

TOWNSHIP OF CHESTERFIELD
COUNTY OF BURLINGTON

REPORT OF AUDIT

FOR THE YEAR ENDED
DECEMBER 31, 2019

TOWNSHIP OF CHESTERFIELD**TABLE OF CONTENTS**

<u>Exhibit No.</u>		<u>Page No.</u>
<u>PART I</u>		
	Independent Auditor's Report	2
	Report on Internal Control Over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	5
<u>CURRENT FUND</u>		
A	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance--Regulatory Basis	9
A-2	Statement of Revenues--Regulatory Basis	10
A-3	Statement of Expenditures--Regulatory Basis	13
<u>TRUST FUNDS</u>		
B	Statements of Assets, Liabilities, and Reserves--Regulatory Basis	18
<u>GENERAL CAPITAL FUND</u>		
C	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	19
C-1	Statement of Changes in Fund Balance -- Regulatory Basis	20
<u>SEWER UTILITY FUNDS</u>		
D	Statements of Assets, Liabilities, Reserves and Fund Balance-- Regulatory Basis	21
D-1	Sewer Utility Operating Fund - Statements of Operations and Changes in Fund Balance--Regulatory Basis	23
D-2	Sewer Utility Operating Fund-Statement of Revenues--Regulatory Basis	24
D-3	Sewer Utility Operating Fund-Statement of Expenditures--Regulatory Basis	25
<u>GENERAL FIXED ASSET ACCOUNT GROUP</u>		
E	Schedule of General Fixed Asset Group of Accounts--Regulatory Basis	26
	Notes to Financial Statements	27

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

<u>Exhibit No.</u>		<u>Page No.</u>
<u>SUPPLEMENTAL EXHIBITS</u>		
<u>CURRENT FUND</u>		
SA-1	Statement of Current Cash per N.J.S.40A:5-5--Chief Financial Officer	63
SA-2	Statement of Current Cash per N.J.S.40A:5-5--Collector	64
SA-3	Schedule of Change Funds	64
SA-4	Statement of Petty Cash Fund	64
SA-5	Statement of Taxes Receivable and Analysis of Property Tax Levy	65
SA-6	Statement of Tax Title Liens	66
SA-7	Statement of Prepaid Taxes	66
SA-8	Statement of Revenue Accounts Receivable	67
SA-9	Statement of Reserve for Sale of Municipal Assets	68
SA-10	Statement of Tax Overpayments	68
SA-11	Statement of Due State of New Jersey Veterans' and Senior Citizens' Deductions	69
SA-12	Statement of 2018 Appropriation Reserves and Encumbrances	70
SA-13	Statement of Accounts Payable	72
SA-14	Statement of Regional High School Tax	72
SA-15	Statement of County Taxes Payable	73
SA-16	Statement of Due County for Added and Omitted Taxes	73
SA-17	Statement of Local School District Tax	74
SA-18	Statement of Fire District Tax	74
SA-19	Statement of Reserve for Recreation Building Deposits	75
SA-20	Statement of Due State of New Jersey--Marriage Licenses	76
SA-21	Statement of Due State of New Jersey--DCA Fees	76
SA-22	Federal, State And Local Grant Fund-Statement of Federal, State And Local Grants Receivable	77
SA-23	Federal, State And Local Grant Fund-Statement of Reserve for Federal, State And Local Grants – Unappropriated	78
SA-24	Federal, State And Local Grant Fund-Statement of Reserve for Federal, State And Local Grants – Appropriated	79
SA-25	Federal, State And Local Grant Fund-Statement of Due Current Fund	80
<u>TRUST FUNDS</u>		
SB-1	Statement of Trust Cash per N.J.S.40A:5-5--Chief Financial Officer	82
SB-2	Animal Control Trust Fund-Statement of Reserve for Animal Control Fund Expenditures	84
SB-3	Animal Control Trust Fund-Statement of Due to State of New Jersey	84
SB-4	Animal Control Trust Fund-Statement of Due Current Fund	84
SB-5	Trust Other Fund-Statement of Due Current Fund	85
SB-6	Trust Other Fund - Statement of Trust Other Reserves	86
<u>GENERAL CAPITAL FUND</u>		
SC-1	Statement of General Capital Cash per N.J.S.40A:5-5--Chief Financial Officer	88
SC-2	Analysis of General Capital Cash	89
SC-3	Statement of Deferred Charges to Future Taxation--Funded	91
SC-4	Schedule of Deferred Charges to Future Taxation--Unfunded	92
SC-5	Statement of Improvement Authorizations	93

TOWNSHIP OF CHESTERFIELD
TABLE OF CONTENTS (CONT'D)

<u>Exhibit No.</u>		<u>Page No.</u>
<u>SUPPLEMENTAL EXHIBITS</u>		
<u>GENERAL CAPITAL FUND (cont'd)</u>		
SC-6	Statement of Due Current Fund	94
SC-7	Statement of Reserve for Encumbrances	94
SC-8	Statement of Due from County - Open Space Funds	95
SC-9	Statement of Capital Improvement Fund	95
SC-10	Statement of Reserve for Transportation Improvements	96
SC-11	Statement of Reserve for Recreation Improvements	96
SC-12	Statement of Reserve for Open Space	97
SC-13	Statement of Reserve for Payment of Debt	97
SC-14	Statement of General Serial Bonds	98
SC-15	Schedule of Bonds and Notes Authorized But Not Issued	100
<u>SEWER UTILITY FUND</u>		
SD-1	Statement of Sewer Utility Cash Per N.J.S. 40A:5-5--Chief Financial Officer	102
SD-2	Statement of Sewer Utility Cash Per N.J.S. 40A:5-5--Collector	103
SD-3	Sewer Utility Capital Fund-Analysis of Sewer Capital Cash	104
SD-4	Sewer Utility Operating Fund-Statement of Sewer Rents Receivable	105
SD-5	Sewer Utility Operating Fund-Statement of Sewer Overpayments	105
SD-6	Sewer Utility Capital Fund-Schedule of Fixed Capital	106
SD-7	Sewer Utility Capital Fund-Schedule of Fixed Capital Authorized and Uncompleted	107
SD-8	Sewer Utility Operating Fund-Statement of Due Sewer Utility Capital Fund	108
SD-9	Sewer Utility Capital Fund-Statement of Capital Improvement Fund	108
SD-10	Sewer Utility Operating Fund-Statement of Accounts Payable	108
SD-11	Sewer Utility Operating Fund-Statement of 2018 Appropriations Reserves and Encumbrances	109
SD-12	Sewer Utility Operating Fund-Statement of Accrued Interest on Bonds, Notes and Loans	110
SD-13	Sewer Utility Capital Fund-Statement of Deferred Reserve for Amortization	111
SD-14	Sewer Utility Capital Fund-Statement of Improvement Authorizations	112
SD-15	Sewer Utility Capital Fund-Statement of New Jersey Environmental Infrastructure Trust Loan Payable	113
SD-16	Sewer Utility Capital Fund-Schedule of Bonds and Notes Authorized But Not Issued	114
<u>PART II</u>		
<u>SCHEDULE OF FINDINGS & RECOMMENDATIONS</u>		
	Schedule of Findings and Recommendations	116
	Summary Schedule of Prior Year Audit Findings and Recommendations as Prepared by Management	117
	OFFICIALS IN OFFICE AND SURETY BONDS	118
	APPRECIATION	119

TOWNSHIP OF CHESTERFIELD

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Chesterfield
Chesterfield, New Jersey 08515

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

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

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

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

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

Opinion on Regulatory Basis of Accounting

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

Other Matters

Other Information

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

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

Other Reporting Required by Government Auditing Standards

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 31, 2020

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Chesterfield
Chesterfield, New Jersey 08515

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

Internal Control over Financial Reporting

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

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

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


Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Robert S. Marrone
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
August 31, 2020

TOWNSHIP OF CHESTERFIELD
CURRENT FUND

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Regular Fund:			
Cash	SA-1	\$ 7,107,202.48	\$ 5,624,769.86
Cash - Change Fund	SA-3	<u>300.00</u>	<u>100.00</u>
		<u>7,107,502.48</u>	<u>5,624,869.86</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	256,728.36	303,591.32
Tax Title Liens Receivable	SA-6		28,439.33
Property Acquired for Taxes - Assessed Valuation	A	53,000.00	53,000.00
Revenue Accounts Receivable	SA-8	76,709.29	75,671.59
Due Federal and State Grant Fund	SA-25	196,988.44	151,273.23
Due Trust Other Funds	B	<u>27,309.65</u>	<u>16,151.98</u>
		<u>610,735.74</u>	<u>628,127.45</u>
		<u>7,718,238.22</u>	<u>6,252,997.31</u>
Federal, State and Local Grant Fund:			
Federal, State and Local Grant Funds Receivable	SA-22	724,193.04	646,298.24
Due Trust Other Fund	B	<u>3,026.00</u>	<u>3,026.00</u>
		<u>727,219.04</u>	<u>649,324.24</u>
		<u>\$ 8,445,457.26</u>	<u>\$ 6,902,321.55</u>

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TOWNSHIP OF CHESTERFIELD
CURRENT FUND

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

	<u>2019</u>	<u>2018</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 1,312,000.00	\$ 1,350,000.00
Miscellaneous Revenues Anticipated	1,433,062.73	1,498,068.33
Receipts from Delinquent Taxes and Tax Title Liens	341,553.22	241,419.84
Receipts from Current Taxes	24,371,645.08	23,212,693.72
Non-Budget Revenue	821,263.34	111,898.74
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	536,530.45	299,341.90
Grants Appropriated Canceled		821.40
Total Income	28,816,054.82	26,714,243.93
<u>Expenditures</u>		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	1,180,510.00	1,036,788.00
Other Expenses	1,690,288.00	1,716,088.00
Deferred Charges and Statutory Expenditures	443,509.48	390,367.15
Excluded from "CAPS":		
Operations:		
Salaries and Wages	643,690.00	646,212.00
Other Expenses	579,457.22	715,681.87
Capital Improvements--Excluded from "CAPS"	25,000.00	25,000.00
Municipal Debt Service--Excluded from "CAPS"	534,431.25	528,799.26
County Taxes	3,323,826.76	3,244,921.77
Due County for Added and Omitted Taxes	58,942.38	58,219.82
Local District School Tax	11,584,567.00	11,281,652.50
Regional High School Tax	5,661,494.00	4,981,767.50
Fire District Taxes	935,614.00	833,331.00
Cancellation of Grant Receivable		72.37
Refund of Prior Year Revenue		554.08
Creation of Reserve for:		
Due from Trust Other Fund	11,157.67	12,747.48
Due from Federal and State Grant Fund	45,715.21	151,273.23
Total Expenditures	26,718,202.97	25,623,476.03
Statutory Excess to Fund Balance	2,097,851.85	1,090,767.90
<u>Fund Balance</u>		
Balance Jan. 1	3,376,391.58	3,635,623.68
	5,474,243.43	4,726,391.58
Decreased by:		
Utilized as Revenue	1,312,000.00	1,350,000.00
Balance Dec. 31	\$ 4,162,243.43	\$ 3,376,391.58

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

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

Analysis of Realized Revenue

Allocation of Current Tax Collections:		
Revenue from Collections		\$ 24,371,645.08
Allocated to:		
County, School Taxes, and Special District		<u>21,564,444.14</u>
Amount for Support of Municipal Budget Appropriations		
Budget Appropriations		2,807,200.94
Add: Appropriation "Reserve for Uncollected Taxes"		<u>500,000.00</u>
Amount for Support of Municipal Budget Appropriations		<u>\$ 3,307,200.94</u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collections		\$ 310,504.42
Tax Title Liens		<u>31,048.80</u>
Receipts from Delinquent Taxes		<u>\$ 341,553.22</u>

Analysis of Non-Budget Revenues

Miscellaneous Revenue Not Anticipated:		
Cash:		
Septic Permits	\$ 275.00	
Driveway Permit	500.00	
Solicitor's Permit	1,450.00	
Copies, Postage, Buckets	2,427.72	
Soil Removal Application	1,000.00	
Certified Tax List	380.00	
Miscellaneous	20.00	
Duplicate Bills	75.00	
Certificates	200.00	
Kennel License	25.00	
Police Monies	325.00	
Police Discoveries	6.54	
DMV Inspection Fees	1,250.00	
Towing Fees	2,500.00	
Architectural Review Fees	2,220.00	
Return Check Fees	20.00	
Polling Places	80.00	
Homestead Fee Reimbursement	293.40	
HPC Fees	1,300.00	
Vacant Property Registrations	2,500.00	
Forfeited Funds	18,079.19	
6% Year End Penalties	6,630.63	
Outside Police Fees	57,165.00	
Firearm Fees	77.00	
TDR Fees	400.00	
Scrap Sold	636.70	
Sale of Property and Equipment	3,334.00	
Bond Credits & Savings	314.07	
Settlement - K. Hovnanian (Developer) Litigation	130,000.00	
2% Seniors & Veterans Admin Fee	516.37	
Recreation Field Fees	4,035.00	
Recreation Building Fees	12,530.00	
Refund of Prior Year Expenditures - Professional Fees (Settlement)	550,000.00	
Refund of Prior Year Expenditures	6,036.31	
Cancelation of Prior Year Outstanding Checks	<u>1,139.90</u>	
Carried Forward		\$ 807,741.83

(Continued)

TOWNSHIP OF CHESTERFIELD
CURRENT FUND

Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2019

	Appropriations			Expended		Unexpended Balance Canceled	
	Budget	Budget After Modification	Paid or Charged	Encumbered			Reserved
<u>OPERATIONS--WITHIN "CAPS"</u>							
General Government							
Administrative and Executive							
Salaries and Wages	\$ 50,000.00	\$ 65,000.00	\$ 62,756.99		\$ 2,243.01		
Other Expenses	23,300.00	23,300.00	15,972.78	\$ 1,590.61	5,736.61		
Municipal Clerk							
Salaries and Wages	91,000.00	93,000.00	92,805.61		194.39		
Other Expenses	17,550.00	17,550.00	14,241.26	205.63	3,103.11		
Financial Administration							
Salaries and Wages	64,000.00	64,000.00	62,789.74		1,210.26		
Other Expenses	16,450.00	18,450.00	11,634.10	399.99	6,415.91		
Assessment of Taxes							
Salaries and Wages	23,500.00	23,500.00	23,041.08		458.92		
Other Expenses							
Maintenance of Tax Map	1,500.00	1,500.00	941.00		559.00		
Maintenance Other Expenses	15,800.00	15,800.00	3,050.98	1,417.80	11,331.22		
Collection of Taxes							
Salaries and Wages	27,500.00	27,500.00	27,148.72		351.28		
Other Expenses	10,700.00	10,700.00	6,511.57	1,458.56	2,729.87		
Legal Services and Costs							
Other Expenses	253,500.00	218,500.00	161,853.42		56,646.58		
Engineering Services and Costs							
Other Expenses	100,000.00	78,000.00	38,305.41	3,245.00	36,449.59		
Historical Preservation Commission							
Salaries	300.00	300.00			300.00		
Other Expenses	600.00	600.00	599.13		0.87		
Municipal Land Use Law (N.J.S.40:55D-1):							
Planning Board							
Salaries and Wages	7,600.00	7,600.00	7,588.98		11.02		
Other Expenses	36,350.00	36,350.00	24,026.70		12,323.30		
Mayor and Council							
Salaries and Wages	32,500.00	32,500.00	32,500.00				
Other Expenses	5,650.00	5,650.00	899.97		4,750.03		
Audit Service							
Other Expenses	30,000.00	30,000.00	30,000.00				
Insurance							
Group Plan for Employees	45,000.00	45,000.00	44,354.00		646.00		
Liability Insurance	108,000.00	108,000.00	97,872.70		10,127.30		
Workers Compensation Insurance	338,000.00	338,000.00	312,293.31		25,706.69		
Health Benefit Waiver Buy Back	4,000.00	4,000.00	2,500.00		1,500.00		

(Continued)

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

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	
Recreation and Education					
Parks and Playgrounds					
Salaries and Wages	\$ 5,000.00	\$ 5,000.00	\$ 4,999.96		0.04
Other Expenses	90,500.00	90,500.00	77,771.67	4,271.32	8,457.01
Senior Citizen Programs	500.00	1,000.00			1,000.00
Celebration of Public Events					
Other Expenses	11,600.00	11,600.00	4,223.80		7,376.20
OPERATIONS--WITHIN "CAPS" (CONTD)					
Unclassified:					
Utilities:					
Electricity	78,000.00	78,000.00	54,591.47		23,408.53
Street Lighting	114,000.00	114,000.00	100,818.01		13,181.99
Telephone	14,000.00	14,000.00	9,200.45		4,799.55
Water	3,000.00	3,000.00	708.49		2,291.51
Natural Gas	8,000.00	8,000.00	6,271.84		1,728.16
Telecommunications	6,000.00	6,500.00	6,448.06		51.94
Gasoline	80,000.00	80,000.00	44,027.96		35,972.04
State Uniform Construction Code:					
Construction Official	160,000.00	160,000.00	156,382.44		3,617.56
Salaries and Wages	5,700.00	6,700.00	4,356.37	1,108.61	1,235.02
Other Expenses					
Property Maintenance Code Enforcement					
Other Expenses	33,000.00	13,000.00	285.00	60.00	12,655.00
Total Operations --within "CAPS"	2,870,798.00	2,870,798.00	2,351,563.07	124,662.06	394,572.87
Detail:					
Salaries and Wages	1,163,510.00	1,180,510.00	1,132,055.96		48,454.04
Other Expenses (Including Contingent)	1,707,288.00	1,690,288.00	1,219,507.11	124,662.06	346,118.83

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

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	
<u>OPERATIONS-- EXCLUDED FROM "CAPS" (CONT'D)</u>					
Detail:					
Salaries and Wages	\$ 643,690.00	\$ 643,690.00	\$ 526,247.75	\$ 117,442.25	
Other Expenses	268,362.52	579,457.22	498,811.80	25,860.14	54,785.28
<u>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</u>					
Capital Improvement Fund	25,000.00	25,000.00	25,000.00	-	-
Total Capital Improvements	25,000.00	25,000.00	25,000.00	-	-
<u>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</u>					
Payment of Bond Principal	285,000.00	285,000.00	285,000.00		\$ 1,568.75
Interest on Bonds	251,000.00	251,000.00	249,431.25		
Total Municipal Debt Service-- Excluded from "CAPS"	536,000.00	536,000.00	534,431.25	-	1,568.75
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,473,052.52	1,784,147.22	1,584,490.80	25,860.14	172,227.53
Subtotal General Appropriations	4,790,000.00	5,101,094.70	4,359,593.91	150,522.20	586,769.84
Reserve for Uncollected Taxes	500,000.00	500,000.00	500,000.00		
Total General Appropriations	\$ 5,290,000.00	\$ 5,601,094.70	\$ 4,859,593.91	\$ 150,522.20	\$ 586,769.84
Adopted Budget	\$ 5,290,000.00				
Appropriations by N.J.S.A. 40A:4-87	311,094.70				
	\$ 5,601,094.70				
Disbursed			\$ 4,020,099.51		
Reserve for Uncollected Taxes			500,000.00		
Due Animal Control Trust Fund			37.18		
Capital Improvement Fund - Due General Capital Fund			25,000.00		
Reserve for Federal and State Grant Funds - Appropriated			314,457.22		
			\$ 4,859,593.91		

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

<u>ASSETS</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Cash	SC-1	\$ 1,172,769.08	\$ 1,041,380.50
Accounts Receivable:			
Due from County - Open Space Funds	SC-8	144,000.00	156,000.00
Due Current Fund	SC-6	239,393.45	440,533.71
Deferred Charges to Future Taxation:			
Funded	SC-3	7,615,000.00	7,900,000.00
Unfunded	SC-4	1,319,720.87	1,319,720.87
		<u>\$ 10,490,883.40</u>	<u>\$ 10,857,635.08</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-14	\$ 7,615,000.00	\$ 7,900,000.00
Improvement Authorizations:			
Funded	SC-5	806,892.03	717,951.72
Unfunded	SC-5	314,598.25	334,596.25
Capital Improvement Fund	SC-9	135,169.42	120,169.42
Reserve for Grants Receivable	SC-8	144,000.00	156,000.00
Reserve for Encumbrances	SC-7	72,544.45	198,733.56
Reserve for Transportation Improvements	SC-10	147,635.33	5,000.21
Reserve for Road Improvements	C	350,000.00	350,000.00
Reserve for Open Space	SC-12	167,351.39	207,351.39
Reserve for Recreation Improvements	SC-11	708,269.49	788,169.49
Reserve for Payment of Debt	SC-13	15,120.00	15,360.00
Fund Balance	C-1	14,303.04	64,303.04
		<u>\$ 10,490,883.40</u>	<u>\$ 10,857,635.08</u>

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

TOWNSHIP OF CHESTERFIELD
SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
 As of December 31, 2019 and 2018

<u>ASSETS</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Operating Fund:			
Cash	SD-1	\$ 3,211,118.22	\$ 3,166,700.65
Receivables with Full Reserves:			
Sewer Rents Receivable	SD-4	148,304.25	150,849.53
Total Operating Fund		<u>3,359,422.47</u>	<u>3,317,550.18</u>
Capital Fund:			
Due Sewer Operating Fund	SD-8	250,571.78	266,125.53
Fixed Capital	SD-6	19,495.00	19,495.00
Fixed Capital Authorized and Uncompleted	SD-7	6,190,000.00	6,190,000.00
Total Capital Fund		<u>6,460,066.78</u>	<u>6,475,620.53</u>
		<u>\$ 9,819,489.25</u>	<u>\$ 9,793,170.71</u>

(Continued)

TOWNSHIP OF CHESTERFIELD
SEWER UTILITY OPERATING FUND
 Statements of Operations and Changes in Fund Balance - Regulatory Basis
 For the Years Ended December 31, 2019 and 2018

<u>Revenue and Other Income Realized</u>	<u>2019</u>	<u>2018</u>
Operating Surplus Anticipated	\$ 308,600.00	\$ 302,600.00
Sewer Rents and Liens	492,687.78	337,501.63
Miscellaneous	49,127.98	49,316.74
Connection Fees	173,807.44	290,500.04
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	111,851.99	112,312.45
Total Income	<u>1,136,075.19</u>	<u>1,092,230.86</u>
 <u>Expenditures</u>		
Operating	309,600.00	308,600.00
Capital Improvements	50,000.00	50,000.00
Debt Service	376,506.88	375,308.34
Deferred Charges and Statutory Expenditures	5,000.00	4,000.00
Total Expenditures	<u>741,106.88</u>	<u>737,908.34</u>
Excess in Revenue	394,968.31	354,322.52
 <u>Fund Balance</u>		
Balance Jan. 1	<u>2,722,612.30</u>	<u>2,670,889.78</u>
	3,117,580.61	3,025,212.30
Decreased by:		
Utilized as Revenue	<u>308,600.00</u>	<u>302,600.00</u>
Balance Dec. 31	<u>\$ 2,808,980.61</u>	<u>\$ 2,722,612.30</u>

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

TOWNSHIP OF CHESTERFIELD
SEWER UTILITY OPERATING FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	Original Budget	Budget After Modification	Expended	Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 46,000.00	\$ 46,000.00	\$ 44,729.18	\$ 36.92	\$ 1,270.82	
Other Expenses	263,600.00	263,600.00	133,422.15		130,140.93	
Total Operating	309,600.00	309,600.00	178,151.33	36.92	131,411.75	-
Capital Improvements:						
Capital Improvement Fund	50,000.00	50,000.00	50,000.00			
Debt Service:						
New Jersey Infrastructure Loans:						
Payment of Bonds (Share of Debt)	350,000.00	350,000.00	345,760.00			\$ 4,240.00
Interest on Bonds (Share of Debt)	45,000.00	45,000.00	30,746.88			14,253.12
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	5,000.00	5,000.00	3,421.70		1,578.30	
	\$ 759,600.00	\$ 759,600.00	\$ 608,079.91	\$ 36.92	\$ 132,990.05	\$ 18,493.12
Disbursed			\$ 527,333.03			
Due Sewer Utility Capital Fund			50,000.00			
Accrued Interest on Bonds and Notes			30,746.88			
			\$ 608,079.91			

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Chesterfield (hereafter referred to as the "Township") was incorporated as a township by an act of the New Jersey legislature on February 21, 1798. The Township, located in Burlington County, New Jersey, has a total area of approximately twenty-two square miles, and is located approximately twenty-seven miles from the City of Philadelphia. The Township borders Bordentown, Mansfield, North Hanover, Springfield and Hamilton Townships. According to the 2010 census, the population is 7,699.

The Township is governed under the Township Committee form of government, with a five-member Committee. The Committee is elected directly by the voters in partisan elections to serve three-year terms of office on a staggered basis, with one or two seats coming up for election each year. At an annual reorganization meeting, the Committee selects one of its members to serve as Mayor and another as Deputy Mayor. Legislative and executive power is vested in the Committee.

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

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

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

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

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

Sewer Utility Operating and Capital Fund - The sewer utility operating and capital fund accounts for the operations and acquisition of capital facilities of the municipally owned sewer operations.

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

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

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

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

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

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

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

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

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

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

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

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

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2019, the Township's bank balances of \$14,019,665.07 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 13,630,671.12
Uninsured and Uncollateralized	<u>388,993.95</u>
Total	<u>\$ 14,019,665.07</u>

New Jersey Cash Management Fund - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2019, the Township's deposits with the New Jersey Cash Management Fund were \$265,167.44.

Note 3: PROPERTY TAXES (CONT'D)

Five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (cont'd):

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2019		\$ 256,728.36	\$ 256,728.36	1.04%
2018	\$ 28,439.33	303,591.32	332,030.65	1.41%
2017	20,421.71	219,529.64	239,951.35	1.06%
2016	1,521.00	254,915.00	256,436.00	1.20%
2015		303,995.00	303,995.00	1.53%

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

<u>Year</u>	<u>Number</u>
2019	0
2018	4
2017	4
2016	1
2015	0

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2019	\$ 53,000.00
2018	53,000.00
2017	53,000.00
2016	53,000.00
2015	645,500.00

Note 5: SEWER UTILITY SERVICE CHARGES

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

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2019	\$ 150,849.53		\$ 491,415.41	\$ 642,264.94	\$ 492,687.78
2018	39,090.51	\$ 91.00	449,260.65	488,442.16	337,501.63
2017	42,696.33		408,148.93	450,845.26	411,663.75
2016	32,919.06		399,639.54	432,558.60	389,862.27
2015	34,818.63		371,388.81	406,207.44	373,288.38

Note 8: PENSION PLANS

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

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

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

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

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

Vesting and Benefit Provisions

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

The following represents the membership tiers for PERS:

Tier Definition

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

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

Public Employees' Retirement System (Cont'd) - Based on the most recent PERS measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 is \$84,225.00, and was payable by April 1, 2020. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2018, the Township's contractually required contribution to the pension plan for the year ended December 31, 2018 was \$89,586.00, which was paid on April 1, 2019. Employee contributions to the Plan during the year ended December 31, 2019 were \$54,628.98.

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

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

The Township's contractually required contribution rate for the year ended December 31, 2019 was 26.51% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 is \$206,208.00, and was payable by April 1, 2020. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2018, the Township's contractually required contribution to the pension plan for the year ended December 31, 2018 was \$182,586.00, which was paid on April 1, 2019. Employee contributions to the Plan during the year ended December 31, 2019 were \$78,804.00.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2019 was 3.42% of the Township's covered payroll.

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

Police and Firemen's Retirement System (Cont'd) - At December 31, 2019, the Township's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is \$197,933.00. This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2019, the Township's contribution to PFRS was \$182,586.00, and was paid on April 1, 2019.

At December 31, 2019, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Township, calculated by the Plan as of the June 30, 2019 measurement date is \$45,836.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

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

	<u>Deferred Outflows of Resources</u>			<u>Deferred Inflows of Resources</u>		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 28,003.00	\$ 21,089.00	\$ 49,092.00	\$ 6,892.00	\$ 15,817.00	\$ 22,709.00
Changes of Assumptions	155,791.00	85,605.00	241,396.00	541,538.00	807,420.00	1,348,958.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	24,628.00	33,851.00	58,479.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	67,960.00	441,517.00	509,477.00	76,785.00	45,276.00	122,061.00
Township Contributions Subsequent to the Measurement Date	42,113.00	103,104.00	145,217.00	-	-	-
	<u>\$ 293,867.00</u>	<u>\$ 651,315.00</u>	<u>\$ 945,182.00</u>	<u>\$ 649,843.00</u>	<u>\$ 902,364.00</u>	<u>\$ 1,552,207.00</u>

\$42,113.00 and \$103,104.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2020. These amounts were based on an estimated April 1, 2021 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2019 to the Township's year end of December 31, 2019.

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

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

Year Ending Dec 31,	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2020	\$ (25,297.00)	\$ (25,399.00)	\$ (50,696.00)
2021	(156,309.00)	(155,749.00)	(312,058.00)
2022	(136,918.00)	(124,426.00)	(261,344.00)
2023	(70,098.00)	(37,551.00)	(107,649.00)
2024	(9,467.00)	(11,028.00)	(20,495.00)
	<u>\$ (398,089.00)</u>	<u>\$ (354,153.00)</u>	<u>\$ (752,242.00)</u>

Actuarial Assumptions

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

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

(1) Based on Years of Service

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

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

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

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

	PERS		
	1% Decrease (5.28%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
Township's Proportionate Share of the Net Pension Liability	\$ 1,970,775.00	\$ 1,560,191.00	\$ 1,214,216.00

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

	PFRS		
	1% Decrease (5.85%)	Current Discount Rate (6.85%)	1% Increase (7.85%)
Township's Proportionate Share of the Net Pension Liability	\$ 3,376,760.00	\$ 2,498,277.00	\$ 1,771,206.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	533,197.00	394,483.00	279,677.00
	<u>\$ 3,909,957.00</u>	<u>\$ 2,892,760.00</u>	<u>\$ 2,050,883.00</u>

Note 8: PENSION PLANS (CONT'D)

Supplementary Pension Information (Cont'd)

Schedule of the Township's Contributions - Public Employees' Retirement System (PERS) (Last Seven Years)

	<u>Year Ended December 31,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Contractually Required Contribution	\$ 84,225.00	\$ 89,586.00	\$ 81,125.00	\$ 78,399.00
Township's Contribution in Relation to the Contractually Required Contribution	\$ (84,225.00)	(89,586.00)	(81,125.00)	(78,399.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 720,584.00	\$ 654,374.00	\$ 628,537.00	\$ 620,559.00
Township's Contributions as a Percentage of Covered Payroll	11.69%	13.69%	12.91%	12.63%

	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 76,861.00	\$ 64,515.00	\$ 56,265.00
Township's Contribution in Relation to the Contractually Required Contribution	(76,861.00)	(64,515.00)	(56,265.00)
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 613,943.00	\$ 581,496.00	\$ 549,554.00
Township's Contributions as a Percentage of Covered Payroll	12.52%	11.09%	10.24%

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

	<u>Year Ended December 31,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Township's Contractually Required Contribution	\$ 206,208.00	\$ 182,586.00	\$ 160,021.00	\$ 143,653.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(206,208.00)</u>	<u>(182,586.00)</u>	<u>(160,021.00)</u>	<u>(143,653.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 777,954.00	\$ 703,424.00	\$ 655,589.00	\$ 614,114.00
Township's Contributions as a Percentage of Covered Payroll	26.51%	25.96%	24.41%	23.39%
	<u>Year Ended December 31,</u>			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Contractually Required Contribution	\$ 118,813.00	\$ 125,779.00	\$ 164,685.00	
Township's Contribution in Relation to the Contractually Required Contribution	<u>(118,813.00)</u>	<u>(125,779.00)</u>	<u>(164,685.00)</u>	
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Township's Covered Payroll (Calendar Year)	\$ 588,398.00	\$ 466,622.00	\$ 517,163.00	
Township's Contributions as a Percentage of Covered Payroll	20.19%	26.96%	31.84%	

Note 8: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information (Cont'd)*****Police and Firemen's Retirement System (PFRS) (Cont'd)*****Changes in Assumptions (Cont'd)**

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

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

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**General Information about the OPEB Plan (Cont'd)**

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

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

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

- a) the State's proportion (percentage) of the collective net OPEB liability that is associated with the Township,
- b) the State's proportionate share of the collective net OPEB liability that is associated with the Township, and
- c) the State's proportionate share of the OPEB (benefit) expense that is associated with the Township.

The amount of actual contributions to the OPEB Plan made by the State, on-behalf of the Township, is not known, however, under the Special Funding Situation, the State's OPEB (benefit) expense, on-behalf of the Township, is \$29,491.00 for the year ended December 31, 2019 representing 3.79% of the Township's covered payroll.

OPEB Liability and OPEB (Benefit) Expense

OPEB Liability - At December 31, 2019 the State's proportionate Share of the Net OPEB liability associated with the Township is \$2,224,224.00. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.

The State's proportion of the net OPEB liability, on-behalf of the Township, was based on the ratio of the plan members of an individual employer to the total members of the Plan's special funding situation during the measurement period July 1, 2018 through June 30, 2019. For the June 30, 2019 measurement date, the State's proportion on-behalf of the Township was 0.040252% which was a decrease of 0.001978% from its proportion measured as of the June 30, 2018 measurement date.

OPEB (Benefit) Expense - At December 31, 2019, the State's proportionate share of the OPEB (benefit) expense, associated with the Township, calculated by the Plan as of the June 30, 2019 measurement date, is \$29,491.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

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

As previously mentioned, the OPEB Plan has a special funding situation where the State of New Jersey pays the Township's contributions for certain eligible employees. As such, the proportionate share of the net OPEB liability as of June 30, 2019, the Plan's measurement date, calculated using a discount rate of 3.50%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	1% Decrease <u>(2.50%)</u>	Current Discount Rate <u>(3.50%)</u>	1% Increase <u>(4.50%)</u>
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Township	<u>\$ 2,571,769.00</u>	<u>\$ 2,224,224.00</u>	<u>\$ 1,941,798.00</u>

Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Township	<u>\$ 1,876,971.00</u>	<u>\$ 2,224,224.00</u>	<u>\$ 2,667,204.00</u>

OPEB Plan Fiduciary Net Position

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

Supplementary OPEB Information

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

Note 10: COMPENSATED ABSENCES

Under the existing policy of the Township, certain employees are entitled to accumulate annual unused sick leave and vacation days. Unused sick leave may be accumulated and carried forward to the subsequent year. Vacation days not used during the year may not be accumulated and carried forward.

The Township compensates employees for unused sick leave upon termination or retirement. There is a maximum payout of \$2,500.00.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2019, accrued benefits for compensated absences are valued at \$49,846.32.

Note 11: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 12: LEASE OBLIGATIONS

At December 31, 2019, the Township had lease agreements in effect for the following:

Operating:
 Two (2) Copiers
 One (1) Postage Meter

Operating Leases - Future minimum lease payments under operating lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 5,398.08
2021	3,925.04

Rental payments under operating leases for the year 2019 were \$5,398.08.

Note 13: CAPITAL DEBT (CONT'D)

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Issued</u>			
General:			
Bonds	\$ 7,615,000.00	\$ 7,900,000.00	\$ 8,170,000.00
Sewer Utility:			
Loans	870,353.84	1,216,113.84	1,551,448.00
Total Issued	<u>8,485,353.84</u>	<u>9,116,113.84</u>	<u>9,721,448.00</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	1,319,720.87	1,319,720.87	1,319,721.00
Sewer Utility:			
Bonds and Notes	58,360.00	58,360.00	58,360.00
Total Authorized but not Issued	<u>1,378,080.87</u>	<u>1,378,080.87</u>	<u>1,378,081.00</u>
Total Issued and Authorized but not Issued	<u>9,863,434.71</u>	<u>10,494,194.71</u>	<u>11,099,529.00</u>
<u>Deductions</u>			
General:			
Reserve for Payment of Bonds	15,120.00	15,360.00	15,600.00
County Open Space Receivable	144,000.00	156,000.00	168,000.00
Self-Liquidating	928,713.84	1,274,473.84	1,609,808.00
Total Deductions	<u>1,087,833.84</u>	<u>1,445,833.84</u>	<u>1,793,408.00</u>
Net Debt	<u>\$ 8,775,600.87</u>	<u>\$ 9,048,360.87</u>	<u>\$ 9,306,121.00</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 2.605%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Purposes	\$ 32,805,000.00	\$ 20,364,474.21	\$ 12,440,525.79
Regional School Purposes	13,828,417.76	13,828,417.76	
Self-Liquidating	928,713.84	928,713.84	
General	8,934,720.87	159,120.00	8,775,600.87
	<u>\$ 56,496,852.47</u>	<u>\$ 35,280,725.81</u>	<u>\$ 21,216,126.66</u>

Net debt \$21,216,126.66 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$814,578,968.33, equals 2.605%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 28,510,263.89
Less: Net Debt	<u>21,216,126.66</u>
Remaining Borrowing Power	<u>\$ 7,294,137.23</u>

Note 15: RISK MANAGEMENT

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

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

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

<u>Year</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019	\$ 10,000.00	\$ 2,809.76	\$ 407.81	\$ 64,497.25
2018	10,000.00	2,593.32	3,622.43	52,095.30
2017	10,000.00	2,496.74	2,285.15	43,124.41

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

- Workers' Compensation including Employer's Liability
- General Liability including Police Professional and Employee Benefit Liability
- Automobile Liability
- Blanket Crime including Public Employee Dishonesty
- Property Including Boiler and Machinery
- Public Officials and Employment Practices Liability
- Volunteer Directors and Officers Liability
- Cyber Liability
- Environmental Legal Liability

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The Township's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report which can be obtained from:

Burlington County Municipal Joint Insurance Fund
P.O. Box 489
Marlton, New Jersey 08053

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF CHESTERFIELD
CURRENT FUND

Statement of Current Cash Per N.J.S.40A:5-5 - Chief Financial Officer
For the Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 5,624,769.86
Increased by Receipts:		
Tax Collector	\$ 24,845,180.29	
Revenue Accounts Receivable	433,109.97	
Energy Receipts Tax	512,715.00	
Reserve for Recreation Building Deposits	20.00	
Miscellaneous Revenue not Anticipated	807,741.83	
Reserve for Marriage Licenses	750.00	
Reserve for DCA Fees	15,785.00	
Petty Cash	100.00	
Reserve for Pipeline Community Impacts	517,860.00	
Reserve for Redemption of Tax Title Liens	60,313.26	
Due Trust Other Fund	2,355.44	
Due General Capital Fund	22,846.75	
Due Federal and State Grant Fund	<u>237,971.99</u>	
		<u>27,456,749.53</u>
		33,081,519.39
Decreased by Disbursements:		
2019 Appropriations	4,020,099.51	
2018 Appropriation Reserves and Encumbrances	136,025.93	
Accounts Payable	410.23	
County Taxes Payable	3,323,826.76	
Due County - Added and Omitted Taxes	58,219.82	
Local District School Taxes Payable	11,491,849.50	
Regional School Taxes Payable	5,411,709.78	
Fire District Taxes Payable	935,614.00	
Reserve for Recreation Building Deposits	20.00	
Reserve for Marriage Licenses	825.00	
Reserve for DCA Fees	14,116.00	
Petty Cash	100.00	
Change Funds	200.00	
Tax Overpayments	43,672.91	
Reserve for Redemption of Tax Title Liens	60,313.26	
Due General Capital Fund	193,627.01	
Due Federal and State Grant Fund	<u>283,687.20</u>	
		<u>25,974,316.91</u>
Balance Dec. 31, 2019		<u><u>\$ 7,107,202.48</u></u>

TOWNSHIP OF CHESTERFIELD
CURRENT FUND

Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2019

Year	Balance Dec. 31, 2018	2019 Levy	Added	2018 Collections	2019	Due from State of New Jersey	Appeals/ Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2019
2018	\$ 303,591.32		\$ 6,921.47	\$ 168,366.30	\$ 310,504.42				8.37
2019		\$ 24,650,273.45		\$ 24,176,960.29		\$ 26,318.49	\$ 19,298.91	\$ 2,609.47	256,719.99
	<u>\$ 303,591.32</u>	<u>\$ 24,650,273.45</u>	<u>\$ 6,921.47</u>	<u>\$ 168,366.30</u>	<u>\$ 24,487,464.71</u>	<u>\$ 26,318.49</u>	<u>\$ 19,298.91</u>	<u>\$ 2,609.47</u>	<u>\$ 256,728.36</u>
 <u>Analysis of 2019 Tax Levy</u>									
<u>Tax Yield</u>									
General Purpose Tax									
Added Taxes (54:4-63.1 et seq.)									
				\$ 24,238,814.75					
				<u>411,458.70</u>					
						<u>\$ 24,650,273.45</u>			
 <u>51 Tax Levy</u>									
Local District School Tax									
Regional High School									
Fire District Tax									
County Taxes:									
County Tax									
County Library Tax									
County Open Space									
			\$ 2,810,689.55						
			262,664.94						
			<u>250,472.27</u>						
			3,323,826.76						
			<u>58,942.38</u>						
 Due County for Added Taxes									
					3,382,769.14				
 Total County Taxes									
 Local Tax for Municipal Purposes									
Add: Additional Tax Levied									
				2,724,562.48					
				<u>361,266.83</u>					
 Local Tax for Municipal Purposes Levied									
					<u>3,085,829.31</u>				
									<u>\$ 24,650,273.45</u>

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

	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>Accrued</u> <u>in 2019</u>	<u>Realized</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
Clerk:				
Licenses:				
Alcoholic Beverages		\$ 5,000.00	\$ 5,000.00	
Other		2,090.00	2,090.00	
Fees and Permits	\$ 69,226.17	85,319.37	85,731.17	\$ 68,814.37
Municipal Court:				
Fines and Costs	6,445.42	109,305.07	107,855.57	7,894.92
Interest on Investments		41,705.23	41,705.23	
Uniform Construction Code Fees		190,728.00	190,728.00	
	<u>\$ 75,671.59</u>	<u>\$ 434,147.67</u>	<u>\$ 433,109.97</u>	<u>\$ 76,709.29</u>

TOWNSHIP OF CHESTERFIELD
CURRENT FUND

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

Balance Dec. 31, 2018		\$ 5,326.42
Increased by:		
Receipts - Collector		25,818.49
		31,144.91
Decreased by:		
2019 Senior Citizens' Deductions per Tax Billing	\$ 2,000.00	
2019 Veterans' Deductions per Tax Billing	24,000.00	
Veterans' and Senior Citizens' Deductions Allowed by Tax Collector - 2019 Taxes	1,500.00	
		\$ 27,500.00
Less:		
Deductions Disallowed by Tax Collector - 2019 Taxes		1,181.51
		26,318.49
Balance Dec. 31, 2019		\$ 4,826.42

TOWNSHIP OF CHESTERFIELD
CURRENT FUND
Statement of 2018 Appropriation Reserves and Encumbrances
For the Year Ended December 31, 2019

	Balance Dec. 31, 2018		Budget After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
<u>Streets and Roads (Cont'd)</u>					
Public Buildings and Grounds					
Salaries and Wages		\$ 3,000.00	\$ 3,000.00		\$ 3,000.00
Other Expenses	\$ 10,405.54	25.40	10,430.94	\$ 9,723.37	707.57
Maintenance of Vehicles					
Other Expenses	2,315.23	2,779.26	5,094.49	1,507.23	3,587.26
<u>Health and Welfare</u>					
Board of Health					
Salaries and Wages		972.75	972.75		972.75
Other Expenses	255.00	175.00	430.00	255.00	175.00
Animal Control					
Other Expenses		324.47	324.47	85.00	239.47
Environmental Commission (NJS 40:56A-1 et seq)					
Salaries and Wages		12.11	12.11		12.11
Other Expenses	4,000.00	4,424.28	8,424.28	4,250.00	4,174.28
<u>Recreation and Education</u>					
Parks and Playgrounds					
Salaries and Wages		0.03	0.03		0.03
Other Expenses	175.00	16,383.46	16,558.46	195.00	16,363.46
Senior Citizen Programs					
Other Expenses		1,000.00	1,000.00		1,000.00
Celebration of Public Events					
Other Expenses		2,800.00	2,800.00		2,800.00
<u>Unclassified</u>					
Utilities					
Gasoline		26,777.16	26,777.16	2,910.50	23,866.66
Electricity		14,397.90	14,397.90	6,296.01	8,101.89
Telecommunications		116.24	316.24	198.67	117.57
Street Lighting		10,996.47	10,996.47	8,698.81	2,297.66
Telephone	636.04	5,179.25	5,815.29	636.04	5,179.25
Natural Gas		2,142.48	2,142.48	931.03	1,211.45
State Uniform Construction Code					
Construction Official					
Salaries and Wages		5,192.77	5,192.77		5,192.77
Other Expenses	198.81	2,648.76	2,847.57	198.81	2,648.76
Property Maintenance Code Enforcement					
Other Expenses		30,000.00	30,000.00		30,000.00
<u>Statutory Expenditures</u>					
Social Security System (O.A.S.I.)		17,610.65	17,410.65		17,410.65
Defined Contribution Retirement Program		1,000.00	1,000.00		1,000.00
<u>Operations Excluded from "CAPS"</u>					
Appropriation "CAP" Waiver (40A:4-45.3ee):					
Public Safety					
Police - Salaries and Wages		84,286.95	84,286.95		84,286.95
Ambulance Service - Contractual		7,083.34	7,083.34	7,083.33	0.01
Shared Service Agreements					
Municipal Court - North Hanover Township		73,086.87	73,086.87	30,913.02	42,173.85
Public and Private Programs Offset by Revenues:					
Matching Funds for Grants		5,000.00	5,000.00		5,000.00
Totals	\$ 59,523.49	\$627,340.64	\$ 686,864.13	\$ 150,333.68	\$ 536,530.45
Disbursed				\$ 136,025.93	
Accounts Payable				14,307.75	
				<u>\$ 150,333.68</u>	

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

2019 Tax Levy:		
County Tax	\$	2,810,689.55
County Library Tax		262,664.94
County Open Space Tax		<u>250,472.27</u>
		\$ 3,323,826.76
Decreased by:		
Payments		<u>\$ 3,323,826.76</u>

CURRENT FUND
 Statement of Due County for Added and Omitted Taxes
 For the Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 58,219.82
Increased by:		
2019 Omitted/Added Taxes		<u>58,942.38</u>
		117,162.20
Decreased by:		
Payments		<u>58,219.82</u>
Balance Dec. 31, 2019		<u>\$ 58,942.38</u>

TOWNSHIP OF CHESTERFIELD
CURRENT FUND
Statement of Reserve for Recreation Building Deposits
For the Year Ended December 31, 2019

Balance Dec. 31, 2018	\$ 325.00
Increased by:	
Receipts	<u>20.00</u>
	345.00
Decreased by:	
Disbursements	<u>20.00</u>
Balance Dec. 31, 2019	<u><u>\$ 325.00</u></u>

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

<u>Program</u>	<u>Balance Dec. 31, 2018</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2019</u>
Federal Grant:				
Bulletproof Vest Program	\$ 4,827.62		\$ 2,944.46	\$ 1,883.16
State Grants:				
Safe and Secure Communities	10,416.62	\$ 25,000.00	25,000.00	10,416.62
New Jersey Department of Transportation Grant:				
Harker Road	205,000.00			205,000.00
Harker Road Phase 2	240,000.00			240,000.00
Sykesville Road		250,000.00		250,000.00
New Jersey Department of Energy and Protection:				
Green Communities Program	3,000.00		2,990.00	10.00
Clean Communities Program		15,245.89	15,245.89	
Recycling Tonnage		3,362.10	3,362.10	
Body Armor Replacement		1,409.99	1,409.99	
Drunk Driving Enforcement Fund		5,718.81	5,718.81	
Municipal Alliance Program:				
2018	12,104.00		11,737.84	366.16
2019		12,104.00		12,104.00
2019 Match		3,026.00	3,026.00	
Total State Grants	<u>470,520.62</u>	<u>315,866.79</u>	<u>68,490.63</u>	<u>717,896.78</u>
Local Grants:				
Burlington County Municipal Park Program - 2016	50,000.00		45,586.90	4,413.10
Burlington County Municipal Park Program - 2017	120,950.00		120,950.00	
Total Local Grants	<u>170,950.00</u>	<u>-</u>	<u>166,536.90</u>	<u>4,413.10</u>
Grand Total	<u>\$ 646,298.24</u>	<u>\$ 315,866.79</u>	<u>\$ 237,971.99</u>	<u>\$ 724,193.04</u>

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

<u>Program</u>	<u>Balance Dec. 31, 2018</u>	<u>2019 Budget Appropriation</u>	<u>Prior Year Contracts Payable / Encumbrances Canceled</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2019</u>
Federal Grants:					
Bulletproof Vest Program - 2016	\$ 1,879.12			\$ 1,860.00	\$ 19.12
Bulletproof Vest Program - 2017	368.87				368.87
Total Federal Grants	2,247.99	-	-	1,860.00	387.99
State Grants:					
New Jersey Department of Transportation:					
Harker Road	28,593.70		\$ 13,019.88	16,191.84	25,421.74
Harker Road Phase 2	50,384.50		167,408.70	196,575.37	21,217.83
Sykesville Road		\$ 250,000.00			250,000.00
Safe and Secure Communities Grant:					
2018	4,166.60			4,166.60	
2019		25,000.00		20,833.40	4,166.60
Reforestation Grant - 2012	1,704.16		13,079.13	13,079.13	1,704.16
Reforestation Grant - 2013	113,007.77		5,587.80	5,587.80	113,007.77
Drunk Driving Enforcement Fund	10,242.14	5,718.81	223.99	1,511.64	14,673.30
Donation to Police	1,587.55				1,587.55
New Jersey Department of Energy and Protection:					
Clean Communities Program - 2016	12,381.52			11,856.30	525.22
Clean Communities Program - 2017	13,581.18			363.49	13,217.69
Clean Communities Program - 2018	7,383.28		425.34	2,241.12	5,567.50
Clean Communities Program - 2019		15,245.89		12,198.25	3,047.64
Green Communities - 2006	1,536.00				1,536.00
Green Communities - 2018	10.00				10.00
Alcohol Education & Rehabilitation	372.50				372.50
Alcohol Education & Rehabilitation - 2017	386.04				386.04
Recycling Tonnage Grant:					
2015	703.31			402.99	300.32
2016	3,513.18				3,513.18
2017	2,543.00				2,543.00
2018	1,641.40			200.00	1,441.40
2019		1,952.53			1,952.53
Body Armor Replacement Grant:					
2014	1,549.14			1,549.14	
2016	1,426.14			310.86	1,115.28
2017	1,301.99				1,301.99
2018	1,303.45				1,303.45
2019		1,409.99			1,409.99
Municipal Alliance Program:					
2018	3,586.35			2,453.89	1,132.46
2018 Match	836.78			667.96	168.82
2019		12,104.00		8,592.44	3,511.56
2019 Match		3,026.00		2,098.11	927.89
Total State Grants	263,741.68	314,457.22	199,744.84	300,880.33	477,063.41
Local Grants:					
Burlington County Park Grant - Pedestrian and Bike Paths	14,203.40				14,203.40
Burlington County Municipal Park Program - 2015	5,113.10				5,113.10
Comcast Technology - 2018	9,782.61		217.39	7,529.04	2,470.96
Matching Funds for Grants	3,000.00				3,000.00
Total Local Grants	32,099.11	-	217.39	7,529.04	24,787.46
	\$ 298,088.78	\$ 314,457.22	\$ 199,962.23	\$ 310,269.37	\$ 502,238.86
Original Budget		\$ 3,362.52		\$ 283,687.20	Due Current Fund
Appropriated by 40A:4-87		311,094.70		26,582.17	Encumbrances
		\$ 314,457.22		\$ 310,269.37	

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF CHESTERFIELD
TRUST FUNDS
 Statement of Trust Cash Per N.J.S.40A:5-5 - Chief Financial Officer
 For the Year Ended December 31, 2019

	Animal Control	Other
Balance Dec. 31, 2018	\$ 30.62	\$ 2,108,550.00
Increased by Receipts:		
Reserve for Animal Control Expenditures	\$ 6,596.20	
Due State of New Jersey	919.80	
Net Payroll		\$ 1,142,266.73
Reserve for Payroll Deductions Payable		809,558.70
Reserve for Unemployment Trust		12,809.76
Reserve for Escrow Deposits		332,554.95
Reserve for Police Special Duty		181,453.75
Reserve for Public Defender		1,254.00
Reserve for Affordable Housing Trust		7,159.00
Reserve for Tax Sale Premiums		121,000.00
Reserve for Basin Maintenance		163,593.56
Reserve for Municipal Drug Alliance		16,925.00
Reserve for The Green Team		500.00
Reserve for Basin Landscaping		5,813.95
Reserve for Harvest Festival		3,145.00
Due Current Fund	8.40	13,513.11
	<u>7,524.40</u>	<u>2,811,547.51</u>
Carried Forward	7,555.02	4,920,097.51

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

Receipts - Dog License Fees Collected	\$	6,596.20
Decreased by:		
Disbursements		3,850.40
Balance Dec. 31, 2019	\$	2,745.80
 <u>License Fees Collected</u>		
<u>Year</u>		<u>Amount</u>
2018	\$	4,440.40
2017		5,124.83
	\$	9,565.23

Exhibit SB-3

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

Balance Dec. 31, 2018	\$	67.80
Increased by:		
Receipts		919.80
		987.60
Decreased by:		
Disbursed		951.00
Balance Dec. 31, 2019	\$	36.60

Exhibit SB-4

ANIMAL CONTROL TRUST FUND
 Statement of Due Current Fund
 For the Year Ended December 31, 2019

Deferred Charged Raised in Budget	\$	37.18
Decreased by:		
Receipts		8.40
Balance Dec. 31, 2019	\$	28.78

TOWNSHIP OF CHESTERFIELD
TRUST OTHER FUND
Statement of Trust Other Reserves
For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Increased by		Decreased by		Balance Dec. 31, 2019
		Receipts	Encumbrances Canceled	Disbursements	Reserve for Encumbrances	
Reserve for Payroll Deductions Payable	\$ 38,725.98	\$ 809,558.70		\$ 833,960.52		\$ 14,324.16
Reserve for Unemployment Trust	52,095.30	12,809.76		407.81		64,497.25
Reserve for Escrow Deposits	756,188.34	332,554.95	\$ 4,497.00	371,318.53	\$ 3,526.50	718,395.26
Reserve for Police Special Duty	116,370.73	181,453.75	14,452.50	141,006.25	22,830.00	148,440.73
Reserve for Public Defender	3,201.88	1,254.00		4,312.00		143.88
Reserve for TDR Credits - NJ Turnpike	118,750.00					118,750.00
Reserve for Affordable Housing Trust	23,488.06	7,159.00		8,237.03		22,410.03
Reserve for Tax Sale Premiums	163,400.00	121,000.00		17,900.00		266,500.00
Reserve for Basin Maintenance	625,413.55	163,593.56		7,375.36		781,631.75
Reserve for Municipal Drug Alliance	37,571.26	16,925.00		18,426.48		36,069.78
Reserve for Snow Removal	40,000.00					40,000.00
Reserve for Ad Book - Community Outreach	2,867.47					2,867.47
Reserve for Parking Offense Adjudication Act	16.00					16.00
Reserve for Memorial Bricks	1,250.37				256.78	993.59
Reserve for The Green Team	89.52	500.00				589.52
Reserve for Police Donations	2,456.00					2,456.00
Reserve for Landscaping and Trees Donations	60,000.00					60,000.00
Reserve for Basin Landscaping	23,358.42	5,813.95				29,172.37
Reserve for Harvest Festival	669.63	3,145.00		2,782.38		1,032.25
	<u>\$ 2,065,912.51</u>	<u>\$ 1,655,767.67</u>	<u>\$ 18,949.50</u>	<u>\$ 1,405,726.36</u>	<u>\$ 26,613.28</u>	<u>\$ 2,308,290.04</u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF CHESTERFIELD
GENERAL CAPITAL FUND

Statement of General Capital Cash Per N.J.S.40A:5-5 - Chief Financial Officer
For the Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 1,041,380.50
Increased by Receipts:		
Reserve for Recreation Improvements	\$ 155,100.00	
Reserve for Transportation Improvements	<u>496,405.12</u>	
		<u>651,505.12</u>
		1,692,885.62
Decreased by Disbursements:		
Disbursed to Current Fund	7,726.75	
Reserve for Transportation Improvements	353,770.00	
Improvements Authorizations - Recreation	<u>158,619.79</u>	
		<u>520,116.54</u>
Balance Dec. 31, 2019		<u><u>\$ 1,172,769.08</u></u>

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

	Balance (Deficit)		Receipts			Disbursements			Transfers		Balance (Deficit)	
	Dec. 31, 2018	Dec. 31, 2019	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	From	To	Dec. 31, 2018	Dec. 31, 2019	
Projects Funded by Recreation Contributions:												
2004-14/												
2005-08 Smart Growth Village Plan: Recreation	\$ 14,400.83	\$ 14,400.83										\$ 14,400.83
2011-7 Recreation Improvements: Recreation Equipment	150.77	150.77										150.77
2014-21 Playground Resurfacing	25,877.75	25,877.75										25,877.75
2014-21 Recreation Building at Fenton Lake Park	2,573.81	2,573.81				1,103.22	1,103.22					2,573.81
2015-12 Playground Resurfacing	3,323.56	3,323.56										3,323.56
2015-12 Recreational Building Security/Key Lock System	3,933.28	3,933.28										3,933.28
2015-12 Various Equipment	7,482.76	7,482.76										7,482.76
2015-12 Tennis Courts Project	25,487.54	25,487.54										25,487.54
2018-16 Improvements for a Cricket Pitch, Completion of Gazebo Project, and Picnic Benches	16,170.00			\$ 21,046.61					7,920.00			3,043.39
2019-10 Galestown Playground Resurfacing				54,199.00					80,000.00			25,801.00
2019-12 Chesterfield Hose Co. Parking Improvements				40,425.00					50,000.00			9,575.00
2019-13 Basketball Court Improvements				10,000.00					10,000.00			
2019-17 Various Park Improvements				32,949.18					95,000.00			62,050.82
	<u>\$ 1,041,380.50</u>	<u>\$ 651,505.12</u>	<u>\$ 651,505.12</u>	<u>\$ 158,619.79</u>	<u>\$ 361,496.75</u>	<u>\$ 867,385.02</u>	<u>\$ 867,385.02</u>	<u>\$ 867,385.02</u>	<u>\$ 867,385.02</u>	<u>\$ 1,172,769.08</u>	<u>\$ 1,172,769.08</u>	

TOWNSHIP OF CHESTERFIELD
GENERAL CAPITAL FUND
 Schedule of Deferred Charges to Future Taxation - Unfunded
 As of December 31, 2019

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2019</u>	<u>Analysis of Balance Dec. 31, 2019</u>	
			<u>Expenditures</u>	<u>Unexpended Improvement Authorizations</u>
General Improvements:				
1997-10	Farm Preservation	\$ 146,000.00	\$ 9,861.81	\$ 136,138.19
2008-17	Acquisition of Various Equipment	40,050.00		40,050.00
2009-18	Preliminary Costs - New Municipal Building	19,320.87		19,320.87
2014-16	Acquisition of Pick-Up Truck	38,000.00	37,074.00	926.00
2014-16	Acquisition of Police Equipment	31,350.00	28,822.00	2,528.00
2014-17	Acquisition of B1 500 Lot 8 and Related Demolition	562,523.00	562,522.34	0.66
2016-10	Acquisition of an Ambulance	47,500.00	47,500.00	
2016-10	Acquisition of Police Equipment	6,840.00	6,840.00	
2016-10	Acquisition of Public Works Equipment	238,137.00	175,547.47	62,589.53
2015-03	Acquisition of Public Works Equipment	190,000.00	136,955.00	53,045.00
		<u>\$ 1,319,720.87</u>	<u>\$ 1,005,122.62</u>	<u>\$ 314,598.25</u>

TOWNSHIP OF CHESTERFIELD
GENERAL CAPITAL FUND
Statement of Due Current Fund
For the Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 440,533.71
Increased by:		
Capital Improvement Fund	\$ 25,000.00	
Disbursed to Current Fund	7,726.75	
Received by Current Fund - County Open Space Grant	<u>15,120.00</u>	
		<u>47,846.75</u>
		488,380.46
Decreased by:		
Anticipated in Current Fund Budget:		
Reserve to Pay Debt	\$ 15,360.00	
Reserve for Open Space	<u>40,000.00</u>	
		55,360.00
Disbursed by Current Fund on Behalf of General Capital Fund	<u>193,627.01</u>	
		<u>248,987.01</u>
Balance Dec. 31, 2019		<u><u>\$ 239,393.45</u></u>

GENERAL CAPITAL FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 198,733.56
Increased by:		
Charges to Improvement Authorizations		<u>72,544.45</u>
		271,278.01
Decreased by:		
Canceled to Improvement Authorizations		<u>198,733.56</u>
Balance Dec. 31, 2019		<u><u>\$ 72,544.45</u></u>

TOWNSHIP OF CHESTERFIELD
GENERAL CAPITAL FUND
 Statement of Reserve for Transportation Improvements
 For the Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 5,000.21
Increased by:		
Cash Receipts		<u>496,405.12</u>
		501,405.33
Decreased by:		
Appropriation Authorized by Ordinance 2019-20: Disbursed		<u>353,770.00</u>
Balance Dec. 31, 2019		<u><u>\$ 147,635.33</u></u>

GENERAL CAPITAL FUND
 Statement of Reserve for Recreation Improvements
 For the Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 788,169.49
Increased by:		
Receipts:		
Recreation Contributions		<u>155,100.00</u>
		943,269.49
Decreased by:		
Appropriation to Finance Improvement Authorizations:		
Ordinance 2019-10	\$ 80,000.00	
Ordinance 2019-12	50,000.00	
Ordinance 2019-13	10,000.00	
Ordinance 2019-17	<u>95,000.00</u>	
		<u>235,000.00</u>
Balance Dec. 31, 2019		<u><u>\$ 708,269.49</u></u>

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

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Paid by Budget Appropriation	Balance Dec. 31, 2019
			Outstanding Dec. 31, 2019	Amount			
General Obligation Refunding Bonds, Series 2013A-1 (Pooled Loan Agreement)	03-11-13	\$ 485,000.00	12-01-20	\$ 50,000.00	5.000%		
			12-01-21	55,000.00	5.000%		
			12-01-22	55,000.00	5.000%		
			12-01-23	55,000.00	5.000%	\$ 50,000.00	\$ 215,000.00
General Obligation Bonds, Series 2013A-2 (Pooled Loan Agreement)	03-11-13	1,960,000.00	12-01-20	85,000.00	5.000%		
			12-01-21	90,000.00	5.000%		
			12-01-22	95,000.00	5.000%		
			12-01-23	100,000.00	5.000%		
			12-01-24	105,000.00	5.000%		
			12-01-25	110,000.00	5.000%		
			12-01-26	115,000.00	5.000%		
			12-01-27	120,000.00	5.000%		
			12-01-28	125,000.00	5.000%		
			12-01-29	130,000.00	3.375%		
			12-01-30	130,000.00	3.375%		
			12-01-31	130,000.00	3.375%		
		12-01-32	130,000.00	3.375%			
						1,545,000.00	80,000.00
							1,465,000.00

TOWNSHIP OF CHESTERFIELD
GENERAL CAPITAL FUND
Schedule of Bonds and Notes Authorized But Not Issued
As of December 31, 2019

<u>Ordinance</u> <u>Number</u>	<u>Improvement Description</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
General Improvements:		
1997-10	Farm Preservation	\$ 146,000.00
2008-17	Acquisition of Various Equipment	40,050.00
2009-18	Preliminary Costs - New Municipal Building	19,320.87
2014-16	Acquisition of Pick-Up Truck	38,000.00
2014-16	Acquisition of Police Equipment	31,350.00
2014-17	Acquisition of B1 500 Lt 8 and Related Demolition	562,523.00
2015-03	Acquisition of Public Works Equipment	190,000.00
2016-10	Acquisition of an Ambulance	47,500.00
2016-10	Acquisition of Police Equipment	6,840.00
2016-10	Acquisition of Public Works Equipment	238,137.00
		<u>\$ 1,319,720.87</u>

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

TOWNSHIP OF CHESTERFIELD
SEWER UTILITY FUNDS
Statement of Sewer Utility Cash
Per N.J.S.40A:5-5 - Chief Financial Officer
For the Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 3,166,700.65
Increased by Receipts:		
Sewer Utility Collector	\$ 488,965.51	
Miscellaneous Revenues	49,127.98	
Connection Fees	<u>173,807.44</u>	
		<u>711,900.93</u>
		3,878,601.58
Decreased by Disbursements:		
2019 Budget Appropriations	527,333.03	
2018 Appropriation Reserves and Encumbrances	39,546.23	
Accrued Interest on Bonds and Notes	34,700.00	
Accounts Payable	350.35	
Due Sewer Utility Capital Fund	<u>65,553.75</u>	
		<u>667,483.36</u>
Balance Dec. 31, 2019		<u><u>\$ 3,211,118.22</u></u>

TOWNSHIP OF CHESTERFIELD
SEWER UTILITY CAPITAL FUND
 Analysis of Sewer Capital Cash
 For the Year Ended December 31, 2019

	<u>Balance</u> (Deficit) <u>Dec. 31, 2018</u>	<u>Transfers</u>		<u>Balance</u> (Deficit) <u>Dec. 31, 2019</u>
		<u>To</u>	<u>From</u>	
Due Sewer Operating Fund	\$ (266,125.53)	\$ 65,553.75	\$ 50,000.00	\$ (250,571.78)
Reserve for Encumbrances	1,700.00	1,700.00	1,700.00	1,700.00
Capital Improvement Fund	200,505.00	50,000.00		250,505.00
Fund Balance	9,495.00			9,495.00
 Improvement Authorizations:				
Ordinance				
<u>Number</u>				
2000-15/2001-14	49,425.53		65,553.75	(16,128.22)
2016-18				
Sewer Collection System and Plant Upgrades				
2014-19	5,000.00	1,700.00	1,700.00	5,000.00
Sewer Line Extension				
	\$ -	\$ 118,953.75	\$ 118,953.75	\$ -

TOWNSHIP OF CHESTERFIELD
SEWER UTILITY CAPITAL FUND
Schedule of Fixed Capital
As of December 31, 2019

<u>Account</u>	<u>Dec. 31, 2019</u>
Flow Meter at Pump Station No. 1	<u>\$ 19,495.00</u>

TOWNSHIP OF CHESTERFIELD
SEWER UTILITY OPERATING FUND
Statement of Due Sewer Utility Capital Fund
For the Year Ended December 31, 2019

Balance Dec. 31, 2018	\$ 266,125.53
Increased by:	
Capital Improvement Fund	50,000.00
	316,125.53
Decreased by:	
Disbursed by Sewer Operating on behalf of Sewer Capital	65,553.75
Balance Dec. 31, 2019	\$ 250,571.78

Exhibit SD-9

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

Balance Dec. 31, 2018	\$ 200,505.00
Increased by:	
Budget Appropriation - Due Sewer Utility Operating Fund	50,000.00
Balance Dec. 31, 2019	\$ 250,505.00

Exhibit SD-10

SEWER UTILITY OPERATING FUND
Statement of Accounts Payable
For the Year Ended December 31, 2019

Balance Dec. 31, 2018	\$ 850.35
Decreased by:	
Disbursed	350.35
Balance Dec. 31, 2019	\$ 500.00

TOWNSHIP OF CHESTERFIELD
SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds, Notes and Loans
For the Year Ended December 31, 2019

Balance Dec. 31, 2018	\$	14,343.75
Increased by:		
Budget Appropriations for:		
Interest on Loans		30,746.88
		45,090.63
Decreased by:		
Interest Paid		34,700.00
Balance Dec. 31, 2019	\$	10,390.63

Analysis of Accrued Interest Dec. 31, 2019

Principal Outstanding <u>Dec. 31, 2019</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
NJEIT Loans \$ 520,000.00	Variable	08-01-19	12-31-19	5 months	\$ 10,390.63

TOWNSHIP OF CHESTERFIELD
SEWER UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2019

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2018		Prior Year Encumbrances Canceled	Decreased	Balance Dec. 31, 2019	
				Funded	Unfunded			Funded	Unfunded
2000-15 / 2001-14 / 2016-18	Sewer Collection System and Plant Upgrades	12-08-16	\$ 6,100,000.00	\$ 49,425.53	\$ 58,360.00		\$ 65,553.75	\$	\$ 42,231.78
2014-19	Sewer Line Extension	07-10-14	90,000.00	5,000.00		\$ 1,700.00	1,700.00	\$ 5,000.00	
				<u>\$ 54,425.53</u>	<u>\$ 58,360.00</u>	<u>\$ 1,700.00</u>	<u>\$ 67,253.75</u>	<u>\$ 5,000.00</u>	<u>\$ 42,231.78</u>
	Disbursed by Sewer Operating Fund Reserve for Encumbrances						\$ 65,553.75		
							<u>1,700.00</u>		
							<u>\$ 67,253.75</u>		

TOWNSHIP OF CHESTERFIELD
SEWER UTILITY CAPITAL FUND
Schedule of Bonds and Notes Authorized But Not Issued
As of December 31, 2019

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2019</u>
2000-15 / 2001-14 / 2016-18	Sewer Collection System and Plant Upgrades	<u>\$ 58,360.00</u>

PART II

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2019

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

Schedule of Financial Statement Findings

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

None.

TOWNSHIP OF CHESTERFIELD
 Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Rita Romeu	Mayor	
Denise Koetas-Dale	Deputy Mayor	
Jeremy Liedtka	Committeeman	
Shreekant Dhopte	Committeeman	
Andrea Katz	Committeewoman	
Caryn Hoyer	Municipal Clerk, Tax Collector and Registrar of Vital Statistics	\$1,000,000.00
Kyle Wilson	Township Administrator and Chief of Police	\$1,000,000.00
Wendy Wulstein	Chief Financial Officer, Treasurer, Deputy Tax Collector and Qualified Purchasing Agent	\$1,000,000.00
Glenn Riccardi	Construction Official	\$1,000,000.00
Glenn McMahon	Tax Assessor	\$1,000,000.00

