	1,431,818.49	1,269,212.78
Cash - Tax Collector	SB-1	<u>320,870.91</u>	<u>260,458.83</u>
		<u>1,752,689.40</u>	<u>1,529,671.61</u>
Municipal Open Space Fund:			
Cash	SB-1	<u>331,464.02</u>	<u>323,382.00</u>
		<u>331,464.02</u>	<u>323,382.00</u>
Length of Service Awards Program:			
Investments	SB-2	<u>585,246.64</u>	<u>554,299.41</u>
		<u>585,246.64</u>	<u>554,299.41</u>
Total Trust Funds		<u>\$ 2,672,272.05</u>	<u>\$ 2,409,939.34</u>

(Continued)

TOWNSHIP OF CARNEYS POINT
TRUST FUNDS
Statements of Assets, Liabilities and Reserves -- Regulatory Basis
As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>LIABILITIES, RESERVES, AND FUND BALANCE:</u>			
Animal Control Fund:			
Reserve for Animal Control Expenditures	SB-3	\$ 2,871.99	\$ 2,585.12
Due State of New Jersey - Department of Health	SB-4		1.20
		<u>2,871.99</u>	<u>2,586.32</u>
Trust Other Funds:			
Due to Current Fund	SB-7	19,837.34	1,120.12
Reserve for:			
Escrows	SB-5	732,885.05	639,411.33
Accumulated Absences	SB-6	17,800.04	11,402.53
Payroll Deductions Payable	SB-6	29,863.76	22,795.88
Street Opening Deposits Escrow	SB-6	70,030.61	77,575.68
Recreation	SB-6	59,580.13	65,275.13
Unemployment	SB-6	37,691.07	42,893.61
Public Defender	SB-6	1,506.42	705.08
Municipal Alliance	SB-6	1,171.10	1,196.09
Police Outside Employment	SB-6	10,416.32	15,516.63
Forfeiture Trust	SB-6	84.28	103.80
House Revitalization Loan Account	SB-6	80,961.33	38,045.91
COAH	SB-6	337,860.33	311,872.52
Tax Title Liens Redemption	SB-6	3,504.74	24,431.97
Tax Title Liens Premiums	SB-6	317,200.00	235,900.00
Confiscated Funds	SB-6		7,350.21
Snow Removal	SB-6	20,785.62	22,854.00
Fire/Rescue	SB-6	3,501.75	3,484.29
Recreation Facility Improvement	SB-6	6,737.92	6,704.32
POAA	SB-6	1,271.59	1,032.51
		<u>1,752,689.40</u>	<u>1,529,671.61</u>
Municipal Open Space Fund:			
Due to Current Fund	SB-8	61.65	
Reserve for Future Use	SB-9	331,402.37	323,382.00
		<u>331,464.02</u>	<u>323,382.00</u>
Length of Service Awards Program:			
Reserve for Length of Service Awards Program	SB-2	585,246.64	554,299.41
		<u>585,246.64</u>	<u>554,299.41</u>
Total Trust Funds		<u>\$ 2,672,272.05</u>	<u>\$ 2,409,939.34</u>

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

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

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess (Deficit)
Amount to be Raised by Taxation	\$ 6,382.98	\$ 6,382.98	
Miscellaneous		<u>1,637.39</u>	<u>\$ 1,637.39</u>
Total Open Space Revenues	<u>\$ 6,382.98</u>	<u>\$ 8,020.37</u>	<u>\$ 1,637.39</u>

Analysis of Realized Revenues

Amount to be Raised by Taxation:

Receipts:

Municipal Open Space Tax Levy	<u>\$ 6,382.98</u>
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Miscellaneous:

Receipts:

Interest Earned on Deposits	<u>\$ 1,637.39</u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

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

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Cancelled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbrances Payable</u>	<u>Reserved</u>	
Reserve for Future Use	\$ 6,382.98	\$ 6,382.98	\$ 6,382.98			
Total Open Space Appropriations	<u>\$ 6,382.98</u>	<u>\$ 6,382.98</u>	<u>\$ 6,382.98</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS:</u>			
Cash	SC-1	\$ 3,048,219.72	\$ 2,676,001.12
Grants Receivable	SC-5	217,250.00	201,778.55
Deferred Charges to Future Taxation:			
Funded	SC-3	4,626,828.38	5,064,690.01
Unfunded	SC-6	557,494.00	98,119.00
		<u>\$ 8,449,792.10</u>	<u>\$ 8,040,588.68</u>
<u>LIABILITIES, RESERVES, AND FUND BALANCE:</u>			
Bonds Payable	SC-8	\$ 4,425,000.00	\$ 4,825,000.00
Green Acres Trust Loan Payable	SC-9	59,585.69	72,117.79
NJEIT Loan Payable	SC-10	142,242.69	167,572.22
Bond Anticipation Note	SC-11	475,000.00	
Improvement Authorizations:			
Funded	SC-7	2,056,751.25	2,567,565.63
Unfunded	SC-7	349,134.48	28,119.00
Contract / Encumbrances Payable	SC-7	635,408.21	188,463.78
Reserve for:			
Improvements to Recreation Sites	C	61,374.60	61,374.60
Payment of Debt	SC-12	69,901.86	48,998.06
Capital Improvement Fund	SC-4	118,257.11	24,241.39
Fund Balance	C	57,136.21	57,136.21
		<u>\$ 8,449,792.10</u>	<u>\$ 8,040,588.68</u>

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

TOWNSHIP OF CARNEYS POINT
GENERAL FIXED ASSETS GROUP OF ACCOUNTS
Statement of General Fixed Assets Group of Accounts - Regulatory Basis
For the Year Ended December 31, 2019

ASSETS:	Balance Dec. 31, 2018	Additions	Deletions	Balance Dec. 31, 2019
Land	\$ 1,331,000.00			\$ 1,331,000.00
Buildings & Improvements	5,032,702.80			5,032,702.80
Machinery and Equipment	1,728,448.26			1,728,448.26
Vehicles	2,897,192.76	\$ 156,577.24		3,053,770.00
	<u>\$ 10,989,343.82</u>	<u>\$ 156,577.24</u>	<u>\$ -</u>	<u>\$ 11,145,921.06</u>
FUND BALANCE:				
Investment in General Fixed Assets	<u>\$ 10,989,343.82</u>	<u>\$ 156,577.24</u>	<u>\$ -</u>	<u>\$ 11,145,921.06</u>

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

TOWNSHIP OF CARNEYS POINT
INDUSTRIAL COMMISSION
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
ASSETS:			
Cash	SF-1	\$ 4,531.31	\$ 5,658.79
Land	F	<u>318,650.00</u>	<u>318,650.00</u>
		<u>\$ 323,181.31</u>	<u>\$ 324,308.79</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Fund Balance	F-1	<u>\$ 323,181.31</u>	<u>\$ 324,308.79</u>

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

TOWNSHIP OF CARNEYS POINT
INDUSTRIAL COMMISSION
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
REVENUE AND OTHER INCOME REALIZED		
Current Fund Budget Appropriations	\$ 1,585.00	\$ 12,850.00
Interest Earned on Deposits	<u>27.29</u>	<u>15.34</u>
Total Income	<u>1,612.29</u>	<u>12,865.34</u>
EXPENDITURES		
Administration	<u>2,739.77</u>	<u>8,508.82</u>
Excess (Loss) Revenue	(1,127.48)	4,356.52
FUND BALANCE		
Balance January 1	<u>324,308.79</u>	<u>319,952.27</u>
Balance December 31	<u><u>\$ 323,181.31</u></u>	<u><u>\$ 324,308.79</u></u>

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

TOWNSHIP OF CARNEYS POINT
INDUSTRIAL COMMISSION
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Administration	<u>\$ 7,225.00</u>	<u>\$ 2,739.77</u>	<u>\$ 4,485.23</u>
Total	<u><u>\$ 7,225.00</u></u>	<u><u>\$ 2,739.77</u></u>	<u><u>\$ 4,485.23</u></u>

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

TOWNSHIP OF CARNEYS POINT
Notes to Financial Statements
For the Year Ended December 31, 2019

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Carneys Point (hereafter referred to as the "Township") was originally incorporated as Upper Penns Neck Township on February 21, 1798. The voters approved a referendum on November 8, 1976 and on November 10, 1976 the Township Committee changed the name. The Township is located in Salem County, New Jersey approximately twenty-three miles southeast of the City of Philadelphia. The population according to the 2010 census is 8,049.

There are five Committee Members each elected to three-year terms on a staggered basis, with one or two seats coming up for election each year. Annually the Committee elects one of themselves to serve as Mayor. Executive and administrative responsibilities rest with the Mayor, who is assisted by the Township Administrator.

Component Units - The financial statements of the component units of the Township are not presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended. If the provisions of the aforementioned GASB Statement, as amended had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Carneys Point Township Sewerage Authority
303 Harding Highway
Carneys Point, New Jersey 08069

Annual financial reports may be inspected directly at the office of this component unit during regular business hours.

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

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

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

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

Industrial Commission - Provides assistance to new businesses and helps existing business expand. The seven-member board is appointed by the mayor under authority of New Jersey State law and Township ordinance.

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its current and open space trust 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Cash, Cash Equivalents and Investments (Cont'd)**

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

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

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

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

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.

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

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 Balance included in the current fund represents amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

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

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 Salem and the Penns Grove Carneys Point Regional School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The Township is responsible for levying, collecting and remitting school taxes for the Penns Grove Carneys Point Regional School District. Operations is charged for the full amount required to be raised from taxation to operate the regional school district for the period from January 1 to December 31.

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

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

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

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 bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

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

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

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2019, the Township's bank balances of \$10,383,977.09 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 9,493,464.47
Uninsured and Uncollateralized	<u>890,512.62</u>
Total	<u><u>\$ 10,383,977.09</u></u>

Note 3: PROPERTY TAXES

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

Comparative Schedule of Tax Rates

	<u>Year Ended</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Tax Rate	<u>\$ 3.375</u>	<u>\$ 3.149</u>	<u>\$ 2.936</u>	<u>\$ 2.829</u>	<u>\$ 2.697</u>
Apportionment of Tax Rate:					
Municipal	.602	.550	.529	.484	.435
Municipal Open Space	.001	.001	.001	.001	.001
County	1.196	1.071	.932	.915	.941
County Open Space	.021	.019	.017	.018	.020
Regional School	1.555	1.508	1.457	1.411	1.300

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2019	\$ 638,297,700.00
2018	644,463,200.00
2017	667,761,420.00
2016	698,621,900.00
2015	731,705,372.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2019	\$ 21,637,426.70	\$ 20,622,900.70	95.31%
2018	20,566,104.06	19,548,084.11	95.05%
2017	19,701,533.54	18,910,587.34	95.99%
2016	19,851,554.53	18,871,198.24	95.06%
2015	19,759,620.39	18,829,346.37	95.29%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2019	\$ 913,904.31	\$ 849,668.50	\$ 1,763,572.81	8.15%
2018	822,200.80	831,144.16	1,653,344.96	8.04%
2017	1,328,567.34	614,704.41	1,943,271.75	9.86%
2016	1,185,218.29	568,388.43	1,753,606.72	8.83%
2015	1,048,922.44	564,284.43	1,613,206.87	8.16%

Note 3: PROPERTY TAXES (CONT'D)

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

<u>Year</u>	<u>Number</u>
2019	74
2018	72
2017	89
2016	106
2015	178

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 1,618,200.00
2018	1,618,200.00
2017	None
2016	None
2015	None

Note 5: 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>Current Fund</u>		<u>Utilized in</u>	<u>Percentage</u>
<u>Year</u>	<u>Balance</u> <u>December 31,</u>	<u>Budget of</u> <u>Succeeding Year</u>	<u>of Fund</u> <u>Balance Used</u>
2019	\$ 3,785,748.24	\$ 1,163,500.00	30.73%
2018	3,938,871.57	1,163,500.00	29.54%
2017	3,209,606.07	925,000.00	28.82%
2016	1,318,753.66	901,595.00	68.37%
2015	1,595,093.77	835,000.00	52.35%

Note 6: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 19,898.99	
Trust - Other		\$ 19,837.34
Trust - Open Space		61.65
	<u>\$ 19,898.99</u>	<u>\$ 19,898.99</u>

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

Note 7: PENSION PLANS

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

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

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

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

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

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

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

Vesting and Benefit Provisions

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

The following represents the membership tiers for PERS:

Tier Definition

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

Service retirement benefits of 1/55th 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.

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

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

The following represents the membership tiers for PFRS:

Tier Definition

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

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

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

Contributions

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

The Township's contractually required contribution rate for the year ended December 31, 2019 was 12.49% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

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

Public Employees' Retirement System (Cont'd) - Based on the most recent PERS measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 is \$143,833.00, and was payable by April 1, 2020. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2018, the Township's contractually required contribution to the pension plan for the year ended December 31, 2018 was \$155,276.00, which was paid on April 1, 2019. Employee contributions to the Plan during the year ended December 31, 2019 were \$87,607.44.

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

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

The Township's contractually required contribution rate for the year ended December 31, 2019 was 30.04% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 is \$483,763.00, and was payable by April 1, 2020. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2018, the Township's contractually required contribution to the pension plan for the year ended December 31, 2018 was \$474,328.00, which was paid on April 1, 2019. Employee contributions to the Plan during the year ended December 31, 2019 were \$163,189.10.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2019 was 3.87% of the Township's covered payroll.

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

Police and Firemen's Retirement System (Cont'd) - Based on the most recent PFRS measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2019 is \$62,356.00, and was payable by April 1, 2020. Based on the PFRS measurement date of June 30, 2018, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2018 was \$52,814.00, which was paid on April 1, 2019.

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

For the year ended December 31, 2019, employee contributions totaled \$6,096.85, and the Township's contributions were \$5,539.97. There were no forfeitures during the year.

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

Public Employees' Retirement System - At December 31, 2019, the Township's proportionate share of the PERS net pension liability was \$2,664,375.00. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2019 measurement date, the Township's proportion was .0147869020%, which was a decrease of .0008237950% from its proportion measured as of June 30, 2018.

At December 31, 2019, the Township's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is \$(18,245.00). This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2019, the Township's contribution to PERS was \$155,276.00, and was paid on April 1, 2019.

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

Township's Proportionate Share of Net Pension Liability	\$ 5,860,946.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>925,455.00</u>
	<u>\$ 6,786,401.00</u>

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

Police and Firemen's Retirement System (Cont'd) - The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2019 measurement date, the Township's proportion was .0478920825%, which was a decrease of .0006252083% from its proportion measured as of June 30, 2018. Likewise, at June 30, 2019, the State of New Jersey's proportion, on-behalf of the Township, was .0478920825%, which was a decrease of .0006252083% from its proportion, on-behalf of the Township, measured as of June 30, 2018.

At December 31, 2019, the Township's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is \$596,518.00. This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2019, the Township's contribution to PFRS was \$474,328.00, and was paid on April 1, 2019.

At December 31, 2019, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Township, calculated by the Plan as of the June 30, 2019 measurement date is \$107,530.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

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

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 47,822.00	\$ 49,474.00	\$ 97,296.00	\$ 11,770.00	\$ 37,107.00	\$ 48,877.00
Changes of Assumptions	266,048.00	200,828.00	466,876.00	924,796.00	1,894,204.00	2,819,000.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	42,058.00	79,414.00	121,472.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	40,431.00	439,501.00	479,932.00	414,406.00	204,524.00	618,930.00
Township Contributions Subsequent to the Measurement Date	71,917.00	241,882.00	313,799.00	-	-	-
	<u>\$ 426,218.00</u>	<u>\$ 931,685.00</u>	<u>\$ 1,357,903.00</u>	<u>\$ 1,393,030.00</u>	<u>\$ 2,215,249.00</u>	<u>\$ 3,608,279.00</u>

\$71,917.00 and \$241,882.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2020. These amounts were based on an estimated April 1, 2021 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2019 to the Township's year end of December 31, 2019.

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

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - The Township will amortize the above other deferred outflow 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, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
June 30, 2019	5.21	-	-	5.92
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
June 30, 2019	-	5.21	-	5.92
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2014	-	5.00	-	5.00
June 30, 2015	5.00	-	5.00	-
June 30, 2016	5.00	-	5.00	-
June 30, 2017	-	5.00	-	5.00
June 30, 2018	-	5.00	-	5.00
June 30, 2019	-	5.00	-	5.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73
June 30, 2019	5.21	5.21	5.92	5.92

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

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

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2020	\$ (196,041.00)	\$ (226,306.00)	\$ (422,347.00)
2021	(356,317.00)	(549,322.00)	(905,639.00)
2022	(312,372.00)	(416,403.00)	(728,775.00)
2023	(155,735.00)	(191,827.00)	(347,562.00)
2024	(18,264.00)	(141,588.00)	(159,852.00)
	<u>\$ (1,038,729.00)</u>	<u>\$ (1,525,446.00)</u>	<u>\$ (2,564,175.00)</u>

Actuarial Assumptions

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

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

(1) Based on Years of Service

Note 7: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

For PERS, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

For PFRS, pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

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

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

Note 7: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

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

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

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

	PERS		
	1% Decrease (5.28%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
Township's Proportionate Share of the Net Pension Liability	\$ 3,365,539.00	\$ 2,664,375.00	\$ 2,073,546.00

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

	PFRS		
	1% Decrease (5.85%)	Current Discount Rate (6.85%)	1% Increase (7.85%)
Township's Proportionate Share of the Net Pension Liability	\$ 7,921,864.00	\$ 5,860,946.00	\$ 4,155,240.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	1,250,877.00	925,455.00	656,120.00
	<u>\$ 9,172,741.00</u>	<u>\$ 6,786,401.00</u>	<u>\$ 4,811,360.00</u>

Note 7: PENSION PLANS (CONT'D)**Pension Plan Fiduciary Net Position**

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

Supplementary Pension Information

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

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

	Measurement Date Ended June 30,			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Proportion of the Net Pension Liability	0.0147869020%	0.0156106970%	0.0162160085%	0.0177581648%
Township's Proportionate Share of the Net Pension Liability	\$ 2,664,375.00	\$ 3,073,668.00	\$ 3,774,828.00	\$ 5,259,459.00
Township's Covered Payroll (Plan Measurement Period)	\$ 1,038,620.00	\$ 1,066,196.00	\$ 1,099,540.00	\$ 1,221,648.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	256.53%	288.28%	343.31%	430.52%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.27%	53.60%	48.10%	40.14%
	Measurement Date Ended June 30,			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Proportion of the Net Pension Liability	0.0170360105%	0.0173577758%	0.0185555129%	
Township's Proportionate Share of the Net Pension Liability	\$ 3,824,243.00	\$ 3,249,850.00	\$ 3,546,327.00	
Township's Covered Payroll (Plan Measurement Period)	\$ 1,099,852.00	\$ 1,242,164.00	\$ 1,207,172.00	
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	347.71%	261.63%	293.77%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%	

Note 7: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Public Employees' Retirement System (PERS) (Last Seven Years)***

	<u>Year Ended December 31,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Contractually Required Contribution	\$ 143,833.00	\$ 155,276.00	\$ 150,224.00	\$ 157,761.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>\$ (143,833.00)</u>	<u>(155,276.00)</u>	<u>(150,224.00)</u>	<u>(157,761.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 1,151,737.00	\$ 1,054,863.00	\$ 1,059,398.00	\$ 1,099,629.00
Township's Contributions as a Percentage of Covered Payroll	12.49%	14.72%	14.18%	14.35%
	<u>Year Ended December 31,</u>			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Contractually Required Contribution	\$ 146,464.00	\$ 143,095.00	\$ 139,812.00	
Township's Contribution in Relation to the Contractually Required Contribution	<u>(146,464.00)</u>	<u>(143,095.00)</u>	<u>(139,812.00)</u>	
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Township's Covered Payroll (Calendar Year)	\$ 1,153,054.00	\$ 1,149,959.00	\$ 1,215,299.00	
Township's Contributions as a Percentage of Covered Payroll	12.70%	12.44%	11.50%	

Note 7: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Seven Plan Years)***

	<u>Measurement Date Ended June 30,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Proportion of the Net Pension Liability	0.0478920825%	0.0485172908%	0.0460238989%	0.0467365422%
Township's Proportionate Share of the Net Pension Liability	\$ 5,860,946.00	\$ 6,565,189.00	\$ 7,105,200.00	\$ 8,927,875.00
State's Proportionate Share of the Net Pension Liability associated with the Township	925,455.00	891,772.00	795,842.00	749,720.00
Total	<u>\$ 6,786,401.00</u>	<u>\$ 7,456,961.00</u>	<u>\$ 7,901,042.00</u>	<u>\$ 9,677,595.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 1,623,212.00	\$ 1,609,584.00	\$ 1,523,164.00	\$ 1,493,812.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	361.07%	407.88%	466.48%	597.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.00%	62.48%	58.60%	52.01%
	<u>Measurement Date Ended June 30,</u>			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Proportion of the Net Pension Liability	0.0423944937%	0.0479997198%	0.0448829480%	
Township's Proportionate Share of the Net Pension Liability	\$ 7,061,445.00	\$ 6,037,920.00	\$ 5,966,783.00	
State's Proportionate Share of the Net Pension Liability associated with the Township	619,265.00	650,182.00	556,177.00	
Total	<u>\$ 7,680,710.00</u>	<u>\$ 6,688,102.00</u>	<u>\$ 6,522,960.00</u>	
Township's Covered Payroll (Plan Measurement Period)	\$ 1,408,004.00	\$ 1,516,064.00	\$ 1,520,764.00	
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	501.52%	398.26%	392.35%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.31%	62.41%	58.70%	

Note 7: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Police and Firemen's Retirement System (PFRS) (Last Seven Years)***

	<u>Year Ended December 31,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Contractually Required Contribution	\$ 483,763.00	\$ 474,328.00	\$ 407,320.00	\$ 381,062.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(483,763.00)</u>	<u>(474,328.00)</u>	<u>(407,320.00)</u>	<u>(381,062.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 1,610,188.00	\$ 1,585,637.00	\$ 1,586,919.00	\$ 1,500,230.00
Township's Contributions as a Percentage of Covered Payroll	30.04%	29.91%	25.67%	25.40%
	<u>Year Ended December 31,</u>			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Contractually Required Contribution	\$ 344,604.00	\$ 368,671.00	\$ 327,456.00	
Township's Contribution in Relation to the Contractually Required Contribution	<u>(344,604.00)</u>	<u>(368,671.00)</u>	<u>(327,456.00)</u>	
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Township's Covered Payroll (Calendar Year)	\$ 1,536,779.00	\$ 1,403,738.00	\$ 1,522,824.00	
Township's Contributions as a Percentage of Covered Payroll	22.42%	26.26%	21.50%	

Note 7: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)*****Changes in Benefit Terms**

None

Changes in Assumptions

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

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

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2014 - June 30, 2018 Experience Study. For pre-retirement mortality, the Pub-2010 General Below-Median Income Employee mortality table with 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 was used. For healthy retirees and beneficiaries, the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For disabled retiree mortality, the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males, and a 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

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

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

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

Changes in Assumptions

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

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

Note 7: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information (Cont'd)*****Police and Firemen's Retirement System (PFRS) (Cont'd)*****Changes in Assumptions (Cont'd)**

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2013 - June 30, 2018 Experience Study. For pre-retirement mortality, the Pub-201 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For healthy retirees, the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For beneficiaries mortality, the Pub-2010 General Retiree Below-Median Income Weighted mortality table, unadjusted, and with future improvement from the base year of 2010 on a generational basis was used. For disabled mortality, the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

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

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**TOWNSHIP OF CARNEYS POINT POSTEMPLOYMENT BENEFIT PLAN**

Plan Description and Benefits Provided - The Township provides postretirement benefits through a plan for retirees, which includes medical, dental, vision and prescription drug benefits. The Township provides 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*, and covers the following retiree populations: certain police officers and non-contractual active employees who are age sixty (60) or older and who retire from the Township with at least twenty-five (25) years of full-time service with the Township and who are already covered by health insurance through the Township to receive fully paid health and prescription benefits. This entitlement requires that police officers retire from service with the Township, be covered by any collective bargaining agreement between the Township and the Fraternal Order of Police, Labor Council Lodge No. 6 and have served at least twenty-five years. The continuation of benefits to the members of the employee's family will be, as the family exists as of the date of retirement and only to those family members who exist as of the date of retirement. The plan is administered by the Township; therefore, premium payments are made directly to the insurance carriers.

Employees Covered by Benefit Terms - As of December 31, 2019, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	16
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	2
Active Employees	40
	<u>58</u>

Total OPEB Liability

The Township's total OPEB liability of \$10,838,884.00 was measured as of December 31, 2019 and was determined by an actuarial valuation as of this same date.

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

Mortality	RP 2000 Combined Healthy Male Mortality Rates Set Forward Three Years
Turnover	NJ State Pension Ultimate Withdrawal Rates - prior to benefits eligibility
Assumed Retirement Age	At first eligibility after completing 25 years of service and attainment of age 60
Full Attribution Period	Service to Assumed Retirement Age
Annual Discount Rate	4.10% Based on Bond Buyer 20 Index Dec. 31, 2018 2.74% Based on Bond Buyer 20 Index Dec. 31, 2019
CPI Increase	2.50%
Rate of Salary Increase	2.50%
Medical Trend	Medical: 5.70% in 2019, reducing by 0.1% per annum, leveling at 5.00% per annum in 2026 Drug: 9.50% in 2019, reducing by 0.5% per annum to 2022 and 1.00% per annum thereafter, leveling at 5.00% per annum in 2026
	Dental and Vision: 3.50% per annum
Medical Cost Aging Factor	NJ SHBP Medical Morbidity Rates

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

Actuarial Assumptions and Other Inputs (Cont'd) - An experience study was not performed on the actuarial assumptions used in the December 31, 2019 valuation since the Plan had insufficient data to produce a study with credible results. Mortality rates, termination rates and retirement rates were based on standard tables issued by the SOA or developed for the applicable State Pension system in which the Township participates. The actuary has used their professional judgement in applying these assumptions to this Plan.

Changes in Total OPEB Liability

Balance at December 31, 2018		\$ 9,842,107.00
Changes for the Year:		
Service Cost	\$ 191,382.00	
Interest Cost	402,310.00	
Benefit Payments	(442,086.00)	
Changes in Assumptions	845,171.00	
Difference between Expected and Actual Experience	-	
Net Changes		<u>996,777.00</u>
Balance at December 31, 2019		<u>\$ 10,838,884.00</u>

Changes of benefit terms reflect no increase in the retirees' share of health insurance premiums.

Changes of assumptions and other inputs reflect a change in the discount rate from 4.10% at December 31, 2018 to 2.74% at December 31, 2019.

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:

	<u>December 31, 2019</u>		
	<u>1.00% Decrease (1.74%)</u>	<u>Current Discount Rate (2.74%)</u>	<u>1.00% Increase (3.74%)</u>
Total OPEB Liability	<u>\$ 11,664,045.00</u>	<u>\$ 10,838,884.00</u>	<u>\$ 10,166,154.00</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:

	<u>December 31, 2019</u>		
	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1.00% Increase</u>
Total OPEB Liability	<u>\$ 10,012,070.00</u>	<u>\$ 10,838,884.00</u>	<u>\$ 11,837,544.00</u>

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended December 31, 2019, the Township recognized OPEB expense of \$644,377.00. As of December 31, 2019, 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	\$ 794,486.00	\$ -
Difference Between Expected and Actual Experience	-	-
	<u>\$ 794,486.00</u>	<u>\$ -</u>

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

<u>Year Ending Dec 31,</u>	
2020	\$ 50,685.00
2021	50,685.00
2022	50,685.00
2023	50,685.00
2024	50,685.00
Thereafter	<u>541,061.00</u>
	<u>\$ 794,486.00</u>

Supplementary OPEB Information

In accordance with GASBS No. 75, the following information is also presented for the Township's OPEB 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.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Supplementary OPEB Information (Cont'd)*****Schedule of Changes in the Township's Total OPEB Liability and Related Ratios (Last Two Years)***

	<u>Plan Measurement Date December 31,</u>	
	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service Cost	\$ 191,382.00	\$ 191,382.00
Interest Cost	402,310.00	393,119.00
Benefit Payments	(442,086.00)	(278,568.00)
Changes in Assumptions	845,171.00	-
Difference Between Expected and Actual Experience	-	-
Net Change in Total OPEB Liability	996,777.00	305,933.00
Total OPEB Liability - Beginning of Fiscal Year	<u>9,842,107.00</u>	<u>9,536,174.00</u>
Total OPEB Liability - End of Fiscal Year	<u>\$ 10,838,884.00</u>	<u>\$ 9,842,107.00</u>
Covered-Employee Payroll	\$ 3,298,028.10	\$ 3,345,973.79
Total OPEB Liability as a Percentage of Covered Payroll	328.65%	294.15%

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

None

Changes in Assumptions

The discount rate changed from 4.10% as of December 31, 2018 measurement date to 2.74% as of the December 31, 2019 measurement date.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM

Plan Description – The Township's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Township's trust fund, was created by a Township Ordinance adopted on August 30, 1999 pursuant to Section 457 (e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*.

The voters of the Township approved the adoption of the Plan at the general election held on November 2, 1999, and the first year of eligibility for entrance into the Plan by qualified volunteers was calendar year 2000. The Plan provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel, and is administered by Lincoln National Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The Township's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

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

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

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

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

For the year ended December 31, 2019, the Township's total expenditure, net of forfeitures of \$0.00, to the Plan was \$17,250.00.

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

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

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

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

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

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

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

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

Note 10: COMPENSATED ABSENCES

Non-contractual full-time Township employees are entitled to paid vacation days based upon their length of service. Upon approval by the Township Committee, up to ten unused vacation days may be accumulated and carried forward to the next succeeding year. Vacation days carried forward must be used in the next succeeding year or be forfeited. Employees are compensated for unused vacation days upon retirement or resignation with Committee approval.

Full-time employees are entitled to 96 hours of paid sick leave each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Employees are not compensated for unused sick days upon retirement or resignation with Committee approval.

The Township has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2019 the balance of the fund was \$17,800.04. It is estimated that, at December 31, 2019, accrued benefits for compensated absences are valued at \$132,188.75.

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

On April 17, 2017, the Township issued \$5,150,000.00 of general obligation bonds, with interest rates 2.00%-3.00%. The bonds were issued for the purpose of funding various capital projects in the Township. The final maturity of the bonds is April 15, 2029.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 410,000.00	\$ 120,350.00	\$ 530,350.00
2021	420,000.00	112,050.00	532,050.00
2022	400,000.00	101,850.00	501,850.00
2023	410,000.00	89,700.00	499,700.00
2024	430,000.00	77,100.00	507,100.00
2025-2029	<u>2,355,000.00</u>	<u>180,675.00</u>	<u>2,535,675.00</u>
	<u>\$ 4,425,000.00</u>	<u>\$ 681,725.00</u>	<u>\$ 5,106,725.00</u>

General Debt - New Jersey Environmental Infrastructure Loans

On February 19, 2010, the Township entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$373,316.00, at no interest, from the fund loan, and \$124,439.00 at interest rates ranging from 0.61% to 3.92% from the trust loan. The proceeds were used to fund improvements to the Plant Road Pump Station. Semiannual debt payments are due February 1st and August 1st through 2026. On November 14, 2011 the loan was decreased to the final allowable costs of the project. The final loan agreement provided \$280,033.00, at no interest, from the fund loan, and \$93,344.00 from the trust loan.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 25,518.05	\$ 1,624.50	\$ 27,142.55
2021	25,724.59	1,417.96	27,142.55
2022	25,946.41	1,196.14	27,142.55
2023	26,188.77	953.78	27,142.55
2024	26,449.65	692.90	27,142.55
2025-2026	<u>12,415.22</u>	<u>534.34</u>	<u>12,949.56</u>
	<u>\$ 142,242.69</u>	<u>\$ 6,419.62</u>	<u>\$ 148,662.31</u>

Note 11: CAPITAL DEBT (CONT'D)**General Debt - New Jersey Green Acres Loans**

On October 13, 2006, the Township entered into a loan agreement with the New Jersey Department of Environmental Protection to provide \$199,657.29, at an interest rate of 2.0%. The proceeds were used to fund the improvements of the Township's sports facility. Semiannual debt payments are due January 13th and July 13th through 2024.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 12,784.00	\$ 1,128.11	\$ 13,912.11
2021	13,040.96	871.16	13,912.12
2022	13,303.08	609.03	13,912.11
2023	13,570.47	341.64	13,912.11
2024	6,887.18	68.87	6,956.05
	<u>\$ 59,585.69</u>	<u>\$ 3,018.81</u>	<u>\$ 62,604.50</u>

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 5,101,828.38	\$ 5,064,690.01	\$ 5,427,133.62
<u>Authorized but not Issued</u>			
General:			
Bonds, Loans and Notes	<u>82,494.00</u>	<u>98,119.00</u>	<u>113,744.64</u>
Total Issued and Authorized but not Issued	<u>5,184,322.38</u>	<u>5,162,809.01</u>	<u>5,540,878.26</u>
<u>Deductions</u>			
General:			
Reserve for Payment of Debt	<u>69,901.86</u>	<u>48,998.06</u>	<u>48,548.16</u>
Net Debt	<u>\$ 5,114,420.52</u>	<u>\$ 5,113,810.95</u>	<u>\$ 5,492,330.10</u>

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

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 0.825%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 5,127,093.27	\$ 5,127,093.27	
General	5,184,322.38	69,901.86	\$ 5,114,420.52
	<u>\$ 10,311,415.65</u>	<u>\$ 5,196,995.13</u>	<u>\$ 5,114,420.52</u>

Net debt \$5,114,420.52 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$620,291,736.00 equals 0.825%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 21,710,210.76
Less: Net Debt	<u>5,114,420.52</u>
Remaining Borrowing Power	<u>\$ 16,595,790.24</u>

Note 12: RISK MANAGEMENT

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

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

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

<u>Year</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019	\$ -	\$ -	\$ 148.77	\$ 5,351.31	\$ 37,691.07
2018	2,000.00	-	113.85	4,589.04	42,893.61
2017	-	-	56.40	5,035.00	45,368.80

Note 12: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool - The Township is a member of the Gloucester, Salem and Cumberland Counties Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability
General Liability other than motor vehicles
Property Damage other than motor vehicles
Automobile Liability and Damage
Public Employees Blanket Bond

Contributions to the Fund, including a reserve for contingencies, 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.

Coverage in excess of the Fund's self-insured retention limits is provided through the Fund's membership in the Municipal Excess Liability Joint Insurance Fund.

The Fund publishes its own financial report for the year ended December 31, 2019, which can be obtained from:

Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund
P.O. Box 490
Marlton, New Jersey 08053

Self-Insurance Plan - The Township has adopted a plan of self-insurance for medical, dental and prescription insurance. The UHY Advisors of Insurance Design Administrators act as administrator of the plan. The Township purchases commercial insurance for claims in excess of \$40,000.00.

The following is a summary of the claims liability of the Township's for the current and previous year:

	<u>2019</u>	<u>2018</u>
Claims Liability Balance, January 1	\$ 46,573.34	\$ 31,837.79
Incurred Claims	935,228.05	895,670.52
Payment of Claims	(877,898.40)	(853,290.42)
Other - Administrative Fees	<u>(27,709.60)</u>	<u>(27,644.55)</u>
Claims Liability Balance, December 31	<u>\$ 76,193.39</u>	<u>\$ 46,573.34</u>

At December 31, 2019, the Township had a budget appropriation reserve of \$277,286.62. At December 31, 2018, the Township had a budget appropriation reserve of \$264,808.24.

Note 13: 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 14: OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST

On November 7, 2006 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 a Township Open Space, Recreation and Farmland Preservation Trust Fund effective January 1, 2007, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. The Township proposed to levy a tax not to exceed two cents per one hundred dollars of equalized valuation. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a Trust Fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Township Open Space, Recreation and Farmland Preservation Trust Fund.

Note 15: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2019, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

<u>Description</u>	<u>Balance December 31, 2019</u>	<u>2020 Budget Appropriation</u>
Current Fund:		
Special Emergency - Revaluation	\$ 420,000.00	\$ 105,000.00

The appropriations in the 2020 Budget as adopted are not less than that required by the statutes.

Note 16: 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 17: CARNEYS POINT TOWNSHIP SEWERAGE AUTHORITY

Under Section 403 of a service agreement between Carneys Point Township Sewerage Authority and Township, the Township is required to pay a sum of money equal to the excess (if any) of:

(1) Operating expenses, interest on bonds, principal or redemption premium on bonds, any deficits of the Authority resulting from failure to receive sums payable to the Authority by the Township, to maintain such reserves or sinking funds to provide for expenses of operations and maintenance of the system or for any interest on or principal on redemption premium of bonds or for any such deficits as may be required by the terms of any contract of the Authority or agreement with or for the benefit of holders of bonds or be deemed necessary or desirable by the Authority, over

(2) The sum of such parts (if any) of the several amounts of service charges collected, the proceeds of bond received by or for account of the authority, the proceeds of insurance received, interest received on investments of funds held for benefit or security of the Authority, contributions received by or for the account of the Authority and not repayable by the Authority, reserves on hand and available, therefore, at the beginning of such fiscal year.

The computation for the Sewerage Authority's Fiscal Year November 30, 2019 showed no amount due under this agreement.

Note 18: 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.

Tax Appeals - As of December 31, 2019, 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 significant.

Note 19: SUBSEQUENT EVENTS

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

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

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Statement of Cash
For the Year Ended December 31, 2019

	Regular Fund		Federal and State Grant Fund
	Chief Financial Officer	Tax Collector	
Balance December 31, 2018	\$ 4,844,358.45	\$ 3,368.36	\$ 170,209.02
Increased by Receipts:			
Received from Tax Collector	\$ 21,483,968.83		
Taxes Receivable	207,751.40	\$ 20,936,603.61	
Tax Title Liens		34,926.83	
Tax Overpayments		17,447.41	
Prepaid Taxes		258,148.56	
Miscellaneous Revenue Anticipated	4,567,134.85	193,754.76	
Miscellaneous Revenue Not Anticipated	121,829.14	43,087.66	
Due Federal and State Grant Fund	36,406.00		
Due State of New Jersey - State Training Fees	14,048.00		
Due State of New Jersey - Senior Cit & Vet Deductions	76,476.71		
Reserve for Trash Truck	92,825.21		
Reserve for Motor Vehicle Fines	700.00		
Reserve for Fire Fighting Equipment and Training	500.00		
Federal and State Grants Receivable			\$ 76,955.91
Federal and State Grants Unappropriated			40,539.05
	<u>26,601,640.14</u>	<u>21,483,968.83</u>	<u>117,494.96</u>
	31,445,998.59	21,487,337.19	287,703.98
Decreased by Disbursements:			
Disbursed to Chief Financial Officer		21,483,968.83	
Appropriations	8,107,007.11		
Appropriation Reserves	271,405.54		
Regional School District Taxes Payable	9,923,481.00		
County Taxes Payable	7,894,992.96		
Due State of New Jersey - State Training Fees	2,351.00		
Tax Overpayments	19,354.80		
Due Current Fund			36,406.00
Due Trust - Other Funds - Disbursed to	15,000.00		
Due Trust - Other Funds - Disbursed for	3,141.45		
Due Trust - Municipal Open Space - Disbursed to	6,444.63		
Refund of Prior Year Taxes	113,966.46		
Refund of Prior Year Revenue	5,540.00		
Reserve for Revaluation	79,952.66		
Reserve for Federal & State Grants - Appropriated			80,098.87
	<u>26,442,637.61</u>	<u>21,483,968.83</u>	<u>116,504.87</u>
Balance December 31, 2019	<u>\$ 5,003,360.98</u>	<u>\$ 3,368.36</u>	<u>\$ 171,199.11</u>

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Schedule of Change Funds
As of December 31, 2019

<u>Office</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
Tax Collector	\$ 225.00
Clerk of Municipal Court	350.00
Dog Registrar	25.00
Municipal Clerk	75.00
Construction Code Office	<u>100.00</u>
	<u>\$ 775.00</u>

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

	Balance Dec. 31, 2018	Levy	Added Taxes	2018	Collected 2019	Due from State of New Jersey	Transferred to Tax Title Liens	Adjustments/ Canceled	Balance Dec. 31, 2019
Prior	\$ 5,373.52				\$ 3,033.71				\$ 2,339.81
2017	5,173.38				4,564.58				608.80
2018	820,597.26				761,505.14			\$ 24,543.80	34,548.32
	831,144.16	-	-	-	769,103.43	-	-	24,543.80	37,496.93
2019		\$ 21,537,055.16	\$ 100,371.54	\$ 170,024.12	20,375,251.58	\$ 77,625.00	\$ 107,755.74	94,598.69	812,171.57
	<u>\$ 831,144.16</u>	<u>\$ 21,537,055.16</u>	<u>\$ 100,371.54</u>	<u>\$ 170,024.12</u>	<u>\$ 21,144,355.01</u>	<u>\$ 77,625.00</u>	<u>\$ 107,755.74</u>	<u>\$ 119,142.49</u>	<u>\$ 849,668.50</u>

Analysis of Property Tax Levy

Tax Yield:

General Purpose Tax	\$ 21,537,055.16
Added and Omitted Tax (54:4-63 et. seq.)	100,371.54
	<u>\$ 21,637,426.70</u>

Tax Levy:

Regional School Tax (Abstract)	\$ 9,923,481.00
County Taxes:	
County Tax (Abstract)	\$ 7,633,372.23
County Open Space Tax (Abstract)	130,901.50
Due County for Added and Omitted Taxes (54:4-63.1 et.seq.):	
County Tax	35,566.64
County Open Space	624.52
Total County Tax	<u>7,800,464.89</u>
Municipal Open Space Tax (Abstract)	6,382.98
Local Tax For Municipal Purposes Levied (Abstract)	3,847,710.57
Rounding	(4,793.12)
Added and Omitted Tax	64,180.38
Total Local Tax for Municipal Purposes Levied	<u>3,907,097.83</u>
	<u>\$ 21,637,426.70</u>

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Statement of Tax Title Liens Receivable
For the Year Ended December 31, 2019

Balance December 31, 2018		\$	822,200.80
Increased by:			
Transfers from Taxes Receivable	\$	107,755.74	
Interest & Costs		<u>18,874.60</u>	
			<u>126,630.34</u>
			948,831.14
Decreased by:			
Cash Receipts			<u>34,926.83</u>
Balance December 31, 2019		\$	<u><u>913,904.31</u></u>

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

	Balance Dec. 31, 2018	Accrued	Realized	Balance Dec. 31, 2019
Miscellaneous Revenues:				
Local Revenues:				
Alcoholic Beverages		\$ 8,072.00	\$ 8,072.00	
Fees and Permits - Other		49,802.50	49,802.50	
Fines and Costs - Municipal Court	\$ 6,086.16	98,678.34	104,764.50	
Interest and Costs on Taxes		188,157.21	188,157.21	
Interest on Investments and Deposits		37,525.81	37,525.81	
Payments in Lieu Of Taxes Pursuant to N.J.S.A. 54:4-3.95				
Chambers Co-Generation Limited Partnership		2,190,937.50	2,190,937.50	
Senior Housing		91,025.00	91,025.00	
Cable Television Fees		24,791.11	24,791.11	
Contribution from Carneys Point Twp. Sewerage Authority -				
Health Insurance Premiums		20,572.56	20,572.56	
Hotel/Motel Tax		131,627.16	131,627.16	
Police Outside Employment Trust		46,000.00	46,000.00	
Verizon Lease Agreement		16,680.00	16,680.00	
State Aid Without Offsetting Appropriations:				
Consolidated Municipal Property Tax Relief Aid		10,742.00	10,742.00	
Energy Receipts Tax		796,632.00	796,632.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations:				
Uniform Construction Code Fees		238,714.80	238,714.80	
Special Items of General Revenue Anticipated with Prior Written Consent				
of Director of Local Government Services - Shared Service Agreements:				
Borough of Penns Grove - Interlocal Services Agreement Tax Collector		64,357.00	64,357.00	
Borough of Penns Grove - Interlocal Services Agreement Public Works		607,769.86	607,769.86	
Township of Pilesgrove - Interlocal Services Agreement Tax Collector		5,318.00	5,318.00	
Special Items of General Revenue Anticipated with Prior Written Consent				
of Director of Local Government Services - Public and Private Revenues:		106,977.54	106,977.54	
Special Items of General Revenue Anticipated with Prior Written Consent				
of Director of Local Government Services - Other Special Items:				
Reserve for the Payment of Debt		47,400.60	47,400.60	
Contribution from Carneys Point Twp. Sewerage Authority -				
Surplus Anticipated		80,000.00	80,000.00	
Total	\$ 6,086.16	\$ 4,861,780.99	\$ 4,867,867.15	\$ -
Applied		\$ 106,977.54	\$ 106,977.54	
Cash Receipts				
Tax Collector		193,754.76	193,754.76	
Treasurer		4,561,048.69	4,567,134.85	
		\$ 4,861,780.99	\$ 4,867,867.15	

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

	<u>Balance December 31, 2018</u>		<u>Transfers</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Lapsed to Fund Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>				
Mayor and Council						
Salaries and Wages		\$ 0.20		\$ 0.20		\$ 0.20
Other Expenses		10.01		10.01		10.01
Municipal Clerk's Office						
Salaries and Wages		844.28		844.28		844.28
Other Expenses	\$ 13.35	4,444.44		4,457.79	\$ 58.78	4,399.01
Computer Consultant Other Expenses		1,233.75		1,233.75		1,233.75
Financial Administration						
Salaries and Wages		2,033.69		2,033.69		2,033.69
Other Expenses	1,452.66	1,792.60		3,245.26	1,741.25	1,504.01
Audit		2,000.00		2,000.00		2,000.00
Grants Consultant						
Other Expenses		1,000.00	\$ 9,000.00	10,000.00	9,350.00	650.00
Registrar of Vital Statistics						
Salaries and Wages		155.36		155.36		155.36
Other Expenses		155.79		155.79	28.50	127.29
Assessment of Taxes						
Salaries and Wages		885.70		885.70		885.70
Other Expenses		17,911.10		17,911.10	1,276.52	16,634.58
Collection of Taxes						
Salaries and Wages		362.50		362.50		362.50
Other Expenses	123.42	7,083.48		7,206.90	143.42	7,063.48
Foreclosure of TTL		1,144.65		1,144.65		1,144.65
Legal Services and Costs						
Other Expenses		26,080.45	10,000.00	36,080.45	34,541.01	1,539.44
Engineering Services and Costs						
Other Expenses	100.00	16,427.94		16,527.94	7,314.87	9,213.07
Land Use Administration						
Municipal Land Use Law (NJSA 40:55D-1 et seq.)						
Planning Board						
Salaries & Wages		1,625.84		1,625.84		1,625.84
Other Expenses	375.25	10,563.50		10,938.75	4,786.25	6,152.50
Insurance						
Salaries and Wages		264.00		264.00		264.00
General Liability		2,614.53		2,614.53		2,614.53
Workers Compensation		4.47		4.47		4.47
Employee Group Health		282,808.24	(15,000.00)	267,808.24	248.58	267,559.66
New Jersey Disability		1,501.33		1,501.33		1,501.33
JIF - Other Expenses	734.40	2.95		737.35	734.40	2.95
Volunteer Fire Co.						
Fire Hydrant Service		7,492.45		7,492.45	7,154.21	338.24
Miscellaneous Other Expenses	7,369.49	5,046.07		12,415.56	6,759.75	5,655.81
Police						
Salaries and Wages		63,440.67		63,440.67		63,440.67
Miscellaneous Other Expenses	3,246.92	8,849.58		12,096.50	5,649.15	6,447.35
First Aid Organization						
Other Expenses - Rescue	4,022.76	10,820.13		14,842.89	5,127.99	9,714.90
Ambulance Service		245.52		245.52		245.52
Emergency Management Services						
Other Expenses		1,370.98		1,370.98		1,370.98

(Continued)

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

	<u>Balance December 31, 2018</u>		<u>Transfers</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Lapsed to Fund Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>				
Fire Business	\$ 873.53	\$ 486.55		\$ 1,360.08	\$ 873.53	\$ 486.55
Municipal Prosecutor						
Other Expenses		0.08		0.08		0.08
Municipal Court						
Salaries and Wages		12,506.04		12,506.04		12,506.04
Other Expenses	680.00	4,754.80		5,434.80	1,805.00	3,629.80
Public Defender						
Other Expenses		2,250.03		2,250.03		2,250.03
Sanitation						
Garbage and Trash Removal						
Salaries and Wages		133.95		133.95		133.95
Other Expenses		3,126.59		3,126.59		3,126.59
Sanitary Landfill						
Other Expenses		16,357.99		16,357.99	12,502.85	3,855.14
Streets and Roads Maintenance						
Salaries and Wages		1,263.79		1,263.79		1,263.79
Other Expenses	219.16	1,792.04		2,011.20	168.16	1,843.04
Recycling						
Salaries and Wages		25.96		25.96		25.96
Other Expenses		282.02		282.02		282.02
Public Buildings and Grounds						
Salaries and Wages		1,821.23		1,821.23		1,821.23
Other Expenses	2,468.50	18,378.24	\$ (4,000.00)	16,846.74	8,264.37	8,582.37
Board of Health						
Salaries and Wages		597.24		597.24		597.24
Other Expenses		5,778.06		5,778.06		5,778.06
Dog Regulation						
Salaries and Wages		539.81		539.81		539.81
Other Expenses	266.00	6,970.91		7,236.91	266.00	6,970.91
Maintenance of Parks						
Other Expenses	322.75	1,560.30	(1,000.00)	883.05	322.75	560.30
Recreation Services and Programs						
Salaries and Wages		48.00		48.00		48.00
Other Expenses	115.84	4,324.88	(4,000.00)	440.72	115.84	324.88
Electricity		17,610.08	6,562.45	24,172.53	23,914.56	257.97
Street Lighting	2,831.64	13,444.55	(1,562.45)	14,713.74	14,713.74	
Telephone	574.55	5,501.47		6,076.02	574.55	5,501.47
Gas (Natural or Propane)	652.29	3,553.99		4,206.28	1,510.01	2,696.27
Gasoline & Diesel		63.33		63.33		63.33
Code Enforcement and Administrator						
Salaries and Wages		25,567.73		25,567.73		25,567.73
Other Expenses	217.78	4,392.66		4,610.44	373.01	4,237.43
Other Code Enforcement Functions						
Housing						
Salaries and Wages		1,599.11		1,599.11		1,599.11
Other Expenses		1,071.94		1,071.94	40.00	1,031.94
COAH						
Salaries and Wages		583.17		583.17		583.17
Other Expenses	7,559.00	671.00		8,230.00	7,048.75	1,181.25

(Continued)

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

	<u>Balance December 31, 2018</u>		<u>Transfers</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Lapsed to Fund Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>				
Zoning						
Salaries and Wages		\$ 749.31		\$ 749.31		\$ 749.31
Other Expenses		550.00		550.00		550.00
Statutory Expenditures						
Contribution to:						
Social Security System (O.A.S.I.)		15,524.55		15,524.55		15,524.55
Defined Contribution Retirement Plan		279.19		279.19		279.19
PERS Retroactive Contributions-1st & 2nd Qtr 2009		0.29		0.29		0.29
Solid Waste Recycling Tax		4,328.68		4,328.68	\$ 686.97	3,641.71
Length of Services Awards Program		4,900.00		4,900.00		4,900.00
Shared Services Agreements:						
Tax Collector		2,634.10		2,634.10		2,634.10
Police Dispatching						
Public Works						
Salaries and Wages		1,537.88		1,537.88		1,537.88
Other Expenses	\$ 40,819.89	99,781.45		140,601.34	113,310.77	27,290.57
	<u>\$ 75,039.18</u>	<u>\$ 767,559.19</u>	<u>\$ -</u>	<u>\$ 842,598.37</u>	<u>\$ 271,405.54</u>	<u>\$ 571,192.83</u>

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

Balance December 31, 2018		\$	11,247.71
Increased by:			
Refund of Prior Year Taxes from Fund Balance - Tax Appeals	\$	155,046.54	
Cash Receipts		<u>17,447.41</u>	
			<u>172,493.95</u>
			183,741.66
Decreased by:			
Disbursed			<u>19,354.80</u>
Balance December 31, 2019		\$	<u><u>164,386.86</u></u>

TOWNSHIP OF CARNEYS POINT
CURRENT FUND

Statement of Due to State of New Jersey Senior Citizens and Veterans' Deductions
For the Year Ended December 31, 2019

Balance December 31, 2018			\$	16,800.97
Increased by:				
Received from State of New Jersey				<u>76,476.71</u>
				93,277.68
Decreased by:				
Deductions per Tax Billings:				
Senior Citizens	\$	17,750.00		
Veterans		<u>59,125.00</u>		
			\$	76,875.00
Deduction Allowed by Tax Collector:				
2019 Taxes				<u>750.00</u>
				77,625.00
Less Deductions Disallowed by Tax Collector:				
2018 Taxes				<u>-</u>
Total State Share Applied to Taxes Receivable				<u>77,625.00</u>
Balance December 31, 2019			\$	<u><u>15,652.68</u></u>

Exhibit SA-9

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

Balance December 31, 2018			\$	170,024.12
Increased by:				
Collections - 2020 Taxes				<u>258,148.56</u>
				428,172.68
Decreased by:				
Applied to 2019 Taxes Receivable				<u>170,024.12</u>
Balance December 31, 2019			\$	<u><u>258,148.56</u></u>

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 94,528.07
Increased by:		
General County Tax	\$ 7,633,372.23	
Open Space Tax	130,901.50	
General County Added and Omitted Taxes	35,566.64	
Open Space Tax Added and Omitted Taxes	<u>624.52</u>	
		<u>7,800,464.89</u>
		7,894,992.96
Decreased by:		
Disbursements		<u>7,894,992.96</u>
Balance December 31, 2019		<u><u>\$ -</u></u>

Exhibit SA-11

CURRENT FUND
Statement of Regional School District Taxes Payable
For the Year Ended December 31, 2019

Increased by:		
Levy -- Calendar Year 2019		\$ 9,923,481.00
Decreased by:		
Disbursements		<u><u>\$ 9,923,481.00</u></u>

TOWNSHIP OF CARNEYS POINT
CURRENT FUND
Statement of Due State of New Jersey - DCA Training Fees
For the Year Ended December 31, 2019

Balance December 31, 2018	\$ 2,351.00
Increased by:	
State Fees Collected	<u>14,048.00</u>
	16,399.00
Decreased by:	
Disbursed to State	<u>2,351.00</u>
Balance December 31, 2019	<u><u>\$ 14,048.00</u></u>

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

	<u>Balance Dec. 31, 2018</u>	<u>Anticipated as Revenue</u>	<u>Cash Receipts</u>	<u>Balance Dec. 31, 2019</u>
Federal Grants:				
Bulletproof Vest Partnership Grant	\$ 4,617.44	\$ 11,187.45	\$ 10,155.72	\$ 5,649.17
Drive Sober or Get Pulled Over	100.00	5,500.00	5,500.00	100.00
Total Federal Grants	4,717.44	16,687.45	15,655.72	5,749.17
State Grants:				
Municipal Alliance on Alcoholism and Drug Abuse	23,462.32	15,465.00	17,183.02	21,744.30
Clean Communities Program		20,847.59	20,847.59	
Recycling Tonnage Grant		17,997.60	17,997.60	
Hazardous Discharge Site Remediation Fund				
Landfill	7,456.00			7,456.00
Clemente Vacant Land - P12678		28,208.00		28,208.00
Drunk Driving Enforcement Grant		3,000.00	3,000.00	
Body Armor Replacement Program		2,046.98	2,046.98	
Total State Grants	30,918.32	87,565.17	61,075.19	57,408.30
Local Grants:				
Joint Insurance Fund Award		2,725.00	225.00	2,500.00
Total Grants	\$ 35,635.76	\$ 106,977.62	\$ 76,955.91	\$ 65,657.47

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

	<u>Balance Dec. 31, 2018</u>	<u>Prior Year Encumbrances</u>	<u>Transferred from Budget Appropriation</u>	<u>Cash Disbursed</u>	<u>Current Year Encumbrances</u>	<u>Adjustments / Canceled</u>	<u>Balance Dec. 31, 2019</u>
Federal Grants:							
Bulletproof Vest Partnership Grant			\$ 11,187.45	\$ 6,443.50			\$ 4,743.95
Drive Sober or Get Pulled Over	\$ 100.00		5,500.00	5,500.00			100.00
Total Federal Grants	100.00	-	16,687.45	11,943.50	-	-	4,843.95
State Grants:							
Clean Communities Program	15,829.74	\$ 163.44	20,847.59	16,337.40			20,503.37
Municipal Court Alcohol Education/Rehab. Program	12,301.84			6.81	\$ 505.00		11,790.03
Over the Limit Under Arrest	3,400.00						3,400.00
Drunk Driving Enforcement Fund	2,819.10		3,000.00	2,585.00			3,234.10
Recycling Tonnage Grant	7,126.76	1,846.57	17,997.60	23,838.59	1,970.95		1,161.39
Municipal Alliance on Alcoholism and Drug Abuse	15,114.38		17,183.00	15,790.00	6,639.52		9,867.86
Hazardous Discharge Site Remediation Fund							
Landfill	10,846.09					\$ 1,010.00	9,836.09
Clemente Asphalt Plant - P12671	914.57						914.57
Clemente Vacant Land - P12672	14,450.96						14,450.96
Clemente Vacant Land - P12673	18,337.42						18,337.42
Clemente Vacant Land - P12677	7,885.72					(500.00)	8,385.72
Clemente Vacant Land - P12678	16,886.50		28,208.00			(500.00)	45,594.50
East Hoover & Madison Street - P13017	11,185.57						11,185.57
Ash Street Site - P13019	13,565.02					(10.00)	13,575.02
Clemente Vacant Land - P13658 - Shell Rd.	1,528.00						1,528.00
Body Armor Replacement Program	1,298.81	1,142.50	2,046.98	3,024.00	1,105.00		359.29
Municipal Stormwater Regulation	1,956.39						1,956.39
Emergency Management Grant	7,173.15			4,746.21			2,426.94
Total State Grants	162,620.02	3,152.51	89,283.17	66,328.01	10,220.47	-	178,507.22
Local Grants:							
Municipal Recycling Enhancement Program - SCIA	47.00						47.00
Heritage Land Group - Stormwater Drainage Maintenance	1,801.25						1,801.25
Joint Insurance Fund Award			2,725.00	1,827.36	144.72		752.92
Total Local Grants	1,848.25	-	2,725.00	1,827.36	144.72	-	2,601.17
Total Grants	\$ 164,568.27	\$ 3,152.51	\$ 108,695.62	\$ 80,098.87	\$ 10,365.19	\$ -	\$ 185,952.34

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

	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>2019 Budget</u> <u>Revenue</u> <u>Realized</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
State Grants:				
Recycling Tonnage Grant	\$ -	\$ -	\$ 40,539.05	\$ 40,539.05

Exhibit SA-16

CURRENT FUND
Statement of Reserve for Revaluation
For the Year Ended December 31, 2019

Balance December 31, 2018	\$ 292,380.00
Decreased by:	
Cash Disbursements	<u>79,952.66</u>
Balance December 31, 2019	<u>\$ 212,427.34</u>

Exhibit SA-17

CURRENT FUND
Statement of Deferred Charges - Special Emergency
For the Year Ended December 31, 2019

<u>Date</u>	<u>Purpose</u>	<u>Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>2019 Budget</u> <u>Appropriation</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
3/14/2018	Revaluation	\$ 525,000.00	\$ 525,000.00	\$ 105,000.00	\$ 420,000.00

SUPPLEMENTAL EXHIBITS

TRUST FUNDS

TOWNSHIP OF CARNEYS POINT
TRUST FUNDS
Statement of Trust Funds Cash
For the Year Ended December 31, 2019

	<u>Animal Control</u>	<u>CFO</u>	<u>Trust Other</u> <u>Tax Collector</u>	<u>Municipal Open Space</u>
Balance December 31, 2018	\$ 2,586.32	\$ 1,269,212.78	\$ 260,458.83	\$ 323,382.00
Increased by Receipts:				
Animal Control License Fees	\$ 12,200.00			
Interest Earned on Deposits				\$ 1,637.39
Due Current Fund - Interest Earnings		\$ 536.46	\$ 39.31	
Due Current Fund (Received from)		15,000.00		6,444.63
Reserves - Escrows		343,920.09		
Reserves - Miscellaneous		3,783,476.89	536,115.44	
	<u>12,200.00</u>	<u>4,142,933.44</u>	<u>536,154.75</u>	<u>8,082.02</u>
	14,786.32	5,412,146.22	796,613.58	331,464.02
Decreased by Disbursements:				
Expenditures Under R.S. 4:19-15.11	10,930.33			
Disbursed to State of New Jersey	984.00			
Reserves - Escrows		247,304.92		
Reserves - Miscellaneous		3,733,022.81	475,742.67	
	<u>11,914.33</u>	<u>3,980,327.73</u>	<u>475,742.67</u>	<u>-</u>
Balance December 31, 2019	<u>\$ 2,871.99</u>	<u>\$ 1,431,818.49</u>	<u>\$ 320,870.91</u>	<u>\$ 331,464.02</u>

TOWNSHIP OF CARNEYS POINT
TRUST -- OTHER FUNDS
Statement of Investments - Length of Service Awards Program
For the Year Ended December 31, 2019

Balance December 31, 2018			\$ 554,299.41
Increased by:			
Township Contributions	\$ 17,250.00		
Unrealized Gain (Loss) on Investments	103,015.26		
			120,265.26
			674,564.67
Decreased by:			
Benefits Paid to Participants	88,341.22		
Administration Expenses	976.81		
			89,318.03
Balance December 31, 2019			\$ 585,246.64

Schedule of Investments, December 31, 2019

<u>Description</u>	<u>Amount</u>
Mutual Funds	\$ 585,246.64

TOWNSHIP OF CARNEYS POINT
TRUST FUND - ANIMAL CONTROL FUND
Statement of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 2,585.12
Increased by:		
License Fees Collected		<u>12,200.00</u>
		14,785.12
Decreased by:		
Transferred to Due to State of New Jersey	\$ 982.80	
Expenditures Under R.S. 4:19-15.11	<u>10,930.33</u>	
		<u>11,913.13</u>
Balance December 31, 2019		<u><u>\$ 2,871.99</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2018	\$ 11,624.00
2017	<u>12,051.00</u>
	<u><u>\$ 23,675.00</u></u>

Exhibit SB-4

TRUST FUND - ANIMAL CONTROL FUND
Statement of Due State of New Jersey - Department of Health
For the Year Ended December 31, 2019

Balance December 31, 2018	\$ 1.20
Increased by:	
State Registration Fees Received	<u>982.80</u>
	984.00
Decreased by:	
Disbursements to State of New Jersey	<u>984.00</u>
Balance December 31, 2019	<u><u>\$ -</u></u>

TOWNSHIP OF CARNEYS POINT
TRUST FUND - OTHER FUNDS
Statement of Changes in Reserve for Escrows
For the Year Ended December 31, 2019

	Balance	Increased by	Decreased by	Balance
	<u>Dec. 31, 2018</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Dec. 31, 2019</u>
Abandoned Property Registration	\$ 438,322.83	\$ 101,375.78	\$ 14,091.45	\$ 525,607.16
Planning Board / Developer Escrows	21,832.46	33,233.72	28,927.43	26,138.75
McLane Escrow	37,296.74	57.78	220.50	37,134.02
Heritage Construction Escrow	10,887.12	24.00	10,905.15	5.97
Schlimme/Bauman Escrow	7,146.19			7,146.19
Point One Investments - Cornerstone Inspection	4,275.00	8,000.00	9,411.50	2,863.50
Heritage Corpus Christi #2	3,249.77			3,249.77
G&B Highland Avenue Inspections	3,966.27		3,966.27	
Drimones Escrow	173.51		173.51	
Affordable Salem Escrow	337.18		20.00	317.18
Ranney Station Water Treatment Plant Escrow	2,321.54			2,321.54
Heritage / Layton Lake Maintenance Escrow	25,000.00	17.53		25,017.53
Lakeview Woods Basin Maintenance Escrow	42,028.54	74.79		42,103.33
MTM Associates LLC	2,161.50		2,161.50	
Laytons Lake Route 48 Properties	14,086.88	37,500.00	33,787.60	17,799.28
US Realty, LLC - Kast Distributors	1,612.92			1,612.92
Pilot Travel Center	9,588.99		2,357.00	7,231.99
Salem Community College Glass Ed. Center		8,133.58	6,353.33	1,780.25
Pilot Other	15,123.89		11,600.33	3,523.56
Courses Landing Redevelopment		82,502.91	77,298.03	5,204.88
Harding Highway LLC		50,000.00	28,782.76	21,217.24
Courses Landing Ure Escrow		11,500.00	11,395.43	104.57
Harding Hwy Distribution		11,500.00	8,994.58	2,505.42
	<u>\$ 639,411.33</u>	<u>\$ 343,920.09</u>	<u>\$ 250,446.37</u>	<u>\$ 732,885.05</u>
Cash Disbursements			\$ 247,304.92	
Due Current Fund			<u>3,141.45</u>	
			<u>\$ 250,446.37</u>	

TOWNSHIP OF CARNEYS POINT
TRUST FUND - OTHER FUNDS
Statement of Changes in Reserve for Miscellaneous
For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Increased by Receipts	Interest Earnings	Decreased by Disbursements	Balance Dec. 31, 2019
POAA	\$ 1,032.51	\$ 296.00	\$ 3.50	\$ 60.42	\$ 1,271.59
Accumulated Absences	11,402.53	10,000.00	83.51	3,686.00	17,800.04
Payroll Deductions Payable	22,795.88	3,549,043.08		3,541,975.20	29,863.76
Street Opening Deposits Escrow	77,575.68	10,050.00		17,595.07	70,030.61
Recreation	65,275.13	2,500.00		8,195.00	59,580.13
Unemployment	42,893.61		148.77	5,351.31	37,691.07
Public Defender	705.08	1,970.00		1,168.66	1,506.42
Municipal Alliance	1,196.09	260.00		284.99	1,171.10
Police Outside Employment	15,516.63	119,407.69		124,508.00	10,416.32
Forfeiture Trust	103.80		0.48	20.00	84.28
House Revitalization Loan Account	38,045.91	47,639.00	276.42	5,000.00	80,961.33
COAH	311,872.52	38,023.96	1,618.24	13,654.39	337,860.33
Tax Title Liens Redemptions	24,431.97	252,915.44		273,842.67	3,504.74
Tax Title Liens Premiums	235,900.00	283,200.00		201,900.00	317,200.00
Confiscated Funds	7,350.21			7,350.21	
Snow Removal	22,854.00	2,000.00	105.18	4,173.56	20,785.62
Fire/Rescue	3,484.29		17.46		3,501.75
Recreation Facility Improvement	6,704.32		33.60		6,737.92
	<u>\$ 889,140.16</u>	<u>\$ 4,317,305.17</u>	<u>\$ 2,287.16</u>	<u>\$ 4,208,765.48</u>	<u>\$ 999,967.01</u>
Source:					
Tax Collector			\$ 536,115.44	\$ 475,742.67	
CFO			3,783,476.89	3,733,022.81	
			<u>\$ 4,319,592.33</u>	<u>\$ 4,208,765.48</u>	

TOWNSHIP OF CARNEYS POINT
TRUST FUND - OTHER FUNDS
Statement of Due To (From) Current Fund
For the Year Ended December 31, 2019

		Increased by:		
	Balance Dec. 31, 2018	Interest Due Current Fund	Due Current Fund	Balance Dec. 31, 2019
POAA	\$ (464.10)			\$ (464.10)
Payroll Deductions Payable	(247.10)			(247.10)
Public Defender	600.00			600.00
Municipal Alliance Trust	13.86	\$ 6.24		20.10
Police Outside Employment			\$ 15,000.00	15,000.00
Tax Title Liens Redemptions	17.29	(0.52)		16.77
Tax Title Liens Premiums	109.57	39.83		149.40
Developers Escrow:				
Abandoned Property Registration			3,141.45	3,141.45
McLane Escrow	103.85	128.89		232.74
Heritage Construction Escrow	86.13	31.87		118.00
Schlimme/Bauman Escrow	56.45	3.07		59.52
Point One Investments - Cornerstone Inspection	17.35	16.34		33.69
Heritage Corpus Christi #2	24.44	1.40		25.84
G&B Highland Avenue Inspections	43.14	(43.14)		
Drimones Escrow	19.20	(19.20)		
Affordable Salem Escrow	3.04	1.68		4.72
Ranney Station Water Treatment Plant Escrow	68.68	2.01		70.69
Heritage / Layton Lake Maintenance Escrow	200.97	108.76		309.73
Lakeview Woods Basin Maintenance Escrow	309.06	137.39		446.45
MTM Associates LLC	20.93	(20.93)		
Laytons Lake Route 48 Properties	58.06	72.89		130.95
US4 Realty, LLC - Kast Distributors	4.77	8.13		12.90
Pilot Travel Center	74.53	40.44		114.97
Salem Community College Glass Ed. Center		5.11		5.11
Pilot Other		11.24		11.24
Courses Landing Redevelopment		9.17		9.17
Harding Highway LLC		28.26		28.26
Courses Landing Ure Escrow		0.69		0.69
Harding Hwy Distribution		6.15		6.15
	<u>\$ 1,120.12</u>	<u>\$ 575.77</u>	<u>\$ 18,141.45</u>	<u>\$ 19,837.34</u>
Tax Collector		\$ 39.31		
CFO		536.46		
		<u>\$ 575.77</u>		

TOWNSHIP OF CARNEYS POINT
TRUST FUND - MUNICIPAL OPEN SPACE
Statement of Due from / to Current Fund
For the Year Ended December 31, 2019

Balance December 31, 2018	\$ -
Increased by:	
2019 Municipal Open Space Tax Levy	<u>6,382.98</u>
	6,382.98
Decreased by:	
Received From Current Fund	<u>6,444.63</u>
Balance December 31, 2019	<u><u>\$ 61.65</u></u>

Exhibit SB-9

TRUST FUND - MUNICIPAL OPEN SPACE
Statement of Reserve for Future Use
For the Year Ended December 31, 2019

Balance December 31, 2018	\$ 323,382.00
Increased by:	
2019 Municipal Open Space Tax Levy	\$ 6,382.98
Interest Earned on Deposits	<u>1,637.39</u>
	<u>8,020.37</u>
Balance December 31, 2019	<u><u>\$ 331,402.37</u></u>

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

TOWNSHIP OF CARNEYS POINT
GENERAL CAPITAL FUND
Statement of Cash
For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 2,676,001.12
Increased by Receipts:		
Capital Improvement Fund	\$ 118,677.00	
Deferred Charges to Future Taxation - Unfunded	15,625.00	
Grants Receivable	111,750.00	
Bond Anticipation Note	475,000.00	
	<u> </u>	<u>721,052.00</u>
		3,397,053.12
Decreased by Disbursements:		
Improvement Authorizations		<u>348,833.40</u>
Balance December 31, 2019		<u><u>\$ 3,048,219.72</u></u>

TOWNSHIP OF CARNEYS POINT
GENERAL CAPITAL FUND
 Analysis of General Capital Fund Cash
 For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Receipts			Disbursements Improvement Authorizations	Transfers		Balance Dec. 31, 2019
		Budget Appropriation	Miscellaneous	BANS		From	To	
General Capital Fund Balance	\$ 57,136.21							\$ 57,136.21
Capital Improvement Fund	24,241.39	\$ 118,677.00				\$ 25,000.00	\$ 338.72	118,257.11
Reserve for:								
Improvements to Recreation Sites	61,374.60							61,374.60
Payment of Debt	48,998.06						20,903.80	69,901.86
Improvement Authorizations:								
Ordinance								
Number:								
780 Certain Capital Improvements	25,368.64							25,368.64
861 Repairs to Boutown Creek & Plant Road								
Stormwater Pump Stations	217,505.19				\$ 29,269.75			188,235.44
872 Replacement of Municipal Building Roof	20,903.80					20,903.80		
894 Acquisition of Various Capital Equipment	(70,000.00)	15,625.00						(54,375.00)
905 Acquisition of Various Equipment and								
Capital Improvements	506,813.70				12,141.75			494,671.95
907 Completion of Various Capital Improvements	27,537.52							27,537.52
915 Completion of Various Capital Improvements	158,564.21							158,564.21
916 Acquisition of Various Capital Equipment	338.72					338.72		
923 Various General Capital Improvements	1,526,729.93				101,876.40			1,424,853.53
935 Various General Capital Improvements	70,489.15				41,395.00			29,094.15
936 Reconstruction of Walker Avenue & Dupont Road			\$ 111,750.00		125,966.48			(14,216.48)
945 Various General Capital Improvements				\$ 475,000.00	36,472.02		25,000.00	463,527.98
950 Reconstruction Bianca Avenue					1,712.00			(1,712.00)
	<u>\$ 2,676,001.12</u>	<u>\$ 134,302.00</u>	<u>\$ 111,750.00</u>	<u>\$ 475,000.00</u>	<u>\$ 348,833.40</u>	<u>\$ 46,242.52</u>	<u>\$ 46,242.52</u>	<u>\$ 3,048,219.72</u>

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

Balance December 31, 2018		\$ 5,064,690.01
Decreased by:		
Budget Appropriation:		
Payment of Bonds Payable	\$ 400,000.00	
Payment of Green Acres Trust Loan Payable	12,532.10	
Payment of NJEIT Loan Payable	<u>25,329.53</u>	
		<u>437,861.63</u>
Balance December 31, 2019		<u>\$ 4,626,828.38</u>

Exhibit SC-4

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

Balance December 31, 2018		\$ 24,241.39
Increased by:		
Canceled Improvement Authorization	\$ 338.72	
Budget Appropriation	<u>118,677.00</u>	
		<u>119,015.72</u>
		143,257.11
Decreased by:		
Appropriation to Finance Improvement Authorization		<u>25,000.00</u>
Balance December 31, 2019		<u>\$ 118,257.11</u>

TOWNSHIP OF CARNEYS POINT
GENERAL CAPITAL FUND
Statement of Grants Receivable
For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 201,778.55
Increased by:		
Improvement Authorization		<u>180,000.00</u>
		381,778.55
Decreased by:		
Canceled	\$ 52,778.55	
Cash Receipts	<u>111,750.00</u>	
		<u>164,528.55</u>
Balance December 31, 2019		<u><u>\$ 217,250.00</u></u>

Analysis of Balance

Ordinance 936 - Reconstruction of Walker Avenue & Dupont Road	\$ 37,250.00
Ordinance 950 - Reconstruction Bianca Avenue	<u>180,000.00</u>
	<u><u>\$ 217,250.00</u></u>

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

Ordinance Number <u>Improvement Description</u>		Balance <u>Dec. 31, 2018</u> <u>Authorizations</u> Paid by Budget <u>Appropriation</u>			Analysis of Balance Dec. 31, 2019		
					Financed by Bond Anticipation <u>Notes</u>	<u>Expenditures</u>	Unexpended Improvement <u>Authorization</u>
894	Various Capital Equipment	\$ 70,000.00		\$ 15,625.00	\$ 54,375.00	\$ 54,375.00	
915	Completion of Various Capital Improvements	28,119.00					\$ 28,119.00
945	Various General Capital Improvements		\$ 475,000.00		\$ 475,000.00		
		<u>\$ 98,119.00</u>	<u>\$ 475,000.00</u>	<u>\$ 15,625.00</u>	<u>\$ 475,000.00</u>	<u>\$ 54,375.00</u>	<u>\$ 28,119.00</u>

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

Ordinance Number	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2018		Increased by:		Decreased by:			Balance Dec. 31, 2019	
				Funded	Unfunded	Prior Year Encumbrances	Authorizations	Paid or Charged	Current Year Encumbrances	Canceled	Funded	Unfunded
780/884	Certain Capital Improvements	6/14/06, 12/4/13	\$ 1,200,000	\$ 25,368.64							\$ 25,368.64	
861	Repairs to Boutown Creek & Plant Road Stormwater Pump Stations	8/17/11	440,000	215,365.19		\$ 2,140.00		\$ 29,269.75			188,235.44	
872	Replacement of Municipal Building Roof	10/3/12	300,000	20,903.80						\$ 20,903.80		
905	Acquisition of Various Equipment & Capital Improvements	8/19/15	800,000	506,813.70				12,141.75			494,671.95	
907	Completion of Various Capital Improvements	11/4/15	665,000	27,537.52							27,537.52	
915	Completion of Various Capital Improvements	4/20/16	842,000	158,564.21	\$ 28,119.00						158,564.21	\$ 28,119.00
916	Acquisition of Various Capital Equipment	5/18/16	201,000	338.72						338.72		
923	Various General Capital Improvements	2/15/17	2,557,613	1,392,063.45		134,666.48		101,876.40	\$ 410,480.54		1,014,372.99	
926	Reconstruction of Gary Avenue	7/19/17	151,317	52,778.55						52,778.55		
935	Various General Capital Improvements	6/20/18	116,000	18,831.85		51,657.30		41,395.00	25,828.65		3,265.50	
936	Reconstruction of Walker Avenue & Dupont Road	7/18/18	149,000	149,000.00				125,966.48	23,033.52			
945	Various General Capital Improvements	6/19/19	500,000				\$ 500,000.00	36,472.02	142,512.50			321,015.48
950	Reconstruction Bianca Avenue	10/2/19	180,000				180,000.00	1,712.00	33,553.00		144,735.00	
				<u>\$ 2,567,565.63</u>	<u>\$ 28,119.00</u>	<u>\$ 188,463.78</u>	<u>\$ 680,000.00</u>	<u>\$ 348,833.40</u>	<u>\$ 635,408.21</u>	<u>\$ 74,021.07</u>	<u>\$ 2,056,751.25</u>	<u>\$ 349,134.48</u>
Capital Improvement Fund							\$ 25,000.00			\$ 338.72		
Reserve for the Payment of Debt										20,903.80		
Grants Receivable							180,000.00			52,778.55		
Bonds and Notes Authorized							475,000.00					
Cash Disbursements								<u>\$ 348,833.40</u>				
							<u>\$ 680,000.00</u>	<u>\$ 348,833.40</u>		<u>\$ 74,021.07</u>		

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

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2019</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds, Series 2017	4/17/2017	\$ 5,150,000.00	2020	\$ 410,000.00	2.00%			
			2021	420,000.00	2.00%			
			2022	400,000.00	3.00%			
			2023	410,000.00	3.00%			
			2024	430,000.00	3.00%			
			2025	450,000.00	3.00%			
			2026	450,000.00	3.00%			
			2027	470,000.00	3.00%			
			2028	485,000.00	3.00%			
			2029	500,000.00	3.00%	\$ 4,825,000.00	\$ 400,000.00	\$ 4,425,000.00

Exhibit SC-9

GENERAL CAPITAL FUND
Statement of Green Acres Trust Loan Payable
For the Year Ended December 31, 2019

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Amount of Original Loan</u>	<u>Maturities of Loan Outstanding Dec. 31, 2019</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>
				<u>Year</u>	<u>Amount</u>				
726	Improvements to the Carneys Point Sports Facility	10/13/06	\$ 199,657.29	2020	\$ 12,784.00	2.00%			
				2021	13,040.96	2.00%			
				2022	13,303.08	2.00%			
				2023	13,570.47	2.00%			
				2024	6,887.18	2.00%	\$ 72,117.79	\$ 12,532.10	\$ 59,585.69

TOWNSHIP OF CARNEYS POINT
GENERAL CAPITAL FUND
Statement of New Jersey Environmental Infrastructure Trust Loan Payable
For the Year Ended December 31, 2019

Ordinance Number	Improvement Description	Date of Issue	Amount of Original Loan	Maturities of Loans Outstanding Dec. 31, 2019		Interest Rate	Balance Dec. 31, 2018	Paid by Budget Appropriation	Balance Dec. 31, 2019
				Year	Amount				
831	Improvement to Plant Road Pump Station	2/19/2010	\$ 124,439.00	2020	\$ 6,535.90				
				2021	6,742.44				
				2022	6,964.26				
				2023	7,206.62				
				2024	7,467.50				
				2025	7,745.29				
				2026	3,041.80	0.61% - 3.92%	\$ 52,051.19	\$ 6,347.38	\$ 45,703.81
831	Improvement to Plant Road Pump Station	2/19/2010	373,316.00	2020	18,982.15				
				2021	18,982.15				
				2022	18,982.15				
				2023	18,982.15				
				2024	18,982.15				
				2025	1,628.13	none	115,521.03	18,982.15	96,538.88
							<u>\$ 167,572.22</u>	<u>\$ 25,329.53</u>	<u>\$ 142,242.69</u>

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

Ordinance Number	Improvement Description	Date of Original Note Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2018	Increase	Decrease	Balance Dec. 31, 2019
945	Various Capital Improvements	8/6/2019	08/06/19	08/14/20	1.52%	\$ -	\$ 475,000.00	\$ -	\$ 475,000.00
						<u>\$ -</u>	<u>\$ 475,000.00</u>	<u>\$ -</u>	<u>\$ 475,000.00</u>

TOWNSHIP OF CARNEYS POINT
GENERAL CAPITAL FUND
Statement of Reserve for Payment of Debt
For the Year Ended December 31, 2019

Balance December 31, 2018	\$ 48,998.06
Increased by:	
Improvement Authorizations Canceled	<u>20,903.80</u>
Balance December 31, 2019	<u><u>\$ 69,901.86</u></u>

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

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2018</u>	<u>Funded by Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>
894	Acquisition of Various Capital Equipment	\$ 70,000.00	\$ 15,625.00	\$ 54,375.00
915	Completion of Various Capital Improvements	28,119.00		28,119.00
		<hr/>		
		\$ 98,119.00	\$ 15,625.00	\$ 82,494.00
		<hr/>		

SUPPLEMENTAL EXHIBITS
INDUSTRIAL COMMISSION

TOWNSHIP OF CARNEYS POINT
INDUSTRIAL COMMISSION
Statement of Cash
For the Year Ended December 31, 2019

Balance December 31, 2018		\$	5,658.79
Increased by:			
Transferred from Current Fund Budget Appropriations	\$	1,585.00	
Interest Earned on Deposits		<u>27.29</u>	
			<u>1,612.29</u>
			7,271.08
Decreased by:			
Appropriations			<u>2,739.77</u>
Balance December 31, 2019		\$	<u><u>4,531.31</u></u>

PART 2

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2019

TOWNSHIP OF CARNEYS POINT
Schedule of Findings and Recommendations
For the Year Ended December 31, 2019

Schedule of Financial Statement Findings

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

None

TOWNSHIP OF CARNEYS POINT
Summary Schedule of Prior Year Audit Findings
and Recommendations as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

No prior year audit findings.

TOWNSHIP OF CARNEYS POINT
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>
Ken Brown	Mayor
Patrick Bomba	Committee Member
Marcus Dowe, Jr.	Committee Member
Charles Newton	Committee Member
Wayne D. Pelura	Committee Member
Marie A. Stout	Administrator, Chief Financial Officer
June M. Proffitt	Township Clerk
Jennifer Koeturius	Tax Collector
Kathleen Hill	Tax Assessor
Ann Marie Brown	Court Administrator
Jason D. Witcher	Judge of Municipal Court
Adam Telsey	Solicitor

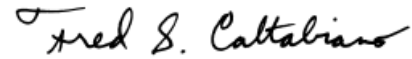
All employees are covered under a Blanket Surety Bond from the Joint Insurance Fund in the amount of \$1,000,000.

APPRECIATION

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in cursive script that reads "Fred S. Caltabiano".

Fred S. Caltabiano
Certified Public Accountant
Registered Municipal Accountant