



TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY
REPORT OF AUDIT
YEARS ENDED DECEMBER 31, 2020 AND 2019

WITH REPORT OF INDEPENDENT AUDITORS'

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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MIDDLESEX COUNTY, NEW JERSEY**

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MIDDLESEX COUNTY, NEW JERSEY**

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MIDDLESEX COUNTY, NEW JERSEY**

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**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

PART I

**REPORT ON AUDIT OF FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 and 2019**



Independent Auditors' Report

**The Honorable Mayor and Members
of the Township Council
Township of Piscataway
Piscataway, New Jersey**

Report on the Regulatory-Basis Financial Statements

We have audited the accompanying regulatory-basis financial statements of the various funds and the governmental fixed assets of the Township of Piscataway, Middlesex County, New Jersey (the "Township") which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of operations and changes in fund balance for the years then ended, the statements of changes in fund balance, the statements of revenues and statements of expenditures for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1. 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 General of the United States and the requirements as 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 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 fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township'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 Opinions on U.S Generally Accepted Accounting Principles

As described in Note 1, 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.

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

Adverse Opinions on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinions 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 the Township as of December 31, 2020 and 2019, the changes in its financial position, and, where applicable, its cash flows for the years then ended.

Unmodified Opinions on Regulatory-Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the various funds and the governmental fixed assets of the Township of Piscataway, County of Middlesex, New Jersey, as of December 31, 2020 and 2019, and the respective results of its operations and changes in fund balance for the years then ended and statements of change in fund balance, the statements of revenue and statements of expenditure of the various funds for the year ended December 31, 2020 and the related notes to the financial statements in accordance with the financial reporting provisions of the Division, as described in Note 1 to the financial statements.

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

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Township's basic financial statements. The information included in Part II – Supplementary Data and Part IV – General Comments (collectively, the "Supplementary Information"), as listed in the table of contents, is presented for purposes of additional analysis as required by the Division and is not a required part of the 2020 financial statements of the Township. Such information has been subjected to the 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 basic financial statements as a whole.

Report on Supplementary Information as Required by the Uniform Guidance and NJ OMB Circular 15-08

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*; and related notes to the schedule of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal awards, state financial assistance and related notes are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 schedules of expenditures of federal awards and state financial assistance and related notes are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2021 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 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's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Cranford, New Jersey
September 21, 2021



Andrew G. Hodulik
Registered Municipal Accountant, No. 406

FINANCIAL STATEMENTS

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE</u> <u>DEC. 31, 2020</u>	<u>BALANCE</u> <u>DEC. 31, 2019</u>	<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE</u> <u>DEC. 31, 2020</u>	<u>BALANCE</u> <u>DEC. 31, 2019</u>
Cash and Investments - Treasurer	A- 4	\$ 40,135,692.03	\$ 35,898,064.18	Liabilities:			
Cash - Change Fund	A	535.00	535.00	Appropriation Reserves	A-3, A-9	\$ 4,536,264.11	\$ 4,901,744.68
Due from State of N.J. per Ch. 129, P.L. 1976	A- 6	<u>230,989.41</u>	<u>232,279.05</u>	Reserve for Encumbrances	A-3, A-9	5,341,702.32	4,037,830.69
				Prepaid Taxes	A- 7	1,634,312.26	1,105,883.61
				Prepaid PILOT Fees	A- 7		55,251.68
				Taxes Payable: County Added and Omitted	A-13		195,999.57
				Various Payables	A-10	260,627.33	639,462.93
		<u>40,367,216.44</u>	<u>36,130,878.23</u>	Various Reserves	A-10	<u>5,231,487.50</u>	<u>2,862,272.03</u>
Receivables With Offsetting Reserves:							
Taxes Receivable	A- 7	1,475,832.81	1,371,392.38			17,004,393.52	13,798,445.19
Tax Title Liens	A- 7	727,975.37	733,511.80				
Property Acquired for Taxes (At Assessed Valuation)	A- 7	2,592,900.00	2,592,900.00	Reserve for Receivables	Reserve	4,936,206.60	4,757,806.62
Due from Fire District #1	A-13	29,851.42		Fund Balance	A- 1	<u>23,362,822.92</u>	<u>22,332,433.04</u>
Interfunds Receivable	A-11	87,979.44	7,869.75				
Revenue Accounts Receivable	A- 8	<u>21,667.56</u>	<u>52,132.69</u>				
		<u>4,936,206.60</u>	<u>4,757,806.62</u>				
Total Regular Fund		<u>45,303,423.04</u>	<u>40,888,684.85</u>	Total Regular Fund		<u>45,303,423.04</u>	<u>40,888,684.85</u>
Federal and State Grant Fund:				Federal and State Grant Fund:			
Cash and Investments - Treasurer	A-4	435,784.83	577,671.28	Reserve for State and Federal Grants:			
Grants Receivable	A-15	<u>810,453.14</u>	<u>368,066.89</u>	Appropriated	A-17	991,507.23	591,602.40
				Unappropriated	A-14		84,786.47
				Reserve for Encumbrances	A-17	<u>254,730.74</u>	<u>269,349.30</u>
Total Federal and State Grant Fund		<u>1,246,237.97</u>	<u>945,738.17</u>	Total Federal and State Grant Fund		<u>1,246,237.97</u>	<u>945,738.17</u>
Grand Total		<u>\$ 46,549,661.01</u>	<u>\$ 41,834,423.02</u>	Grand Total		<u>\$ 46,549,661.01</u>	<u>\$ 41,834,423.02</u>

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>REF.</u>	<u>2020</u>	<u>2019</u>
Fund Balance Utilized	A-1, A-2	\$ 10,150,000.00	\$ 10,150,000.00
Miscellaneous Revenues Anticipated	A-2	16,159,589.17	21,431,799.34
Receipts from Delinquent Taxes	A-2	1,386,188.82	1,486,355.94
Non-Budget Revenue	A-2	514,525.70	1,165,229.89
Receipts from Current Taxes	A-7	181,862,210.88	177,447,640.76
Other Credits to Income:			
Unexpended Balances of Approp. Reserves	A-9	5,890,920.96	5,121,269.20
Accounts Payable Cancelled	A-10	1,653,822.54	
Excess Dog License Fees			7,869.75
Prior Year Appropriation Refund	A-4	44,228.65	250.00
		<hr/>	<hr/>
Total Revenues		217,661,486.72	216,810,414.88
		<hr/>	<hr/>
<u>EXPENDITURES AND OTHER CHARGES</u>			
Budget Appropriations			
Within "CAP"			
Operations:			
Salaries and Wages	A-3	20,391,546.67	20,524,903.44
Other Expenses	A-3	25,443,402.92	24,683,116.79
Deferred Charges and Statutory Expend.	A-3	5,415,174.00	5,264,545.00
Appropriations Excluded from "CAP"			
Operations:			
Salaries and Wages	A-3	1,035,000.00	960,000.00
Other Expenses	A-3	7,253,015.90	6,649,954.65
Capital Improvements	A-3	3,453,844.30	3,205,080.28
Municipal Debt Service	A-3	9,062,775.26	9,315,843.33
Deferred Charges and Statutory Expend.	A-3	1,400,000.00	5,228,875.85
Fire District Taxes	A-13	4,334,983.42	4,229,511.00
County Tax	A-13	28,858,353.42	27,494,188.87
County Open Space Fund	A-13	2,402,881.75	2,309,627.63
Due County for Added Taxes	A-13	127,610.75	195,999.57
Local District School Taxes	A-13	96,748,804.00	94,910,170.00
Tax Overpayments	A-12	464,536.74	2,105,302.00
Interfunds Advanced - Net	A-11	80,109.69	7,869.75
Prior Year Senior Citizen Deduction Disallowed	A-6	8,823.38	10,320.23
Revenue Accounts Receivable			19,875.55
Various Reserves	A-10	234.64	
		<hr/>	<hr/>
Total Expenditures		206,481,096.84	207,115,183.94
		<hr/>	<hr/>
Excess in Revenue/Statutory Excess to Fund Balance		11,180,389.88	9,695,230.94
		<hr/>	<hr/>
<u>FUND BALANCE</u>			
Balance - January 1	A	22,332,433.04	22,787,202.10
		<hr/>	<hr/>
		33,512,822.92	32,482,433.04
Decreased by:			
Utilization as Anticipated Revenue	A-1	10,150,000.00	10,150,000.00
		<hr/>	<hr/>
Balance - December 31	A	\$ 23,362,822.92	\$ 22,332,433.04
		<hr/>	<hr/>

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	REF.	ANTICIPATED CY 2020 BUDGET	APPROPRIATED N.J.S.A. 40A:4-87	REALIZED	EXCESS/ (DEFICIT)
Fund Balance Anticipated	A-1	\$ 10,150,000.00		\$ 10,150,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-8	50,000.00		53,814.00	\$ 3,814.00
Other	A-8	125,000.00		99,569.00	(25,431.00)
Fees and Permits	A-8	657,000.00		585,894.20	(71,105.80)
Fines and Costs:					
Municipal Court	A-8	675,000.00		304,368.57	(370,631.43)
Interest and Costs on Taxes	A-5	348,856.05		430,760.32	81,904.27
Interest on Investments and Deposits	A-8	550,000.00		639,039.85	89,039.85
Reserve for PCTV	A-10	14,000.00		14,000.00	
Hotel and Motel Tax	A-8	300,000.00		219,140.57	(80,859.43)
Cable Franchise Fees	A-8	160,000.00		178,019.48	18,019.48
Library Fines and Fees	A-8	36,000.00		6,000.00	(30,000.00)
Housing Certificate of Inspections	A-8	75,000.00		183,335.00	108,335.00
Capital Surplus Fund	A-8	400,000.00		400,000.00	
Reserve: Developer's Contributions	A-8	1,000,000.00		1,000,000.00	
Energy Receipts Taxes	A-8	5,858,579.00		5,858,578.99	(0.01)
Dedicated Uniform Construction Code Fees offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):	A-8	1,300,000.00		2,015,140.00	715,140.00
Uniform Fire Safety Act	A-8	75,000.00		105,511.95	30,511.95
Payment In Lieu Of Taxes	A-7	2,000,000.00		2,284,410.24	284,410.24
Public and Private Revenues Offset with Appropriations:					
Alcohol Education & Rehabilitation Fund	A-11		\$ 4,251.05	4,251.05	
Body Armor Grant	A-11	7,466.57		7,466.57	
Bullet Proof Vest	A-11		11,695.02	11,695.02	
Clean Communities Program	A-11		93,446.21	93,446.21	
Community Development Block Grant	A-11	287,788.00		287,788.00	
COVID- CARES Act	A-11	-	725,881.88	725,881.88	
County Historic Trust - Metlars Housie	A-11	15,000.00		15,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	A-11	10,000.00	16,691.80	26,691.80	
Recycling Tonnage Grant	A-11	84,786.47		84,786.47	
Safe and Secure Communities Program	A-11			-	
NJDOT Grant: Brotherhood Street	A-11	525,000.00		525,000.00	
Total Miscellaneous Revenues	A-1	14,554,476.09	851,965.96	16,159,589.17	753,147.12
Receipts from Delinquent Taxes	A-1,A-7	1,000,000.00		1,386,188.82	386,188.82
Subtotal General Revenues		25,704,476.09	851,965.96	27,695,777.99	1,139,335.94
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes		47,626,051.00		48,519,526.40	893,475.40
Minimum Library Tax		2,690,894.80		2,690,894.80	
Total Amount to be Raised by Taxes for Support of Municipal Budget	A-7	50,316,945.80		51,210,421.20	893,475.40
Budget Totals		76,021,421.89	851,965.96	78,906,199.19	\$ 2,032,811.34
Non-Budget Revenues	A-1,A-8			514,525.70	
		<u>\$76,021,421.89</u>	<u>\$ 851,965.96</u>	<u>\$ 79,420,724.89</u>	
	REF.	A-3	A-3		

() Denotes Deficit

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit A-3
Page 1 of 8

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2020

	CY 2020 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
<u>OPERATIONS WITHIN "CAPS"</u>						
<u>General Government:</u>						
Township Council						
Salaries and Wages	\$ 75,000.00	\$ 75,855.44	\$ 75,855.44			
Other Expenses	31,271.38	20,271.38	8,164.82	\$ 913.43	\$ 3,193.13	\$ 8,000.00
Township Clerk						
Salaries and Wages	263,000.00	254,000.00	253,694.00		306.00	
Other Expenses	66,530.00	61,530.00	19,119.23	4,119.73	28,291.04	10,000.00
Elections						
Salaries and Wages	10,000.00	2,986.42	2,561.42		425.00	
Other Expenses	35,000.00	35,000.00	184.07		34,815.93	
<u>Administration:</u>						
Dept. of Administration						
Salaries and Wages	410,400.00	392,504.43	391,504.43		1,000.00	
Other Expenses	125,000.00	125,000.00	101,755.60	9,722.38	3,522.02	10,000.00
Division of Personnel						
Salaries and Wages	137,000.00	134,700.00	134,679.82		20.18	
Other Expenses	40,000.00	35,000.00	8,219.96	4,210.00	12,570.04	10,000.00
Computer Center						
Salaries and Wages	120,000.00	81,000.00	80,962.23		37.77	
Other Expenses	175,000.00	175,000.00	82,692.32	34,128.63	18,179.05	40,000.00
Division of Purchasing						
Salaries and Wages	69,600.00	63,000.00	62,192.62		807.38	
Other Expenses:	107,250.00	107,250.00	81,854.99	10,915.60	8,479.41	6,000.00
Postage	92,500.00	97,500.00	78,969.15	7,302.50	11,228.35	
Municipal Land Use (N.J.S.A. 40:55 D-1):						
Planning Board						
Salaries and Wages	10,000.00	5,320.67	5,320.67			
Other Expenses	65,000.00	65,000.00	27,793.44	29,120.06	6,086.50	2,000.00
Document Management						
Other Expenses	95,000.00	215,000.00	59,113.00	154,170.00	1,717.00	
Economic Development						
Salaries and Wages	50,000.00	50,000.00				50,000.00
Other Expenses:	50,000.00	50,000.00				50,000.00
Zoning Board of Adjustment						
Salaries and Wages	10,000.00	5,229.71	5,229.71			
Other Expenses	70,000.00	70,000.00	30,392.80	7,958.15	26,649.05	5,000.00

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit A-3
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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2020

	CY 2020 <u>BUDGET</u>	BUDGET AFTER <u>MODIFICATION</u>	PAID OR <u>CHARGED</u>	EXPENDED		UNEXPENDED BALANCE <u>CANCELLED</u>
				<u>ENCUMBERED</u>	<u>RESERVED</u>	
Cable TV Studio						
Salaries and Wages	\$ 265,000.00	\$ 200,000.00	\$ 197,991.41		\$ 2,008.59	
Other Expenses	23,492.00	23,492.00	11,449.65	\$ 1,626.55	8,415.80	\$ 2,000.00
Celebration of Public Events						
Other Expenses	20,000.00	20,000.00				20,000.00
<u>Finance and Revenue</u>						
Department of Finance						
Salaries and Wages	374,400.00	342,400.00	338,365.23		4,034.77	
Other Expenses	82,000.00	82,000.00	61,926.09	9,847.75	5,226.16	5,000.00
Annual Audit	80,000.00	80,000.00		62,433.00	17,567.00	
Division of Assessment						
Salaries and Wages	326,000.00	299,000.00	298,517.36		482.64	
Other Expenses	225,000.00	242,000.00	189,918.43	30,845.26	21,236.31	
Division of Revenue						
Salaries and Wages	198,600.00	163,600.00	161,570.32		2,029.68	
Other Expenses	43,850.00	43,850.00	32,060.14	1,283.40	506.46	10,000.00
Insurance						
Surety Bond Insurance						
Liability Insurance	1,695,000.00	1,695,000.00	1,266,000.56		428,999.44	
Worker's Compensation Insurance	1,000.00	1,000.00	-			1,000.00
Health Insurance Waiver	145,000.00	144,807.68	144,807.68			
Employee Group Insurance	10,218,027.00	10,218,027.00	8,677,130.07	1,525,431.45	15,465.48	
<u>Municipal Court</u>						
Salaries and Wages	452,000.00	460,500.00	447,045.41		8,454.59	5,000.00
Other Expenses	39,600.00	31,100.00	11,506.97	9,046.40	10,546.63	
Public Defender (P.L. 1997, Ch. 256)						
Other Expenses	35,000.00	35,000.00	30,000.00			5,000.00
<u>Law</u>						
Other Expenses	750,000.00	775,000.00	454,612.99	180,632.32	138,754.69	1,000.00
Municipal Prosecutor						
Other Expenses	125,000.00	100,000.00	66,549.92	19,050.08	14,400.00	
<u>PUBLIC SAFETY:</u>						
Uniform Fire Safety Act (P.L. 1983 C. 383)						
Salaries and Wages	303,200.00	303,200.00	284,187.20		19,012.80	
Other Expenses	16,014.00	16,014.00	9,127.97	5,219.84	166.19	1,500.00

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2020

	CY 2020 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
<u>PUBLIC SAFETY (cont'd).</u>						
Animal Control						
Salaries and Wages	\$ 7,500.00	\$ 5,000.00	\$ 2,001.75		\$ 2,998.25	
Other Expenses	20,000.00	20,000.00	8,595.00	\$ 1,405.00	5,000.00	\$ 5,000.00
Division of Schools Crossing Guards						
Salaries and Wages	350,000.00	145,000.00	70,000.00			75,000.00
Other Expenses	3,000.00	3,000.00	161.45	1,880.93	957.62	
Division of Police						
Salaries and Wages	11,919,000.00	11,549,000.00	10,867,191.74		581,808.26	100,000.00
Other Expenses	536,550.00	536,550.00	104,717.94	158,309.12	243,522.94	30,000.00
First Aid Organization - Contribution	100,000.00	100,000.00	68,305.56	21,824.94	9,869.50	
Office of Emergency Management						
Salaries and Wages	31,000.00	31,000.00	17,016.34		13,983.66	
Other Expenses	8,000.00	8,000.00	7,929.00	34.89	36.11	
<u>PUBLIC WORKS:</u>						
Department of Public Works						
Salaries and Wages	317,350.00	307,350.00	263,225.26		44,124.74	
Other Expenses	63,300.00	63,300.00	10,362.17	4,516.77	43,421.06	5,000.00
Division of Engineering						
Salaries and Wages	504,000.00	494,000.00	490,540.14		3,459.86	
Other Expenses	43,460.00	43,460.00	4,034.78	1,410.36	33,014.86	5,000.00
Division of Community Development and Planning						
Salaries and Wages	351,000.00	351,000.00	346,924.62		4,075.38	
Other Expenses	70,199.95	70,199.95	9,357.57	18,321.90	37,520.48	5,000.00
Zoning Enforcement						
Salaries and Wages	221,000.00	196,000.00	174,048.37		21,951.63	
Other Expenses	87,250.00	87,250.00	53,230.09	7,934.77	1,085.14	25,000.00
Inspections						
Salaries and Wages	366,000.00	316,000.00	240,517.69		75,482.31	
Other Expenses	40,000.00	40,000.00	1,696.07		38,303.93	
Public Buildings & Grounds						
Salaries and Wages	236,100.00	226,100.00	212,996.73		13,103.27	
Other Expenses	670,000.00	620,000.00	228,689.97	162,794.97	178,515.06	50,000.00
Division of Property Maintenance (TRAFFIC)						
Salaries and Wages	220,250.00	220,250.00	200,089.72		20,160.28	
Other Expenses	115,000.00	115,000.00	28,648.30	26,169.70	36,682.00	23,500.00
Division of Property Maintenance (FLEET)						
Salaries and Wages	328,000.00	328,000.00	323,062.01		4,937.99	
Other Expenses	335,000.00	310,000.00	124,320.36	27,439.87	83,239.77	75,000.00

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2020

	CY 2020 <u>BUDGET</u>	BUDGET AFTER <u>MODIFICATION</u>	PAID OR <u>CHARGED</u>	EXPENDED		UNEXPENDED BALANCE <u>CANCELLED</u>
				<u>ENCUMBERED</u>	<u>RESERVED</u>	
<u>PUBLIC WORKS (Cont.):</u>						
Division of Streets and Road Maintenance						
Salaries and Wages	\$ 1,027,950.00	\$ 912,950.00	\$ 781,709.39		\$ 131,240.61	
Other Expenses	62,500.00	62,500.00	17,755.28	\$ 15,751.66	23,993.06	\$ 5,000.00
Snow Removal						
Salaries and Wages	250,000.00	250,000.00	250,000.00			
Other Expenses	275,000.00	275,000.00	130,081.46	144,918.54		
All Utilities	1,800,000.00	1,800,000.00	900,661.77	552,513.55	346,824.68	
Division of Parks						
Salaries and Wages	606,500.00	571,500.00	536,294.43		35,205.57	
Other Expenses	600,000.00	600,000.00	376,314.54	169,560.18	4,125.28	50,000.00
Shade Tree						
Other Expenses	1,350.00	1,350.00			1,350.00	
Storm Sewer System						
Other Expenses	15,000.00	15,000.00	10,400.00		4,600.00	
Solid Waste Collection						
Salaries and Wages	677,450.00	577,450.00	500,906.73		76,543.27	
Other Expenses	10,000.00	10,000.00		140.00	4,860.00	5,000.00
Recycling Program						
Other Expenses	55,000.00	55,000.00	3,577.29	58.08	41,364.63	10,000.00
Municipal Services Act	115,000.00	115,000.00			100,000.00	15,000.00
<u>HEALTH AND WELFARE:</u>						
Division of Public Assistance						
Other Expenses	1,000.00	1,000.00	1,000.00			
Office on Aging						
Salaries and Wages	455,000.00	425,000.00	396,939.06		13,060.94	15,000.00
Other Expenses	100,344.00	65,344.00	17,694.62	9,174.37	8,475.01	30,000.00
<u>RECREATION AND EDUCATION</u>						
Department of Recreation						
Salaries and Wages	461,000.00	416,000.00	290,488.19		55,511.81	70,000.00
Other Expenses	250,000.00	205,000.00	93,467.43		51,532.57	60,000.00
Accumulated Leave Compensation	10,000.00	820,251.35	820,251.35			
Salary Adjustment	15,000.00					
Anticipated Deficit for Recreation Utility						
Other Expenses	1,463,985.00	1,463,985.00	1,376,005.56			87,979.44

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2020

	CY 2020 <u>BUDGET</u>	BUDGET AFTER <u>MODIFICATION</u>	PAID OR <u>CHARGED</u>	EXPENDED		UNEXPENDED BALANCE <u>CANCELLED</u>
				<u>ENCUMBERED</u>	<u>RESERVED</u>	
<u>RECREATION AND EDUCATION (Contd)</u>						
Reserve for Tax Appeals						
Other Expenses	\$ 3,500,000.00	\$ 3,500,000.00	\$ 3,500,000.00			
<u>Uniform Construction Code</u>						
Division of Inspections						
Salaries and Wages	973,000.00	973,000.00	708,420.90		\$ 264,579.10	
Other Expenses	100,000.00	100,000.00	9,654.73	\$ 1,915.00	88,430.27	
Boards and Commissions						
Salaries and Wages	5,000.00	5,000.00	2,773.60		2,226.40	
Other Expenses	50,000.00	50,000.00	227.99		19,772.01	\$ 30,000.00
Total Operations Within "CAPS"	<u>47,348,773.33</u>	<u>46,852,929.03</u>	<u>38,775,314.07</u>	<u>3,434,051.13</u>	<u>3,625,584.39</u>	<u>1,017,979.44</u>
DETAIL:						
Salaries and Wages	21,874,950.00	20,636,546.67	19,001,737.49		1,389,809.18	245,000.00
Other Expenses (Including Contingent)	<u>25,473,823.33</u>	<u>26,216,382.36</u>	<u>19,773,576.58</u>	<u>3,434,051.13</u>	<u>2,235,775.21</u>	<u>772,979.44</u>
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>						
<u>MUNICIPAL WITHIN "CAPS"</u>						
<u>STATUTORY EXPENDITURES:</u>						
Contribution to:						
Social Security System (O.A.S.I.)	1,030,000.00	969,000.00	829,264.58		139,735.42	
Public Employees Retirement System	1,316,649.00	1,316,649.00	1,316,649.00			
Police and Firemen's Pension Fund	3,034,525.00	3,034,525.00	3,034,525.00			
State Unemployment Insurance	10,000.00	60,000.00	60,000.00			
Defined Contribution Retirement Program	35,000.00	35,000.00	23,602.52		11,397.48	
Total Deferred Charges and Statutory Expenditures Municipal Within "CAPS"	<u>5,426,174.00</u>	<u>5,415,174.00</u>	<u>5,264,041.10</u>		<u>151,132.90</u>	
Total General Appropriations for Municipal Purposes Within "CAPS"	52,774,947.33	52,268,103.03	44,039,355.17	3,434,051.13	3,776,717.29	1,017,979.44

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2020

	CY 2020 <u>BUDGET</u>	BUDGET AFTER <u>MODIFICATION</u>	PAID OR <u>CHARGED</u>	EXPENDED		UNEXPENDED BALANCE <u>CANCELLED</u>
				<u>ENCUMBERED</u>	<u>RESERVED</u>	
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
911 Emergency Telecommunication Services						
Salaries and Wages	\$ 1,100,000.00	\$ 1,035,000.00	\$ 910,565.97		\$ 124,434.03	
Other Expenses	505,000.00	453,000.00	198,866.55	\$ 24,728.58	154,404.87	\$ 75,000.00
Maintenance of Free Public Library (NJSA 40:54-8)	2,812,741.00	2,812,741.00	2,533,068.66	129,353.11	150,319.23	
NJDES - Storm Water						
Other Expenses	60,000.00	60,000.00	51,129.84	7,272.84	1,597.32	
Supplemental Fire Services District Payment	18,425.00	18,425.00	18,425.00			
MCIA Recycling Program	1,369,000.00	1,369,000.00	804,890.13	545,109.87	19,000.00	
MCUA Solid Waste Agreement	410,000.00	410,000.00	153,312.31	62,687.69	194,000.00	
Edison Animal Control Contract	75,000.00	75,000.00	35,075.90	11,105.60	28,818.50	
UMDNJ Agreements	35,000.00	35,000.00	8,941.83		26,058.17	
Middlesex County Health Department	450,000.00	450,000.00	212,842.90		-	237,157.10
<u>PUBLIC AND PRIVATE PROGRAMS</u>						
<u>OFFSET BY REVENUES</u>						
NJ Historic Trust		4,251.05	4,251.05			
Body Armor Fund Grant	7,466.57	7,466.57	7,466.57			
Recycling Tonnage	84,786.47	84,786.47	84,786.47			
Bullet Proof Vest Grant		11,695.02	11,695.02			
Clean Communities Grant		93,446.21	93,446.21			
Community Development Block Grant	287,788.00	287,788.00	287,788.00			
NJDOT	525,000.00	525,000.00	525,000.00			
Municipal Alliance on Alcoholism and Drug Abuse						
Grant	10,000.00	26,691.80	26,691.80			
Match		16,691.80	16,691.80			
County Historic Grant						
Grant	15,000.00	15,000.00	15,000.00			
Match	23,000.00	23,000.00	23,000.00			
CARES Act		725,881.88	725,881.88			
Matching Funds	77,000.00	60,308.20			60,308.20	
Total Operations Excluded from "CAPS"	7,865,207.04	8,600,173.00	6,748,817.89	780,257.69	758,940.32	312,157.10
<u>DETAIL:</u>						
Salaries and Wages	1,100,000.00	1,035,000.00	910,565.97		124,434.03	
Other Expenses	6,765,207.04	7,565,173.00	5,838,251.92	780,257.69	634,506.29	312,157.10

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2020

	CY 2020 <u>BUDGET</u>	BUDGET AFTER <u>MODIFICATION</u>	PAID OR <u>CHARGED</u>	<u>EXPENDED</u>		<u>UNEXPENDED BALANCE CANCELLED</u>
				<u>ENCUMBERED</u>	<u>RESERVED</u>	
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	\$ 605,000.00	\$ 1,480,000.00	\$ 1,480,000.00			
Furniture, Fixtures & Fittings	175,000.00	146,096.57	146,096.57			
Police Building Windows Upgrade		128,000.00		\$ 127,393.50	\$ 606.50	
Various Road Improvements	1,000,000.00	1,000,000.00		1,000,000.00		
Motorola: 911 Equipment Upgrade	550,000.00	549,647.73	549,647.73			
Land Acquisition	500,000.00	150,100.00	150,100.00			
Total Capital Improvements Excl. from "CAPS"	<u>2,830,000.00</u>	<u>3,453,844.30</u>	<u>2,325,844.30</u>	<u>1,127,393.50</u>	<u>606.50</u>	
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	6,800,000.00	6,800,000.00	6,800,000.00			
Interest on Bonds	2,262,775.28	2,262,775.28	1,965,275.28			\$ 297,500.00
Interest on Notes	297,500.00	297,500.00	297,499.98			0.02
Total Municipal Debt Service - Excl. from "CAPS"	<u>9,360,275.28</u>	<u>9,360,275.28</u>	<u>9,062,775.26</u>			<u>297,500.02</u>
<u>DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</u>						
Deferred Charges						
Unfunded Ordinance 09-04	130,000.00	130,000.00	130,000.00			
Unfunded Ordinance 09-40	1,000,000.00	1,000,000.00	1,000,000.00			
Unfunded Ordinance 16-37	270,000.00	270,000.00	270,000.00			
Total Deferred Charges - Municipal Excluded from "CAPS"	<u>1,400,000.00</u>	<u>1,400,000.00</u>	<u>1,400,000.00</u>			
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	<u>21,455,482.32</u>	<u>22,814,292.58</u>	<u>19,537,437.45</u>	<u>1,907,651.19</u>	<u>759,546.82</u>	<u>609,657.12</u>

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2020

	<u>CY 2020 BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>EXPENDED</u>		<u>UNEXPENDED BALANCE CANCELLED</u>
				<u>ENCUMBERED</u>	<u>RESERVED</u>	
Subtotal General Appropriations	\$ 74,230,429.65	\$ 75,082,395.61	\$ 63,576,792.62	\$ 5,341,702.32	\$ 4,536,264.11	\$ 1,627,636.56
Reserve for Uncollected Taxes	<u>1,790,992.24</u>	<u>1,790,992.24</u>	<u>1,790,992.24</u>			
Total General Appropriations	<u>\$ 76,021,421.89</u>	<u>\$ 76,873,387.85</u>	<u>\$ 65,367,784.86</u>	<u>\$ 5,341,702.32</u>	<u>\$ 4,536,264.11</u>	<u>\$ 1,627,636.56</u>
<u>REF.</u>				A	A	A- 1
Adopted Budget	A- 2	\$ 76,021,421.89				
Approp. by N.J.S.A. 40A:4-87	A- 2	<u>851,965.96</u>				
		<u>\$ 76,873,387.85</u>				
Cash Disbursed	A- 4		\$ 58,255,093.82			
Reserve for Uncollected Taxes	A- 7		1,790,992.24			
Reserve for Tax Appeals	A-10		3,500,000.00			
Due to State and Federal Grants Fund	A-11		<u>1,821,698.80</u>			
			<u>\$ 65,367,784.86</u>			
See Notes to Financial Statements						

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
 COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE</u> <u>DEC. 31, 2020</u>	<u>BALANCE</u> <u>DEC. 31, 2019</u>	<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE</u> <u>DEC. 31, 2020</u>	<u>BALANCE</u> <u>DEC. 31, 2019</u>
Animal Control Fund:				Animal Control Fund:			
Cash and Investments - Treasurer	B- 1	\$ 34,384.83	\$ 55,175.46	Due to State of New Jersey	B- 1	\$ 6.60	\$ 8.40
				Prepaid Animal Control Fees	B- 1	-	2,607.00
				Interfund Payable	B- 1	-	7,869.75
				Reserve for Animal Control Expenditures	B- 1	34,378.23	44,690.31
Total Animal Control Fund		34,384.83	55,175.46	Total Animal Control Fund		34,384.83	55,175.46
Other Trust Funds:				Other Trust Funds:			
Cash and Investments - Treasurer	B- 1	22,905,091.68	24,075,496.02	Payroll Liabilities	B- 1	88,186.84	13,204.41
				Unemployment Insurance Trust Fund	B- 1	631,551.51	591,781.34
				Forfeited Funds	B- 1	126,806.89	141,539.47
				Miscellaneous Deposits	B- 1, B-3	6,837,035.25	6,639,693.47
				Affordable Housing	B- 1	5,852,029.67	6,565,958.06
				Recreation Trust	B- 1	15,011.12	15,135.12
				Schedule of Escrow Deposits	B-1, B- 2	9,354,470.40	10,108,184.15
Total Other Trust Fund		22,905,091.68	24,075,496.02	Total Other Trust Fund		22,905,091.68	24,075,496.02
Public Assistance Fund:				Public Assistance Fund:			
Cash and Investments - Treasurer	B- 1	16,411.35	15,411.35	Reserve for Public Assistance	B- 1	16,411.35	15,411.35
Total Public Assistance Fund		16,411.35	15,411.35	Total Public Assistance Fund		16,411.35	15,411.35
Grand Total		<u>\$ 22,955,887.86</u>	<u>\$ 24,146,082.83</u>	Grand Total		<u>\$ 22,955,887.86</u>	<u>\$ 24,146,082.83</u>

See Notes to Financial Statements.

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

	REF.	BALANCE DEC. 31, 2020	BALANCE DEC. 31, 2019
<u>ASSETS</u>			
Cash, Cash Equivalents and Investments	C-2	\$ 1,752,129.48	\$ 4,315,550.40
Federal and State Grants Receivable	C-6	233,050.00	650,950.00
Edison: Shared Services Receivable	C-11	541,693.83	
Deferred Charges to Future Taxation:			
Funded	C-4	78,964,000.00	55,764,000.00
Unfunded	C-5	44,370,892.51	72,081,360.09
Total Assets		<u>\$ 125,861,765.82</u>	<u>\$ 132,811,860.49</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-8	\$ 78,964,000.00	\$ 55,764,000.00
Bond Anticipation Notes	C-16	-	17,000,000.00
Improvement Authorizations:			
Funded	C-7	6,121,164.31	4,548,929.16
Unfunded	C-7	20,344,626.94	32,826,525.21
Reserve for Encumbrances	C-7	12,065,096.62	19,144,228.43
Reserve for Preliminary Expenses	C-10		227,543.83
Reserve: Stelton Streetscape	C-12	20,250.00	20,250.00
Reserve for Debt Service	C-13	193,544.83	
Capital Improvement Fund	C-14	171,346.90	291,346.90
Interfunds Payable	C-9	4,000,000.00	
Developer's Contributions			
Contributions - Off-Site Improvements	C-15	1,768,042.24	2,510,227.95
Fund Balance	C-1	2,213,693.98	478,809.01
Total Liabilities, Reserves and Fund Balance		<u>\$ 125,861,765.82</u>	<u>\$ 132,811,860.49</u>
Bonds and Notes Authorized but not Issued	C-17	<u>\$ 44,370,892.51</u>	<u>\$ 55,081,360.09</u>

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
 STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE PERIOD ENDED DECEMBER 31, 2020

	<u>REF.</u>		
Balance - December 31, 2019	C		\$ 478,809.01
Increased by:			
Premium on Sale of Serial Bonds	C-2	\$ 1,337,733.00	
Improvement Authorizations Canceled	C-7	606,522.75	
Preliminary Expenses Canceled	C-10	<u>190,629.22</u>	
			<u>2,134,884.97</u>
			2,613,693.98
Decreased by:			
Current Fund Budget Appropriation	C-2		<u>400,000.00</u>
Balance - December 31, 2020	C		<u><u>\$ 2,213,693.98</u></u>

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit - D

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

ASSETS	REF.	BALANCE DEC. 31, 2020	BALANCE DEC. 31, 2019	LIABILITIES, RESERVES AND FUND BALANCE	REF.	BALANCE DEC. 31, 2020	BALANCE DEC. 31, 2019
Operating Fund:				Operating Fund:			
Cash and Investments - Treasurer	D- 5	\$ 9,138,653.97	\$ 9,251,209.90	Appropriation Reserves	D-4, D-11	\$ 3,020,559.45	\$ 2,205,385.90
Change Fund - Collector	D	100.00	100.00	Reserve for Encumbrances	D-4, D-11	1,101,592.16	176,119.10
		<u>9,138,753.97</u>	<u>9,251,309.90</u>	Accrued Interest Payable	D-12	13,291.15	16,174.48
				Prepaid Sewer Charges	D-13	110,850.25	23,250.41
				Sewer Overpayment	D-14	14,230.56	72,338.06
				Accounts Payable	D-15	8,544.41	523,761.68
						<u>4,269,067.98</u>	<u>3,017,029.63</u>
Receivables and Inventory With Offsetting Reserves:							
Sewer Lien Receivable	D- 8	1,231.62	145.00	Reserve for Receivables	Reserve	323,729.97	447,500.57
Sewer Charges Receivable	D- 8	322,498.35	447,355.57	Fund Balance	D-1	4,869,685.99	6,234,280.27
		<u>323,729.97</u>	<u>447,500.57</u>				
Total Operating Fund		<u>9,462,483.94</u>	<u>9,698,810.47</u>	Total Operating Fund		<u>9,462,483.94</u>	<u>9,698,810.47</u>
Capital Fund:				Capital Fund:			
Cash and Investments - Treasurer	D- 5	3,104,452.89	5,909,259.30	Serial Bonds Payable	D-23	1,775,000.00	2,040,000.00
Interfund: General Capital	D-25	4,000,000.00		Capital Improvement Fund	D-19	300,000.00	
Fixed Capital	D- 9	20,607,561.49	17,492,561.49	Reserve for Encumbrances	D-16	1,254,347.40	984,278.96
Fixed Capital Authorized and Uncompleted	D-10	11,670,000.00	14,045,000.00	Improvement Authorizations:			
				Funded	D-16	4,664,415.52	4,924,290.37
				Reserve for Amortization	D-20	20,050,061.49	19,785,061.49
				Deferred Reserve for Amortization	D-17	10,452,500.00	9,712,500.00
				Fund Balance	D- 2	885,689.97	689.97
Total Capital Fund		<u>39,382,014.38</u>	<u>37,446,820.79</u>	Total Capital Fund		<u>39,382,014.38</u>	<u>37,446,820.79</u>
Grand Total		<u>\$ 48,844,498.32</u>	<u>\$ 47,145,631.26</u>	Grand Total		<u>\$ 48,844,498.32</u>	<u>\$ 47,145,631.26</u>

There were no Bonds and Notes Authorized but Not Issued at December 31, 2020 or 2019.

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit - D-1

SEWER UTILITY OPERATING FUND
 COMPARATIVE STATEMENT OF OPERATIONS AND
 CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE CALENDAR YEARS ENDED DECEMBER 31, 2020 AND 2019

<u>REVENUE AND OTHER INCOME</u>	<u>REF.</u>	<u>2020</u>	<u>2019</u>
Fund Balance Utilized	D-1,D- 3	\$ 3,700,000.00	\$ 2,150,000.00
Sewer Charges	D- 3	10,683,491.90	12,035,764.46
Connection Fees	D- 3	1,587,100.00	962,430.00
Interest on Investments	D- 3	58,157.90	55,154.97
Interest on Delinquent Accounts	D- 3	72,905.34	85,900.10
Other Credits to Income:			
Miscellaneous Revenue	D- 3	200.00	360.00
Accounts Payable Cancelled	D- 15	306,376.68	
Unexpended Balance of Appropriation Reserves			
Lapsed and Reserve for Encumbrances Canceled	D-11	<u>1,730,820.94</u>	<u>433,689.97</u>
 Total Revenues		<u>18,139,052.76</u>	<u>15,723,299.50</u>
 <u>EXPENDITURES</u>			
Budget Appropriations:			
Operating	D- 4	11,783,612.50	10,743,216.57
Capital Improvements	D- 4	3,300,000.00	2,300,000.00
Debt Service	D- 4	326,154.17	311,554.17
Deferred Charges and Statutory Expenditures	D- 4	387,350.00	362,245.88
Sewer Overpayments	D-14	<u>6,530.37</u>	
 Total Expenditures		<u>15,803,647.04</u>	<u>13,717,016.62</u>
 Excess in Revenues		2,335,405.72	2,006,282.88
 <u>FUND BALANCE</u>			
Balance - January 1	D	<u>6,234,280.27</u>	<u>6,377,997.39</u>
		8,569,685.99	8,384,280.27
Decreased by:			
Utilized as Anticipated Revenue	D-1	<u>3,700,000.00</u>	<u>2,150,000.00</u>
 Balance - December 31	D	<u><u>\$ 4,869,685.99</u></u>	<u><u>\$ 6,234,280.27</u></u>

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit D-2

SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>REF</u>	
Balance - December 31, 2019	D	\$ 689.97
Increased by:		
Cancelation of Ordinance #2017-30	D-16	<u>885,000.00</u>
Balance - December 31, 2020	D	<u><u>\$ 885,689.97</u></u>

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	CY 2020 <u>BUDGET</u>	BUDGET AFTER <u>MODIFICATION</u>	<u>EXPENDED</u>		<u>RESERVED</u>	UNEXPENDED BALANCE <u>CANCELLED</u>
			<u>PAID OR CHARGED</u>	<u>ENCUMBERED</u>		
Operating:						
Salaries and Wages	\$ 2,020,000.00	\$ 2,020,000.00	\$ 1,943,581.04		\$ 76,418.96	
Other Expenses	2,763,612.50	2,763,612.50	1,438,641.05	\$ 101,592.16	1,223,379.29	
Middlesex County Utilities Authority Service Charges - Contractual	7,000,000.00	7,000,000.00	5,654,238.80	1,000,000.00	345,761.20	
Capital Improvements:						
Capital Improvement Fund	300,000.00	300,000.00	300,000.00			
Capital Outlay	3,000,000.00	3,000,000.00	1,625,000.00		1,375,000.00	
Debt Service:						
Payment on Bond Principal	265,000.00	265,000.00	265,000.00			
Interest on Bonds	64,037.50	64,037.50	61,154.17			\$ 2,883.33
Deferred Charges and Statutory Expenditures:						
Public Employees' Retirement System	232,350.00	232,350.00	232,350.00			
Social Security System (O.A.S.I.)	155,000.00	155,000.00	155,000.00			
 Total Sewer Utility Appropriations	 <u>\$ 15,800,000.00</u>	 <u>\$ 15,800,000.00</u>	 <u>\$ 11,674,965.06</u>	 <u>\$ 1,101,592.16</u>	 <u>\$ 3,020,559.45</u>	 <u>\$ 2,883.33</u>
	<u>Ref.</u>					
	D- 3	D-3	Below	D	D	D-1
Cash Disbursements	D- 5		\$ 9,988,810.89			
Due to Sewer Capital	D-21		1,625,000.00			
Accrued Interest	D-12		61,154.17			
			<u>\$ 11,674,965.06</u>			

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY FUND
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE</u> <u>DEC.31, 2020</u>	<u>BALANCE</u> <u>DEC.31, 2019</u>	<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE</u> <u>DEC.31, 2020</u>	<u>BALANCE</u> <u>DEC.31, 2019</u>
Operating Fund:				Operating Fund:			
Cash and Investments - Treasurer	E- 5	\$ 1,468,028.51	\$ 1,353,197.08	Appropriation Reserves	E-4, E-7	\$ 213,146.66	\$ 112,775.34
		<u>1,468,028.51</u>	<u>1,353,197.08</u>	Reserve for Encumbrances	E-4, E-7	145,007.26	165,832.59
				Accounts Payable	E- 7		13,882.74
				Accrued Interest on Bonds	E- 8	18,687.50	23,000.00
				Security Deposits	E- 9	<u>142,705.22</u>	<u>120,542.99</u>
						519,546.64	436,033.66
				Fund Balance	E- 1	<u>948,481.87</u>	<u>917,163.42</u>
Total Operating Fund		<u>1,468,028.51</u>	<u>1,353,197.08</u>	Total Operating Fund		<u>1,468,028.51</u>	<u>1,353,197.08</u>
Capital Fund:				Capital Fund:			
Cash and Investments - Treasurer	E- 5	3,230,016.11	2,453,071.71	Serial Bonds Payable	E-12	650,000.00	800,000.00
Fixed Capital	E-15	10,783,936.76	10,351,052.26	Improvement Authorizations:			
Fixed Capital Authorized and Uncompleted	E-16	<u>5,664,764.03</u>	<u>4,283,000.00</u>	Funded	E-11	2,566,105.60	747,137.50
				Reserve for:			
				Encumbrances	E-11	132,345.55	1,389,720.72
				Capital Improvement Fund	E-13	459,387.22	244,035.75
				Amortization	E-10	11,101,052.26	10,951,052.26
				Deferred Amortization	E-14	4,697,648.53	2,883,000.00
				Fund Balance	E- 2	<u>72,177.74</u>	<u>72,177.74</u>
Total Capital Fund		<u>19,678,716.90</u>	<u>17,087,123.97</u>	Total Capital Fund		<u>19,678,716.90</u>	<u>17,087,123.97</u>
		<u>\$ 21,146,745.41</u>	<u>\$ 18,440,321.05</u>			<u>\$ 21,146,745.41</u>	<u>\$ 18,440,321.05</u>

There were no Bonds and Notes Authorized but not Issued at December 31, 2020 or 2019

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

<u>REVENUE AND OTHER INCOME</u>	<u>REF.</u>	<u>CY 2020</u>	<u>CY 2019</u>
Fund Balance Utilized	E- 3	\$ 210,000.00	\$ 210,000.00
Rental Income	E- 3	1,340,265.24	1,352,206.41
Interest on Investments	E- 3	10,520.01	31,245.25
Other Credits to Income:			
Non-Budget Revenue	E- 3	7,281.30	10,214.57
Accounts Payable Canceled	E- 7	13,882.74	28,765.06
Unexpend. Balance of Appropriation			
Reserves Lapsed	E- 7	<u>221,166.17</u>	<u>138,650.45</u>
Total Revenues and Other Income		<u>1,803,115.46</u>	<u>1,771,081.74</u>
 <u>EXPENDITURES</u>			
Budget Appropriations:			
Operating	E- 4	\$ 1,209,550.00	\$ 1,179,125.00
Capital Improvements	E- 4	180,000.00	70,000.00
Debt Service	E- 4	167,437.50	357,562.50
Deferred Charges and Statutory Expend.	E- 4	3,700.00	3,625.00
Refund of Prior Year Revenue	E- 5	<u>1,109.51</u>	<u>570.00</u>
Total Expenditures		<u>1,561,797.01</u>	<u>1,610,882.50</u>
Excess in Revenues/Statutory Excess to Fund Balance		241,318.45	160,199.24
 <u>FUND BALANCE</u>			
Balance - January 1	E	<u>917,163.42</u>	<u>966,964.18</u>
		1,158,481.87	1,127,163.42
Decreased by:			
Utilized as Anticipated Revenue	E- 1	<u>210,000.00</u>	<u>210,000.00</u>
Balance - December 31	E	<u>\$ 948,481.87</u>	<u>\$ 917,163.42</u>

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>REF.</u>	
Balance - December 31, 2020 and 2019	E	<u>\$ 72,177.74</u>

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
 STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>REF.</u>	<u>CY 2020 BUDGET</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance	E-1	\$ 210,000.00	\$ 210,000.00	
Rental Income	E-1,E-3	1,350,000.00	1,340,265.24	\$ (9,734.76)
Interest on Investments	E-1,E-3	5,000.00	10,520.01	5,520.01
		<u>1,565,000.00</u>	<u>1,560,785.25</u>	<u>(4,214.75)</u>
Non-Budget Revenues	E-1,E-3		<u>7,281.30</u>	<u>7,281.30</u>
		<u>\$ 1,565,000.00</u>	<u>\$ 1,568,066.55</u>	<u>\$ 3,066.55</u>

Ref. E-4

Analysis of Realized Revenues:

Analysis of Rental Income:

Rental Income	E-3,E-5		<u>\$ 1,340,265.24</u>	
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Analysis of Non-Budget Revenues:

Laundromat Income			\$ 4,526.30	
Miscellaneous			<u>2,755.00</u>	
	E-3,E-5		<u>\$ 7,281.30</u>	

Analysis of Interest on Investments:

Senior Citizen Operating Fund	E-3,E-5		<u>\$ 10,520.01</u>	
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See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

SENIOR CITIZENS HOUSING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	CY 2020 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED	
Operating:						
Salaries and Wages	\$ 61,200.00	\$ 61,200.00	\$ 53,104.56		\$ 8,095.44	
Other Expenses	1,160,350.00	1,148,350.00	947,023.44	\$ 145,007.26	56,319.30	
Debt Service:						
Payment on Bond Principal	150,000.00	150,000.00	150,000.00			
Interest on Bonds	9,750.00	21,750.00	17,437.50			\$ 4,312.50
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	3,700.00	3,700.00	3,700.00			
Capital Improvements:						
Capital Improvement Fund	30,000.00	30,000.00	30,000.00		-	
Down Payments on Improvements	150,000.00	150,000.00	1,268.08		148,731.92	
Total Senior Citizen Housing Appropriations	<u>\$ 1,565,000.00</u>	<u>\$ 1,565,000.00</u>	<u>\$ 1,202,533.58</u>	<u>\$ 145,007.26</u>	<u>\$ 213,146.66</u>	<u>\$ 4,312.50</u>
	<u>Ref.</u>					
	E- 3	E- 3	Below	E	E	E-1
Cash Disbursements	E- 5		\$ 1,185,096.08			
Accrued Interest on Bonds	E- 8		17,437.50			
			<u>\$ 1,202,533.58</u>			

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

Exhibit - F

RECREATION UTILITY FUND
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2020

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DEC. 31, 2020</u>	<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DEC. 31, 2020</u>
Operating Fund:			Operating Fund:		
Cash and Investments - Treasurer	F-4	\$ 696,938.65	Appropriation Reserves	F-3	\$ 104,952.84
			Reserve for Encumbrances	F-3	504,006.37
			Interfunds Payable	F-5	87,979.44
Total Operating Fund		<u>\$ 696,938.65</u>	Total Operating Fund		<u>\$ 696,938.65</u>

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

RECREATION UTILITY OPERATING FUND
 STATEMENT OF OPERATIONS AND
 CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

<u>REVENUES AND OTHER INCOME</u>		<u>2020</u>
Membership and Program Fees	F-2	\$ 299,350.96
Operating Deficit	F-2	1,376,005.56
Miscellaneous: Interest	F-2	<u>643.48</u>
Total Revenues and Other Income		<u>1,676,000.00</u>
 <u>EXPENDITURES</u>		
Budget Appropriations:		
Operating	F-3	<u>1,676,000.00</u>
Total Expenditures		<u>1,676,000.00</u>
Excess in Revenues		-
 <u>FUND BALANCE</u>		
Balance - January 1	F	<u>-</u>
Balance - December 31	F	<u><u>\$ -</u></u>

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

RECREATION UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>REF.</u>	CY 2020 <u>BUDGET</u>	<u>REALIZED</u>	EXCESS OR <u>(DEFICIT)</u>
Membership and Program Fees	F-1, F-4	\$ 462,015.00	\$ 299,350.96	\$ (162,664.04)
Operating Deficit	F-1, F-4	1,463,985.00	1,376,005.56	(87,979.44)
Miscellaneous: Interest	F-1, F-4	<u> </u>	<u>643.48</u>	<u>643.48</u>
Total		<u>\$ 1,926,000.00</u>	<u>\$ 1,676,000.00</u>	<u>\$ (250,000.00)</u>
	<u>Ref.</u>	F-3	F-4	

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

RECREATION UTILITY OPERATING FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>CY 2020 BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>EXPENDED</u>		<u>RESERVED</u>	<u>UNEXPENDED BALANCE CANCELLED</u>
			<u>PAID OR CHARGED</u>	<u>ENCUMBERED</u>		
Operating:						
Other Expenses	<u>\$1,926,000.00</u>	<u>\$ 1,926,000.00</u>	<u>\$ 1,067,040.79</u>	<u>\$ 504,006.37</u>	<u>\$ 104,952.84</u>	<u>\$ 250,000.00</u>
Total Recreation Utility Appropriations	<u>\$1,926,000.00</u>	<u>\$ 1,926,000.00</u>	<u>\$ 1,067,040.79</u>	<u>\$ 504,006.37</u>	<u>\$ 104,952.84</u>	<u>\$ 250,000.00</u>
<u>Ref.</u>	F-2	F-2	F-5	F	F	F-1

See Notes to Financial Statements

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

STATEMENT OF GOVERNMENTAL FIXED ASSETS
 REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

	<u>BALANCE</u> <u>DEC. 31, 2020</u>	<u>BALANCE</u> <u>DEC. 31, 2019</u>
Governmental Fixed Assets:		
Land	\$ 26,173,800.00	\$ 26,173,800.00
Buildings and Improvements	17,110,200.00	17,110,200.00
Machinery and Equipment	<u>33,767,772.00</u>	<u>31,444,055.00</u>
Total Governmental Fixed Assets	<u>\$ 77,051,772.00</u>	<u>\$ 74,728,055.00</u>
Investments in Governmental Fixed Assets	<u>\$ 77,051,772.00</u>	<u>\$ 74,728,055.00</u>

See Notes to Financial Statements

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 1: FORM OF GOVERNMENT

The Township is managed under a Mayor-Council form of government authorized under Plan F of the "Faulkner Act of 1950". This form of government adopted in 1967 by Township voters provides for the direct election of the Mayor and seven Council members for 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 Township Council.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

B. Description of Funds

The accounting policies of the Township 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 Piscataway accounts for its financial transactions through the following separate funds:

Current Fund - resources and expenditures for governmental operations of a general nature, including fiscal activity of Federal and State Grant Programs, except as otherwise noted.

Trust Fund - The records of receipts, custodianship and disbursement of monies 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 following funds and accounts are also reported within the Trust Fund:

Animal Control Trust Fund
Unemployment Compensation Insurance Trust Fund
Dedicated Law Enforcement Trust Fund
Workmen's Compensation Self-Insurance Fund
Developer's Escrow Fund
Disposal of Forfeited Property (P.L. 1985, Ch. 135)

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.

Sewer Utility Fund, Senior Citizens Housing Utility Fund and Recreation Utility Fund - resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Sewer Utility, Senior Citizens Housing Facility and Recreation Utility.

Governmental Fixed Assets - the Governmental Fixed Asset system is used to account for fixed assets used in governmental fund type operations for control purposes. Infrastructure assets such as roads, sidewalks, etc. are not capitalized. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on governmental fixed assets.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

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

B. Description of Funds (Cont'd.)

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 and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles (GAAP) for state and local governments. GAAP provides for the issuance of entity-wide financial statements along with the presentation of separate fund financial statements that differ 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 financial statements is not intended to present the basic financial statement presentation.

C. 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 more significant differences are as follows:

Revenues - Revenues are recorded as received in cash except for statutory 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 and sewer utility consumer charges are recorded with offsetting reserves within the Current Fund and Sewer Utility Fund, respectively. Except for rental income receivable in the Senior Citizen Housing Utility, which is not recognized in the financial statements, other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves. 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 Sewer Utility consumer charges and Senior Citizen Housing Utility rent, 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 "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.

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.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

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

C. Basis of Accounting and Measurement Focus (Cont'd.)

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 balance sheet of the affected Fund. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance.

New Jersey statutes require municipalities to provide annual funding to Free Public Libraries through the Current Fund Budget. Amounts paid on behalf of the Free Public Library or transferred to the custody of the Library's management are recorded as budgetary expenditures of the Township, notwithstanding the fact that the Library is recognized as a separate entity for financial reporting purposes. Under GAAP, the Library would be recognized, as a "component unit" of the Township, and discrete reporting of the Library's financial position and operating results would be incorporated in the Township's financial statements.

Compensated Absences - The Township has adopted a written policy which sets forth the terms under which an employee may accumulate earned, but unused, vacation and sick leave, establishes the limits on such accumulations and specifies the conditions under which the right to receive payment for such accumulations vests with the employee.

The Township records expenditures for payments of earned and unused vacation and sick leave 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 (Sewer Utility and Senior Citizens Housing Utility) fund on a full accrual basis.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation established by the last revaluation program in 1975 and is fully reserved. Additions since 1975 are recorded on the basis of the latest assessed value. GAAP requires such property to be recorded in the statement of 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 year receivables are liquidated. GAAP does not require the establishment of an offsetting reserve. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various 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.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

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

C. Basis of Accounting and Measurement Focus (Cont'd.)

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.

The Township has reserved amounts of proceeds from property sales as of December 31, 2020 and 2019 of \$1,022,484.32 and \$840,057.76, respectively. GAAP requires that revenue be recognized in the accounting period that the terms of the sales contracts become legally enforceable.

Governmental Fixed Assets - Property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Property and equipment purchased by the Sewer Utility Fund and the Senior Housing Utility are recorded in their respective capital accounts at cost and are adjusted for dispositions and abandonment. Contributions in aid of construction are not capitalized.

The balances in the Reserve for Amortization and Deferred Reserve for amortization accounts in the Utility Funds represent charges to operations for the costs of acquisitions of property, equipment and improvements, and 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.

Fixed Capital - Sewer Utility and Senior Citizens Housing Utility - Capital acquisitions, including utility infrastructure costs of the Utilities are recorded at cost upon purchase or project completion in the Fixed Capital Account of the Utilities. Fixed Capital accounts are adjusted for dispositions or abandonment. The accounts include Moveable Fixed Assets of the Utilities but are not specifically identified and are considered as duplicated in the Fixed Asset Group of Accounts. The condition is considered as insignificant on its effect on the financial statements taken as a whole. Utility improvements that may have been constructed by developers and transferred to the Township are not recorded as additions to Fixed Capital. Fixed Capital of the Utilities is offset by accumulations in Amortization Reserve Accounts. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utilities represent charges to operations for the costs of acquisitions of property, equipment and improvement and costs funded from sources other than bonded debt of the utilities.

The utilities do 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.

Disclosure on Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and Cash Equivalents and Short-Term Investments - The carrying amount approximates fair value because of the short maturity of those investments.

Long-term Debt - The Township's long-term debt is stated at face value. The debt is not traded and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the Township's long-term debt is disclosed in Note 3 to the financial statements.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

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

C. Basis of Accounting and Measurement Focus (Cont'd.)

Disclosures on 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 11 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. The audited financial information related to pensions is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements. Due to delays in the availability of the information needed for disclosure, the State of New Jersey Department of Community Affairs, Division of Local Government Services (DLGS) issued Local Finance Notice 2021-10 on May 26, 2021. To ensure the timely filing of county and municipal audits, Local Finance Board regulations allow the DLGS discretion to permit the most recent available audited GASB 68 financial information to be incorporated into the audited financial statements. As a result, the latest available audited information is presented in Note 11.

Disclosures on 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. The audited financial information related to OPEB liabilities is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements. Due to delays in the availability of the information needed for disclosure, the State of New Jersey Department of Community Affairs, Division of Local Government Services (DLGS) issued Local Finance Notice 2021-10 on May 26, 2021. To ensure the timely filing of county and municipal audits, Local Finance Board regulations allow the DLGS discretion to permit the most recent available audited GASB 75 financial information to be incorporated into the audited financial statements. As a result, the latest available audited information is presented in Note 12.

Recent Accounting Pronouncements - 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. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Due to the COVID-19 pandemic GASB 95 which was issued in May 2020 has extended the implementation date to December 15, 2021. Earlier application is encouraged.

GASB issued Statement No. 92 *Omnibus 2020* in January 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Due to the COVID-19 pandemic GASB 95 which was issued in May 2020 has extended the implementation date to June 15, 2022. Earlier application is encouraged.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

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

C. Basis of Accounting and Measurement Focus (Cont'd.)

Recent Accounting Standards (Cont'd.)

GASB issued Statement No. 93 *Replacement of Interbank Offered Rates* in March 2020. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021, and all reporting periods thereafter. Due to the COVID-19 pandemic GASB 95 which was issued in May 2020 has extended the implementation date for one year. Earlier application is encouraged.

GASB issued Statement No. 94 *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* in March 2020. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. Earlier application is encouraged.

GASB issued Statement No. 95 *Postponement of the Effective Dates of Certain Authoritative Guidance* in May 2020. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

GASB issued Statement No. 96 *Subscription-Based Information Technology Arrangements* in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

GASB issued Statement No. 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* in June 2020. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

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

C. Basis of Accounting and Measurement Focus (Cont'd.)

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.

Use of Estimates – The preparation of financial statements requires management of the Township to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Comparative Data - Comparative data for the prior year has been presented in order to provide an understanding of changes on the Township's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Governmental Fixed Assets – N.J.A.C. 5:30-5.6 established a mandate for fixed asset accounting by municipalities, effective December 31, 1985. The Township has complied with the mandate, formerly known as Technical Accounting Directive No. 85-2. Fixed assets used in governmental operations are accounted for in the reporting of Governmental Fixed Assets. Public domain (infrastructure) governmental fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except for land, which is valued at estimated market value. No depreciation is provided for in the financial statements. Expenditures for construction in progress are recorded in the Capital Funds until such time as construction is completed and put into operation. Fixed assets acquired through grants in aid or contributed capital is not accounted for separately.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION

The Local Bond Law, Chapter 40A:2 et. seq., governs the issuance of bonds to finance municipal capital expenditures. The Township's debt at December 31, 2020 and 2019, respectively, is summarized as follows:

A. SUMMARY OF MUNICIPAL DEBT – YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>CY 2020</u>	<u>CY 2019</u>
<u>Issued:</u>		
General:		
Bonds and Notes	\$ 78,964,000.00	\$ 72,764,000.00
Sewer Utility:		
Bonds and Notes	1,775,000.00	2,040,000.00
Senior Citizens Housing Utility:		
Bonds and Notes	650,000.00	800,000.00
Net Debt Issued	81,389,000.00	75,604,000.00
<u>Authorized But Not Issued:</u>		
General:		
Bonds and Notes	44,370,892.51	55,081,360.09
Total Authorized But Not Issued	44,370,892.51	55,081,360.09
Bonds and Notes Issued and Authorized but not Issued	\$ 125,759,892.51	\$ 130,685,360.09

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

	<u>CY 2020</u>	<u>CY 2019</u>
<u>General Debt:</u>		
\$17,710,000 General Improvement Bonds of 2009, due in one annual installment of \$1,960,000 due March 2021, interest at 4.000%.	\$ 1,960,000.00	\$ 3,860,000.00
\$4,564,000 General Improvement Bonds of 2011, due in one annual installments of \$564,000 due February 2021, interest at 4.00%	564,000.00	1,089,000.00
\$8,100,000 General Improvement Bonds of 2014, due in annual installments of \$1,000,000 through January 2024, interest at 3.000%.	4,000,000.00	4,800,000.00
\$9,800,000 General Improvement Bonds of 2015, due in annual installments of \$975,000 to \$1,400,000 through December 2025, interest at 2.000% to 4.000%.	5,700,000.00	6,625,000.00
\$5,200,000 General Improvement Bonds of 2016, due in annual installments of \$450,000 to \$625,000 through November 2027, interest at 3.000% to 4.000%.	3,725,000.00	4,150,000.00
\$13,615,000 General Obligations Bonds of 2018, due in annual installments of \$1,165,000 to \$1,500,000 through December 2028 interest at 4.000% to 5.000%	11,465,000.00	12,865,000.00
\$2,500,000 Special Assessment Bonds of 2018, due in annual installments of \$125,000 through December 2038, interest at 3.000% to 5.000%	2,250,000.00	2,375,000.00

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

<u>Sewer Utility Debt:</u>	<u>CY 2020</u>	<u>CY 2019</u>
\$1,200,000 Sewer Utility Bonds of 2005, due in annual intallments of \$90,000 to \$100,000 through March 2025, interest at 4.000% to 4.500%.	\$ 470,000.00	\$ 550,000.00
\$700,000 Sewer Utility Bonds of 2011, due in one annual intallment of \$100,000 through February 2021, interest at 4.000%.	100,000.00	200,000.00
\$1,460,000 Sewer Improvement Refunding Bonds of 2017, due in annual installments of \$95,000 to \$110,0000 through November 2032, interest at 2.000% to 4.000%.	<u>1,205,000.00</u>	<u>1,290,000.00</u>
Total Sewer Utility Debt	<u>\$ 1,775,000.00</u>	<u>\$ 2,040,000.00</u>
Total Debt	<u>\$ 81,389,000.00</u>	<u>\$ 75,604,000.00</u>

B. SUMMARY OF STATUTORY DEBT CONDITION – ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory debt as of December 31, 2020 and 2019, respectively, of:

<u>2020</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 7,195,000.00	\$ 7,195,000.00	
Sewer Utility Debt	1,775,000.00	1,775,000.00	
Senior Citizen Housing Utility Debt	650,000.00	650,000.00	
General Debt	<u>123,334,892.51</u>		<u>\$ 123,334,892.51</u>
	<u>\$ 132,954,892.51</u>	<u>\$ 9,620,000.00</u>	<u>\$ 123,334,892.51</u>

Net Debt \$123,334,892.51 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended $\$ \underline{8,158,293,110.67} = 1.512\%$

Average Equalized Valuation Basis

2018 Equalized Value of Real Property	\$7,811,207,964.00
2019 Equalized Value of Real Property	8,051,799,444.00
2020 Equalized Value of Real Property	<u>8,611,871,924.00</u>
Average Equalized Valuation	<u>\$ 8,158,293,110.67</u>

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

B. SUMMARY OF STATUTORY DEBT CONDITION – ANNUAL DEBT STATEMENT

<u>2019</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 10,340,000.00	\$ 10,340,000.00	
Sewer Utility Debt	2,040,000.00	2,040,000.00	
Senior Citizen Housing Utility Debt	800,000.00	800,000.00	
General Debt	<u>127,845,360.09</u>	<u>-</u>	<u>\$ 127,845,360.09</u>
	<u>\$ 141,025,360.09</u>	<u>\$ 13,180,000.00</u>	<u>\$ 127,845,360.09</u>

Net Debt \$127,845,360.09 Divided By Average Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended $\$ \underline{7,600,864,693.67} = 1.682\%$

Average Equalized Valuation Basis

2017 Equalized Value of Real Property	\$ 6,939,586,673.00
2018 Equalized Value of Real Property	7,811,207,964.00
2019 Equalized Value of Real Property	<u>8,051,799,444.00</u>
Average Equalized Valuation	<u>\$ 7,600,864,693.67</u>

December 31, 2020

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

3 1/2% of Equalized Valuation Basis Municipal Net Debt	\$ 273,392,278.74
	<u>123,334,892.51</u>
Remaining Borrowing Power	<u>\$ 150,057,386.23</u>

December 31, 2019

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

3 1/2% of Equalized Valuation Basis Municipal Net Debt	\$ 266,030,264.28
	<u>127,845,360.09</u>
Remaining Borrowing Power	<u>\$ 138,184,904.19</u>

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

B. SUMMARY OF STATUTORY DEBT CONDITION – ANNUAL DEBT STATEMENT

Deduction of Self- Liquidating Utility Debt for Statutory Net Debt – Sewer Utility per N.J.S.A 40A:2-48

December 31, 2020

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

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 16,101,855.14
Deductions:		
Operating and Maintenance Cost	\$ 12,170,962.50	
Debt Service per Sewer Account	326,154.17	
Sewer Overpayments	<u>6,530.37</u>	
Total Deductions		<u>12,503,647.04</u>
Excess/(Deficit) in Revenues		<u>\$ 3,598,208.10</u>
The difference between the excess/ (deficit) in revenues for debt statement purposes and the excess/ (deficit) in revenues on a cash basis for the Sewer Utility Fund is as follows:		
Excess/(Deficit) in Revenues - Cash Basis (D-1)		\$ 2,335,405.72
Add: Capital Improvements		<u>3,300,000.00</u>
		5,635,405.72
Less: Reserves Lapsed		1,730,820.94
Less: Accounts Payable Canceled		<u>306,376.68</u>
Excess/(Deficit) in Revenue per Debt Statement		<u>\$ 3,598,208.10</u>

December 31, 2019

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

Cash Receipts from Fees, Rents or Other Charges for Year		\$ 15,289,609.53
Deductions:		
Operating and Maintenance Cost	\$ 11,105,462.45	
Debt Service per Sewer Account	<u>311,554.17</u>	
Total Deductions		<u>11,417,016.62</u>
Excess/(Deficit) in Revenues		<u>\$ 3,872,592.91</u>
The difference between the excess/ (deficit) in revenues for debt statement purposes and the excess/ (deficit) in revenues on a cash basis for the Sewer Utility Fund is as follows:		
Excess/(Deficit) in Revenues - Cash Basis (D-1)		\$ 2,006,282.88
Add: Capital Improvements		2,300,000.00
Refund of Prior Year Revenue		<u>217,225.00</u>
		4,523,507.88
Less: Reserves Lapsed		<u>650,914.97</u>
Excess/(Deficit) in Revenue per Debt Statement		<u>\$ 3,872,592.91</u>

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

B. SUMMARY OF STATUTORY DEBT CONDITION – ANNUAL DEBT STATEMENT

Deduction of Self- Liquidating Utility Debt for Statutory Net Debt – Senior Citizen Housing Utility per N.J.S.A 40A:2-48

	December 31, 2020
Cash Receipts from Fees, Rents or Other Charges for Year	\$ 1,568,066.55
Deductions:	
Operating and Maintenance Cost	\$ 1,213,250.00
Debt Service per Housing Account	167,437.50
Total Deductions	1,380,687.50
Excess/(Deficit) in Revenues	\$ 187,379.05

The difference between the excess/ (deficit) in revenues for debt statement purposes and the excess/ (deficit) in revenues on a cash basis for the Senior Citizen Housing Utility Fund is as follows:

Excess/(Deficit) in Revenues - Cash Basis (E-1)	\$ 241,318.45
Add: Capital Improvements	180,000.00
Refund of Prior Year Revenue	1,109.51
	422,427.96
Less: Reserves Lapsed	221,166.17
Less: Accounts Payable Canceled	13,882.74
	13,882.74
Excess/(Deficit) in Revenue per Debt Statement	\$ 187,379.05

	December 31, 2019
Cash Receipts from Fees, Rents or Other Charges for Year	\$ 1,632,431.29
Deductions:	
Operating and Maintenance Cost	\$ 1,182,750.00
Debt Service per Housing Account	357,562.50
Total Deductions	1,540,312.50
Excess/(Deficit) in Revenues	\$ 92,118.79

The difference between the excess/ (deficit) in revenues for debt statement purposes and the excess/ (deficit) in revenues on a cash basis for the Senior Citizen Housing Utility Fund is as follows:

Excess/(Deficit) in Revenues - Cash Basis (E-1)	\$ 160,199.24
Add: Capital Improvements	70,000.00
Refund of Prior Year Revenue	570.00
	230,769.24
Less: Reserves Lapsed	138,650.45
	138,650.45
Excess/(Deficit) in Revenue per Debt Statement	\$ 92,118.79

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONT'D.)

**C. SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT
ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2020**

Year	General		Senior Housing		Sewer Utility		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2021	\$ 7,839,000.00	\$ 2,463,879.31	\$ 150,000.00	\$ 17,250.00	\$ 285,000.00	\$ 54,937.50	\$ 10,810,066.81
2022	5,825,000.00	2,259,875.00	150,000.00	12,750.00	185,000.00	47,143.75	8,479,768.75
2023	6,125,000.00	2,025,625.00	175,000.00	7,875.00	185,000.00	41,237.50	8,559,737.50
2024	6,250,000.00	1,777,375.00	175,000.00	2,625.00	200,000.00	35,237.50	8,440,237.50
2025	5,675,000.00	1,536,625.00			200,000.00	28,800.00	7,440,425.00
Subtotal	31,714,000.00	10,063,379.31	650,000.00	40,500.00	1,055,000.00	207,356.25	43,730,235.56
2026	4,525,000.00	1,301,875.00			100,000.00	24,300.00	5,951,175.00
2027	4,550,000.00	1,120,125.00			95,000.00	22,050.00	5,787,175.00
2028	4,025,000.00	958,375.00			105,000.00	19,556.26	5,107,931.26
2029	2,925,000.00	810,375.00			100,000.00	16,800.00	3,852,175.00
2030	2,925,000.00	721,375.00			100,000.00	12,800.00	3,759,175.00
Subtotal	18,950,000.00	4,912,125.00	-	-	500,000.00	95,506.26	24,457,631.26
2031	2,925,000.00	642,062.50			110,000.00	8,800.00	3,685,862.50
2032	2,925,000.00	564,000.00			110,000.00	4,400.00	3,603,400.00
2033	2,825,000.00	483,281.26					3,308,281.26
2034	2,925,000.00	417,562.50					3,342,562.50
2035	2,925,000.00	351,187.50					3,276,187.50
Subtotal	14,525,000.00	2,458,093.76	-	-	220,000.00	13,200.00	17,216,293.76
2036	2,925,000.00	287,812.50					3,212,812.50
2037	2,925,000.00	227,437.50					3,152,437.50
2038	3,025,000.00	164,906.26					3,189,906.26
2039	3,100,000.00	95,375.00					3,195,375.00
2040	1,800,000.00	38,250.00					1,838,250.00
Subtotal	13,775,000.00	813,781.26	-	-	-	-	14,588,781.26
	<u>\$ 78,964,000.00</u>	<u>\$ 18,247,379.33</u>	<u>\$ 650,000.00</u>	<u>\$ 40,500.00</u>	<u>\$ 1,775,000.00</u>	<u>\$ 316,062.51</u>	<u>\$ 99,992,941.84</u>

Note 4: GOVERNMENTAL FIXED ASSETS

The Township's governmental fixed assets are reported as of December 31, 2020 and 2019 are as follows:

Governmental Fixed Assets	Balance Dec. 31, 2019	Additions	Retirements	Balance Dec. 31, 2020
Land	#####			\$ 26,173,800.00
Building and Improvements	17,110,200.00			17,110,200.00
Machinery and Equipment	31,444,055.00	\$2,323,717.00		33,767,772.00
Total Governmental Fixed Assets	#####	\$2,323,717.00	\$ -	\$ 77,051,772.00

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 5: DEFERRED COMPENSATION TRUST FUND

The Township of Piscataway, County of Middlesex 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; P.L. 1980, C. 78; and P.L. 1997, C. 116 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.

Note 6: ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1, in each year and filed with the County Board of Taxation by January 10th of the following year. Upon the filing of certified adopted budgets by the Township, Local School District, County and Fire 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 NJ 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 amounts 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 7: FUND BALANCE APPROPRIATED

Fund balances at December 31, 2020 and 2019 were appropriated and included as anticipated revenue in their own respective funds for the "Fiscal Year" ending December 31, 2020 and 2019 as follows:

	<u>Fund Balance</u> <u>Dec. 31, 2020</u>	<u>Utilized in</u> <u>Succeeding Budget</u>
Current Fund	\$ 23,362,822.92	\$ 11,370,765.33
Sewer Utility Fund	4,869,685.99	2,200,000.00
Senior Citizens Utility Fund	948,481.87	253,455.00
	<u>Fund Balance</u> <u>Dec. 31, 2019</u>	<u>Utilized in</u> <u>Succeeding Budget</u>
Current Fund	\$ 22,332,433.04	\$ 10,150,000.00
Sewer Utility Fund	6,234,280.27	3,700,000.00
Senior Citizens Utility Fund	917,163.42	210,000.00

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 8: LEASES

The Township did not enter into operating lease agreements providing for facilities and equipment during CY 2020, and accordingly there are no future minimum annual rental payments disclosed.

Note 9: INTERFUNDS

The Township had one outstanding interfund balance on the balance sheet at December 31, 2020 of \$4,000,000 payable from the General Capital Fund to the Sewer Capital Fund for amounts paid by the Sewer Capital Fund that relate to General Capital fund projects. The Township had one outstanding interfund balance on the balance sheet at December 31, 2019 of \$7,869.75 payable from the Animal Trust Fund to the Current Fund for excess dog license fees.

Note 10: DEPOSITS AND INVESTMENTS

State statutes set forth deposit requirements and investments that may be purchased by local units and the Township deposits and invests its funds pursuant to its policies and an adopted cash management plan.

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. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits to protect deposits from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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. All public depositories must pledge collateral, having a market value at least equal to five (5) percent of the average daily balance of collected public funds; or if the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent, to secure the deposits of 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. 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.

The cash and cash equivalents and investments of the Township on deposit and on-hand consisted of the following at December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
Cash (Demand Accounts)	\$ 82,120,113.86	\$ 83,110,870.65
NJ Cash Management Fund	797,470.47	793,236.03
Change Funds (On-Hand)	<u>635.00</u>	<u>635.00</u>
 Total	 <u>\$ 82,918,219.33</u>	 <u>\$ 83,904,741.68</u>

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 10: DEPOSITS AND INVESTMENTS (CONT'D.)

Deposits (Cont'd.)

Based upon GASB criteria, the Township considers change funds, cash in banks, investments in certificates of deposit and State of New Jersey Cash Management Fund as cash and cash equivalents. As of December 31, 2020, the carrying amount of the Township's deposits was \$82,918,219.33 and the bank balance was \$86,382,477.15. Of the bank balance, \$1,250,000.05 was covered by Federal depository insurance and \$84,335,006.63 was covered under the provisions of NJ GUDPA and \$797,470.47 was on deposit with the NJ Cash Management Fund.

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. The government does not have a specific deposit policy for custodial risk other than those policies that adhere to the requirements of statute.

As of December 31, 2020, based upon the insured balances provided by the FDIC and NJ GUDPA coverage, no amount of the Township's bank balance was considered exposed to custodial 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;
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 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.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 10: DEPOSITS AND 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, 2020 and 2019, respectively, the Township had \$797,470.47 and \$793,236.03, on deposit with the New Jersey Cash Management Fund. Based upon the existing deposit and investment practices, the Township is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments nor is it exposed to foreign currency risks for its deposits and investments.

Note 11: 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. 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), 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 30-year 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

The Public Employees' 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 other jurisdiction's pension fund.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2020 and 2019:

	2020	2019
Inactive plan members or beneficiaries		
currently receiving benefits	182,492	178,748
Inactive plan members entitled to		
but not yet receiving benefits	942	609
Active plan members	249,045	252,598
Total	432,479	431,955
Contributing Employers -	1,691	1,697
Contributing Non-employers -	1	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.

For the year ended December 31, 2020 and 2019, the Township's total payroll for all employees was \$19,001,737.49 and \$18,733,223.71, respectively. Total PERS covered payroll was \$11,628,264.00 and \$11,205,601.00 respectively. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

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. Pursuant to the provisions of P.L. 2011, Chapter 78, the member contribution rate was 7.50% in State fiscal year 2020. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

Employers' contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. Township contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

The Township's contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated. The Township's payments to PERS during the years ending December 31, 2020 and 2019 consisted of the following:

	<u>2020</u>	<u>2019</u>
Total Regular Billing	\$ 1,970,918	\$ 1,479,341

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:

<u>Tier</u>	<u>Definition</u>
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

A 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. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

At June 30, 2020, the PERS reported a net pension liability of \$16,435,616,426 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 Employer Member Group that is attributable to the Township was \$25,235,679 or 0.1547500047%, which was an increase of 0.0026655251% from its proportion measured as of June 30, 2019.

The following presents a summary of the proportionate share of the State of New Jersey's changes in the collective deferred outflows of resources and deferred inflows of resources attributable to the Township for the year ended June 30, 2020, if GASB 68 was recognized:

	2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 459,500	\$ 89,244
Changes in assumptions	818,674	10,566,418
Net difference between projected and actual earnings on pension plan investments	862,576	
Changes in proportion and differences between Township contributions and proportionate share of contributions	1,482,708	347,779
Township contributions subsequent to the measurement date	1,692,888	
	\$ 5,316,346	\$ 11,003,441

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

The \$1,692,888 deferred outflows of resources resulting from the Township's contributions subsequent to the measurement date would be recognized as a reduction to the net pension liability in the year ending December 31, 2020. Other Amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows, if GASB 68 was recognized:

Year ended	
<u>December 31,</u>	<u>Amount</u>
2021	\$ (2,768,628)
2022	(2,585,071)
2023	(1,369,530)
2024	(526,878)
2025	<u>(129,876)</u>
Total	<u>\$ (7,379,983)</u>

Actuarial Assumptions- The total pension liabilities in the June 30, 2020 and 2019 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement, including June 30, 2020 and 2019:

	<u>June 30, 2020</u>
Inflation Rate: Price	2.75%
Inflation Rate: Wage	3.25%
Salary Increases through 2026	2.00% - 6.00% 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, 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 Healthy Retiree mortality table with a 91.40% adjustment for males and a 99.70% 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 127.70% adjustment for males and a 117.20% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 and July 1, 2018 valuations were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2020 and 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. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 and 2019 are summarized in the following tables:

2020		
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
US Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	100.00%	

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

Discount Rate – The discount rate used to measure the total pension liability as of June 30, 2020 was 7.00% and as of June 30, 2019 was 6.28%. 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 78.00% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability – the following presents the net pension liability of PERS calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

<u>2020</u>	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
State	\$ 25,353,758,472	\$ 22,223,967,525	\$ 19,576,310,991
Local	<u>20,689,699,233</u>	<u>16,435,616,426</u>	<u>12,825,910,903</u>
PERS Plan Total	<u>\$ 46,043,457,705</u>	<u>\$ 38,659,583,951</u>	<u>\$ 32,402,221,894</u>
Township's share	\$ 31,767,510	\$ 25,235,679	\$ 19,693,242

Plan Fiduciary Net Position – The plan fiduciary net position for PERS including the State of New Jersey at June 30, 2020 and 2019 was \$29,045,369,302 and \$29,847,977,666, respectively. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2020 and 2019 was \$22,997,176,445 and \$23,347,631,751, respectively.

Additional Information

Collective balances at June 30, 2020 are as follows:

Collective deferred outflows of resources	\$ 2,347,583,337
Collective deferred inflows of resources	7,847,949,467
Collective net pension liability - Local group	16,435,616,426
Township's Proportion	0.1547500047%

Collective pension expense for the Local Group for the measurement period ended June 30, 2020 and 2019 was \$407,705,399 and \$974,471,686, respectively. The average of the expected remaining service lives of all plan members if 5.16, 5.21, 5.63, 5.48, 5.57, 5.72, and 6.44 years for 2020, 2019, 2018, 2017, 2016, 2015 and 2014, respectively.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

State Contribution Payable Dates

Prior to July 1, 2018 valuation, it is assumed the State will make pension contributions the June 30th following the valuation date. Effective with the July 1, 2018 valuation Chapter 83 P.L. 2017 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.

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, 2020 and June 30, 2019 are \$1,144,889,253 and \$1,038,892,124, respectively.

B. Police and Firemen's Retirement System

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 and 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, 2020 and 2019:

	2020	2019
Inactive plan members or beneficiaries currently receiving benefits	45,537	44,567
Inactive plan members entitled to but not yet receiving benefits	65	42
Active plan members	42,520	42,295
Total	88,122	86,904

Contributing Employers – 584 (As of June 30, 2020)

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.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

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 years ended December 31, 2020 and 2019 the Township’s total payroll for all employees was \$19,001,737.49 and \$18,733,223.71, respectively. Total PFRS covered payroll was \$9,055,132.00 and \$9,031,832.00, respectively. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

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 contributions rate increased from 8.50% of annual compensation to 10.00% in October 2011. Employer contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. Township contributions are due and payable on April 1st in the second fiscal period subsequent to plan year for which the contributions requirements were calculated.

Township payments to PFRS for the years ending December 31, 2020 and 2019 consisted of the following:

	<u>2020</u>	<u>2019</u>
Total Regular Billing	\$ 2,916,287	\$ 2,899,264

The Township recognizes liabilities to PFRS 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. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service.

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
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 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.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

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, 2020, the PFRS reported a net pension liability of \$14,926,648,722 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 \$33,730,091, or 0.2610421664%, which was a decrease of 0.0259822457% from its proportion measured as of June 30, 2019. The pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2020.

At December 31, 2020, the Township's deferred outflows of resources and deferred inflows of resources related to PFRS were from the following sources, if GASB No. 68 was recognized:

	2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 340,057	\$ 121,053
Changes in assumptions	84,882	9,042,836
Net difference between projected and actual earnings on pension plan investments	1,977,753	
Changes in proportion and differences between Township contributions and proportionate share of contributions		4,255,667
Township contributions subsequent to the measurement date	2,916,287	
	\$ 5,318,979	\$ 13,419,556

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

The \$2,916,287 of deferred outflows of resources resulting from the Township’s contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ending December 31, 2020. Other Amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows, if GASB 68 was recognized:

Year ended <u>December 31,</u>	<u>Amount</u>
2021	\$ (4,548,290)
2022	(3,172,091)
2023	(1,603,489)
2024	(913,670)
2025	<u>(779,324)</u>
Total	<u>\$ (11,016,864)</u>

Actuarial Assumptions - The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>June 30, 2020</u>
Inflation Rate: Price	2.75%
Inflation Rate: Wage	3.25%
Salary Increases through 2026	3.25% - 15.25% based on years of service
Thereafter	3.25% - 15.25% based on years of service
Investment rate of return	7.00%

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.60% adjustment for males and a 102.50% adjustment for females, with future improvement from the base year of 2010 on a generational basis. For healthy annuitants, post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.70% adjustment for males and a 96.00% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries, 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 152.00% adjustment for males and 109.30% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 2019 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, 2020 and 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.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plans’ target asset allocation as of June 30, 2020 and 2019 are summarized in the following tables:

2020		
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
US Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	100.00%	

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

Discount Rate – The discount rate used to measure the total pension liability as of June 30, 2020 was 7.00% and as of June 30, 2019 was 6.85%. 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 78.00% of the actuarially determined contributions for the State employer and 100.00% of the actuarially determined contributions for local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability – the following presents the net pension liability of PFRS calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

<u>2020</u>	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
State	\$ 4,998,864,901	\$ 4,299,009,951	\$ 3,717,851,603
Local	<u>19,849,370,425</u>	<u>14,926,648,722</u>	<u>10,837,952,259</u>
PFRS Plan Total	<u>\$ 24,848,235,326</u>	<u>\$ 19,225,658,673</u>	<u>\$ 14,555,803,862</u>
Township's share	\$ 44,854,078	\$ 33,730,091	\$ 24,490,770

Plan Fiduciary Net Position – The plan fiduciary net position for the total PFRS at June 30, 2020 and 2019 was \$27,412,127,845 and \$27,792,420,945, respectively.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

Additional Information

Collective Local Group balances at June 30, 2020 are as follows:

Collective deferred outflows of resources	\$ 1,601,195,680
Collective deferred inflows of resources	4,191,274,402
Collective net pension liability - Local group	14,926,648,722
Township's Proportion	0.2610421664%

Collective pension expense for the Local Group for the measurement period ended June 30, 2020 and 2019 is \$949,220,570, and \$1,325,963,796, respectively. The average of the expected remaining service lives of all plan members is 5.90, 5.92, 5.73, 5.59, 5.58, and 5.53 years for 2020, 2019, 2018, 2017, 2016, and 2015, respectively.

State Contribution Payable Dates

Effective with the July 1, 2017 valuation 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.

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, 2020 and June 30, 2019 are \$1,194,176,430 and \$1,105,874,849, respectively. Local contributions expected to be paid the April 1st, following the valuation are discounted by the interest rate used at the valuation date.

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 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 years ended June 30, 2020 and 2019 were \$154,309,000 and \$130,202,000, respectively. The portion of that contribution allocated to the Township at June 30, 2020 was \$402,812, or 0.2610421664%. The portion of that contribution allocated to the Township at June 30, 2019 was \$373,712, or 0.2870244121%. The June 30, 2019 and 2019 State special funding situation pension expense of \$232,529,243 and \$224,526,138, respectively, 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 June 30, 2020 and 2019 was \$2,005,329,818 and \$1,932,374,825, respectively, which represents the accumulated difference between the actuarially determined annual contributions required and the actual State contributions through the valuation date.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 11: PENSION PLANS

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

The Township's allocated shares of the special funding situation pension expense for the year ended June 30, 2020 and its share of the special funding situation net pension liability at that date were \$593,255 and \$5,234,756, respectively. 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 net pension liability at that date were \$644,445 and \$5,546,387, respectively.

C. Defined Contribution Retirement Plan

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 Division has selected Prudential Financial to manage the DCRP on its behalf. 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 PFRS or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PFRS 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 PFRS 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 non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on 7.20% for PERS, 10.00% for PFRS and 5.50% for DCRP of employees' base wages.

Note 12: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – HEALTH CARE BENEFITS – TOWNSHIP PLAN

General information about the OPEB Plan

The Township provides a single employer post-employment health benefits plan for 24 of its employees and retirees through a single employer defined benefit healthcare plan. The Township followed the accounting provisions of GASB Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. This statement established guidelines for reporting costs associated with "other postemployment benefits" (OPEB). OPEB costs are calculated based on plan benefits (other than pensions), that the retired employees and their spouses have accrued as a result of their respective years of employment service.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 12: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – HEALTH CARE BENEFITS – TOWNSHIP PLAN (CONT'D.)

Plan description and benefits provided - The Township's post-employment retirement healthcare benefit plan provides health benefits to all retired Township employees and their spouses. The Plan is a comprehensive health benefits plan which pays for hospital services, doctor expenses and other medical related necessities which include prescription drugs, and mental health/substance abuse services, subject to provisions and limitations. The Township administers the Plan through the Horizon Blue Cross Blue Shield of New Jersey and has the authority to establish and amend the benefits provisions offered. The Plan is not a separate entity or trust and does not issue stand-alone financial statements.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Total OPEB Liability

The Township's total OPEB liability of \$104,183,961 and \$110,415,300 was measured as of December 31, 2020 and 2019, respectively, was determined by an actuarial valuation as of that date. There were 223 active employee participants, 199 retiree participants, and 129 dependent participants at the measurement date of January 1, 2020.

Actuarial assumptions and other imputes - The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

	June 30, 2019
Inflation	2.50%
Salary Increases*:	
Through 2026	1.65% to 8.98%
Thereafter	2.65% to 9.98%

The discount rate was based on the Bond Buyer 20-Bond Go Index. Mortality rates were based on the RP-2014 Combined Annuitant Mortality Table for Males or Females.

The total OPEB liability as of December 31, 2020 is based on the valuation results at January 1, 2020, adjusted for the change in the applicable discount rate, and projected to December 31, 2020 assuming no actuarial gains or losses due to plan demographics or claim experience.

Changes in the Total OPEB Liability

	Total OPEB Liability
Net OPEB Liability, December 31, 2019	\$ 110,415,300.00
Changes for the year:	
Service Cost	3,651,323.00
Interest on the Total OPEB Liability	4,609,014.00
Changes in assumptions of other inputs:	
Difference Between Expected and Actual Experience	11,715,380.00
Change in Assumptions	(22,870,263.00)
Benefit Payments	(3,336,793.00)
Net OPEB Liability, December 31, 2020	\$ 104,183,961.00

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 12: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – HEALTH CARE BENEFITS – TOWNSHIP PLAN (CONT'D.)

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% Decrease	At Discount Rate	1% Increase
Total Net OPEB Liability - 2019	\$ 129,726,300	\$ 110,415,300	\$ 95,062,600
Total Net OPEB Liability - 2020	121,199,639	104,183,961	90,520,805

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% Decrease	Healthcare Cost Trend Rate	1% Increase
Total Net OPEB Liability - 2019	\$ 92,124,400	\$ 110,415,300	\$ 134,067,700
Total Net OPEB Liability - 2020	89,569,319	104,183,961	122,717,754

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020 and 2019, respectively, the Township recognized OPEB expense of \$5,691,692, and \$7,561,500, respectively. At December 31, 2019 and 2018, the Township reported deferred (outflows)/inflows of resources related to OPEB of (\$17,093,996)/\$26,509,601 and, \$11,446,100 respectively.

Note 13: RISK MANAGEMENT

The Township, together with other governmental units, is a member of the Central Jersey Joint Insurance Fund (the Fund). The Fund, which is organized and operated pursuant to the regulatory authority of the Departments of Insurance and Community Affairs, State of New Jersey, provides for a pooling of risks, subject to established limits and deductibles.

The Fund's governing board based upon actuarial and budgetary requirements calculates payments to the Fund. Each participant in the Fund is jointly and severably obligated for any deficiency in the amount available to pay all claims. The Joint Insurance fund insures against property damage, general liability, auto liability, equipment liability, public official liability, and law enforcement liability and workers compensation. While additional assessments or premiums can be levied by the Fund to assure payment of the Fund's obligations, no such additional premiums have been necessary as of December 31, 2020. The Fund will be self-sustaining through member premiums, reported as an expenditure in the Township's financial statements. The Fund contracts for excess liability insurance for property damage, general liability, auto liability, equipment liability, public official liability, law enforcement liability and workers' compensation. The Township continues to carry commercial insurance for other risks of loss, principally employee health insurance.

At December 31, 2020, the Fund reported for all year's combined, total assets of \$26,098,358.39 liabilities and reserves of \$13,820,988.38 which includes case reserves of \$6,815,995.82, IBNR of \$4,642,009.00 and fund balance of \$12,277,370.01.

At December 31, 2019, the Fund reported for all year's combined, total assets of \$24,237,349.82 liabilities and reserves of \$12,353,962.65 which includes case reserves of \$6,143,546.71, IBNR of \$4,456,016.00 and fund balance of \$11,883,387.17.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 13: RISK MANAGEMENT (CONT'D.)

Self-Insurance – Worker's Compensation

The Township maintains a self-insurance risk management program for claims relating to Worker's Compensation for program periods beginning in 1985 and terminating with the state fiscal year ended June 30, 1998. The Township continued to engage an outside claims service bureau to serve as Fund Administrator. The Administrator for estimated benefits and expenses for reported claims establish reserves. The status of the Township's self-insurance cash reserves, as compared to the reserve requirements established by the Fund Administrator for claims reported at the close of the year, is zero.

New Jersey Unemployment Compensation Insurance

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

Note 14: CONTINGENT LIABILITIES

At December, 31, 2020, 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 13, the Township has participated in a joint insurance fund since June 1998.

In regard to State Court Tax Appeals, 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.

Note 15: ACCRUED SICK AND VACATION BENEFITS

The Township has permitted employees to accrue unused sick pay, which may be taken as time off when sick or paid at retirement. Accumulated unused sick days may be used at the time of retirement as salary extension for a time equal to the number of days of retirement, or the employee involved may request a cash payment from the Township for the accumulated days, at the employee's sole discretion. There is a limit of 240 days with some minor adjustments. Current Township policy and provisions of collective bargaining agreements generally limit accumulations to 5 days per calendar year. As of December 31, 2020 and 2019 it is estimated that the current cost of such unpaid sick pay would approximate \$5,395,392.00 and \$5,358,702.38, respectively. These amounts represent the current value of all accumulations, and are not intended to portray amounts that would be recorded under GAAP.

The Township has set aside reserves within the Trust Fund to pay for these costs for the years ended December 31, 2020 and 2019 in the amounts of \$3,290,251.74, and \$3,609,563.50, respectively.

The Township has not discounted the total based upon a study of utilization by employees separating from service. Neither has it excluded the accumulations of any employees based upon the likelihood that the right to receive termination payments for such accumulations will vest with the employees. The amount that the valuation reported above would be reduced under either of the methodologies permitted under GAAP has not been determined.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2020 AND 2019**

Note 15: ACCRUED SICK AND VACATION BENEFITS (CONT'D.)

The estimated value of accumulated unused vacation pay has not been calculated. Township policies generally require employees to utilize accrued vacation pay during the calendar year it accrues. With the written approval of the Business Administrator and Department Head, unused vacation benefits may be carried only until March 31st of the succeeding year.

Note 16: COMMITMENTS AND CONTINGENCIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2020, the Township does not believe that any material liabilities will result from such audits.

As of December 31, 2020 and through the date of this report, the Township had litigation pending, including property tax appeals and other matters. The Township estimates that potential claims against the Township not covered by insurance resulting from such litigation would not materially affect the financial statements of the Township.

Note 17: 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. 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 for the years ended December 31, 2020 and 2019, respectively, were \$3,382,292.00 and \$2,402,804.46. Taxes that otherwise would have been due on these long-term tax exemptions amounted to \$8,295,113.00 and \$6,089,377.41, respectively, based upon the assessed valuations of the long-term tax exemptions properties.

Note 18: SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after December 31, 2020 through the date of September 21, 2021, which is the date the financial statements were available to be issued. Based on this evaluation, the Township has determined the below subsequent events are require disclosure in our report.

The Township adopted Ordinance 2021-10 on April 20, 2021 for the Road Rehabilitation and Improvements for Netherland Avenue and Justice Street in the amount of \$4,900,000. Bonds or Notes were authorized in the amount of \$4,245,600.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

PART II

**SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2020**

Current Fund

SCHEDULE OF CASH

		CURRENT FUND	GRANT FUND
	<u>Ref.</u>		
Cash Balance December 31, 2019	A	\$ 35,898,064.18	\$ 577,671.28
Increased by Cash Receipts			
Prior Year Appropriations Refund	A-1	\$ 44,228.65	
Collector	A-5	187,274,355.61	
Due from State of State of NJ - Ch. 20	A-6	200,136.06	
Revenue Accounts Receivable	A-8	11,648,411.61	
Miscellaneous Revenue Not Anticipated	A-8	386,125.05	
Various Payables	A-10	172,564.00	
Various Reserves	A-10	214,670.56	
Interfunds Receivable	A-11	42,164,333.41	
Interfunds Payable	A-12, A-16		\$ 937,845.24
Federal and State Grants Receivable	A-15		861,811.67
Total Cash Receipts		<u>242,104,824.95</u>	<u>1,799,656.91</u>
Decreased by Disbursements			
CY 2020 Appropriations	A-3	58,255,093.82	
Payment In Lieu of Taxes - Due to County	A-7	120,232.12	
CY 2019 Approp. Reserves	A-9	1,647,890.28	
Various Payables	A-10	298,341.19	
Various Reserves	A-10	1,774,310.06	
Interfunds Receivable	A-11	42,693,837.15	
Tax Overpayments	A-12	408,859.57	
County Tax	A-13	31,584,845.49	
Fire District Tax	A-13	4,334,983.42	
Local School District Tax	A-13	96,748,804.00	
Interfunds Returned	A-16		1,030,288.40
Federal and State Grants Appropriated	A-17		911,254.96
Total Cash Disbursements		<u>237,867,197.10</u>	<u>1,941,543.36</u>
Cash Balance December 31, 2020	A	<u>\$ 40,135,692.03</u>	<u>\$ 435,784.83</u>

SCHEDULE OF COLLECTOR'S CASH
CURRENT FUND

	<u>Ref.</u>		
Increased by Receipts:			
Interest and Costs on Taxes	A-2	\$ 430,760.32	
Taxes Receivable - Current Year	A-7	179,757,186.04	
Taxes Receivable - Delinquent	A-7	1,378,639.12	
Taxes Receivable - Arrears	A-7	2,615.16	
Taxes Receivable - Prepaid Taxes	A-7	1,591,765.15	
Tax Title Liens Receivable	A-7	5,568.18	
Payment In Lieu of Taxes	A-7	2,405,401.82	
Non-Budget Revenue	A-8	20,461.22	
Interfund Receivable	A-11	<u>1,681,958.60</u>	
			<u>\$ 187,274,355.61</u>
Decreased by:			
Deposited to Treasurer	A-4		<u><u>\$ 187,274,355.61</u></u>

SCHEDULE OF DUE FROM STATE OF NEW JERSEY -
 FOR ALLOWABLE DEDUCTIONS PER CHAPTER 129, P.L. 1976
CURRENT FUND

	<u>REF.</u>		
Balance - December 31, 2019	A		\$ 232,279.05
Increased by:			
Senior Citizens and Veterans Deductions	A-6	\$ 210,250.00	
Allowed by Tax Collector Current Year	A-6	<u>2,000.00</u>	
			<u>212,250.00</u>
			444,529.05
Decreased by:			
Cash Receipts	A-4	200,136.06	
Disallowed by Tax Collector Current Year 2018 & 2019 Sr. Citizens and Vet.	A-6	4,580.20	
Ded. Disallowed by Collector	A-1	<u>8,823.38</u>	
			<u>213,539.64</u>
Balance - December 31, 2020	A		<u><u>\$ 230,989.41</u></u>
 <u>Analysis of Sr. Citizens & Veterans Deductions Allowed - 2020 Taxes</u>			
Per Tax Billings	A-6		\$ 210,250.00
Allowed by Tax Collector Current Year	A-6		2,000.00
(Disallowed) by Tax Collector Current Year	A-6		<u>(4,580.20)</u>
	A-7		<u><u>\$ 207,669.80</u></u>

**SCHEDULE OF PROPERTY TAXES RECEIVABLE AND LEVY ANALYSIS
CURRENT FUND**

		Total	CY 21/PY 20 Prepaid	CY 20 Current	CY 19 Delinquent	Arrears	Payment In Lieu of Taxes	Tax Title Liens	Property Acquired for Taxes
Balance - Dec. 31, 2019	<u>Ref.</u> A	\$ 3,536,668.89	\$ (1,105,883.61)		\$ 1,368,796.66	\$ 2,595.72	\$ (55,251.68)	\$ 733,511.80	\$ 2,592,900.00
Billings / Levy:									
Original Levy.....	Below	185,150,485.97		182,689,832.47			2,460,653.50		
Added & Omitted.....	Below	746,599.71		746,599.71					
Added Taxes.....	Reserve	1,053.84		292.90	760.94				
Canceled Taxes.....	Reserve	(99,005.70)		(98,774.51)	(262.94)			31.75	
Transfers									
Tax Lien.....									
Revenue									
Sr.Citizens & Vets.....									
Original Levy.....	A-6	(210,250.00)		(210,250.00)					
Allowed/Disallowed.....	A-6	11,403.58		2,580.20	8,803.94	19.44			
Cash Receipts.....	A-5	(185,141,175.47)	(1,591,765.15)	(179,757,186.04)	(1,378,639.12)	(2,615.16)	(2,405,401.82)	(5,568.18)	
Transferred to Overpayments.....	A-12	(286,646.84)	(35,782.05)	(791,471.43)	633.64	539,973.00			
Reserve for Tax Appeals Transfer.....	A-10	(546,738.06)	(6,765.06)			(539,973.00)			
Prepaid Applied.....	A-7		1,105,883.61	(1,105,883.61)					
Balance - Dec. 31, 2020		<u>\$ 3,162,395.92</u>	<u>\$ (1,634,312.26)</u>	<u>\$ 1,475,739.69</u>	<u>\$ 93.12</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 727,975.37</u>	<u>\$ 2,592,900.00</u>
	<u>Ref.</u>		A	A,A-7	A	A	A	A	A

Analysis of CY 2020 Property Tax Levy:

<u>Tax Yield:</u>		<u>Tax Levy:</u>		<u>Ref.</u>		<u>Current Taxes Realized:</u>		<u>Ref.</u>	
General Purpose Tax	\$ 182,689,832.47	Local School District Tax	A-13	\$ 96,748,804.00		Sr. Citizens & Veterans	A-6	\$ 207,669.80	
Added Taxes	746,599.71	County Tax	A-13	28,858,353.42		Cash Receipts	A-7	181,654,541.08	
	<u>\$ 183,436,432.18</u>	County Open Space	A-13	2,402,881.75		Subtotal	A-1	181,862,210.88	
		Due County - Added & Omitted	A-13	127,610.75		Reserve for Uncollected Taxes	A-3	1,790,992.24	
		Fire District Taxes	A-13	4,305,132.00				183,653,203.12	
				132,442,781.92		Allocated to School, County and Fire Districts	A-13	(132,442,781.92)	
		Local Tax for Municipal Purposes	A-2	47,626,051.00				<u>\$ 51,210,421.20</u>	
		Minimum Library Tax	A-2	2,690,894.80					
		Add: Additional Tax Levied	A-7	676,704.46					
<u>Delinquent Taxes Realized:</u>				<u>\$ 183,436,432.18</u>		<u>Payment In Lieu of Taxes</u>			
FY 19 Collections	\$ 1,378,005.48					Payment in Lieu of Taxes Billing		\$ 2,460,653.50	
Arrears Collections	2,615.16					PILOT Administrative Fees	A-8	(56,011.14)	
Tax Liens Collected	5,568.18					Due To County (5%) Payment in Lieu of Taxes	A-4	(120,232.12)	
	<u>\$ 1,386,188.82</u>					Payment In Lieu of Taxes Realized	A-2	<u>\$ 2,284,410.24</u>	

SCHEDULE OF NONBUDGET REVENUES & VARIOUS ACCOUNTS RECEIVABLES
CURRENT FUND

	December 31, 2019	Accrued/ Adjustments	Cash Receipts	December 31, 2020
Revenue Accounts Receivable:				
Licenses - Other		\$ 99,569.00	\$ (99,569.00)	
Alcoholic Beverage License		53,814.00	(53,814.00)	
Fees and Permits		585,894.20	(585,894.20)	
Fines and Costs - Municipal Court	\$ 49,132.69	276,903.44	(304,368.57)	\$ 21,667.56
Construction Code Fees		2,015,140.00	(2,015,140.00)	
Interest on Investments and Deposits		639,039.85	(639,039.85)	
Housing Certificate of Inspections		183,335.00	(183,335.00)	
Cable Franchise Fees		178,019.48	(178,019.48)	
Hotel and Motel Tax		219,140.57	(219,140.57)	
Capital Surplus Fund		400,000.00	(400,000.00)	
Developer's Contributions - Capital Fund		1,000,000.00	(1,000,000.00)	
Library Fines	3,000.00	3,000.00	(6,000.00)	
State Aid: Energy Receipts Tax		5,858,578.99	(5,858,578.99)	
Uniform Fire Safety Act		105,511.95	(105,511.95)	
A-2	<u>52,132.69</u>	<u>11,617,946.48</u>	<u>(11,648,411.61)</u>	<u>21,667.56</u>
Non - Budget Revenue:				
Administrative Fees Outside Jobs		248,761.71	(248,761.71)	
Abandoned Vehicles		22.00	(22.00)	
Bid Specifications		11,111.15	(11,111.15)	
Citizens' & Veterans 2% Admin Fees		4,052.72	(4,052.72)	
Cost of Tax Sale		7,514.62	(7,514.62)	
Credit Card Convenience Fees		2,458.30	(2,458.30)	
Delinquent Fees		6,000.00	(6,000.00)	
DMV Inspection Fees		1,169.50	(1,169.50)	
Evidence Room		1,212.77	(1,212.77)	
Fire Report		150.00	(150.00)	
Fire Penalty		1,500.00	(1,500.00)	
Filming Agreement		2,050.00	(2,050.00)	
Grants Cancelled		51,581.29	(51,581.29)	
Grass Coupons		1,363.00	(1,363.00)	
ID Card Replacement Fee		12.00	(12.00)	
Contributions In Lieu of Taxes		6,000.00	(6,000.00)	
Insurance Award		9,375.00	(9,375.00)	
Interpretation - Planning		1,050.00	(1,050.00)	
Maintenance Liens		12,526.60	(12,526.60)	
Medical Appointments		335.00	(335.00)	
Miscellaneous		18,657.80	(18,657.80)	
PILOT Admin Fees		56,011.14	(56,011.14)	
Photo Copies		10,242.79	(10,242.79)	
Police Report		1,041.65	(1,041.65)	
Prior Year Void Checks		668.18	(668.18)	
Recycling Electronic Waste		9,470.75	(9,470.75)	
Rent Land		5,721.00	(5,721.00)	
Recycle subsidy: Solid Waste		242.25	(242.25)	
Returned Check Fees		595.00	(595.00)	
Rent: Senior Center		6,200.00	(6,200.00)	
Restitution		479.82	(479.82)	
Settlement		5,000.00	(5,000.00)	

SCHEDULE OF NONBUDGET REVENUES & VARIOUS ACCOUNTS RECEIVABLES
CURRENT FUND

	December 31, 2019	Accrued/ Adjustments	Cash Receipts	December 31, 2020
Zoning - Appeal Officers		\$ 500.00	\$ (500.00)	
Worker's compensation		13,857.66	(13,857.66)	
Violations - Code		17,592.00	(17,592.00)	
A-1, A-2	-	514,525.70	(514,525.70)	-
Total.....	\$ 52,132.69	\$ 12,132,472.18	\$ (12,162,937.31)	\$ 21,667.56
<u>Ref.</u>	A	Reserve	Below	A
<u>Analysis of Miscellaneous Revenues:</u>				
Account Receivable Collections	A-4		\$ 11,648,411.61	
Subtotal			11,648,411.61	
Non-Budget Revenue	A-4		386,125.05	
Cost of Tax Sale	A-5		7,514.62	
Return Check Fee	A-5		420.00	
Maintenance Lien	A-5		12,526.60	
Trust Fund	A-11		51,928.29	
PILOT Administrative Fees	A-7		56,011.14	
Subtotal			514,525.70	
Total.....			\$ 12,162,937.31	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - CY 2019
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DEC 31, 2019	ENCUMBERED DEC 31, 2019	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>Operations Within "CAPS"</u>					
<u>General Government</u>					
Township Council					
Other Expenses	\$ 1,439.94	\$ 7,097.00	\$ 8,536.94	\$ 8,292.00	\$ 244.94
Township Clerk					
Salaries and Wages	11,421.96		11,421.96	1,069.43	10,352.53
Other Expenses	14,622.90	14,094.54	28,717.44	4,407.36	24,310.08
Elections					
Salaries and Wages	3,187.72		3,187.72		3,187.72
Other Expenses	8,190.39		8,190.39		8,190.39
<u>Administration</u>					
Department of Administration					
Salaries and Wages	7,748.31		7,748.31		7,748.31
Other Expenses	27,634.46	21,018.51	48,652.97	41,082.22	7,570.75
Division of Personnel					
Salaries and Wages	27.04		27.04		27.04
Other Expenses	5,770.58	5,436.80	11,207.38	4,845.80	6,361.58
Computer Center					
Salaries and Wages	414.44		414.44		414.44
Other Expenses	27,002.24	64,743.07	91,745.31	48,277.92	43,467.39
Division of Purchasing					
Salaries and Wages	5,108.78		5,108.78		5,108.78
Other Expenses:	12,150.31	7,838.49	19,988.80	42.20	19,946.60
Postage (All Departments)	4,792.63	25,404.83	30,197.46	491.68	29,705.78
Planning Board					
Other Expenses	34,028.77	3,032.11	37,060.88	3,010.92	34,049.96
Zoning Board					
Other Expenses	4,397.08	14,938.90	19,335.98	5,307.49	14,028.49
Cable TV Studio					
Salaries and Wages	8,970.59		8,970.59		8,970.59
Other Expenses	129.14	1,080.37	1,209.51	1,057.63	151.88

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
 STATEMENT OF APPROPRIATION RESERVES - CY 2019
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DEC 31, 2019	ENCUMBERED DEC 31, 2019	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>Finance and Revenue</u>					
Department of Finance					
Salaries and Wages	\$ 7,894.20		\$ 7,894.20	\$ 1,575.00	\$ 6,319.20
Other Expenses	23,412.23	\$ 15,824.95	39,237.18	7,417.93	31,819.25
Annual Audit	14,385.00	60,615.00	75,000.00	61,086.29	13,913.71
Division of Assessment					
Salaries and Wages	4,095.65		4,095.65	855.96	3,239.69
Other Expenses	60,983.36	30,189.20	91,172.56	69,407.04	21,765.52
Division of Revenue					
Salaries and Wages	6,339.16		6,339.16		6,339.16
Other Expenses	16,302.85	141.26	16,444.11	232.12	16,211.99
Insurance					
Liability Insurance	11,208.32	7,117.84	18,326.16		18,326.16
Health Insurance Waiver	18,187.47		18,187.47		18,187.47
Employee Group Insurance	86,000.05	1,176,631.29	1,262,631.34	916,453.88	346,177.46
Municipal Court					
Salaries and Wages	1,248.43		1,248.43		1,248.43
Other Expenses	28,166.94	2,870.00	31,036.94	2,870.00	28,166.94
Public Defender (P.L. 1997, Ch. 256)					
Other Expenses	15,000.00		15,000.00		15,000.00
<u>Law</u>					
Department of Law					
Other Expenses	104,136.28	76,404.60	180,540.88	60,150.59	120,390.29
Municipal Prosecutor					
Other Expenses	4,669.00	29,512.01	34,181.01	3,878.00	30,303.01
<u>Public Safety</u>					
Uniform Fire Safety Act					
Salaries and Wages	22,618.26		22,618.26		22,618.26
Other Expenses	5,538.33	4,186.44	9,724.77	3,822.29	5,902.48
Animal Control					
Salaries and Wages	3,987.50		3,987.50		3,987.50
Other Expenses	7,971.26	995.50	8,966.76	995.50	7,971.26
Division of Schools Crossing Guards					
Salaries and Wages	13,415.54		13,415.54		13,415.54
Other Expenses	2,945.00		2,945.00		2,945.00

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - CY 2019
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DEC 31, 2019	ENCUMBERED DEC 31, 2019	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>Public Safety (cont'd.)</u>					
Division of Police					
Salaries and Wages	\$ 748,665.65		\$ 748,665.65	\$ (27,105.73)	\$ 775,771.38
Other Expenses	231,009.69	\$ 51,963.60	282,973.29	121,586.49	161,386.80
First Aid Organization - Contribution	11,305.65	15,547.04	26,852.69	2,579.91	24,272.78
Division of Emergency Management Services					
Other Expenses	2,043.44	654.99	2,698.43	650.00	2,048.43
<u>Public Works</u>					
Department of Public Works					
Salaries and Wages	4,732.91		4,732.91		4,732.91
Other Expenses	14,147.49	18,065.36	32,212.85	18,361.23	13,851.62
Division of Engineering					
Salaries and Wages	5,098.18		5,098.18		5,098.18
Other Expenses	33,158.94	1,636.19	34,795.13	1,530.43	33,264.70
Division of Community Development and Planning					
Salaries and Wages	19,013.24		19,013.24		19,013.24
Other Expenses	26,310.41	9,238.04	35,548.45	6,238.04	29,310.41
Division of Zoning Enforcement					
Salaries and Wages	10,496.50		10,496.50		10,496.50
Other Expenses	40,658.22	26,786.82	67,445.04	6,493.88	60,951.16
Public Buildings and Grounds					
Salaries and Wages	46,108.12		46,108.12	4,217.87	41,890.25
Other Expenses	29,074.40	258,031.64	287,106.04	186,510.96	100,595.08
Inspection					
Salaries and Wages	25,199.50		25,199.50	1,445.00	23,754.50
Other Expenses	30,232.93	611.59	30,844.52	149.03	30,695.49
Division of Property Maintenance: Traffic					
Salaries and Wages	10,006.24		10,006.24	4,120.45	5,885.79
Other Expenses	11,687.06	13,645.13	25,332.19	11,229.10	14,103.09
Division of Fleet Maintenance: Fleet					
Salaries and Wages	211,661.91		211,661.91	4,969.23	206,692.68
Other Expenses	99,989.44	147,306.60	247,296.04	81,261.23	166,034.81
Division of Streets					
Salaries and Wages	57,674.78		57,674.78	12,526.13	45,148.65
Other Expenses	13,792.47	27,179.45	40,971.92	23,200.00	17,771.92
Snow Removal					
Salaries and Wages	204,789.39		204,789.39	204,789.39	
Other Expenses	16,635.32	129,929.14	146,564.46	146,564.46	

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - CY 2019
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DEC 31, 2019	ENCUMBERED DEC 31, 2019	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>Public Works (cont'd.)</u>					
All Utilities	\$ 117,307.79	\$ 1,000,462.56	\$ 1,117,770.35	\$ 391,461.72	\$ 726,308.63
Division of Parks					
Salaries and Wages	214,894.97		214,894.97	9,135.59	205,759.38
Other Expenses	11,813.55	31,436.35	43,249.90	38,532.90	4,717.00
Shade Trees					
Other Expenses	1,350.00		1,350.00		1,350.00
Division of Sanitation - Sewer System					
Other Expenses	608.16	12,575.00	13,183.16	12,633.00	550.16
Solid Waste Collection					
Salaries and Wages	142,802.33		142,802.33	12,389.07	130,413.26
Other Expenses	9,930.00		9,930.00		9,930.00
Recycling Program					
Other Expenses	35,601.63	3,163.00	38,764.63		38,764.63
Municipal Services Act	115,000.00		115,000.00	39,711.83	75,288.17
<u>Health and Welfare</u>					
Office on Aging					
Salaries and Wages	7,978.47		7,978.47	3,637.86	4,340.61
Other Expenses	9,229.11	14,096.69	23,325.80	14,206.69	9,119.11
Management of Community Center	244,000.00	241,500.00	485,500.00	5,500.00	480,000.00
<u>Recreation and Education</u>					
Department of Recreation					
Salaries and Wages	13,031.38		13,031.38	158.25	12,873.13
Other Expenses	65,675.01	16,151.83	81,826.84	26,742.52	55,084.32
<u>Uniform Construction Code</u>					
Division of Inspections					
Salaries and Wages	29,162.94		29,162.94	3,910.33	25,252.61
Other Expenses	180,943.18		180,943.18	700.00	180,243.18
Boards and Commissions					
Salaries and Wages					
Other Expenses	8,616.10	603.06	9,219.16	600.00	8,619.16
Total Operations Within "CAPS"	<u>3,746,978.61</u>	<u>3,589,756.79</u>	<u>7,336,735.40</u>	<u>2,617,266.11</u>	<u>4,719,469.29</u>
Total Operation Including Contingent	<u>\$ 3,746,978.61</u>	<u>\$ 3,589,756.79</u>	<u>\$ 7,336,735.40</u>	<u>\$ 2,617,266.11</u>	<u>\$ 4,719,469.29</u>

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF APPROPRIATION RESERVES - CY 2019
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DEC 31, 2019	ENCUMBERED DEC 31, 2019	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"					
STATUTORY EXPENDITURES:					
Contribution to:					
Social Security System	\$ 155,698.42	\$ -	\$ 155,698.42	\$ 65,000.00	\$ 90,698.42
Defined Contribution Retirement Program	5,594.83		5,594.83	-	5,594.83
Total Deferred Charges and Statutory Expenditures Within "CAPS"	161,293.25		161,293.25	65,000.00	96,293.25
Total General Appropriations Within "CAPS"	3,908,271.86	3,589,756.79	7,498,028.65	2,682,266.11	4,815,762.54
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Maintenance of Free Public Library	94,972.29	70,689.63	165,661.92	82,731.61	82,930.31
9-1-1 Emergency Telecommunications Services					
Salaries and Wages	94,906.58		94,906.58	1,371.86	93,534.72
Other Expenses	250,699.14	50,440.80	301,139.94	48,700.22	252,439.72
NJDES - Storm Water					
Other Expenses	8,108.45	9,940.50	18,048.95	12,160.50	5,888.45
MCIA Recycling Program	319,000.00	127,912.56	446,912.56	94,513.71	352,398.85
MCUA Solid Waste Agreement	194,000.00	51,784.50	245,784.50	9,410.40	236,374.10
Edison Animal Control Contract	5,728.20	19,805.91	25,534.11		25,534.11
UMDNJ Agreements	26,058.16		26,058.16		26,058.16
Total Operations - Excluded from "CAPS"	993,472.82	330,573.90	1,324,046.72	248,888.30	1,075,158.42
<u>Capital Improvements - Excluded from "CAPS"</u>					
Police Spotshooter		117,500.00	117,500.00	117,500.00	
Total Capital Improvements - Excluded from Caps		117,500.00	117,500.00	117,500.00	
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	993,472.82	448,073.90	1,441,546.72	366,388.30	1,075,158.42
Total General Appropriations	\$ 4,901,744.68	\$ 4,037,830.69	\$ 8,939,575.37	\$ 3,048,654.41	\$ 5,890,920.96
	Ref. A	A			A-1
Cash Disbursed	A- 4			\$ 1,647,890.28	
Transfer to Accounts Payable	A-10			1,400,764.13	
				<u>\$ 3,048,654.41</u>	

SCHEDULE OF CHANGES IN VARIOUS ACCOUNTS PAYABLES & RESERVES
CURRENT FUND

	<u>Dec. 31, 2019</u>	<u>Transfer from Budget</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Adjustments</u>	<u>Dec. 31, 2020</u>
Accounts Payable:						
Vendor Accounts Payable	\$ 589,437.93			\$ (81,577.19)	\$ (253,058.41)	\$ 254,802.33
State of New Jersey 3rd Party Fees:						
State Training Fees	48,800.00		\$ 167,964.00	(216,764.00)		
Marriage License Fee	1,225.00		4,600.00			5,825.00
Domestic Partnership Fee						
Subtotal	<u>639,462.93</u>		<u>172,564.00</u>	<u>(298,341.19)</u>	<u>(253,058.41)</u>	<u>260,627.33</u>
Reserve for:						
Library State Aid	58,901.00		29,142.00	(24,949.88)	234.64	63,327.76
Lien Redemption & Premium				(1,220,328.06)	1,220,328.06	
PCTV	59,420.05		3,102.00		(14,000.00)	48,522.05
Sale of Municipal Assets	840,057.76		182,426.56			1,022,484.32
Tax Appeals Pending	<u>1,903,893.22</u>	<u>\$ 3,500,000.00</u>		<u>(529,032.12)</u>	<u>(777,707.73)</u>	<u>4,097,153.37</u>
Subtotal	<u>2,862,272.03</u>	<u>3,500,000.00</u>	<u>214,670.56</u>	<u>(1,774,310.06)</u>	<u>428,854.97</u>	<u>5,231,487.50</u>
Total	<u>\$ 3,501,734.96</u>	<u>\$ 3,500,000.00</u>	<u>\$ 387,234.56</u>	<u>\$ (2,072,651.25)</u>	<u>\$ 175,796.56</u>	<u>\$ 5,492,114.83</u>

<u>Ref.</u>	A	A-3	A-4	A-4	Below	A
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Revenue Receivable	A-2				\$ (14,000.00)
Fund Balance	A-1				234.64
Fund Balance: Accounts Payable Canceled	A-1				(1,653,822.54)
Appropriation Reserves	A-9				1,400,764.13
Tax Overpayments	A-12				(230,969.67)
Taxes Receivable	A-7				(546,738.06)
Interfund: Trust Fund - Tax Sale Premium	A-11				723,100.00
Interfund: Trust Fund - Tax Lien Redemption	A-11				497,228.06
					<u>\$ 175,796.56</u>

SCHEDULE OF INTERFUNDS RECEIVABLE
CURRENT FUND

	Dec. 31, 2019	Cash Receipts	Collector Receipts	Cash Disbursements	Revenue Receivables	Accruals/ Adjustments	Budget Appropriation	Dec. 31, 2020
Interfunds:								
Due from/(to) Grant Fund		\$ 957,043.73		\$ (945,154.24)	\$ (1,782,007.00)	\$ (51,581.29)	\$ 1,821,698.80	\$ -
Sewer Operating Fund		7,500,000.00		(7,500,000.00)				
Sewer Capital Fund		4,000,000.00		(4,000,000.00)				
Due from Senior Housing Capital Fund		1,000,000.00		(1,000,000.00)				
Due from Senior Housing Utility Fund		750,000.00		(750,000.00)				
General Capital		7,650,000.00		(7,689,138.18)		39,138.18		
Due from/(to) Other Trust Fund		8,109,332.34	\$ 1,642,820.42	(8,531,477.70)		(1,220,675.06)		
Recreation Utility Fund		1,050,000.00		(1,137,979.44)				(87,979.44)
Unemployment Trust Fund		500,000.00		(500,000.00)				
Trust Fund: Animal Trust	\$ (7,869.75)	7,869.75						
Payroll Fund		4,640,087.59		(4,640,087.59)				
Affordable Housing Trust Fund		6,000,000.00		(6,000,000.00)				
Current Fund: Special assessment			39,138.18			(39,138.18)		
Total	<u>\$ (7,869.75)</u>	<u>\$ 42,164,333.41</u>	<u>\$ 1,681,958.60</u>	<u>\$ (42,693,837.15)</u>	<u>\$ (1,782,007.00)</u>	<u>\$ (1,272,256.35)</u>	<u>\$ 1,821,698.80</u>	<u>\$ (87,979.44)</u>
	A	A-4	A-5	A-4	A-2		A-3	A
					<u>Ref.</u>			
						\$ (723,100.00)		
						(497,228.06)		
						(51,928.29)		
						<u>\$ (1,272,256.35)</u>		

SCHEDULE OF PROPERTY TAX OVERPAYMENTS
CURRENT FUND

	<u>Ref.</u>		
Increased by:			
Prior Year Overpayments Reestablished	A-1	\$ 464,536.74	
Various Reserves: Tax Appeal	A-10	<u>230,969.67</u>	
			695,506.41
Decreased by:			
Overpayment Received - Taxes Receivable	A-7	286,646.84	
Cash Payments - Refunds	A-4	<u>408,859.57</u>	
			<u>695,506.41</u>
Balance - December 31, 2020	A	<u>\$ -</u>	

SCHEDULE OF TAXES PAYABLE/(RECEIVABLE)
CURRENT FUND

	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Taxes</u> <u>Levied</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>Dec. 31, 2020</u>
County - General		\$ 28,858,353.42	\$ (28,858,353.42)	
County - Open Space		2,402,881.75	(2,402,881.75)	
County - Added and Omitted	\$ 195,999.57	127,610.75	(323,610.32)	
Local School District Taxes		96,748,804.00	(96,748,804.00)	
Total	<u>\$ 195,999.57</u>	<u>\$ 128,137,649.92</u>	<u>\$ (128,333,649.49)</u>	<u>\$ -</u>
<u>Ref.</u>	A	A-1, A-7	A-4	A
Fire District Taxes	\$ -	\$ 4,305,132.00	\$ (4,305,132.00)	\$ -
Fire District Taxes Overpayment			(29,851.42)	(29,851.42)
	<u>\$ -</u>	<u>\$ 4,305,132.00</u>	<u>\$ (4,334,983.42)</u>	<u>\$ (29,851.42)</u>
<u>Ref.</u>	A	A-7	A-1,A-4	A

SCHEDULE OF UNAPPROPRIATED RESERVES FEDERAL AND STATE GRANTS
GRANT FUND

<u>BUDGET YEAR</u>	<u>GRANTS</u>	<u>BALANCE DEC, 2019</u>	<u>TRANSFERRED TO 2020 BUDGET APPROPRIATIONS</u>	<u>BALANCE DEC. 31, 2020</u>
CY-2019	Recycling Tonnage Grant	\$ 84,786.47	\$ 84,786.47	\$ -
Totals		<u>\$ 84,786.47</u>	<u>\$ 84,786.47</u>	<u>\$ -</u>
	<u>Ref.</u>	A	A-15	A

SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

GRANT FUND

Exhibit A-15

BUDGET YEAR	BALANCE DEC. 2019	CY 2020 BUDGET REVENUE REALIZED	CY 2020 CH. 159 REVENUE REALIZED	CASH COLLECTED	CANCELLED	BALANCE DEC. 31, 2020
CY-2017						
Drive Sober or Get Pulled Over Grant	\$ 65,500.00					\$ 65,500.00
CY-2018						
Municipal Alliance on Alcoholism	38,241.85			\$ 19,174.73	\$ (44,620.00)	63,687.12
Bullet Proof Vest Program	1,261.44			8,222.13	(6,960.69)	
CY-2019						
Safe and Secure Grant	27,698.63			27,698.63		
Body Armor Grant	7,466.57				7,466.57	
Recycling Tonnage Grant	(0.60)				(0.60)	
Municipal Alliance on Alcoholism	47,399.00					47,399.00
Drive Sober or Get Pulled Over Grant	5,500.00			5,500.00		
NJ Historic Trust Grant: Metlar's Bodine Museum	175,000.00					175,000.00
CY-2020						
Body Armor Grant		\$ 7,466.57		7,466.57		
Bullet Proof Vest			\$ 11,695.02			11,695.02
Clean Communities Grant			93,446.21	93,446.21		
Alcohol Education Rehab Program			4,251.05	4,251.05		
NJ DOT: Brotherhood Street Grant		525,000.00		393,750.00		131,250.00
Municipal Alliance on Alcoholism		10,000.00	16,691.80	2,307.80		24,384.00
Municipal Alliance on Alcoholism Match						
County Historic Trust Grant: Metlar's Bodine Museum		15,000.00		11,250.00		3,750.00
COVID-19 Cares Act			725,881.88	725,881.88		
Recycling Tonnage Grant		84,786.47		84,786.47		
Community Development Block Grant		287,788.00				287,788.00
Totals	<u>\$ 368,066.89</u>	<u>\$ 930,041.04</u>	<u>\$ 851,965.96</u>	<u>\$ 1,383,735.47</u>	<u>\$ (44,114.72)</u>	<u>\$ 810,453.14</u>
<u>Ref.</u>	A	A-16	A-16	Below	A-16	A
			<u>Ref.</u>			
		Due to Current Fund	A-16	\$ 437,137.33		
		Unappropriated Grant	A-14	84,786.47		
		Cash Receipts	A-4	861,811.67		
				<u>\$ 1,383,735.47</u>		

SCHEDULE OF INTERFUNDS RECEIVABLE/PAYABLE
GRANT FUND

	Dec. 31, 2019	Cash Receipts	Cash Disbursements	Budget Revenues	Budget Appropriations	Adjustments	Dec. 31, 2020
Interfunds							
General Capital Fund Due (to)			\$ 525,000.00			\$ (525,000.00)	
Current Fund Due (to)/from		\$ (937,845.24)	505,288.40	\$ (1,782,007.00)	\$ 1,821,698.80	392,865.04	
Total.....	\$ -	\$ (937,845.24)	\$ 1,030,288.40	\$ (1,782,007.00)	\$ 1,821,698.80	\$ (132,134.96)	\$ -
<u>Ref.</u>	A	A-4	A-4	A-15	A-17	Below	A
			Grant Receivable - Cancellation		A-15	\$ (44,114.72)	
			Grant Appropriation - Cancellation		A-17	(7,466.57)	
			Grant Appropriation - Current		A-17	7,309.00	
			Grant Appropriation - Capital Fund		A-17	(525,000.00)	
			Grant Receivable Current		A-15	<u>437,137.33</u>	
						<u>\$ (132,134.96)</u>	

SCHEDULE OF FEDERAL AND STATE GRANTS - APPROPRIATED

BUDGET YEAR/PROGRAM	GRANT FUND							
	BALANCE DEC. 31 2019	ENCUMBRANCES DEC 31 2019	TOTAL TRANSFERRED FROM CY 2020 BUDGET	APPROP. N.J.S.A. 40A:4-87	TRANSFERS & CANCELLATIONS	PAID OR CHARGED	ENCUMBRANCES DEC. 31 2020	BALANCE DEC. 31 2020
CY 2015								
CED Program - Tasers	\$ 11,574.95							\$ 11,574.95
CY 2016								
Alcohol Education Rehab Program	23.08	\$ 536.06				\$ 559.14		
Recycling Tonnage Grant		14,725.00				14,725.00		
Clean Communities Grant Program	39,726.47	7,153.00			\$ 15,150.08	20,361.39	\$ 11,368.00	
CY 2017								
Middlesex County Cultural & Heritage Grant	146.00							146.00
Recycling Tonnage Grant	907.20	23.23				930.43		
Clean Communities Grant	30,945.46				(15,150.08)	46,095.54		
Alcohol Education Rehab Program	1,254.51					567.78	677.59	9.14
CY 2018								
Multi-Jurisdictional Task Force	6,000.00					2,739.90		3,260.10
Clean Communities Grant	59,999.51	10.80				10,549.54	5,600.00	43,860.77
Alcohol Education Rehab Program	2,856.07						1.00	2,855.07
Municipal Alliance on Alcoholism	3,462.28	55,647.18				23,652.34	13,211.68	22,245.44
Bullet Proof Vest Program		0.36					0.36	
Drunk Driving Enforcement Fund	6,676.62	2,985.00				4,433.50	815.50	4,412.62
Friends of the Library		68.67						68.67
CY 2019								
Body Armor Grant	7,466.57					1,629.98	5,836.59	
Clean Communities Grant	87,439.69	16,200.00				2,078.36		101,561.33
Alcohol Education Rehab Program	3,375.74							3,375.74
Drive Sober or Get Pulled Over Grant	3,410.00					3,410.00		
Municipal Alliance on Alcoholism	37,959.29					(9,439.71)		47,399.00
Municipal Alliance on Alcoholism Match	44,620.00							44,620.00
Recycling Tonnage Grant	38,060.33					14,004.78	2,025.00	22,030.55
Safe & Secure Grant	27,698.63					27,698.63		
New Jersey Historic Grant: Metlar's House Museum	3,000.00	172,000.00					172,000.00	3,000.00
New Jersey Historic Grant: Metlar's House Museum - Match	175,000.00							175,000.00
2020								
Body Armor Grant			\$ 7,466.57		7,466.57			
Bullet Proof Vest				\$ 11,695.02			11,695.02	
Clean Communities Grant				93,446.21		8,051.54		85,394.67
Alcohol Education Rehab Program				4,251.05				4,251.05
NJ DOT: Brotherhood Street Grant			525,000.00			525,000.00		
Municipal Alliance on Alcoholism			26,691.80			6,014.74	7,500.00	13,177.06
Municipal Alliance on Alcoholism Match				16,691.80		5,001.20		11,690.60
County Historic Trust Grant: Metlar's Bodine Museum			15,000.00				15,000.00	
County Historic Trust Grant: Metlar's Bodine Museum- Match			23,000.00				9,000.00	14,000.00
COVID-19 CARES Act				725,881.88		720,881.88		5,000.00
Recycling Tonnage Grant			84,786.47					84,786.47
Community Development Block Grant			287,788.00					287,788.00
Totals	<u>\$ 591,602.40</u>	<u>\$ 269,349.30</u>	<u>\$ 969,732.84</u>	<u>\$ 851,965.96</u>	<u>\$ 7,466.57</u>	<u>\$ 1,428,945.96</u>	<u>\$ 254,730.74</u>	<u>\$ 991,507.23</u>
Ref.	A	A	A-16	A-16	A-16		A	A
Interfund: Current Fund	A-16					\$ (7,309.00)		
Interfund: General Capital Fund	A-16					525,000.00		
Cash Disbursed	A-4					911,254.96		
						<u>\$ 1,428,945.96</u>		

Trust Fund

SCHEDULE OF CASH AND RESERVE ACTIVITY
TRUST FUNDS

	Balance Dec. 31, 2019Cash.....		Balance Dec. 31, 2020
		Receipts	Disbursements	
Animal Control:				
Due NJ - State License Fees	\$ 8.40	\$ 1,911.00	\$ (1,912.80)	\$ 6.60
Due to Current Fund	7,869.75	19,980.00	(27,849.75)	
Animal Control Reserves	44,690.31	18,069.00	(28,381.08)	34,378.23
Prepaid Animal Fees	2,607.00		(2,607.00)	
Total	55,175.46	39,960.00	(60,750.63)	34,384.83
Other Trust Funds:				
Payroll Liabilities	13,204.41	43,941,278.73	(43,866,296.30)	88,186.84
Unemployment Trust Fund	591,781.34	76,370.92	(36,600.75)	631,551.51
Forfeited Trust Fund	141,539.47	41,170.48	(55,903.06)	126,806.89
Reserve for Affordable Housing	6,565,958.06	1,419,476.74	(2,133,405.13)	5,852,029.67
Miscellaneous Deposits	6,639,693.47	4,363,794.63	(4,166,452.85)	6,837,035.25
Recreation Trust	15,135.12	450.00	(574.00)	15,011.12
Schedule of Escrows	10,108,184.15	2,705,292.73	(3,459,006.48)	9,354,470.40
Total	24,075,496.02	52,547,834.23	(53,718,238.57)	22,905,091.68
Public Assistance Trust Fund:				
Reserve for Public Assistance	15,411.35	1,000.00		16,411.35
Total	15,411.35	1,000.00		16,411.35
Total	\$ 24,146,082.83	\$ 52,588,794.23	\$ (53,778,989.20)	\$ 22,955,887.86

<u>Ref.</u>	B	B
Reserve for Animal Control License Fees Collected:		
<u>Year</u>		
CY 2018	\$ 21,031.11	
CY 2019	20,517.20	
	<u>\$ 41,548.31</u>	

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 ESCROW FUND DEPOSITS AND RESERVES
TRUST OTHER FUNDS

<u>Purpose</u>	<u>Balance Dec. 31, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance Dec. 31, 2020</u>
1. TB Engineering & Inspections Fees (over \$5,000)	\$ 1,920,380.99	\$ 1,248,661.76	\$ 476,338.51	\$ 2,692,704.24
2. TB Engineering & Inspections Fees (under \$5,000)	169,950.55	13,855.52	14,161.69	169,644.38
3. Performance Bonds (over \$10,000)	758,500.08			758,500.08
4. TB Planning Board (Under \$5,000)	407,531.57	117,763.14	137,698.50	387,596.21
5. TB Planning Board (Over \$5,000)	363,691.62	343,732.79	257,419.88	450,004.53
6. TB Developers Interest	71,955.72	380,768.10		452,723.82
7. TB Performance (under \$5,000)	221,215.79	2,000.00	9,010.22	214,205.57
8. TB Developers	5,248,026.07	114,272.26	2,404,408.80	2,957,889.53
9. TB Developers Off-Site (Under \$5,000)	5,483.40	10,671.00	1,379.40	14,775.00
10. TB Developers Tree Bond	56,206.20		56,206.20	-
11. TB Developers Off-Site (Over \$5,000)	88,417.92	72,125.95	24,948.00	135,595.87
12. TB Developers On-Site (Over \$5,000)	133,614.62	3,893.25	50,884.59	86,623.28
13. TB Developers Cash Bond On-Site (Under \$5,000)	1,941.02	8.68		1,949.70
14. TB Developers Bond Off-Site	270,174.55	328,448.43		598,622.98
15. TB Developers Offsite Engineering & Inspection	6,603.02		1,025.09	5,577.93
16. TB Developers Offsite Engineering & Inspection (Over \$5,000)	115,096.79		25,152.85	89,943.94
17. TB Developers Bond Off-Site (Under \$5,000)	1,863.92	1,320.50	372.75	2,811.67
18. TB Developers Buffer Landscape	18,598.17	55.51		18,653.68
19. TB Developers Safety & Stabilization	30,000.00	67,715.84		97,715.84
20. TB Developers Performance (Under \$5,000)	218,932.15			218,932.15
	<u>\$ 10,108,184.15</u>	<u>\$ 2,705,292.73</u>	<u>\$ 3,459,006.48</u>	<u>\$ 9,354,470.40</u>
Total				
<u>Ref.</u>	B	B- 1	B- 1	B

SCHEDULE OF MISCELLANEOUS DEPOSITS
TRUST - OTHER FUND

<u>Purpose</u>	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>Dec. 31, 2020</u>
1. DARE Program	\$ 6,084.54	\$ 1,214.01	\$ 7,298.55	
2. Deposit for Redemption of Tax Sale Certificate	7,194.05			\$ 7,194.05
3. Donations: Public Events	24,180.73	3,000.00		27,180.73
4. Escrow/Bond: Appraisal	950.00			950.00
5. Escrow/Bond: Curb Repair	42,352.47			42,352.47
6. Future Improvement Deposits	226,786.52			226,786.52
7. Grading Bonds	11,000.00			11,000.00
8. Landscape Bonds	177,901.25	16,023.63	6,000.00	187,924.88
9. Local Seized Funds		1,000.00	1,000.00	
10. Municipal Court - POAA	6,152.45	120.00	3,147.50	3,124.95
11. Premium Received at Tax Sale	1,113,100.00	1,218,400.00	769,300.00	1,562,200.00
12. Public Defender Fees	3,373.96	39,302.34	42,676.30	
13. Public Relations Beautification Fund	30,688.72			30,688.72
14. Recapture Fees - Sale of Affordable Housing	3,000.00			3,000.00
15. Reserve for Domestic Violence	32,588.81			32,588.81
16. Reserve for Police Off-Duty Pay		933,365.39	928,454.99	4,910.40
17. Senior Citizens Trips	7,427.42	12,789.50	1,879.66	18,337.26
18. Sick and Vacation Accrual	3,609,563.50	845,251.35	1,164,563.11	3,290,251.74
19. Snow Removal	904,134.83	826,095.99	739,404.68	990,826.14
20. Street Opening Bonds	390,718.58	12,500.00	5,500.00	397,718.58
21. Tax Lien Redemption	42,495.64	454,732.42	497,228.06	
	<u>\$6,639,693.47</u>	<u>\$4,363,794.63</u>	<u>\$4,166,452.85</u>	<u>\$6,837,035.25</u>
Total				
<u>Ref.</u>	B	B- 1	B- 1	B

General Capital Fund

SCHEDULE OF CASH AND INVESTMENTS - TREASURER
GENERAL CAPITAL FUND

	<u>REF.</u>		
Balance - December 31, 2019	C		\$ 4,315,550.40
Increased by Receipts:			
Premium on Sale of Bonds and Notes	C-1	\$ 1,337,733.00	
Serial Bonds	C-5	30,000,000.00	
Deferred Charges Unfunded from Current Fund	C-5	1,400,000.00	
Interfund: Receipts	C-9	19,275,000.00	
Reserve for Debt Service	C-13	193,544.83	
Capital Improvement Fund	C-14	1,480,000.00	
Developer's Contributions	C-15	<u>2,124,465.49</u>	
			<u>55,810,743.32</u>
			60,126,293.72
Decreased by Disbursements:			
Current Fund Budget Appropriation	C-1	400,000.00	
Improvement Authorizations	C-7	25,488,498.43	
Interfund: Payments	C-9	14,332,100.00	
Preliminary Expenses	C-10	36,914.61	
Developer's Contributions	C-15	1,116,651.20	
Bond Anticipation Notes Redeemed	C-16	<u>17,000,000.00</u>	
			<u>58,374,164.24</u>
Balance - December 31, 2020	C		<u><u>\$ 1,752,129.48</u></u>

ANALYSIS OF GENERAL CAPITAL FUND
CASH AND INVESTMENTS

Exhibit - C-3

	BALANCE DEC. 31, <u>2019</u>	BALANCE DEC. 31, <u>2020</u>
Fund Balance	\$ 478,809.01	\$ 2,213,693.98
Capital Improvement Fund	291,346.90	171,346.90
Contributions - Off-Site Improvements	2,510,227.95	1,768,042.24
Reserve for Preliminary Expenses	227,543.83	-
Reserve: Stelton Streetscape	20,250.00	20,250.00
Reserve for Debt Service		193,544.83
Reserve for Encumbrances Payable	19,144,228.43	12,065,096.62
Interfund: Payable		4,000,000.00
Edison: Shared Services		(541,693.83)
N.J. D.O.T. Grants Receivable	(650,950.00)	(233,050.00)

Improvement Authorizations:

<u>ORD. NO.</u>	<u>IMPROVEMENT DESCRIPTION</u>		
05-41, 06-14, 06-17	Various Capital Improvements (\$50,000 - Homeland Security, \$50,000 - Local Domestic Preparedness, \$330,000 - NJ DOT, \$600,000 - Green Acres)	18,844.00	11,490.00
06-36	Various Capital Improvements (\$270,000 NJ DOT)		600.08
06-48	Various Capital Improvements		16,792.85
07-02	Various Capital Improvements	4,102.06	
08-10	Acquisition of Land on Highland Avenue	24,189.81	
09-04	Various Capital Improvements	377,308.67	132,220.52
09-40	Various Capital Improvements	(698,898.50)	
10-01	Various Capital Improvements	(4,429,524.85)	(4,429,524.85)
11-14	Various Capital Improvements	5,627.00	
11-21	Various Capital Improvements	(2,397,378.73)	(2,397,378.73)
12-02	Various Road Improvements	11,786.81	11,782.81
12-28	Various Capital Improvements	360,000.00	360,000.00
13-06	Various Capital Improvements	(503,642.33)	(585,706.63)
13-07	Various Capital Improvements (See 12-19)	(2,114,675.66)	(2,359,011.91)
13-26, 15-32	Rehabilitation of Various Road (Ord 15-32, 11/24/2015)	(697,575.06)	(1,557,791.82)
13-27	Various Capital Improvements	(1,188,934.33)	(1,697,457.33)
14-01	Various Capital Improvements	(1,080,401.10)	(1,080,401.10)
14-21, 15-33	Road Rehab & Improvements (Ord 15-33, 11/29/2015)	(2,525,702.03)	(4,217,111.13)
14-29	Acquisition of Various Equipment & Vehicles	156,928.11	152,967.66
15-19	Baekeland Avenue Road Improvements	821,664.22	787,364.22
15-34	Various Roads, Curbs, & Parking Lot Impr (Ord 16-36, 12/6/2016)	(521,513.29)	(1,294,922.58)
16-37	Various Roads, Curbs, Sidewalk Improvements	42,200.00	312,234.00
16-39	Various Park Improvements	8,992.67	8,992.87
16-43	Various Equipment, Vehicles & Systems	143,514.32	8,155.57
17-05	Various Road Improvements	(601,722.19)	86,184.56
17-06	Various Capital Projects	32,677.82	25,400.00
17-24	Special Assessment: Baekeland Avenue	(5,238.07)	(5,238.07)
17-29	Various Capital Improvements	18,303.50	18,303.50
17-31	Various Capital Improvements	13,101.03	
18-01	Improvements to Zirkel Avenue	(2,717,539.79)	500,231.97
18-14	Various Capital Improvements	(1,287,160.97)	907,236.44
18-15	Community Cultural Arts Center Project	(783,890.61)	599,726.08
18-28	Various Capital Improvements	628,380.35	517,260.38
18-32	Various Capital Improvements	(701,037.37)	(123,413.95)
19-30	Various Capital Improvements	573,804.13	(4,278,307.47)
19-31	Various Capital Improvements	1,307,504.66	241,380.16
20-31	Various Capital Improvements		958,390.34
20-32	Various Capital Improvements		349,400.00
20-34	Various Capital Improvements		115,050.30
		<u>\$ 4,315,550.40</u>	<u>\$ 1,752,129.48</u>

Ref. C C

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

	<u>REF.</u>	
Balance - December 31, 2019	C	\$ 55,764,000.00
Increased by:		
Serial Bonds Issued	C-8	<u>30,000,000.00</u>
		85,764,000.00
Decreased by:		
2020 Budget Appropriation to Pay Bonds	C-8	<u>6,800,000.00</u>
Balance - December 31, 2020	C	<u>\$ 78,964,000.00</u>

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

ORD. NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31,2019	2020 AUTHORIZATIONS	FUNDED BY BUDGET APPROPR	BONDS ISSUED	CANCELED IMPROVE MENTS	ANALYSIS OF BALANCE DEC. 31, 2020		
							BALANCE DEC. 31,2020	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
09-04	Various Capital Improvements	\$ 130,000.00		\$ 130,000.00					
09-40	Various Capital Improvements	1,000,000.00		1,000,000.00					
10-01	Various Capital Improvements	5,357,500.00					\$ 5,357,500.00	\$ 4,429,524.85	\$ 927,975.15
11-21	Various Capital Improvements	2,397,378.73					2,397,378.73	2,397,378.73	
13-06	Various Capital Improvements	1,198,678.01				\$ 92,971.38	1,105,706.63	585,706.63	520,000.00
13-07	Various Capital Improvements (See 12-19)	2,678,102.25					2,678,102.25	2,359,011.91	319,090.34
13-26,15-32	Rehabilitation of Various Roads	3,175,000.00				1,297,608.97	1,877,391.03	1,557,791.82	319,599.21
13-27	Various Capital Improvements	1,947,500.00					1,947,500.00	1,697,457.33	250,042.67
14-01	Various Capital Improvements	1,080,401.10					1,080,401.10	1,080,401.10	
14-21, 15-13,16-36	Road Rehabilitation & Improvements	5,425,000.00				825,091.30	4,599,908.70	4,217,111.13	382,797.57
15-19	Baekeland Avenue Road Improvements	3,750,000.00					3,750,000.00		3,750,000.00
15-34, 16-36	Various Roads, Curbs, & Parking Lot Improvements	1,317,500.00					1,317,500.00	1,294,922.58	22,577.42
16-37	Various Roads, Curbs, Sidewalk Improvements	931,000.00		270,000.00		250,034.00	410,966.00		410,966.00
17-05	Various Road Improvements	615,000.00			\$ 615,000.00				
17-24	Special Assessment: Baekeland Avenue	500,000.00				494,761.93	5,238.07	5,238.07	
18-01	Improvements to Zirkel Avenue	3,230,000.00			3,230,000.00				
18-14	Various Capital Improvements	4,139,250.00			3,500,000.00		639,250.00		639,250.00
18-15	Community Cultural Arts Center Project	19,550,000.00			19,550,000.00				
18-32	Various Capital Improvements	4,766,250.00			3,105,000.00		1,661,250.00	123,413.95	1,537,836.05
19-30	Various Capital Improvements	8,892,800.00					8,892,800.00	4,278,307.47	4,614,492.53
20-32	Various Capital Improvements		\$ 6,650,000.00				6,650,000.00		6,650,000.00
		<u>\$ 72,081,360.09</u>	<u>\$ 6,650,000.00</u>	<u>\$ 1,400,000.00</u>	<u>\$ 30,000,000.00</u>	<u>\$ 2,960,467.58</u>	<u>\$ 44,370,892.51</u>	<u>\$ 24,026,265.57</u>	<u>\$ 20,344,626.94</u>
Ref.	C	C-7	C-2	C-2	C-7	C	C-3	C-7	

FEDERAL AND STATE GRANTS RECEIVABLE
GENERAL CAPITAL FUND

	<u>Ref.</u>	
Balance December 31, 2019	C	\$ 650,950.00
Decreased by:		
Interfund Receivable	C-9	<u>417,900.00</u>
Balance December 31, 2020	C	<u>\$ 233,050.00</u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
GENERAL CAPITAL FUND

ORD. NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2019		TOTAL CY 2020 AUTHORIZATIONS	ENCUMBRANCES PAYABLE DEC. 31, 2019	ENCUMBRANCES PAYABLE DEC. 31, 2020	CANCELED	PAID OR CHARGED	BALANCE DEC. 31 2020	
		DATE	AMOUNT	FUNDED	UNFUNDED						FUNDED	UNFUNDED
05-41, 06-14, 06-17	Various Capital Improvements (\$50,000 - Homeland Security, \$50,000 - Local Domestic Preparedness, \$330,000 - NJ DOT, \$600,000 - Green Acres)	3/17/2006, 11/29/05	\$ 11,240,500.00	\$ 18,844.00			\$ 145,678.00	\$ 145,678.00		\$ 7,354.00	\$ 11,490.00	
06-36	Various Capital Improvements (\$270,000 NJ DOT)	11/28/06	8,520,000.00				26,775.97	22,957.52		3,218.37	600.08	
06-48	Various Capital Improvements	12/19/06	2,260,000.00				18,089.09			1,296.24	16,792.85	
07-02	Various Capital Improvements	03/06/07	2,500,000.00	4,102.06					\$ 4,102.06			
08-10	Acquisition of Land on Highland Avenue	04/08/08	24,150.00	24,189.81						24,189.81		
09-04	Various Capital Improvements		4,056,000.00	377,308.67	\$ 130,000.00		144,918.04	61,547.52	567,432.40	23,246.79		
09-40	Various Capital Improvements	11/24/09	4,555,000.00		301,101.50		3,957.54		7,712.67	165,125.85	132,220.52	
10-01	Various Capital Improvements	01/26/10	7,850,000.00		927,975.15		49,967.17	39,939.17		10,028.00		\$ 927,975.15
11-01	Various Capital Improvements	03/15/11	1,500,000.00									
11-14	Various Capital Improvements	08/16/11	6,193,700.00	5,627.00			1,039.55			6,666.55		
11-21	Various Capital Improvements	12/06/11	3,200,000.00									
12-02	Various Road Improvements	01/24/12	1,850,000.00	11,786.81			3,081.81		3,085.81		11,782.81	
12-04/13-02	Various Township Roads (13-02 1/22/2013)	02/21/12	3,050,000.00				48,457.00	41,263.00		7,194.00		
12-28	Various Capital Improvements	12/04/12	3,200,000.00	360,000.00							360,000.00	
13-06	Various Capital Improvements	02/28/13	2,012,000.00		695,035.68		6,880.00	88,944.30	92,971.38			520,000.00
13-07	Various Capital Improvements (See 12-19)	03/05/13	3,200,000.00		563,426.59		471,826.86	354,804.51		361,358.60		319,090.34
13-26, 15-32	Rehabilitation of Various Roads (Ord 15-32, 11/24/2015)	11/26/13	5,000,000.00		2,477,424.94		101,150.82	-	1,297,608.97	961,367.58		319,599.21
13-27	Various Capital Improvements	12/03/13	2,050,000.00		758,565.67		144,633.48	153,424.64		499,731.84		250,042.67
14-01	Various Capital Improvements	01/28/14	1,450,000.00									
14-20	Annual Road Improvements	11/25/14	1,500,000.00									
14-21, 15-33	Road Rehabilitation & Improvements (Ord 15-33, 11/29/2015)	11/25/14	4,000,000.00		2,899,297.97		273,323.40	1,435,767.59	825,091.30	528,964.91		382,797.57
14-22	Various Park Improvements	12/02/14	1,600,000.00									
14-29	Acquisition of Various Equipment & Vehicles	12/16/14	846,800.00	156,928.11			55,332.00	130,000.01		(70,707.56)	152,967.66	
15-19	Baekeland Avenue Road Improvements	07/21/15	5,000,000.00	821,664.22	3,750,000.00		5,192.38	37,567.38		1,925.00	787,364.22	3,750,000.00
15-34	Various Roads, Curbs, & Parking Lot Impr (Ord 16-36, 12/6/2016)	12/01/15	5,250,000.00		795,986.71		972,633.26	454,152.24		1,291,890.31	-	22,577.42
16-09	Various Park Improvements	03/01/16	1,410,000.00				86,405.75	44,286.00		42,119.75		
16-10	Acquisition of Various Equipments & Vehicles	03/01/16	1,288,000.00									
16-37	Various Roads, Curbs, Sidewalk Improvements	12/06/16	980,000.00	42,200.00	931,000.00		34.00	-	250,034.00		312,234.00	410,966.00
16-39	Various Park Improvements	12/13/16	2,000,000.00	8,992.67			35,030.08	-		35,029.88	8,992.87	
16-43	Various Equipment, Vehicles & Systems	12/20/16	1,000,000.00	143,514.32			360,781.46	371,140.21		125,000.00	8,155.57	
17-05	Various Road Improvements	03/28/17	5,200,000.00	0.00	13,277.81		122,951.58	13,277.81		36,767.02	86,184.56	
17-06	Various Capital Projects	03/28/17	1,160,000.00	32,677.82			18,350.00	15,815.50		9,812.32	25,400.00	
17-24	Special Assessment: Baekeland Avenue	11/09/17	3,000,000.00		494,761.93		2,491,980.00	-	494,761.93	2,491,980.00		
17-29	Various Capital Improvements	11/28/17	1,700,000.00	18,303.50			94,212.31	-		94,212.31	18,303.50	
17-31	Various Capital Improvements	12/05/17	1,160,000.00	13,101.03			1,160,000.00	25,807.50		7,136.78		
18-01	Improvements to Zirkel Avenue	01/20/18	3,400,000.00		512,460.21		19,009.52	19,970.77		11,266.99	500,231.97	
18-14	Various Capital Improvements	07/10/18	7,515,000.00		2,852,089.03		1,254,230.01	1,266,316.81		1,293,515.79	907,236.44	639,250.00
18-15	Community Cultural Arts Center Project	07/24/18	39,000,000.00		1,766,109.39		7,756,760.51	487,771.61		8,435,372.21	599,726.08	
18-28	Various Capital Improvements	12/11/18	1,050,000.00	628,380.35			177,750.22	102,527.00		186,343.19	517,260.38	
18-32	Various Capital Improvements	12/18/18	8,175,000.00		4,065,212.63		2,570,422.66	1,681,326.45		3,416,472.79		1,537,836.05
19-30	Various Capital Improvements	11/26/19	10,000,000.00	573,804.13	8,892,800.00		971,035.37	2,672,972.36		3,150,174.61		4,614,492.53
19-31	Various Capital Improvements	11/26/19	2,000,000.00	1,307,504.66			692,495.34	472,479.36		1,286,140.48	241,380.16	
20-31	Various Capital Improvements	12/01/20	1,500,000.00			\$ 1,500,000.00		541,009.66		600.00	958,390.34	
20-32	Various Capital Improvements	12/15/20	7,000,000.00			7,000,000.00				600.00	349,400.00	6,650,000.00
20-34	Various Capital Improvements	12/15/20	1,500,000.00			1,500,000.00		1,384,349.70		600.00	115,050.30	
Total			\$ 4,548,929.16	\$ 32,826,525.21	\$ 10,000,000.00	\$ 19,144,228.43	\$ 12,065,096.62	\$ 3,566,990.33	\$ 24,421,804.60	\$ 6,121,164.31	\$ 20,344,626.94	
		Ref.	C	C	Below	C	C	Below	Below	C	C	
Deferred Charges to Future Taxation - Unfunded		C 5			\$ 6,650,000.00							
Capital Improvement Fund		C-14			1,600,000.00							
Contributions - Off-Site Improvements		C-15			1,750,000.00							
Capital Surplus		C-1						\$ 606,522.75				
Deferred Charges to Future Taxation - Unfunded		C 5						2,960,467.58				
Cash Disbursements		C-2							\$ 25,488,498.43			
Interfund: Federal & State Grant Fund		C-9							(525,000.00)			
Edison: Shared Services Agreement		C-11							(541,693.83)			
					\$ 10,000,000.00			\$ 3,566,990.33	\$ 24,421,804.60			

SCHEDULE OF GENERAL SERIAL BONDS
GENERAL CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DEC. 31, 2020		INTEREST RATE	BALANCE DEC. 31, 2019	INCREASE	DECREASES	BALANCE DEC. 31, 2020
General Improvement Bonds	3/26/2009	\$ 17,710,000.00	03/15/21	\$ 1,960,000.00	4.000%	\$ 3,860,000.00	\$ -	\$ 1,900,000.00	\$ 1,960,000.00
General Improvement Bonds	01/27/11	4,564,000.00	02/01/21	564,000.00	4.000%	1,089,000.00		525,000.00	564,000.00
General Improvement Bonds	01/15/14	8,100,000.00	01/15/21	1,000,000.00	3.000%	4,800,000.00		800,000.00	4,000,000.00
			01/15/22	1,000,000.00	3.000%				
			01/15/23	1,000,000.00	3.000%				
			01/15/24	1,000,000.00	3.000%				
General Improvement Bonds	12/16/15	9,800,000.00	12/15/21	975,000.00	2.000%	6,625,000.00		925,000.00	5,700,000.00
			12/15/22	1,025,000.00	4.000%				
			12/15/23	1,100,000.00	4.000%				
			12/15/24	1,200,000.00	4.000%				
			12/15/25	1,400,000.00	4.000%				
General Improvement Bonds	11/30/16	5,200,000.00	11/01/21	450,000.00	4.000%	4,150,000.00		425,000.00	3,725,000.00
			11/01/22	475,000.00	4.000%				
			11/01/23	500,000.00	4.000%				
			11/01/24	525,000.00	4.000%				
			11/01/25	550,000.00	3.000%				
			11/01/26	600,000.00	3.000%				
			11/01/27	625,000.00	3.000%				
General Obligation Bonds	12/13/18	13,615,000.00	12/01/21	1,165,000.00	4.000%	12,865,000.00		1,400,000.00	11,465,000.00
			12/01/22	1,300,000.00	5.000%				
			12/01/23	1,500,000.00	5.000%				
			12/01/24	1,500,000.00	5.000%				
			12/01/25	1,500,000.00	5.000%				
			12/01/26	1,500,000.00	5.000%				
			12/01/27	1,500,000.00	4.000%				
			12/01/28	1,500,000.00	4.000%				
Special Assessment Bonds	12/13/18	2,500,000.00	12/01/21	125,000.00	4.000%	2,375,000.00		125,000.00	2,250,000.00
			12/01/22	125,000.00	5.000%				
			12/01/23	125,000.00	5.000%				
			12/01/24	125,000.00	5.000%				
			12/01/25	125,000.00	5.000%				
			12/01/26	125,000.00	5.000%				
			12/01/27	125,000.00	4.000%				
			12/01/28	125,000.00	4.000%				
			12/01/29	125,000.00	3.000%				
			12/01/30	125,000.00	3.250%				
			12/01/31	125,000.00	3.250%				
			12/01/32	125,000.00	3.375%				
			12/01/33	125,000.00	3.375%				
			12/01/34	125,000.00	3.500%				
			12/01/35	125,000.00	3.500%				
			12/01/36	125,000.00	3.500%				
			12/01/37	125,000.00	3.625%				
			12/01/38	125,000.00	3.625%				

SCHEDULE OF GENERAL SERIAL BONDS
GENERAL CAPITAL FUND

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DEC. 31.2019	INCREASE	DECREASES	BALANCE DEC. 31.2020
			DEC. 31, 2020						
2019 General Improvement Bonds	08/08/19	\$ 20,000,000.00	02/01/21	\$ 700,000.00	5.000%	\$ 20,000,000.00	\$ -	\$ 700,000.00	\$ 19,300,000.00
			02/01/22	800,000.00	5.000%				
			02/01/23	800,000.00	5.000%				
			02/01/24	800,000.00	5.000%				
			02/01/25	900,000.00	5.000%				
			02/01/26	900,000.00	5.000%				
			02/01/27	900,000.00	4.000%				
			02/01/28	900,000.00	4.000%				
			02/01/29	1,000,000.00	4.000%				
			02/01/30	1,000,000.00	2.250%				
			02/01/31	1,000,000.00	2.000%				
			02/01/32	1,000,000.00	2.000%				
			02/01/33	1,000,000.00	2.500%				
			02/01/34	1,200,000.00	2.500%				
			02/01/35	1,200,000.00	2.500%				
			02/01/36	1,200,000.00	2.000%				
			02/01/37	1,200,000.00	2.000%				
			02/01/38	1,400,000.00	2.000%				
			02/01/39	1,400,000.00	3.000%				
2020 General Improvement Bonds	10/29/20	30,000,000.00	10/15/21	900,000.00	3.000%		30,000,000.00		30,000,000.00
			10/15/22	1,100,000.00	3.000%				
			10/15/23	1,100,000.00	3.000%				
			10/15/24	1,100,000.00	3.000%				
			10/15/25	1,200,000.00	3.000%				
			10/15/26	1,400,000.00	3.000%				
			10/15/27	1,400,000.00	3.000%				
			10/15/28	1,500,000.00	3.000%				
			10/15/29	1,800,000.00	3.000%				
			10/15/30	1,800,000.00	3.000%				
			10/15/31	1,800,000.00	3.000%				
			10/15/32	1,800,000.00	3.000%				
			10/15/33	1,700,000.00	2.000%				
			10/15/34	1,600,000.00	2.000%				
			10/15/35	1,600,000.00	2.000%				
			10/15/36	1,600,000.00	2.000%				
			10/15/37	1,600,000.00	2.000%				
			10/15/38	1,500,000.00	2.000%				
			10/15/39	1,700,000.00	2.125%				
10/15/40	1,800,000.00	2.125%							
Total						\$ 55,764,000.00	\$ 30,000,000.00	\$ 6,800,000.00	\$ 78,964,000.00
					Ref.	C	C-4	C-4	C

SCHEDULE OF INTERFUNDS PAYABLE
GENERAL CAPITAL FUND

	Ref.	Total	Due to Current Fund	Due from Grant Fund	Due to Sewer Utility Capital Fund	Due from Senior Housing Capital Fund
Increased by:						
Cash Received	C-2	\$ 19,275,000.00	\$ 7,650,000.00	\$ 525,000.00	\$ 10,600,000.00	\$ 500,000.00
		19,275,000.00	7,650,000.00	525,000.00	10,600,000.00	500,000.00
Decreased by:						
Cash Disbursed	C-2	14,332,100.00	7,232,100.00		6,600,000.00	500,000.00
Grant Receivable	C-6	417,900.00	417,900.00			
Improvement Authorization	C-7	525,000.00		525,000.00		
		15,275,000.00	7,650,000.00	525,000.00	6,600,000.00	500,000.00
Balance - December 31, 2020	C	\$ 4,000,000.00	\$ -	\$ -	\$ 4,000,000.00	\$ -

SCHEDULE OF PRELIMINARY EXPENSES
GENERAL CAPITAL FUND

	<u>REF.</u>	
Balance December 31, 2019	C	\$ 227,543.83
Decreased by:		
Fund Balance	C- 1	\$ 190,629.22
Cash Disbursed	C- 2	<u>36,914.61</u>
		<u>227,543.83</u>
Balance December 31, 2020	C	<u><u>\$ -</u></u>

SCHEDULE OF RECEIVABLES: EDISON SHARED SERVICES
GENERAL CAPITAL FUND

	<u>REF.</u>	
Increased by:		
Improvement Authorization	C-7	<u>\$ 541,693.83</u>
Balance December 31, 2020	C	<u><u>\$ 541,693.83</u></u>

SCHEDULE OF RESERVE: STELTON STREETSCAPE
GENERAL CAPITAL FUND

	<u>REF.</u>	
Balance December 31, 2019 and 2020	C	<u>\$ 20,250.00</u>

SCHEDULE OF RESERVE: DEBT SERVICE
GENERAL CAPITAL FUND

	<u>REF.</u>	
Increased by:		
Cash Received	C-2	<u>\$ 193,544.83</u>
Balance December 31, 2020	C	<u>\$ 193,544.83</u>

SCHEDULE OF CAPITAL IMPROVEMENT FUND
GENERAL CAPITAL FUND

	<u>REF.</u>	
Balance - December 31, 2019	C	\$ 291,346.90
Increased by:		
2020 Budget Appropriation	C-2	<u>1,480,000.00</u>
		1,771,346.90
Decreased by:		
Appropriation to Finance Improvement Authorizations	C-7	<u>1,600,000.00</u>
Balance - December 31, 2020	C	<u>\$ 171,346.90</u>

SCHEDULE OF CONTRIBUTIONS - OFFSITE IMPROVEMENTS
GENERAL CAPITAL FUND

<u>DESCRIPTION</u>	<u>BALANCE DEC 31, 2019</u>	<u>RECEIPTS</u>	<u>DISBURSEMENTS</u>	<u>IMPROVEMENT AUTHORIZATIONS</u>	<u>ADJUSTMENTS</u>	<u>BALANCE DEC 31, 2020</u>
Developer's Off-Site Improvements	\$ 2,129,908.05	\$ 50,000.00	\$ (1,050,000.00)	\$ (1,000,000.00)	\$ (129,908.05)	\$ -
Developer's Sidewalk					49,693.33	49,693.33
Developer's Right of Way Acquisition		21,184.87				21,184.87
Developer's Community Center	369,874.90	1,867,574.42		(750,000.00)	80,214.72	1,567,664.04
Developer's Site Improvements		50,000.00				50,000.00
Developer's Tree Contributions	10,445.00	135,706.20	(66,651.20)			79,500.00
	<u>\$ 2,510,227.95</u>	<u>\$ 2,124,465.49</u>	<u>\$ (1,116,651.20)</u>	<u>\$ (1,750,000.00)</u>	<u>\$ -</u>	<u>\$ 1,768,042.24</u>
<u>Ref.</u>	C	C-2	C-2	C-7		C

SCHEDULE OF BOND ANTICIPATION NOTES
GENERAL CAPITAL FUND

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2019</u>	<u>Notes Redeemed</u>	<u>Balance December 31, 2020</u>
18-15	Community Cultural Arts Center	12/10/2019	12/10/2019	12/10/2020	1.75%	<u>\$ 17,000,000.00</u>	<u>\$ 17,000,000.00</u>	<u>\$ -</u>
						<u>\$ 17,000,000.00</u>	<u>\$ 17,000,000.00</u>	<u>\$ -</u>
						C	C-2	C

SCHEDULE OF BONDS AND NOTES
 AUTHORIZED BUT NOT ISSUED
GENERAL CAPITAL FUND

ORD. NO.	<u>IMPROVEMENT DESCRIPTION</u>	BALANCE DEC. 31, 2019	2020 AUTHORIZATIONS	NOTES REDEEMED	BONDS ISSUED	FUNDED BY BUDGET APPROPRIATION	CANCEL CAPITAL ORDINANCES	BALANCE DEC. 31, 2020
<u>General Improvements</u>								
09-04	Various Capital Improvements	\$ 130,000.00				\$ 130,000.00		
09-40	Various Capital Improvements	1,000,000.00				1,000,000.00		
10-01	Various Improvements	5,357,500.00						\$ 5,357,500.00
11-21	Various Improvements	2,397,378.73						2,397,378.73
13-06	Various Capital Improvements	1,198,678.01					\$ 92,971.38	1,105,706.63
13-07	Various Capital Improvements (See 12-19)	2,678,102.25						2,678,102.25
13-26,15-32	Rehabilitation of Various Roads	3,175,000.00					1,297,608.97	1,877,391.03
13-27	Various Capital Improvements	1,947,500.00						1,947,500.00
14-01	Various Capital Improvements	1,080,401.10						1,080,401.10
14-21,15-33	Road Rehabilitation & Improvements	5,425,000.00					825,091.30	4,599,908.70
15-19	Baekeland Avenue Road Improvements	3,750,000.00						3,750,000.00
15-34	Various Roads, Curbs, & Parking Lot Improvements	1,317,500.00						1,317,500.00
16-37	Various Roads, Curbs, & Parking Lot Improvements	931,000.00				270,000.00	250,034.00	410,966.00
17-05	Various Road Improvements	615,000.00			\$ 615,000.00			
17-24	Special Assessment: Baekeland Avenue	500,000.00					494,761.93	5,238.07
18-01	Improvements to Zirkel Avenue	3,230,000.00			3,230,000.00			
18-14	Various Capital Improvements	4,139,250.00			3,500,000.00			639,250.00
18-15	Community Cultural Arts Center Project	2,550,000.00		\$ 17,000,000.00	19,550,000.00			
18-32	Various Capital Improvements	4,766,250.00			3,105,000.00			1,661,250.00
19-30	Various Capital Improvements	8,892,800.00						8,892,800.00
20-32	Various Capital Improvements	8,892,800.00	\$ 6,650,000.00					6,650,000.00
Total		<u>\$ 55,081,360.09</u>	<u>\$ 6,650,000.00</u>	<u>\$ 17,000,000.00</u>	<u>\$ 30,000,000.00</u>	<u>\$ 1,400,000.00</u>	<u>\$ 2,960,467.58</u>	<u>\$ 44,370,892.51</u>
Footnote		C						C

Sewer Utility Fund

SCHEDULE OF SEWER UTILITY CASH AND INVESTMENTS
TREASURER

	<u>Ref.</u>	<u>OPERATING FUND</u>	<u>CAPITAL FUND</u>
Balance - December 31, 2019	D	\$ 9,251,209.90	\$ 5,909,259.30
Increased by Receipts:			
Interest on Investments	D-3	\$ 58,157.90	
Collector	D-6	12,366,659.21	
Due from Current Fund	D-18,D-24	7,500,000.00	\$ 4,000,000.00
Capital Improvement Fund	D-19		300,000.00
Due from Sewer Capital	D-21	600,000.00	
Due from Sewer Operating Fund	D-22		2,225,000.00
Due from General Capital Fund	D-25		6,600,000.00
		<u>20,524,817.11</u>	<u>13,125,000.00</u>
		29,776,027.01	19,034,259.30
Decreased by Disbursements:			
FY 2020 Budget	D-4	9,988,810.89	
Appropriation Reserves	D-11	642,139.65	
Accrued Interest	D-12	64,037.50	
Improvement Authorizations	D-16		729,806.41
Accounts Payable	D-15	217,385.00	
Due to Current Fund	D-18,D-24	7,500,000.00	4,000,000.00
Due to Sewer Capital	D-21	2,225,000.00	
Due to Sewer Operating Fund	D-22		600,000.00
Due to Capital Fund	D-25		10,600,000.00
		<u>20,637,373.04</u>	<u>15,929,806.41</u>
Balance - December 31, 2020	D	<u>\$ 9,138,653.97</u>	<u>\$ 3,104,452.89</u>

SCHEDULE OF CASH - COLLECTOR
SEWER UTILITY FUND

	<u>Ref.</u>		
Increased by:			
Sewer Service Charges	D- 8	\$ 10,598,873.58	
Interest on Delinquent Accounts	D- 3	72,905.34	
Miscellaneous Revenue	D- 3	200.00	
Connection Fees	D- 3	1,587,100.00	
Prepaid Sewer Charges	D-13	<u>107,580.29</u>	
			<u>\$ 12,366,659.21</u>
Decreased by:			
Payments to Treasurer	D- 5		<u>12,366,659.21</u>
Balance December 31, 2020	D		<u>\$ -</u>

ANALYSIS OF SEWER UTILITY CAPITAL
CASH AND INVESTMENTS

	BALANCE DEC. 31, 2019	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE DEC. 31, 2020
		MISCEL- LANEOUS	IMPROV. AUTHOR.	MISCELLA- NEOUS	FROM	TO		
Fund Balance	\$ 689.97	\$ -	\$ -	\$ -		\$ 885,000.00	\$ 885,689.97	
Reserve for Encumbrances	984,278.96				984,278.96	1,254,347.40	1,254,347.40	
Capital Improvement Fund		300,000.00					300,000.00	
Interfund: Capital Fund		11,200,000.00		15,200,000.00			(4,000,000.00)	
Improvement Authorizations Funded	4,924,290.37	1,625,000.00	729,806.41		2,139,347.40	984,278.96	4,664,415.52	
Total	\$ 5,909,259.30	\$ 13,125,000.00	\$ 729,806.41	\$ 15,200,000.00	\$ 3,123,626.36	\$ 3,123,626.36	\$ 3,104,452.89	
<u>Ref.</u>	D	D-19,-22 D-24,D-25	D-16	D-22,D-24,D-25			D	

SCHEDULE OF SEWER CHARGES AND SEWER LIENS RECEIVABLE
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>	<u>Sewer Charges</u>	<u>Sewer Liens</u>
Balance - December 31, 2019	D	\$ 447,355.57	\$ 145.00
Increased by:			
Transfer from Sewer Charges	D-8		1,086.62
Sewer Charges Levied	Reserve	10,559,721.30	
		11,007,076.87	1,231.62
Decreased by:			
Collection	D-6	10,598,873.58	
Prepays Applied	D-13	23,250.41	
Sewer Overpayments Applied	D-14	61,367.91	
Transfer to Sewer Liens	D-8	1,086.62	
		10,684,578.52	
Balance - December 31, 2020	D	\$ 322,498.35	\$ 1,231.62

SCHEDULE OF FIXED CAPITAL
SEWER UTILITY CAPITAL FUND

ORD NO.	BALANCE DEC. 31 <u>2019</u>	TRANSFER FROM FIXED CAPITAL <u>AUTH. & UNCOMP.</u>	BALANCE DEC. 31 <u>2020</u>
Arbor-New Market Sewers	\$ 4,600,000.00		\$ 4,600,000.00
63-1 Oakdale Pumping Station	29,302.00		29,302.00
64-1 Knollwood Area Sewers	160,240.00		160,240.00
64-2 Randolphville Road Sewer	8,353.00		8,353.00
65-1 Ambrose Brook Trunk Sewer	2,093,430.00		2,093,430.00
67-1 River Road Sewers	178,793.00		178,793.00
69-1 River Road Sewers	40,000.00		40,000.00
70-1 Sewer System Improvements	349,925.00		349,925.00
70-20 Purchase of Equipment	18,696.00		18,696.00
70-21 Sewer System Improvements	315,276.00		315,276.00
71-1 Park Avenue Sewer	25,000.00		25,000.00
73-1 Purchase of Equipment	32,384.00		32,384.00
72-1 Sewer System Improvements	1,443,500.00		1,443,500.00
77-2 Extension of Sewer System	100,000.00		100,000.00
77-58 Sanitary Sewer - Orris-Dunbar	10,000.00		10,000.00
76-20 Sanitary Sewer - Buena Vista Avenue	2,325.00		2,325.00
75-29 Sanitary Sewer - Stelton Road	88,180.00		88,180.00
77-18 Sanitary Sewer - River Road Area	172,150.00		172,150.00
80-48 Sanitary Sewer - Overbrook Road Area	508,506.00		508,506.00
78-17 Public Works Center	274,639.00		274,639.00
78-22 Public Works Equipment	20,000.00		20,000.00
80-40 Public Works Equipment	52,677.06		52,677.06
78-19 San. Sewer - Blue Ridge/Gates Avenue South Randolphville Road Area	199,398.16		199,398.16
76-63 &			
81-33 Sanitary Sewer - Hillside Ave.	106,853.00		106,853.00
82-20 Sanitary Sewer - Sunset Lane & River Road and Fisher and Ludlow Avenues	232,825.00		232,825.00
82-48 Public Works Equipment	58,981.00		58,981.00
84-43 Public Works Equipment	33,000.00		33,000.00
84-11 Ethel Road Sanitary Sewer	227,656.22		227,656.22
90-26 Public Works Equipment	192,472.05		192,472.05
94-17 Sewer Utility Equipment	38,000.00		38,000.00
89-25 & Gramercy Drive and River			
89-52 Road Sanitary Sewer	600,000.00		600,000.00
98-21 Reduction of I & I	230,000.00		230,000.00
03-40 Various Sewer Improvements	400,000.00		400,000.00
04-10 Various Sewer Projects	495,000.00		495,000.00
05-10 Various Sewer Projects	460,000.00		460,000.00
07-34 Acquisition of Various Equipment	770,000.00		770,000.00
10-13 Acquisition of Various Vehicles	425,000.00		425,000.00
05-42 Freedom Avenue Improvements	1,100,000.00		1,100,000.00
06-05 Various Sewer Projects	1,400,000.00		1,400,000.00
13-04 Sewer Garbage Building		\$ 2,000,000.00	2,000,000.00
17-30 Various Sewer Improvements		1,115,000.00	1,115,000.00
Total	<u>\$ 17,492,561.49</u>	<u>\$ 3,115,000.00</u>	<u>\$ 20,607,561.49</u>

Ref.

D

D-10

D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
SEWER UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	DATE	AMOUNT	BALANCE DEC. 31, 2019	INCREASES	ORDINANCE CANCELED	TRANSFER TO FIXED CAPITAL	BALANCE DEC. 31, 2020
06-49	Various Sewer Improvements	12/22/07	\$ 1,700,000.00	\$ 1,700,000.00				\$ 1,700,000.00
09-05	Various Sewer Improvements	04/27/10	945,000.00	945,000.00				945,000.00
11-23	Construction & Rehab Sewer Facilities	01/29/13	2,000,000.00	2,000,000.00				2,000,000.00
13-04	Sewer Garbage Building	01/28/14	2,000,000.00	2,000,000.00			\$ 2,000,000.00	
14-02	Various Sewer Improvements	12/02/14	1,400,000.00	1,400,000.00				1,400,000.00
14-23	Various Sewer Improvements Utility	12/02/14	1,500,000.00	1,500,000.00				1,500,000.00
16-14	Various Sewer Vehicles & Equipment	12/20/16	280,000.00	280,000.00				280,000.00
17-30	Various Sewer Improvements	12/05/17	2,000,000.00	2,000,000.00		\$ 885,000.00	1,115,000.00	
18-27	Sewer Utility Improvements	11/27/18	330,000.00	330,000.00				330,000.00
19-37	Sewer Utility Improvements	12/17/19	1,890,000.00	1,890,000.00				1,890,000.00
20-29	Sewer Utility Improvements	11/24/20	1,625,000.00		\$ 1,625,000.00			1,625,000.00
Total				\$ 14,045,000.00	\$ 1,625,000.00	\$ 885,000.00	\$ 3,115,000.00	\$ 11,670,000.00
Ref.				D	D-17	D-17	D-9	D

SCHEDULE OF CY 2019 APPROPRIATION RESERVES
SEWER UTILITY OPERATING FUND

	BALANCE DECEMBER 31, 2019		BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCED LAPSED
	APPROPRIATION RESERVES	RESERVE FOR ENCUMBRANCES			
Operations:					
Salaries and Wages	\$ 114,948.94		\$ 114,948.94	\$ 10,958.92	\$ 103,990.02
Other Expenses	683,531.04	\$ 146,118.10	829,649.14	109,942.25	719,706.89
Middlesex County Utilities Authority					
Service Charges - Contractual	1,026,905.92	1.00	1,026,906.92	499,782.89	527,124.03
Capital Improvements:					
Capital Outlay	380,000.00	30,000.00	410,000.00	30,000.00	380,000.00
Total Operations	\$ 2,205,385.90	\$ 176,119.10	\$ 2,381,505.00	\$ 650,684.06	\$ 1,730,820.94
Ref.	D	D		Below	D-1
Cash Disbursements	D-5			\$ 642,139.65	
Transfer to Accounts Payable	D-15			8,544.41	
				\$ 650,684.06	

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

	<u>REF.</u>	
Balance - December 31, 2019	D	\$ 16,174.48
Increased by:		
Accrued Interest Charged to:		
CY 2020 Budget Appropriations	D-4	<u>61,154.17</u>
		77,328.65
Decreased by:		
Payments	D-5	<u>64,037.50</u>
Balance - December 31, 2020	D	<u><u>\$ 13,291.15</u></u>

Analysis of Balance - December 31, 2020:

	<u>Principal Outstanding 12/31/20</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
\$	95,000.00	2.250%	10/31/20	12/31/20	2 mos	\$ 356.25
	95,000.00	2.250%	10/31/20	12/31/20	2 mos	356.25
	95,000.00	2.000%	10/31/20	12/31/20	2 mos	316.67
	100,000.00	2.000%	10/31/20	12/31/20	2 mos	333.33
	100,000.00	2.250%	10/31/20	12/31/20	2 mos	375.00
	100,000.00	2.250%	10/31/20	12/31/20	2 mos	375.00
	95,000.00	2.625%	10/31/20	12/31/20	2 mos	415.63
	105,000.00	2.625%	10/31/20	12/31/20	2 mos	459.38
	100,000.00	4.000%	10/31/20	12/31/20	2 mos	666.67
	100,000.00	4.000%	10/31/20	12/31/20	2 mos	666.67
	110,000.00	4.000%	10/31/20	12/31/20	2 mos	733.33
	<u>110,000.00</u>	4.000%	10/31/20	12/31/20	2 mos	<u>733.33</u>
\$	<u>1,205,000.00</u>					<u>\$ 5,787.50</u>

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

Analysis of Balance - December 31, 2020:

Principal Outstanding <u>12/31/20</u>	Interest Rate	From	To	Period	Amount
\$ 90,000.00	4.000%	09/16/20	12/31/20	3.5 mos	\$ 1,050.00
90,000.00	4.125%	09/16/20	12/31/20	3.5 mos	1,082.81
90,000.00	4.250%	09/16/20	12/31/20	3.5 mos	1,115.63
100,000.00	4.375%	09/16/20	12/31/20	3.5 mos	1,276.04
<u>100,000.00</u>	4.500%	09/16/20	12/31/20	3.5 mos	<u>1,312.50</u>
<u>470,000.00</u>					<u>5,836.98</u>
<u>100,000.00</u>	4.000%	08/01/20	12/31/20	5 mos	<u>1,666.67</u>
<u>100,000.00</u>					<u>1,666.67</u>
<u>\$ 1,775,000.00</u>					<u>\$ 13,291.15</u>

SCHEDULE OF PREPAID SEWER CHARGES
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>		
Balance - December 31, 2019	D		\$ 23,250.41
Increased by:			
Overpayments	D-14	\$ 3,269.96	
Collections	D- 6	<u>107,580.29</u>	
			<u>110,850.25</u>
			134,100.66
Decreased by:			
Prepays Applied	D-3,D-8		<u>23,250.41</u>
Balance - December 31, 2020	D		<u><u>\$ 110,850.25</u></u>

SCHEDULE OF SEWER OVERPAYMENTS
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>		
Balance -December 31, 2019	D		\$ 72,338.06
Increased by:			
Overpayments - Fund Balance	D-1		<u>6,530.37</u>
			78,868.43
Decreased by:			
Applied to Sewer Charges Receivable	D-3,D-8	\$ 61,367.91	
Applied to Prepaid Sewer	D-13	<u>3,269.96</u>	
			<u>64,637.87</u>
Balance -December 31, 2020	D		<u><u>\$ 14,230.56</u></u>

SCHEDULE OF ACCOUNTS PAYABLE
SEWER UTILITY OPERATING FUND

	<u>Ref.</u>		
Balance - December 31, 2019	D	\$	523,761.68
Increased by:			
Transferred from Appropriation Reserves	D-11		<u>8,544.41</u>
			532,306.09
Decreased by:			
Cancelled to Fund Balance	D- 1	\$	306,376.68
Cash Payments	D- 5		<u>217,385.00</u>
			<u>523,761.68</u>
Balance - December 31, 2020	D	\$	<u><u>8,544.41</u></u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SEWER UTILITY CAPITAL FUND

ORD. NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE	CY 2020 AUTHORIZATIONS	ENCUMBRANCES	IMPROVEMENT	PAID OR CHARGED	ENCUMBRANCES	BALANCE
		DATE	AMOUNT	DEC. 31, 2019 FUNDED		PAYABLE DEC. 31, 2019	AUTHORIZATIONS CANCELLED		PAYABLE DEC. 31, 2020	DEC. 31, 2020 FUNDED
06-05	Various Sewer Projects	01/03/06	\$ 1,400,000.00			\$ 5,312.20			\$ 5,312.20	
06-49	Various Sewer Improvements	12/19/06	1,700,000.00	\$ 818,734.72		13,390.84			13,390.84	\$ 818,734.72
09-05	Various Sewer Improvements	02/17/09	945,000.00	205,572.55		96,923.37		\$ 24,525.14	135,193.23	142,777.55
11-23	Construction & Rehab Sewer Facility	12/20/11	2,000,000.00	249,325.13		112,915.23		64,000.77	226,032.58	72,207.01
13-04	Sewer Garage Building	01/29/13	2,000,000.00			1,485.25		1,485.25		
14-02	Various Sewer Improvements	01/28/14	1,400,000.00	192,154.90		363,642.91		151,881.70	207,977.80	195,938.31
14-23	Various Improvements Sewer Utility	12/02/14	1,500,000.00	831,349.03		56,438.89		6,784.18	85,159.46	795,844.28
17-30	Various Sewer Improvements	12/05/17	2,000,000.00	1,011,976.08			\$ 885,000.00	126,976.08		
18-27	Sewer Utility Improvements	11/27/18	330,000.00	56,258.74		4,289.49			60,548.23	
19-37	Sewer Utility Improvements	12/17/19	330,000.00	1,558,919.22		329,880.78		353,553.29	520,733.06	1,014,513.65
20-29	Sewer Utility Improvements	11/24/20	1,625,000.00		\$ 1,625,000.00			600.00		1,624,400.00
Total				\$ 4,924,290.37	\$ 1,625,000.00	\$ 984,278.96	\$ 885,000.00	\$ 729,806.41	\$ 1,254,347.40	\$ 4,664,415.52
Ref.				D	D-22	D	D-2	D-5	D	D

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
SEWER UTILITY CAPITAL FUND

<u>ORD. NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>BALANCE DEC. 31, 2019</u>	<u>2020 CANCELED ORDINANCES</u>	<u>2020 AUTHORIZATIONS</u>	<u>BALANCE DEC. 31, 2020</u>
05-10	Various Sewer Projects	04/05/05	\$ 80,500.00			\$ 80,500.00
05-42	Freedom Avenue Improvements	11/29/05	55,000.00			55,000.00
06-05	Various Sewer Projects	01/03/06	70,000.00			70,000.00
07-34	Acquisition of Various Equipment	12/18/07	38,500.00			38,500.00
09-05	Various Sewer Improvements	02/17/09	47,250.00			47,250.00
10-13	Acquisition of Various Vehicles	04/27/10	21,250.00			21,250.00
13-04	Sewer Garbage Building	01/29/13	2,000,000.00			2,000,000.00
14-02	Various Sewer Improvements	01/28/14	1,400,000.00			1,400,000.00
14-23	Various Sewer Improvements	12/02/14	1,500,000.00			1,500,000.00
16-42	Sewer Garbage Building	12/20/16	280,000.00			280,000.00
17-30	Various Sewer Capital	12/05/17	2,000,000.00	\$ 885,000.00		1,115,000.00
18-27	Sewer Utility Improvements	11/27/18	330,000.00			330,000.00
19-37	Sewer Utility Improvements	12/17/19	1,890,000.00			1,890,000.00
20-29	Sewer Utility Improvements	11/24/20			\$ 1,625,000.00	1,625,000.00
	Total		<u>\$ 9,712,500.00</u>	<u>\$ 885,000.00</u>	<u>\$ 1,625,000.00</u>	<u>\$ 10,452,500.00</u>
	<u>Ref.</u>		D	D-10	D-10	D

SCHEDULE OF DUE FROM CURRENT FUND
SEWER UTILITY OPERATING FUND

	<u>REF.</u>	
Increased by:		
Cash Disbursed	D- 5	\$ 7,500,000.00
Decreased by:		
Cash Received	D- 5	<u>7,500,000.00</u>
Balance - December 31, 2020	D	<u><u>\$ -</u></u>

SCHEDULE OF CAPITAL IMPROVEMENT FUND
SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Increased by:		
2020 Budget Appropriation	D- 5	\$ 300,000.00
Balance - December 31, 2020	D	<u><u>\$ 300,000.00</u></u>

SCHEDULE OF RESERVE FOR AMORTIZATION
SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance - December 31, 2019	D	\$ 19,785,061.49
Increased by:		
Serial Bonds Paid	D- 23	<u>265,000.00</u>
Balance - December 31, 2020	D	<u>\$ 20,050,061.49</u>

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

	<u>Ref.</u>	
Increased by:		
Interfunds Returned	D- 5	\$ 2,225,000.00
Decreased by:		
CY 2020 Budget Appropriation	D- 4	\$ 1,625,000.00
Interfunds Received	D- 5	<u>600,000.00</u>
		<u>2,225,000.00</u>
Balance - December 31, 2020	D	<u>\$ -</u>

SCHEDULE OF DUE TO SEWER UTILITY OPERATING FUND
SEWER UTILITY CAPITAL FUND

	<u>Ref.</u>	
Increased by:		
Interfunds Returned	D- 5	\$ 2,225,000.00
Decreased by:		
Improvement Authorizations	D-16	\$ 1,625,000.00
Cash Disbursements	D-5	<u>600,000.00</u>
		<u>2,225,000.00</u>
Balance - December 31, 2020	D	<u>\$ -</u>

SCHEDULE OF GENERAL SERIAL BONDS
SEWER UTILITY CAPITAL FUND

Exhibit D-23

ISSUE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DEC. 31, 2019	DECREASE	BALANCE DEC. 31, 2020
			OUTSTANDING - DEC. 31, 2020 DATE	AMOUNT				
Sewer Improvements	03/26/09	\$ 1,200,000.00	03/15/21	\$ 90,000.00	4.000%	\$ 550,000.00	\$ 80,000.00	\$ 470,000.00
			03/15/22	90,000.00	4.125%			
			03/15/23	90,000.00	4.250%			
			03/15/24	100,000.00	4.375%			
			03/15/25	100,000.00	4.500%			
Sewer Improvements	01/27/11	700,000.00	2/1/2021	100,000.00	4.000%	200,000.00	100,000.00	100,000.00
Sewer Improvements Refunding Bonds	05/17/17	1,460,000.00	11/01/21	95,000.00	2.250%	<u>1,290,000.00</u>	<u>85,000.00</u>	<u>1,205,000.00</u>
			11/01/22	95,000.00	2.250%			
			11/01/23	95,000.00	2.000%			
			11/01/24	100,000.00	2.000%			
			11/01/25	100,000.00	2.250%			
			11/01/26	100,000.00	2.250%			
			11/01/27	95,000.00	2.625%			
			11/01/28	105,000.00	2.625%			
			11/01/29	100,000.00	4.000%			
			11/01/30	100,000.00	4.000%			
			11/01/31	110,000.00	4.000%			
			11/01/32	110,000.00	4.000%			
			<u>Ref.</u>		D	D-20	D	

SCHEDULE OF DUE TO CURRENT FUND
SEWER UTILITY CAPITAL FUND

	<u>Ref.</u>	
Increased by:		
Funds Received	D- 5	\$ 4,000,000.00
Decreased by:		
Cash Disbursements	D- 5	<u>4,000,000.00</u>
Balance - December 31, 2020	D	<u>\$ -</u>

SCHEDULE OF DUE FROM GENERAL CAPITAL FUND
SEWER UTILITY CAPITAL FUND

	<u>Ref.</u>	
Increased by:		
Cash Disbursement	D- 5	\$ 10,600,000.00
Decreased by:		
Cash Received	D- 5	<u>6,600,000.00</u>
Balance - December 31, 2020	D	<u>\$ 4,000,000.00</u>

Senior Citizens Housing Utility Fund

SCHEDULE OF CASH AND INVESTMENTS
SENIOR CITIZENS HOUSING UTILITY FUND

	<u>REF.</u>	<u>OPERATING FUND</u>	<u>CAPITAL FUND</u>
Balance - December 31, 2019	E	\$ 1,353,197.08	\$ 2,453,071.71
Increased by Receipts:			
Rental Income	E-3	\$ 1,340,265.24	
Interest on Investments	E-3	10,520.01	
Miscellaneous Revenues	E-3	7,281.30	
Security Deposits	E-9	29,293.38	
Interfund: Current Fund	E-17		\$ 3,500,000.00
Capital Improvement Fund	E-13		30,000.00
		<u>1,387,359.93</u>	<u>3,530,000.00</u>
		2,740,557.01	5,983,071.71
Decreased by Disbursements:			
Refund of Prior Year Revenue	E-1	1,109.51	
Budget Appropriations	E-4	1,185,096.08	
Appropriation Reserves	E-7	57,441.76	
Accrued Interest	E-8	21,750.00	
Security Deposits	E-9	7,131.15	
Interfund: Current Fund	E-17		1,500,000.00
Improvement Authorizations	E-11		1,253,055.60
		<u>1,272,528.50</u>	<u>2,753,055.60</u>
Balance - December 31, 2020	E	<u>\$ 1,468,028.51</u>	<u>\$ 3,230,016.11</u>

ANALYSIS OF SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND
CASH AND INVESTMENTS

	BALANCE DEC. 31, <u>2019</u>	DISBURSEMENTS IMPROVEMENT <u>AUTHORIZATIONS</u>	<u>RECEIPTS</u>	<u>TRANSFERS</u>		BALANCE DEC. 31, <u>2020</u>
				<u>FROM</u>	<u>TO</u>	
Fund Balance	\$ 72,177.74					\$ 72,177.74
Capital Improvement Fund	244,035.75		\$ 30,000.00		\$ 185,351.47	459,387.22
Reserve for Encumbrance Payable	1,389,720.72			\$ 1,389,720.72	132,345.55	132,345.55
ORD. IMPROVEMENT <u>NO. AUTHORIZATION</u>						
06-50 Various Capital Projects	9,167.50			12,953.90	3,786.40	
07-33 Various Capital Projects	37,161.60			37,161.60		
10-14 S.H Building Improvements	130,908.40	\$ 18,500.40		150,663.60	38,255.60	
18-26 S.H Building Improvements	569,900.00	1,233,955.20		116,917.92	1,347,678.72	566,705.60
20-33 S.H Building Improvements		600.00	2,000,000.00			1,999,400.00
	<u>\$ 2,453,071.71</u>	<u>\$ 1,253,055.60</u>	<u>\$ 2,030,000.00</u>	<u>\$ 1,707,417.74</u>	<u>\$ 1,707,417.74</u>	<u>\$ 3,230,016.11</u>
<u>Ref.</u>	E	E-11	E-13,E-17			E

SCHEDULE OF 2019 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2020
SENIOR CITIZENS HOUSING UTILITY OPERATING FUND

	BALANCE DECEMBER 31, 2019		BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
	APPROPRIATION RESERVES	RESERVE FOR ENCUMBRANCES			
Operations:					
Salaries and Wages	\$ 9,091.48		\$ 9,091.48		\$ 9,091.48
Other Expenses	33,683.86	\$ 165,832.59	199,516.45	\$ 57,441.76	142,074.69
Capital Improvements:					
Capital Improvement Fund	70,000.00		70,000.00		70,000.00
	\$ 112,775.34	\$ 165,832.59	\$ 278,607.93	\$ 57,441.76	\$ 221,166.17
<u>Ref.</u>	E	E		E-5	E-1
<u>Accounts Payable Analysis</u>					
Balance December 31, 2019	E			\$ 13,882.74	
Accounts Payable Cancelled	E-1			13,882.74	
Balance December 31, 2020	E			\$ -	

SCHEDULE OF ACCRUED INTEREST ON BONDS
SENIOR CITIZENS HOUSING UTILITY OPERATING FUND

	<u>REF.</u>	
Balance - December 31, 2019	E	\$ 23,000.00
Increased by:		
Interest on Bonds	E-4	<u>17,437.50</u>
Decreased by:		
Disbursed	E-5	<u>21,750.00</u>
Balance - December 31, 2020	E	<u><u>\$ 18,687.50</u></u>

Analysis of Balance - December 31, 2020:

	<u>Principal Outstanding December 31, 2020</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
\$	150,000.00	3.00%	1/15/2020	12/31/2020	11 1/2 mos	\$ 4,312.50
	150,000.00	3.00%	1/15/2020	12/31/2020	11 1/2 mos	4,312.50
	175,000.00	3.00%	1/15/2020	12/31/2020	11 1/2 mos	5,031.25
	<u>175,000.00</u>	3.00%	1/15/2020	12/31/2020	11 1/2 mos	<u>5,031.25</u>
<u>\$</u>	<u>650,000.00</u>					<u><u>\$ 18,687.50</u></u>

SCHEDULE OF SECURITY DEPOSITS
SENIOR CITIZENS HOUSING UTILITY OPERATING FUND

	<u>REF.</u>	
Balance - December 31, 2019	E	\$ 120,542.99
Increased by:		
Deposits Received	E- 5	<u>29,293.38</u>
		149,836.37
Decreased by:		
Deposits Refunded	E- 5	<u>7,131.15</u>
Balance - December 31, 2020	E	<u><u>\$ 142,705.22</u></u>

SCHEDULE OF RESERVE FOR AMORTIZATION
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance - December 31, 2019	E	\$ 10,951,052.26
Increased by:		
Bonds Paid by Budget Appropriation	E-12	<u>150,000.00</u>
Balance - December 31, 2020	E	<u><u>\$ 11,101,052.26</u></u>

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE	CY 2020 AUTHORIZATIONS	ENCUMBRANCES	PAID OR CHARGED	AUTHORIZATIONS	ENCUMBRANCES	BALANCE
		DATE	AMOUNT	DEC. 31, 2019 FUNDED		12/31/19		CANCELED	12/31/20	DEC. 31, 2020 FUNDED
06-50	Various Capital Projects	12/19/06	\$ 130,000.00	\$ 9,167.50		\$ 3,786.40		\$ 12,953.90		
07-35	Various Capital Projects	12/18/07	353,000.00	37,161.60				37,161.60		
10-14/12-18	Senior Housing Building Improvements	4/27/10 & 11/8/2012	1,000,000.00	130,908.40		38,255.60	\$ 18,500.40	135,235.97	\$ 15,427.63	
18-26	Senior Housing Building Improvements	11/27/18	2,000,000.00	569,900.00		1,347,678.72	1,233,955.20		116,917.92	\$ 566,705.60
20-33	Senior Housing Building Improvements	12/15/20	2,000,000.00		\$ 2,000,000.00		600.00			1,999,400.00
				<u>\$ 747,137.50</u>	<u>\$ 2,000,000.00</u>	<u>\$ 1,389,720.72</u>	<u>\$ 1,253,055.60</u>	<u>\$ 185,351.47</u>	<u>\$ 132,345.55</u>	<u>\$ 2,566,105.60</u>
	<u>Ref.</u>			E	E-16	E	E-5	E-16	E	E

SCHEDULE OF GENERAL SERIAL BONDS
SENIOR CITIZENS HOUSING CAPITAL FUND

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITIES OF BONDS OUTSTANDING - DEC. 31, 2020</u>			<u>INTEREST RATE</u>	<u>BALANCE DEC. 31, 2019</u>	<u>DECREASE</u>	<u>BALANCE DEC. 31, 2020</u>
			<u>DATE</u>	<u>AMOUNT</u>					
Senior Citizen Housing Utility	01/15/14	\$ 1,400,000.00	1/15/2021	\$ 150,000.00		3.00%	\$ 800,000.00	\$ 150,000.00	\$ 650,000.00
			1/15/2022	150,000.00					
			1/15/2023	175,000.00					
			1/15/2024	175,000.00					
							<u>\$ 800,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 650,000.00</u>
<u>Ref.</u>						E	E- 10	E	

SCHEDULE OF CAPITAL IMPROVEMENT FUND
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

	<u>Ref.</u>		
Balance - December 31, 2019	E		\$ 244,035.75
Increased by:			
2020 Budget Appropriation	E-5	\$ 30,000.00	
Canceled Improvement Authorizations	E-14	185,351.47	
			215,351.47
Balance - December 31, 2020	E		\$ 459,387.22

Exhibit - E-14

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

<u>ORD.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>BALANCE</u>	<u>AFFORDABLE</u>	<u>CAPITAL</u>	<u>BALANCE</u>
<u>NUMBER</u>			<u>DEC. 31, 2019</u>	<u>HOUSING</u>	<u>IMPROVEMENT</u>	<u>DEC. 31, 2020</u>
				<u>TRUST</u>	<u>FUND</u>	
06-50	Various Capital Improvements	12/19/06	\$ 130,000.00		\$ 12,953.90	\$ 117,046.10
07-35	Various Capital Improvements	12/18/07	353,000.00		37,161.60	315,838.40
12-18	Building Improvements	11/08/12	400,000.00		135,235.97	264,764.03
18-26	Building Improvements	11/27/18	2,000,000.00			2,000,000.00
20-33	Building Improvements	12/15/20		\$ 2,000,000.00		2,000,000.00
			\$ 2,883,000.00	\$ 2,000,000.00	\$ 185,351.47	\$ 4,697,648.53
	<u>Ref.</u>		E	E-17	E-13	E

SCHEDULE OF FIXED CAPITAL
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

<u>ORD NO.</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>BALANCE DEC. 31, 2019</u>	<u>TRANSFER FROM FIXED CAPITAL AUTH. & UNCOMP.</u>	<u>BALANCE DEC. 31, 2020</u>
89-58 Design and Construction of a Senior Citizen Complex	11/21/89	\$ 10,098,252.26	\$ 10,098,252.26		\$ 10,098,252.26
04-51 Replacement of Trunk Line	12/21/04	144,000.00	144,000.00		144,000.00
05-43 Various Capital Improvements	11/29/05	80,000.00	80,000.00		80,000.00
06-22 HVAC System	04/25/06	28,800.00	28,800.00		28,800.00
06-50 Various Capital Improvements	12/19/06	130,000.00		\$ 117,046.10	117,046.10
07-35 Various Capital Improvements	12/18/07	353,000.00		315,838.40	315,838.40
			<u>\$ 10,351,052.26</u>	<u>\$ 432,884.50</u>	<u>\$ 10,783,936.76</u>
<u>Ref.</u>			E	E-16	E

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

<u>ORD. NO.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>BALANCE DEC. 31, 2019</u>	<u>AUTHORIZED CY-2020</u>	<u>CANCELED CY-2020</u>	<u>TRANSFER TO FIXED CAPITAL</u>	<u>BALANCE DEC. 31, 2020</u>
06-50	Various Capital Improvements	12/19/06	\$ 130,000.00	\$ 130,000.00		\$ 12,953.90	\$ 117,046.10	
07-35	Various Capital Improvements	12/18/07	353,000.00	353,000.00		37,161.60	315,838.40	
10-14	Senior Housing Building Improve.	04/27/10	1,000,000.00	1,800,000.00		135,235.97		\$ 1,664,764.03
18-26	Senior Housing Building Improve.	11/27/18	2,000,000.00	2,000,000.00				2,000,000.00
20-33	Senior Housing Building Improve.	12/15/20	2,000,000.00		\$ 2,000,000.00			2,000,000.00
				<u>\$ 4,283,000.00</u>	<u>\$ 2,000,000.00</u>	<u>\$ 185,351.47</u>	<u>\$ 432,884.50</u>	<u>\$ 5,664,764.03</u>
<u>Ref.</u>				E	E-11	E-11	E-15	E

SCHEDULE OF INTERFUNDS RECEIVABLE
SENIOR CITIZENS HOUSING UTILITY CAPITAL FUND

	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Receipts</u> <u>CY-2020</u>	<u>Disbursements</u> <u>CY-2020</u>	<u>Improvement</u> <u>Authorization</u>	<u>Balance</u> <u>Dec. 31, 2020</u>
Interfunds:					
Current Fund:	\$ -	\$ 1,000,000.00	\$ 1,000,000.00	\$ -	\$ -
Affordable Housing Trust Fund		2,000,000.00		2,000,000.00	-
General Capital		500,000.00	500,000.00		-
	<u>\$ -</u>	<u>\$ 3,500,000.00</u>	<u>\$ 1,500,000.00</u>	<u>\$ 2,000,000.00</u>	<u>\$ -</u>
<u>REF.</u>	E	E-5	E-5	E-14	E

Recreation Utility Fund

SCHEDULE OF RECREATION UTILITY CASH AND INVESTMENTS
TREASURER

	<u>Ref.</u>	<u>OPERATING FUND</u>	
Increased by Receipts:			
Anticipated Revenues	F-2	\$ 1,676,000.00	
Due from Current fund	F-5	<u>1,137,979.44</u>	
			<u>2,813,979.44</u>
			2,813,979.44
Decreased by Disbursements:			
FY 2020 Budget	F-3	1,067,040.79	
Due from Current fund	F-5	<u>1,050,000.00</u>	
			<u>2,117,040.79</u>
Balance - December 31, 2020	F		<u><u>\$ 696,938.65</u></u>

SCHEDULE OF DUE TO CURRENT FUND
RECREATION UTILITY OPERATING FUND

	Ref.	
Increased by:		
Interfunds Received	F-4	\$ 1,137,979.44
Decreased by:		
Interfunds Returned	F-4	<u>1,050,000.00</u>
Balance - December 31, 2020	F	<u><u>\$ 87,979.44</u></u>

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

PART III

**SINGLE AUDIT SECTION
YEAR ENDED DECEMBER 31, 2020**



Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Independent Auditors' Report

**The Honorable Mayor and Members
of the Township Council
Township of Piscataway
Piscataway, 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 the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), the regulatory-basis financial statements of the various funds and the governmental fixed assets of the Township of Piscataway, Middlesex County, New Jersey (the "Township"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated September 21, 2021, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the financial reporting provisions of the Division.

Internal Control Over Financial Reporting

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

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

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

PKF O'CONNOR DAVIES, LLP
20 Commerce Drive, Suite 301, Cranford, NJ 07016 | Tel: 908.272.6200 | Fax: 908.272.2416 | www.pkfod.com

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**The Honorable Mayor and Members
of the Township Council
Township of Piscataway
Page 2**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

Cranford, New Jersey
September 17, 2021



Andrew G. Hodulik
Licensed Registered Municipal Accountant, No. 406



Report on Compliance for Each Major Federal and State Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and NJ OMB Circular 15-08

Independent Auditors' Report

**The Honorable Mayor and Members
of the Township Council
Township of Piscataway
Piscataway, New Jersey**

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Piscataway's, County of Middlesex, New Jersey ("Township") compliance with the types of compliance requirements described in the *OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on its major federal and state programs for the year ended December 31, 2020. The Township's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Township's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("*Uniform Guidance*") and New Jersey OMB Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards, the Uniform Guidance and New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on major federal and state programs occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal and state programs. However, our audit does not provide a legal determination of the Township's compliance.

PKF O'CONNOR DAVIES, LLP
20 Commerce Drive, Suite 301 Cranford, NJ, 07016 | Tel: 908-272-6200 | Fax: 908-272-2416 | www.pkfod.com

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Opinion on Each Major Federal and State Program

In our opinion, the Township complied, in all material respects with each of the types of compliance requirements referred to above that could have a direct and material effect on its major federal and state programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

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

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

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

Purpose of this Report

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

PKF O'Connor Davies, LLP
Cranford, New Jersey
September 17, 2021



Andrew G. Hodulik
Licensed Registered Municipal Accountant, No. 406

**TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period		Passed Through Entity Identifying Number	Revised Budget	Cash Receipts	Current Year Expenditures	Passed Through to Sub Recipient	Cumulative Expenditures
		From	To						
U.S. Department of Housing and Urban Development: Direct Award - Community Development Block Grant Program Year 2019	14.218	7-01-19	Completion	Not Applicable	\$ 287,788.00	\$ -	\$ -	\$ -	\$ -
U.S. Department of Justice: Pass Thru New Jersey Department of Law and Public Safety: Drunk Driver Prevention - Drive Sober or Get Pulled Over	20.616	7-01-19	6-30-20	Not Available	5,500.00	5,500.00	3,410.00		5,500.00
Bulletproof Vest Program	16.607	7-01-18	6-30-19	Not Available	6,264.48				6,264.12
Bulletproof Vest Program	16.607	7-01-20	6-30-21	Not Available	11,695.02				
U.S. Department of Treasury Coronavirus Relief Fund (CARES Act)	21.019	3-01-20	12-30-20	Not Available	2,300,107.89	725,881.88	2,238,933.46	61,174.43	2,300,107.89
Total Expenditures of Federal Awards						<u>\$ 731,381.88</u>	<u>\$ 2,242,343.46</u>	<u>\$ 61,174.43</u>	<u>\$ 2,311,872.01</u>

**TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX**

SCHEDULE B

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2020**

State Funding Department or Division	Program	State Account Number	Revised Grant Award	Grant Period		Cash Received	Expended	Cumulative Expended
				From	To			
Community Affairs								
	Municipal Alliance Grant	2000-475-995120-60	\$ 42,120.00	1/01/18	Completion	\$ 19,174.73	\$ 23,652.34	\$ 6,662.88
	Municipal Alliance Grant	2000-475-995120-60	47,399.00	1/01/19	Completion		(9,439.71)	
	Municipal Alliance Grant	2000-475-995120-60	47,399.00	1/01/20	Completion			
	Municipal Alliance Grant	2000-475-995120-60	26,691.80	1/01/20	Completion	2,307.80	6,014.74	6,014.74
						<u>21,482.53</u>	<u>20,227.37</u>	<u>12,677.62</u>
Transportation								
	Municipal Aid Program							
	NJDOT: Kossuth & Terrace Court	078-6320-480	262,000.00	7/01/18	Completion		262,000.00	262,000.00
	NJDOT: Morris Avenue Road Improvement	078-6320-480-ANP	557,200.00	7/01/19	Completion	417,900.00	557,200.00	557,200.00
	NJDOT: Brotherhood Sreet Road Improvement	078-6320-480-AN8	525,000.00	7/01/20	Completion	393,750.00	78,215.13	78,215.13
						<u>811,650.00</u>	<u>897,415.13</u>	<u>897,415.13</u>
Environmental Protection								
	Clean Communities	042-4900-765-004	115,634.89	1/01/16	Completion		20,361.39	104,266.89
	Clean Communities	042-4900-765-004	98,239.10	1/01/17	Completion		46,095.54	98,239.10
	Clean Communities	042-4900-765-004	93,369.35	1/01/18	Completion		10,549.54	43,908.58
	Clean Communities	042-4900-765-004	103,639.69	1/01/19	Completion		2,078.36	2,078.36
	Clean Communities	042-4900-765-004	93,446.21	1/01/20	Completion	93,446.21	8,051.54	8,051.54
	Recycling Tonnage Grant	042-4910-100-224	48,740.27	1/01/16	Completion		14,725.00	48,740.27
	Recycling Tonnage Grant	042-4910-100-224	90,435.94	1/01/17	Completion		930.43	90,435.94
	Recycling Tonnage Grant	042-4910-100-224	44,048.00	1/01/19	Completion		14,004.78	19,992.45
	Recycling Tonnage Grant	042-4910-100-224	84,786.47	1/01/20	Completion	84,786.47		
						<u>178,232.68</u>	<u>116,796.58</u>	<u>772,339.92</u>
Law and Public Safety								
	Division of Criminal Justice:							
	Body Armor Fund 2019	066-1020-718-001	7,466.57	7/01/20	Completion	7,466.57	1,629.98	1,629.98
	Safe and Secure Neighborhoods Program	066-1020-100-232	27,698.63	7/01/19	Completion	27,698.63	27,698.63	27,698.63
	Division of Motor Vehicles:							
	Drunk Driving Enforcement	6400-100-078-6400	35,725.47	7/01/18	Completion		4,433.50	30,497.35
Judiciary								
	Municipal Court							
	Alcohol Education and Rehabilitation	098-9735-760-001	2,235.96	1/01/16	Completion		559.14	2,235.96
	Alcohol Education and Rehabilitation	098-9735-760-001	3,603.03	1/01/17	Completion		567.78	2,916.30
	Alcohol Education and Rehabilitation	098-9735-760-001	2,856.07	1/01/18	Completion			
	Alcohol Education and Rehabilitation	098-9735-760-001	3,375.74	1/01/19	Completion			
	Alcohol Education and Rehabilitation	098-9735-760-001	4,251.05	1/01/20	Completion	4,251.05		
						<u>39,416.25</u>	<u>34,889.03</u>	<u>64,978.22</u>
Total Expenditures of State Financial Assistance						<u>\$ 1,050,781.46</u>	<u>\$ 1,069,328.11</u>	<u>\$ 1,747,410.89</u>

See Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance
December 31, 2020**

Note 1 - General:

The accompanying schedule of expenditures of federal awards and state financial assistance present the activity of all federal and state financial assistance programs of the Piscataway Township. The Township is defined in Note 1 to the financial statements. To the extent identified, the federal and state financial assistance that passed through other governmental agencies is included on the schedules of expenditures of federal awards and state financial assistance.

Note 2 - Basis of Accounting:

The accompanying schedules of financial assistance are presented using the basis of accounting as described in Note 2 to the Township's financial statements.

Note 3 - Relationship to Financial Statements:

Amounts reported in the accompanying schedules agree with amounts reported in the Township's financial statements.

Note 4 - Relationship to Federal and State Financial Reports:

Amounts reported in the accompanying schedules of expenditures of federal awards and state financial assistance agree with the amounts reported in the related federal and state financial reports, where required.

Note 5 – Indirect Cost Rate:

The Township has elected not to use the ten percent de minimis indirect cost rate as allowed by the Uniform Guidance.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

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

Section I - Summary of Auditors' Results

Financial Statement Section

Type of auditor's report issued: Unmodified – Regulatory Basis,
Adverse – U.S. GAAP

Internal Control over financial reporting:

Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____	Yes	<u> X </u>	None Reported
Noncompliance material to the financial statements noted?	_____	Yes	<u> X </u>	No

Federal Awards

Dollar threshold used to distinguish between type A and B programs: \$750,000.00

Auditee qualified as low-risk auditee? _____ Yes X No

Internal Control over major federal programs:

Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____	Yes	<u> X </u>	None Reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the Uniform Guidance? _____ Yes X No

Identification of major federal programs:

<u>Program Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.019	Coronavirus Relief Fund – CARES Act

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

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

Section I - Summary of Auditors' Results (continued)

State Financial Assistance

Internal Control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08? _____ Yes X No

Identification of major state programs:

<u>State Account Number</u>	<u>Name of State Program or Cluster</u>
-----------------------------	---

078-6320-480	Municipal Aid Program
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Dollar threshold used to distinguish between type A and B programs: \$750,000.00

Auditee qualified as low-risk auditee? _____ Yes X No

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

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

Section II – Schedule of Financial Statement Findings

No financial statement findings noted that are required to be reported under *Government Auditing Standards*.

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs

Federal Award Programs:

None noted.

State Financial Assistance Programs:

None noted.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

**Summary Schedule of Prior Year Findings and Questioned Costs
For the Year Ended December 31, 2020**

Section I – Summary of Prior Year Findings

There were no prior year findings and there was no prior year federal or state single audit.

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

PART IV

**SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2020**

TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY

COMBINED BALANCE SHEET
AS OF DECEMBER 31, 2020

	CURRENT FUND	TRUST FUND	GENERAL CAPITAL FUND	SEWER UTILITY FUND	SR HOUSING UTILITY FUND	RECREATION UTILITY FUND	GOVERNMENTAL FIXED ASSETS	MEMORANDUM ONLY TOTALS	
								DEC. 31, 2020	DEC. 31, 2019
ASSETS									
Cash and Investments	\$ 40,572,011.86	\$ 22,955,887.86	\$ 1,752,129.48	\$ 12,243,206.86	\$ 4,698,044.62	\$ 696,938.65	\$ -	\$ 82,918,219.33	\$ 83,904,741.68
Accounts Receivable									
State and Federal Grants Receivable	810,453.14		233,050.00					1,043,503.14	1,019,016.89
Due from State of New Jersey	230,989.41							230,989.41	232,279.05
Taxes, Assessments, Liens & Utility Charges	2,203,808.18			1,231.62				2,205,039.80	2,105,049.18
Sewer Charges Receivable				322,498.35				322,498.35	447,355.57
Interfund Loans	87,979.44			4,000,000.00				4,087,979.44	7,869.75
Other Accounts Receivable	51,518.98		541,693.83					593,212.81	52,132.69
Property Acquired For Taxes at Assessed Valuation	2,592,900.00							2,592,900.00	2,592,900.00
Fixed Assets - General							77,051,772.00	77,051,772.00	74,728,055.00
Fixed Capital - Utility				17,492,561.49	10,351,052.26			27,843,613.75	27,843,613.75
Fixed Capital - Authorized and Uncompleted - Utility				14,785,000.00	6,097,648.53			20,882,648.53	18,328,000.00
Deferred Charges to Future Taxation: General Capital Fund			123,334,892.51					123,334,892.51	127,845,360.09
Total Assets	\$ 46,549,661.01	\$ 22,955,887.86	\$ 125,861,765.82	\$ 48,844,498.32	\$ 21,146,745.41	\$ 696,938.65	\$ 77,051,772.00	\$ 343,107,269.07	\$ 339,106,373.65
LIABILITIES, RESERVES AND FUND BALANCE									
Bonds and Notes Payable	\$ -	\$ -	\$ 78,964,000.00	\$ 1,775,000.00	\$ 650,000.00	\$ -	\$ -	\$ 81,389,000.00	\$ 75,604,000.00
Prepaid Taxes, Assessments, Utility Charges and Licenses	1,634,312.26			110,850.25				1,745,162.51	1,186,992.70
Tax, Assessment, Lien, License and Utility Charge Overpayments				14,230.56				14,230.56	72,338.06
Appropriation Reserves	4,536,264.11			3,020,559.45	218,346.66	104,952.84		7,880,123.06	11,257,736.61
Reserves for Encumbrances/ Accounts Payable	5,857,060.39	88,193.44	12,065,096.62	2,364,483.97	272,152.81	504,006.37		21,150,993.60	26,378,180.86
Other Liabilities				13,291.15	18,687.50			31,978.65	39,174.48
Amounts Pledged to Specific Purposes	6,222,994.73	13,513,224.02	2,153,183.97	300,000.00	602,092.44			22,791,495.16	16,665,230.06
Interfund Loans			4,000,000.00			87,979.44		4,087,979.44	7,869.75
Investments in General Fixed Assets							77,051,772.00	77,051,772.00	74,728,055.00
Escrow Funds		9,354,470.40						9,354,470.40	10,108,184.15
Improvement Authorization			26,465,791.25	4,664,415.52	2,566,105.60			33,696,312.37	43,046,882.24
Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized				30,502,561.49	15,798,700.79			46,301,262.28	43,331,613.75
Reserve for Certain Assets Acquired or Receivables & Inventories	4,936,206.60			323,729.97				5,259,936.57	6,644,562.54
Fund Balance	23,362,822.92		2,213,693.98	5,755,375.96	1,020,659.61			32,352,552.47	30,035,553.45
Total Liabilities, Reserves and Fund Balance	\$ 46,549,661.01	\$ 22,955,887.86	\$ 125,861,765.82	\$ 48,844,498.32	\$ 21,146,745.41	\$ 696,938.65	\$ 77,051,772.00	\$ 343,107,269.07	\$ 339,106,373.65

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

<u>REVENUE AND OTHER INCOME REALIZED</u>	CALENDAR YEAR 2020		CALENDAR YEAR 2019	
	AMOUNT	%	AMOUNT	%
Fund Balance Utilized	\$ 10,150,000.00	4.66	\$ 10,150,000.00	4.68
Miscellaneous - From Other than Local Property Tax Levies	24,263,087.02	11.15	27,726,418.18	12.79
Collection of Delinquent Taxes and Tax Title Liens	1,386,188.82	0.64	1,486,355.94	0.69
Collections of Current Tax Levy	181,862,210.88	83.55	177,447,640.76	81.84
Total Income	217,661,486.72	100.00	216,810,414.88	100.00
 <u>EXPENDITURES</u>				
Budget Expenditures				
Municipal Purposes	73,454,759.05	35.57	75,832,319.34	36.61
Special District Taxes	4,334,983.42	2.10	4,229,511.00	2.04
County Taxes	31,388,845.92	15.20	29,999,816.07	14.48
Local School Taxes	96,748,804.00	46.86	94,910,170.00	45.83
Other Expenditures	553,704.45	0.27	2,143,367.53	1.04
Total Expenditures	206,481,096.84	100.00	207,115,183.94	100.00
Excess in Revenue	11,180,389.88		9,695,230.94	
Fund Balance January 1	22,332,433.04		22,787,202.10	
	33,512,822.92		32,482,433.04	
Less: Util. as Anticipated Revenue	10,150,000.00		10,150,000.00	
Fund Balance December 31	\$ 23,362,822.92		\$ 22,332,433.04	

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

REVENUE AND OTHER <u>INCOME REALIZED</u>	CALENDAR YEAR 2020		CALENDAR YEAR 2019	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
Fund Balance Utilized	\$ 3,700,000.00	20.40	\$ 2,150,000.00	13.67
Collection of Sewer Service Charges	10,683,491.90	58.90	12,035,764.46	76.55
Miscellaneous - From Other than Sewer Service Charges	<u>3,755,560.86</u>	<u>20.70</u>	<u>1,537,535.04</u>	<u>9.78</u>
Total Income	<u>18,139,052.76</u>	<u>100.00</u>	<u>15,723,299.50</u>	<u>100.00</u>
<u>EXPENDITURES</u>				
Budget Expenditures				
Operating	11,783,612.50	74.56	10,743,216.57	78.32
Capital Improvements	3,300,000.00	20.88	2,300,000.00	16.77
Debt Service	326,154.17	2.07	311,554.17	2.27
Deferred Charges & Statutory Expend.	387,350.00	2.45	362,245.88	2.64
Miscellaneous	<u>6,530.37</u>	<u>0.04</u>		
Total Expenditures	<u>15,803,647.04</u>	<u>100.00</u>	<u>13,717,016.62</u>	<u>100.00</u>
Excess/(Deficit) in Revenue	2,335,405.72		2,006,282.88	
Fund Balance January 1	<u>6,234,280.27</u>		<u>6,377,997.39</u>	
	8,569,685.99		8,384,280.27	
Decreased by:				
Util. as Anticipated Revenue	<u>3,700,000.00</u>		<u>2,150,000.00</u>	
Fund Balance December 31	<u>\$ 4,869,685.99</u>		<u>\$ 6,234,280.27</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE -
SENIOR CITIZENS HOUSING UTILITY FUND

<u>REVENUE AND OTHER INCOME REALIZED</u>	CALENDAR YEAR 2020		CALENDAR YEAR 2019	
	AMOUNT	%	AMOUNT	%
Fund Balance	\$ 210,000.00	11.65	\$ 210,000.00	11.86
Rental Income	1,340,265.24	74.33	1,352,206.41	76.35
Miscellaneous - From Other than Rental Income	252,850.22	14.02	208,875.33	11.79
Total Income	1,803,115.46	100.00	1,771,081.74	100.00
 <u>EXPENDITURES</u>				
Budget Expenditures				
Operating	1,209,550.00	77.45	1,179,125.00	73.20
Capital Improvements	180,000.00	11.52	70,000.00	4.34
Debt Service	167,437.50	10.72	357,562.50	22.20
Statutory Expenditures	3,700.00	0.24	3,625.00	0.22
Miscellaneous Expenditures	1,109.51	0.07	570.00	0.04
Total Expenditures	1,561,797.01	100.00	1,610,882.50	100.00
Excess in Revenue	241,318.45		160,199.24	
Fund Balance January 1	917,163.42		966,964.18	
	1,158,481.87		1,127,163.42	
Less: Util. As Anticip. Revenue	210,000.00		210,000.00	
Fund Balance December 31	\$ 948,481.87		\$ 917,163.42	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE -
RECREATION UTILITY FUND

<u>REVENUE AND OTHER INCOME REALIZED</u>	CALENDAR YEAR 2020	
	AMOUNT	%
Membership and Program Fees	299,350.96	17.86
Operating Deficit	1,376,005.56	82.10
Miscellaneous - From Other than Rental Income	643.48	0.04
Total Income	1,676,000.00	100.00
<u>EXPENDITURES</u>		
Budget Expenditures		
Operating	1,676,000.00	100.00
Total Expenditures	1,676,000.00	100.00
Excess in Revenue	-	
Fund Balance January 1	-	
Fund Balance December 31	\$ -	

TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Rate:	<u>\$ 2.269</u>	<u>\$ 2.308</u>	<u>\$ 2.304</u>
Apportionment of Tax Rate:			
Municipal	0.605	0.621	0.626
Municipal Library	0.034	0.034	0.031
County	0.368	0.365	0.344
County Open Space	0.031	0.031	0.029
Local School	1.231	1.257	1.274
Assessed Valuation:			
2020	<u>\$7,860,461,032.00</u>		
2019		<u>\$7,548,520,332.00</u>	
2018			<u>\$7,338,290,868.00</u>

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.

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENT CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2020	\$ 183,436,432.18	\$ 181,862,210.88	99.14%
2019	179,672,350.50	177,447,640.76	98.76%
2018	174,598,559.21	172,493,895.88	98.79%

TOWNSHIP OF PISCATAWAY

STATISTICAL DATA

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 five years.

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2020	\$ 727,975.37	\$ 1,475,832.81	\$ 2,203,808.18	1.20%
2019	733,511.80	1,371,392.38	2,104,904.18	1.17%
2018	708,343.32	1,473,249.47	2,181,592.79	1.25%

COMPARISON OF SEWER UTILITY LEVIES

<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTIONS</u>
2020	\$ 10,559,721.30	\$ 10,622,123.99
2019	11,656,431.89	12,035,764.46
2018	11,224,895.32	11,464,595.51

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
CURRENT FUND	2020	\$ 23,362,822.92	\$ 11,370,765.33
	2019	22,332,433.04	10,150,000.00
	2018	22,787,202.10	10,150,000.00
SEWER UTILITY OPERATING FUND	2020	\$ 4,869,685.99	\$ 2,200,000.00
	2019	6,234,280.27	3,700,000.00
	2018	6,377,997.39	2,150,000.00
SENIOR CITIZENS HOUSING UTILITY OPERATING FUND	2020	\$ 948,481.87	\$ 253,455.00
	2019	917,163.42	210,000.00
	2018	966,964.18	210,000.00

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office as at December 31, 2020:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Brian C. Wahler	Mayor	
Gabrielle Cahill	Council President	
Kapil K. Shah	Council Vice-President	
Jim Bullard	Council Member	
Steven D. Cahn	Council Member	
Michele Lombardi	Council Member	
Chanelle McCullum	Council Member	
Frank Uhrin	Council Member	
Timothy J. Dacey	Business Administrator	
Daniel Mensah-Lampitey	Director of Finance	\$ 400,000.00 (A)
Van Khurana	Chief Financial Officer	
Melissa A. Seader	Township Clerk	
Michael Baker	Director of Law - Attorney	
James F. Clarkin III, Esq.	Director of Law - Assistant Attorney	
Kathleen Silber	Tax Collector (January 1, 2020 to July 31, 2020)	
Alex Moise	Tax Collector (August 1, 2020 to December 31, 2020)	
Tara Auciello	Presiding Judge	
James Hoeich	Associate Judge	
Vanessa Colon	Court Administrator	
Lisa E. Stephens	Tax Assessor	

The municipal court employees were covered under a blanket bond in the amount of \$75,000 by the Selective Insurance Company of America.

All other employees were covered under a blanket bond in the amount of \$75,000 by the Selective Insurance Company of America.

All of the bonds were examined and found to be properly executed for items tested.

(A) Fidelity & Deposit Company of Maryland

**TOWNSHIP OF PISCATAWAY
MIDDLESEX COUNTY, NEW JERSEY**

PART IV

GENERAL COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2020

**TOWNSHIP OF PISCATAWAY
COUNTY OF MIDDLESEX, NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2020**

GENERAL COMMENTS

An audit of the financial accounts and transactions of the Township of Piscataway, County of Middlesex, New Jersey, for the year ended December 31, 2020, 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 Piscataway, 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 Piscataway, County of Middlesex, New Jersey as of and for the year ended December 31, 2020, 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 deficiencies, significant deficiencies, or material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis.

A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is 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 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.

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 deficiencies in internal control, as reported below, are not considered to be significant deficiencies nor material weaknesses. In addition, these deficiencies are not required to be reported in writing, however, these 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, as follows:

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 21, 2021 on the financial statements of the Township of Piscataway. 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.

Internal Control Deficiencies:

2020-1 Segregation of Duties - Other Offices/Departments Collecting Municipal Fees

Conditions exist whereby the same individual may collect, record and/or deposit/turnover or may have access to cash receipts collections and functions in the following offices / departments: Municipal Court, Police Department, Municipal Clerk's Office, Cable TV, Recreation Department, Engineering Department, Planning & Zoning Department, Inspection Fees Office, Registrar of Vital Statistics, and Health Department.

This condition may be the result of multiple tasks assigned and performed by the same individual within the respective office/department.

GENERAL COMMENTS

OTHER MATTERS

Contracts and Agreements Required to be Advertised for 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 January 22, 2020 the Local Public Contracts Law was amended, effective on July 1, 2020. The amendment addresses the bid threshold (Section 7, N.J.S.A. 40A:11-3), thereby increasing the amount from \$40,000.00 to \$44,000.00 under which a contract may be awarded without public advertising for those municipalities that have appointed a Qualified Purchasing Agent

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

The quote threshold for the periods of January 1 to June 30, 2020 and July 1, 2020, respectively, for the Township based on the Local Public Contracts laws noted above, were \$6,000 and \$6,600. For the year ended December 31, 2020, the Township of Piscataway has an appointed Qualified Purchasing Agent.

Materials, Supplies and Equipment

Various playground equipment; Janitorial services and supplies; Office supplies; Hot Mix Asphalt materials; Traffic Signal equipment; 11 Foot Chip Dump Body and Box Ford 550; Purchase of Laptops, Desktops and Monitors; John Deere Wheel Loader; Freightliner 114SD Chassis with DD13 Engine; Brush Chipper with Tier 4 Final Engine

Services and Rentals

HVAC Maintenance Service; Property Maintenance – Township Properties; Vegetative Debris Removal; Reassessment Inspection appraisals; Management Service for Sterling Village Senior Housing Utility

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Construction and Repairs

Morris Avenue, Lynnwood and Crestwood Street Roadway improvements; Reconstruction of Riverview Avenue and Kroeger Lane improvements; Johnson Avenue Drainage Improvements; Milling and Road Surface preparation; Public Safety Interior Renovations project; JFK Flat/Membrane Roof Replacement; Sidewalk repairs; Suskin Park improvements; Municipal Complex Parking Lot improvements

The minutes indicate that State Contracts were authorized for the following:

Contracts

Surveillance upgrades and door access control; Public Safety Building Bullet Proofing Exterior Windows; Scanning and Digital Storage of Records; SSL Loader with Snow Removal Attachments; Replacement and Upgrades of Patrol Vehicle MDT's

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 violations existed.

The examination of expenditures revealed that no individual payments, contracts or agreements in excess of \$17,500 "for the performance of any work or the furnishing or hiring of any materials or supplies," other than those where bids had been previously sought by public advertisement.

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. The minutes also indicate the awarding of "Open-End Contracts" pursuant to N.J.A.C. 5:34-4.9.

Any interpretation as to possible violation of N.J.A.C. 40A: 11-4 would be in the province of the Township solicitor.

We suggest that the Township review the amendments to the Local Public Contracts Law and determine the impact of the comprehensive amendments with regard to the Township, including an analysis of the effect of requiring the position of a "Qualified" Purchasing Agent on a cost benefit or other alternate approach. In addition, we suggest the Township minutes be prepared on a timely basis.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Compliance with P.L. 2005, c.271

On January 5, 2006, P.L. 2005, c.271 was signed into law. A key element of the law authorizes municipalities and counties to adopt their own pay-to-play policies. Secondly, required new disclosures for “non-fair and open” contracts over \$17,500.

Tests of expenditures for vendors with payments in excess of \$17,500.00 and less than the applicable bid threshold and for contracts not awarded through state contracts, bidding or the “fair and open process” indicated no exceptions related to the requisite disclosure forms on file.

We suggest that the vendor files be reviewed and maintained complete in all respects with the applicable Pay-to-Play and Business Registration Requirements

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.

On January 3, 2020, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes; assessments and sewer service charges:

BE IT RESOLVED, by the Township Council of Piscataway Township, New Jersey that:

WHEREAS, Delinquent taxes and sewer service charges shall bear interest at the rate of 8% per annum for the first \$1,500 and 18% per annum on any delinquent amount in excess of \$1,500; and

BE IT FURTHER RESOLVED that unpaid assessments shall bear interest at the rate of 8% per annum; and

BE IT RESOLVED that no interest shall be charged by the Township of Piscataway if the payment of installment for taxes, sewer service charges or assessments is made within ten (10) calendar days after the date upon which such installment is payable; and

BE IT FURTHER RESOLVED that if payment of the installment for taxes, sewer service charges or assessments is not made within the ten (10) calendar day period, interest shall be charged in accordance with the rates specified in this Resolution and such interest shall revert to the date the installment was due.

“In addition, pursuant to N.J.S.A. 54:4-67, there is hereby fixed as a penalty to be charged to a tax payer with a delinquency in excess of \$10,000 who fails to pay the delinquency prior to the end of the calendar year of 6 percent to the amount of delinquency”.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

An examination of the Tax Collector's records indicated that interest on delinquent accounts was calculated in accordance with the foregoing resolution for items tested.

Delinquent Taxes and Tax Title Liens

The Township held a tax sale during CY 2020. The Tax Collector should continue to review all delinquent and disputed items to determine the status of delinquent accounts for proper disposition. Upon final determination of the status of the delinquent accounts, where appropriate, the delinquent item should be included in the following tax sale.

The following comparison is made of the number of tax title liens receivable at year-end of the current and two previous years:

<u>DEC. 31</u>	<u>NUMBER OF LIENS</u>
CY 2020	19
CY 2019	19
CY 2018	19

It is essential to good management that all means provided by statute be utilized to liquidate Tax Title Liens in order to return properties to a tax-paying basis.

Investment of Idle Funds

The Chief Financial Officer had the greater portion of the idle funds of the Township invested in interest-bearing investments or accounts during CY 2020. Earnings from the investments are shown as revenue in the various funds of the Township for CY 2020.

All deposits and investments held by the Township were directly confirmed as of December 31, 2020.

The Township adopted a formal Cash Management Plan for depositing and investing of Township funds for CY 2020 in accordance with 40A: 5-14 on January 3, 2020.

Purchase Order System and Encumbrance System

The Township utilized a purchase order system for most of its expenditures in connection with its budgetary accounting system during the year under review. The accounting is processed on a data processing system for budgetary control. Operation of the encumbrance system appeared to be generally good with timely entries made. Prior years' 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.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Interfund Balances

Interfund Balances appear in the balance sheets of the Township's financial statements of the year ended December 31, 2020.

These interfunds, in most cases, were from prior years and should be cleared by cash transfer where feasible.

Outside Offices/Departments and Other Officials Collecting Fees

Our review of 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, and the fees charged were in accordance with the provisions of the Township Code.

Municipal Court

The records maintained by the Municipal Court during the period under review were found to be in good condition. The examination of the general account indicated that bank reconciliations were performed on a monthly basis. Disbursements were made to appropriate agencies on a timely basis. The bail account was reconciled monthly and open bail listings were proved to the account balance periodically or at the close of the year. The examination of the bail account's financial and supporting records maintained by the Municipal Court indicated no exceptions for items tested.

Administration and Accounting of State & Federal Grants

During CY 2020, the Township operated programs that 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. Based upon the myriad compliance and reporting requirements for grant awards, the Township should continue to develop sound administrative functions over grant programs.

Condition of Records – Tax & Sewer Utility Office

During CY 2020, the Tax Collector utilized a monthly financial tax and sewer utility office reporting system. These reports are intended to be all-inclusive, summarizing all tax and sewer utility office transactions on a monthly basis for posting/recording within the Township general ledger financial accounting system, respectively.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Condition of Records – Finance Department

The Finance Department utilized a computerized general ledger accounting and reporting system during CY 2020. General ledgers were maintained for all funds. The Township is currently in compliance with New Jersey Administration Code 5:30-5.7, establishment and maintenance of a general ledger for at least the current fund.

AU Section 325 identifies inadequate documentation of internal controls as a possible deficiency, significant deficiency or material weakness. In prior audits we had suggested that the Township utilize the framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) for its documentation, which includes the five components of internal controls, as follows: Control Environment; Risk Assessment; Control Activities; Information and Communication; and Monitoring. We also had suggested that the documentation include the internal controls that exist over grant compliance. In February of 2020, the Township prepared a draft of an Internal Control Manual that included the above suggestions.

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.

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 as follows:

Compliance with N.J.A.C 5:30

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 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. Our review indicated that the Township of Piscataway has established a Governmental Fixed Asset Accounting System.

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 compliance with this directive.

GENERAL COMMENTS

OTHER MATTERS (CONT'D):

Compliance with Local Finance Notices

In accordance with Local Finance Notice No. CFO-10, Uniform Construction Code, expenditure records were tested for compliance with N.J.A.C. 5:23.17(c) 2, and no exceptions were noted for those items tested.

The Township of Piscataway, County of Middlesex was not required to file a corrective action plan for the CY 2019, pursuant to Local Finance Board Notice Number 92-15.

RECOMMENDATIONS

None

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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.

Very truly yours,

PKF O'Connor Davies, LLP

A handwritten signature in black ink, appearing to read 'A.G. Hodulik', with a long horizontal flourish extending to the right.

Andrew G. Hodulik, CPA, RMA
No. 406