

TOWNSHIP OF EDISON
COUNTY OF MIDDLESEX
NEW JERSEY

FINANCIAL STATEMENTS
AND
SUPPLEMENTARY DATA
AND INFORMATION

FOR THE YEARS ENDED
DECEMBER 31, 2019 AND 2018

WITH
REPORT OF INDEPENDENT AUDITORS

HODULIK & MORRISON, P.A.
A division of PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

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TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

PART I
INDEPENDENT AUDITOR'S REPORT
FINANCIAL STATEMENTS – REGULATORY BASIS

HODULIK & MORRISON, P.A.
A division of PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members
of the Municipal Council
Township of Edison
County of Middlesex, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets-regulatory-basis of the various funds and governmental fixed assets of the Township of Edison, Middlesex County, New Jersey (the "Township") as of and for the years ended December 31, 2019 and 2018, and the related statements of operations and changes in the fund balance-regulatory basis for the years then ended, and the related statements of revenues-regulatory basis and expenditures-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 (the "Division"). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 of the United States; and the audit requirements prescribed by the Division. Those standards and requirements prescribed by the Division require that we plan and perform the audit to obtain reasonable assurance about whether the regulatory-basis financial statements are free of 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 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.

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Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles

As described in Note 2, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division to demonstrate compliance with Division's regulatory-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. These prescribed principles 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. Accordingly, the accompanying financial statements – regulatory basis are not intended to present financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. The effect on the financial statements of the differences between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for the Adverse Opinion on U.S. Generally Accepted Accounting Principles" 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 each fund of the Township as of December 31, 2019 and 2018, the changes in financial position, or where applicable, its cash flows for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion the financial statements-regulatory basis referred to the above present fairly, in all material respects the respective financial position of the various funds and governmental fixed assets of the Township as of December 31, 2019 and 2018, and the results of its operations and changes in fund balances for the years then ended, and revenues and expenditures of the various funds for the year ended December 31, 2019, and the related notes to the financial statements in accordance with the financial reporting provisions of the Division as described in Note 2 of the financial statements.

Emphasis of Matter - Subsequent Event

As discussed in Note 20 to the financial statements, on March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of the Coronavirus disease 2019 ("COVID-19"). Our opinion is not modified with respect to that matter

Other Matters

Report on Supplementary Information as Required by the Division in Accordance with Regulatory-Basis

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of the Township. The information included in Part II – Supplementary Schedules and Supplementary Data, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements of the Township. The information included in Part II – the accompanying Supplemental Schedules and Supplementary Data are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements – regulatory basis taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2020 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Edison'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 Edison's internal control over financial reporting or on compliance.

Hodulik & Morrison, P.A.

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Certified Public Accountants
Registered Municipal Accountants

Robert S. Morrison, RMA
Registered Municipal Accountant
No. 412

Cranford, NJ
September 15, 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 AUDITORS' REPORT

Honorable Mayor and Members
of the Municipal Council
Township of Edison
County of Middlesex, New Jersey

We have audited, 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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the Township of Edison as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Township of Edison's basic financial statements and have issued our report thereon dated September 15, 2020. Our report was modified due to the departure from accounting principles generally accepted in the United States of America that, as disclosed in Note 2, are embodied in the Other Comprehensive Basis of Accounting utilized for financial statement presentations, and was unmodified based upon that Other Comprehensive Basis of Accounting.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Edison's internal control over financial reporting as a basis for designing our auditing procedures 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 Edison's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of Edison's internal control over financial reporting.

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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Edison's financial statements are free of 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. We noted certain immaterial instances of noncompliance that we have reported to the management of the Township in the General Comments section of the Report of Audit as finding items 2019-01 through 2019-03.

We also noted other matters we have reported to management of the Township of Edison in the General Comments and Recommendations section of the Report of Audit.

Purpose of this Report

The purpose of this report is solely to describe the scope of 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 on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
A division of PKF O'Connor Davies
Certified Public Accountants
Registered Municipal Accountants

Robert S. Morrison
Registered Municipal Accountant
No. 412

Cranford, New Jersey
September 15, 2020

FINANCIAL STATEMENTS

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

ASSETS	REF.	BALANCE DEC. 31, 2019	BALANCE DEC. 31, 2018	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC. 31, 2019	BALANCE DEC. 31, 2018
Cash and Investments - Treasurer	A-4	$ 45,804,263.38	$ 45,240,236.45	Liabilities:			
Cash - Change Fund	A-5	675.00	675.00	Appropriation Reserves	A-3.A-15	$ 9,223,717.80	$ 9,420,606.38
Due from State of N.J. per Ch. 129, P.L. 1976	A-6	11,319.60		Due to State of N.J. per Ch. 129, P.L. 1976	A-6	-	28,287.24
				Prepaid Taxes	A-11	2,748,352.03	2,933,287.43
		45,816,257.98	45,240,911.45	Various Payables	A-14	662,373.43	947,347.67
				Various Reserves	A-14	1,487,935.41	2,636,615.95
Receivables With Offsetting Reserves:				Tax Overpayments	A-16	612,356.80	439,538.11
Real Estate Taxes Receivable	A-7	21,163.04	23,140.11	Reserve for Tax Appeals	A-17	5,820,620.92	4,472,725.57
Tax Title Liens	A-8	1,252,888.44	1,213,553.53	Reserve for Encumbrances	A-18	2,253,522.26	2,120,869.42
Property Acquired for Taxes (At Assessed Valuation)	A-9	3,991,567.99	3,991,567.99	Reserve for Special Garbage District	A-19	5,290,994.04	5,473,653.63
				Special Emergency Note	A-20	2,263,600.00	
Revenue Accounts Receivable	A-10	136,552.10	119,263.38	Local District School Taxes Payable	A-21	9,441,654.00	9,441,654.00
Interfunds Receivable	A-12	86,242.89	123,518.96	Interfunds Payable	A-13	961,952.84	1,367,743.85
		5,488,414.46	5,471,043.97			40,767,079.53	39,282,329.25
Deferred Charges:				Reserve for Receivables	Reserve	5,488,414.46	5,471,043.97
Special Emergency Appropriation	A-22	3,238,600.00	3,204,200.00	Fund Balance	A-1	8,287,778.45	9,162,782.20
		3,238,600.00	3,204,200.00				
Total Regular Fund		54,543,272.44	53,916,155.42	Total Regular Fund		54,543,272.44	53,916,155.42
State and Federal Grant Fund:				State and Federal Grant Fund:			
Grants Receivable	A-24	1,105,695.85	618,788.68	Reserve for State and Federal Grants:			
Due from Current Fund	A-23	912,113.79	1,246,243.85	Appropriated	A-25	1,960,815.05	1,824,257.33
				Unappropriated	A-26	15,345.00	
Total State and Federal Grant Fund		2,017,809.64	1,865,032.53	Reserve for Encumbrances	A-18	39,749.59	38,875.20
				Unallocated Receipts	A-27	1,900.00	1,900.00
				Total State and Federal Grant Fund		2,017,809.64	1,865,032.53
		$ 56,561,082.08	$ 55,781,187.95			$ 56,561,082.08	$ 55,781,187.95

Note: See Notes to Financial Statements

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

REVENUE AND OTHER INCOME	REF.	2019	2018
Fund Balance Utilized	A-2	$ 8,222,182.20	$ 9,250,359.18
Miscellaneous Revenue Anticipated	A-2	39,711,663.80	34,604,292.58
Receipts from Delinquent Taxes	A-2	194,640.46	164,957.20
Receipts from Current Taxes	A-2	400,120,366.62	388,561,713.20
Non-Budget Revenue	A-2	227,242.84	394,546.62
Other Credits to Income:			
Interfund Loans Returned (Net)	A-12	37,276.07	
Statutory Excess Due to Current Fund - Dog Trust	A-12	11,001.57	51,597.66
Grants Canceled (Net)			31,410.34
Unexpend. Balance of Approp. Reserves	A-15	2,780,363.32	3,676,111.36
Accounts Payable Canceled	A-14	216,417.51	9,324.21
Tax Overpayments Canceled	A-16	10.96	
Total Revenues		451,521,165.35	436,744,312.35
EXPENDITURES			
Budget and Emergency Appropiations:			
Operations:			
Salaries and Wages	A-3	$ 65,923,590.00	$ 63,935,257.25
Other Expenses	A-3	49,672,292.38	48,109,165.39
Capital Improvements	A-3	750,000.00	750,000.00
Municipal Debt Service	A-3	9,716,694.77	8,907,071.46
Def. Charges and Regulatory Expend.	A-3	17,602,995.67	16,018,382.58
Special District Taxes	A-19	10,022,810.25	9,983,575.88
Local District School Tax	A-21	223,563,032.00	217,507,074.00
County Tax	A-21	67,583,637.07	65,726,233.05
Cty. Share of Added and Omitted Taxes	A-21	273,681.26	519,850.66
Refund of Prior Year Revenues	A-4	35,903.50	18,789.69
Senior Citizen and Veteran Deduction Disallowed	A-6	4,350.00	5,000.00
Interfund Loans Advanced (Net)			23,279.94
Total Expenditures		445,148,986.90	431,503,679.90
Excess in Revenues		6,372,178.45	5,240,632.45

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

	REF.	2019	2018
Excess in Revenues (brought forward)		$ 6,372,178.45	$ 5,240,632.45
Add: Expenditures Included Above Which are by Statute Deferred Charges to Succeeding Years	A-3	975,000.00	1,201,000.00
Excess to Fund Balance		7,347,178.45	6,441,632.45
FUND BALANCE			
Balance - December 31	A	9,162,782.20	11,971,508.93
		16,509,960.65	18,413,141.38
Decreased by: Utilized as Anticipated Revenue	A-2	8,222,182.20	9,250,359.18
Balance - December 31	A	$ 8,287,778.45	$ 9,162,782.20

Note: See Notes to Financial Statements

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

		ANTICIPATED			
		2019 BUDGET	N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Surplus Anticipated	A-1	$ 8,222,182.20	$	$ 8,222,182.20	$
Total Surplus Anticipated		8,222,182.20		8,222,182.20	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-10	122,600.00		124,800.00	2,200.00
Other	A-10	446,494.00		531,407.80	84,913.80
Fees and Permits:					
Other	A-10	1,418,056.00		1,593,687.87	175,631.87
Fines and Costs:					
Municipal Court	A-10	801,905.66		891,225.61	89,319.95
Interest and Costs on Taxes	A-10	473,450.53		543,427.19	69,976.66
Interest on Investments and Deposits	A- 2	1,300,000.00		1,291,826.93	(8,173.07)
Latchkey Program Fees	A-10	2,124,012.00		2,201,465.85	77,453.85
Cable TV Franchise Fee	A-10	303,615.00		303,615.00	-
Trailer Court Fees	A-10	16,466.00		10,608.00	(5,858.00)
False Alarm Fees	A-10	72,350.00		88,085.00	15,735.00
Host Community Benefits	A-10	510,674.50		510,674.50	-
Railroad Station Rent	A-10	121,636.00		125,241.96	3,605.96
JFK Reimbursement for Dispatch Services	A-10	238,960.00		236,640.00	(2,320.00)
JFK Building Lease Payment	A-10	63,200.00		64,464.00	1,264.00
Energy Receipts Tax	A-10	16,042,726.00		16,042,726.00	-
Garden State Trust Fund	A-10	15,371.00		15,371.00	-
Construction Code Fees	A-10	4,969,001.40		5,896,302.98	927,301.58
Uniform Fire Safety Act -Life Hazard Use Fees	A-10	517,599.00		492,449.11	(25,149.89)
Municipal Hotel Tax	A-10	1,058,105.00		1,105,640.90	47,535.90
Body Armor	A-24	16,060.78	15,272.48	31,333.26	-
Clean Communities Program	A-24	185,575.14		185,575.14	-
Distracted Driving Crackdown	A-24	5,500.00		5,500.00	-
Drive Sober or Get Pulled Over/Year End	A-24	5,500.00		5,500.00	-
Drive Sober or Get Pulled Over/Labor Day 2019	A-24		5,500.00	5,500.00	-
Drunk Driving Enforcement Fund	A-24		14,378.94	14,378.94	-
Dudash Park Middlesex Greenway Access Grant	A-24		24,000.00	24,000.00	-
Edison Multi-Site Park Revitalization Proj Grant	A-24		350,000.00	350,000.00	-
FM Global Fire Prevention Grant	A-24		1,642.00	1,642.00	-
H Mart Grant	A-24	10,000.00	10,000.00	20,000.00	-
Highway Safety Fund 2020	A-24		16,500.00	16,500.00	-
Municipal Alliance on Alcohol and Drug Abuse	A-24	89,447.00		89,447.00	-
Middlesex County Recycling Enhancement Grant	A-24	7,500.00		7,500.00	-
Middlesex County Recycling Subsidy	A-24	30,690.00		30,690.00	-
Middlesex County Art Grant	A-24	9,500.00		9,500.00	-
Middlesex County Nutrition Program	A-24	6,000.00		6,000.00	-
Middlesex County Teen Art Program	A-24	1,200.00		1,200.00	-
Municipal Aid - Talmadge Ave Road Phase III	A-24		210,000.00	210,000.00	-
NJDH CAHP CLEP Program 2018-2020	A-24		95,054.00	95,054.00	-
Pedestrian Safety Enforcement and Education Grant	A-24	14,850.00	16,500.00	31,350.00	-
Recycling Tonnage Grant	A-24	269,329.07		269,329.07	-
Special Traffic Enforcement Program	A-24	16,500.00		16,500.00	
Sustainable Jersey Small Grant	A-24		2,000.00	2,000.00	-
USEPA Sec 319(H) Nonpoint Pollution Control & Mgmt	A-24		65,000.00	65,000.00	-

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

		ANTICIPATED			
		2019 BUDGET	N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Miscellaneous Revenues: (Cont'd.)					
Payment in lieu of Taxes - Tax Exempt Property	A-10	$ 501,605.00	$	$ 535,999.53	$ 34,394.53
Cell Tower Rents - Verizon	A-10	79,857.00		89,570.64	9,713.64
Community Contribution	A-10	500,000.00		500,000.00	-
Reserve for Payment of Debt Service	A-10	102,411.00		102,411.00	-
General Capital Fund Balance/Note Sale Premium	A-10	1,175,523.52		1,175,523.52	-
Cancellation of 2018 Appropriations	A-10	3,245,000.00		3,245,000.00	-
Police Off-Duty Administration Fees - Due from Trust	A-10	500,000.00		500,000.00	-
Total Miscellaneous Revenues	A-1	37,388,270.60	825,847.42	39,711,663.80	1,497,545.78
Receipts from Delinquent Taxes	A-1, A-2			194,640.46	194,640.46
Subtotal General Revenues		45,610,452.80	825,847.42	48,128,486.46	1,692,186.24
Amount to be Raised by Taxation for Support of Municipal Budget:					
Local Tax for Mun. Purposes	A-7	92,125,992.89		94,539,081.61	2,413,088.72
Minimum Library Tax	A-7	5,789,770.00		5,789,770.00	-
Total Amount to be Raised by Taxes for Support of Municipal Budget	A-2	97,915,762.89	-	100,328,851.61	2,413,088.72
Total Budget Revenues		143,526,215.69	825,847.42	148,457,338.07	4,105,274.96
Non-Budget Revenues	A-1, A-10			227,242.84	227,242.84
GRAND TOTALS		$ 143,526,215.69	$ 825,847.42	$ 148,684,580.91	$ 4,332,517.80
	Ref.	A-3	A-3	A-1	

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

ANALYSIS OF REALIZED REVENUES	REF.		
Receipts from Delinquent Taxes:			
Delinquent Tax Collections	A-7	$	21,153.11
Tax Title Lien Collections	A-8		173,487.35
	A-2	$	194,640.46
Allocation of Current Tax Collections:			
2019 Cash Collections	A-7	$	396,196,147.89
Prepaid Taxes Applied	A-7		2,933,287.43
Overpayments Applied	A-7		590,129.28
State Share for Sr. Citizen and Veteran Deductions	A-7		400,802.02
	A-1		400,120,366.62
Allocated to:			
School, County, and Special District Taxes	A-19,A-21		301,443,160.58
			98,677,206.04
Add: Res. for Uncollected Taxes	A- 3		1,651,645.57
	A- 2	$	100,328,851.61
Interest on Investments and Deposits:			
Revenue Accounts Receivable-Treasurer	A-10	$	875,024.83
Due from Animal Control Fund	A-12		3,396.47
Due from Other Trust Fund	A-12		172,101.02
Due from General Capital Fund	A-12		240,774.69
Due from Water Operating Fund	A-12		529.92
	A-2	$	1,291,826.93

Note: See Notes to Financial Statements

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED ENCUMBERED	EXPENDED RESERVED	UNEXPENDED BALANCE CANCELLED
Operations Within "CAPS"						
GENERAL GOVERNMENT						
Office of the Mayor						
Salaries and Wages	$ 39,984.00	$ 39,984.00	$ 39,984.00	$ -	$ -	$
Other Expenses	2,400.00	2,400.00	(1,058.32)	-	3,458.32	
Municipal Council						
Salaries and Wages	77,180.00	77,180.00	77,180.00	-	-	
Other Expenses	24,880.00	24,880.00	(5,566.08)	4,904.38	25,541.70	
Office of the Township Clerk						
Salaries and Wages	180,167.00	180,167.00	180,167.00	-	-	
Other Expenses	258,100.00	258,100.00	179,793.93	6,050.72	72,255.35	
DEPARTMENT OF ADMINISTRATION						
Office of the Business Administrator						
Salaries and Wages						
Administration	580,873.00	580,873.00	576,012.86	-	4,860.14	
Communications	123,017.00	123,017.00	122,054.91	-	962.09	
Other Expenses						
Administration	86,145.00	86,145.00	20,720.49	23,054.62	42,369.89	
Communications	55,400.00	55,400.00	43,243.94	-	12,156.06	
Division of Central Purchases						
Salaries and Wages	228,319.00	228,319.00	201,558.72	-	26,760.28	
Other Expenses:						
Postage	92,193.00	92,193.00	86,051.13	1,915.35	4,226.52	
Centralized Stores	62,344.00	62,344.00	31,055.57	11,696.62	19,591.81	
Division of Personnel						
Salaries and Wages	163,573.00	163,573.00	163,573.00	-	-	
Other Expenses	87,150.00	87,150.00	71,463.00	14,375.29	1,311.71	
DEPARTMENT OF LAW						
Office of the Director						
Salaries and Wages	103,021.00	103,021.00	69,770.88	-	33,250.12	
Other Expenses	740,000.00	740,000.00	546,905.72	2,560.66	190,533.62	

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED ENCUMBERED	EXPENDED RESERVED	UNEXPENDED BALANCE CANCELLED
Operations Within "CAPS"						
DEPARTMENT OF FINANCE						
Office of the Director						
Salaries and Wages	$ 7,800.00	$ 7,800.00	$ 7,800.00	$ -	$ -	$
Other Expenses	127,450.00	127,450.00	90,101.91	12,730.00	24,618.09	
Other Expenses -Audit Services	72,088.00	72,088.00	-	-	72,088.00	
Division of Accounts and Controls						
Salaries and Wages	57,728.00	57,728.00	52,465.01	-	5,262.99	
Other Expenses	2,172.00	2,172.00	280.00	-	1,892.00	
Other Expenses - Data Processing	24,450.00	24,450.00	22,622.05	-	1,827.95	
Division of Custody and Disbursements						
Salaries and Wages	195,818.00	195,818.00	170,711.25	-	25,106.75	
Other Expenses	4,104.00	4,104.00	1,707.80	-	2,396.20	
Division of Tax Collections						
Salaries and Wages	210,351.00	210,351.00	194,895.39	-	15,455.61	
Other Expenses	30,170.00	30,170.00	12,752.90	3,364.32	14,052.78	
Division of Assessment						
Salaries and Wages	283,840.00	283,840.00	283,840.00	-	-	
Other Expenses	167,000.00	167,000.00	63,110.47	17,591.48	86,298.05	
DEPARTMENT OF RECREATION & PARKS						
Division of Recreation						
Salaries and Wages	1,616,512.00	1,616,512.00	1,408,294.62	-	208,217.38	
Other Expenses	580,304.00	580,304.00	367,868.77	134,447.96	77,987.27	
Division of Public Buildings						
Other Expenses:						
Telephones	250,000.00	250,000.00	155,278.28	1,970.12	92,751.60	
Heat, Light and Power	945,869.00	945,869.00	447,567.98	32,926.82	465,374.20	
Division of Parks						
Salaries and Wages	1,185,229.00	1,185,229.00	1,141,615.33	-	43,613.67	
Other Expenses	77,800.00	77,800.00	59,216.39	15,846.42	2,737.19	

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED ENCUMBERED	EXPENDED RESERVED	UNEXPENDED BALANCE CANCELLED
Operations Within "CAPS"						
DEPARTMENT OF HEALTH AND HUMAN RESOURCES						
Division of Health						
Salaries and Wages	$ 1,622,328.00	$ 1,622,328.00	$ 1,434,449.19	$ -	$ 187,878.81	$
Other Expenses	145,900.00	145,900.00	109,336.25	11,587.40	24,976.35	
Division of Senior Citizen Services						
Salaries and Wages	364,958.00	364,958.00	355,416.99	-	9,541.01	
Other Expenses	39,750.00	39,750.00	17,329.69	4,207.69	18,212.62	
Division of Police						
Salaries and Wages:						
Police	27,471,633.00	27,471,633.00	25,088,318.00	-	2,383,315.00	
Emergency Dispatch - 911	2,134,856.00	2,134,856.00	2,061,417.27	-	73,438.73	
Police Vehicle Maintenance	243,712.00	243,712.00	226,699.35	-	17,012.65	
Other Expenses:						
Police	1,157,750.00	1,157,750.00	499,112.83	653,740.73	4,896.44	
Emergency Dispatch - 911	544,500.00	544,500.00	352,011.87	42,702.14	149,785.99	
Police Vehicle Maintenance	230,850.00	230,850.00	195,540.70	24,441.12	10,868.18	
Uniform Fire Safety Act						
Salaries and Expenses	366,049.00	366,049.00	315,856.78	-	50,192.22	
Other Expenses	111,800.00	111,800.00	50,413.90	59,614.13	1,771.97	
Division of Fire						
Salaries and Wages						
Fire	20,165,313.00	20,165,313.00	19,480,540.89	-	684,772.11	
Other Expenses:						
Fire	989,870.00	989,870.00	457,903.07	527,789.08	4,177.85	
Fire Hydrant Service	1,609,123.00	1,609,123.00	1,418,000.47	-	191,122.53	
Aid to Volunteer Fire Companies	110,000.00	110,000.00	109,997.60	-	2.40	

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED ENCUMBERED	EXPENDED RESERVED	UNEXPENDED BALANCE CANCELLED
Operations Within "CAPS"						
DEPARTMENT OF PUBLIC WORKS						
Office of the Director						
Salaries and Wages:						
Municipal Garage	$ 825,989.00	$ 825,989.00	$ 825,988.00	$ -	$ 1.00	$
Other Expenses:						
Municipal Garage	95,900.00	95,900.00	49,618.50	30,140.51	16,140.99	
Fuels & Lubricants for Municipally	815,845.00	815,845.00	342,842.49	155,299.09	317,703.42	
Street Lighting	1,100,000.00	1,100,000.00	1,099,792.76	-	207.24	
Division of Streets						
Salaries and Wages	1,419,223.00	1,419,223.00	1,187,393.35	-	231,829.65	
Other Expenses	324,800.00	324,800.00	275,764.02	45,539.07	3,496.91	
Division of Public Buildings						
Salaries and Wages	1,603,253.00	1,603,253.00	1,399,971.76	-	203,281.24	
Other Expenses	232,000.00	232,000.00	159,147.97	63,722.76	9,129.27	
Division of Sanitation						
Salaries and Wages:						
Street Cleaning and Refuse and Garbage Collection	1,087,621.00	1,087,621.00	799,811.92	-	287,809.08	
Other Expenses:						
Street Cleaning and Refuse and Garbage Collection	61,500.00	61,500.00	6,558.21	11,844.37	43,097.42	
Public Defender (P.L. 1997,c.256)						
Salaries and Wages	35,000.00	35,000.00	-	-	35,000.00	
Other Expenses	2,000.00	2,000.00	-	-	2,000.00	
DEPARTMENT OF COMMUNITY DEVELOPMENT						
Salaries and Wages:						
Division of Planning and Zoning	279,243.00	279,243.00	259,576.19	-	19,666.81	
Rent Control Board	15,000.00	15,000.00	15,000.00	-	-	
Division of Engineering	450,398.00	450,398.00	301,374.25	-	149,023.75	
Other Expenses:						
Division of Planning and Zoning	102,000.00	102,000.00	-	327.00	101,673.00	
Planning Board	29,200.00	29,200.00	6,275.51	489.72	22,434.77	
Zoning Board Adjustment	26,200.00	26,200.00	19,380.99	2,474.67	4,344.34	
Rent Control Board	1,400.00	1,400.00	-	-	1,400.00	
Environmental Commission	1,300.00	1,300.00	-	-	1,300.00	
Division of Engineering	286,681.00	286,681.00	174,320.96	7,275.32	105,084.72	

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED ENCUMBERED	EXPENDED RESERVED	UNEXPENDED BALANCE CANCELLED
Operations Within "CAPS"						
UNCLASSIFIED						
Insurance:						
Group Insurance Plan for Employees	$ 23,211,372.97	$ 23,211,372.97	$ 22,858,397.55	$ -	$ 352,975.42	$
Other insurance and Surety bonds	3,576,692.00	3,576,692.00	3,550,972.94	23,102.30	2,616.76	
First Aid Organizations-Aid and Maintenance						
Other Expenses	105,000.00	105,000.00	105,000.00	-	-	
Emergency Management Services						
Other Expenses	15,000.00	15,000.00	221.75	3,622.04	11,156.21	
Ethics Commission	10,000.00	10,000.00	169.92	1,691.90	8,138.18	
Reserve for Tax Appeals	1,790,000.00	1,790,000.00	1,790,000.00	-	-	
Condominium Services	160,000.00	160,000.00	-	-	160,000.00	
Employees Unemployment Insurance	200,000.00	200,000.00	200,000.00	-	-	
Celebration of Public Events	61,000.00	61,000.00	36,322.52	19,665.00	5,012.48	
Accumulated Leave						
Compensation (Special Emergency - $975,000)		975,000.00	975,000.00	-	-	
Salary Adjustment	-	-	-	-	-	
Municipal Court						
Salaries and Wages	626,828.00	626,828.00	608,864.41	-	17,963.59	
Other Expenses	57,070.00	57,070.00	31,449.21	7,501.70	18,119.09	
Uniform Construction Code						
Edison Constr. Enforcing Agency:						
Salaries and Wages	1,501,132.00	1,501,132.00	1,170,884.76	-	330,247.24	
Other Expenses	369,500.00	369,500.00	99,227.96	196,640.89	73,631.15	
Employee Health Benefit Waivers						
Salaries and Wages	657,642.00	657,642.00	487,076.44	-	170,565.56	
Total Operations Within "CAPS"	107,187,612.97	108,162,612.97	97,891,788.09	2,176,853.39	8,093,971.49	
Contingent	50,000.00	50,000.00	4,981.00	-	45,019.00	
Total Operations Including Contingent Within "CAPS"	107,237,612.97	108,212,612.97	97,896,769.09	2,176,853.39	8,138,990.49	
DETAIL:						
Salaries and Wages	65,923,590.00	65,923,590.00	60,708,562.52	-	5,215,027.48	
Other Expenses	41,314,022.97	42,289,022.97	37,188,206.57	2,176,853.39	2,923,963.01	

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED: PAID OR CHARGED	EXPENDED: ENCUMBERED	EXPENDED: RESERVED	UNEXPENDED BALANCE CANCELLED
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL WITHIN "CAPS"						
Deferred Charges						
Projected Deficit - Water Utility Budget	$ 88,741.78	$ 88,741.78	$ 88,741.78	$ -	$	$
Prior Year Bills	39,157.00	39,157.00	39,156.07	-		0.93
Statutory Expenditures:						
Contribution to:						
Public Employment Retirement System	1,978,588.91	1,978,588.91	1,964,640.91	-	13,948.00	
Social Security System (O.A.S.I.)	1,666,912.91	1,666,912.91	1,662,395.40	-	4,517.51	
Police and Firemen's Retirement System of N.J.	10,786,996.00	10,786,996.00	10,786,996.00	-	-	
DCRP Employer Contributions	72,000.00	72,000.00	22,135.88	-	49,864.12	
Total Deferred Charges and Statutory Expenditures Municipal Within "CAPS"	14,632,396.60	14,632,396.60	14,564,066.04	-	68,329.63	0.93
Total General Appropriations for Municipal Purposes Within "CAPS"	121,870,009.57	122,845,009.57	112,460,835.13	2,176,853.39	8,207,320.12	0.93
Operations Excluded from "CAPS"						
OTHER OPERATIONS EXCLUDED FROM "CAPS"						
Maintenance of Free Public Library	5,789,770.00	5,789,770.00	4,796,703.45	76,668.87	916,397.68	
Length of Service Award Program (LOSAP) Other Expenses	100,000.00	100,000.00	-	-	100,000.00	
Total Other Operations Excluded from "CAPS"	5,889,770.00	5,889,770.00	4,796,703.45	76,668.87	1,016,397.68	

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED ENCUMBERED	EXPENDED RESERVED	UNEXPENDED BALANCE CANCELLED
Operations Excluded from "CAPS"						
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES						
Body Armor Fund - 2018	$ 16,060.78	$ 16,060.78	$ 16,060.78	$ -	$ -	$
Body Armor Fund - 2019		15,272.48	15,272.48	-	-	
Clean Communities Act	185,575.14	185,575.14	185,575.14	-	-	
Distracted Drive Crackdown	5,500.00	5,500.00	5,500.00	-	-	
Drive Sober or Get Pulled Over/Year End	5,500.00	5,500.00	5,500.00	-	-	
Drive Sober or Get Pulled Over/Labor Day		5,500.00	5,500.00	-	-	
Drunk Driving Enforcement Fund		14,378.94	14,378.94	-	-	
FM Global Fire Prevention Grant		1,642.00	1,642.00	-	-	
Highway Safety Fund Grant FY2019		16,500.00	16,500.00	-	-	
H Mart Grant - 2018	10,000.00	10,000.00	10,000.00	-	-	
H Mart Grant - 2019		10,000.00	10,000.00	-	-	
Middlesex County Arts Grant	9,500.00	9,500.00	9,500.00	-	-	
Middlesex County Nutritional Program	6,000.00	6,000.00	6,000.00	-	-	
Middlesex County Teen Arts Grant	1,200.00	1,200.00	1,200.00	-	-	
Municipal Alliance on Alcoholism and Drug Abuse	89,447.00	89,447.00	89,447.00	-	-	
Municipal Aid - Talmadge Road III		210,000.00	210,000.00	-	-	
NJDH CAHP CLEP Program		95,054.00	95,054.00	-	-	
Pedestrian Safety Enforcement and Education Grant - 2018	14,850.00	14,850.00	14,850.00	-	-	
Pedestrian Safety Enforcement and Education Grant - 2019		16,500.00	16,500.00	-	-	
Recycling Tonnage Grant	269,329.07	269,329.07	269,329.07	-	-	
MCIA Recycling Grant	30,690.00	30,690.00	30,690.00	-	-	
Middlesex County Recycling Enhancement Grant	7,500.00	7,500.00	7,500.00			
Special Traffic Enforcement Program	16,500.00	16,500.00	16,500.00	-	-	
Sustainable Jersey Small Grant		2,000.00	2,000.00	-	-	
SEC 315(H) Nonpoint Pollution Control		65,000.00	65,000.00	-	-	
Edison Multi-Site Park Revitalization Program		350,000.00	350,000.00	-	-	
Dudash Park Middlesex Greenway Enhance		24,000.00	24,000.00	-	-	
Total Public and Private Revenues Offset by Revenues	667,651.99	1,493,499.41	1,493,499.41	-	-	-
Total Operations Excluded from "CAPS"	6,557,421.99	7,383,269.41	6,290,202.86	76,668.87	1,016,397.68	
DETAIL:						
Salaries and Wages	-	-	-	-	-	
Other Expenses	6,557,421.99	7,383,269.41	6,290,202.86	76,668.87	1,016,397.68	

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED ENCUMBERED	EXPENDED RESERVED	UNEXPENDED BALANCE CANCELLED
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	$ 750,000.00	$ 750,000.00	$ 750,000.00	$	$	$
Total Capital Improv. - Excl. from "CAPS"	750,000.00	750,000.00	750,000.00			
Operations Excluded from "CAPS"						
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	5,344,265.96	5,344,265.96	5,344,264.81			1.15
Payment of Bond Anticipation Notes and Capital Notes	1,310,000.00	1,310,000.00	1,310,000.00			-
Interest on Bonds	1,227,765.37	1,227,765.37	1,227,765.37			-
Interest on Notes	1,626,862.50	1,626,862.50	1,626,862.50			-
NJEIT Loan - Principal & Interest	217,644.73	217,644.73	207,802.09			9,842.64
Total Mun. Debt Service - Excl. from "CAPS"	9,726,538.56	9,726,538.56	9,716,694.77			9,843.79
DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"						
Special Emergency Authorizations - 5 Years (N.J.S.A. 40A:4-55)	940,600.00	940,600.00	940,600.00			
Deferred Charges to Future Taxation - Unfunded	2,030,000.00	2,030,000.00	2,030,000.00			
Total Deferred Charges - Municipal Excluded from "CAPS"	2,970,600.00	2,970,600.00	2,970,600.00			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	20,004,560.55	20,830,407.97	19,727,497.63	76,668.87	1,016,397.68	9,843.79
Total General Appropriations excluded from "CAPS"	20,004,560.55	20,830,407.97	19,727,497.63	76,668.87	1,016,397.68	9,843.79
Subtotal General Appropriations	141,874,570.12	143,675,417.54	132,188,332.76	2,253,522.26	9,223,717.80	9,844.72
Reserve for Uncollected Taxes	1,651,645.57	1,651,645.57	1,651,645.57			-
Total General Appropriations	$ 143,526,215.69	$ 145,327,063.11	$ 133,839,978.33	$ 2,253,522.26	$ 9,223,717.80	$ 9,844.72

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

		2019 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED: PAID OR CHARGED	EXPENDED: ENCUMBERED	EXPENDED: RESERVED	UNEXPENDED BALANCE CANCELLED
Total General Appropriations (brought forward)		$ 143,526,215.69	$ 145,327,063.11	$ 133,839,978.33	$ 2,253,522.26	$ 9,223,717.80	$ 9,844.72
	Ref.			A-1	A-1, A-18	A, A-1	A-1
Adopted Budget	A- 2		$ 143,526,215.69				
Approp. by N.J.S.A. 40A:4-87	A- 2		825,847.42				
Emergency Appropriation	A-22		975,000.00				
			$ 145,327,063.11				
Reserve for Uncollected Taxes	A-2			$ 1,651,645.57			
Disbursed	A-4			127,964,233.35			
Reserve for State and Federal Grants Appropriated	A-13			1,493,499.41			
Reserve for Tax Appeals	A-17			1,790,000.00			
Deferred Charges	A-22			940,600.00			
				$ 133,839,978.33			

Note: See Notes to Financial Statements

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

ASSETS	REF.	BALANCE DEC 31,2019	BALANCE DEC 31,2018	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC 31,2019	BALANCE DEC 31,2018
Assessment Fund:				Assessment Fund:			
Assessment Liens	B-6	$ 97.00	$ 97.00	Due to Current Fund	B-18	$ 18,760.00	$ 18,760.00
Assessment Lien Interest and Costs	B-5	74.00	74.00	Res. for Assessments, Liens and Interest and Costs	B-10	171.00	171.00
Due from Trust Other	B-17	20,063.00	20,063.00	Fund Balance	B-1	1,303.00	1,303.00
Total Assessment Fund		20,234.00	20,234.00	Total Assessment Fund		20,234.00	20,234.00
Animal Control Fund:				Animal Control Fund:			
Cash and Investments - Treasurer	B-2	175,237.24	155,518.33	Due to State of New Jersey	B-11	36.60	24.60
				Due to Current Fund	B-18	11,186.78	418.07
Total Animal Control Fund		175,237.24	155,518.33	Reserves For Encumbrances	B-12	102,348.18	89,362.99
				Reserve for Animal Control	B-13	61,665.68	65,712.67
				Total Animal Control Fund		175,237.24	155,518.33
Trust-Other Fund:				Trust-Other Fund:			
Cash and Investments - Treasurer	B-2	23,483,100.33	22,988,146.78	Due to Assessment Trust	B-18	20,063.00	20,063.00
Due from Current Fund	B-17	14,259.35	121,500.00	Due to Current Fund	B-18	2,541.02	38,686.43
				Other Escrow Funds	B-14	915,025.91	932,108.63
Total Trust-Other Fund		23,497,359.68	23,109,646.78	Tax Sale Redemption Funds	B-16	3,108,730.89	3,875,127.24
				Reserve for:			
				Open Space	B-9	1,547,540.78	2,061,951.88
				Off Duty Public Safety	B-16	978,273.58	1,055,372.48
				Other Reserves	B-15	16,925,184.50	15,126,337.12
				Total Trust-Other Fund		23,497,359.68	23,109,646.78
Housing and Community Development Act of 1974:				Housing and Community Development Act of 1974:			
Cash and Investments - Treasurer	B-2	188,144.62	130,869.46	Reserve for Expenditures - HUD	B-16	1,327,352.74	1,105,161.80
				Reserve for Expenditures - HOPWA	B-16	183,288.65	183,288.65
Accts. Receivable - U.S. Dept. of Housing and Urban Develop.	B-8	1,183,510.46	1,033,300.52	Reserve for Encumbrances	B-16	9,886.08	32,025.09
Accts. Receivable - HOPWA	B-8	183,288.65	183,288.65	Due to Current Fund	B-18	34,416.26	26,983.09
Total Housing and Community Development Act of 1974		1,554,943.73	1,347,458.63	Total Housing and Community Development Act of 1974		1,554,943.73	1,347,458.63

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

ASSETS	REF.	BALANCE DEC 31,2019	BALANCE DEC 31,2018	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC 31,2019	BALANCE DEC 31,2018
D.E.P. Landfill Closure Escrow Fund: Cash and Investments - Treasurer	B-2	$ 4,646,792.61	$ 4,551,444.43	D.E.P. Landfill Closure Escrow Fund: Reserve for Landfill Closure Costs	B-16	$ 4,646,792.61	$ 4,551,444.43
Total D.E.P. Landfill Closure Escrow Fund		4,646,792.61	4,551,444.43	Total D.E.P. Landfill Closure Escrow Fund		4,646,792.61	4,551,444.43
Edison Landfill Closure Trust - Local Cash and Investments - Treasurer	B-2	2,547,576.72	2,222,066.22	Edison Landfill Closure Trust - Local Reserve for Landfill Closure Costs	B-16	2,547,576.72	2,222,066.22
Total Edison Landfill Closure Trust - Local Trust - Local		2,547,576.72	2,222,066.22	Total Edison Landfill Closure Trust - Local Trust - Local		2,547,576.72	2,222,066.22
B.P.U. Landfill Closure Escrow Fund: Cash and Investments - Treasurer	B-2	12,861,520.12	12,600,590.62	B.P.U. Landfill Closure Escrow Fund: Reserve for Landfill Closure Costs	B-16	12,861,520.12	12,600,590.62
Total B.P.U. Landfill Closure Escrow Fund		12,861,520.12	12,600,590.62	Total B.P.U. Landfill Closure Escrow Fund		12,861,520.12	12,600,590.62
Self Insurance Trust Fund: Cash and Investments - Treasurer	B-2	230,910.77	308,896.56	Self Insurance Trust Fund: Reserve for Payment of Insur. Claims	B-16	230,910.77	308,896.56
Total Self Insurance Trust Fund		230,910.77	308,896.56	Total Self Insurance Trust Fund		230,910.77	308,896.56
Developer's Escrow Trust Fund: Cash and Investments - Treasurer	B-2	2,208,341.95	1,683,808.22	Developer's Escrow Trust Fund: Developer's Escrow Funds	B-16	2,208,341.95	1,683,808.22
Total Developer's Escrow Trust Fund		2,208,341.95	1,683,808.22	Total Developer's Escrow Trust Fund		2,208,341.95	1,683,808.22
		$ 47,742,916.82	$ 45,999,663.79			$ 47,742,916.82	$ 45,999,663.79

Note: See Notes to Financial Statements

Exhibit - B- 1

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	REF.	
Balance - December 31, 2018	B	$ 1,303.00
Balance - December 31, 2019	B	$ 1,303.00

Note: See Notes to Financial Statements

Exhibit - C

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

ASSETS	REF.	BALANCE DEC. 31,2019	BALANCE DEC. 31,2018
Cash and Investments - Treasurer	C- 2	$ 16,135,359.02	$ 19,133,867.81
Accounts Receivable:			
Edison Free Public Library	C- 4	64,178.00	64,178.00
Grants Receivable	C-15	228,687.48	228,687.48
Insurance Proceeds Receivable	C-16	66,850.00	66,850.00
Deferred Charges to Future Taxation:			
Funded	C- 6	27,563,302.93	33,580,559.57
Unfunded	C -7	89,690,842.61	79,343,342.61
		$ 133,749,220.04	$ 132,417,485.47
LIABILITIES, RESERVES AND FUND BALANCE			
General Serial Bonds	C-12	$ 26,619,794.07	$ 32,363,179.56
Green Trust Loans Payable	C-13	128,385.87	211,893.54
NJ Environmental Infrastructure Loan Payable	C-11	815,122.99	1,005,486.47
Bond Anticipation Notes	C- 9	57,902,000.00	55,750,000.00
Due to Current Fund	C- 5	19,307.53	38,619.65
Improvement Authorizations:			
Funded	C- 8	825,062.32	825,062.32
Unfunded	C- 8	40,311,999.73	35,933,052.49
Reserve for Encumbrances	C- 8	6,317,184.28	5,482,133.19
Reserve for:			
Capital Improv. Fund	C-10	14,510.51	14,510.51
Grants Receivable	C-14	51,173.53	51,173.53
Acquistion of Property for and Construction of Parking Facilities	C-17	302,000.00	302,000.00
Payment of Future Debt Service Costs	C-17	104,716.01	102,411.01
Woodland Estates	C-17	337,343.21	337,343.21
Fund Balance	C- 1	619.99	619.99
		$ 133,749,220.04	$ 132,417,485.47
Bonds And Notes Authorized but not Issued	C-18	$ 32,141,342.61	$ 23,593,342.61

Note: See Notes to Financial Statements

Exhibit - C-1

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
STATEMENT OF CHANGE IN FUND BALANCE
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	REF.	
Balance - December 31, 2018	C	$ 619.99
Increased by:		
Cash Receipts - Premium on BAN Sale	C-2	1,175,523.52
		1,176,143.51
Decreased by:		
Appropriated to 2019 Budget Revenue Capital Surplus	C-2	1,175,523.52
Balance - December 31, 2019	C	$ 619.99

Note: See Notes to Financial Statements

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

ASSETS	REF.	BALANCE DEC. 31, 2019	BALANCE DEC. 31, 2018	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC. 31, 2019	BALANCE DEC. 31, 2018
Operating Fund:				Operating Fund:			
Cash and Investments - Treasurer	D-5	$ 25,222.53	$ 26,266.90	Due to Current Fund	D-9	$ 31.30	$ 51.72
Due from Water Utility Capital Fund	D-9	62,697.53		Due to Sewer Utility Operating Fund	D-9	77,108.85	
				Due to Water Utility Capital Fund	D-9		14,411.32
		87,920.06	26,266.90	Accrued Interest Payable	D-13	10,779.59	11,803.54
						87,919.74	26,266.58
				Fund Balance	D- 1	0.32	0.32
Total Operating Fund		87,920.06	26,266.90	Total Operating Fund		87,920.06	26,266.90
Capital Fund:				Capital Fund:			
Fixed Capital	D-10	7,055,736.14	6,978,627.29	Serial Bonds Payable	D-14	617,368.87	678,806.06
Fixed Capital Authorized & Uncompleted	D-11	14,922,891.15		Improvement Authorizations			
Due from Water Utility Operating Fund	D-8		14,411.32	Unfunded	D-15	14,025,665.20	
				Encumbrances Payable	D-15	897,225.95	
				Due to Water Utility Operating Fund	D-8	62,697.53	
				Reserve for:			
				Amortization	D-7	6,345,090.47	6,283,653.28
				Deferred Res. for Amortization	D-12	16,167.95	16,167.95
				Fund Balance	D-2	14,411.32	14,411.32
Total Capital Fund		21,978,627.29	6,993,038.61	Total Capital Fund		21,978,627.29	6,993,038.61
		$ 22,066,547.35	$ 7,019,305.51			$ 22,066,547.35	$ 7,019,305.51

There were Water Utility Bonds and Notes Authorized but not Issued at December 31, 2019 in the amount of $15,000,000 and none at December 31, 2018. (See Exhibit D-16)

Note: See Notes to Financial Statements

Exhibit - D-1

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

REVENUE AND OTHER INCOME	REF.	2019	2018
Deficit (General Budget)	D-3	$ 88,741.78	$ 89,316.19
Total Revenue		88,741.78	89,316.19
EXPENDITURES			
Debt Service	D-4	88,741.78	89,316.19
Total Expenditures		88,741.78	89,316.19
Excess/Deficit in Revenues		-	-
FUND BALANCE			
Balance - Beginning of Year	D	0.32	0.32
Fund Balance - End of Year	D	$ 0.32	$ 0.32

Exhibit - D-2

WATER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	REF.	
Balance - December 31, 2018	D	$ 14,411.32
Balance - December 31, 2019	D	$ 14,411.32

Note: See Notes to Financial Statements

Exhibit - D-3

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	REF.	2019 ADOPTED BUDGET	REALIZED IN 2018	EXCESS OR (DEFICIT)
Deficit (General Budget)	D-1,D-5	$ 88,741.78	$ 88,741.78	$ -
		$ 88,741.78	$ 88,741.78	$ -
	REF.	D-4	D-1,D-5	

Note: See Notes to Financial Statements

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

		2019 ADOPTED BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
				PAID OR CHARGED	ENCUMBERED	RESERVED	
Debt Service:							
Payment of Bond Principal		$ 61,437.19	$ 61,437.19	$ 61,437.19	$	$	$ -
Interest on Bonds		27,304.59	27,304.59	27,304.59			-
		$ 88,741.78	$ 88,741.78	$ 88,741.78	$	$	$ -
	Ref.	D-3	D-3	D-1			
Disbursed	D-5			$ 61,437.19			
Accrued Interest on Bonds	D-13			27,304.59			
				$ 88,741.78			

Note: See Notes to Financial Statements

Exhibit - E

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

ASSETS	REF.	BALANCE DEC. 31,2019	BALANCE DEC. 31,2018
Operating Fund:			
Cash and Investments - Treasurer	E-5	$ 21,498,068.72	$ 18,798,698.58
Due from Current Fund	E-9	35,579.70	
Due from Water Utility Operating Fund	E-9	77,108.85	
		21,610,757.27	18,798,698.58
Receivables with Offsetting Reserves:			
Sewer Rents Receivable	E-7	228,970.65	1,581.70
Sewer Rent Liens Receivable	E-8	262.06	
		229,232.71	1,581.70
Total Operating Fund		21,839,989.98	18,800,280.28
Capital Fund:			
Cash and Investments - Treasurer	E-5	1,039,481.61	1,018,907.71
Fixed Capital	E-11	15,553,113.40	14,826,090.94
Fixed Capital Authorized & Uncompleted	E-13	1,547,846.60	2,274,869.06
Due from Sewer Utility Operating Fund	E-12	4,886,282.61	4,540,961.47
Total Capital Fund		23,026,724.22	22,660,829.18
		$ 44,866,714.20	$ 41,461,109.46

LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC. 31,2019	BALANCE DEC. 31,2018
Operating Fund:			
Liabilities:			
Appropriation Reserves	E-4,E-15	$ 3,925,221.86	$ 3,942,406.20
Reserve for Encumbrances	E-4,E-15	409,227.68	226,554.83
Due to Sewer Capital Fund	E-9	4,886,282.61	4,540,961.47
Sewer Rent Overpayments	E-16	142,084.88	106,972.64
Reserve for Sewer Lien Foreclosure	E-17	5,020.64	5,020.64
Accounts Payable	E-18	27,048.54	118,933.50
Accrued Interest Payable	E-19	310,951.43	249,892.84
		9,705,837.64	9,190,742.12
Reserve for Receivables	Reserve	229,232.71	1,581.70
Fund Balance	E-1	11,904,919.63	9,607,956.46
Total Operating Fund		21,839,989.98	18,800,280.28
Capital Fund:			
Serial Bonds	E-10	4,321,837.06	4,587,014.38
Bond Anticipation Notes	E-14	7,390,000.00	7,495,000.00
Encumbrances Payable	E-20	990,582.21	1,719,054.14
Improvement Authorizations			
Funded	E-20	30,962.60	25,528.21
Unfunded	E-20	526,301.79	530,286.71
Capital Improvement Fund	E-21	509,500.00	509,500.00
Reserve for Downpayment on Improvements	E-24	400,000.00	400,000.00
Reserve for Capital Improvement Projects	E-25	3,907,205.05	2,995,415.31
Reserve for Amortization	E-22	3,682,238.78	3,417,061.46
Deferred Reserve for Amortization	E-23	642,750.00	537,750.00
Fund Balance	E-2	625,346.73	444,218.97
Total Capital Fund		23,026,724.22	22,660,829.18
		$ 44,866,714.20	$ 41,461,109.46

There were Bonds and Notes Authorized but not Issued on December 31, 2019 and 2018 in the amount of $1,064,134.16 and $1,064,134.16, respectively (See Exhibit - E-26).

Note: See Notes to Financial Statements

Exhibit - E-1

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

REVENUE AND OTHER INCOME	REF.	2019	2018
Sewer Rents	E-3	$ 20,382,369.43	$ 19,793,777.67
Miscellaneous Revenues	E-3	688,533.25	564,661.09
Accounts Payable Cancelled	E-18	56,275.11	
Unexpended Balance of Approp. Reserves	E-15	1,522,894.83	2,003,758.79
Total Revenue		22,650,072.62	22,362,197.55
EXPENDITURES			
Operating:			
Salaries and Wages	E-4	1,847,747.00	1,847,747.00
Other Expenses	E-4	15,765,400.92	14,673,100.00
Capital Improvements	E-4	1,467,695.00	1,400,000.00
Debt Service	E-4	826,155.08	689,801.74
Deferred Charges and Statutory Expenditures	E-4	426,002.00	426,002.00
Refunds of Prior Year Revenues	E-5	20,109.45	
Total Expenditures		20,353,109.45	19,036,650.74
Excess in Revenues		2,296,963.17	3,325,546.81
FUND BALANCE			
Balance - Beginning of Year	E	9,607,956.46	6,282,409.65
Fund Balance - End of Year	E	$ 11,904,919.63	$ 9,607,956.46

Note: See Notes to Financial Statements

Exhibit - E-2

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY CAPITAL FUND
STATEMENT OF CHANGE IN FUND BALANCE
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	REF.		
Balance - December 31, 2018	E		$ 444,218.97
Increased by:			
Interest Earned	E-5	$ 20,573.90	
Premium on Sale of BAN's	E-12	160,553.86	
			181,127.76
Balance - December 31, 2019	E		$ 625,346.73

Note: See Notes to Financial Statements

Exhibit - E-3

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	REF.	2019 BUDGET	REALIZED IN 2019	EXCESS OR (DEFICIT)
Sewer Rents	E-1	$ 20,333,000.00	$ 20,382,369.43	$ 49,369.43
Miscellaneous	E-1,E-5		688,533.25	688,533.25
		$ 20,333,000.00	$ 21,070,902.68	$ 737,902.68

ANALYSIS OF REALIZED REVENUES	REF.	Ref.		
Sewer Rents:				
Sewer Rents Receivable:				
2019 Cash Collections:				
Collector		E-7	$ 20,205,275.86	
Overpayments Applied		E-7	141,637.96	
Sewer Rent Liens		E-8	35,455.61	
		E-3		$ 20,382,369.43
Miscellaneous Revenues:				
Interest & Costs on Rents		E-5	$ 70,419.93	
Sewer Connection Fees		E-5	263,586.42	
Misc. Revenues		E-5	354,526.90	
		E-3		$ 688,533.25

Note: See Notes to Financial Statements

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

		2019 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED PAID OR CHARGED	EXPENDED ENCUMBERED	EXPENDED RESERVED	UNEXPENDED BALANCE CANCELLED
Operating:							
Salaries and Wages		$ 1,847,747.00	$ 1,847,747.00	$ 1,529,400.11	$	$ 318,346.89	$
Other Expenses		4,765,400.92	4,765,400.92	3,743,708.83	402,347.68	619,344.41	
Middlesex County Utilities Authority Charges		11,000,000.00	11,000,000.00	9,465,642.21		1,534,357.79	
Capital Improvements:							
Capital Improvement Projects		1,467,695.00	1,467,695.00	12,017.43	6,880.00	1,448,797.57	
Debt Service:							
Payment of Bond Principal		265,177.32	265,177.32	265,177.32			
Payment of Bond Anticipation Notes and Capital Notes		105,000.00	105,000.00	105,000.00			
Interest on Bonds		167,024.70	167,024.70	167,024.70			
Interest on Notes		288,953.06	288,953.06	288,953.06			
Deferred Charges and Statutory Expenditures:							
Statutory Expenditures:							
Contribution to:							
Public Employees Retirement System		251,002.00	251,002.00	251,002.00			
Social Security System (O.A.S.I.)		150,000.00	150,000.00	145,624.80		4,375.20	
Unemployment Compensation Insurance		25,000.00	25,000.00	25,000.00			
		$ 20,333,000.00	$ 20,333,000.00	$ 15,998,550.46	$ 409,227.68	$ 3,925,221.86	$
	REF.	E-3	E-3	E-1	E, E-1	E, E-1	
Disbursed	E-5			$ 15,542,572.70			
Accrued Interest on Bonds	E-19			455,977.76			
				$ 15,998,550.46			

Note: See Notes to Financial Statements

Exhibit - F

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

PUBLIC ASSISTANCE FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

ASSETS	REF.	BALANCE DEC. 31, 2019	BALANCE DEC. 31, 2018
Cash and Invest. - Treasurer	F-1	$ 45,495.02	$ 44,594.59
		$ 45,495.02	$ 44,594.59
LIABILITIES AND RESERVES			
Reserve for Public Assistance	F-4	$ 45,495.02	$ 44,594.59
		$ 45,495.02	$ 44,594.59

Note: See Notes to Financial Statements

Exhibit - G

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

STATEMENT OF GOVERNMENTAL FIXED ASSETS
REGULATORY BASIS
DECEMBER 31, 2019 AND 2018

	BALANCE DECEMBER 31, 2019	BALANCE DECEMBER 31, 2018
Governmental Fixed Assets:		
Land	$ 116,480,200.00	$ 116,480,200.00
Buildings and Improvements	20,811,200.00	20,811,200.00
Vehicles, Machinery and Equipment	45,888,506.00	42,858,821.00
Total Governmental Fixed Assets	$ 183,179,906.00	$ 180,150,221.00
Investment in Governmental Fixed Assets	$ 183,179,906.00	$ 180,150,221.00

Nots: See Notes to Financial Statements

Note 1: FORM OF GOVERNMENT

The Township is managed under the Mayor - Council form of government authorized under Plan E of the "Faulkner Act of 1950". This form of government, adopted in 1957 by Township voters, provides for the direct election of the Mayor and seven council members for staggered four-year terms. This form of government provides for the administrative function of government under the Mayor, supported by a Business Administrator and various department heads, and for the legislative function under the Municipal Council.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the basic financial statements of the Township of Edison include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Edison, as required by N.J.S.A. 40A:5-5. Accordingly, the basic financial statements the Township of Edison do not include the operations of the municipal library, first aid organizations or volunteer fire companies.

B. Description of Funds

The accounting policies of the Township of Edison conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices 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. Under this method of accounting, the Township of Edison accounts for its financial transactions through the following separate funds:

Current Fund - resources and expenditures for governmental operations of a general nature, including Federal and State grant funds, except as otherwise noted.

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. Pursuant to the provisions of N.J.S.A. 40A:4-39, the financial transactions of the Housing and Community Development Act of 1974 funds are reported within the Trust Fund. In addition, the financial transactions of the following funds and accounts are also reported within the Trust Fund:

Animal Control Trust Fund
Landfill Closure Escrow Funds
Unemployment Compensation Trust Fund
Dedicated Law Enforcement Trust Fund
Self-Insurance Trust Fund
Developer Escrow Trust Funds
Dedicated Open Space Fund

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

B. Description of Funds (Cont'd.)

General Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes. Debt obligations authorized in conjunction with the Township's conversion to the state's fiscal year are also accounted for in the General Capital Fund.

Water Utility Fund - resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Water Utility. See Note 12 for information relating to the privatization of water delivery services for periods commencing after June 30, 1997.

Sewer Utility Fund - resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

Public Assistance Fund - receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey Statutes.

The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. GASB's Codification of Governmental Accounting and Financial Reporting Standards recognizes three fund categories as appropriate for the accounting and reporting of the financial position and results of operations in accordance with generally accepted accounting principles (GAAP) to provide detailed information about the governmental unit. This structure of funds differs from the organization of funds prescribed under the regulatory basis of accounting utilized by the Township. The resultant presentation of financial position and results of operations in the form of basic financial statements is not intended to present the general purpose financial statements required by GAAP.

The regulatory basis of accounting utilized by the Township for financial reporting is inconsistent with the provisions and standards established by Statement 34 of the GASB. Accordingly, the Township has not implemented the provisions of GASB Statement 34.

C. Basis of Accounting

Basis of Accounting and Measurement Focus - The basis of accounting as prescribed by the Division of Local Government Services for its operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures. The operating funds utilize a "current financial resources" measurement focus. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. The most significant is the reporting of entity-wide financial statements, which are not presented in the accounting principles prescribed by the Division. The other more significant differences are as follows:

Revenues - Revenues are recorded as received in cash except for regulatory reimbursements and grant funds, which are due from other governmental units. State and Federal grants, entitlements and shared revenues received for operating purposes are realized as revenues when anticipated in the Township budget. Receivables for property taxes, water utility consumer charges and sewer utility consumer charges are recorded with offsetting reserves within the Current Fund, Water Utility Fund and Sewer Utility Fund, respectively. Other amounts that are due to the Township, which are susceptible to accrual are recorded as receivables with offsetting reserves.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

C. Basis of Accounting (Cont'd.)

These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable, with the exception of utility consumer charges, which should be recognized in the period they are earned and become measurable.

Expenditures - For purposes of financial reporting, expenditures are recorded as "paid or charged" or "appropriation reserves". Paid or charged refers to the Township's "budgetary" basis of accounting. Generally, these expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Reserves for unliquidated encumbrances at the close of the year are reported as a cash liability. Encumbrances do not constitute expenditures under GAAP. Appropriation reserves refer to unexpended appropriation balances at the close of the year. Appropriation reserves are automatically created and recorded as a cash liability, except for amounts, which may be cancelled 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 and not recorded in the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP. Expenditures for compensated absences, i.e. accumulations of earned but unused vacations and sick leave, are recorded in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise (Water Utility and Sewer Utility) fund on a full accrual basis.

For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the Current Fund balance sheet. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based upon the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or the revaluation of assessable real property, would represent the designation of fund balance.

The Local Budget Law (N.J.S.A. 40A:4-1 et seq.) requires that certain operating transfers between funds, such as transfers from the Current Fund and Utility Operating Funds to a Self-Insurance Trust Fund, transfers of anticipated operating surpluses among the Current Fund, Water Utility Fund and Sewer Utility Fund, transfers from utility operating funds to capital funds (to finance capital projects) and transfers from the Current Fund to the Trust Funds or General Capital Fund are required to be included in the Township's annual budgets as budget appropriations. Expenditures are recorded upon the adoption of the budget for any legally required transfers, and upon the determination of availability of funds for any discretionary transfers. Under GAAP, operating transfers are not recognized as expenditures.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

C. Basis of Accounting (Cont'd.)

Property Acquired for Taxes - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in governmental fixed assets at the lower of cost or fair market value.

Self Insurance Reserves - Charges to self insurance reserves are recorded when payments of claims and related expenses are made. Increases to self insurance reserves are recorded from budgetary appropriations in the accounting period in which budgetary expenditures are recorded. Earnings on investments and miscellaneous reimbursements are credited to reserves when received in cash. GAAP requires that liabilities for incurred claims be recorded as determined actuarially, and that operating transfers to self insurance funds not exceed the amount determined.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the accounting period the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets. Although the expenditure method of accounting for purchases of supplies is in accordance with GAAP, the cost of inventory on hand at the close of the year should be reported on the balance sheet with an offsetting reserve for conformity with GAAP.

Sale of Municipal Assets - Cash proceeds from the sale of Township owned property may be realized as revenue or reserved until utilized as an item of revenue in a subsequent year budget. Any year-end balances of reserved proceeds are reported as a cash liability in the Current Fund. At December 31, 2019, the Township had no reserved proceeds. GAAP requires that revenue be recognized in the accounting period that the terms of the sales contracts become legally enforceable.

Defeasance of Utility Debt - The funding by a third party of an irrevocable trust fund established for the purpose of debt defeasance pursuant to an agreement under the provisions of the New Jersey Water Supply Public-Private Contracting Act (NJSA 58:26-19 et seq.) is recorded as an increase to the Reserve for Amortization account. GAAP requires recognition of this funding arrangement as a deferred item, which would be amortized following the maturity schedule of the bonds.

Governmental Fixed Assets - Property and equipment acquired by the Current, Community Development Block Grant and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Property and equipment acquired by the Water Utility Fund and Sewer Utility Fund are recorded in their respective capital accounts at cost and are adjusted for dispositions and abandonments. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Water Utility Capital Fund and Sewer Utility Capital Fund represent charges to operations for the costs of acquisitions of property, equipment and improvements plus any costs funded from sources other than bonded debt of the utility. The utility does not record depreciation on fixed assets. GAAP does not require the establishment of a reserve for amortization for utility fixed assets, but does require the recognition of depreciation of these assets as an operating expense of the utility.

Grants Received – Federal and state grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's Budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

C. Basis of Accounting (Cont'd.)

Length of Service Awards Program (LOSAP) - Financial reporting standards established by the DLGS exclude the financial information relating to a LOSAP program from the scope of the statutory audit. Accordingly, financial information relating to the Township's LOSAP program, a deferred income program created pursuant to Section 457 of the Internal Revenue Code for the benefit of the members of the volunteer fire company and volunteer first aid and rescue squad, is not reported as part of the Township's basic financial statements. As the LOSAP Plan's assets remain the property of the Township until withdrawn by participants, GAAP requires that the Plan's financial information be included in the Township's basic financial statements. See Note 14 regarding the availability of LOSAP Plan financial information.

Disclosures About Pension Liabilities - The Township has included information relating to its allocated shares of the net pension liabilities of the state sponsored, cost-sharing, multiple employer defined benefit pension plans in which it participates in Note 9 and the accompanying required supplementary information. As the Township does not present entity-wide financial statements, it does not present on the face of its financial statements its proportionate share of the net pension liability of the defined benefit plans in which its employees are enrolled. GAAP requires the recognition of the net pension liability and associated deferred inflows and deferred outflows of financial resources in the entity-wide financial statements.

Disclosures About OPEB Liabilities - With the implementation of GASB 75 for disclosure purposes, the Township has included information for OPEB (Postemployment Benefits Other Than Pensions) liabilities relating to healthcare benefits provided to its retirees within the Notes to the Financial Statements and the accompanying required supplementary information, if applicable. As the Township does not present entity-wide financial statements, it does not present on the face of its financial statements its proportionate share of the OPEB liability of the defined benefit healthcare plans in which its retirees are enrolled. GAAP requires the recognition of the OPEB liability and associated deferred inflows and deferred outflows of financial resources in the entity-wide financial statements.

Recent Accounting Standards

GASB issued Statement No. 88 "Certain Disclosures Relate to Debt, Including Direct Borrowings and Direct Placements" in April 2018. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

GASB issued Statement No. 89 "Accounting for Interest Cost Incurred before the End of a Construction Period" in June 2018. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

C. Basis of Accounting (Cont'd.)

Recent Accounting Standards (cont'd.)

GASB issued Statement No. 90 "Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61" in August 2018. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

GASB issued Statement No. 91 "Conduit Debt Obligations" in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

The Township does not prepare its financial statements in accordance with generally accepted accounting principles. Unless these new standards are incorporated into the other comprehensive basis of accounting that is utilized by the Township through legislation or rulemaking they will not become part of the standards followed by the Township for financial reporting. For the purpose of providing disclosures relating to Pension.

Note 3: DEFERRED COMPENSATION PLAN

The Edison Township Deferred Compensation Plan was established pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C. 381; P.L. 1978,C. 39; and P.L. 1980, C. 78 of the Statutes of New Jersey. The Plan is an arrangement whereby a public employer may establish a plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations. The Township has engaged a private contractor to administer the plan.

The Township passed a resolution on October 8, 1997 amending its plan in accordance with the amendments to Section 457 of the Code included in the Small Business Job Protection Act of 1996. This legislation eliminated provisions of the law that required compensation, which was deferred under the plan to remain the assets of the employer. The Plan amendment specifies that Plan assets are to be held "for the exclusive benefit of Plan participants and their beneficiaries". Accordingly, the financial statements of the Plan are not included in the Township's financial statements for the year ending December 31, 2019.

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENT - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2019 AMD 2018

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION

A. Summary of Municipal Debt for Capital Projects

	CY 2019	CY 2018
Issued:		
General:		
Bonds & Notes	$ 84,521,794.07	$ 88,113,179.56
NJ Environmental Infrastructure Loans	815,122.99	1,005,486.47
N.J.D.E.P. Green Trust Loans	128,385.87	211,893.54
Water Utility:		
Bonds & Notes	617,368.87	678,806.06
Sewer Utility:		
Bonds & Notes	11,711,837.06	12,082,014.38
Total Debt Issued	97,794,508.86	102,091,380.01
Authorized but not Issued:		
General:		
Bonds & Notes	32,351,342.61	23,593,342.61
Water Utility:		
Bonds & Notes	15,000,000.00	
Sewer Utility:		
Bonds & Notes	1,064,134.16	1,064,134.16
Total Authorized but not Issued	48,415,476.77	24,657,476.77
Net Bonds & Notes Issued and Authorized but not Issued	$ 146,209,985.63	$ 126,748,856.78

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

A. Summary of Municipal Debt for Capital Projects (Cont'd.)

Summarized below are the Township's individual bond and loan issues which were outstanding at December 31, 2019:

	Amount Issued	Amount Outstanding	Interest Rates	Final Maturity
General Improvement Debt				
Pension Refunding Bonds - 2003	$10,000,000.00	$5,850,000.00	5.360%	2023
Genl. Oligation Refunding Bonds - 2011	16,540,000.00	4,690,000.00	Various	2022
Tax-Exempt General Oligation Bonds - 2013	10,564,000.00	7,546,058.74	Various	2028
Taxable General Oligation Bonds - 2013	1,051,485.00	673,735.33	Various	2028
Genl. Improvement Refunding Bonds - 2016	7,860,000.00	7,860,000.00	4.000%	2022
Green Trust Program Loans	1,796,250.00	128,385.87	2.00%	2022
NJ Environmental Infrastructure	1,211,111.00	270,000.00	Various	2022
NJ Environmental Infrastructure	1,211,111.00	175,560.82	None	2022
NJ Environmental Infrastructure	450,000.00	210,000.00	Various	2027
NJ Environmental Infrastructure	441,780.10	159,562.17	None	2027
Bond Anticipation Notes	53,847,000.00	53,847,000.00	4.00%	2020
Bond Anticipation Notes	4,055,000.00	4,055,000.00	3.00%	2020
Water Utility Debt				
Taxable Water Utility Bonds - 2013	963,515.00	617,368.87	Various	2028
Sewer Utility Debt				
Tax-Exempt Sewer Oligation Bonds - 2013	2,580,000.00	1,842,941.26	Various	2028
Taxable Sewer Oligation Bonds - 2013	1,200,000.00	768,895.80	Various	2028
Sewer Utility Refunding Bonds - 2016	1,710,000.00	1,710,000.00	Various	2037
Bond Anticipation Notes	7,390,000.00	7,390,000.00	4.00%	2020
Total Debt for Capital Project Outstanding December 31, 2018		$97,794,508.86		

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

A. Summary of Municipal Debt for Capital Projects (Cont'd.)

Summarized below are the Township's individual bond and loan issues which were outstanding at December 31, 2018:

	Amount Issued	Amount Outstanding	Interest Rates	Final Maturity
General Improvement Debt				
Pension Refunding Bonds - 2003	$10,000,000.00	$7,080,000.00	5.360%	2023
Genl. Oligation Bonds - 2007	29,675,500.00	2,285,000.00	4.125%	2019
Genl. Oligation Refunding Bonds - 2011	16,540,000.00	6,345,000.00	Various	2022
Tax-Exempt General Oligation Bonds - 2013	10,564,000.00	8,052,397.75	Various	2028
Taxable General Oligation Bonds - 2013	1,051,485.00	740,781.81	Various	2028
Genl. Improvement Refunding Bonds - 2016	7,860,000.00	7,860,000.00	4.000%	2022
Green Trust Program Loans	3,026,250.00	211,893.54	2.00%	2022
NJ Environmental Infrastructure	1,211,111.00	350,000.00	Various	2022
NJ Environmental Infrastructure	1,211,111.00	238,457.95	None	2022
NJ Environmental Infrastructure	450,000.00	235,000.00	Various	2027
NJ Environmental Infrastructure	441,780.10	182,028.52	None	2027
Bond Anticipation Notes	49,665,000.00	49,665,000.00	3.00%	2019
Bond Anticipation Notes	6,085,000.00	6,085,000.00	2.25%	2019
Water Utility Debt				
Taxable Water Utility Bonds - 2013	963,515.00	678,806.06	Various	2028
Sewer Utility Debt				
Sewer Utility Bonds - 2007	2,266,500.00	65,000.00	Various	2019
Tax-Exempt Sewer Oligation Bonds - 2013	2,580,000.00	1,966,602.25	Various	2028
Taxable Sewer Oligation Bonds - 2013	1,200,000.00	845,412.13	Various	2028
Sewer Utility Refunding Bonds - 2016	1,710,000.00	1,710,000.00	Various	2037
Bond Anticipation Notes	7,495,000.00	7,495,000.00	3.00%	2019
Total Debt for Capital Project Outstanding December 31, 2018		$102,091,380.01		

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

B. Summary of Statutory Debt Condition - Annual Debt Statements - CY 2019

The summarized statement of debt condition which follows is reported in accordance with the required method for preparation of the Annual Debt Statement and indicates a statutory net debt of:

	Gross Debt	Deductions	Net Debt
Local School District Debt	$1,500,000.00	$1,500,000.00	$
Water Utility Debt	15,617,368.87	15,617,368.87	
Sewer Utility Debt	12,775,971.22	12,775,971.22	
General Debt	117,816,645.54		117,816,645.54
	$147,709,985.63	$29,893,340.09	$117,816,645.54

Net Debt $117,816,645.54 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended $17,583,050,491.33 = 0.670%.

EQUALIZED VALUATION BASIS

2017 Equalized Valuation Basis of Real Property	$16,408,365,888.00
2018 Equalized Valuation Basis of Real Property	17,363,040,866.00
2019 Equalized Valuation Basis of Real Property	18,977,744,720.00
Average Equalized Valuation	$17,583,050,491.33

BORROWING POWER UNDER N.J.S.A. 40A:2-6 AS AMENDED

3 1/2% of Equalized Valuation Basis Municipal	$615,406,767.20
Net Debt	117,816,645.54
Remaining Borrowing Power	$497,590,121.66

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

B. Summary of Statutory Debt Condition - Annual Debt Statements - CY 2018

The summarized statement of debt condition which follows is reported in accordance with the required method for preparation of the Annual Debt Statement and indicates a statutory net debt of:

	Gross Debt	Deductions	Net Debt
Local School District Debt	$2,500,000.00	$2,500,000.00	$
Water Utility Debt	678,806.06	678,806.06	
Sewer Utility Debt	13,146,148.54	13,146,148.54	
General Debt	112,923,902.18	102,411.01	112,821,491.17
	$129,248,856.78	$16,427,365.61	$112,821,491.17

Net Debt $112,821,491.17 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended $16,533,596,122.67 = 0.682%.

EQUALIZED VALUATION BASIS

2016 Equalized Valuation Basis of Real Property	$15,829,381,614.00
2017 Equalized Valuation Basis of Real Property	16,408,365,888.00
2018 Equalized Valuation Basis of Real Property	17,363,040,866.00
Average Equalized Valuation	$16,533,596,122.67

BORROWING POWER UNDER N.J.S.A. 40A:2-6 AS AMENDED

3 1/2% of Equalized Valuation Basis Municipal	$578,675,864.29
Net Debt	112,821,491.17
Remaining Borrowing Power	$465,854,373.12

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

B. Summary of Statutory Debt Condition - Annual Debt Statements

Green Trust Program Loans (Cont'd.)

	Woodland Grove	Mill Road Park
Date of Loan Agreement	August 10, 2003	October 26, 2007
Loan Amount	$281,250.00	$802,500.00
Interest Rate	2.00%	2.00%
Semi-Annual Payment (Prin. & Int.) to Amortize Loan Principal	$20,096.75	$65,526.27
Due Dates	Aug. 10 & Feb. 10	Oct 26 & Apr 26
Number of Payments	33	24
Final Payment	February 10, 2019	April 26, 2019

	Woodland Ave Park II
Date of Loan Agreement	July 11, 2003
Loan Amount	$712,500.00
Interest Rate	2.00%
Semi-Annual Payment (Prin. & Int.) to Amortize Loan Principal	$44,305.52
Due Dates	July 11 & Jan. 11
Number of Payments	39
Final Payment	July 11, 2022

Pursuant to the provisions of N.J.S.A. 40A:2-1 et seq. the combined outstanding principal of these loans, in the amount of $128,385.87 has been included in the calculation of the Township's statutory debt condition.

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

NOTES TO FINANCIAL STATEMENT - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2019 AMD 2018

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

B. Summary of Statutory Debt Condition - Annual Debt Statements

Deductions of Self-Liquating Utility Debt for Statutory Net Debt (N.J.S.A. 40:2-45)

The calculation of "Self-Liquidating Purpose" for the Sewer Utility, per N.J.S.A. 40A:2-45 is as follows:

	2019	2018
Cash Receipts from Fees, Rents or Other Charges for the Year	$ 21,070,902.68	$ 20,358,438.76
Deductions:		
Operating and Maintenance Costs	19,506,844.92	18,346,849.00
Debt Service	826,155.08	689,801.74
Excess in Revenues	$ 737,902.68	$ 1,321,788.02

The difference between the excess in revenues for debt statement purposes and the excess in revenues on a cash basis for the Sewer Utility Fund is as follows:

Excess in Revenues - Cash Basis (E-1)	$ 2,296,963.17	$ 3,325,546.81
Add: Refund of Prior Year Revenues	20,109.45	
	2,317,072.62	3,325,546.81
Deduct:		
Accounts Payable Cancelled	56,275.11	
Reserves Cancelled	1,522,894.83	2,003,758.79
Excess in Revenues per Debt Statement	$ 737,902.68	$ 1,321,788.02

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

B. Summary of Statutory Debt Condition - Annual Debt Statements (Cont'd.)

Deductions of Self-Liquating Utility Debt for Statutory Net Debt (N.J.S.A. 40:2-45)

The calculation of "Self-Liquidating Purpose" for the Water Utility, per N.J.S.A. 40A:2-45 is as follows:

	2019	2018
Cash Receipts from Fees, Rents or Other Charges for the Year	$ 88,741.78	$ 89,316.19
Deductions: Debt Service	88,741.78	89,316.19
Excess in Revenues	$ -	$ -

The difference between the excess in revenues for debt statement purposes and the excess in revenues on a cash basis for the Water Utility Fund is as follows:

Excess in Revenues - Cash Basis (D-1)	$ -	$ -
Excess in Revenues per Debt Statement	$ -	$ -

Note 4: DEBT, DEBT SERVICE AND REGULATORY DEBT CONDITION (CONT'D.)

C. Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding at December 31, 2019

Year	General (1) Principal	Interest	Total
2020	$ 5,925,021	$ 1,030,515	$ 6,955,536
2021	6,166,656	758,670	6,925,326
2022	6,438,291	476,544	6,914,835
2023	2,678,229	281,152	2,959,381
2024	1,079,864	205,190	1,285,054
Subtotal	$ 22,288,061	$ 2,752,071	$ 25,040,132

Year	General (1) Principal	Interest	Total
2025	$ 1,081,499	$ 169,530	$ 1,251,029
2026	1,083,134	131,197	1,214,331
2027	1,083,134	87,577	1,170,711
2028	1,083,966	43,859	1,127,825
Subtotal	$ 4,331,733	$ 432,163	$ 4,763,896
Total	$ 26,619,794	$ 3,184,234	$ 29,804,028

C. Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding for the Sewer Utility at December 31, 2019

Year	Principal	Interest	Total
2020	$ 272,044	$ 160,558	$ 432,602
2021	278,910	150,813	429,723
2022	280,776	140,893	421,669
2023	404,340	131,274	535,614
2024	406,207	118,304	524,511
Subtotal	$ 1,642,277	$ 701,842	$ 2,344,119

Year	Principal	Interest	Total
2025	$ 413,073	$ 104,571	$ 517,644
2026	419,939	89,890	509,829
2027	424,939	73,081	498,020
2028	426,609	55,636	482,245
2029	95,000	37,900	132,900
Subtotal	$ 1,779,560	$ 361,078	$ 2,140,638

Note 4: DEBT, DEBT SERVICE AND REGULATORY DEBT CONDITION (CONT'D.)

C. Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding for the Sewer Utility at December 31, 2019 (cont'd.)

Year	Principal	Interest	Total
2030	$ 100,000	$ 34,000	$ 134,000
2031	100,000	30,000	130,000
2032	105,000	25,900	130,900
2033	110,000	21,600	131,600
2034	115,000	17,100	132,100
Subtotal	$ 530,000	$ 128,600	$ 658,600

Year	Principal	Interest	Total
2035	$ 120,000	$ 12,400	$ 132,400
2036	125,000	7,500	132,500
2037	125,000	2,500	127,500
Subtotal	$ 370,000	$ 22,400	$ 392,400
Total	$ 4,321,837	$ 1,213,920	$ 5,535,757

C. Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding for the Water Utility at December 31, 2019

Year	Principal	Interest	Total
2020	$ 62,936	$ 25,871	$ 88,807
2021	64,434	23,354	87,788
2022	65,933	20,776	86,709
2023	67,431	18,139	85,570
2024	68,930	15,441	84,371
Subtotal	$ 329,664	$ 103,581	$ 433,245

Year	Principal	Interest	Total
2025	$ 70,428	$ 12,685	$ 83,113
2026	71,926	9,779	81,705
2027	71,926	6,633	78,559
2028	73,425	3,396	76,821
Subtotal	$ 287,705	$ 32,493	$ 320,198
Total	$ 617,369	$ 136,074	$ 753,443

Note 4: DEBT, DEBT SERVICE AND REGULATORY DEBT CONDITION (CONT'D.)

C. Schedule of Annual Debt Service for Principal and Interest for the New Jersey Environmental Infrastructure Trust Loan at December 31, 2019

Year	State Principal	Trust Principal	Trust Interest	Total
2020	$ 85,369	$ 110,000	$ 22,281	$ 217,650
2021	85,212	115,000	17,031	217,243
2022	71,718	125,000	11,500	208,218
2023	22,935	30,000	5,750	58,685
2024	22,118	30,000	4,475	56,593
Subtotal	$ 287,351	$ 410,000	$ 61,038	$ 758,389

Year	State Principal	Trust Principal	Trust Interest	Total
2025	$ 24,363	$ 35,000	$ 2,975	$ 62,338
2026	23,409	35,000	1,488	59,896
Subtotal	$ 47,772	$ 70,000	$ 4,463	$ 122,234
Total	$ 335,123	$ 480,000	$ 65,500	$ 880,623

C. Schedule of Annual Debt Service for Principal and Interest for the Green Acres Trust Loans at December 31, 2019

Year	Principal	Interest	Total
2020	$ 41,946	$ 2,359	$ 44,305
2021	42,790	1,516	44,306
2022	43,650	656	44,306
Total	$ 128,386	$ 4,531	$ 132,917

(1) Prior to the establishment of a separate Sewer Utility, the Township financed sewer infrastructure improvements through the issuance of General Debt. All such debt is included above. However, annual debt service on all sewer improvements is raised in the Annual Budget of the Dedicated Sewer Utility.

Note 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2019 and 2018 were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2019 and 2018 as follows:

	Fund Balance December 31, 2019	Utilized in Succeeding budget	Utilized in Current Fund Budget
Current Fund	$8,287,778.45	$7,289,246.26	N/A
Sewer Utility Fund	11,904,919.63	3,547,820.35	None
Water Utility Fund	0.32	0.00	None

Fund balances at December 31, 2018 and 2017 were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2018 and 2017 as follows:

	Fund Balance December 31, 2018	Utilized in Succeeding budget	Utilized in Current Fund Budget
Current Fund	$9,162,782.20	$8,222,182.20	N/A
Sewer Utility Fund	9,607,956.46	0.00	None
Water Utility Fund	0.32	0.00	None

Note 6: 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 balance sheets of the various funds:

	Balance December 31, 2019	Amount to be Raised in 2020	Balance to Succeeding Years
Current Fund:			
Special Emergency Authorization	$3,238,600.00	$1,020,000.00	$2,218,600.00
	$3,238,600.00	$1,020,000.00	$2,218,600.00

Note 7: DEPOSITS AND INVESTMENTS

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC), or by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

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 Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. The Government Unit Deposit Protection Act ("GUDPA") was amended, effective July 1, 2010, by P.L. 2009, c. 326. The amendments provide a greater level of security protection for covered deposits by increasing collateralization requirements and revising the enforcement protocol to allow for timely response in the event that a member bank shows signs of stress.

Under the new law, collateralization of GUDPA deposits up to 75% of New Jersey capital is based on a sliding scale that requires the minimum of 5% collateral for Well Capitalized institutions to a maximum of 120% collateral for Critically Undercapitalized institutions. All unisured GUDPA deposits in excess of 75% of New Jersey capital require 100% collateral. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units. All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than $25,000,000.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities, which mature within one year. Collateralization of Fund investments is generally not required. "Other Than State" participants contribute one tenth of one percent per year of the value of the aggregate units owned by them to establish a Reserve Fund, which is supplemented by the proportional interest of "Other Than State" participants in gains on investment transactions realized. The Reserve Fund is available to cover losses of "Other Than State" participants occasioned by the bankruptcy of an issuer of an investment held by the Fund and losses on sales of securities.

At December 31, 2019 and 2018, the cash and cash equivalents and investments of the Township consisted of the following:

	2019	2018
Cash (Demand Accts.)	$113,243,593.47	$111,617,286.71
Change Funds (On-Hand)	675.00	675.00
State of N.J. Cash Mgmt. Fund	137,608.42	134,590.90
US Treasury/Agency Obligations	17,508,312.73	17,152,035.05
Total	$130,890,189.62	$128,904,587.66

During the period ended December 31, 2019 and 2018, the Township held investments in Certificates of Deposit and the State of New Jersey Cash Management Fund. Under criteria established in Governmental Accounting Standards Board Statement No. 9, the year-end balances in Certificates of Deposit, New Jersey Cash Management Fund and the New Jersey Proceeds Management Fund are considered to be cash equivalents under GAAP.

Note 7: DEPOSITS AND INVESTMENTS

The Township has implemented the disclosure requirements of Governmental Accounting Standards Board Statement No. 40 "Deposits and Investment Risk Disclosures" (GASB 40) an accordingly the Township has assessed the Custodial Risk, the Concentration of Credit Risk and Interest Risk of its cash and investments.

(a) Custodial Credit Risk – The Township's deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are: uncollateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name. The deposit risk is that, in the event of the failure of a depository financial institution, the Township will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The Township's investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Township and are held by either: the counterparty or the counterparty's trust department or agent but not in the Township's name. The investment risk is that, in the event of the failure of the counterparty to a transaction, the Township will not be able to recover the value of the investment or collateral securities that are in possession of an outside party.

(b) Concentration of Credit Risk – This is the risk associated with the amount of investments that the Township has with any one issuer that exceeds 5 percent or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

(c) Credit Risk – GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. This is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. In general, the Township does not have an investment policy regarding Credit Risk except to the extent outlined under the Township's investment policy.

(d) Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations.

(e) As of December 31, 2019, and 2018, based upon the insured balances provided by the FDIC and NJGUDPA coverage, no amount of the Township's bank balances was considered exposed to custodial credit risk

Investments

New Jersey Statutes establish the following securities as eligible for the investment of Township funds:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;

2. Government money market mutual funds;

3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided such obligation bear a fixed rate of interest not dependent on any index or other external factor;

4. Bonds or other obligations of the Township or bonds or other obligations of school districts of which the Township is a part and within which the school district is located.

Note 7: DEPOSITS AND INVESTMENTS (CONT'D.)

5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the Division of Investment of the Department of Treasury for investment by local units;
6. Local government investment pools;

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1997, c. 281 (C.52:18A-90.4); or

8. Agreements for the repurchase of fully collateralized securities, if:
   a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
   b. the custody of collateral is transferred to a third party;
   c. the maturity of the agreement is not more than 30 days; and
   d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.19:9-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

Investment Type	Moody's Rating	S&P Rating
Federal National Mortgage Assoc.	Aaa	AA+
Federal Home Loan Mortgage	Aaa	AA+
Federal Home Loan Bank	Aaa	AA+
U.S. Treasury Notes	Aaa	N/A

The Township's investments at year-end 2019 were as follow:

		Investment Maturities (in Years)		
Investment Type	Total Fair Value	Less than 1	1-5	6-10
U.S. Treasury Notes and Bonds	$11,454,003.94	$1,188,641.81	$ 6,142,112.51	$4,123,249.62
FFCB	689,932.30	199,652.00	490,280.30	
FNMA	1,225,738.38	159,897.60	997,179.30	68,661.48
FHLB	2,285,670.02	406,529.36	1,312,502.96	566,637.70
FHLM	1,220,259.64	389,201.12	831,058.52	
Tenn Valley Auth	109,762.40	109,762.40		
Private Export Funding	74,900.25		74,900.25	
FRESB	296,139.63		218,478.90	77,660.73
	$17,356,406.56	$2,453,684.29	$10,066,512.74	$4,836,209.53

The Township of Edison had the following depository accounts. All deposits are carried at cost plus accrued interest. The government does not have a deposit policy.

Depository Account	Bank Balance
Insured--FDIC	$ 500,000.00
Insured—NJGUDPA (N.J.S.A. 17:941)	111,406,179.70
Uninsured	17,508,312.73
Total	$ 129,414,492.43

Note 7: DEPOSITS AND INVESTMENTS (CONT'D.)

Investments (Cont'd.)

New Jersey Cash Management Fund – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. As of December 31, 2019, the Township had $137,608.42 on deposit with the New Jersey Cash Management Fund.

Note 8: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. Upon the filing of certified adopted budgets by the Township, Local School District, County and Special Districts, the tax rate is struck by the board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector on or before May 13th.

Tax bills are prepared and mailed by the Collector of Taxes of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The New Jersey Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% to 18% of the amount delinquent, and if a delinquency (including interest) is in excess of $10,000.00 and remains in arrears after December 31, an additional flat penalty of 6% shall be charged against the delinquency. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

Note 9: PENSION PLANS

Description of Plans - The State of New Jersey, Division of Pension and Benefits (the Division) was created and exists pursuant to N.J.S.A. 52:18A to oversee and administer the pension trust and other postemployment benefit plans sponsored by the State of New Jersey (the State). According to the State of New Jersey Administrative Code, all obligations of the Systems will be assumed by the State of New Jersey should the plans terminate. Each defined benefit pension plan's designated purpose is to provide retirement, death and disability benefits to its members. The authority to amend the provision of plan rests with new legislation passed by the State of New Jersey.

Note 9. PENSION PLANS (CONT'D.)

Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for the Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), once a Target Funded Ratio (TFR) is met, that will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation or final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committee will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a projection period.

The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the plans. This report may be accessed via the Division of Pensions and Benefits website, at www.state.nj.us/treasury/pensions, or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

A. Public Employees' Retirement System (PERS) - The Public Employee Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PERS Plan are as follows:

Plan Membership and Contributing Employers- Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2019 and 2018:

	2019	2018
Inactive plan members or beneficiaries currently receiving benefits	178,748	174,904
Inactive plan members entitled to but not yet receiving benefits	609	589
Active plan members	252,598	254,780
Total	431,955	430,273
Contributing Employers -	1,697	1,708
Contributing Nonemployers -	1	-

Significant Legislation – Chapter 19, P.L. 2009, effective March 17, 2009, provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State Fiscal Year 2009. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of PERS, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PERS.

Note 9. PENSION PLANS (CONT'D.)

A. Public Employees' Retirement System (PERS) (Cont'd.)

Payrolls and Covered Wages:
For the year ended December 31, 2019 and 2018 the Township's total payroll for all employees was $71,935,428 and $69,897,684, respectively. Total PERS covered payroll was $19,036,912 and $17,935,295, respectively. Covered payroll refers to all compensation paid by the Township to active employees covered by the Plan. However, due to systems limitations, covered payroll includes only "pensionable" payroll as reported to PERS.

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.34% in State fiscal year 2018 and 7.50 for State fiscal year 2019, commencing July 1, 2018. The most recent increase completed the phase-in referred to above. Employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. The Township's cash basis contributions to the Plan for the years ended December 31, 2019 and 2018 were $2,588,652 and $2,348,168, respectively. Township Contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contribution requirements were calculated. Township payments to PERS for the years ending December 31, 2019 and 2018 consisted of the following:

	2019	2018
Normal Cost	$ 322,138	$ 306,028
Amortization of Accrued Liability	2,138,484	1,905,720
Total Pension	2,460,622	2,211,748
NCGI Premiums	117,216	113,331
Total Pension & NCGI	2,577,838	2,325,079
LTD Expense	10,814	23,089
Total PERS Payment	$2,588,652	$2,348,168

The Township recognizes liabilities to PERS and records expenditures for same in the fiscal period that bills become due.

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of 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 on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Note 9. PENSION PLANS (CONT'D.)

A. Public Employees' Retirement System (PERS) (Cont'd.)

Service retirement benefit of 1/55th of final average salary for each year of service credit is available to tier 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 tier 1 and 2 members before reaching age 60, to tier 3 and 4 members before age 62 and tier 5 members 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 retirement age of his/her respective tier. 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.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – The regulatory basis of accounting which is basis for the preparation of the Township's basic financial statements does not require or permit the inclusion of entity-wide, full accrual basis financial statements. Accordingly, the Township does not recognize pension liabilities for any current or prior period until the fiscal period in which such payments will become due and payable.

At June 30, 2019, the PERS reported a net pension liability of $18,018,482,972 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate share of the net pension liability for the Local Employer Member Group that is attributable to the Township was $45,583,673 or 0.2529828568%. At June 30, 2018, the PERS reported a net pension liability of $19,689,501,539 for its Local Employer Member Group. The Township's proportionate share of the net pension liability for the Local Employer Member Group that was attributable to the Township was $51,027,971 or 0.25916335%.

Actuarial Assumptions- The collective total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions:

Inflation rate:	
Price	2.25%
Wage	3.25%
Salary Increases:	2.00-6.00%
Through 2026	Based on years of service
Thereafter	3.00-7.00% Based on years of service
Investment rate of return	7.00%

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 a 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 Pub-2010 General Below-Median Income Employee mortality table with a 91.4% adjustment for males and a 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 a 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.

Note 9. PENSION PLANS (CONT'D.)

A. Public Employees' Retirement System (PERS) (Cont'd.)

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment 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's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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%
	100.00%	

Discount Rate – The discount rate used to measure the total pension liabilities of PERS was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 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 plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Note 9. PENSION PLANS (CONT'D.)

A. Public Employees' Retirement System (PERS) (Cont'd.)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate – The following presents the collective net pension liability of the participating employers as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	At 1% Decrease (5.28%)	At Current Discount rate (6.28%)*	At 1% Increase (7.28%)
State	$26,475,719,181	$23,012,420,340	$20,102,167,445
Local	22,918,608,260	18,143,832,135	14,120,406,763
PERS Plan Total	$49,394,327,441	$41,156,252,475	$34,222,574,208
Township's share	$ 57,579,586	$ 45,583,673	$ 35,475,417

*- Local Share includes $125,349,163 of Special Funding Situation allocated to the State of NJ as a non-employer.

Components of Net Pension Liability – The components of the collective net pension liability for PERS, including the State of New Jersey, at June 30, 2019 is as follows:

	State	Local	Total
Total Pension Liability	$29,512,766,255	$41,491,463,886	$71,004,230,141
Plan Fiduciary Net Position	6,500,345,915	23,347,631,751	29,847,977,666
Net Pension Liability	$23,012,420,340	$18,143,832,135	$41,156,252,475

At December 31, 2019, the Township's deferred outflow of resources and deferred inflow of resources related to PERS were from the following sources, if GASB 68 was recognized:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expended and actual experience	$ 818,167	$ 201,369
Change in assumptions	4,551,697	15,821,949
Net difference between projected and actual earnings on pension plan investments		719,556
Changes in proportion and differences between Township Contributions and proportionate share of contributions	1,892,473	1,905,000
Township contributions subsequent to the measurement date	2,588,652	
	$ 9,850,989	$ 18,647,874

Note 9. PENSION PLANS (CONT'D.)

A. Public Employees' Retirement System (PERS) (Cont'd.)

Collective Deferred Outflows of Resources and Deferred Inflows of Resources – $2,588,652 is reflected above as deferred outflows of resources related to pensions resulting from Township contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense as follows:

Year Ending	Amount
2020	$ (1,654,963)
2021	(4,056,061)
2022	(3,588,237)
2023	(1,850,992)
2024	(235,284)
Total	$ (11,385,537)

Collective Local Group pension expense for the Local Group for the measurement period ended June 30, 2019 and 2018 was $974,471,686 and $1,099,708,157, respectively. The average of the expected remaining service lives of all plan members is 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2019, 2018, 2017, 2016, 2015 and 2014, respectively.

Additional Information

Collective balances at June 30, 2019	
Collective deferred outflows of resources	$3,149,522,616
Collective deferred inflows of resources	7,645,087,574
Collective net pension liability – Local group	18,143,832,135
Township' Proportion	0.2529828568%

State Contribution Payable Dates

Chapter 83, P.L. 2016 requires the State to make pension contributions on a quarterly basis: at least 25% by September 30, at least 50% by December 31, at least 75% by March 31, and at least 100% by June 30. As such, contributions are assumed to be made on a quarterly basis with the first contribution 15 months after the associated valuation date.

Local employer's contributions are expected to be paid on April 1st, 21 months after the associated valuation date.

Receivable Contributions

The Fiduciary Net Position (FNP), includes Local employers' contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits. The receivable contributions for the years ended June 30, 2019 and June 30, 2018 are $1,038,892,124 and $1,073,054,740, respectively.

Note 9. PENSION PLANS (CONT'D.)

B. Police and Firemen's Retirement System (PFRS) - The Police and Firemen's Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PFRS Plan are as follows:

Plan Membership and Contributing Employers - Substantially all full-time county and municipal police or firemen and state firemen or officer employees with police powers appointed after June 30, 1944 are enrolled in PFRS. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2019 and 2018:

	2019	2018
Inactive plan members or beneficiaries currently receiving benefits	44,567	43,755
Inactive plan members entitled to but not yet receiving benefits	42	39
Active plan members	42,295	41,517
Total	86,904	85,311
Contributing Employers -	584	586
Contributing Nonemployers -	1	-

Significant Legislation - Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PFRS.

The State Legislature adopted L. 2018, c. 55 in July 2018, which transferred management of PFRS from the New Jersey Department of Treasury, Division of Pensions and Benefits to a newly constituted twelve-member PFRS Board of Trustees. The new PFRS Board, which was established in February 2019 per the legislation, has more power and authority as compared to the former PFRS Board of Trustees. In addition to overseeing the management of PFRS, the new PFRS Board will also have the authority to direct investment decisions, to adjust current benefit levels and to change member and employer contribution rates. With regard to changes in current benefit provisions, such changes can only be made with the approval of a supermajority of eight (8) of the twelve (12) members of the new PFRS Board. Also, benefit enhancement can only be made if an independent actuary certifies that the benefit enhancements will not jeopardize the long-term viability of PFRS. Under prior law, benefit enhancements, including the reinstatement of COLA for retirees, could only be considered when the funded level of the pension fund reaches 80%. An actuarial certification was also required that the funded levels would remain at or above 80% over a 30-year period following the benefit enhancement.

In accordance with L. 2018, c. 55, the new PFRS Board will also have the authority to formulate investment policies and direct the investment activities of the PFRS. The PFRS Board has proposed regulations for adoption governing the methods, practices, and procedures for investment or reinvestments of money of PFRS.

For the year ended December 31, 2019 and 2018 the Township's total payroll for all employees was $71,935,428 and $69,897,684, respectively. Total PFRS covered payroll was $37,106,862 and $35,521,233, respectively. Covered payroll refers to all compensation paid by the Township to active employees covered by the Plan. However, due to systems limitations, covered payroll includes only "pensionable" payroll as reported to PFRS.

Note 9. PENSION PLANS (CONT'D.)

B. Police and Firemen's Retirement System (PFRS) (Cont'd.)

Specific Contribution Requirements and benefit provisions – The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was 10% in State fiscal year 2019. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The Township's cash basis contributions to the Plan for the years ended December 31, 2019 and 2018 were $10,786,996 and $9,491,649, respectively. Township Contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contribution requirements were calculated. Township payments to PFRS for the years ending December 31, 2019 and 2018 consisted of the following:

	2019	2018
Normal Cost	$ 3,385,724	$2,955,507
Amortization of Accrued Liability	6,991,516	6,152,615
Total Pension	10,377,240	9,108,122
NCGI Premiums	409,756	383,527
Total PERS Payment	$ 10,786,996	$9,491,649

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten 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, as defined, 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.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – The regulatory basis of accounting which is basis for the preparation of the Township's basic financial statements does not require or permit the inclusion of entity-wide, full accrual basis financial statements. Accordingly, the Township does not recognize pension liabilities for any current or prior period until fiscal period in which such payments will become due and payable.

Note 9. PENSION PLANS (CONT'D.)

B. Police and Firemen's Retirement System (PFRS) (Cont'd.)

At June 30, 2019, the PFRS reported a net pension liability of $12,237,818,793 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State, Non-Special Funding Situation Employer Member Group was $130,851,405 or 1.10787982072%. At June 30, 2018, the PFRS reported a net pension liability of $13,531,648,591 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was $149,303,163 or 1.103362699%.

Actuarial Assumptions- The collective total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25-15.25% Based on years of service
Investment rate of return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and a 102.5% adjustment for females, with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and a 96.0% adjustment for females, 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 a 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.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions, 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 rate of return (expected returns, net of pension plans 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.

Note 9. PENSION PLANS (CONT'D.)

B. Police and Firemen's Retirement System (PFRS) (Cont'd.)

Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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%
	100.00%	

Discount Rate – The discount rate used to measure the total pension liability was 6.85% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 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 and the nonemployer contributing entity 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 plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2076. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2076 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Note 9. PENSION PLANS (CONT'D.)

B. Police and Firemen's Retirement System (PFRS) (Cont'd.)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate – The following presents the collective net pension liability of the participating employers as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	At 1% Decrease (5.85%)	At Current Discount rate (6.85%)*	At 1% Increase (7.85%)
State	$ 4,914,378,549	$ 4,201,687,763	$ 3,612,283,063
Local	19,152,938,066	14,170,193,618	10,046,254,662
PFRS Plan Total	$24,067,316,615	$18,371,881,381	$13,658,537,725
Township's share	$ 176,863,417	$ 130,851,405	$ 92,769,836

*- Local Share includes $1,932,374,825 of Special Funding Situation allocated to the State of NJ as a non-employer.

Components of Net Pension Liability – The components of the collective net pension liability of the participating employers for PFRS, including the State of New Jersey, at June 30, 2019 is as follows:

	State	Local	Total
Total Pension Liability	$ 5,837,506,505	$40,960,053,149	$46,797,559,654
Plan Fiduciary Net Position	1,508,202,229	25,590,353,871	27,098,556,100
Net Pension Liability	$ 4,329,304,276	$15,369,699,278	$19,699,003,554

At December 31, 2019, the Township's deferred outflow of resources and deferred inflow of resources related to PFRS were from the following sources, if GASB 68 was recognized:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expended and actual experience	$ 1,104,554	$ 828,444
Change in assumptions	4,483,682	42,289,975
Net difference between projected and actual earnings on pension plan investments		1,772,994
Changes in proportion and differences between Township Contributions and proportionate share of contributions	4,483,976	6,658,970
Township contributions subsequent to the measurement date	10,786,996	
	$ 20,859,208	$ 51,550,383

Note 9. PENSION PLANS (CONT'D.)

B. Police and Firemen's Retirement System (PFRS) (Cont'd.)

Collective Deferred Outflows of Resources and Deferred Inflows of Resources – $10,786,996 is reflected above as deferred outflows of resources related to pensions resulting from Township contributions subsequent to the measurement date. Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense as follows:

Year Ending	Amount
2020	$ (7,828,089)
2021	(14,630,131)
2022	(10,208,547)
2023	(5,272,789)
2024	(3,538,615)
Total	$ (41,478,171)

Collective pension expense for the Local Group for the measurement period ended June 30, 2019 and 2018 is $1,325,963,796, and $1,270,762,352, respectively. The average of the expected remaining service lives of all plan members is 5.92, 5.73, 5.59, 5.58, and 5.53 years for 2019, 2018, 2017, 2016, and 2015, respectively.

Additional Information

Collective balances at June 30, 2019	
Collective deferred outflows of resources	$1,198,936,924
Collective deferred inflows of resources	4,874,748,912
Collective net pension liability – Local group	14,170,193,818
Township's Proportion	1.10787982072%.

State Contribution Payable Dates

Chapter 83, P.L. 2016 requires the State to make pension contributions on a quarterly basis: at least 25% by September 30, at least 50% by December 31, at least 75% by March 31, and at least 100% by June 30. As such, contributions are assumed to be made on a quarterly basis.

Local employer's contributions are expected to be paid on April 1st, 21 months after the associated valuation date.

Receivable Contributions

The Fiduciary Net Position (FNP) includes Local employers' contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits. The receivable contributions for the years ended June 30, 2019 and June 30, 2018 are $1,105,874,849 and $1,089,730,202, respectively.

Note 9. PENSION PLANS (CONT'D.)

B. Police and Firemen's Retirement System (PFRS) (Cont'd.)

Special Funding Situation - The Township is responsible for the actuarially determined annual contributions to the PFRS, except where legislation was passed that legally obligates the State if certain circumstances occur. A special funding situation exists for the Local employers of the PFRS. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers based upon the provisions of several legislative actions. The provisions of GASB Statement No. 68 define this these relationship as a "special funding situation", and the State of New Jersey is defined as a "non-employer contributing entity".

Unaudited data provided by the PFRS indicates that the total Non-employer contributions made to the PFRS by the State for the year ended June 30, 2019 was $130,202,000. The portion of that contribution allocated to the Township was $1,392,169 or 1.0692379669%. The June 30, 2019 State special funding situation pension expense of $224,526,138 was actuarially determined and represents the required contribution due from the State for the year. The special funding situation net pension liability under the special funding situation was reported at $1,932,374,825 at June 30, 2019 and represents the accumulated difference between the actuarially determined annual contributions required and the actual State contributions through the valuation date. The Township's allocated shares of the special funding situation pension expense for the year ended June 30, 2019 and its share of the special funding situation NPL at that date were $2,400,719 and $20,661,686, respectively.

C. Defined Contribution Retirement System (DCRP)

The Defined Contribution Retirement Plan (DCRP) is a multiple employer defined contribution plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the DCRP are as follows:

Plan Membership and Contributing Employers- Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or 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 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least $5,000 annually.

Contribution Requirement and Benefit Provisions - State and local government employers contribute 3% of the employees' base salary. Active members contribute 5.5% of base salary.

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 nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable 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.

For the year ended December 31, 2019 and 2018 the Township's total payroll for all employees was $71,935,428 and $$69,897,684, respectively. Total DCRP covered payroll was $745,748 and $645,495, respectively. Covered payroll refers to all compensation paid by the Township to active employees covered by the Plan. Township and employee contributions to the DCRP for the year ended December 31, 2019 were $22,373 and $44,255, respectively and for the year ended December 31, 2018 were $19,365 and $38,452, respectively.

Note 9. PENSION PLANS (CONT'D.)

D. Cumulative PERS and PFRS Deferred Outflows of Resources and Deferred Inflows of Resources

	Net Pension Liability	Deferred Outflows	Deferred Inflows	Total Pension Expense
PERS	$ 45,583,673	$ 7,262,337	$ 18,647,874	$ 1,655,019
PFRS	130,851,405	10,072,212	51,550,383	10,419,632
Total	$ 176,435,078	$ 17,334,549	$ 70,198,257	$ 12,074,651

Note 10: RISK MANAGEMENT

A. Liability and Workers Compensation

Summary of Risk Management Program

The Township, together with the neighboring Townships of Woodbridge and Piscataway, formed the Central Jersey Joint Insurance Fund (CJJIF), effective July 1, 1998. During the most recent Fund Year, participants in the CJJIF also included the Township of Franklin and Hillsborough, each of Somerset County, the City of South Amboy and the Boroughs of Sayreville, Metuchen and Middlesex each of Middlesex County, and the Borough of Belmar, Monmouth County.

This Fund provides for a pooling of self-retained risks of insurable losses, as well as cost effective excess and reinsurance coverages. As part of Fund's program, reinsurance coverage relating to losses reported by the Township at June 30, 1998 was procured, and the Township will be required to contribute $227,000 per year towards the ultimate cost of settlement of these claims. The Township had previously operated a risk management program, which included significant self-insured risk retention, and had established a Self-Insurance Trust Fund to account for this activity. Reserves available in the Self-Insurance Trust Fund may be utilized to make contributions towards the settlement of the residual claims or the Township may redirect these funds to any other lawful purpose.

At December 31, 2019 and 2018, the CJJIF reported net position unrestricted of $11,883,387 and $12,094,445, respectively.

The CJJIF provides the following coverages to its participants, effective January 1, 2019:

The following coverages are provided to the Fund's members, effective January 1, 2019:

Workers' Compensation
Liability (including optional excess)
Public Officials Liability/Employment Practices Liability (including optional excess)
Optional Volunteer Directors & Officers Liability
Crime
Non-Owned Aircraft Liability
Environmental Impairment Liability
Cyber
Property & Equipment Breakdown (effective December 31, 2018)

Note 10: RISK MANAGEMENT (CONT'D.)

A. Liability and Workers Compensation (Cont'd.)

Limits of Coverage:

1. Workers' Compensation
   - Workers' Compensation: $300,000
   - Employer's Liability: $300,000
   - USL&H, Harbor Marine/Jones Act, Incidental Foreign Workers' Compensation, Communicable Disease: Covered
   - MEL Excess Limit: Statutory
   - Employer's Liability Excess Limit: $6,700,000

2. Liability (Includes General, Automobile, Employee Benefits and Law Enforcement Liability)
   - Fund Limit: $300,000
   - MEL Excess Limit: $4,700,000
     - The $3,000,000 layer excess $2,000,000 is subject to a $3,000,000 per local member unit annual aggregate (Automobile Liability is not aggregated)
   - Sublimits: The following sublimits are part of, and not in addition to, the limits above:
     - Good Samaritan Liability: Included
     - Quasi Municipal Organization Liability: Included (If approved)
     - Fungus or Spores: $1,000,000
     - Disinfectants Release Hazard Coverage: $1,000,000
     - Dam and Reservoir: $5,000,000
       a. $5,000,000 per occurrence for any member entity owned dams defined as Class III or IV in New Jersey Administrative Code, Title 7, Department of Environmental Protection, Chapter 20, 7:220-1.8.
       b. Included for premises owned, occupied or controlled by the member entity on which a dam or reservoir is located, or from the operations conducted on such premises.
       c. $2,000,000 per occurrence for any member entity owned dam defined as Class I or II in New Jersey Administrative Code, Title 7, Department of Environmental Protection, Chapter 20, 7:20-1.8, and
       d. $2,000,000per occurrence for any Class III or IV member entity owned dam involved with a Class I or II member entity owned dam.
     - Sanitary/Storm Water System Sewerage Backup and/or Sanitary System Sewerage Backup, Escape or Release: $3,000,000 Per Occurrence and $4,000,000 Annual Aggregate for all member entities.
     - Subsidence: $3,000,000Per Occurrence and $4,000,000 Annual Aggregate for all member entities.
     - Quasi Entities Coverage: $5,000,000 Per Occurrence (where approved).
     - Skateboard Facilities: $5,000,000 Per Occurrence (where approved
     - Riot, Civil Commotion or Mob Action: $5,000,000 Per Occurrence
     - Failure to Supply Utility: $5,000,000 Per Occurrence
     - Garagekeepers Liability: $2,000,000 Per Occurrence
     - New Jersey Personal Injury Protection (NJ PIP): $250,000
     - New Jersey Uninsured/Underinsured Motorist (NJ UM/UIM): $15,000/ $30,000/ $5,000

Note 10: RISK MANAGEMENT (CONT'D.)

A. Liability and Workers Compensation (Cont'd.)

Limits of Coverage (Cont'd.)

3. Optional Excess Liability Limit
   The MEL offers Optional Excess Liability Limits excess of the MEL Excess Limit.
   - The following limits are the Optional Excess Limits:
   - $2,000,000 (equals $7,000,000 total);
   - $5,000,000 (equals $10,000,000 total);
   - $10,000,000 (equals $15,00,000 total); and
   - $15,000,000 (equals $20,000,000 total).

4. Public Officials Liability/Employment Practices Liability
   Each local member is $100% commercially insured with QBE Specialty Insurance Company for $2,000,000 in the aggregate per member on a claims made basis for each Fund year.
   - Deductibles and Coinsurance
   - $20,000 is the standard deductible per claim and 20% of the first $250,000 of the loss is the standard coinsurance, although other deductibles and coinsurance may apply.
   - Local member units may qualify on certain criteria to have options to purchase a lower deductible and/or coinsurance contribution.
   - Members with adverse loss experience may be subject to higher deductibles and/or coinsurance.
   - Optional Wage Coverage: $0 aggregate per member

5. Optional Excess Public Officials Liability/Employment Practices Liability
   The MEL offers Optional Excess Public Officials Liability/Employment Practices Liability limits excess the local member units' primary $2,000,000 Public Officials Liability/Employment Practices Liability policies with QBE Specialty Insurance Company as follows:
   - $1,000,000 (equals $3,000,000 total);
   - $2,000,000 (equals $4,000,000 total);
   - $3,000,000 (equals $5,000,000 total);
   - $4,000,000 (equals $6,000,000 total); and
   - $8,000,000 (equals $10,000,000 total).

6. Optional Volunteer Directors & Officers Liability
   Fire Companies and Emergency Service Units have the option of purchasing optional Volunteer Directors & Officers Liability coverage. The coverage is 100% commercially insured with QBE Specialty Insurance Company and applies to the non-firematic/emergency activities of such entity per the following options:

Option	Limit of Liability	Deductible
1	$1,000,000	$1,000
2	$1,000,000	$2,000
3	$1,000,000	$5,000
4	$2,000,000	$1,000
5	$2,000,000	$2,000
6	$2,000,000	$5,000

Note 10: RISK MANAGEMENT (CONT'D.)

A. Liability and Workers Compensation (Cont'd.)

Limits of Coverage (Cont'd.)

7. Crime
   - The Fund provides Crime coverage with a limit of $50,000 for Public Employee Dishonesty, Forgery and Alteration, Theft, Disappearance and Destruction, Robbery and Safe Burglary, and Computer Fraud with Funds Transfer Fraud.
   - The member deductible is $2,500.
   - MEL Crime
     - MEL Crime Excess $950,000 excess of the Fund Crime limit.
     - MEL Crime Statutory Position:
       a. The MEL provides primary employee dishonesty and faithful performance coverage for those employed positions which are required by law to be individually bonded and where they have applied and have been approved for coverage at a limit of $1,000,000 per occurrence per position. The MEL can provide MEL Crime Statutory Position limits, based on underwriting and via endorsement, above $1,000,000, matching the member's auditor's recommendation, but no more than $2,000,000. Such additional limit is available upon request and approval by the MEL.
       b. The deductible is $1,000.
     - MEL Crime Excess Public Officials:
       a. The MEL provides excess employee dishonesty and faithful performance coverage for those employed positions which are required by law to be individually bonded and where they have not applied and have not been approved for coverage under the MELJIF Statutory Position Program at a limit of $1,000,000.
       b. The deductible is the greater of the underlying bond/policy in place or the statutory limit required.

8. Non-Owned Aircraft Liability
   - $5,000,000, and
   - Medical Expense for each passenger: $5,000
   - The coverage is 100% commercially insured with Endurance.

9. Environmental Impairment Liability
   - Environmental Impairment Liability is provided to the Fund's local member units by the New Jersey Environmental Risk Management Fund (EJIF). Please refer to the EJIF's Plan of Risk Management.

10. Cyber
    The Fund is 100% commercially insured for Cyber insurance with Indian Harbor Insurance Company (primary insurer) and Beazley (excess insurer) for the following limits:
    - Limits:
      - Fund Annual Aggregate: $16,000,000
      - Third Party, Per Claim: $10,000,000
      - First Party, Per Claim: $6,000,000
    - Retention, Per Claim: $10,000

Note 10: RISK MANAGEMENT (CONT'D.)

A. Liability and Workers Compensation (Cont'd.)

Limits of Coverage (Cont'd.)

11. Property & Equipment Breakdown
    - The Fund provides $100,000 limit per occurrence (Property & Time Element combined)
    - The MEL provides $400,000 limit excess of the Fund's limit
    - The MEL purchases additional excess property limits, as follows: $125,000,000, including certain sublimits, including but not limited to:
        - Aggregate, Earth Movement: $100,000,000
        - Aggregate, Flood (includes storm surge): $100,000,000
            a. Per Location, Special Flood Hazard Area (SFHA): $52,500,000
        - Named Storm: Included
        - Vehicles: $15,000,000
    - Unmanned Aircraft Systems: $100,000
    - Member Deductibles:
        - All Other : $2,500
        - Automobile Physical Damage: $2,500
        - Equipment Breakdown: $5,000
        - SFHA Flood
            a. Building: $500,000
            b. Contents: $500,000
            c. Time Element: $500,000
        - Named Storm (Covered Property in Atlantic, Ocean, Monmouth and Burlington Counties east of the Garden State Parkway, and any covered property in Cape May County):
            a. Property Damage: 1% of TIV at location, per occurrence
            b. Time Element: 1% of 12 months gross earnings at location, per occurrence
            c. Minimum, per occurrence: $500,000
            d. Maximum, per occurrence: $1,000,000

Individual Self-Insured Retentions
Optional Individual Self-Insured Retentions.

Amount of Risk to be Retained by the Fund
Unless otherwise stated, all limits shown apply less any local member unit's SIRs/deductibles.

1. Workers' Compensation: $300,000
2. Liability: $300,000
    - NJ Uninsured/Underinsured Motorist: $15,000/$30,000/$5,000
    - NJ Personal Injury Protection: $250,000
3. Optional Excess Liability Limit: $0
4. Public Officials Liability/Employment Practices Liability: $0
5. Optional Excess Public Officials Liability/Employment Practices Liability: $0
6. Optional Volunteers Directors & Officers Liability: $0
7. Crime:
    - MEL Crime Excess: None
    - MEL Crime Statutory Position: None
    - MEL Crime Excess Public Officials: None
8. Non-Owned Aircraft Liability: $0
9. Environmental Impairment Liability: $0

Note 10: RISK MANAGEMENT (CONT'D.)

A. Liability and Workers Compensation (Cont'd.)

Limits of Coverage (Cont'd.)

11. Property & Equipment Breakdown (Cont'd.)

10. Cyber: $0
11. Property: $100,000
    - Equipment Breakdown: $0
    - SFHA Flood: $0
    - Named Storm (Covered Property in Atlantic, Ocean, Monmouth and Burlington Counties east of the Garden State Parkway, and any covered Property in Cape May County): $0
    - Unmanned Aircraft Systems (UAS): $100,000

Commercial Insurance/Reinsurance Purchased
The insurance/reinsurance listed below may contain sublimits, retentions and deductibles in addition to such already stated.

1. Non-Owned Aircraft Liability: The Fund purchases this coverage through the MEL from Endurance.
2. Excess Property & Equipment Breakdown: The Fund purchases this coverage from the MEL.
3. Excess Liability: The Fund purchases this coverage from the MEL.
4. Excess Workers' Compensation: The Fund purchases this coverage from the MEL.
5. Excess Crime: The Fund purchases this coverage from the MEL.
6. Public Officials Liability/Employment Practices Liability: The Fund purchases this coverage from QBE Specialty Insurance Company.
7. Optional Volunteers Directors & Officers Liability: The Fund purchases this coverage from QBE Specialty Insurance Company
8. Cyber: The Fund purchases this coverage from Indian Harbor Insurance Company and Beazley
9. Environmental Impairment Liability: EJIF

The Central Jersey Joint Insurance Fund, issues publicly available financial reports that include the financial statements and required supplementary information for insurance. The financial reports may be obtained by writing to the PERMA, 9 Campus Drive Suite 216, Parsippany, New Jersey 07054.

B. Employee Health Benefits

The Township has contracted with Horizon Blue Cross/Blue Shield of New Jersey for the provision of health benefits to eligible Township employees and retirees. The financial arrangement with the insurer provides for payments of administrative fees, excess insurance premiums and actual claims costs, subject to the established self-insured limits.

For the year ended December 31, 2019, the stop-loss attachment points were as follows:
$250,000 per individual
125% of net projected claims of $1,863.22 per employee, per month aggregate

The Township provides a prescription drug plan and a dental plan to eligible employees and retirees through self-insured programs and has engaged CVS Caremark and Horizon Healthcare Dental to administer each plan, respectively. In addition to the appropriations for these plans contained in the annual budgets of the Township, the Township has established an additional reserve for payments in the event claims during a fiscal year exceed the amounts budgeted. At December 31, 2019 and 2018, the amount in this reserve was $246,609.04 and $1,991,332, respectively.

Note 11: ACCRUED SICK AND VACATION BENEFITS

The Township of Edison has established policies, which set forth the terms under which an employee may accumulate unused benefits. General Policy is as follows:

NON UNION

Existing employees upon retirement with twenty-five (25) years of pensionable service credit or employees who have attained the age of sixty (60) shall be paid lump sum equivalent salary (base and longevity, if applicable) for all:

1. Accumulated unused sick leave
2. Unused vacation and current year personal days
3. Terminal leave (if eligible)

Effective January 1, 2017, Employees hired after December 24, 1992 shall be entitled to payment of sick leave at a rate equal to one half (1/2) of their daily rate of pay for accumulated unused sick time with said lump sum payment for sick leave, vacation, personal days and terminal leave to be capped at a maximum of fifteen thousand dollars ($15,000.00).

Those employees covered by Ordinance 0.1071-98, and hired after January 1, 1998 are not eligible for payment of the following:

1. Accumulated unused sick leave
2. Unused vacation and current year personal days
3. Terminal leave (if eligible)

CARPENTERS

Upon retirement, employees shall be paid one hundred (100%) percent of all unused sick days, to a maximum of Twelve Thousand Five Hundred Dollars ($12,500.00).

PBA

Each member shall be granted a total of eight (15) days per year up to the time of termination of employment. Effective on January 1, 2010, each member shall be granted two thirds (2/3) sick days per month for a total of eight (8) days per year up which days shall not accrue from year to year. One day shall equal eight (8) hours, regardless of employee's work schedule. Members will be paid at the time of retirement or termination for one half (1/2) of the total amount of sick days accrued from the date of hire to December 31, 2004, if the termination occurs while in good standing. Calculation for entitlement under this article at retirement shall be based upon total hours accumulated times the rate of pay as of December 31, 2004, regardless of employee's work schedule or date of retirement. Payment made to each employee in accordance with this section shall not exceed Twenty-Thousand ($20,000) Dollars. In the event an employee utilizes any of this amount for sick time the payment at the time of retirement shall be reduced accordingly.

NURSES

All employees hired prior to May 21, 2010 may sell back one week of sick time annually, at a 1 for 1 rate. The maximum payout at retirement for accumulated sick time is $15,000.00 payable at the employee's retirement after obtaining 25 years of creditable service in a State of New Jersey Retirement System or if the employee retires on a Disability Retirement. Sick time payout will be based on the employee's rate at the time of retirement. Employees hired after May 21, 2010, sick leave shall accumulate with a maximum of up to $15,000.00 payable at the employee's retirement after obtaining 25 years of creditable service in a State of New Jersey Retirement System or if the employee retires on a Disability Retirement. Sick time payout will be based on the employee's rate at the time of retirement.

Note 11: ACCRUED SICK AND VACATION BENEFITS (CONT'D.)

IAFF

1) If termination occurs while in good standing, employees will be paid for one half of the total amount of sick leave accrued, up to 2,184 hours, at the rate equal to the highest salary attained at the time of termination of employment by that employee, excluding overtime. Payments shall be made by lump sum on the day of termination of employment or the next payday thereafter. Employees will be paid the remaining accumulated sick leave as terminal leave.

2) Following a request of the employee, the Township may, in its discretion, subject to available appropriations, pay the total amount due for accumulated sick leave in one lump sum payment.

3) Effective January 1, 2003, no employee shall receive payment for sick leave at the time of retirement or termination in excess of 2,184 hours or the amount of sick leave accumulated by the employee as of December 31, 2002, whichever is greater. For employees hired on or after April 7, 2008, if termination occurs while in good standing, employees will be paid for one half of the total amount of sick leave accrued, up to 1,092 hours, at the rate equal to the highest salary attained at the time of termination of employment by that employee, including overtime. The remaining accumulated sick leave to be used as terminal leave shall be at 50% of the value of those days.

DPW SUPERVISORS

Payment of one hundred percent of all accumulated sick leave to a maximum of Twenty Thousand Dollars ($20,000.00). Any employee who has accumulated more than $20,000.00 in accumulated sick leave as of January 1, 2004 shall be capped at the amount as of that date calculated using 2004 rates of pay.

AFSCME

A. When an employee retires after twenty-five (25) years of service or the age of sixty (60), he/she will receive:
   1. 100% pay accumulated sick time not to exceed twenty thousand dollars ($20,000); and
   2. 100% pay for all accrued vacation time and any allowable remaining personal days.
   3. Retirement payoff will be made within thirty (30) working days from the last day of employment.

B. An employee who retires after fifteen (15) years of service, regardless of age will receive:
   1. Twenty (20) days of their accumulated sick time at full pay; and
   2. 100% pay for all accrued vacation time and any allowable remaining personal days.
   3. Retirement payoff will be made within thirty (30) working days from the last day of employment.

UAW

Thirteen (13) days paid sick leave each year shall be granted to all Employees, and the same shall be cumulative from year to year. Employees having not used one or more of their sick days for that year will have the option to be paid their current wage rate for up to six (6) of these unused days in lieu of accumulating same. Any employee who has more than six (6) days unused from a given year and wishes to be paid wages for their remaining days, in lieu of accumulating same, may be paid one (1) day's current rate of pay for every two (2) unused sick days. The purpose of this provision is that, at the end of each calendar year, an employee may elect to be paid for unused sick time. The rate of pay will be 100% for the first six (6) sick days unused, and 50% for next seven days of unused sick time.

Note 11: ACCRUED SICK AND VACATION BENEFITS (CONT'D.)

UAW (Cont'd.)

The employee must notify the Employer on January 10th of his or her election, payment to be made in the first paycheck after February 15th of the year. Upon retirement, employees shall be paid on hundred (100%) percent of all unused sick days, to a maximum of Ten Thousand Dollars ($10,000.00), or the total amount of accumulated sick time as of January 1st, 2003 at 2003 rates, whichever is greater. Should the accumulated sick time of any employee fall below the $10,000.00 provided in this Article as a result of subsequent utilization, that employee will be limited by the $10,000.00 cap.

Vacations - Vacation pay for permanent employees is accumulated in accordance with the approved schedules for their respective units. Vacation days shall be taken during the current year and shall not accumulate, except that vacation time may be carried over to the next succeeding year only. This carryover provision is not applicable to Police and Fire Officers. An employee who has separated his/her employment in good standing shall be entitled in time or in pay to any earned vacation accumulated and not previously used.

With the exception of the Police and Fire Departments, which maintain separate records for their employees, the payroll office maintains up-to-date records of each employee's status relating to earned and unused sick and vacation pay. At December 31, 2019 and 2018, the total value of accumulated compensated absences, based upon then current pay rates, was $11,711,279 and $11,795,164, respectively. This total is not intended to represent amounts that will ultimately be paid to employees upon termination or retirement, as no adjustment has been made to reflect the limitations on lump sum payments. Expenditures for payment of accrued sick and vacation benefits are recorded in the period in which the payments are made.

Note 12: PRIVATIZATION OF WATER DELIVERY SERVICES

On June 25, 1997, the Township entered into an agreement with the Edison Water Company (the "Operator") for Operation, Maintenance and Management Services for the Township's Municipal Water System. This agreement sets forth an initial term of twenty (20) years and provides for up to two additional five year extensions at substantially similar terms. The agreement effectively provides for the privatization of the Township's water system for the term of the agreement. The agreement is permitted under the provisions of the New Jersey Water Supply Public-Private Contracting Act (NJSA 58:26-19 et seq.), and includes provisions, which freeze the base rate structure for an initial period (generally, through June, 2002) and limit rates during the remainder of the agreement, subject to Unforeseen Events.

Upon the execution of the agreement, the Operator paid an initial concession fee of $4,954,763.75 to the Township. This amount was deposited to the Township's Current Fund and recorded as a component of Miscellaneous Revenues Not Anticipated for the year ended June 30, 1997. The agreement also requires the Operator to make scheduled payments to the Township during each year of the agreement. The scheduled payments, which will be received in varying amounts per year, total to $9,593,794 and will be recorded as Current Fund revenues upon receipt.

The Township was not required to adopt a Water Utility Operating Budget for fiscal years, which commenced on or after July 1, 1998, and such budgets will not be required during the term of the agreement. Similarly, as the agreement anticipates that the Operator will maintain and improve the water system, no capital projects relating to the system are anticipated in the Township's Capital Budget Program. However due to the issuance of debt, the Township has adopted a budget for the repayment of principal and interest on the debt.

Note 13: INTERFUNDS

The following interfund balances remained on the balance sheet date at December 31, 2019:

Fund	Interfunds Receivable	Interfunds Payable
Current Fund	$86,242.89	$961,952.84
Grant Fund	912,113.79	
Trust Funds	34,322.35	86,967.06
General Capital Fund		19,307.53
Water Utility Operating Fund	62,697.53	77,140.15
Water Utility Capital Fund		62,697.53
Sewer Utility Operating Fund	112,688.55	4,886,282.61
Sewer Utility Capital Fund	4,886,282.61	
Total	$6,094,347.72	$6,094,347.72

These interfund balances are not an indication that the respective fund cannot meet its obligation. The interfund amounts are reflective of year-end closing journals and adjustments. The balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Transfers are used to (1) move revenues from the funds New Jersey Statute or budget requires collecting to fund the appropriation and the statute or budget to expend them.

Note 14: LENGTH OF SERVICE AWARD PROGRAM (LOSAP)

The Township has authorized a Length of Service Award Program (LOSAP) pursuant to section 457 (e) of the Internal Revenue Code and P.L. 1997, C. 388 as amended by P.L. 2001, C. 272 of the Statutes of New Jersey. The program provides for fixed annual contributions to a deferred income account for volunteer firefighters and first aid and rescue squad members who meet specified service criteria. The Township sponsors the Program, which is administrated by a private contractor. The LOSAP Program is subject to an annual review in accordance with AICPA standards for attestation engagements. LOSAP review reports are available in the office of the Township Clerk during scheduled working hours.

Note 15: DEFERRED CHARGES – TAX APPEALS

During 2012 and 2015, in response to the significant potential budgetary impact of tax appeal settlements, the Township petitioned and received approvals from the Local Finance Board of the Department of Community Affairs to issue debt to finance the tax refunds caused by these settlements over a five-year period for 2012 approvals and over a six-year period for the 2015 approval. The amounts approved were $9,500,000 and $12,175,000 respectively. At December 31, 2019, the unfunded balance of these authorizations was $4,645,000 and consisted of $4,055,000 of Bond Anticipation Notes and $590,000 of Authorized but Unissued Notes, which are reported as part of the Township's General Capital Fund. The required appropriation of $2,030,000 for 2020 funding was included in the Township's 2020 Budget.

Note 16: CONTINGENT LIABILITIES

A. Supplemental Insurance Assessments

As a constituent member of the Central Jersey Joint Insurance Fund (the "CJJIF"), the Township of Edison, together with the other Members of the CJJIF, is jointly and severally responsible for the timely payment of Supplemental Assessments levied with the approval of the CJJIF Commissioners. During 2015, the Fund waived the billing of Supplemental Assessments to its Participants. However, Supplemental Assessment installment payments were billed to participants in 2018. The Supplemental Assessment due on December 31, 2019 and the installment billing due in 2020 for the Township of Edison is $532,347 and $204,776, respectively.

B. Litigation Pending or Threatened

At December 31, 2019, the Township had litigation pending. The majority of this litigation involves claims against the Township relating to matters that traditionally would be covered through the procurement of workers' compensation and liability insurance policy coverages. As more fully described in Note 10, the Township has participated in a joint insurance fund since June 1998.

The Township also has a significant number of outstanding property tax assessment appeals pending before the State Tax Court. Those matters, as with all matters, are being vigorously defended and settled when prudent. The Township has addressed in its Budget, and has implemented procedures in accordance with the applicable State finance and budget statutes and regulations to satisfy refunds and/or credits required by settlements and/or judgments for State Court Tax Appeals. It is expected that the settlements and/or judgments for these matters in the aggregate will result in significant reductions to assessed values and require refunds and/or credits that would-be material to the Township's financial position.

C. Contractual Commitments

As of December 31, 2019, the Township of Edison was a party to various construction contracts and commitments that totaled $6,317,184. Repaving and Reconstruction of Various Roads with total commitments of $3,354,950; Various Equipment with total commitments of $605,599; Purchase of Vehicles with total commitments of $96,961; Various improvements to Municipal Buildings with total commitments of $482,064; Various Improvements to Municipal Parks with total commitments of $245,699; and Various Capital Improvements with total commitments of $1,531,911.

Note 17: POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS

The Township of Edison provides its retirees with health benefits, which are fully funded by the Township. These benefits are negotiated for through each bargaining unit's contract. In order to receive fully paid health benefits, retirees must have been enrolled in the Public Employees Retirement Fund or the Police and Firemen's Retirement Fund for 25 years. Retirees receive the same type of health insurance coverage that they were receiving prior to retirement. The annual cost of post-retirement health benefits has not been calculated.

Plan Description and Benefits Provided:
P.L. 1987, c.384 and P.L. 1990, c.6. required the Public Employees Retirement System (PERS) to fund post-retirement medical benefits for those members who retire after accumulating a minimum of 25 years of credited service or on a disability retirement. Pursuant to P.L 2007, c.103, separate funds outside the pension plans were established for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees.

Note 17: POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS (CONT'D.)

Coverage is provided at no cost to members of the PERS that had retired on a disability retirement or retired after accumulating 25 years of creditable service prior to June 28, 2011 and to those who had a minimum of 20 years of creditable service on June 28, 2011 and who subsequently retire after accumulating 25 years of credited service or on a disability retirement. Employees who had less than 20 years of creditable service on June 28, 2011 and subsequently retire after accumulating a minimum of 25 years of creditable service are required by Chapter 78, P.L. 2011 to contribute a percentage of the cost of their health care coverage in retirement. The percentage of the premium that will be the responsibility of the retiree is determined based upon the retiree's annual retirement benefit and level of coverage. Chapter 78 retirees opting for single will make contributions that escalate from 4.5% for annual retirement allowance under $20,000 to 35.0% for annual retirement allowances exceeding $110,000 per annum. Chapter 78 retirees opting for family coverage will range from 3.43% for annual retirement allowances under $25,000 per annum to 35.0% for annual retirement allowances exceeding $110,000 per annum.

Total OPEB Liability

The Township's total OPEB liability of $334,122,544 and $288,380,649 was measured as of December 31, 2019 and 2018, respectively and was determined by an actuarial valuation as of that date. There were 298 retiree and surviving spouses and 430 active employees as part of the plan.

Actuarial assumptions and other imputes - The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50%
Salary increases	2.50%
Discount rate	2.74%
Healthcare cost trend	Range from 5.7% to 9.5%
Retirees' share of benefit-related costs	Subject to the requirements of Chapter 78

The discount rate was based on the Bond Buyer 20-Bond Go Index.

Mortality rates were based on the RP-2000 Combined Healthy Male Mortality rates set forward three years.

Note 17: POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS (CONT'D.)

The actuarial assumptions used in the December 31, 2019 and 2018 valuations were based in the results of an actuarial experience study for the period January 1, 2019 – December 31, 2019 and January 1, 2018 - December 31, 2018, respectively.

Changes in the Total OPEB Liability

	Total OPEB Liability	
	2019	2018
Balance at beginning of the year	$ 288,380,649	$ 274,981,592
Changes for the year:		
Interest cost	11,993,097	11,443,736
Service cost	6,312,500	6,312,500
Changes in assumptions or other inputs:		
Changes in assumptions	31,793,477	
Benefit payments	(4,357,179)	(4,357,179)
Net changes	45,741,895	13,399,057
Balance at end of the year	$ 334,122,544	$ 288,380,649

Sensitivity of the total OPEB liability to changes in the 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 using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Increase (3.74%)	Discount rate (2.74%)	1% Decrease (1.74%)
Total OPEB Liability - 2019	$ 305,025,843	$ 334,122,544	$ 370,846,877
	1% Increase (5.10%)	Discount rate (4.10%)	1% Decrease (3.10%)
Total OPEB Liability - 2018	$ 257,982,362	$ 288,380,649	$ 326,491,835

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

	1% Increase	Healthcare cost Trend rates	1% Decrease
Total OPEB Liability - 2019	$ 377,471,702	$ 334,122,544	$ 299,691,330
Total OPEB Liability - 2018	$ 320,509,085	$ 288,380,649	$ 262,710,898

Note 17: POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS (CONT'D.)

OPEB Expense

For the year ended December 31, 2019 and 2018, the Township recognized OPEB expense of $ 21,125,168 and $17,756,236, respectively.

Special Funding Situation
The State of New Jersey's Total OPEB Liability for special funding situation was $5,525,718,739 and $6,213,844,492 at June 30, 2019 and 2018, respectively.

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation.

The amount of the State's proportionate share of the net OPEB liability for special funding situation attributable to employees and retirees of the Township of Edison was $54,678,866 and $65,820,893 at June 30, 2019 and 2018, respectively.

Nonspecial Funding Situation:
The State of New Jersey's Total OPEB Liability for nonspecial funding situation was $8,020,352,361 and $9,452,773,649 at June 30, 2019 and 2018, respectively.

The nonspecial funding situation is not applicable to the Township of Edison therefore no amount of the State's proportionate share of the net OPEB liability is attributable to the Township.

Components of Net OPEB Liability – The components of the collective net OPEB liability for employers participating in the Plan, including the State of New Jersey, at June 30, 2018 and 2019 is as follows:

	2019	2018
Total OPEB Liability	$ 13,819,244,582	$ 15,981,103,227
Plan Fiduciary Net Position	273,173,482	314,485,086
Net OPEB Liability	$ 13,546,071,100	$ 15,666,618,141
Plan fiduciary net position as a percentage of the total OPEB liability	1.98%	1.97%

Note 17: POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS (CONT'D.)

Actuarial Assumptions and Other Inputs:
The total OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%
Salary Increases*:	
Public Employees' Retirement System (PERS)	
Initial fiscal year applied	
Rate through 2026	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 15.25%

Mortality:

PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019

* Salary increases are based on years of service within the respective plan.

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

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

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

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

Note 17: POST EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS (CONT'D.)

Sensitivity of the State's Net OPEB Liability to Changes in the Discount Rate:
The following presents the collective net OPEB liability of the participating employers as of June 30, 2019 and 2018, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	1% Decrease (2.50%)	Discount rate (3.50%)	1% Increase (4.50%)
Total Net OPEB Liability - 2019	$ 15,662,704,137	$ 13,546,071,100	$ 11,826,026,995
	1% Decrease (2.87%)	Discount rate (3.87%)	1% Increase (4.87%)
Total Net OPEB Liability - 2018	$ 18,381,085,096	$ 15,666,618,141	$ 13,498,373,388
Township's Share	N/A	N/A	N/A

Sensitivity of the State's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates:
The following presents the net OPEB liability as of June 30, 2019 and 2018, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare cost Trend rates	1% Increase
Total OPEB Liability - 2019	$ 11,431,214,644	$ 13,546,071,100	$ 16,243,926,531
Total OPEB Liability - 2018	$ 13,068,471,450	$ 15,666,618,141	$ 19,029,006,023
Township's Share	N/A	N/A	N/A

Note 18: GOVERNMENTAL FIXED ASSETS

The Township's governmental fixed assets are reported as follows:

	Balance Dec. 31, 2018	Increase	Decrease	Balance Dec. 31, 2019
Land	$116,480,200	$ -	$ -	$116,480,200
Buildings and Improvements	20,811,200	-	-	20,811,200
Vehicles, Machinery and Equipment	42,858,821	3,262,553	232,868	45,888,506
	$180,150,221	$ 3,262,553	$ 232,868	$183,179,906

Note 19: LONG TERM TAX EXEMPTIONS

The Township provides for long-term tax exemptions, as authorized and permitted by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemptions provided by the Township are predominately for affordable housing projects. Taxes abated include municipal, local school and county taxes. The Township is required to remit five percent (5.00%) to the County for any payments received in lieu of taxes (PILOT payments). The Township PILOT billings in 2019 were $529,392 and taxes in 2019 that otherwise would have been due on these long-term tax exemptions amounted to $2,636,885 based upon the assessed valuations of the long-term tax exemptions properties.

Note 20: SUBSEQUENT EVENTS

Subsequent to December 31, 2019, the Township issued the following:

Bond Anticipation Notes in the amount of $67,134,279 consisting of $51,849,279 BAN and $7,285,000 Sewer Utility BAN. The BAN is dated February 6, 2020 and matures January 13, 2021 and has an interest rate of 2.50%.

Tax Appeal Refunding BAN in the amount of $2,025,000. The BAN is dated February 6, 2020 and matures January 13, 2021 and has an interest rate of 2.00%.

Taxable Special Emergency Notes in the amount of $2,413,600. The BAN is dated February 6, 2020 and matures January 13, 2021 and has an interest rate of 2.00%.

On January 1, 2020, the Township began operation, maintenance and management services for its municipal water system. This includes the billings to the residents and the maintenance of infrastructure. Prior to this, the Township had an agreement with the Edison Water Company to maintain the municipal water system.

Subsequent to year end, the COVID-19 (coronavirus) pandemic has resulted in substantial economic volatility on a global scale. As a result, the Township's economically sensitive revenues (i.e. property taxes, water and sewer utility collections, interest earnings, fees, state and federal aid) might be negatively impacted. Collection rates on real property taxes might be slowed as unemployment rates are expected to spike. Meanwhile, the Township's expenditures for public safety and health service functions and pension benefits (due to stock market declines) would all be expected to increase sharply. None of these factors were taken into consideration in the development of the fiscal year 2020 adopted budget. Given the uncertainty around the extent and timing of the potential future spread or mitigation of the coronavirus and around the imposition or relaxation of protective measures, management cannot reasonably estimate the actual impact on the Township's financial position at this time.

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

PART II
SUPPLEMENTARY SCHEDULES

CURRENT FUND

Exhibit - A-4

SCHEDULE OF CURRENT FUND CASH AND INVESTMENTS

	REF.	CURRENT FUND	
Balance - December 31, 2018	A		$ 45,240,236.45
Increased by Receipts:			
State of New Jersey (Ch. 20, P.L. 1976)	A-6	$ 356,845.18	
Taxes Receivable	A-7	396,217,301.00	
Tax Title Liens	A-8	173,487.35	
Revenue Accounts Receivable	A-10	34,556,362.29	
Miscellaneous Revenue Not Anticipated	A-10	227,242.84	
Prepaid Taxes	A-11	2,748,352.03	
Interfund Receipts	A-12,A-13	12,002,739.47	
Various Payables and Reserves	A-14	2,906,522.27	
Tax Overpayments	A-16	1,137,095.01	
Special Emergency Note	A-20	2,263,600.00	
			452,589,547.44
			497,829,783.89
Decreased by Disbursements:			
Refunds:			
Prior Year Revenues	A- 1	35,903.50	
Budget Expenditures	A- 3	127,964,233.35	
Interfund Disbursements	A-12,A-13	11,943,450.74	
Various Payables and Reserves	A-14	5,303,596.95	
Appropriation Reserves	A-15	4,336,275.07	
Tax Overpayments	A-16	374,136.08	
Reserve for Tax Appeals	A-17	442,104.65	
Garbage District Taxes	A-19	10,205,469.84	
Local District School Taxes	A-21	223,563,032.00	
County Taxes	A-21	67,857,318.33	
			452,025,520.51
Balance - December 31, 2019	A		$ 45,804,263.38

Exhibit - A-5

SCHEDULE OF CHANGE FUNDS

OFFICE		BALANCE DEC. 31, 2018	BALANCE DEC. 31, 2019
Division of Tax Collections		$ 600.00	$ 600.00
Municipal Court		50.00	50.00
Police Records Clerk		25.00	25.00
		$ 675.00	$ 675.00
	Ref.	A	A

Exhibit - A-6

SCHEDULE OF DUE TO/(FROM) STATE OF NEW JERSEY SENIOR CITIZENS AND VETERANS DEDUCTIONS PER CHAPTER 129, P.L. 1976

	REF.		
Balance - December 31, 2018 (Due to)	A		$ 28,287.24
Increased by:			
2019 Deductions Disallowed by Collector	A-6	$ 21,001.41	
Payment Received	A-4	356,845.18	
2018 Senior Citizen and Veteran Deduction Disallowed	A-1	4,350.00	
			382,196.59
			410,483.83
Decreased by:			
Deductions Allowed Per Tax Billings	A-6	421,250.00	
2018 Deductions Allowed by Collector	A-6	553.43	
			421,803.43
Balance - December 31, 2019 (Due from)	A		$ (11,319.60)
Analysis of Senior Citizens, Veterans and Disability Deductions Realized as Revenues in 2019			
Deductions Allowed Per Tax Billings	A-6		$ 421,250.00
Less:			
2019 Deductions Disallowed/1allowed (net) by Collector	A-6		(20,447.98)
Amount Realized as Revenue - 2019	A-7		$ 400,802.02

Exhibit - A-7

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

STATE FISCAL YEAR	BALANCE DEC. 31, 2018	ADDED BY COLLECTOR	2019 LEVY	COLLECTIONS 2018	BY COLLECTOR 2019	ST. SHARE 2019 SR. CITIZEN DEDUCTIONS	TAX OVER PAYMENTS APPLIED	REMITTED AND CANCELLED	TRANSFER TO TAX TITLE LIEN	BALANCE DEC. 31, 2019
CY 2017	$ 11,365.26	$ -	$ -	$ -	$ 11,365.26	$ -	$ -	$ -	$ -	$ -
CY 2018	11,774.85	3,526.20			9,787.85					5,513.20
	23,140.11	3,526.20	-		21,153.11	-	-	-	-	5,513.20
CY 2019			400,693,428.79	2,933,287.43	396,196,147.89	400,802.02	590,129.28	356,088.37	201,323.96	15,649.84
	$ 23,140.11	$ 3,526.20	$ 400,693,428.79	$ 2,933,287.43	$ 396,217,301.00	$ 400,802.02	$ 590,129.28	$ 356,088.37	$ 201,323.96	$ 21,163.04
Ref.	A	Reserve	Reserve	A-2,A-11	A-2, A-4	A-2, A-6	A-2, A-16	Reserve	A-8	A

Analysis of 2019 Property Tax Levy:

	Ref.		
Tax Yield:			
General Purpose Tax		$ 389,096,175.85	
Special District Tax		9,979,471.26	
Added Taxes (54:4-63.1 et seq.)		1,617,781.68	
			$ 400,693,428.79
Tax Levy:			
Local District School Tax:			
Levy (Abstract)	A-21	223,563,032.00	
Total Local District School Tax			223,563,032.00
County Tax:			
County Tax (Abstract)	A-21	62,348,029.05	
County Open Space Preservation	A-21	5,235,608.02	
Due Cty. for Added & Omitted Taxes	A-21	273,681.26	
Total County Tax			67,857,318.33
Special District Taxes:			
Garbage District Taxes	A-19	9,979,471.26	
Added and Omitted	A-19	43,338.99	
Total Special District Taxes			10,022,810.25
Local Tax for Municipal Purposes	A-2	92,125,992.89	
Minimum Library Tax	A-2	5,789,770.00	
Additional Taxes Levied		1,334,505.32	
Total Local Tax for Mun. Purposes			99,250,268.21
			$ 400,693,428.79

Exhibit - A-8

SCHEDULE OF TAX TITLE LIENS

	REF.		
Balance - December 31, 2018	A		$ 1,213,553.53
Increased by:			
Transfers from Taxes Receivable	A-7	$ 201,323.96	
Interest and Costs Accrued by Sale of Tax Title Liens	Reserve	11,614.43	
			212,938.39
			1,426,491.92
Decreased by:			
2019 Collections - Collector	A-2, A-4	173,487.35	
Cancellation of Tax Title Liens	Reserve	116.13	
			173,603.48
Balance - December 31, 2019	A		$ 1,252,888.44

Exhibit - A-9

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

	REF.	
Balance - December 31, 2018	A	$ 3,991,567.99
Balance - December 31, 2019	A	$ 3,991,567.99

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	REF.	BALANCE DEC. 31,2018	ACCRUED 2019	CASH RECEIPTS	BALANCE DEC. 31,2019
Miscellaneous Revenues Anticipated:					
Alcoholic Beverage Licenses	A-2	$	$ 124,800.00	$ 124,800.00	$
Licenses - Other	A-2		531,407.80	531,407.80	
Fees & Permits	A-2	43,475.39	1,610,976.59	1,593,687.87	60,764.11
Municipal Court Fines & Costs	A-2		891,225.61	891,225.61	
Interest & Costs on Taxes	A-2		543,427.19	543,427.19	
Interest on Investments and Deposits	A-2		875,024.83	875,024.83	
Latchkey Program Fees	A-2		2,201,465.85	2,201,465.85	
Cable TV Franchise Fees	A-2		303,615.00	303,615.00	
Trailer Court Fees	A-2		10,608.00	10,608.00	
False Alarm Fees	A-2		88,085.00	88,085.00	
Host Community Benefits	A-2		510,674.50	510,674.50	
Railroad Station Rent	A-2		125,241.96	125,241.96	
JFK Reimbursement for Dispatch Services	A-2		236,640.00	236,640.00	
JFK Building Lease Payment	A-2		64,464.00	64,464.00	
Energy Receipts Tax	A-2		16,042,726.00	16,042,726.00	
Garden State Trust Fund	A-2		15,371.00	15,371.00	
Uniform Construction Code Fees	A-2		5,896,302.98	5,896,302.98	
Uniform Fire Safety Act	A-2		492,449.11	492,449.11	
NJS City Hotel Tax	A-2		1,105,640.90	1,105,640.90	
Payments in Lieu of Taxes - Tax Exempt	A-2		535,999.53	535,999.53	
Cell Tower Rents - Verizon	A-2		89,570.64	89,570.64	
Community Contribution	A-2		500,000.00	500,000.00	
Reserve for Payment of Debt Service	A-2		102,411.00	102,411.00	
General Capital Fund Balance/Note Sale Premium	A-2		1,175,523.52	1,175,523.52	
FEMA Reimbursement for January Snow Storm	A-2	75,787.99	-		75,787.99
Police Off-Duty Administration Fees - Due from Trust	A-2		500,000.00	500,000.00	
		119,263.38	34,573,651.01	34,556,362.29	136,552.10

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	REF.	BALANCE DEC. 31,2018	ACCRUED 2019	CASH RECEIPTS	BALANCE DEC. 31,2019
Miscellaneous Revenue Not Anticipated:					
Administrative Fee Senior Citizen and Veterans Reimbursement		$	$ 7,607.55	$ 7,607.55	$
CJJIF 2018 SIP Award			12,500.00	12,500.00	
Cooperative Housing Inspection Fees			25,194.00	25,194.00	
Culver Bus Shelter Franchise Fees			6,649.65	6,649.65	
Engineering Roadway Repair Fees			1,000.00	1,000.00	
Health Charge Income			6,422.47	6,422.47	
Mercy 9 JFK Ambulance			270.14	270.14	
NJS Motor Vehicle Inspection Fees			4,104.00	4,104.00	
NJ FEMA Reimbursement from Storm Recovery			27,338.92	27,338.92	
NJ Homestead Rebate Mail Reimbursement			5,887.20	5,887.20	
NJ Turnpike Contributions - Call Response			2,520.00	2,520.00	
Police Brass Cartridges Recycling			1,704.80	1,704.80	
Police Employment Application Fees			37,875.00	37,875.00	
Recycling Fees			11,811.70	11,811.70	
Sale of Abandoned Vehicles			10,400.00	10,400.00	
Solar Renewable Energy Credits			35,283.60	35,283.60	
Vending Machine Commission			3,353.99	3,353.99	
Verizon Annual Franchise Fee			6,360.68	6,360.68	
Miscellaneous			20,959.14	20,959.14	
	A-2		227,242.84	227,242.84	
		$ 119,263.38	$ 34,800,893.85	$ 34,783,605.13	$ 136,552.10
	Ref.	A	Reserve	A-4	A

Exhibit - A-11

SCHEDULE OF PREPAID TAXES

	REF.	
Balance - December 31, 2018	A	$ 2,933,287.43
Increased by:		
Cash Receipts	A-4	2,748,352.03
		5,681,639.46
Decreased by:		
Transfer to Taxes Receivable	A-7	2,933,287.43
Balance - December 31, 2019	A	$ 2,748,352.03

SCHEDULE OF INTERFUNDS RECEIVABLE

	REF.	Total	Trust Other Fund	Animal Control Fund	Assessment Trust Fund	CDBG Fund	General Capital Fund	Water Operating Fund
Balance - December 31, 2018	A	$ 123,518.96	$ 38,686.43	$ 418.07	$ 18,760.00	$ 26,983.09	$ 38,619.65	$ 51.72
Increased by:								
Statutory Excess Reserve	A-1	11,001.57		11,001.57				
Municipal Portion of Interest Earned on Investments	A-2	293,125.67	48,424.59	3,396.47			240,774.69	529.92
Cash Disbursements	A-4	10,034,832.19		415.93		34,416.26	10,000,000.00	
		10,462,478.39	87,111.02	15,232.04	18,760.00	61,399.35	10,279,394.34	581.64
Decreased by:								
Cash Receipts	A-4	10,376,235.50	84,570.00	4,045.26		26,983.09	10,260,086.81	550.34
Balance - December 31, 2019	A	$ 86,242.89	$ 2,541.02	$ 11,186.78	$ 18,760.00	$ 34,416.26	$ 19,307.53	$ 31.30

Exhibit - A-13

SCHEDULE OF INTERFUNDS PAYABLE

	REF.	Total	Federal & State Grant Fund	Other Trust Fund	Sewer Operating Fund
Balance - December 31, 2018	A	$ 1,367,743.85	$ 1,246,243.85	$ 121,500.00	$ -
Increased by:					
2019 Grant Fund Appropriations	A-3	1,493,499.41	1,493,499.41		
Cash Receipts	A-4	604,566.73		568,987.03	35,579.70
Grants Receivable	A-4	1,021,937.24	1,021,937.24		
		3,120,003.38	2,515,436.65	568,987.03	35,579.70
		4,487,747.23	3,761,680.50	690,487.03	35,579.70
Decreased by:					
Realized as Revenue - 2019 Budget	A-2	1,493,499.41	1,493,499.41		
Interest on Investments	A-2	123,676.43		123,676.43	
Cash Disbursed by Current Fund	A-4	1,908,618.55	1,356,067.30	552,551.25	
		3,525,794.39	2,849,566.71	676,227.68	-
Balance - December 31, 2019	A	$ 961,952.84	$ 912,113.79	$ 14,259.35	$ 35,579.70

Exhibit A-14

CURRENT FUND
SCHEDULE OF CHANGES IN VARIOUS PAYABLE AND RESERVES

	December 31, 2018	Cash Receipts	Cash Disbursements	Transfer from Approp Reserves	Cancelled	December 31, 2019
Various Payables						
Due to State of NJ - BOCA Fees	$ -	$ 387,107.00	$ (387,107.00)	$ -	$ -	$ -
Due to State of NJ - Marriage License Fees	2,515.00	10,040.00	(10,210.00)			2,345.00
Due to Municipal Library	467,957.31		(467,957.31)	416,533.19		416,533.19
Accounts Payable	476,875.36		(185,689.28)	168,726.67	(216,417.51)	243,495.24
	947,347.67	397,147.00	(1,050,963.59)	585,259.86	(216,417.51)	662,373.43
Reserve for:						
Maintenance of Free Public Library	43,753.00	43,800.00	(43,753.00)			43,800.00
Police & Firemen Pension	1,535.40					1,535.40
Advanced Medical Claims	1,991,332.18	2,103,655.31	(3,848,378.45)			246,609.04
Condominium Services	154,142.95		(107,567.74)	160,000.00		206,575.21
Length of Service Award Program (LOSAP)	264,000.00					264,000.00
Towing and Impound Fees	2,689.13	26,088.15	(26,855.00)			1,922.28
Car Max Redevelopment	25,000.00					25,000.00
Amboy Ave LLC Redevelopment	25,000.00					25,000.00
Raritan Center Pky Redevelopmet	25,000.00					25,000.00
Open Road of Edison Redevelopment		25,000.00				25,000.00
Ryan Auto Open Road Township Costs		26,337.20	(5,646.21)			20,690.99
RG - Edison Urban Renewal LLC		59,494.61	(38,258.86)			21,235.75
Urban Renewal LLC		25,000.00				25,000.00
SLEO3 BOE School Security		200,000.00	(182,174.10)			17,825.90
Salary Adjustments	104,163.29			434,577.55		538,740.84
	2,636,615.95	2,509,375.27	(4,252,633.36)	594,577.55	-	1,487,935.41
Total	$ 3,583,963.62	$ 2,906,522.27	$ (5,303,596.95)	$ 1,179,837.41	$ (216,417.51)	$ 2,150,308.84
Ref.	A	A-4	A-4	A-15	A-1	A

SCHEDULE OF 2018 APPROPRIATION RESERVES

	BALANCE DEC. 31, 2018	2018 ENCUMB	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
GENERAL GOVERNMENT					
Office of the Mayor					
Other Expenses	$ 2,508.63	$ 1,110.43	$ 3,619.06	$ 1,775.86	$ 1,843.20
Municipal Council					
Other Expenses	12,041.24		12,041.24	3,738.00	8,303.24
Office of the Township Clerk					
Salaries and Wages	11,219.98		11,219.98	2,279.65	8,940.33
Other Expenses	63,352.90	5,215.30	29,568.20	29,414.91	153.29
DEPARTMENT OF ADMINISTRATION					
Office of the Business Administrator					
Salaries and Wages - Communications	1,769.43		1,769.43	1,721.40	48.03
Other Expenses - Administration	91,006.88	6,220.60	36,227.48	30,243.23	5,984.25
Other Expenses - Communications	7,483.59		7,483.59	3,700.00	3,783.59
Division of Central Purchases					
Salaries and Wages	13,380.26		13,380.26	2,651.25	10,729.01
Other Expenses:					
Postage	12,298.46	2,392.01	14,690.47	1,514.43	13,176.04
Centralized Stores	20,678.38	5,929.89	26,608.27	20,530.66	6,077.61
Division of Personnel					
Other Expenses	13,222.31	722.34	13,944.65	8,525.74	5,418.91
DEPARTMENT OF LAW					
Office of the Director					
Salaries and Wages	32,000.12		32,000.12	-	32,000.12
Other Expenses	86,182.04		186,182.04	74,853.70	111,328.34
DEPARTMENT OF FINANCE					
Office of the Director					
Other Expenses	40,852.95	10,275.00	51,127.95	42,490.45	8,637.50
Other Expenses - Audit Services	72,088.00		72,088.00	72,088.00	-

SCHEDULE OF 2018 APPROPRIATION RESERVES

	BALANCE DEC. 31, 2018	2018 ENCUMB	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
DEPARTMENT OF FINANCE (cont'd.)					
Division of Accounts and Controls					
Salaries and Wages	$ 340.06	$	$ 340.06	$ -	$ 340.06
Other Expenses	1,041.00		1,041.00	-	1,041.00
Other Expenses - Data Processing	23,774.50		23,774.50	15,000.00	8,774.50
Division of Custody and Disbursements					
Salaries and Wages	12,563.54		12,563.54	2,688.55	9,874.99
Other Expenses	4,691.20		4,691.20	2,563.86	2,127.34
Division of Tax Collections					
Salaries and Wages	22,690.11		22,690.11	4,193.65	18,496.46
Other Expenses	16,319.65	2,394.66	18,714.31	6,981.18	11,733.13
Division of Assessment					
Salaries and Wages	7,605.23		7,605.23	4,108.95	3,496.28
Other Expenses	31,446.81	44,265.21	75,712.02	5,918.90	69,793.12
DEPARTMENT OF RECREATION & PARKS					
Division of Recreation					
Salaries and Wages	117,219.64		117,219.64	85,450.80	31,768.84
Other Expenses	89,836.37	188,381.03	278,217.40	234,003.10	44,214.30
Division of Public Buildings					
Other Expenses:					
Telephones	111,938.00		111,938.00	21,363.12	90,574.88
Heat, Light and Power	345,489.93	19,344.31	364,834.24	170,381.54	194,452.70
Division of Parks					
Salaries and Wages	33,901.39		33,901.39	33,901.39	-
Other Expenses	5,623.99	3,805.24	9,429.23	3,805.24	5,623.99

SCHEDULE OF 2018 APPROPRIATION RESERVES

	BALANCE DEC. 31, 2018	2018 ENCUMB	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
DEPARTMENT OF HEALTH AND HUMAN RESOURCES					
Division of Health					
Salaries and Wages	$ 143,359.34	$	$ 143,359.34	$ 25,913.97	$ 117,445.37
Other Expenses	18,516.16	18,197.22	36,713.38	11,905.65	24,807.73
Division of Senior Citizen Services					
Salaries and Wages	5,715.23		5,715.23	5,715.23	-
Other Expenses	6,405.20	4,877.44	11,282.64	1,543.92	9,738.72
DEPARTMENT OF PUBLIC SAFETY					
Division of Police					
Salaries and Wages:					
Police	2,938,352.55		2,138,352.55	1,848,070.52	290,282.03
Emergency Dispatch - 911	135,940.43		55,940.43	47,858.87	8,081.56
Police Vehicle Maintenance	3,943.27		3,943.27	3,943.27	-
Other Expenses:					
Police	594.42	554,901.66	555,496.08	553,336.14	2,159.94
Emergency Dispatch - 911	11,774.82	167,637.38	179,412.20	171,938.08	7,474.12
Police Vehicle Maintenance	24,727.19	42,807.09	67,534.28	32,547.51	34,986.77
Uniform Fire Safety Act					
Salaries and Expenses	34,690.83		34,690.83	19,847.97	14,842.86
Other Expenses	896.32	50,690.39	51,586.71	40,322.41	11,264.30
Division of Fire					
Salaries and Wages					
Fire	766,373.08		766,373.08	708,126.79	58,246.29
Other Expenses:					
Fire	93,772.17	248,573.04	342,345.21	309,160.24	33,184.97
Fire Hydrant Service	162,300.85		162,300.85	146,590.16	15,710.69
Aid to Volunteer Fire Companies	130.53		130.53	-	130.53

SCHEDULE OF 2018 APPROPRIATION RESERVES

	BALANCE DEC. 31, 2018	2018 ENCUMB	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
DEPARTMENT OF PUBLIC WORKS					
Office of the Director					
Salaries and Wages:					
Municipal Garage	$ 104,463.71	$	$ 104,463.71	$ 22,494.56	$ 81,969.15
Other Expenses:					
Municipal Garage	59,698.51	7,548.67	67,247.18	9,123.07	58,124.11
Fuels & Lubricants for Municipally	307,206.99	172,044.25	479,251.24	225,264.43	253,986.81
Street Lighting	121,195.75	1,388.55	122,584.30	116,919.27	5,665.03
Division of Streets					
Salaries and Wages	232,249.77		232,249.77	87,877.22	144,372.55
Other Expenses	820.62	43,521.44	44,342.06	30,427.26	13,914.80
Division of Public Buildings					
Salaries and Wages	313,199.72		313,199.72	83,114.34	230,085.38
Other Expenses	7,753.46	92,612.41	100,365.87	90,852.96	9,512.91
Division of Sanitation					
Salaries and Wages:					
Street Cleaning and Refuse and Garbage Collection	58,774.23		58,774.23	20,868.87	37,905.36
Other Expenses:					
Street Cleaning and Refuse and Garbage Collection	28,677.62	6,848.27	35,525.89	9,988.48	25,537.41
Public Defender (P.L. 1997,c.256)					
Salaries and Wages	35,000.00		35,000.00	-	35,000.00
Other Expenses	2,000.00		2,000.00	-	2,000.00
DEPARTMENT OF COMMUNITY DEVELOPMENT					
Salaries and Wages:					
Division of Planning and Zoning	152,073.81		102,073.81	75,948.40	26,125.41
Division of Engineering	217,600.66		156,600.66	130,242.38	26,358.28
Other Expenses:					
Division of Planning and Zoning	102,000.00		102,000.00	75,000.00	27,000.00
Planning Board	502.31	1,069.00	1,571.31	1,412.75	158.56
Zoning Board Adjustment	6,311.67	2,345.45	8,657.12	2,076.45	6,580.67
Rent Control Board	1,400.00		1,400.00	-	1,400.00
Environmental Commission	1,300.00		1,300.00	-	1,300.00
Division of Engineering	61,771.36	13,415.72	75,187.08	62,590.57	12,596.51
UNCLASSIFIED					
Insurance:					
Group Insurance Plan for Employees	41,022.56		921,022.56	921,022.56	-
Other Insurance and Surety Bonds	12,421.65	1,292.32	13,713.97	12,228.14	1,485.83

SCHEDULE OF 2018 APPROPRIATION RESERVES

	BALANCE DEC. 31, 2018	2018 ENCUMB	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
UNCLASSIFIED (cont'd.)					
Emergency Management Services					
Other Expenses	$	$ 15,000.00	$ 15,000.00	$ 15,000.00	$ -
Ethics Commission	7,727.63	1,007.86	8,735.49	1,007.86	7,727.63
Condominium Services	160,000.00		160,000.00	160,000.00	-
Celebration of Public Events	8,093.95	2,200.00	10,293.95	-	10,293.95
Salary Adjustment	434,577.55		434,577.55	434,577.55	-
Municipal Court					
Salaries and Wages	52,742.24		52,742.24	32,962.51	19,779.73
Other Expenses	18,588.93	4,925.92	23,514.85	2,795.65	20,719.20
Uniform Construction Code					
Edison Constr. Enforcing Agency:					
Salaries and Wages	357,559.51		357,559.51	296,692.19	60,867.32
Other Expenses	76,059.31	177,110.39	253,169.70	238,247.47	14,922.23
Employee Health Benefit Waivers					
Salaries and Wages	47,433.74		47,433.74	47,433.74	-
Total Operations Within "CAPS"	8,682,286.24	1,920,070.49	10,491,356.73	8,018,876.97	2,472,479.76
Contingent	2,879.36	11,150.00	14,029.36	-	14,029.36
Total Operations Including Contingent Within "CAPS"	8,685,165.60	1,931,220.49	10,505,386.09	8,018,876.97	2,486,509.12
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL WITHIN "CAPS"					
Deferred Charges					
Prior Year Bills		48,006.46	48,006.46	48,006.46	-
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	16,226.20		82,226.20	4,984.14	77,242.06
Social Security System (O.A.S.I.)	94,468.21		94,468.21	-	94,468.21
Police and Firemen's Retirement System			45,000.00	38,825.14	6,174.86
DCRP Employer Contributions	51,605.17		51,605.17	2,636.10	48,969.07
Total Deferred Charges and Statutory Expenditures Municipal Within "CAPS"	162,299.58	48,006.46	321,306.04	94,451.84	226,854.20
Total General Appropriations for Municipal Purposes Within "CAPS"	8,847,465.18	1,979,226.95	10,826,692.13	8,113,328.81	2,713,363.32

SCHEDULE OF 2018 APPROPRIATION RESERVES

		BALANCE DEC. 31, 2018	2018 ENCUMB	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
OTHER OPERATIONS EXCLUDED FROM "CAPS"						
Maintenance of Free Public Library		$ 473,141.20	$ 141,642.47	$ 614,783.67	$ 614,783.67	$ -
Length of Service Award Program (LOSAP) Other Expenses		100,000.00		100,000.00	33,000.00	67,000.00
Total Other Operations Excluded from "CAPS"		573,141.20	141,642.47	714,783.67	647,783.67	67,000.00
Total General Appropriations		$ 9,420,606.38	$ 2,120,869.42	$ 11,541,475.80	$ 8,761,112.48	$ 2,780,363.32
	Ref.	A	A-18			A-1
Appropriation Reserves	A			$ 9,420,606.38		
Reserve for Encumbrances	A-18			2,120,869.42		
				$ 11,541,475.80		
Cash Disbursements	A-4				$ 4,336,275.07	
2019 Budget Revenues	A-2				3,245,000.00	
Due to Municipal Library	A-14				416,533.19	
Condominium Services	A-14				160,000.00	
Salary Adjustment	A-14				434,577.55	
Accounts Payable	A-14				168,726.67	
					$ 8,761,112.48	

Exhibit - A-16

SCHEDULE OF TAX OVERPAYMENTS

	REF.		
Balance - December 31, 2018	A		$ 439,538.11
Increased by:			
Cash Overpayments Collected - Collector	A-4		1,137,095.01
			1,576,633.12
Decreased by:			
Refunds	A-4	$ 374,136.08	
Tax Overpayments Cancelled	A-1	10.96	
Applied to Taxes Receivable	A-7	590,129.28	
			964,276.32
Balance - December 31, 2019	A		$ 612,356.80

Exhibit - A-17

SCHEDULE OF RESERVE FOR TAX APPEALS

	REF.	
Balance - December 31, 2018	A	$ 4,472,725.57
Increased by:		
2019 Budget Appropriation	A-3	1,790,000.00
		6,262,725.57
Decreased by:		
State Tax Appeal Judgment Refunds	A-4	442,104.65
Balance - December 31, 2019	A	$ 5,820,620.92

Exhibit - A-18

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	REF.	CURRENT FUND	GRANT FUND
Balance - December 31, 2018	A	$ 2,120,869.42	$ 38,875.20
Increased by:			
Charges to:			
2019 Budget Appropriations	A-3	2,253,522.26	
State & Federal Grant Appropriations	A-25		39,749.59
		4,374,391.68	78,624.79
Decreased by:			
Transferred to 2018 Approp. Reserves	A-15	2,120,869.42	
Transferred to State & Federal Grant Appropriations	A-25		38,875.20
		2,120,869.42	38,875.20
Balance - December 31, 2019	A	$ 2,253,522.26	$ 39,749.59

Exhibit - A-19

SCHEDULE OF RESERVE FOR SPECIAL GARBAGE DISTRICT

	REF.		
Balance - December 31, 2018	A		$ 5,473,653.63
Increased by:			
2019 Garbage District Tax Levy	A-1,A-2,A-7	$ 9,979,471.26	
Added and Omitted Taxes	A-1,A-2,A-7	43,338.99	
			10,022,810.25
			15,496,463.88
Decreased by:			
Payments	A-4		10,205,469.84
Balance - December 31, 2019	A		$ 5,290,994.04

Analysis of Balance at December 31, 2019

Liabilities	$ 2,795,437.99
Fund Balance	2,495,556.05
	$ 5,290,994.04

Exhibit - A-20

SCHEDULE OF SPECIAL EMERGENCY NOTE

	REF.	
Balance - December 31, 2018	A	$ -
Increased by:		
Cash Receipts	A-4	2,263,600.00
Balance - December 31, 2019	A	$ 2,263,600.00

Exhibit A-21

CURRENT FUND
SCHEDULE OF TAXES PAYABLE

	Balance Dec. 31,2018	Taxes Levied	Cash Disbursements	Balance Dec. 31,2019
County - General	$ -	$ 62,348,029.05	$ 62,348,029.05	$ -
County - Open Space	-	5,235,608.02	5,235,608.02	-
County - Added & Omitted	-	273,681.26	273,681.26	-
Local District School Taxes	9,441,654.00	223,563,032.00	223,563,032.00	9,441,654.00
Total	$ 9,441,654.00	$ 291,420,350.33	$ 291,420,350.33	$ 9,441,654.00
Ref.	A	A-1,A-2,A-7	A-4	A

Exhibit - A-22

SCHEDULE OF DEFERRED CHARGES

	BALANCE DEC. 31,2018	RESULTS OF CY 2019	RAISED IN CY 2019 BUDGET	BALANCE DEC. 31,2019
Special Emergency				
Special Emergency - Accrued Sick - 2014	$ 115,600.00	$ -	$ 115,600.00	$ -
Special Emergency - Accrued Sick - 2015	285,600.00		142,800.00	142,800.00
Special Emergency - Accrued Sick - 2016	498,000.00		166,000.00	332,000.00
Special Emergency - Accrued Sick - 2017	1,104,000.00		276,000.00	828,000.00
Special Emergency - Accrued Sick - 2018	1,201,000.00		240,200.00	960,800.00
Special Emergency - Accrued Sick - 2019		975,000.00		975,000.00
	$ 3,204,200.00	$ 975,000.00	$ 940,600.00	$ 3,238,600.00
Ref.	A	A-3	A-3	A

Exhibit - A-23

SCHEDULE OF DUE FROM CURRENT FUND
STATE AND FEDERAL GRANTS FUND

	REF.		
Balance - December 31, 2018	A		$ 1,246,243.85
Increased by:			
Grant Proceeds Deposited to Current Fund	A-24	$ 1,006,592.24	
2019 Budgeted Grant Appropriations	A-25	1,493,499.41	
Grants Unappropriated Deposited to Current Fund	A-26	15,345.00	
			2,515,436.65
			3,761,680.50
Decreased by:			
2019 Budgeted Grant Revenues	A-24	1,493,499.41	
Grants Expended by Current Fund	A-25	1,356,067.30	
			2,849,566.71
Balance - December 31, 2019	A		$ 912,113.79

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
STATE AND FEDERAL GRANTS FUND

PROGRAM	BALANCE DEC. 31, 2018	2019 BUDGET REVENUE	CASH RECEIPTS	BALANCE DEC. 31, 2019
Body Armor Grant	$	$ 31,333.26	$ 16,060.78	$ 15,272.48
Bulletproof Vest Partnership Grant	19,099.02			19,099.02
Clean Communities Grant		185,575.14	185,575.14	
Distracted Driving Crackdown		5,500.00	5,500.00	
Drive Sober of Get Pulled Over Laborr Day Crackdown Grant		5,500.00	5,500.00	
Drive Sober of Get Pulled Over Year End Crackdown Grant		5,500.00	5,486.25	13.75
Drunk Driving Enforcement Fund		14,378.94	14,378.94	
Dudash Park Middlesex Greenway Access Enhance. Grant		24,000.00		24,000.00
Edison Multi-Site Park Revitalization Project Grant		350,000.00		350,000.00
Edward Byrne Grant - Local Solicitation	11,740.00			11,740.00
FM Global Fire Prevention Grant		1,642.00	1,642.00	
Highway Safety Fund Grant	39,494.13	16,500.00		55,994.13
H Mart Grant		20,000.00	20,000.00	
Jewish Renaissance Foundation - Summer Employment Prog	4,146.52			4,146.52
Middlesex County Improvement Authority Recycling Grant		30,690.00	30,690.00	
Middlesex County Nutrition Program		6,000.00	6,000.00	
Middlesex County Recycling Enhancement Grant		7,500.00	7,500.00	
Middlesex County Art Grant	1,875.00	9,500.00	9,000.00	2,375.00
Middlesex County Teen Art Grant		1,200.00	1,200.00	
Municipal Alliance Grant	10,017.58	89,447.00	92,516.71	6,947.87
Municipal Alliance Special Project Grant FY 2019	6,000.00			6,000.00
NJ DOT - New Dover Road Resurfacing	75,916.43			75,916.43
NJ DOT - Edison Train Station Grant	450,000.00			450,000.00
NJ Municipal Aid - Talmadge Road Phase III		210,000.00	210,000.00	
NJDH CAHP CLEP Program 2018-2020		95,054.00	95,054.00	
Pedestrian Education & Enforcement Grant		31,350.00	14,391.85	16,958.15
Sec 319(H) Nonpoint Control & Mgmt Imple Grant		65,000.00		65,000.00
Solid Waste Recycling Tonnage Grant		269,329.07	269,329.07	
Specific Traffic Enforcement Program		16,500.00	14,767.50	1,732.50
Sustainable Jersey Small Grant		2,000.00	2,000.00	
Walmart Grant	500.00			500.00
	$ 618,788.68	$ 1,493,499.41	$ 1,006,592.24	$ 1,105,695.85
Ref.	A	A-2,A-23	A-23	A

SCHEDULE OF RESERVE FOR STATE AND
FEDERAL GRANTS - APPROPRIATED

PROGRAM	BALANCE DEC. 31, 2018	TRANSFERRED FROM 2019 BUDGET	APPROPRIATED BY 40A:4-87	12/31/18 ENCUMBRANCE	PAID OR CHARGED	12/31/19 ENCUMBRANCE	BALANCE DEC. 31, 2019
Alcohol Education and Rehabilitation Fund	$ 2,029.41	$ -	$ -	$ -	$ -	$ -	$ 2,029.41
Body Armor Fund - 2011				183.44	183.44		-
Body Armor Fund - 2013	5,157.04					5,157.04	-
Body Armor Fund - 2015	4,011.63				2,865.00	1,146.63	-
Body Armor Fund - 2016				3,796.54	3,796.54		-
Body Armor Fund - 2017				15,283.50	15,283.50		-
Body Armor Fund - 2019		16,060.78	15,272.48			8,341.97	22,991.29
Bulletproof Vest Partnership Grant				310.70	310.70		-
Cablevision Public Education Government Access Grant	40,000.00						40,000.00
Clean Communities Program							
(CY2013)	290.00						290.00
(CY2016)	278.73						278.73
(CY2017)	6,507.50			2,450.00	7,407.50	1,550.00	-
(CY2018)	151,141.73			1,088.40	145,489.80	4,109.45	2,630.88
(CY2019)	166,404.65						166,404.65
(CY2020)		185,575.14				1,975.00	183,600.14
Conservation Resources Inc Grant	25,068.92						25,068.92
Dismal Swamp Stewardship Contribution	50,000.00						50,000.00
Distracted Drive Crackdown		5,500.00			5,500.00		-
Dudash Park Middlesex Greenway Access Enhancement Grant			24,000.00				24,000.00
Drive Sober of Get Pulled Over Labor Day Crackdown Grant			5,500.00		4,702.50		797.50
Drive Sober of Get Pulled Over Year End Crackdown Grant		5,500.00			5,486.25		13.75
Drunk Driving Enforcement Fund	31,794.28		14,378.94				46,173.22
Edison Multi-Site Park Revitalization Project Grant			350,000.00		350,000.00		-
EMA/Bridges Teen Experiental Theater	2,500.00				1,006.11		1,493.89
Empire Recycling - Edison Environmental Comm	854.81						854.81
Enhanced 9-1-1 Equipment Grant	10,220.05						10,220.05
Enhanced 9-1-1 General Assistance Grant	12,258.16						12,258.16
Exxon Mobil Corporation Grant	1,680.11						1,680.11
FM Global Fire Prevention Grant			1,642.00			1,642.00	-
H-Mart Grant	5,000.00	10,000.00	10,000.00	5,000.00	2,024.77	10,312.70	17,662.53
Hazardous Discharge Site Remediation	64,832.91						64,832.91
Hepatitis B Inoculations	1,534.05			12.70	1,015.54		531.21
Highway Safety Fund Grant	1,433.13		16,500.00	836.00	2,269.13		16,500.00
Influenza A-H1N1 Grant	2,691.58			2,346.75	2,346.75		2,691.58
Investors Foundation Grant	5,000.00				1,000.00		4,000.00
Jewish Renaissance Found. - Summer Employment Prog	6,526.05						6,526.05
Keep Middlesex Moving	5,902.00						5,902.00
Middlesex County Art Grant	14,676.76	9,500.00		409.50	8,184.06	1,249.36	15,152.84
Middlesex County Cultural & Heritage Commission				1,197.38	(213.60)		1,410.98

SCHEDULE OF RESERVE FOR STATE AND
FEDERAL GRANTS - APPROPRIATED

PROGRAM	BALANCE DEC. 31, 2018	TRANSFERRED FROM 2019 BUDGET	APPROPRIATED BY 40A:4-87	12/31/18 ENCUMBRANCE	PAID OR CHARGED	12/31/19 ENCUMBRANCE	BALANCE DEC. 31, 2019
Middlesex County Improvement Authority Recycling Grant	$ 46,035.00	$ 30,690.00	$ -	$ -	$ -	$ -	$ 76,725.00
Middlesex County Gateway to Theater Row	3,900.00						3,900.00
Middlesex County Nutritional Program	12,028.05	6,000.00		1,771.11	2,225.03	819.46	16,754.67
Middlesex County Oak Crest Swim Club Grant	9,053.50						9,053.50
Middlesex County Pedestrian Bike Grant	7,943.37						7,943.37
Middlesex County Quality of Life	4,976.21						4,976.21
Middlesex County Recycling Enhancement Grant	15,000.00	7,500.00			2,024.96		20,475.04
Middlesex County Teen Art Grant		1,200.00					1,200.00
Municipal Alliance Program							
(SFY2013)				124.00	65.54		58.46
(SFY2014)	137.71						137.71
(SFY2015)				257.41	68.71	188.70	-
(SFY2016)	91.60						91.60
(SFY2017)	-			598.57	205.00	393.57	-
(SFY2018)	227.69			319.46	154.59		392.56
(SFY2019)	236.67			1,547.94	708.87	58.15	1,017.59
(SFY2020)		89,447.00			86,891.63	2,364.86	190.51
Municipal Alliance - Competitive RFA Grant	5,000.00						5,000.00
NJDH CAHP CLEP Program 2018-2020			95,054.00		25,717.11		69,336.89
NJ DOT Discretionary Aid- New Dover Road Resurfacing	144,286.59						144,286.59
NJ DOT Edison Train Station Grant	450,000.00						450,000.00
NJ DOT Talmadge Road Resurfacing 2016	202,500.00				202,500.00		-
NJ Municipal Aid - Talmadge Road Resurfacing	150,000.00				150,000.00		-
NJ Municipal Aid - Talmadge Road Resurfacing - Phase III			210,000.00		210,000.00		-
Pandemic Flu Grant	5,271.36						5,271.36
Pedestrian Education & Enforcement Grant		14,850.00	16,500.00		14,446.85		16,903.15
Safe and Secure Communities Program (CY2013)	8,617.28						8,617.28
Section 319(H) Nonpoint Pollution Control and Management Implementation Grant			65,000.00				65,000.00
Smart Growth Cross Acceptance Grant	38,819.16						38,819.16
Solid Waste Recycling Grant	95,913.94	269,329.07		600.00	87,333.52		278,509.49
Specific Traffic Enforcement Program		16,500.00			14,767.50		1,732.50
Sustainable Growth New Jersey	2,339.91						2,339.91
Sustainable Jersey Small Grant			2,000.00		300.00		1,700.00
Target Strengthening Families	2,000.00						2,000.00
Walmart Grant	2,085.79			741.80		440.70	2,386.89
	$ 1,824,257.33	$ 667,651.99	$ 825,847.42	$ 38,875.20	$ 1,356,067.30	$ 39,749.59	$ 1,960,815.05
Ref.	A	A-3,A-23	A-3,A-23	A-18	A-23	A-18	A

Exhibit - A-26

SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS - UNAPPROPRIATED

PROGRAM		BALANCE DEC. 31, 2018	CASH RECEIPTS	BALANCE DEC. 31, 2019
MCIA Recycling Grant		$ -	$ 15,345.00	$ 15,345.00
		$ -	15,345.00	$ 15,345.00
	Ref.	A	A-23	A

Exhibit - A-27

SCHEDULE OF UNALLOCATED RECEIPTS STATE AND FEDERAL GRANTS FUND

	REF.	
Balance - December 31, 2019 and 2018	A	$ 1,900.00

TRUST FUND

SCHEDULE OF TRUST CASH AND INVESTMENTS - TREASURER

	REF.	ANIMAL CONTROL FUND		TRUST-OTHER FUND		HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974		LANDFILL CLOSURE - LOCAL ESCROW FUND	
Balance - December 31, 2018	B		$ 155,518.33		$ 22,988,146.78		$ 130,869.46		$ 2,222,066.22
Increased by Receipts:									
Collector	B-3	$ 27,659.39							
Accts. Receivable - U.S. Dept. of Housing and Urban Development	B-8					$ 393,648.06			
Reserve for Open Space	B-9			$ 38,140.15					
Municipal Animal Shelter Fees	B-13	198,671.04							
Escrow Funds	B-14			330.00					
Other Reserves	B-15			4,705,400.79					
Refunds on Redemp. of Tax Sale Prem.	B-16			3,915,775.29					
Reserve For Off Duty Public Safety	B-16			3,115,276.75					
Reserves For HUD Expenditures	B-16					57,275.14			
Landfill Closure - Local Escrow Fund	B-16							$ 325,928.50	
Interfunds	B-17,B-18	3,812.40		724,652.27		-			
			230,142.83		12,499,575.25		450,923.20		325,928.50
			385,661.16		35,487,722.03		581,792.66		2,547,994.72
Decreased by Disbursements:									
Reserve for Open Space	B-9			552,551.25					
State Dog License Fees	B-11	3,418.20							
Expenditures Under R.S. 4:19.11	B-13	202,960.46							
Escrow Funds	B-14			17,412.72					
Other Reserves Disbursed	B-15			2,906,553.41					
Refunds on Redemp. of Tax Sale Prem.	B-16			4,682,171.64					
Reserve For Off Duty Public Safety	B-16			3,192,375.65					
Commun. Develop. Block Grant Expends.	B-16					366,664.95			
Landfill Closure - Local Escrow Fund	B-16							418.00	
Interfunds	B-17,B-18	4,045.26		653,557.03		26,983.09			
			210,423.92		12,004,621.70		393,648.04		418.00
Balance - December 31, 2019	B		$ 175,237.24		$ 23,483,100.33		$ 188,144.62		$ 2,547,576.72

SCHEDULE OF TRUST CASH AND INVESTMENTS - TREASURER

	REF.	D.E.P. LANDFILL CLOSURE ESCROW FUND		B.P.U. LANDFILL CLOSURE ESCROW FUND		SELF INSURANCE TRUST FUND		DEVELOPER'S ESCROW TRUST FUND	
Balance - December 31, 2018	B		$ 4,551,444.43		$ 12,600,590.62		$ 308,896.56		$ 1,683,808.22
Increased by Receipts:									
Investment Income:									
D.E.P. Landfill Closure Escrow Fund	B-16	$ 117,239.22							
B.P.U. Landfill Closure Escrow Fund	B-16			$ 308,398.58					
Self Insurance Trust Fund	B-16					$ -			
Developer's Escrow Fund Deposits	B-16							$ 1,699,362.91	
			117,239.22		308,398.58		-		1,699,362.91
			4,668,683.65		12,908,989.20		308,896.56		3,383,171.13
Decreased by Disbursements:									
D.E.P. Reserves For Landfill Closure	B-16	21,891.04							
B.P.U. Reserves For Landfill Closure	B-16			47,469.08					
Payment of Insurance Claims & Costs	B-16					77,985.79			
Developer' s Escrow Fund	B-16							1,174,829.18	
			21,891.04		47,469.08		77,985.79		1,174,829.18
Balance - December 31, 2019	B		$ 4,646,792.61		$ 12,861,520.12		$ 230,910.77		$ 2,208,341.95

Exhibit - B-3

SCHEDULE OF TRUST CASH - COLLECTOR

	REF.	ANIMAL CONTROL FUND
Increased by:		
Dog Registrar	B-7	$ 27,659.39
Decreased by:		
Paid to Treasurer	B-2	$ 27,659.39

Exhibit - B-4

ANALYSIS OF ASSESSMENT TRUST CASH AND INVESTMENTS

	BALANCE DEC 31, 2018	BALANCE DEC 31, 2019
Fund Balance	$ 1,303.00	$ 1,303.00
Due from Trust-Other Fund	(20,063.00)	(20,063.00)
Due to Current Fund	18,760.00	18,760.00
	$ -	$ -
Ref.	B	B

Exhibit - B-5

SCHEDULE OF ASSESSMENT LIEN INTEREST AND COSTS

	REF.	
Balance - December 31, 2018	B	$ 74.00
Balance - December 31, 2019	B	$ 74.00

Exhibit - B-6

SCHEDULE OF ASSESSMENT LIENS

NO.	IMPROVEMENT DESCRIPTION		BALANCE DEC 31, 2018	BALANCE DEC 31, 2019
57	1966 Sanitary Sewers - Garfield, Ellis Pkwy. Area		$ 97.00	$ 97.00
		Ref.	B	B

Exhibit - B-7

SCHEDULE OF DUE FROM DOG REGISTRAR
ANIMAL CONTROL FUND

	REF.	
Increased by:		
Municipal Dog Licenses	B-13	$ 27,659.39
Decreased by:		
Paid to Collector	B-3	$ 27,659.39

Exhibit - B-8

SCHEDULE OF ACCOUNTS RECEIVABLE

	REF.	Total	US DEPT OF HOUSING AND URBAN DEVELOPMENT	HOUSING OPPORTUNITIES FOR PEOPLE WITH AIDS
Balance - December 31, 2018	B	$ 1,216,589.17	$ 1,033,300.52	$ 183,288.65
Increased by:				
Community Develop. Block Grant Allotment Program Year 2019	B-16	543,858.00	543,858.00	
		543,858.00	543,858.00	-
		1,760,447.17	1,577,158.52	183,288.65
Decreased by:				
Cash Receipts	B- 2	393,648.06	393,648.06	
		393,648.06	393,648.06	-
Balance - December 31, 2019	B	$ 1,366,799.11	$ 1,183,510.46	$ 183,288.65

Exhibit - B-9

SCHEDULE OF RESERVE FOR OPEN SPACE

	REF.	
Balance - December 31, 2018	B	$ 2,061,951.88
Increased by:		
Cash Receipts - Interest Earned on Investments	B- 2	38,140.15
		2,100,092.03
Decreased by:		
Cash Disbursements - Debt Service Principal and Interest	B- 2	552,551.25
Balance - December 31, 2019	B	$ 1,547,540.78

Exhibit - B-10

SCHEDULE OF RESERVE FOR ASSESSMENTS, LIENS AND INTEREST AND COSTS
ASSESSMENT TRUST FUND

	BALANCE DEC 31, 2018	BALANCE DEC 31, 2019
Assessment Liens:		
1966 Sanitary Sewers - Garfield, Ellis Pkwy. Area Sanitary Sewers - Madeline Drive Area	$ 97.00	$ 97.00
Assessment Lien Interest and Costs	74.00	74.00
	$ 171.00	$ 171.00
REF.	B	B

Exhibit - B-11

SCHEDULE OF DUE TO STATE OF NEW JERSEY
ANIMAL CONTROL FUND

	REF.	
Balance - December 31, 2018	B	$ 24.60
Increased by:		
State Dog License Fees Collected	B-13	3,430.20
		3,454.80
Decreased by:		
Payments to State of New Jersey	B-2	3,418.20
Balance - December 31, 2019	B	$ 36.60

Exhibit-B-12

SCHEDULE OF RESERVE FOR ENCUMBRANCES
ANIMAL CONTROL FUND

	REF.	
Balance - December 31, 2018	B	$ 89,362.99
Increased By:		
Charges to Reserve For Animal Control Expenditures	B-13	12,985.19
Balance - December 31, 2019	B	$ 102,348.18

Exhibit - B-13

SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES
ANIMAL CONTROL FUND

	REF.		
Balance - December 31, 2018	B		$ 65,712.67
Increased by:			
Municipal Animal Shelter Fees	B-2	$ 198,671.04	
Dog and Cat Licences Fees	B-7	27,659.39	
			226,330.43
			292,043.10
Decreased by:			
Expenditures Under R.S. 4:19.11	B-2	202,960.46	
Due to State of New Jersey	B-11	3,430.20	
Encumbrances Payable	B-12	12,985.19	
Statutory Excess Due to Current Fund	B-18	11,001.57	
			230,377.42
Balance - December 31, 2019	B		$ 61,665.68

License Fees Collected:

Year	Amount
2017	$33,273.94
2018	28,391.74
	$61,665.68

Note: R.S. 4:19.11

". . . . . there shall be transferred from such special account to the general funds of the municipality any amount then in such special account which is in excess of the total amount paid into such special account during the last two fiscal years next preceding."

SCHEDULE OF OTHER ESCROW FUNDS
TRUST-OTHER FUND

	BALANCE DECEMBER 31, 2018	2019 INCREASES	2019 DECREASES	BALANCE DECEMBER 31, 2019
All Purpose Management Co.	$ 4,537.25	$ -	$ -	$ 4,537.25
Anthony Constr. Co.	216.30			216.30
American Real Estate - Performance Guarantee	55,629.60			55,629.60
Birchwood Estates (Temp. C of O)	500.00			500.00
Board of Health - Needy Families	211.00			211.00
Brach (Performance Guarantee)	41,180.18			41,180.18
Buchanen - Minnie Veal Center	50.00			50.00
Caintree Construction Co.	3,000.00			3,000.00
Center Valley Homes (Wst. Hms. Monuments)	600.00			600.00
College Park Env. Investigation	4,335.00			4,335.00
Concord Homes (In Lieu of Performance Bond)	775.15			775.15
Conrail	5,816.40			5,816.40
Constr. - Widening of Woodland Ave.	21,000.00			21,000.00
Crime Prevention Fund	736.31			736.31
Cyzner, Irv-escrow & grading	2,000.00			2,000.00
Dan Barrie Realty (In Lieu of Perf. Bond)	951.04			951.04
Dan Barrie Realty (In Lieu of Maint. Bond)	3,057.75			3,057.75
Dan Barrie (In Lieu of Bond - Nanci Terr.)	1,461.05			1,461.05
Dan-Lap Realty (Dolco Pizza Site)	1,500.00			1,500.00
Denwick Inc. (Temp. C of O)	4,625.00			4,625.00
Donation - Fire Department	2,007.46	330.00		2,337.46
Donation - Public Library	2,500.00			2,500.00
Donation - Police Department	629.00			629.00
Donation - Oak Tree Pond Flag - Provident Bank	210.00			210.00
Donation - Bullet Proof Vests	1,000.00			1,000.00
Donation - Animal Shelter	723.58			723.58
Donation - Stenukinas	35.00			35.00
Donation - Exxon Fire Safety Program	1,000.00			1,000.00
Donation - Fishing Derby Recreation	25.00			25.00
Donation - Edison Rescue Squad - J. Keane	100.00			100.00
Donation - Edison Senior Center	485.00			485.00
Donation - Edison Township EMS	230.00			230.00
Drummond Develop. Co.	181.10			181.10
Edgewood Property	432.00			432.00
Edison 911 Memorial Fund Donations	1,305.49			1,305.49
Edison Manor (Monuments)	960.00			960.00
Edison Tower Restoration (Pavers)	560.00			560.00
Edison Tower Donation - C.Dammers	1,000.00			1,000.00
Eliz. Van Sickle (Sidewalks)	1,800.00			1,800.00
Farraro Constr. (Paving)	500.00			500.00
Festival Donations	600.00			600.00
Fire Donation - Dedicated for Fire Equip.	159.00			159.00
Fire Donation - Commerce Bank	1,945.00			1,945.00
Fire Donations	1,475.00			1,475.00
Fire Escrows	1,534.00			1,534.00
Fire Fines & Penalties	100.00			100.00
Firestone Builders (In Lieu of Bond)	457.65			457.65
Ford Motors - Reuse of Property	2,558.62			2,558.62
Ford Motors - Environmental Escrow Funds	70,000.00			70,000.00
Fred Adams (Curbs)	700.00			700.00
Gash (In Lieu of Bond)	938.00			938.00
Glendale Properties - Off Site Improvement	40,000.00			40,000.00
Goodstanding Escrow	3,475.00			3,475.00
Graphics Materials	359.80			359.80
Groveland Development (In Lieu)	242.75			242.75
Guaranteed Constr-shade trees	200.00			200.00
Guaranteed Constr-trees	420.00			420.00
H.B. Snyder Sr. (In Lieu of Bond)	2,222.00			2,222.00
Hands-On-Science	767.32			767.32
Hartz Mountain	5,382.68			5,382.68
Hawkeye (In Lieu of Improv.)	6,384.00			6,384.00
Health Fair Deposits	130.00			130.00

SCHEDULE OF OTHER ESCROW FUNDS
TRUST-OTHER FUND

	BALANCE DECEMBER 31, 2018	2019 INCREASES	2019 DECREASES	BALANCE DECEMBER 31, 2019
Heatherwood Villas Sec. III (Monuments)	$ 240.00	$ -	$ -	$ 240.00
Heatherwood Villas (Monuments)	60.00			60.00
Homeless Donation	15.00			15.00
Indian Festival Deposits	1,000.00			1,000.00
Irene Builder (In Lieu of Maint. Bond)	306.60			306.60
J. Appezzaro Inc. (Grading, Curbs)	600.00			600.00
J. Morris Constr. (In Lieu of Perf. Bond)	14,730.00			14,730.00
J. Wagner - Curbing	900.00			900.00
Jade Dynasty (Landscaping)	250.00			250.00
James Hansen (Curbs and Gutters)	1,300.00			1,300.00
John Leahy-in lieu of bond	8,294.40			8,294.40
Jos. a. Hall (In Lieu of Bond)	3,910.00			3,910.00
Kelliko Constr. (Monuments)	400.00			400.00
Krauzers Realty - Fencing, Landscape	500.00			500.00
Lenguy Constr. Co. (Paving, Trailer Removal)	500.00			500.00
L'Honmedieu Donation (Van Purchase)	5,358.28			5,358.28
Mathews (Improvements)	1,000.00			1,000.00
Memorial Day Parade Donations	7,450.37		4,374.00	3,076.37
Menlo Park Museum	210.00			210.00
Menlo Park Plaza-held in escrow	4,012.50			4,012.50
Metroplex (Temp. C of O Hometown Bank)	12,226.00			12,226.00
Milcsik/Kalman (Site Improv., Sidewalks)	500.00			500.00
Mili Develop. Corp. Phili Estates	343.30			343.30
Mithilesh Metha - Escrow for 265 Wood Ave.	250.00			250.00
Monument Escrow Fund	2,095.00			2,095.00
Morris Ind. Builders (Landscaping)	2,000.00			2,000.00
Mr.Fix-it Program	218.35			218.35
New Durham Ind. Park (Offsite Improv.)	1,910.00			1,910.00
(In Lieu of Maint. Bond)	2,280.50			2,280.50
N.J. Newsdealer Holding Co.	2,825.00			2,825.00
O'Connor Mgmt. (Menlo Park-Oross)	1,020.00			1,020.00
Paltuco Ind. Inc. (In Lieu of Maint. Bond)	1,086.00			1,086.00
Petracca (In Lieu of Bond - Monuments)	625.00			625.00
Phil Damico (Landscaping)	1,100.00			1,100.00
Quality Care Before/After School	1,700.00			1,700.00
R. Catena - Construction Upgrade to Main St.	25,000.00			25,000.00
Sal Pezzello-curbs & gutters	2,000.00			2,000.00
Senior Citizens-Donations	(801.60)			(801.60)
South View Develop. (Monuments	840.00			840.00
Spragers/FHC Serv. Inc.	1,100.00			1,100.00
S. Prasa-In Memory	300.00			300.00
Stacie Ann Builders (In Lieu of Maint. Bond)	295.00			295.00
Summit Assoc. (Monuments)	6,210.00			6,210.00
Talmadge Realty Assoc.	25,000.00			25,000.00
Tax Collector Receipts-unallocated	101.00			101.00
Torsiello Constr. (Install Curbs)	1,000.00			1,000.00
Vaccaro (In Lieu of Maintenance Bond)	391.30			391.30
Visco-Heatherwood Villas	120.00			120.00
Visco-Heatherwood Villas IV	240.00			240.00
Visco-Heatherwood Villas (In Lieu of Bond)	180.00			180.00
Visco - In Lieu of bond	564.12			564.12
Walter Ostergaard (Sidewalks)	300.00			300.00
Wigwam (Woodside - Grading)	1,300.00			1,300.00

SCHEDULE OF OTHER ESCROW FUNDS
TRUST-OTHER FUND

	BALANCE DECEMBER 31, 2018	2019 INCREASES	2019 DECREASES	BALANCE DECEMBER 31, 2019
Sidewalk Waiver Fund-Abdul Aziz	$ 7,708.00	$ -	$ -	$ 7,708.00
Sidewalk Waiver Fund-Ajay Kakar	5,735.20			5,735.20
Sidewalk Waiver Fund-Alaguraj B498, L12AB	5,300.00			5,300.00
Sidewalk Waiver Fund-Alfred Cackowski	6,564.00			6,564.00
Sidewalk Waiver Fund-Alok 1783 Woodland	3,042.00			3,042.00
Sidewalk Waiver Fund - Anda Builders	12,940.00			12,940.00
Sidewalk Waiver Fund - Ashkay Patel	3,864.00			3,864.00
Sidewalk Waiver Fund - Ashok Patel	3,280.00			3,280.00
Sidewalk Waiver Fund - CJ Construction	2,044.00			2,044.00
Sidewalk Waiver Fund - Consolidated C.C.	3,600.00			3,600.00
Sidewalk Waiver Fund - Custom Pro Corp	10,200.00			10,200.00
Sidewalk Waiver Fund - Dominick Guido	2,800.00			2,800.00
Sidewalk Waiver Fund - Edgewood Estates Builder	4,785.00			4,785.00
Sidewalk Waiver Fund - Emerald Invest	7,200.00			7,200.00
Sidewalk Waiver Fund - Erez Shimoni	2,800.00			2,800.00
Sidewalk Waiver Fund - Ferraro Construction	21,019.00			21,019.00
Sidewalk Waiver Fund - Fox & Foxx	21,958.00			21,958.00
Sidewalk Waiver Fund - Frank Zappia	1,950.00			1,950.00
Sidewalk Waiver Fund - Hawkeye	6,960.00			6,960.00
Sidewalk Waiver Fund - Home Plus	1,170.00			1,170.00
Sidewalk Waiver Fund - Island Home	3,600.00			3,600.00
Sidewalk Waiver Fund - J. Burro	3,851.00			3,851.00
Sidewalk Waiver Fund - J. Grabowsili	1,800.00			1,800.00
Sidewalk Waiver Fund - J. Imperiale	1,600.00			1,600.00
Sidewalk Waiver Fund - JC Construction	1,800.00			1,800.00
Sidewalk Waiver Fund - James Keane	10,560.00			10,560.00
Sidewalk Waiver Fund - Jayshree P Vyas	2,800.00			2,800.00
Sidewalk Waiver Fund - Jeffery Coleman	6,548.00			6,548.00
Sidewalk Waiver Fund - John Rossiter	12,790.00			12,790.00
Sidewalk Waiver Fund - Jose Correia	3,807.00			3,807.00
Sidewalk Waiver Fund - Knock on Wood	8,180.00			8,180.00
Sidewalk Waiver Fund - Kula Construction	8,645.52			8,645.52
Sidewalk Waiver Fund - Leonard Construction	7,200.00			7,200.00
Sidewalk Waiver Fund-Liberty Property LT	17,456.00			17,456.00
Sidewalk Waiver Fund - Manor Homes	5,120.00			5,120.00
Sidewalk Waiver Fund - M. Bacalhau	3,610.00			3,610.00
Sidewalk Waiver Fund - M. Donato	2,592.00			2,592.00
Sidewalk Waiver Fund - MBA Hotel	1,200.00			1,200.00
Sidewalk Waiver Fund - Mihir Patel 1781 Woodland	5,420.00			5,420.00
Sidewalk Waiver Fund - Millenium Properties	6,852.00			6,852.00
Sidewalk Waiver Fund - Moda Painting	2,550.00			2,550.00
Sidewalk Waiver Fund - NJ General Contr	2,948.40			2,948.40
Sidewalk Waiver Fund - N. 1st Millenium Properties	6,400.95			6,400.95
Sidewalk Waiver Fund - Narendar Reddy	6,020.00			6,020.00
Sidewalk Waiver Fund - Nico Home Improvement	3,200.00			3,200.00
Sidewalk Waiver Fund - Northside Associates	3,648.00			3,648.00
Sidewalk Waiver Fund - Pagoda Homes	3,892.00			3,892.00
Sidewalk Waiver Fund - Paydar Construction	6,340.00			6,340.00
Sidewalk Waiver Fund - Pin Oak Builders	5,840.00			5,840.00
Sidewalk Waiver Fund - R Lipson	1,800.00			1,800.00
Sidewalk Waiver Fund - River View	2,790.00			2,790.00
Sidewalk Waiver Fund - S. Maher	1,200.00			1,200.00
Sidewalk Waiver Fund - Shabco Construction	31,793.55			31,793.55
Sidewalk Waiver Fund - Suburban R. Estates	3,060.00			3,060.00
Sidewalk Waiver Fund - Syed Ali	6,845.00			6,845.00
Sidewalk Waiver Fund - V. Homesile	4,599.00			4,599.00
Sidewalk Waiver Fund - Vishl Patel	1,250.00			1,250.00

SCHEDULE OF OTHER ESCROW FUNDS
TRUST-OTHER FUND

	BALANCE DECEMBER 31, 2018	2019 INCREASES	2019 DECREASES	BALANCE DECEMBER 31, 2019
Sidewalk Waiver Fund - William Gianpolo	$ 6,944.00	$ -	$ 2,718.72	$ 4,225.28
Sidewalk Waiver Fund - Zemol Construction	10,320.00		10,320.00	-
BAJR Develop. (Site Improvement)	900.00			900.00
BSS (Site Improv.)	4,440.00			4,440.00
Clara Barton Manor (Gulya - Site Improv.)	20,000.00			20,000.00
Edison Constr. Co. (Site Improv.)	1,385.41			1,385.41
Frederick Hill (Site Improvement)	1,000.00			1,000.00
Garden St. Bldg. (Site Improv.)	5,000.00			5,000.00
Garlotti Const-site improvement	8,000.00			8,000.00
Garlotti Const-site improvement	8,000.00			8,000.00
Gus Leontarakis-site improv	2,000.00			2,000.00
Laura Estates (Site Improvements)	1,000.00			1,000.00
Modular Structures (Site Improv.)	29,105.00			29,105.00
Morris Comp. (Site Improv.)	15,900.00			15,900.00
OTR Assoc. (Site Improvement)	10,000.00			10,000.00
Pribula (Site Improv.)	2,314.00			2,314.00
Price Club (Site Improvements)	5,000.00			5,000.00
Sudan Constr. (Site Improv.)	3,000.00			3,000.00
TOTAL	$ 932,108.63	$ 330.00	$ 17,412.72	$ 915,025.91
Ref.	B	B-2	B-2	B

Exhibit - B-15

SCHEDULE OF OTHER RESERVES
TRUST- OTHER FUND

PURPOSE	BALANCE DEC 31,2018	INCREASES	DECREASES	BALANCE DEC 31,2019
Accrued Sick Leave	$ 842,722.04	$ 975,000.00	$ 919,574.95	$ 898,147.09
Affordable Housing	4,309,673.36	1,860,469.63	284,650.06	5,885,492.93
Dedicated Municipal Alliance Funds	25,670.08	27,212.00	29,596.83	23,285.25
Engineering Insp.	83,002.40			83,002.40
Environmental Trust Donations	19,148.88	1,850.00	370.00	20,628.88
Fall Family Spectacular	16,091.90	3,500.00	650.00	18,941.90
Federal Forfeited Property	567,196.25	98,000.71	130,477.74	534,719.22
Fire Fines	53,499.43	11,750.00	45,581.40	19,668.03
Flexible Spending Account	18,651.70	18,895.86	24,115.96	13,431.60
Law Enforcement Expenditures	261,080.93	51,092.06	9,009.00	303,163.99
Park Improvements	298,200.50	55,710.47	9,085.38	344,825.59
Parking Offense Adjudication Act	6,061.22	142.00		6,203.22
Payroll Deductions and Contributions	1,017,765.28	258,273.44		1,276,038.72
Performance Bonds	4,187,190.83	381,531.20	1,063,407.17	3,505,314.86
Public Defender Fees	46,565.44	40,367.11	27,961.50	58,971.05
Recreation Trust	282,758.68	85,226.10	78,698.08	289,286.70
Seized Assets	3,020.03	60.97		3,081.00
Snow Removal	910,387.86		10,631.64	899,756.22
Street Openings	231,948.37	196,604.00	85,942.80	342,609.57
Tax Lien Foreclosure Interest Trust	327,140.73			327,140.73
Tree Fund	164,759.27	255,216.25	49,427.78	370,547.74
Tree Planting Escrow	485,307.28	58,247.46	44,717.16	498,837.58
Tower Homes Security Deposits	82.36			82.36
Unemployment Comp. Claims	968,412.30	326,251.53	92,655.96	1,202,007.87
	$ 15,126,337.12	$ 4,705,400.79	$ 2,906,553.41	$ 16,925,184.50
REF.	B	B-2	B-2	B

Exhibit B-16

SCHEDULE OF CHANGES IN VARIOUS RESERVES

	Ref.	BALANCE DEC 31,2018	INCREASES	CASH DISBURSEMENTS	ADJUSTMENTS	BALANCE DEC 31,2019
Reserve for:						
Housing and Commununity Development	B	$ 1,105,161.80	$ 601,133.14	$ (401,081.21)	$ 22,139.01	$ 1,327,352.74
Housing Opportunities for People With AIDS	B	183,288.65				183,288.65
Deposit for Redemption of Tax Sale Premiums	B	3,875,127.24	3,915,775.29	(4,682,171.64)		3,108,730.89
Off-Duty Police	B	1,055,372.48	3,115,276.75	(3,192,375.65)		978,273.58
D.E.P. Landfill Closure Costs	B	4,551,444.43	117,239.22	(21,891.04)		4,646,792.61
Edison Landfill Closure Trust-Local	B	2,222,066.22	325,928.50	(418.00)		2,547,576.72
B.P.U. Landfill Closure Costs	B	12,600,590.62	308,398.58	(47,469.08)		12,861,520.12
Payment of Insur. Claims	B	308,896.56		(77,985.79)		230,910.77
Developer's Escrow Funds	B	1,683,808.22	1,699,362.91	(1,174,829.18)		2,208,341.95
Total		$ 27,585,756.22	$ 10,083,114.39	$ (9,598,221.59)	$ 22,139.01	$ 28,092,788.03
Housing and Commununity Development	B- 8		$ 543,858.00			
CDBG Program Income	B- 2		3,490.14			
CDBG Reimbursements	B- 2		53,785.00			
Cash Receipts	B- 2		9,481,981.25			
Cash Disbursements	B- 2			$ (9,563,805.33)		
Due to Current Fund	B-18			(34,416.26)		
			$ 10,083,114.39	$ (9,598,221.59)		
Prior Year Encumbrance	B				$ 32,025.09	
Current Year Encumbrance	B				(9,886.08)	
					$ 22,139.01	

Exhibit - B-17

SCHEDULE OF INTERFUNDS RECEIVABLE

	REF.	Total	Due from Trust Other Assessment Fund	Due from Current Fund Trust Other
Balance - December 31, 2018	B	$ 141,563.00	$ 20,063.00	$ 121,500.00
Increased by:				
Cash Disbursements	B- 2	568,987.03		568,987.03
		710,550.03	20,063.00	690,487.03
Decreased by:				
Cash Receipts	B- 2	676,227.68		676,227.68
		676,227.68	-	676,227.68
Balance - December 31, 2019	B	$ 34,322.35	$ 20,063.00	$ 14,259.35

SCHEDULE OF INTERFUNDS PAYABLE

	REF.	Total	Due to Current Fund Assessment Fund	Due to Current Fund Animal Control Fund	Due to Current Fund Trust Other	Due to Assessment Trust Fund Trust Other	Due to Current Fund CDBG Fund
Balance - December 31, 2018	B	$ 104,910.59	$ 18,760.00	$ 418.07	$ 38,686.43	$ 20,063.00	$ 26,983.09
Increased by:							
Cash Receipts	B-2	52,236.99		3,812.40	48,424.59		
Statutory Excess Due to Current Fund	B-13	11,001.57		11,001.57			
Due to Current Fund - CDBG Reimb	B-16	34,416.26					34,416.26
		97,654.82	-	14,813.97	48,424.59	-	34,416.26
		202,565.41	18,760.00	15,232.04	87,111.02	20,063.00	61,399.35
Decreased by:							
Cash Disbursements	B-2	115,598.35		4,045.26	84,570.00		26,983.09
		115,598.35	-	4,045.26	84,570.00	-	26,983.09
Balance - December 31, 2019	B	$ 86,967.06	$ 18,760.00	$ 11,186.78	$ 2,541.02	$ 20,063.00	$ 34,416.26

GENERAL CAPITAL FUND

Exhibit - C-2

SCHEDULE OF GENERAL CAPITAL CASH AND INVESTMENTS - TREASURER
GENERAL CAPITAL FUND

	REF.		
Balance - December 31, 2018	C		$ 19,133,867.81
Increased by Receipts:			
Premium on BAN Sale	C- 1	$ 1,175,523.52	
Interfunds Advanced	C- 5	10,240,774.69	
Deferred Charges - Unfunded	C- 7	3,902,500.00	
Bond Anticipation Notes	C- 9	57,902,000.00	
Capital Improvement Fund	C-10	750,000.00	
Payment of Future Debt Costs	C-17	104,716.00	
			74,075,514.21
			93,209,382.02
Decreased by Disbursements:			
Fund Balance	C- 1	1,175,523.52	
Interfunds Advanced	C- 5	10,260,086.81	
Improvement Authorizations	C- 8	9,786,001.67	
Bond Anticipation Notes	C- 9	55,750,000.00	
Payment of Future Debt Service Costs Realized in 2019 Budget	C-17	102,411.00	
			77,074,023.00
Balance - December 31, 2019	C		$ 16,135,359.02

Exhibit - C-3

ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS
GENERAL CAPITAL FUND

		BALANCE DEC. 31,2018	BALANCE DEC. 31,2019
	Fund Balance	$ 619.99	$ 619.99
	Grants Receivable/Reserve	(177,513.95)	(177,513.95)
	Due to Current Fund	38,619.65	19,307.53
	Due from Free Public Library	(64,178.00)	(64,178.00)
	Insurance Proceeds Receivable	(66,850.00)	(66,850.00)
	Capital Improvement Fund	14,510.51	14,510.51
	Reserve for Encumbrances	5,482,133.19	6,317,184.28
	Reserve for Acquistion of Property for and Construction of Parking Facilities	302,000.00	302,000.00
	Reserve for Payment of Future Debt Service	102,411.01	104,716.01
	Reserve for Woodland Estates	337,343.21	337,343.21
	Excess BAN proceeds		352,500.00
CAP NO.	IMPROVEMENT AUTHORIZATIONS		
	General Improvements:		
391	Various Capital Improvements	-	(12,245.00)
392	Various Capital Improvements	263,011.81	227,725.06
08-1616	Various Capital Improvements	(328,418.52)	(512,007.70)
11-1783	General Refunding Bonds of 2011 - tax appeals	18,247.29	18,247.29
12-1813	General Refunding Bonds of 2012 - tax appeals	6,936.64	6,936.64
12-1817	Various Capital Improvements	3,911.61	4,258.22
13-1845	Various Capital Improvements	17,291.09	17,291.09
14-1872	Various Capital Improvements	1,235,983.96	811,612.62
15-1894	General Refunding Bonds of 2015 - tax appeals	27,103.69	27,103.69
15-1895	Acquisition of Vehicles and Equipment	129.08	129.08
15-1907	Acquisition of Fire Vehicles and Equipment	349.31	349.31
15-1914	Various Capital Improvements	2,768,253.58	2,043,583.55
16-1922	General Refunding Bonds of 2016	(275,699.04)	(275,699.04)
17-1959	Various Capital Improvements	5,161,614.52	3,784,142.30
17-1961	Feasibility Study in connection with the construction of a Parking Deck on Amboy Ave	49,400.00	49,400.00
17-1972	Acquisition of Warehouse Building	38,760.60	37,483.10
17-1988	Various Capital Improvements	3,427,896.58	5,270,934.23
18-2028	Various Capital Improvements	750,000.00	(3,253,525.00)
19-2060	Various Capital Improvements		750,000.00
		$ 19,133,867.81	$ 16,135,359.02
	Ref.	C	C

( ) Denotes Deficit

Exhibit - C-4

SCHEDULE OF ACCOUNTS RECEIVABLE
EDISON FREE PUBLIC LIBRARY
GENERAL CAPITAL FUND

	REF.	
Balance - December 31, 2018	C	$ 64,178.00
Balance - December 31, 2019	C	$ 64,178.00

Exhibit - C-5

SCHEDULE OF INTERFUNDS RECEIVABLE/PAYABLE
GENERAL CAPITAL FUND

	REF.		Current Fund
Balance - December 31, 2018 (Due to)	C		$ 38,619.65
Increased by:			
Cash Receipts - Interest on Investments	C-2	$ 240,774.69	
Cash Receipts - Interfunds Returned	C-2	10,000,000.00	
			10,240,774.69
			10,279,394.34
Decreased by:			
Cash Disbursements	C-2		10,260,086.81
Balance - December 31, 2019 (Due to)	C		$ 19,307.53

Exhibit - C-6

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
GENERAL CAPITAL FUND

	REF.		
Balance - December 31, 2018	C		$ 33,580,559.57
Decreased by:			
2019 Budget Approp. to Pay Bonds:			
General Serial Bonds	C-12	$ 5,743,385.49	
Green Acres Loan Payable	C-13	83,507.67	
NJ Environmental Infrastructure Loan	C-11	190,363.48	
			6,017,256.64
Balance - December 31, 2019	C		$ 27,563,302.93

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
GENERAL CAPITAL FUND

CAP NO.	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE	BALANCE DEC. 31,2018	2019 AUTHOR.	2019 FUNDING	BALANCE DEC. 31,2019	ANALYSIS OF BALANCE - DEC. 31,2019 BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED BALANCE OF IMPROV. AUTH.
	General Improvements:								
373	Amboy Avenue Revitalization Project	09/22/00	$ 109,747.02	$ -	$ -	$ 109,747.02	$ -	$ -	$ 109,747.02
		05/15/01							
384	Amboy Avenue Revitalization	07/23/03	339,000.00			339,000.00			339,000.00
391	Various Capital Improvements	02/24/05	33,006.25			33,006.25		12,245.00	20,761.25
392	Various Capital Improvements	09/14/05	244,057.14		18,729.00	225,328.14	225,313.00		15.14
		06/14/06	204,000.00			204,000.00	204,000.00		
08-1616	Various Capital Improvements	04/28/08	753,375.16			753,375.16		512,007.70	241,367.46
11-1783	General Refunding Bonds of 2011 - tax appeals	12/28/11	590,000.00			590,000.00			590,000.00
12-1817	Various Capital Improvements	12/12/12	1,324,000.00		240,000.00	1,084,000.00	1,084,000.00		
13-1845	Various Capital Improvements	09/09/13	2,223,000.00		31,000.00	2,192,000.00	2,192,000.00		
14-1872	Various Capital Improvements	07/23/14	10,889,630.00		684,769.00	10,204,861.00	10,204,861.00		
15-1894	General Refunding Bonds of 2015 - tax appeals	01/28/15	6,085,000.00		2,030,000.00	4,055,000.00	4,055,000.00		
15-1899	Repaving and Reconstruction of Various Roads	04/22/15	3,157,328.00		176,002.00	2,981,326.00	2,981,326.00		
15-1914	Various Capital Improvements	09/09/15	10,413,000.00		512,000.00	9,901,000.00	9,901,000.00		
16-1922	General Refunding Bonds of 2016	10/13/16	275,699.04			275,699.04		275,699.04	
17-1959	Various Capital Improvements	02/08/17	14,250,000.00			14,250,000.00	12,500,000.00		1,750,000.00
17-1972	Acquisition of Warehouse Building	04/25/17	1,710,000.00			1,710,000.00	1,710,000.00		
17-1988	Various Capital Improvements	09/13/17	12,492,500.00			12,492,500.00	12,492,000.00		500.00
18-2028	Various Capital Improvements	10/24/18	14,250,000.00		210,000.00	14,040,000.00		3,253,525.00	10,786,475.00
19-2060	Various Capital Improvements	12/18/19		14,250,000.00		14,250,000.00			14,250,000.00
			$ 79,343,342.61	$ 14,250,000.00	$ 3,902,500.00	$ 89,690,842.61	$ 57,549,500.00	$ 4,053,476.74	$ 28,087,865.87
		Ref.	C	C-8	C-2	C	C-9		
	Bond Anticipation Notes	C-9					$ 57,902,000.00		
	Less: Excess BAN proceeds	C-3					352,500.00		
							$ 57,549,500.00		
	Improvement Authorization - Unfunded								$ 40,311,999.73
	Less: Unexpended Proceeds of BAN's Issued - Ordinance								
	12-1817								4,258.22
	13-1845								17,291.09
	14-1872								811,612.62
	15-1894								27,103.69
	15-1914								2,043,583.55
	17-1959								3,784,142.30
	17-1972								37,483.10
	17-1988								5,270,934.23
	392								227,725.06
									$ 28,087,865.87

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
GENERAL CAPITAL FUND

CAP NO.	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE - DEC. 31, 2018 FUNDED	BALANCE - DEC. 31, 2018 UNFUNDED	2019 AUTHORIZED	12/31/18 ENCUMB	PAID OR CHARGED	12/31/19 ENCUMB	BALANCE - DEC. 31, 2019 FUNDED	BALANCE - DEC. 31, 2019 UNFUNDED
	General Improvements:										
373	Amboy Avenue Revitalization Project	09/22/00/ 05/15/01	$1,868,758.00	$ -	$ 109,747.02	$ -	$ -	$ -	$ -	$ -	$ 109,747.02
384	Amboy Avenue Revitalization	07/23/03	355,950.00	-	339,000.00						339,000.00
391	Various Capital Improvements	02/24/05	6,129,799.00	-	33,006.25				12,245.00		20,761.25
392	Various Capital Improvements	09/14/05	2,342,119.00		263,026.95		17,770.42	52,989.42	67.75		227,740.20
		06/14/06	400,000.00								
394-403	Various Capital Improvements	04/11/07	7,009,500.00	-			68,279.90		68,279.90	-	
08-1616	Various Capital Improvements	04/28/08	4,068,000.00		424,956.64		123,186.26	205,087.38	101,688.06		241,367.46
10-1754	Various Capital Improvements	10/27/10	1,140,000.00	-			178,979.41		178,979.41	-	
11-1783	General Refunding Bonds of 2011 - tax appeals	12/28/11	5,000,000.00	18,247.29	590,000.00					18,247.29	590,000.00
12-1813	General Refunding Bonds of 2012 - tax appeals	10/24/12	9,500,000.00	6,936.64						6,936.64	
12-1817	Various Capital Improvements	12/12/12	6,080,000.00		3,911.61		230,251.15	20,651.76	209,252.78		4,258.22
13-1845	Various Capital Improvements	09/09/13	2,400,000.00		17,291.09						17,291.09
14-1872	Various Capital Improvements	07/23/14	11,940,500.00		1,235,983.96		225,067.54	169,525.99	479,912.89		811,612.62
15-1894	General Refunding Bonds of 2015 - tax appeals	01/28/15	12,175,000.00		27,103.69						27,103.69
15-1895	Acquisition of Vehicles and Equipment		1,500,000.00	129.08						129.08	
15-1899	Repaving and Reconstruction of Various Roads	04/22/15	3,500,000.00	-	-		398,996.35		398,996.35	-	-
15-1907	Acquisition of Fire Vehicles and Equipment		500,000.00	349.31						349.31	
15-1914	Various Capital Improvements	09/09/15	11,500,000.00		2,768,253.58		2,218,487.64	1,505,230.17	1,437,927.50		2,043,583.55
17-1959	Various Capital Improvements	02/08/17	15,000,000.00		6,911,614.52		1,545,064.03	1,522,203.20	1,400,333.05		5,534,142.30
17-1961	Feasibility Study in connection with the construction of a Parking Deck on Amboy Ave	02/08/17	50,000.00	49,400.00						49,400.00	
17-1972	Acquisition of Warehouse Building	04/25/17	1,600,000.00		38,760.60			1,277.50			37,483.10
17-1988	Various Capital Improvements	09/13/17	13,150,000.00		8,920,396.58		476,050.49	2,786,906.35	1,338,106.49		5,271,434.23
18-2028	Various Capital Improvements	10/24/18	15,000,000.00	750,000.00	14,250,000.00			3,522,129.90	691,395.10		10,786,475.00
19-2060	Various Capital Improvements	12/18/19	15,000,000.00			15,000,000.00				750,000.00	14,250,000.00
				$ 825,062.32	$ 35,933,052.49	$ 15,000,000.00	$ 5,482,133.19	$ 9,786,001.67	$ 6,317,184.28	$ 825,062.32	$ 40,311,999.73
			Ref.	C	C		C	C-2	C	C	C

Deferred Charges to Future Taxation - Unfunded	C- 7	$ 14,250,000.00
Capital Improvement Fund	C-10	750,000.00
		$ 15,000,000.00

Exhibit - C-9

SCHEDULE OF BOND ANTICIPATION NOTES
GENERAL CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DEC. 31, 2018	B.A.N.S ISSUED	DECREASED	BALANCE DEC. 31, 2019
05-1468	Various Capital Improvements	04/11/14	02/07/19	02/07/20	4.00%	$ 448,042.00	$ 429,313.00	$ 448,042.00	$ 429,313.00
12-1817	Various Capital Improvements	04/11/14	02/07/19	02/07/20	4.00%	1,324,000.00	1,234,000.00	1,324,000.00	1,234,000.00
13-1845	Various Capital Improvements	04/11/14	02/07/19	02/07/20	4.00%	2,223,000.00	2,192,000.00	2,223,000.00	2,192,000.00
14-1872	Various Capital Improvements	02/13/15	02/07/19	02/07/20	4.00%	10,889,630.00	10,407,361.00	10,889,630.00	10,407,361.00
15-1894	General Refunding Bonds of 2015 - tax appeals	03/19/15	02/07/19	02/07/20	3.00%	6,085,000.00	4,055,000.00	6,085,000.00	4,055,000.00
15-1899	Repaving and Reconstruction of Various Roads	02/11/16	02/07/19	02/07/20	4.00%	3,157,328.00	2,981,326.00	3,157,328.00	2,981,326.00
15-1914	Various Capital Improvements	02/11/16	02/07/19	02/07/20	4.00%	10,413,000.00	9,901,000.00	10,413,000.00	9,901,000.00
17-1959	Various Capital Improvements	06/27/17	02/07/19	02/07/20	4.00%	12,500,000.00	12,500,000.00	12,500,000.00	12,500,000.00
17-1972	Acquisition of Warehouse Building	06/27/17	02/07/19	02/07/20	4.00%	1,710,000.00	1,710,000.00	1,710,000.00	1,710,000.00
17-1988	Various Capital Improvements	02/08/18	02/07/19	02/07/20	4.00%	7,000,000.00	12,492,000.00	7,000,000.00	12,492,000.00
						$ 55,750,000.00	$ 57,902,000.00	$ 55,750,000.00	$ 57,902,000.00
					Ref.	C	C-2	C-2	C

Exhibit - C-10

SCHEDULE OF CAPITAL IMPROVEMENT FUND
GENERAL CAPITAL FUND

	REF.	
Balance - December 31, 2018	C	$ 14,510.51
Increased by:		
2019 Budget Approp.	C-2	750,000.00
		764,510.51
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-8	750,000.00
Balance - December 31, 2019	C	$ 14,510.51

Exhibit - C-11

SCHEDULE OF INFRASTRUCTURE
TRUST LOAN PAYABLE
GENERAL CAPITAL FUND

DESCRIPTION	DATE OF ISSUE	AMOUNT OF ISSUE	INTEREST RATE	MATURITIES OF LOANS YEAR	MATURITIES OF LOANS AMOUNT	BALANCE DEC. 31, 2018	DECREASED	BALANCE DEC. 31, 2019
New Jersey Environmental Infrastructure Trust 2002 A Loan	11/07/02	$ 1,180,000.00	5.00%	2020	$ 85,000.00	$ 350,000.00	$ 80,000.00	$ 270,000.00
			5.00%	2021	90,000.00			
			4.75%	2022	95,000.00			
New Jersey Environmental Infrastructure Trust 2006 A Loan	11/07/06	450,000.00	4.00%-4.125%	2020-2021	25,000.00	235,000.00	25,000.00	210,000.00
			4.125%-5.00%	2022-2024	30,000.00			
			4.25%	2025-2026	35,000.00			
New Jersey Environmental Infrastructure Fund 2002 A Loan	11/07/02	1,227,475.00	0.00%	2020	63,543.80	238,457.95	62,897.13	175,560.82
			0.00%	2021	64,028.81			
			0.00%	2022	47,988.21			
New Jersey Environmental Infrastructure Trust 2006 A Loan	11/07/06	441,780.10	0.00%	2020	21,824.79	182,028.52	22,466.35	159,562.17
			0.00%	2021	21,183.24			
			0.00%	2022	23,729.40			
			0.00%	2023	22,935.48			
			0.00%	2024	22,117.50			
			0.00%	2025	24,362.93			
			0.00%	2026	23,408.83			
						$ 1,005,486.47	$ 190,363.48	$ 815,122.99
						C	C- 6	C

Exhibit C-12

SCHEDULE OF SERIAL BONDS - GENERAL CAPITAL FUND
GENERAL CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OUTSTANDING - DATE	OF BONDS DEC. 31,2019 AMOUNT	INTEREST RATE	BALANCE DEC. 31,2018	DECREASED	BALANCE DEC. 31,2019
Pension Refunding Bonds of 2003	03/15/03	$ 10,000,000.00	03/15/20	$ 1,320,000.00	5.36%	$ 7,080,000.00	$ 1,230,000.00	$ 5,850,000.00
			03/15/21	1,420,000.00	5.36%			
			03/15/22	1,510,000.00	5.36%			
			03/15/23	1,600,000.00	5.36%			
General Improv. Bonds of 2007	06/01/07	29,675,000.00				2,285,000.00	2,285,000.00	-
General Obligation Refunding Bonds, Series 2011	06/23/11	16,540,000.00	02/01/20	1,650,000.00	5.000%	6,345,000.00	1,655,000.00	4,690,000.00
			02/01/21	1,645,000.00	5.000%			
			02/01/22	1,395,000.00	5.000%			
Tax-Exempt General Obligation Bonds 2013	08/13/13	10,564,000.00	08/01/20	506,339.01	3.000%	8,052,397.75	506,339.01	7,546,058.74
			08/01/21	506,339.01	3.000%			
			08/01/22	506,339.01	3.000%			
			08/01/23	1,004,640.90	3.000%			
			08/01/24	1,004,640.90	3.250%			
			08/01/25	1,004,640.90	3.500%			
			08/01/26	1,004,640.90	4.000%			
			08/01/27	1,004,640.90	4.000%			
			08/01/28	1,003,837.21	4.000%			
Taxable General Obligation Bonds 2013	08/13/13	1,051,485.00	08/01/20	68,681.76	4.000%	740,781.81	67,046.48	673,735.33
			08/01/21	70,317.04	4.000%			
			08/01/22	71,952.31	4.000%			
			08/01/23	73,587.59	4.000%			
			08/01/24	75,222.88	4.000%			
			08/01/25	76,858.16	4.250%			
			08/01/26	78,493.44	4.250%			
			08/01/27	78,493.44	4.500%			
			08/01/28	80,128.71	4.500%			
General Improvement Refunding Bonds, Series 2016	08/31/16	7,860,000.00	06/01/20	2,380,000.00	4.000%	7,860,000.00		7,860,000.00
			06/01/21	2,525,000.00	4.000%			
			06/01/22	2,955,000.00	4.000%			
						$ 32,363,179.56	$ 5,743,385.49	$ 26,619,794.07
					Ref.	C	C-6	C

Exhibit - C-13

GREEN ACRES TRUST LOANS PAYABLE - GENERAL CAPITAL FUND
GENERAL CAPITAL FUND

PURPOSE	DRAWDOWN DATE	DRAWDOWN AMOUNT	ANNUAL PAYMENTS* YEAR	ANNUAL PAYMENTS* AMOUNT	INTEREST RATE	BALANCE DEC. 31,2018	DECREASED	BALANCE DEC. 31,2019
(1) Woodland Ave. Park II	07/11/03	$ 712,500.00	2005-2022	$ 44,305.52	2.000%	$ 169,505.85	$ 41,119.98	$ 128,385.87
(2) Woodland Grove	08/10/03	281,250.00	2005-2018	20,096.68	2.000%	9,948.91	9,948.91	-
			2019	10,048.41				
(3) Mill Road Park	10/26/07	802,500.00	2008-2018	65,526.27	2.000%	32,438.78	32,438.78	-
			2019	32,763.14				
						$ 211,893.54	$ 83,507.67	$ 128,385.87
					Ref.	C	C- 6	C

* Annual Payments are due in semi-annual installments of each year. Loan Amortization Schedule reflects a 2% interest rate.

(1) - Annual Payments are due in semi-annual installments on July 11 and January 11.

(2) - Annual Payments are due in semi-annual installments on August 10 and February 10.

(3) - Annual Payments are due in semi-annual installments on October 26 and April 26.

Exhibit - C-14

SCHEDULE OF RESERVE FOR GRANTS RECEIVABLE
GENERAL CAPITAL FUND

	REF.	
Balance - December 31, 2018	C	$ 51,173.53
Balance - December 31, 2019	C	$ 51,173.53

Analysis of Balance @ 12/31/19

	Ordinance Number	
Green Acres	391	$ 16,462.64
D.O.T. Stony Road East	379	34,710.89
		$ 51,173.53

Exhibit - C-15

SCHEDULE OF DUE FROM VARIOUS GRANTOR AGENCIES
GRANTS RECEIVABLE
GENERAL CAPITAL FUND

	Ordinance Number	Balance December 31, 2018	Balance December 31, 2019
Receivables:			
Green Acres	391	$ 16,462.64	$ 16,462.64
D.O.T. Stony Road East	379	34,710.89	34,710.89
Local Domestic Preparedness Grant	382	17,770.88	17,770.88
ADA Improvements	382	12,000.00	12,000.00
Purchase of Closed Caption System	382	78,000.00	78,000.00
D.O.T. Municipal Aid - Amboy Ave	382	17,765.16	17,765.16
D.O.T. Municipal Aid - Grove Ave	387	7,577.91	7,577.91
D.O.T. Municipal Aid - Central, Winthrop & Ovington	387	24,400.00	24,400.00
Homeland Security Grant	392	20,000.00	20,000.00
		$ 228,687.48	$ 228,687.48
	Ref.	C	C

Exhibit - C-16

SCHEDULE OF INSURANCE PROCEEDS RECEIVABLE
GENERAL CAPITAL FUND

	REF.	
Balance - December 31, 2018	C	$ 66,850.00
Balance - December 31, 2019	C	$ 66,850.00

Exhibit C-17

SCHEDULE OF CHANGES IN VARIOUS PAYABLE AND RESERVES
GENERAL CAPITAL FUND

	December 31, 2018	Cash Receipts	Cash Disbursements	December 31, 2019
Reserve for:				
Acquisition of Property for and Construction of Parking Facilities	$ 302,000.00	$ -	$ -	$ 302,000.00
Payment of Debt Service Cost	102,411.01	104,716.00	102,411.00	104,716.01
Woodland Estates	337,343.21			337,343.21
Total	$ 741,754.22	$ 104,716.00	$ 102,411.00	$ 744,059.22
Ref.	C	C-2	C-2	C

Exhibit - C-18

SCHEDULE OF BONDS AND NOTES
AUTHORIZED BUT NOT ISSUED

CAP. NO.	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE	BALANCE DEC. 31,2018	2019 AUTHORIZED	B.A.N.S ISSUED	B.A.N.S REDEEMED	CASH RECEIPTS	BALANCE DEC. 31,2019
	General Improvements:							
373	Amboy Avenue Revitalization Project	09/22/00	$ 28,909.21	$ -	$ -	$ -	$ -	$ 28,909.21
373	Amboy Avenue Revitalization Project	05/15/01	80,837.81					80,837.81
384	Amboy Avenue Revitalization	07/23/03	339,000.00					339,000.00
391	Various Capital Improvements	02/24/05	33,006.25					33,006.25
392	Various Capital Improvements	02/24/05	15.14		429,313.00	448,042.00	18,729.00	15.14
08-1616	Various Capital Improvements	04/28/08	753,375.16					753,375.16
11-1783	General Refunding Bonds of 2011 - tax appeals	12/28/11	590,000.00					590,000.00
12-1817	Various Capital Improvements	12/12/12	-		1,084,000.00	1,324,000.00	240,000.00	-
13-1845	Various Capital Improvements	09/09/13	-		2,192,000.00	2,223,000.00	31,000.00	-
13-1847	Contractually Required Severance Liabilities	10/23/13	-					-
14-1872	Various Capital Improvements	07/23/14	-		10,204,861.00	10,889,630.00	684,769.00	-
15-1894	General Refunding Bonds of 2015 - tax appeals	01/28/15	-		4,055,000.00	6,085,000.00	2,030,000.00	-
15-1899	Repaving and Reconstruction of Various Roads	04/22/15	-		2,981,326.00	3,157,328.00	176,002.00	-
15-1914	Various Capital Improvements	09/09/15	-		9,901,000.00	10,413,000.00	512,000.00	-
16-1922	General Refunding Bonds of 2016	10/13/16	275,699.04					275,699.04
17-1959	Various Capital Improvements	02/08/17	1,750,000.00		12,500,000.00	12,500,000.00		1,750,000.00
17-1972	Acquisition of Warehouse Building	04/25/17	-		1,710,000.00	1,710,000.00		-
17-1988	Various Capital Improvements	09/13/17	5,492,500.00		12,492,000.00	7,000,000.00		500.00
18-2028	Various Capital Improvements	10/24/18	14,250,000.00				210,000.00	14,040,000.00
19-2060	Various Capital Improvements	12/18/19		14,250,000.00				14,250,000.00
			$ 23,593,342.61	$ 14,250,000.00	$ 57,549,500.00	$ 55,750,000.00	$ 3,902,500.00	$ 32,141,342.61
		Ref.						Footnote C

WATER UTILITY FUND

Exhibit - D-5

SCHEDULE OF WATER UTILITY OPERATING CASH AND CASH AND INVESTMENTS - TREASURER

	REF.	OPERATING FUND	
Balance - December 31, 2018	D		$ 26,266.90
Increased by Receipts:			
Deficit (General Budget)	D-3	$ 88,741.78	
Due to Current Fund - Interest Earned	D-9	77,108.85	
			165,850.63
			192,117.53
Decreased by Disbursements:			
2019 Budget Appropriations	D-4	61,437.19	
Interfunds Payable Returned	D-9	77,129.27	
Accrued Interest Payable	D-13	28,328.54	
			166,895.00
Balance - December 31, 2019	D		$ 25,222.53

Exhibit - D-6

ANALYSIS OF WATER UTILITY CAPITAL CASH AND INVESTMENTS

	BALANCE DEC. 31, 2018	BALANCE DEC. 31, 2019
Fund Balance	$ 14,411.32	$ 14,411.32
Due from Water Operating Fund	(14,411.32)	62,697.53
Improvement Authorizations - Expended		(77,108.85)
	$ -	$ -
	D	D

Exhibit - D-7

SCHEDULE OF RESERVE FOR AMORTIZATION
WATER UTILITY CAPITAL FUND

	REF.	
Balance - December 31, 2018	D	$ 6,283,653.28
Increased by:		
Serial Bonds Paid by Operating Budget	D-14	61,437.19
Balance - December 31, 2019	D	$ 6,345,090.47

Exhibit - D-8

SCHEDULE OF DUE FROM/TO WATER UTILITY OPERATING FUND
WATER UTILITY CAPITAL FUND

	REF.	
Balance - December 31, 2018 (Due from)	D	$ 14,411.32
Increased by:		
Improvement Authorizations	D-15	77,108.85
Balance - December 31, 2019 (Due to)	D	$ 62,697.53

Exhibit - D-9

SCHEDULE OF DUE TO/FROM CURRENT FUND
WATER UTILITY OPERATING FUND

	REF.	Total	Due to Current Fund	Due to Water Utility Capital Fund	Due to Sewer Utility Operating Fund
Balance - December 31, 2018 (Due to)	D	$ 14,463.04	$ 51.72	$ 14,411.32	$ -
Increased by: Cash Receipts	D-5	77,108.85			77,108.85
		91,571.89	51.72	14,411.32	77,108.85
Decreased by: Cash Disbursements	D-5	77,129.27	20.42	77,108.85	
Balance - December 31, 2019 (Due from)	D	62,697.53		62,697.53	
(Due to)	D	$ 77,140.15	$ 31.30	$ -	$ 77,108.85

SCHEDULE OF FIXED CAPITAL
WATER UTILITY CAPITAL FUND

ACCOUNT		BALANCE DEC. 31, 2018	TRANSFERRED FROM FIXED CAPITAL AUTHORIZED AND UNCOMPLETED	BALANCE DEC. 31, 2019
108	Pumping Sys. Land	$ 1,350.00	$ -	$ 1,350.00
110	Other Distrib.	6,450.00		6,450.00
115	Springs and Wells	39,746.00		39,746.00
118	Intake and Supply Main	57,817.00		57,817.00
124	Chemical Treatment Plant	135.00		135.00
127	Pumping Station Structure	60,999.00		60,999.00
131	Elect. Power Equip.	20,573.00		20,573.00
134	Trans. Main and Accessories	298,628.00		298,628.00
135	Storage, Reservoirs, Tanks and Standpipe	19,798.00		19,798.00
136	Distrib., Mains and Accessories	4,089,136.16		4,089,136.16
138	Meters, Meter Boxes and Vaults	489,386.00		489,386.00
139	Fire Hydrants	78,255.00		78,255.00
141	General Structures	124,518.00		124,518.00
142	General Equipment	104,507.00		104,507.00
142A	General Office Equip.	10,692.00		10,692.00
142B	General Shop Equip.	28,263.00		28,263.00
142C	General Store Equip.	1,623.00		1,623.00
142D	Autos-Trucks	260,891.00		260,891.00
142E	Misc. Equipment	81,621.00		81,621.00
144	Engineering and Supervision	193,881.00		193,881.00
145	Legal Expend. During Constr.	36,587.00		36,587.00
148	Int. During Constr.	38,102.00		38,102.00
149	Misc. Constr. Exp.	33,665.00		33,665.00
150	Rights-of-Way	8,650.00		8,650.00
151	Improvement and Replenishment of Water Main	18,300.08		18,300.08
152	Construction, Reconstruction and Improvement to the Vineyard Road Water Loop Closure and Various Other Extensions and Loop Closures	16,168.00		16,168.00
153	Improvement to the Water Distribution System	858,886.05		858,886.05
2055-2019	Water Utility Improvements		77,108.85	77,108.85
		$ 6,978,627.29	$ 77,108.85	$ 7,055,736.14
	Ref.	D	D-11	D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
SEWER UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION		BALANCE DEC. 31, 2018	FIXED CAPITAL AUTHORIZED	TRANSFERRED TO FIXED CAPITAL	BALANCE DEC. 31, 2019
2055-2019	Water Utility Improvements		$ -	$ 15,000,000.00	$ 77,108.85	$ 14,922,891.15
			$ -	$ 15,000,000.00	$ 77,108.85	$ 14,922,891.15
		Ref.	D	D-15	D-10	D

Exhibit - D-12

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
WATER UTILITY CAPITAL FUND

CAP NO.	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE	BALANCE DEC. 31,2018	BALANCE DEC. 31,2019
014	Construction, Reconstruction and Improve. to Vineyard Road Water Loop Closure and Various other Revisions, Extensions and Loop Closures	10/09/91	$ 16,167.95	$ 16,167.95
			$ 16,167.95	$ 16,167.95
		Ref.	D	D

Exhibit - D-13

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
WATER UTILITY OPERATING FUND

	REF.	
Balance - December 31, 2018	D	$ 11,803.54
Increased by:		
Accrued Interest Charged to:		
2019 Budget Appropriation	D- 4	27,304.59
		39,108.13
Decreased by:		
Cash Disbursements	D- 5	28,328.54
Balance - December 31, 2019	D	$ 10,779.59

Analysis of Balance - December 31, 2019:

Principal Outstanding 12/31/19	Interest Rate	From	To	Period	Amount
Taxable Bonds					
$ 617,368.87	Various	08/01/19	12/31/19	5 months	$ 10,779.59

Exhibit - D-14

SCHEDULE OF SERIAL BONDS - WATER UTILITY CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OUTSTANDING - DATE	OF BONDS DEC. 31,2019 AMOUNT	INTEREST RATE	BALANCE DEC. 31,2018	DECREASED	BALANCE DEC. 31,2019
Taxable Water Utility Bonds 2013	08/13/13	$ 963,515.00	08/01/20	$ 62,935.66	4.000%	$ 678,806.06	$ 61,437.19	$ 617,368.87
			08/01/21	64,434.13	4.000%			
			08/01/22	65,932.60	4.000%			
			08/01/23	67,431.07	4.000%			
			08/01/24	68,929.53	4.000%			
			08/01/25	70,428.00	4.125%			
			08/01/26	71,926.47	4.375%			
			08/01/27	71,926.47	4.500%			
			08/01/28	73,424.94	4.625%			
						$ 678,806.06	$ 61,437.19	$ 617,368.87
					Ref.	D	D-7	D

Exhibit -D-15

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SEWER UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2018 FUNDED	BALANCE DECEMBER 31, 2018 UNFUNDED	2019 AUTHOR.	PAID OR CHARGED	12/31/19 ENCUMB	BALANCE DECEMBER 31, 2019 FUNDED	BALANCE DECEMBER 31, 2019 UNFUNDED
2055-2019	Water Utility Improvements	10/22/19	$ 15,000,000.00	$ -	$ -	$ 15,000,000.00	$ 77,108.85	$ 897,225.95	$ -	$ 14,025,665.20
				$ -	$ -	$ 15,000,000.00	$ 77,108.85	$ 897,225.95	$ -	$ 14,025,665.20
			Ref.	D	D	D-11	D-8	D	D	D

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
WATER UTILITY CAPITAL FUND

CAP NO.	IMPROVEMENT DESCRIPTION	DATE OF ORDINANCE	BALANCE DEC. 31, 2018	2019 AUTHORIZATIONS	BALANCE DEC. 31, 2019
2055-2019	Water Utility Improvements	10/22/2019	$ -	$ 15,000,000.00	$ 15,000,000.00
			$ -	$ 15,000,000.00	$ 15,000,000.00
		Ref.			Footnote D

SEWER UTILITY FUND

SCHEDULE OF SEWER UTILITY
CASH AND INVESTMENTS - TREASURER

	REF.	OPERATING FUND		CAPITAL FUND	
Balance - December 31, 2018	E		$ 18,798,698.58		$ 1,018,907.71
Increased by Receipts:					
Premium on Sale of Refunding Bonds	E-2			$ 20,573.90	
Miscellaneous Revenues	E-3	$ 688,533.25			
Sewer Utility Collector	E-6	20,503,714.01			
Due from Current Fund	E-9	4,200,550.01			
Due from Sewer Capital Fund	E-9	160,553.86			
Bond Anticipation Notes	E-14			7,390,000.00	
			25,553,351.13		7,410,573.90
			44,352,049.71		8,429,481.61
Decreased by Disbursements:					
Refunds of Prior Year Revenues	E-1	20,109.45			
Budget Expenditures	E-4	15,542,572.70			
Due to Current Fund	E-9	4,236,129.71			
Due to Water Operating Fund	E-9	77,108.85			
Due from Sewer Capital Fund	E-9	1,169,786.15			
Bond Anticipation Notes	E-14			7,390,000.00	
2018 Appropriation Reserves	E-15	1,264,536.60			
Sewer Rent Overpayment Refunds	E-16	86,232.34			
Accounts Payable	E-18	62,586.02			
Accrued Interest Payable	E-19	394,919.17			
			22,853,980.99		7,390,000.00
Balance - December 31, 2019	E		$ 21,498,068.72		$ 1,039,481.61

Exhibit - E-5a

ANALYSIS OF WATER UTILITY CAPITAL CASH AND INVESTMENTS

	BALANCE DEC. 31, 2018	BALANCE DEC. 31, 2019
Fund Balance	$ 444,218.97	$ 625,346.73
Due from Sewer Utility Operating Fund	(4,540,961.47)	(4,886,282.61)
Capital Improvement Fund	509,500.00	509,500.00
Reserve for Downpayment on Improvements	400,000.00	400,000.00
Reserve for Capital Improvement Projects	2,995,415.31	3,907,205.05
Improvement Authorizations - Funded	25,528.21	30,962.60
Encumbrances Payable	1,719,054.14	990,582.21
Improvement Authorizations - Expended	(533,847.45)	(537,832.37)
	$ 1,018,907.71	$ 1,039,481.61
REF.	A	A

Exhibit - E-6

SCHEDULE OF SEWER UTILITY CASH - COLLECTOR

	REF.		
Increased by Receipts:			
Sewer Rents	E- 7	$ 20,205,275.86	
Sewer Rent Liens	E- 8	35,455.61	
Sewer Rent Overpayments	E-16	262,982.54	
			$ 20,503,714.01
Decreased by:			
Paid to Treasurer:			
Sewer Utility Fund	E-5		$ 20,503,714.01

Exhibit - E-7

SCHEDULE OF SEWER RENTS RECEIVABLE

	REF.		
Balance - December 31, 2018	E		$ 1,581.70
Increased by:			
2019 Sewer Service Charges	Reserve		20,608,147.07
			20,609,728.77
Decreased by:			
2019 Collections:			
Collector	E-3, E-6	$20,205,275.86	
Sewer Rent Overpayments Applied	E-3, E-16	141,637.96	
Transfers to Sewer Rent Liens	E-8	33,844.30	
			20,380,758.12
Balance - December 31, 2019	E		$ 228,970.65

Exhibit - E-8

SCHEDULE OF SEWER RENT LIENS

	REF.		
Balance - December 31, 2018	E		$ -
Increased by:			
Transfers from Sewer Rents Receivable	E-7	$ 33,844.30	
Interest & Costs Accrued by Sale	Reserve	1,873.37	
			35,717.67
			35,717.67
Decreased by:			
2019 Collections - Collector	E-3, E-6		35,455.61
Balance - December 31, 2019	E		$ 262.06

Exhibit - E-9

SCHEDULE OF INTERFUND RECEIVABLE/PAYABLE

	REF.	Total	Due from Current Fund	Due from Water Utility Operating Fund	Due to Sewer Utility Capital Fund
Balance - December 31, 2018	E	$ 4,540,961.47	$ -	$ -	$ 4,540,961.47
Increased by:					
Cash Receipts - BAN Premium	E- 5	160,553.86			160,553.86
Cash Receipts	E- 5	4,200,550.01	4,200,550.01		
Appropriation Reserves	E-15	1,354,553.43			1,354,553.43
		10,256,618.77	4,200,550.01	-	6,056,068.76
Decreased by:					
Cash Disbursements - Imp Auth	E- 5	727,022.46			727,022.46
Cash Disbursements	E- 5	4,756,002.25	4,236,129.71	77,108.85	442,763.69
Balance - December 31, 2019	E	$ 4,773,594.06	$ (35,579.70)	$ (77,108.85)	$ 4,886,282.61

Exhibit - E-10

SCHEDULE OF SERIAL BONDS - SEWER UTILITY CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING - DEC. 31,2019 DATE	AMOUNT	INTEREST RATE	BALANCE DEC. 31,2018	DECREASED	BALANCE DEC. 31,2019
Sewer Utility Bonds - 2007	06/01/07	$ 2,266,500.00				$ 65,000.00	$ 65,000.00	$ -
Tax-Exempt Sewer Utility Bonds - 2013	08/13/13	2,580,000.00	08/01/20	$ 123,660.99	3.000%	1,966,602.25	123,660.99	1,842,941.26
			08/01/21	123,660.99	3.000%			
			08/01/22	123,660.99	3.000%			
			08/01/23	245,359.10	3.000%			
			08/01/24	245,359.10	3.250%			
			08/01/25	245,359.10	3.500%			
			08/01/26	245,359.10	4.000%			
			08/01/27	245,359.10	4.000%			
			08/01/28	245,162.79	4.000%			
Taxable Sewer Utility Bonds - 2013	08/13/13	1,200,000.00	08/01/20	78,382.58	4.000%	845,412.13	76,516.33	768,895.80
			08/01/21	80,248.83	4.000%			
			08/01/22	82,115.09	4.000%			
			08/01/23	83,981.34	4.000%			
			08/01/24	85,847.59	4.000%			
			08/01/25	87,713.84	4.125%			
			08/01/26	89,580.09	4.375%			
			08/01/27	89,580.09	4.500%			
			08/01/28	91,446.35	4.625%			
Sewer Utility Refunding Bonds - 2016	08/31/16	1,710,000.00	06/01/20	70,000.00	4.000%	1,710,000.00		1,710,000.00
			06/01/21-22	75,000.00	4.000%			
			06/01/23-24	75,000.00	3.000%			
			06/01/25	80,000.00	3.000%			
			06/01/26	85,000.00	3.000%			
			06/01/27-28	90,000.00	4.000%			
			06/01/29	95,000.00	4.000%			
			06/01/30-31	100,000.00	4.000%			
			06/01/32	105,000.00	4.000%			
			06/01/33	110,000.00	4.000%			
			06/01/34	115,000.00	4.000%			
			06/01/35	120,000.00	4.000%			
			06/01/36-37	125,000.00	4.000%			
						$ 4,587,014.38	$ 265,177.32	$ 4,321,837.06
					REF.	E	E-22	E

Exhibit - E-11

SCHEDULE OF FIXED CAPITAL

	BALANCE DEC. 31, 2018	TRANSFERRED FROM FIXED CAPITAL AUTH & UNCOMPL	BALANCE DEC. 31, 2019
Pump Station Improvements	$ 5,940,996.25	$ -	$ 5,940,996.25
Wastewater Collection System	1,191,985.00		1,191,985.00
Improvements to Sewer System	6,073,737.17	725,056.85	6,798,794.02
Purchase of Vehicles and Equipment	388,863.45	1,965.61	390,829.06
Water and Sewer System	273,215.49		273,215.49
Engineering Costs	943,124.04		943,124.04
Miscellaneous Costs	14,169.54		14,169.54
	$ 14,826,090.94	$ 727,022.46	$ 15,553,113.40
REF.	E	E-13	E

Exhibit - E-12

SCHEDULE OF DUE TO SEWER UTILITY OPERATING FUND

	REF.		
Balance - December 31, 2018	E		$ 4,540,961.47
Increased by:			
Premium on Sale of Refunding Bonds	E-2	$ 160,553.86	
Reserve for Capital Improvement Projects	E-25	911,789.74	
			1,072,343.60
			5,613,305.07
Decreased by:			
Improvement Authorizations	E-20		727,022.46
Balance - December 31, 2019	E		$ 4,886,282.61

Exhibit - E-13

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
SEWER UTILITY CAPITAL FUND

ORD. NO	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31, 2018	TRANSFERRED TO FIXED CAPITAL	BALANCE DEC. 31, 2019
1	Improvement of Pump Station, Renovations and Upgrades at the West Side, Evergreen and National Road Pump Stations	$ 15,870.17	$ -	$ 15,870.17
7	Wastewater Collection System-2005	8,015.00		8,015.00
8	Improvements to Sewer System - 2007	4,891.66		4,891.66
9	Purchase of Vehicles and Equipment - 2008	31,136.55	1,965.61	29,170.94
10	Various Sewer Improvements - 2014	2,188,171.17	725,056.85	1,463,114.32
11	Analysis of Water and Sewer System - 2016	26,784.51		26,784.51
		$ 2,274,869.06	$ 727,022.46	$ 1,547,846.60
	REF.	E	E-11	E

Exhibit - E-14

SCHEDULE OF BOND ANTICIPATION NOTES

OED. NO.	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DEC. 31, 2018	B.A.N.S ISSUED	DECREASED	BALANCE DEC. 31, 2019
1873-14	Various Sewer Improvements	02/13/15	02/07/19	02/07/20	4.00%	$ 7,495,000.00	$ 7,390,000.00	$ 7,495,000.00	$ 7,390,000.00
						$ 7,495,000.00	$ 7,390,000.00	$ 7,495,000.00	$ 7,390,000.00
					REF.	E			E
		Renewals			E-5		$ 7,390,000.00	$ 7,390,000.00	
		Paid by Budget Appropriation			E-23			105,000.00	
							$ 7,390,000.00	$ 7,495,000.00	

SCHEDULE OF 2018 APPROPRIATION RESERVES
SEWER UTILITY OPERATING FUND

	BALANCE DEC. 31, 2018	12/31/2018 ENCUMB.	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
OPERATING :					
Salaries and Wages	$ 253,108.06	$ -	$ 253,108.06	$ 21,671.13	$ 231,436.93
Other Expenses	1,034,155.60	189,090.83	1,223,246.43	344,596.80	878,649.63
Middlesex County Utilities Authority Charges	1,285,427.65		1,285,427.65	879,798.27	405,629.38
CAPITAL IMPROVEMENTS:					
Capital Improvement Projects	1,362,536.00	37,464.00	1,400,000.00	1,400,000.00	-
STATUTORY EXPENDITURES:					
Social Security (O.A.S.I.)	7,178.89		7,178.89	-	7,178.89
	$ 3,942,406.20	$ 226,554.83	$ 4,168,961.03	$ 2,646,066.20	$ 1,522,894.83
REF.	E	E			E-1

2018 Appropriation Reserves	E	$ 3,942,406.20
Encumbrances Payable	E	226,554.83
		$ 4,168,961.03

Cash Disbursements	E-5	$ 1,264,536.60
Due to Sewer Capital Fund	E-9	1,354,553.43
Accounts Payable	E-18	26,976.17
		$ 2,646,066.20

Exhibit - E-16

SCHEDULE OF SEWER RENT OVERPAYMENTS

	REF.		
Balance - December 31, 2018	E		$ 106,972.64
Increased by:			
Cash Overpayments Collected - Collector	E-6		262,982.54
			369,955.18
Decreased by:			
Refunds	E-5	$ 86,232.34	
Applied to Sewer Rents Receivable	E-7	141,637.96	
			227,870.30
Balance - December 31, 2019	E		$ 142,084.88

Exhibit - E-17

SCHEDULE OF RESERVE FOR SEWER LIEN FORECLOSURES

	REF.	
Balance - December 31, 2018	E	$ 5,020.64
Balance - December 31, 2019	E	$ 5,020.64

Exhibit - E-18

SCHEDULE OF ACCOUNTS PAYABLE

	REF.		
Balance - December 31, 2018	E		$ 118,933.50
Increased by:			
Transfer from 2018 Appropriation Reserves	E-15		26,976.17
			145,909.67
Decreased by:			
Canceled to Fund Balance	E-1	$ 56,275.11	
Cash Disbursements	E-5	62,586.02	
			118,861.13
Balance - December 31, 2019	E		$ 27,048.54

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
SEWER UTILITY OPERATING FUND

	REF.	
Balance - December 31, 2018	E	$ 249,892.84
Increased by:		
Accrued Interest Charged to:		
2019 Budget Appropriations	E-4	455,977.76
		705,870.60
Decreased by:		
Cash Disbursements	E-5	394,919.17
Balance - December 31, 2019	E	$ 310,951.43

Analysis of Balance - December 31, 2019:

Principal Outstanding 12/31/19	Interest Rate	From	To	Period	Amount
Bonds					
$ 123,660.99	3.000%	08/01/19	12/31/19	5 months	1,545.76
123,660.99	3.000%	08/01/19	12/31/19	5 months	1,545.76
123,660.99	3.000%	08/01/19	12/31/19	5 months	1,545.76
245,359.10	3.000%	08/01/19	12/31/19	5 months	3,066.99
245,359.10	3.250%	08/01/19	12/31/19	5 months	3,322.57
245,359.10	3.500%	08/01/19	12/31/19	5 months	3,578.15
245,359.10	4.000%	08/01/19	12/31/19	5 months	4,089.32
245,359.10	4.000%	08/01/19	12/31/19	5 months	4,089.32
245,162.79	4.000%	08/01/19	12/31/19	5 months	4,086.05

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
SEWER UTILITY OPERATING FUND

Analysis of Balance - December 31, 2019: (cont'd.)

Principal Outstanding 12/31/2019	Interest Rate	From	To	Period	Amount
Bonds					
$ 78,382.58	4.000%	08/01/19	12/31/19	5 months	$ 1,306.38
80,248.83	4.000%	08/01/19	12/31/19	5 months	1,337.48
82,115.09	4.000%	08/01/19	12/31/19	5 months	1,368.58
83,981.34	4.000%	08/01/19	12/31/19	5 months	1,399.69
85,847.59	4.000%	08/01/19	12/31/19	5 months	1,430.79
87,713.84	4.125%	08/01/19	12/31/19	5 months	1,507.58
89,580.09	4.375%	08/01/19	12/31/19	5 months	1,632.97
89,580.09	4.500%	08/01/19	12/31/19	5 months	1,679.63
91,446.35	4.625%	08/01/19	12/31/19	5 months	1,762.25
Bonds					
70,000.00	4.000%	12/01/19	12/31/19	1 month	233.33
75,000.00	4.000%	12/01/19	12/31/19	1 month	250.00
75,000.00	4.000%	12/01/19	12/31/19	1 month	250.00
75,000.00	3.000%	12/01/19	12/31/19	1 month	187.50
75,000.00	3.000%	12/01/19	12/31/19	1 month	187.50
80,000.00	3.000%	12/01/19	12/31/19	1 month	200.00
85,000.00	3.000%	12/01/19	12/31/19	1 month	212.50
90,000.00	4.000%	12/01/19	12/31/19	1 month	300.00
90,000.00	4.000%	12/01/19	12/31/19	1 month	300.00
95,000.00	4.000%	12/01/19	12/31/19	1 month	316.67
100,000.00	4.000%	12/01/19	12/31/19	1 month	333.33
100,000.00	4.000%	12/01/19	12/31/19	1 month	333.33
105,000.00	4.000%	12/01/19	12/31/19	1 month	350.00
110,000.00	4.000%	12/01/19	12/31/19	1 month	366.67
115,000.00	4.000%	12/01/19	12/31/19	1 month	383.33
120,000.00	4.000%	12/01/19	12/31/19	1 month	400.00
125,000.00	4.000%	12/01/19	12/31/19	1 month	416.67
125,000.00	4.000%	12/01/19	12/31/19	1 month	416.67
BAN's					
7,390,000.00	4.000%	02/08/19	12/31/19	10.5 months	265,218.90
$ 11,711,837.06					$ 310,951.43

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SEWER UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2018 FUNDED	BALANCE DECEMBER 31, 2018 UNFUNDED	12/31/18 ENCUMB	PAID OR CHARGED	12/31/19 ENCUMB	BALANCE DECEMBER 31, 2019 FUNDED	BALANCE DECEMBER 31, 2019 UNFUNDED
1	Improvement of Pump Station Renovation and Upgrades At The West Side, Evergreen and National Road Pump Stations	07/14/93	$ 2,685,000.00	$ -	$ 15,870.17	$ -	$ -	$ -	$ -	$ 15,870.17
1451-2005	Wastewater Collection System-2005	04/14/05	1,200,000.00		2,464.00	5,551.00		5,551.00		2,464.00
8	Improvements to Sewer System - 2007	04/11/07	266,800.00	4,591.66	300.00				4,591.66	300.00
1617-2008	Purchase of Vehicles and Equipment - 2008	04/28/08	420,000.00	20,936.55	2,800.00	7,400.00	1,965.61		26,370.94	2,800.00
1873-2014	Various Sewer Improvements - 2014	07/23/14	8,000,000.00		508,852.54	1,679,318.63	725,056.85	958,246.70		504,867.62
1934-2016	Analysis of Water and Sewer System - 2016	07/27/16	300,000.00			26,784.51		26,784.51		-
				$ 25,528.21	$ 530,286.71	$ 1,719,054.14	$ 727,022.46	$ 990,582.21	$ 30,962.60	$ 526,301.79
			REF.	E	E	E	E-12	E	E	E

Exhibit - E-21

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	REF.	
Balance - December 31, 2018	E	$ 509,500.00
Balance - December 31, 2019	E	$ 509,500.00

Exhibit - E-22

SCHEDULE OF RESERVE FOR AMORTIZATION

	REF.	
Balance - December 31, 2018	E	$ 3,417,061.46
Increased by:		
Utility Bonds Paid	E-10	265,177.32
Balance - December 31, 2019	E	$ 3,682,238.78

Exhibit - E-23

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

IMPROVEMENT DESCRIPTION	BALANCE DEC. 31,2018	FIXED CAPITAL AUTHORIZED	BALANCE DEC. 31,2019
3 Repair, Replacement and Improve. to the Sewer System	$ 17,750.00	$ -	$ 17,750.00
10 Various Sewer Improvements	505,000.00	105,000.00	610,000.00
11 Analysis of Water and Sewer System	15,000.00		15,000.00
	$ 537,750.00	$ 105,000.00	$ 642,750.00
REF.	E	E-14	E

Exhibit - E-24

SCHEDULE OF DOWN PAYMENTS ON IMPROVEMENTS

	REF.	
Balance - December 31, 2018	E	$ 400,000.00
Balance - December 31, 2019	E	$ 400,000.00

Exhibit - E-25

SCHEDULE OF RESERVE FOR CAPITAL IMPROVEMENT PROJECTS

	REF.	
Balance - December 31, 2018	E	$2,995,415.31
Increased by:		
Due from Sewer Operating	E-12	911,789.74
Balance - December 31, 2019	E	$3,907,205.05

Exhibit - E-26

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

ORD. NO.	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31,2018	BAN'S ISSUED	BAN'S REDEEMED	BAN'S PAYDOWN	BALANCE DEC. 31,2019
1	Improvement of Pump Station Renovation and Upgrades At the West Side, Evergreen and National Road Pump Stations	$ 152,100.00	$	$		$ 152,100.00
3	Repair, Replacement and Improvs. to the Sewer System	337,250.00				337,250.00
4	Wastewater Collection System	50,000.00				50,000.00
7	Wastewater Collection System-2005	200,000.00				200,000.00
8	Improvements to Sewer System - 2007	300.00				300.00
9	Purchase of Vehicles and Equipment - 2008	2,800.00				2,800.00
10	Various Sewer Improvements - 2014		7,390,000.00	7,495,000.00	105,000.00	-
11	General Sewer Refunding Bonds - 2016	36,684.16				36,684.16
12	Analysis of Water and Sewer System - 2016	285,000.00				285,000.00
		$ 1,064,134.16	$ 7,390,000.00	$ 7,495,000.00	$ 105,000.00	$ 1,064,134.16

Footnote E

PUBLIC ASSISTANCE FUND

Exhibit - F-1

SCHEDULE OF PUBLIC ASSISTANCE CASH AND INVESTMENTS - TREASURER

	REF.	P.A.T.F. #1	Total
Balance - December 31, 2018		$ 44,594.59	$ 44,594.59
Increased by Receipts:			
Interest Earned	F-2,F-4	900.43	900.43
Balance - December 31, 2019	F	$ 45,495.02	$ 45,495.02

Exhibit - F-2

SCHEDULE OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2019

	P.A.T.F. ACCT. #1	P.A.T.F. ACCT. #2	FUND TOTAL
Other Revenues			
Interest Earned	$ 900.43	$	$ 900.43
Total Revenues	$ 900.43	$	$ 900.43
Ref.			F- 1

Exhibit - F-3

SCHEDULE OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2019

	P.A.T.F. ACCT. #1	P.A.T.F. ACCT. #2	FUND TOTAL
Total Expenditures	$	$	$

Exhibit - F-4

SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2019

	REF.	
Balance - December 31, 2018	F	$ 44,594.59
Increased by:		
Interest Earned	F- 1	900.43
Balance - December 31, 2019	F	$ 45,495.02

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

PART III
SUPPLEMENTARY DATA

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

COMBINED BALANCE SHEET ALL FUNDS
FOR THE YEAR ENDING DECEMBER 31, 2019

ASSETS	CURRENT FUND	TRUST FUND	GENERAL CAPITAL FUND	WATER UTILITY FUND	SEWER UTILITY FUND	PUBLIC ASSISTANCE FUND	GOVERNMENTAL FIXED ASSETS	MEMORANDUM ONLY TOTALS DEC. 31, 2019	DEC. 31, 2018
Cash and Investments	$ 45,804,938.38	$ 46,341,624.36	$ 16,135,359.02	$ 25,222.53	$ 22,537,550.33	$ 45,495.02	$ -	$ 130,890,189.64	$ 128,904,587.66
Accounts Receivable:									
State and Federal Grants	1,105,695.85	1,366,799.11	228,687.48					2,701,182.44	2,064,065.33
Due from State of N.J.	11,319.60							11,319.60	
Taxes, Assessments, Liens and Utility Charges	1,274,051.48	171.00			229,232.71			1,503,455.19	1,238,446.34
Interfund Loans	998,356.68	34,322.35		62,697.53	4,998,971.16			6,094,347.72	6,066,698.60
Other Accounts Receivable	136,552.10		131,028.00					267,580.10	250,291.38
Property Acquired for Taxes at Assessed Value	3,991,567.99							3,991,567.99	3,991,567.99
Deferred Charges to Revenue of Succeeding Years	3,238,600.00							3,238,600.00	3,204,200.00
Deferred Charges to Future Taxation General Capital			117,254,145.54					117,254,145.54	112,923,902.18
Fixed Assets - General							183,179,906.00	183,179,906.00	180,150,221.00
Fixed Capital - Utilities				7,055,736.14	15,553,113.40			22,608,849.54	21,804,718.23
Fixed Capital Author. and Uncompleted - Utilities				14,922,891.15	1,547,846.60			16,470,737.75	2,274,869.06
Total Assets	$ 56,561,082.08	$ 47,742,916.82	$ 133,749,220.04	$ 22,066,547.35	$ 44,866,714.20	$ 45,495.02	$ 183,179,906.00	$ 488,211,881.51	$ 462,873,567.77
LIABILITIES, RESERVES AND FUND BALANCE									
Bonds, Loans and Notes Payable	$ -	$ -	$ 85,465,302.93	$ 617,368.87	$ 11,711,837.06	$ -	$ -	$ 97,794,508.86	$ 102,091,380.01
Special Emergency Note	2,263,600.00							2,263,600.00	-
Prepaid Taxes, Assessments and Utility Charges	2,748,352.03							2,748,352.03	2,933,287.43
Tax, Assessment Lien and Utility Charge Overpayments	612,356.80				142,084.88			754,441.68	546,510.75
Appropriation Reserves	9,223,717.80				3,925,221.86			13,148,939.66	13,363,012.58
Budgetary Encumb./Accts. Payable	2,955,645.28	112,270.86	6,317,184.28	897,225.95	1,426,858.43			11,709,184.80	10,803,467.87
Local District School Taxes Payable	9,441,654.00							9,441,654.00	9,441,654.00
Other Liabilities	1,900.00	3,108,730.89	809,743.26	10,779.59	5,127,656.48			9,058,810.22	8,851,077.19
Amts. Pledged to Specific Purposes	14,575,710.42	43,518,619.10			5,020.64	45,495.02		58,144,845.18	55,421,669.36
Escrow Funds		915,025.91						915,025.91	932,108.63
Improvement Authorizations			41,137,062.05	14,025,665.20	557,264.39			55,719,991.64	37,313,929.73
Interfund Loans	961,952.84	86,967.06	19,307.53	139,837.68	4,886,282.61			6,094,347.72	6,066,698.60
Investments in Governmental Fixed Assets							183,179,906.00	183,179,906.00	180,150,221.00
Res. for Amort. of Costs of Fixed Capital Acquired or Author.				6,361,258.42	4,324,988.78			10,686,247.20	10,254,632.69
Reserve for Certain Assets Acquired or Receivable and Inventories	5,488,414.46				229,232.71			5,717,647.17	5,472,625.67
Fund Balance	8,287,778.45	1,303.00	619.99	14,411.64	12,530,266.36			20,834,379.44	19,231,292.26
Total Liabilities, Reserves and Fund Balance	$ 56,561,082.08	$ 47,742,916.82	$ 133,749,220.04	$ 22,066,547.35	$ 44,866,714.20	$ 45,495.02	$ 183,179,906.00	$ 488,211,881.51	$ 462,873,567.77

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

REVENUE AND OTHER INCOME REALIZED	YEAR 2019 AMOUNT	YEAR 2019 %	YEAR 2018 AMOUNT	YEAR 2018 %
Fund Balance Utilized	$ 8,222,182.20	1.82%	$ 9,250,359.18	2.12%
Miscellaneous - From Other Than Local Property Tax Levies	39,711,663.80	8.80%	34,604,292.58	7.92%
Collection of Delinquent Taxes and Tax Title Liens	194,640.46	0.04%	164,957.20	0.04%
Collection of Current Tax Levy	400,120,366.62	88.62%	388,561,713.20	88.97%
Other Credits to Income	3,272,312.27	0.72%	4,163,303.57	0.95%
Total Income	451,521,165.35	100.00%	436,744,625.73	100.00%
EXPENDITURES				
Budget Expenditures:				
Municipal Purposes	143,665,572.82	32.27%	137,719,876.68	31.92%
Special District Taxes	10,022,810.25	2.25%	9,983,575.88	2.31%
County Taxes	67,857,318.33	15.24%	66,246,083.71	15.35%
Local School Taxes	223,563,032.00	50.22%	217,507,074.00	50.41%
Other Charges to Income	40,253.50	0.01%	47,383.01	0.01%
Total Expenditures	445,148,986.90	100.00%	431,503,993.28	100.00%
Excess Revenues	6,372,178.45		5,240,632.45	
Add: Expenditures Included Above Which are by Statute Deferred Charges to Succeeding Years	975,000.00		1,201,000.00	
Statutory Excess to Fund Balance	7,347,178.45		6,441,632.45	
Fund Balance January 1	9,162,782.20		11,971,508.93	
	16,509,960.65		18,413,141.38	
Less: Utilization as Anticipated Revenue	8,222,182.20		9,250,359.18	
Fund Balance December 31	$ 8,287,778.45		$ 9,162,782.20	

STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - SEWER UTILITY OPERATING FUND

REVENUE AND OTHER INCOME REALIZED	YEAR 2019 AMOUNT	YEAR 2019 %	YEAR 2018 AMOUNT	YEAR 2018 %
Collection of Sewer Rents	$ 20,382,369.43	89.99%	$ 19,793,777.67	88.51%
Sewer Connection Fees	263,586.42	1.16%	235,959.84	1.06%
Interest and Costs on Sewer Rents	70,419.93	0.31%	56,076.77	0.25%
Miscellaneous Revenues	354,526.90	1.57%	272,624.48	1.22%
Other Credits to Income	1,579,169.94	6.97%	2,003,758.79	8.96%
Total Income	22,650,072.62	100.00%	22,362,197.55	100.00%
EXPENDITURES				
Budget Expenditures:				
Operating	17,613,147.92	86.54%	16,520,847.00	86.78%
Debt Service	826,155.08	4.06%	689,801.74	3.62%
Capital Improvements	1,467,695.00	7.21%	1,400,000.00	7.35%
Deferred Charges and Statutory Expenditures	426,002.00	2.09%	426,002.00	2.24%
Other Charges to Income	20,109.45	0.10%		0.00%
Total Expenditures	20,353,109.45	100.00%	19,036,650.74	100.00%
Excess In Revenues	2,296,963.17		3,325,546.81	
Fund Balance January 1	9,607,956.46		6,282,409.65	
Fund Balance December 31	$ 11,904,919.63		$ 9,607,956.46	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	2019	2018	2017
Tax Rate:	$5.408	$5.272	$5.156
Apportionment of Tax Rate:			
Municipal:	1.280	1.230	1.214
Municipal Library	0.080	0.076	0.074
County: [1]	0.940	0.921	0.890
Local School:	3.108	3.045	2.978

Assessed Valuation (Taxable):			
2019	$7,194,825,765		
2018		$7,144,232,527	
2017			$7,096,395,983

[1] Includes Open Spaces Tax

Note: Under the provisions of Chapter 73, L.1976 (R.S. 54:4-46.1), the County Board of Taxation estimated the amount of Veterans' and Senior Citizens' tax deductions, etc., to be $421,250.00 for the year 2019.

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

		CURRENTLY	
Year	Tax Levy	Cash Collections	Percentage of Collection
CY 2019	$ 400,693,429	$ 400,120,367	99.86%
CY 2018	389,605,271	388,561,713	99.73%
CY 2017	378,012,203	377,518,802	99.87%

DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last three years.

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
CY 2019	$ 1,252,888	$ 21,163	$ 1,274,051	0.32%
CY 2018	1,213,554	23,140	1,236,694	0.32%
CY 2017	1,185,666	46,885	1,232,551	0.33%

PROPERTY ACQUIRED FOR 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 was as follows:

Year	Amount
CY 2019	$ 3,991,567.99
CY 2018	3,991,567.99
CY 2017	3,984,080.24

COMPARISON OF SEWER UTILITY LEVIES AND COLLECTIONS

Fiscal Year	SEWER UTILITY Levies	Collections*
CY 2019	$ 20,608,147.07	$ 20,346,913.82
CY 2018	19,750,010.32	19,766,257.31
CY 2017	19,915,030.66	19,906,402.24

*Include collections against prior year balances.

COMPARATIVE SCHEDULE OF FUND BALANCES

	Year Ended	Balance	Utilized in Budget of Succeeding Year	Transferred to Current Fund in Succeeding Year
	CY 2019	$ 8,287,778.45	$ 7,289,246.26	N/A
Current Fund	CY 2018	9,162,782.20	8,222,182.20	N/A
	CY 2017	11,971,508.93	9,250,359.18	N/A
Water Utility	CY 2019	$ 0.32	None	None
Operating Fund	CY 2018	0.32	None	None
	CY 2017	0.32	None	None
Sewer Utility	CY 2019	$ 11,904,919.63	$ 3,547,820.35	None
Operating Fund	CY 2018	9,607,956.46	None	None
	CY 2017	6,282,409.65	None	None

(1) See Notes to Financial Statements regarding the privatization of the Water Utility.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office on December 31, 2019:

NAME	TITLE	AMOUNT OF BOND		NAME OF CORPORATE SURETY
Thomas Lankey	- Mayor			
Alvaro Gomez	- Council President			
Ajay Patil	- Council Vice President			
Joseph Coyle	- Councilperson			
Robert Diehl	- Councilperson			
Samip Joshi	- Councilperson			
Michael Lombardi	- Councilperson			
Leonard D. Sendelsky	- Councilperson			
Maureen Ruane	- Business Administrator	$1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund
William Northgrave, Esq.	- Director of Law, Township Attorney	1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund
Thomas Bryan	- Chief of Police	1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund
Nicholas Fargo	- Chief Financial Officer, Director of Finance	1,000,000.00		Municipal Excess Liability Joint Insurance Fund
Joyce Fircha	- Acting Director of Parks & Recreation	1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund
Jay P. Elliot	- Health Officer, Director of Health & Human Resources	1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund
Anthony Russomanno	- Director of Public Works			
Cheryl Russomanno	- Township Clerk, Supervisor of Elections	1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund
Lina Vallejo	Tax Collector, Tax Search Officer	1,000,000.00		Municipal Excess Liability Joint Insurance Fund
JoAnn Jimenez	- Tax Assessor	1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund
Gary Price	- Presiding Municipal Magistrate	1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund
Kelly Sommer	- Court Administrator	1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund
Laura Vesce	- Purchasing Agent	1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund
John Soltesz	- Construction Code Official	1,000,000.00	- Blanket	Municipal Excess Liability Joint Insurance Fund

All of the above bonds were examined and found to be properly executed.

TOWNSHIP OF EDISON
MIDDLESEX COUNTY, NEW JERSEY

PART IV
GENERAL COMMENTS AND RECOMMENDATIONS

TOWNSHIP OF EDISON
COUNTY OF MIDDLESEX, NEW JERSEY
YEAR ENDED DECEMBER 31, 2019

GENERAL COMMENTS

An audit of the financial accounts and transactions of the Township of Edison, County of Middlesex, New Jersey, for the year ended December 31, 2019, has been completed. The General Comments are herewith set forth:

Scope of Audit

The audit covered the financial transactions of the Finance Department and the other various offices and departments collecting fees within the Township of Edison, County of Middlesex, New Jersey.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. Cash on hand was counted and cash and investment balances were reconciled with independent certifications obtained directly from the depositories. Revenues and receipts were established and verified as to source and amount insofar as the records permitted.

INTERNAL CONTROL MATTERS

In planning and performing our audit of the financial statements of Township of Edison, County of Middlesex, New Jersey as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Township's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

A control deficiency 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 misstatements on a timely basis.

A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

GENERAL COMMENTS

INTERNAL CONTROL MATTERS (CONT'D.)

With respect to the reporting of internal control matters, standards require that only a significant deficiency and/or a material weakness need be reported in writing to management and those charged with governance.

The control deficiencies reported are not considered to be material weaknesses. In addition, these control deficiencies are not required to be reported in writing, however, control deficiencies are presented to management and those charged with governance in this report as a means to present those matters identified in review of the Township's internal controls and as a means to inform management and those charged with governance as to the auditing standards requirements with respect to internal controls.

As indicated below, we identified certain deficiencies in internal control that we consider to be control deficiencies.

In addition, during our audit, we noted certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated September 15, 2020 on the financial statements of the Township of Edison. Our comments and recommendations, which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies.

Control Deficiencies:

We consider the following deficiencies to be control deficiencies in internal control:

2019-1 Segregation of Duties

Conditions exist whereby the same person may collect, record and deposit cash receipts in the following offices – Licenses & Permits, Recreation, Animal Shelter, Engineering, Police Records Clerk, Health, and Construction Code.

This condition is the result of the staffing levels of the respective offices.

2019-2 Documentation of Components of Internal Control

As required by Statement on Auditing Standards No. 115, a new standard with an implementation schedule, which covers audits of financial statements for periods ending on or after December 15, 2006, entities subject to audit are required to provide independent auditors with documentation of the various components of its internal controls.

The Township should consider documenting the various components of its internal controls.

GENERAL COMMENTS

INTERNAL CONTROL MATTERS (CONT'D.)

2019-3 Controls for Tracking of Compensated Absences

The Township's payroll processing system is the logical focal point for internal controls over the record keeping function for accumulated sick and vacation days. The system is capable of tracking days earned, used and remaining, and can provide a payroll by payroll record to each employee of days used. The mathematical integrity of the system and its reporting capabilities make the system's control features superior to any alternative recordkeeping process. However, and as has been the practice for many years, we noted that the Police and Fire Divisions maintain the "official" records of compensated absences earned, used and available for each of their employees. These off-system records may be subject to the risk that errors and omissions in the entries of activity could occur and remain undetected, as the payroll or finance offices perform no formal proofs. The Township has purchased a new financial/human resource module (Edmunds) software that includes record keeping of compensated absences that has been fully implemented with the exception as discussed more fully in a subsequent comment, no effort has been undertaken to bring the tracking of police and fire compensated absences under the umbrella of the new system.

OTHER MATTERS

Contracts and Agreements Required to be Advertised Per N.J.S.A. 40A: 11-4

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

The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed $17,500.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

On September 28, 2015, the Local Public Contracts Law was amended, effective on July 1, 2015. The amendment addresses the bid threshold (Section 7, N.J.S.A. 40A:11-3), thereby increasing the amount from $36,000.00 to $40,000.00 under which a contract may be awarded without public advertising for those municipalities that have appointed a Qualified Purchasing Agent. The maximum bid threshold remains at $17,500.00 for those municipalities that do not have a Qualified Purchasing Agent.

GENERAL COMMENTS

OTHER MATTERS

Contracts and Agreements Required
to be Advertised Per N.J.S.A. 40A: 11-4 (cont'd.)

Although the Township does have a QPA, the bid threshold has been set by the governing body at $17,500.

Materials and Supplies:

Tires and Tubes; Rock Salt, Uniforms for various personnel; Promotional Items, Trophies and Awards; Office Supplies; Automotive Lubricants; Fuel

Equipment:

Refuse Collection Containers; Playground Equipment Installation; Emergency Generator

Contracts:

Traffic Signal Repairs; Collision Repairs; Maintenance and Repair for Heavy Duty Vehicles; Talmadge Road Resurfacing (Phase III); Road Resurfacing Program (Various Streets); Elevator Maintenance and Repair; Fire Department Equipment and Tools Supply and Repair; Materials for Water Distribution System Maintenance; Office Furniture

State Approved Contracts for the Following Purchases:

Computer Equipment; Snow Plow and Spreader Parts; Emergency Notification System; Ammunition, Firearms and Targets;

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut non-compliance existed. Our review revealed that no violations existed.

Any interpretation as to possible violation of N.J.S.A. 40A: 11-4 and N.J.A.C. 5:30-14 would be in the province of the municipal solicitor.

GENERAL COMMENTS

OTHER MATTERS

Pay-to-Play and Business Registration Requirements

An anomaly exists in the "Pay-to-Play" statutes when they are matched with the LPCL requirements to determine compliance requirements. The threshold for Pay-to-Play is set at $17,500 with no escalator provision. At the time c.271 was enacted, the bid threshold per LPCL was also set at $17,500. However, effective July 1, 2005, the bid threshold was increased to $21,000. Subsequent adjustments by the Governor pursuant to the enabling statute. This created a gap for compliance, as under c.271, a contract not awarded using a fair & open process and exceeding $17,500 triggers the filing of additional documentation relating to ownership of the contracting entity and disclosure of political contributions. Since "Pay-to-Play" laws cover all contracts (not just professional services as some believe) any contract (or aggregation of purchases of similar goods or services) that does not meet "fair and open" standards requires the Township to obtain the necessary c.271 documents. The provisions of c.271 became effective on January 1, 2006. One of the beneficial aspects of the Township's decision to operate its procurement function using a bid threshold of $17,500 is that the "Pay-to-Play" threshold and LPCL threshold remain in synch.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body, on January 7, 2019, adopted a resolution authorizing interest to be charged on delinquent taxes and assessments, as follows:

8% Interest on Amounts up to $1,500.00 on Delinquent Tax and Assessment Accounts:

18% Interest on Amounts from $1,500.00 and above on Delinquent Tax and Assessment Accounts:

Ten (10) Day Grace Period

An examination of the collector's records indicated that interest on delinquencies was calculated in accordance with the foregoing resolution, for items tested.

Employee Health Benefits

The Township provides a prescription drug plan and a dental plan to eligible employees and retirees through self-insured programs and has engaged CVS Caremark and Horizon Healthcare Dental to administer each plan, respectively. In addition to the appropriations for these plans contained in the annual budgets of the Township, the Township has established an additional reserve for payments in the event claims during a fiscal year exceed the amounts budgeted. At December 31, 2018, the amount in this reserve was $1,991,332.18. During 2019, the amounts budgeted during the year exceeded the claims paid and as a result an amount of $1,744,723.14, net of refunds was deducted from the reserve. The balance remaining at December 31, 2019 is $246,609.04.

GENERAL COMMENTS

OTHER MATTERS

Employee Health Benefits (cont'd.)

As claims made in self-insured programs generally require 60-90 days to be processed and disbursed from Township accounts it is likely that the remaining reserve balance would not be sufficient to fund the "run-out" costs of claims incurred at December 31, 2019, but not paid.

If the existing reserve balance is not adequate to liquidate unpaid claims at year-end, an unrecorded contingent liability would exist. Should the Township seek to revert to a premium based, risk transfer method of providing employee health coverage, the excess of ultimate "run-out" claims paid over the reserve balance at such time would need to be included in the budget appropriations for the first year of policy coverage in addition to the policy premiums for the year.

We recommend that the Township review its policy with regards to adequately budgeting the appropriate amount for employee health benefits.

Delinquent Taxes and Tax Title Liens

A tax sale was held on December 16, 2019, and was complete. Properties that were in bankruptcy proceedings were excluded from the sale. The status of these properties should be monitored to assure that the Township protects its right to collect delinquent taxes and that these properties are exposed to tax sale proceedings at the earliest legal date.

The following comparison is made of the number of tax title liens receivable for December 31, 2019 and for the last two years:

Year	Total Liens	Tax Liens	Sewer Liens
CY2019	70	69	1
CY2018	65	65	0
CY2017	66	63	3

The Township maintains a foreclosure program for tax title liens that become subject to In Rem Foreclosure. Subject liens have been assigned to attorneys and are in process of foreclosure.

State Tax Appeals

Based upon adjudication or settlement of taxpayer appeals filed with the New Jersey Tax Court since 2016 the Township of Edison has paid refunds on State Tax Appeals in excess of $7,900,000.00. To provide funding for the refunds, the Township sought and received approval from the Local Finance Board to finance up to $12,175,000 of tax appeal settlement refunds over a six-year period. The Township paid down $2,030,000 in 2019, $2,030,000 in 2018, $2,030,833 in 2017 and $2,029,167 in 2016 of the funding for a total of $8,120,000 and issued Bond Anticipation Notes in the full amount of $4,055,000. In addition, going back five years from 2014-2018, appropriations of $2,000,000 have been included in previous budgets and an appropriation of $1,790,000 had been included in the Township's 2019 budget and an additional appropriation of $1,790,000 has been included in the Township's 2020 budget.

On a positive note, data relating to 2016, 2017, 2018 and 2019 tax appeals indicate significant stabilization in the ratable base and decreased loss exposure relating to tax appeals for these years.

GENERAL COMMENTS

OTHER MATTERS

Interfund Balances

At December 31, 2019, the balance sheets of the following funds include interfunds payable:

Current Fund:	
Due to Grant Fund	$912,113.79
Due to Trust Fund	14,259.35
Due to Sewer Operating Fund	35,579.70
Trust-Other Fund:	
Due to Current Fund	2,541.02
Due to Trust Assessment Fund	20,063.00
Animal Control Fund:	
Due to Current Fund	11,186.78
Assessment Trust Fund:	
Due to Current Fund	18,760.00
Housing and Community Development Fund:	
Due to Current Fund	34,416.26
General Capital Fund	
Due to Current Fund	19,307.53
Water Operating Fund:	
Due to Current Fund	31.30
Due to Sewer Operating Fund	77,108.85
Water Capital Fund:	
Due to Water Operating Fund	62,697.53
Sewer Operating Fund:	
Due to Sewer Capital Fund	4,886,282.61

The amounts payable by the Sewer Capital Fund represents the cash transferred from the Operating Fund to finance capital projects of the Utility. If permanent financing of this project through the issuance of debt is not contemplated, the Township should consider a budget appropriation to eliminate the loan and finance the sewer project from the fund balance of the Water Operating Fund. Subsequent to the balance sheet date, the Township liquidated the majority of the interfunds. As a result, no recommendation is made.

Investment of Idle Funds

The chief financial officer had most of the idle funds of the Township invested in the interest-bearing investments or accounts from January 1, 2019 to December 31, 2019. Earnings from the investments are shown as revenue in the various accounts of the Township as of December 31, 2019. The investment program instituted by the finance officer was complete with minimal balances remaining in demand accounts. This policy complied with N.J.S.A. 40A: 5-14 in all respects. All investments held by the Township were directly confirmed as of December 31, 2019.

GENERAL COMMENTS

OTHER MATTERS

Purchase Order System and Encumbrance System

The Township budgetary operation is on a full encumbrance system with the exception of payrolls and other direct costs. All purchases are made directly by the purchasing department or subsequently confirmed on an emergency basis. Test of the system disclosed that compliance during 2019 was good. It was noted that there was a large amount of confirming orders during the year. Confirming order is the term given to a procurement transaction when a commitment to purchase is made by an employee prior to the submission of a requisition, the formal approval of management to purchase, the determination that the funds are available to pay for the contemplated purchase, and the determination that all requisite compliance requirements have been addressed prior to the commitment of funds. Confirming orders are often the root cause of a variety of compliance problems, and most significantly, can result in overexpenditures of appropriations. Management should meet with the departmental personnel in the departments that are most frequently circumventing established purchase order procedures to identify any conditions that are making compliance difficult and effect any necessary changes or educate the staff to assure proper planning and expected time lines. Blanket orders and other outstanding encumbrances were reviewed at the close of the year, and adjustments and cancellations were made where appropriate to reflect actual commitments outstanding for budgetary control. Compliance to certification of availability of funds was reviewed and found to be good.

It is recommended that the use of confirming orders for procurement cease.

Other Officials Collecting Fees

Our reviews of the records maintained for other officials collecting fees were designed to determine that minimum levels of internal controls and accountability were met, that cash receipts were deposited or turned over to the Treasurer's accounts within a 48-hour period as required by N.J.S.A. 40A: 5-15, that amounts charged were in accordance with the provisions of the Township Code and that monthly financial reports are being submitted to the Finance Department timely. There were no exceptions noted for items tested.

Payment of Claims

The examination did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. Authorization for payment of claims is delegated to the Director of Finance and bill lists are submitted to the Township Council for approval and recorded as a supplement to the official minutes. Claims were examined on a test basis for the year under review and were found to be in good order.

Sewer Utility Fund

The Sewer Utility operations for 2019 as shown on Exhibit "E-1" resulted in excess revenues of $2,296,963.17. The calculation of excess revenues for the purpose of preparing the Annual Debt Statement resulted in an excess of $737,902.68, which allows for the total deductions of the Sewer Utility's authorized debt of $12,775,971.22 in the calculation of statutory net debt. A reconciliation of excess revenues from operations (Exhibit E-1) and the excess in revenues for debt statement purposes is included in Note 4 of the "Notes to Financial Statements".

GENERAL COMMENTS

OTHER MATTERS

Water Utility Fund

The operation of the Township's water supply facilities was privatized as of July 1, 1997, for a minimum period of twenty years. The financial records of the Water Utility indicate that at the time of privatization, that over $955,000 of capital costs had been temporarily financed with loans from the Township's sewer utility. This situation limits the use of sewer operating surplus to finance system improvements. Since there is no revenue stream to finance these costs, the Division of Local Government Services has indicated that the Township needed to address this matter in the SFY 2010 budget.

However, during 2013 the Township decided to permanently finance these projects. These payments will increase the amounts required to be funded through the Township's general budget.

In preparation of the Township bringing the operation and maintenance of the Water Utility back in-house, the Township adopted Ordinance 2055-2019 in the amount of $15,000,000 for the preliminary costs in connection with the acquisition and commencement of operations of the water utility system.

Personnel Records

The Township's personnel records have been maintained on a proprietary software package built "in-house" by former employees. This software is not integrated into the payroll system, and has had several issues relating to functionality and database maintenance. A review of these records revealed that the Township has not been able to maintain accurate records of employees eligible to receive health benefits. The Township had the capability to compile a list of employees, active and retired, their dependents, and their coverage type. The program has not been working properly, and as a result it has not been maintained in over five years. Essentially, this software problem has precluded the maintenance of a master list of those eligible for benefits. However, the absence of such a list would not eliminate the Township's ability to review claims for proprietary, as it could verify information to active employees and recent retirees from the payroll system. However, the internal problem was compounded by the lack of detailed lists of claims paid by their health insurance carrier and as a result, there was no existing verification procedure to assure that claims were being paid only for active employees, eligible retirees, or those paying for COBRA coverage. The Township has continued to request and receive the detailed lists of claims being paid in order to verify the accuracy of their health insurance bills.

We suggest that the Township continue to review their system and procedures to insure they maintain the capability to verify the accuracy of their insurance bills and to verify the accuracy of all covered lives.

We also noted that the terms of employment for a few management level employees have been established through individual employment agreements. The Township currently consults with its benefits experts and legal advisors to assure that there are no conflicts with the anti-discrimination provisions of the internal revenue code. We suggest that such consultations be memorialized by a writing as evidence of due diligence regarding compliance with anti-discrimination requirements for any employee with a negotiated employment agreement.

Financial and Budgetary Records

The Township maintains a detailed, computerized subsidiary ledger for each of its budgets. The software package permits the entry of non-cash charges and adjustments. These adjusting entries are made in the general journal and are recorded in the general ledger control account.

GENERAL COMMENTS

OTHER MATTERS

Financial and Budgetary Records (cont'd.)

In the current year audit, we noted that, the payroll costs are required to be posted manually into the financial accounting records from payroll distribution reports. Revisions to the Township's payroll system are currently ongoing and include efforts to fully integrate the systems and to properly train employees on the use of the system.

Condition of Records – Tax Collector's Office

The condition of the records maintained by the Division was good. Computerized cash receipt records were proved to manual controls daily and in total monthly. The Comptroller obtains relevant reports relating to billings, cash collections and balances from the Tax Collector each month and proves general ledger balances to these records.

Payroll Records

The condition of the records maintained by the Payroll Department was good. There were no exceptions for the items tested. In the prior year audit, it was noted that there were certain reports including payroll registers that were requested that were not provided for audit. During the current year, all reports that were requested were provided for audit.

Condition of Records – Finance Office

The condition of the records maintained by the Division was good. Computerized cash receipt records and cash disbursement records were proved on a monthly basis. Bank reconciliations are performed monthly and proofed to the general ledger.

Implementation of P.L. 2007, c.92 Changes

During 2007, the State enacted legislation that impacted the Township during its SFY 2009 budget and required a review of the status of the current employee rolls. This legislation created a new retirement program for certain classes of employees that is a defined contribution retirement program rather than the defined benefit programs that the existing PERS and PFRS systems represent. The law also precludes pension system participation for professionals providing services under professional services agreements. Of additional significance is the provision within this legislation that caps future accumulations of sick and vacation pay that may be paid to employees at separation from service, and limits carryovers of unused vacation days to one year except for circumstances of declared statewide emergencies. It is essential that both the Human Resource and Payroll divisions be fully conversant with the provisions of this legislation to assure that new employees are properly enrolled and that compensated absences are capped as required.

GENERAL COMMENTS

OTHER MATTERS

Implementation of P.L. 2011, c.78

Of even greater significance, P.L. 2011, c.78, requires public employees to contribute to the cost of post-employment health benefit costs if they had not accrued a minimum of 20 years of service in a state administered retirement system as of June 28, 2011. Contributions would be required from employees taking retirement in 2015 without attaining "normal retirement" status. More importantly, as any employee achieving normal retirement status after June 28, 2016 will be required to make contributions of post-retirement health care cost. It is essential that a process be established to identify retirees with a contribution requirement and establish rules for the billing of such costs and the timely payment of such contributions to retain benefits eligibility.

The status of any employee subject to state licensure and not specifically exempted from the law must be reviewed, in the context of both the IRS regulations for determination of employee/independent contractor status and the provisions of this legislation.

Accounting for Compensated Absences Earned and Used

In this environment, the notes to future financial statements relating to the accumulated liability should include dual reporting; First, the total value of days earned and unused available to employees as leave, and, Second, the maximum terminal leave payments that would be required at the close of each year based upon the new limitations imposed by this law. We would also suggest that the utilization of sick days continued to be monitored to determine if this new legislation has the unintended consequence of increased utilization of sick days. Should utilization of sick days increase, the Township could face additional overtime costs or a need to increase staffing levels. The Township has begun the process mentioned above. Computerized spreadsheets are used to show the information on a department-by-department level. The individuals within the department are then shown with the number of hours and the calculated balances. However, the police and fire departments continue to maintain their own records and have not integrated into the new financial/human resources module (Edmunds) software.

We recommend that the Police and Fire divisions report their "official" records of sick and vacation days to the Human Resources office in order to have all records in a central location and to be integrated into the financial/human resources module (Edmunds) software.

Administration and Accounting for State Grant Programs

During 2019, the Township operated programs, which were funded in whole or in part by state or federal grant awards. As part of the acceptance of these funds, the Township is required to make assurances to the grantor agency that it will comply, in its general operations as well as in the operation of grant funded programs, with various laws and regulations. In addition, the individual grant contracts impose specific compliance requirements for the operations of each program. The examination of these grant programs indicated that the Township has expended grant funds during 2019 for the purposes authorized and no material weaknesses in the internal control system or material instances of noncompliance were noted.

The acceptance of grant funds also places additional requirements upon the Township with respect to the Township's system of internal controls. Based upon the matrix of requirements applicable to a specific grant, the Township's internal controls are required to include systems and policies and procedures designed to ensure compliance with the applicable requirements.

GENERAL COMMENTS

OTHER MATTERS

Administration and Accounting for State Grant Programs (Cont'd.)

We noted that the Township continues to carry unexpended balances of state awards that are several years old. This condition may have resulted from the decentralized management of the various grant programs. In the current environment, it is possible that grant program coordinators may have reported expenditures that were not charged to grant program appropriations. We suggest that the Township continue to monitor prior year unexpended grant funds and proper disposition should be made in compliance with the terms of grant awards.

In accordance with OMB Uniform Guidance and NJ OMB Circular 15-08, the responsibility of preparing the Schedules of Federal Awards and State Financial Assistance is that of the Township. At a minimum, the schedule shall (1) list individual federal or state programs by agency, and (2) provide total awards expended for each individual Federal or State program and the CFDA or State account number.

The audit procedures, which were applied in the tests of grant programs, did not disclose material instances of noncompliance with the terms and conditions of the grant agreements and assurances made in acceptance of these grant funds.

Cybersecurity

As part of its overall risk management, the Township reviews security measures in place relating to its Information Technology (IT), including the use of specialized assessments. With the ever increasing challenges relating to cybersecurity, each organization determines what particular assessment or combination of assessments best fits its information security strategy. We suggest management continue to assess risks related to cybersecurity along with the utilization of specialized assessments, which would also include a periodic reporting mechanism to those charged with governance.

Compliance with New Jersey Administration Code 5:30:

The Local Finance Board, State of New Jersey, adopted the following requirements, previously identified as "technical accounting directives", as codified in the New Jersey Administration Code. A summary of these codes, including the status of the Township's compliance, is as follows:

N.J.A.C. 5:30 - 5.2 – Encumbrance Systems: This directive requires the development and implementation of accounting systems, which can reflect the commitment of funds at the point of commitment. The Township of Edison is in compliance with this directive.

N.J.A.C. 5:30 - 5.6 – Accounting for Governmental Fixed Assets: This directive requires the development and implementation of accounting systems which assign values to covered assets and can track additions, retirements and transfers of inventoried assets. The Township is in compliance with this directive.

N.J.A.C. 5:30 - 5.7 – General Ledger Accounting System: This directive requires the establishment and maintenance of a general ledger for, at least, the Current Fund. The Township is in full compliance with this directive, and maintains a general ledger for all of its Funds subject to audit.

GENERAL COMMENTS

OTHER MATTERS

Compliance with Local Finance Notices

Local Finance Notice (LFN) No. 92-15 requires that the Township prepare and file a corrective action plan in accordance with federal and state requirements. A written corrective action plan for CY 2018 was prepared as required.

In accordance with Local Finance Notice No. CFO-10, Uniform Construction Code, expenditure records were tested for compliance with N.J.A.C. 5:3.17(c)2, and no exceptions were noted.

PENDING LITIGATION

At December 31, 2019 and at the date of this report, the Township had pending litigation outstanding. This litigation is more fully discussed in Note 16.

RECOMMENDATIONS

It is Recommended:

1 - That the Township reviews its policy with regards to adequately budgeting the appropriate amount for employee health benefits.

2 - That the use of confirming orders for procurement cease.

3 - That the Police and Fire divisions report their "official" records of sick and vacation days to the Human Resources office in order to have all records in a central location and to be integrated into the financial/human resources module (Edmunds) software.

Note: Recommendations 1-3 are repeated from the 2018 audit report.

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During the course of our audit we received the complete cooperation of the various officials of the Township, and the courtesies extended to us were greatly appreciated.

Should any questions arise as to our comments or recommendations or should you desire assistance in implementing our recommendations, please do not hesitate to contact us.

Respectfully submitted,

HODULIK & MORRISON, P.A.
a division of PKF O'Connor Davies



Robert S. Morrison, CPA, RMA
No. 412