

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON,
STATE OF NEW JERSEY**

FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA

December 31, 2019

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Township Council
Township of Edgewater Park
County of Burlington
Edgewater Park, New Jersey 08010

Report on the Financial Statements

We have audited the accompanying financial statements – regulatory basis of the various funds and account group of the Township of Edgewater Park, County of Burlington, State of New Jersey (the “Township”), as of and for the year ended December 31, 2019, and the related notes to financial statements, which 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 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and requirements of audit 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 auditors’ 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

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

As described in Note A of the financial statements, these 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 A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly in all material respects, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Township as of December 31, 2019, and the changes in financial position for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each fund and account group of the Township, as of December 31, 2019, and the changes in financial position for the year then ended in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note A.

Report on Summarized Comparative Information

We have previously audited the Township’s 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 26, 2019, in accordance with the financial reporting provisions described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary and Other Information

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Report on Supplementary and Other Information (Continued)

The supplemental schedules 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 schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note A.

The supplementary information section as listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2020, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township'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's internal control over financial reporting and compliance.



Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

September 9, 2020

BASIC FINANCIAL STATEMENTS

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE –
REGULATORY BASIS**

December 31, 2019 and 2018

<u>ASSETS</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Regular Fund:			
Cash - Chief Financial Officer	SA-1	\$ 2,949,297.23	\$ 4,403,313.86
Cash - Collector	SA-2	245,617.46	184,885.57
Cash - Change Fund	SA-3	650.00	650.00
Note Receivable - General Capital Fund	SC-11	1,425,000.00	
Due State of New Jersey, Ch. 20, P.L. 1971	SA-4	4,941.87	4,454.20
		<u>4,625,506.56</u>	<u>4,593,303.63</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	SA-5	298,068.49	321,268.14
Tax Title Liens Receivable	SA-6	180,154.59	154,835.15
Revenue Accounts Receivable	SA-7	13,849.16	14,786.86
Due Trust Other Fund	B	257,553.25	118,012.20
		<u>749,625.49</u>	<u>608,902.35</u>
Deferred Charges:			
Special Emergency Appropriation (40A:4-53)	SA-19	75,000.00	100,000.00
		<u>5,450,132.05</u>	<u>5,302,205.98</u>
Federal and State Grant Fund:			
Cash	SA-1	130,123.63	121,396.07
Federal and State Grants Receivable	SA-20	210,444.83	210,444.83
		<u>340,568.46</u>	<u>331,840.90</u>
		<u>\$ 5,790,700.51</u>	<u>\$ 5,634,046.88</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE –
REGULATORY BASIS (CONTINUED)**

December 31, 2019 and 2018

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Regular Fund:			
Appropriation Reserves	A-3;SA-8	\$ 577,512.02	\$ 562,575.75
Reserve for Encumbrances	A-3;SA-8	190,104.06	36,627.54
Prepaid Taxes	SA-9	187,495.56	121,594.67
Tax Overpayments	SA-10	3,233.28	4,273.89
Due State of New Jersey - State Training Fees	SA-11	880.00	1,878.00
Due State of New Jersey - Marriage License Fees	SA-12	200.00	200.00
Due County for Added and Omitted Taxes	SA-16	18,673.92	
Fire District Taxes Payable	SA-15	50.00	
Reserve for Codification of Ordinances	SA-18	12,100.00	16,400.00
Reserve for Sale of Municipal Assets	SA-18	913,769.50	963,769.50
Reserve for Reassessment of Real Property	SA-18	108,600.00	125,000.00
Due Open Space Trust Fund	SA-14	528.92	59,140.00
		<u>2,013,147.26</u>	<u>1,891,459.35</u>
Reserves for Receivables and Other Assets	A	749,625.49	608,902.35
Fund Balance	A-1	<u>2,687,359.30</u>	<u>2,801,844.28</u>
		<u>5,450,132.05</u>	<u>5,302,205.98</u>
Federal and State Grant Fund:			
Reserve for State and Federal Grants:			
Unappropriated	SA-21	59,563.11	17,508.66
Appropriated	SA-22	279,078.72	314,332.24
Reserve for Encumbrances	SA-22	1,926.63	
		<u>340,568.46</u>	<u>331,840.90</u>
		<u>\$ 5,790,700.51</u>	<u>\$ 5,634,046.88</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-1

**CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE –
REGULATORY BASIS**

Years Ended December 31, 2019 and 2018

<u>Revenue and Other Income Realized</u>	<u>2019</u>	<u>2018</u>
Fund Balance Utilized	\$ 1,300,000.00	\$ 1,275,000.00
Miscellaneous Revenues Anticipated	1,372,894.70	1,510,320.37
Receipts from Current Taxes	17,988,376.37	17,299,200.34
Receipts from Delinquent Taxes	316,244.95	358,087.64
Non-Budget Revenue	205,476.51	96,833.66
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	480,279.02	662,008.02
Total Income	21,663,271.55	21,201,450.03
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations - Within "CAPS":		
Salaries and Wages	2,777,869.28	2,665,210.44
Other Expenses	2,638,495.00	2,755,351.00
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	608,973.00	522,599.00
Operations - Excluded from "CAPS":		
Other Expenses	118,018.66	334,301.04
Capital Improvements - Excluded from "CAPS"	238,000.00	238,000.00
Municipal Debt Service - Excluded from "CAPS"	532,952.15	538,667.39
Deferred Charges - Municipal - Excluded from "CAPS"	330,000.00	295,000.00
County Taxes	2,122,331.55	2,085,160.65
Due County for Added and Omitted Taxes	18,673.92	
Local District School Tax	10,467,923.00	10,203,082.00
Special - Fire District Taxes	422,450.00	414,120.00
Municipal Open Space Taxes	59,500.00	59,140.00
Municipal Open Space Added and Omitted Taxes	528.92	
Other Expenditures:		
Refund of Prior Year Revenue		523.22
Prior Year Senior Citizens' and Veterans' Deductions Disallowed	2,500.00	3,133.76
Creation of Reserves:		
Due Trust Other Fund	139,541.05	15,268.54
Total Expenditures	20,477,756.53	20,129,557.04
Excess in Revenues	1,185,515.02	1,071,892.99
Adjustment in Income Before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Years	-	125,000.00
Statutory Excess to Fund Balance	1,185,515.02	1,196,892.99
<u>Fund Balance</u>		
Balance Jan. 1	2,801,844.28	2,879,951.29
	3,987,359.30	4,076,844.28
Decreased by:		
Utilized as Revenue	1,300,000.00	1,275,000.00
Balance Dec. 31	\$ 2,687,359.30	\$ 2,801,844.28

See notes to financial statements.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES – REGULATORY BASIS**

Year Ended December 31, 2019

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 1,300,000.00	\$ -	\$ 1,300,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	3,500.00		12,900.00	9,400.00
Fees and Permits - Other	6,000.00		13,260.00	7,260.00
Fines and Costs - Municipal Court	110,000.00		194,057.14	84,057.14
Interest and Costs on Taxes	50,000.00		73,763.47	23,763.47
Interest on Investments and Deposits	6,000.00		41,009.59	35,009.59
Comcast Franchise Cable Fees	25,000.00		26,451.08	1,451.08
Energy Receipts Taxes	676,039.00		676,039.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17)				
Uniform Construction Code Fees	50,000.00		150,036.20	100,036.20
Special Items of General Revenue Anticipated with Prior Written Consent of the Director of the Division of Local Government Services:				
Public and Private Revenue Off-Set with Appropriations:				
Clean Communities Grant	16,922.80		16,922.80	
Alcohol Education and Rehabilitation Grant	585.86		585.86	
Other Special Items:				
Reserve for Sale of Assets	50,000.00		50,000.00	
Burlington Coat Factory Pilot	107,000.00		117,869.56	10,869.56
	1,101,047.66	-	1,372,894.70	271,847.04
Receipts from Delinquent Taxes	250,000.00		316,244.95	66,244.95
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	5,230,222.13	-	5,533,882.83	303,660.70
Budget Totals	7,881,269.79	-	8,523,022.48	641,752.69
Non-Budget Revenue	-	-	205,476.51	205,476.51
	<u>\$ 7,881,269.79</u>	<u>\$ -</u>	<u>\$ 8,728,498.99</u>	<u>\$ 847,229.20</u>

See notes to financial statements.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2019

<u>Analysis of Realized Revenues</u>		
Allocation of Current Tax Collections:		
Revenue from Collections		\$ 17,988,376.37
Allocated to:		
County Taxes	\$ 2,141,005.47	
School Taxes	10,467,923.00	
Fire District Taxes	422,450.00	
Municipal Open Space Taxes	<u>60,028.92</u>	
		<u>13,091,407.39</u>
Balance for Support of Municipal Budget Appropriations		4,896,968.98
Add: Appropriation "Reserve for Uncollected Taxes"		<u>636,913.85</u>
Amount for Support of Municipal Budget Appropriations		<u>\$ 5,533,882.83</u>
Revenue from Delinquent Taxes:		
Delinquent Tax Receipts		\$ 315,008.74
Overpayments Applied		<u>1,236.21</u>
		<u>\$ 316,244.95</u>
Fees and Permits - Other:		
Revenue Accounts Receivable:		
Clerk		\$ 2,788.00
Planning Board		800.00
Zoning Board		5,723.00
Police Department		493.00
Road Opening Permit		<u>3,456.00</u>
		<u>\$ 13,260.00</u>
Miscellaneous Revenue not Anticipated:		
Receipts:		
Chief Financial Officer:		
Senior Citizens' and Veterans' Administrative Fee	\$ 1,500.51	
Homestead Rebate Administrative Fee	787.80	
DMV Inspection Fees	3,101.74	
Vacant Property Registration Fees	30,598.64	
Insurance Reimbursements	2,655.66	
Miscellaneous Fees	3,494.50	
Construction Rental Inspection Fees	50,301.50	
Outstanding Checks Canceled	7,422.41	
FEMA Reimbursement	55,793.82	
Tax Title Lien Premiums Forfeited	20,900.00	
Clothing Bin	1,109.56	
Police Off Duty Administration Fees	14,074.62	
Refund of Prior Year Expenditures	<u>4,928.44</u>	
		\$ 196,669.20
Tax Collector:		
Property Maintenance Fees	2,201.19	
Miscellaneous	2,468.74	
PILOT Agreement -- ACDEP	<u>4,137.38</u>	
		<u>8,807.31</u>
		<u>\$ 205,476.51</u>

See notes to financial statements.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS**

Year Ended December 31, 2019

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
<u>OPERATIONS - WITHIN "CAPS"</u>						
<u>GENERAL GOVERNMENT FUNCTIONS</u>						
Administration						
Salaries and Wages	\$ 89,700.00	\$ 89,700.00	\$ 88,007.79		\$ 1,692.21	
Other Expenses	87,550.00	82,550.00	60,720.56	\$ 13,537.47	8,291.97	
Township Committee						
Salaries and Wages	17,000.00	17,000.00	16,697.40		302.60	
Other Expenses	6,390.00	6,390.00	2,410.80	396.93	3,582.27	
Municipal Clerk						
Salaries and Wages	85,000.00	85,000.00	75,408.38		9,591.62	
Other Expenses	25,500.00	25,500.00	19,959.49	2,224.80	3,315.71	
Financial Administration						
Salaries and Wages	89,900.00	89,900.00	89,084.01		815.99	
Other Expenses	94,000.00	79,000.00	67,576.44	780.37	10,643.19	
Audit Services						
Other Expenses	33,000.00	33,000.00	33,000.00			
Collection of Taxes						
Salaries and Wages	57,000.00	57,000.00	51,142.16		5,857.84	
Other Expenses	17,900.00	17,900.00	7,321.05		10,578.95	
Assessment of Taxes						
Salaries and Wages	13,000.00	13,000.00	11,117.34		1,882.66	
Other Expenses	14,600.00	14,600.00	9,922.38		4,677.62	
Reserve for Reassessment of Real Property (40A:4-53 \$125,000.00)						
Legal Services and Costs						
Other Expenses	125,000.00	121,000.00	45,369.76	65,285.00	10,345.24	
Municipal Court						
Salaries and Wages	158,338.00	149,338.00	144,243.66		5,094.34	
Other Expenses	15,605.00	15,605.00	9,568.12	462.65	5,574.23	
Prosecutor						
Other Expenses	16,000.00	18,000.00	16,500.00		1,500.00	
Engineering Services and Costs						
Other Expenses	50,000.00	57,000.00	47,919.48	2,833.75	6,246.77	
Economic Development						
Other Expenses	1,500.00	1,500.00	300.00		1,200.00	
Land Use Administration						
Municipal Land Use Law (N.J.S.A. 40:55D-1):						
Planning Board						
Salaries and Wages	2,000.00	2,600.00	552.99		2,047.01	
Other Expenses	6,650.00	6,650.00	6,650.00			

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>				
<u>OPERATIONS - WITHIN "CAPS" (CONTD)</u>						
<u>GENERAL GOVERNMENT FUNCTIONS (CONTD)</u>						
Zoning Board						
Salaries and Wages	\$ 11,000.00	\$ 11,000.00	\$ 8,968.46		\$ 2,031.54	
Other Expenses	800.00	800.00	773.11		26.89	
Insurance:						
General Liability	68,000.00	63,000.00	61,604.00		1,396.00	
Workers Compensation	153,500.00	138,500.00	137,994.00		506.00	
Employee Group Health	577,000.00	577,000.00	563,539.18	\$ 7,637.43	5,823.39	
Unemployment Compensation Insurance	13,000.00	13,000.00	10,995.90		2,004.10	
<u>PUBLIC SAFETY FUNCTIONS</u>						
Police						
Salaries and Wages	1,855,652.50	1,746,652.50	1,713,387.31		33,265.19	
Other Expenses	128,950.00	141,950.00	115,176.96	12,836.88	13,936.16	
Emergency Management						
Other Expenses	1,500.00	1,500.00			1,500.00	
Aid to Ambulance / Emergency Squad	27,000.00	25,000.00	25,000.00			
Public Defender						
Other Expenses	13,000.00	13,000.00	600.00		12,400.00	
<u>PUBLIC WORKS FUNCTIONS</u>						
Road Repairs and Maintenance						
Salaries and Wages	352,378.78	312,378.78	260,161.34		52,217.44	
Other Expenses	85,000.00	77,000.00	39,705.91	6,660.72	30,633.37	
Solid Waste Collection						
Salaries and Wages	5,100.00	6,100.00	5,000.06		1,099.94	
Other Expenses	159,550.00	159,550.00	137,240.00	5,450.00	16,860.00	
Public Buildings and Grounds						
Other Expenses	30,000.00	30,000.00	19,762.63	1,121.25	9,116.12	
Community Services Act						
Other Expenses	241,000.00	268,000.00	221,568.67		46,431.33	
<u>HEALTH AND HUMAN SERVICES</u>						
Animal Control						
Other Expenses	9,500.00	9,500.00	4,000.00		5,500.00	
Board of Health						
Salaries and Wages	600.00	1,000.00	521.18		478.82	
Other Expenses	1,000.00	1,000.00			1,000.00	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2019

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
<u>OPERATIONS - WITHIN "CAPS" (CONTD)</u>						
<u>PARK AND RECREATION FUNCTIONS</u>						
Recreation Services						
Other Expenses	\$ 7,000.00	\$ 7,000.00	\$ 6,734.19		\$ 265.81	
Maintenance of Parks						
Other Expenses	4,500.00	1,500.00			1,500.00	
Celebration of Public Event, Anniversary or Holiday						
Other Expenses	12,000.00	12,000.00	3,972.23	\$ 221.06	7,806.71	
<u>State Uniform Construction Code Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>						
Construction Official						
Salaries and Wages	64,200.00	77,200.00	72,264.79		4,935.21	
Other Expenses	37,600.00	49,600.00	21,017.33	18,208.52	10,374.15	
Construction Sub-Code Officials						
Fire						
Salaries and Wages	9,000.00	10,000.00	8,009.74		1,990.26	
Plumbing						
Salaries and Wages	9,000.00	13,000.00	11,047.02		1,952.98	
Electrical						
Salaries and Wages	9,000.00	16,000.00	14,817.50		1,182.50	
Other Code Enforcement						
Salaries and Wages	76,000.00	76,000.00	69,540.36		6,459.64	
Other Expenses	5,500.00	21,500.00	12,341.30		9,158.70	
<u>UTILITY EXPENSES AND BULK PURCHASES</u>						
Utilities:						
Electricity	58,000.00	66,000.00	53,188.77	8,531.82	4,279.41	
Street Lighting	80,000.00	89,000.00	73,176.94	14,799.24	1,023.82	
Telephone	18,000.00	34,000.00	32,801.47	45.96	1,152.57	
Water Service	3,500.00	4,500.00	2,822.76	230.18	1,447.06	
Natural Gas / Fuel Oil	10,000.00	13,000.00	9,427.66	1,545.86	2,026.48	
Telecommunications	20,000.00	20,000.00	15,164.90	1,243.84	3,591.26	
Gasoline / Motor Fuel	54,000.00	54,000.00	40,537.05	2,861.81	10,601.14	
Trash Disposal	224,000.00	232,000.00	204,679.81	18,328.19	8,992.00	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>				
OPERATIONS - WITHIN "CAPS" (CONT'D)						
<u>Unclassified:</u>						
Accumulated Absences Compensation	\$ 5,000.00	\$ 5,000.00			\$ 5,000.00	
Storm Recovery						
Other Expenses	5,000.00	5,000.00			5,000.00	
Storm Water Sewers						
Other Expenses	12,000.00	12,000.00	\$ 3,780.00		8,220.00	
Environmental Commission						
Other Expenses	5,400.00	5,400.00	3,193.46		2,206.54	
Aid to Providence House						
Other Expenses	1,500.00	1,500.00	1,190.00		310.00	
Newsletter						
Other Expenses	6,000.00	6,000.00	4,050.00		1,950.00	
Senior Advisory						
Other Expenses	3,000.00	3,000.00	1,209.26	\$ 344.82	1,445.92	
Total Operations - Within "CAPS"	5,478,364.28	5,412,364.28	4,794,437.06	185,588.55	432,338.67	-
Contingent	4,000.00	4,000.00			4,000.00	
Total Operations - Including Contingent Within "CAPS"	5,482,364.28	5,416,364.28	4,794,437.06	185,588.55	436,338.67	-
Salaries and Wages	2,908,869.28	2,777,869.28	2,639,971.49		137,897.79	
Other Expenses	2,573,495.00	2,638,495.00	2,154,465.57	185,588.55	298,440.88	
DEFERRED CHARGES AND STATUTORY EXPENDITURES						
<u>MUNICIPAL - WITHIN "CAPS"</u>						
Statutory Expenditures:						
Public Employees' Retirement System	89,814.00	89,814.00	89,814.00			
Social Security System (O.A.S.I.)	234,000.00	229,000.00	208,208.97		20,791.03	
Police and Firemen's Retirement System of N.J.	289,159.00	289,159.00	289,159.00			
Defined Contribution Retirement Program	1,000.00	1,000.00			1,000.00	
Total Deferred Charges and Statutory Expenditures Municipal - Within "CAPS"	613,973.00	608,973.00	587,181.97		21,791.03	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	6,096,337.28	6,025,337.28	5,381,619.03	185,588.55	458,129.70	-

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>				
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Aid to Library (N.J.S.A. 40:54-35)	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00			
Affordable Housing						
Other Expenses	15,000.00	86,000.00	64,613.78	\$ 3,832.98	\$ 17,553.24	
SFSP Fire District Payment	3,010.00	3,010.00	3,010.00			
Recycling Tax	9,000.00	9,000.00	7,612.92	682.53	704.55	
<u>Public and Private Programs Off-Set by Revenues</u>						
Clean Communities Grant						
Other Expenses	16,922.80	16,922.80	16,922.80			
Alcohol Education and Rehabilitation Grant						
Other Expenses	585.86	585.86	585.86			
Total Operations - Excluded from "CAPS"	47,018.66	118,018.66	95,245.36	4,515.51	18,257.79	-
Salaries and Wages						
Other Expenses	47,018.66	118,018.66	95,245.36	4,515.51	18,257.79	
<u>CAPITAL IMPROVEMENT - EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00			
Acquisition of Four Wheel Drive Police Vehicles	38,000.00	38,000.00	33,850.47		4,149.53	
Street and Drainage Improvements	100,000.00	100,000.00	3,025.00		96,975.00	
Total Capital Improvement Fund - Excluded from "CAPS"	238,000.00	238,000.00	136,875.47	-	101,124.53	-
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	370,000.00	370,000.00	370,000.00			
Interest on Bonds	163,000.00	163,000.00	162,952.15			\$ 47.85
Total Municipal Debt Service - Excluded from "CAPS"	533,000.00	533,000.00	532,952.15	-	-	47.85

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS (CONTINUED)**

Year Ended December 31, 2019

	Appropriations		Paid or Charged	Encumbered	Reserved	Unexpended Balance Canceled
	Budget	Budget After Modification				
DEFERRED CHARGES:						
Special Emergency Authorizations - 5 Years	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00			
Deferred Charges to Future Taxation Unfunded: Ordinance Number 2013-08	305,000.00	305,000.00	305,000.00			
Total Deferred Charges - Excluded from "CAPS"	330,000.00	330,000.00	330,000.00	-	-	-
Total General Appropriations for Municipal Purposes - Excluded from "CAPS"	1,148,018.66	1,219,018.66	1,095,072.98	\$ 4,515.51	\$ 119,382.32	\$ 47.85
Subtotal General Appropriations	7,244,355.94	7,244,355.94	6,476,692.01	190,104.06	577,512.02	47.85
Reserve for Uncollected Taxes	636,913.85	636,913.85	636,913.85	-	-	-
Total General Appropriations	\$ 7,881,269.79	\$ 7,881,269.79	\$ 7,113,605.86	\$ 190,104.06	\$ 577,512.02	\$ 47.85
Adopted Budget		<u>\$ 7,881,269.79</u>				
Reserve for Uncollected Taxes			\$ 636,913.85			
Reserve for Federal, State and Other Grants Appropriated			17,508.66			
Special Emergency Authorizations -- 5 Years			25,000.00			
Refunded			(209,680.25)			
Disbursed			6,643,863.60			
			<u>\$ 7,113,605.86</u>			

See notes to financial statements.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B

**TRUST FUNDS
STATEMENTS OF ASSETS, LIABILITIES AND RESERVES – REGULATORY BASIS**

December 31, 2019 and 2018

<u>ASSETS</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Animal Control Fund:			
Cash - Chief Financial Officer	SB-1	\$ 4,125.12	\$ 8,298.16
Open Space Trust Fund:			
Cash - Chief Financial Officer	SB-1	191,575.94	107,368.74
Due Current Fund	B-2	528.92	59,140.00
	SB-1	192,104.86	166,508.74
Other Funds:			
Cash - Chief Financial Officer	SB-1	656,535.91	696,988.03
Cash - Collector	SB-2	371,026.08	201,727.05
Due from Police Off-Duty Vendors	SB-5	28,725.72	
Prepaid Payroll	SB-1	115,368.23	
		1,171,655.94	898,715.08
		<u>\$ 1,367,885.92</u>	<u>\$ 1,073,521.98</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B

TRUST FUNDS

STATEMENTS OF ASSETS, LIABILITIES AND RESERVES – REGULATORY BASIS (CONTINUED)

December 31, 2019 and 2018

LIABILITIES AND RESERVES

Animal Control Fund:

Reserve for Encumbrances	SB-3	\$ 950.00	
Reserve for Dog Fund Expenditures	SB-3	3,175.12	\$ 8,298.16
		<u>4,125.12</u>	<u>8,298.16</u>

Open Space Trust Fund:

Reserve for Encumbrances	B-3	5,330.00	
Reserve for Open Space Trust	B-1	186,774.86	166,508.74
		<u>192,104.86</u>	<u>166,508.74</u>

Other Funds:

Due Current Fund	SB-4	257,553.25	118,012.20
Reserve for Encumbrances	SB-5	6,743.00	6,278.30
Reserve for Special Law Enforcement	SB-5	8,084.18	8,347.18
Reserve for Public Defender	SB-5	1,773.76	12,790.00
Reserve for Escrow Deposits	SB-5	294,267.61	328,729.58
Reserve for Street Opening	SB-5	38,302.60	4,620.00
Reserve for Recreation Contributions	SB-5	8,230.13	8,230.13
Reserve for Parking Offenses Adjudication Act	SB-5	851.00	831.00
Reserve for Bicycle Patrol Fund	SB-5	1,995.00	1,995.00
Reserve for Trees Fund (Branches of Love)	SB-5	567.00	567.00
Reserve for Police Outside Services	SB-5	26,297.85	9,871.02
Reserve for Train Station	SB-5	795.00	795.00
Reserve for Flexible Spending	SB-5	1,542.91	2,595.42
Reserve for Development Fee	SB-5	40,138.92	5,007.44
Reserve for Accumulated Absences	SB-5	46,111.25	99,955.25
Reserve for Storm Recovery	SB-5	40,000.00	40,000.00
Payroll Deductions Payable	SB-5	27,376.40	49,167.08
Reserve for Tax Title Lien Redemptions	SB-5	12,126.08	4,523.48
Reserve for Premiums Received at Tax Sale	SB-5	358,900.00	196,400.00
		<u>1,171,655.94</u>	<u>898,715.08</u>
		<u>\$ 1,367,885.92</u>	<u>\$ 1,073,521.98</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-1

**OPEN SPACE TRUST FUND
STATEMENTS OF OPERATIONS AND CHANGES IN RESERVES FOR FUTURE USE –
REGULATORY BASIS**

Years Ended December 31, 2019 and 2018

<u>Revenue and Other Income Realized</u>	<u>2019</u>	<u>2018</u>
Reserves for Future Use	\$ 166,500.00	\$ 93,900.00
Amount to be Raised by Taxation	<u>60,028.92</u>	<u>59,140.00</u>
Total Income	<u>226,528.92</u>	<u>153,040.00</u>
 <u>Expenditures</u>		
Salaries and Wages	3,198.21	599.50
Other Expenses	<u>36,564.59</u>	<u>35,881.20</u>
Total Expenditures	<u>39,762.80</u>	<u>36,480.70</u>
Excess (Deficit) in Revenue	<u>186,766.12</u>	<u>116,559.30</u>
Statutory Excess to Reserves	186,766.12	116,559.30
 <u>Reserve for Future Use</u>		
Balance Jan. 1	<u>166,508.74</u>	<u>143,849.44</u>
	<u>353,274.86</u>	<u>260,408.74</u>
Utilized as Revenue:		
Reserves for Future Use	<u>166,500.00</u>	<u>93,900.00</u>
Balance Dec. 31	<u>\$ 186,774.86</u>	<u>\$ 166,508.74</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-2

**OPEN SPACE TRUST FUND
STATEMENT OF REVENUES – REGULATORY BASIS**

Year Ended December 31, 2019

	<u>Budget Revenues</u>	<u>Realized</u>	<u>Excess</u>
Amount to be Raised by Taxation	\$ 59,500.00	\$ 60,028.92	\$ 528.92
Reserve Funds	166,500.00	166,500.00	
	<u>\$ 226,000.00</u>	<u>\$ 226,528.92</u>	<u>\$ 528.92</u>

Analysis of Realized Revenues

Analysis of Current Tax Collections:

Receipts -- Open Space Tax Levy	\$ 59,500.00
Due Current Fund -- Open Space Tax Levy Added / Omitted	<u>528.92</u>
	<u>\$ 60,028.92</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-3

**OPEN SPACE TRUST FUND
STATEMENT OF EXPENDITURES – REGULATORY BASIS**

Year Ended December 31, 2019

	<u>Budget Appropriations</u>	<u>Paid or Charged</u>	<u>Unexpended Balance Canceled</u>
Development of Lands for Recreation and Conservation:			
Salaries and Wages	\$ 1,000.00		\$ 1,000.00
Other Expenses	50,000.00	\$ 36,564.59	13,435.41
Total Development of Lands for Recreation and Conservation	<u>51,000.00</u>	<u>36,564.59</u>	<u>14,435.41</u>
Maintenance of Lands for Recreation and Conservation:			
Salaries and Wages	5,000.00	3,198.21	1,801.79
Other Expenses	170,000.00		170,000.00
Total Development of Lands for Recreation and Conservation	<u>175,000.00</u>	<u>3,198.21</u>	<u>171,801.79</u>
	<u>\$ 226,000.00</u>	<u>\$ 39,762.80</u>	<u>\$ 186,237.20</u>
Disbursed		\$ 34,432.80	
Encumbered		<u>5,330.00</u>	
		<u>\$ 39,762.80</u>	

See notes to financial statements.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C

**GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE –
REGULATORY BASIS**

December 31, 2019 and 2018

<u>ASSETS</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Cash - Chief Financial Officer	SC-1	\$ 505,160.75	\$ 553,261.56
Deferred Charges to Future Taxation:			
Funded	SC-3	3,055,000.00	3,425,000.00
Unfunded	SC-4	4,666,450.00	3,789,450.00
Accounts Receivable	SC-6	126,250.00	250,000.00
		<u>\$ 8,352,860.75</u>	<u>\$ 8,017,711.56</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	SC-10	\$ 3,055,000.00	\$ 3,425,000.00
Bond Anticipation Notes	SC-11	1,425,000.00	
Improvement Authorizations:			
Funded	SC-7	537,639.33	831,283.89
Unfunded	SC-7	1,518,337.81	1,712,944.67
Contracts Payable	SC-5	747,762.80	848,191.86
Reserve for Encumbrances	SC-8	37,692.94	205,863.27
Reserve for Payment of Debt		348,037.57	348,037.57
Capital Improvement Fund	SC-9	333,428.16	296,428.16
Fund Balance	C-1	349,962.14	349,962.14
		<u>\$ 8,352,860.75</u>	<u>\$ 8,017,711.56</u>
 Bonds and Notes Authorized but not Issued	 SC-12	 <u>\$ 3,241,450.00</u>	 <u>\$ 3,789,450.00</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E

**GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF GENERAL FIXED ASSETS – REGULATORY BASIS**

December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
General Fixed Assets:		
Land	\$7,742,542.00	\$7,742,542.00
Buiding and Improvements	2,343,510.75	3,093,702.05
Furniture, Vehicles and Equipment	1,864,403.54	946,544.69
	<hr/>	<hr/>
Total	<u>\$11,950,456.29</u>	<u>\$ 11,782,788.74</u>
Total Investment in General Fixed Assets	<u>\$11,950,456.29</u>	<u>\$ 11,782,788.74</u>

E-1

**GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENT OF INVESTMENTS IN FIXED ASSETS – REGULATORY BASIS**

Year Ended December 31, 2019 and 2018

	Balance December 31, <u>2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Reallocation</u>	Balance December 31, <u>2019</u>
General Fixed Assets:					
Land	\$ 7,742,542.00				7,742,542.00
Buiding and Improvements	3,093,702.05	\$ 88,033.55	\$ (20,321.00)	(817,903.85)	2,343,510.75
Furniture, Vehicles and Equipment	946,544.69	99,955.00		817,903.85	1,864,403.54
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>\$ 11,782,788.74</u>	<u>\$ 187,988.55</u>	<u>\$ (20,321.00)</u>	<u>-</u>	<u>11,950,456.29</u>
Total Investment in General Fixed Assets	<u>\$ 11,782,788.74</u>	<u>\$ 187,988.55</u>	<u>\$ (20,321.00)</u>	<u>-</u>	<u>\$ 11,950,456.29</u>

NOTES TO FINANCIAL STATEMENTS

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The financial statements of the Township of Edgewater Park, County of Burlington, New Jersey (“the Township”), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township as required by N.J.S.A.40A:5-5. The financial statements of the Township do not include the operations of the Board of Education, first aid organization or volunteer fire companies that are subject to separate audits.

Descriptions of Funds

The accounting policies of the Township conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”). Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds:

Current Fund - resources and expenditures for government 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 – accounts for receipt and disbursement of funds for the acquisition of capital facilities, other than those acquired in the Current Fund.

Public Assistance Fund – the Public Assistance Fund accounts for receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes.

Basis of Accounting

Revenues – are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves.

Expenditures – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a liability in the financial statements and constitute part of the Township’s statutory Appropriation Reserves balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

Pension and Other Post-Employment Benefits ("OPEB") expenses are recorded on a cash basis as billed by the State of New Jersey. Thus, net pension liability, OPEB liability and related deferred inflows and outflows are not recorded on the statements of assets, liabilities, reserves and fund balance.

Foreclosed Property – is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds – receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

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

General Fixed Assets – Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. All interest costs are recorded as expenditures when paid.

Accounting for Governmental Fixed Assets, as promulgated by Technical Directive No. 2 as issued by the Division, differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the Directive:

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land, which is valued at estimated market value. No depreciation on general fixed assets is recorded in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital have not been accounted for separately.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Departures from Accounting Principles Generally Accepted in the United States of America ("GAAP") - The accounting principles and practices followed by the Township differ in some respects, which in some instances may be material from GAAP applicable to local government units.

The more significant differences are as follows:

- Taxes and other receivables are fully reserved.
- Interfund receivables in the Current Fund are fully reserved and recognized as revenue in the year of liquidation.
- Unexpended and uncommitted appropriations are reflected as expenditures.
- Over-expended appropriations and emergency appropriations are deferred to the succeeding year's operations.
- No provision is made for accumulated vested vacation and sick leave.
- Estimated losses arising from tax appeals and other contingencies are not recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.
- Depreciation expense is not calculated on fixed assets. It was not practicable to determine the effect of such differences.

Budgets - the Township is required by state law to adopt an annual budget for the Current Fund. Each budget is presented in accordance with accounting principles prescribed by the Division.

The following steps are taken in establishing the budgetary data reflected in the financial statements:

1. Not later than February 10 of the budget year the Township introduces a budget, which includes proposed expenditures and financing methods.
2. A public hearing is held not less than twenty-eight days after introduction and budget approval; after a public hearing the budget may be adopted by the governing body.

Once a budget is adopted it may be amended after November 1 by a resolution adopted by the governing body.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH, CASH EQUIVALENTS AND INVESTMENTS

The Township is governed by the deposit and investment limitations of New Jersey state law. The deposits and investments held at December 31, 2019, and reported at fair value are as follows:

Type	Maturities	Carrying Value
Demand Deposits	N/A	<u>\$ 5,054,112.12</u>
Reconciliation of Cash		
Current		\$ 3,195,564.69
Federal and State Grants		130,123.63
Dog Trust		4,125.12
Other Trust		1,219,137.93
General Capital		<u>505,160.75</u>
Total Reconciliation of Comparative Balance Sheets		<u>\$ 5,054,112.12</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments, had a bank balance of \$5,357,600.02 at December 31, 2019. Of the bank balance, \$256,608.11 was fully insured by the Federal Deposit Insurance Corporation and \$5,100,991.91 was secured by a collateral pool held by the bank, but not in the Township’s name, as required by New Jersey’s Governmental Unit Deposit Protection Act (“GUDPA”). The GUDPA is more fully described in Note C of these financial statements.

Investment Interest Rate Risk – The Township has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at December 31, 2019, are provided in the above schedule.

Investment Credit Risk – The Township has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the Township or bonds or other obligations of the local unit or units within which the Township is located;

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the Township;
- Local governments' investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The Township places no limit on the amount it may invest in any one issuer.

C. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (“GUDPA”)

The Township has deposited cash in 2019 with an approved public fund depository qualified under the provisions of GUDPA. In addition to savings and checking accounts the Township invests monies in certificates of deposit.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other state statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with GUDPA, a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include state or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured.

The market value of the collateral must equal five percent of the average daily balance of public funds; and, if the public funds deposited exceed seventy-five percent of the capital funds of the depository, the depository must provide collateral having a market value equal to one hundred percent of the amount exceeding seventy-five percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

Borrowing Power

New Jersey statutes limit the debt of a municipality to 3½% of the average of the last three preceding years' equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2019, was \$7,373,412.43. The Township's remaining borrowing power is \$11,696,877.85.

The summary of municipal debt for the last three years and the calculation of statutory net debt are presented in the Supplementary Information section of this report.

Pooled Loan Revenue Bonds – Series 2013A

In December of 2003, the Township entered into a lease and agreement with the Burlington County Bridge Commission ("Commission"). This agreement provides the Township to finance capital projects and capital equipment through the issuance of County-Guaranteed Pooled Loan Revenue Bonds (2003 Governmental Leasing Program). On February 28, 2013, the 2003 pooled loan revenue bonds were refinanced under Series 2013A. The following is a schedule of annual payments to the Commission for principal and interest:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 185,000.00	\$ 39,750.00	\$ 224,750.00
2021	195,000.00	30,500.00	225,500.00
2022	205,000.00	20,750.00	225,750.00
2023	210,000.00	10,500.00	220,500.00
Total	<u>\$ 795,000.00</u>	<u>\$ 101,500.00</u>	<u>\$ 896,500.00</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. DEBT (CONTINUED)

Pooled Loan Revenue Bonds – Series 2014A-2

In January of 2014, the Township entered into a lease and agreement with the Commission. This agreement provides the Township to permanently finance various general capital improvements through the issuance of County-Guaranteed Pooled Loan Revenue Bonds (2014A-2 Governmental Loan Program). The following is a schedule of annual payments to the Commission for principal and interest:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 205,000.00	\$ 104,569.00	\$ 309,569.00
2021	215,000.00	94,319.00	309,319.00
2022	230,000.00	83,569.00	313,569.00
2023	240,000.00	72,069.00	312,069.00
2024	250,000.00	60,069.00	310,069.00
2025-2028	<u>1,120,000.00</u>	<u>129,943.00</u>	<u>1,249,943.00</u>
Total	<u>\$ 2,260,000.00</u>	<u>\$ 544,538.00</u>	<u>\$ 2,804,538.00</u>

E. LEASE OBLIGATIONS

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

Operating:

Three (3) Copiers

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

<u>Year</u>	<u>Amount</u>
2020	\$ 5,603.40
2021	5,603.40
2022	<u>5,136.45</u>
	<u>\$ 16,343.25</u>

Rental payments under operating leases for the year 2019 were \$5,603.40.

F. CAPITAL LEASE OBLIGATIONS

At December 31, 2019, the Township had a capital lease agreement in effect for four police vehicles.

Capital Leases – Future minimum payments under a capital lease agreement for four police vehicles are as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 33,850.47
Total Minimum Lease Payments	33,850.47
Less: Amount Representing Interest	<u>1,144.71</u>
Present Value of Net Minimum Lease Payments	<u>\$ 32,705.76</u>

Lease payments under capital leases for the year 2019 were \$33,850.47.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. COMPENSATED ABSENCES

Full-time employees are entitled to sick leave and vacation days each year in accordance with the current union contracts. Unused sick leave and vacation days may be accumulated and carried forward to the subsequent year.

The Township compensates employees for all unused vacation days upon termination or retirement. The current policy also provides for the payment of seventy-five percent of unused sick leave accumulated at the rate of pay upon retirement not to exceed \$2,500 or as per individual bargaining unit contract or employment contract.

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 \$279,123.69.

H. DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a Deferred Compensation Program in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division. The program is offered by the Township through two program administrators, PEBSCO and Equitable. The programs, available to all full-time employees at their option, permit 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.

All amounts of compensation deferred under the Plan and all income attributed to those amounts are the exclusive property of the Township, subject to the claims of the general creditors of the Township. Participants' rights under the plan are equal to those of a general creditor of the Township in an amount equal to the fair market value of the deferred account for each participant. It is unlikely that the Township would use plan assets to satisfy claims of the general creditors in the future.

Certain provisions of the Job Protection Act of 1997 affect the Plan. Commencing on January 1, 1999, 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. On September 3, 1997, the State of New Jersey implemented new regulations that require all new plans to be in compliance with the provisions of the Act. Since the Township's plan was adopted before August 20, 1996, the date the Act was signed into law, the Township has until January 1, 1999, to amend the plan or adopt a new one that complies with the Act and State regulations. The Township assumes no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

I. PENSION OBLIGATIONS

A substantial number of the Township's employees participate in the following defined benefit pension plans: Public Employees' Retirement System ("PERS") and Police and Firemen's Retirement System ("PFRS"), which are administered and/or regulated by the New Jersey Division of Pensions and Benefits (the "Division"). Both plans have a board of trustees that is primarily responsible for its administration. The Division issues publicly available financial reports that include financial statements and required supplementary information for both plans.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENSION OBLIGATIONS (CONTINUED)

Public Employees' Retirement System

Plan Description - The State of New Jersey, Public Employees' Retirement System ("PERS") is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits. For additional information about PERS, please refer to the Division's Comprehensive Annual Financial Report ("CAFR") which can be found at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service. The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007, and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008, and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010, and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age sixty and to tier 3 members upon reaching age sixty-two. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age sixty-two and tier 5 members upon reaching age sixty-five. Early retirement benefits are available to tiers 1 and 2 members before reaching age sixty, tiers 3 and 4 before age sixty-two with twenty-five or more years of service credit, and tier 5 with thirty or more years of service credit before age sixty-five. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least twenty-five years of service.

Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute fifty percent of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENSION OBLIGATIONS (CONTINUED)

Public Employees' Retirement System (Continued)

The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of fifteen years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to \$74,768 for 2019.

The employee contribution rate was 7.50% effective July 1, 2018.

Net Pension Liability and Pension Expense - At December 31, 2019, the Township's proportionate share of the PERS net pension liability is valued to be \$1,385,009. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The Township's proportion measured as of June 30, 2019, was .00769%, which was a decrease of .00131% from its proportion measured as of June 30, 2018.

Actuarial Valuation date	<u>December 31, 2019</u> June 30, 2019	<u>December 31, 2018</u> June 30, 2018
Net Pension Liability	\$ 1,385,009	\$ 1,772,057
Township's Portion of the Plan's Total Net Pension Liability	0.00769%	0.00900%

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

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	2.00 - 6.00%
	Based on years of service
Thereafter	3.00 - 7.00%
	Based on years of service
Investment Rate of Return	7.00%

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENSION OBLIGATIONS (CONTINUED)

Public Employees' Retirement System (Continued)

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

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

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

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

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENSION OBLIGATIONS (CONTINUED)

Public Employees' Retirement System (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals 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 made based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the collective net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>At 1% Decrease (5.28%)</u>	<u>At Current Discount Rate (6.28%)</u>	<u>At 1% Increase (7.28%)</u>
Local	<u>\$ 1,752,027</u>	<u>\$ 1,385,009</u>	<u>\$ 1,075,744</u>

The following presents a summary of the collective deferred outflows of resources and deferred inflows of resources for the year ended June 30, 2019:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 24,859	\$ 6,118
Changes of Assumptions	138,298	480,732
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		21,863
Changes in Proportion	<u>120,198</u>	<u>305,441</u>
	<u>\$ 283,355</u>	<u>\$ 814,154</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENSION OBLIGATIONS (CONTINUED)

Public Employees' Retirement System (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2020	\$ (99,597)
2021	(99,597)
2022	(99,597)
2023	(99,597)
2024	(99,597)
THEREAFTER	<u>(32,814)</u>
Total	<u>\$ (530,799)</u>

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

Police and Firemen's Retirement System

Plan Description - The State of New Jersey, Police and Firemen's Retirement System ("PFRS") is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits. For additional information about PFRS, please refer to the Division's Comprehensive Annual Financial Report ("CAFR") which can be found at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010, and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

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

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENSION OBLIGATIONS (CONTINUED)

Police and Firemen's Retirement System (Continued)

Contributions - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. 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. For fiscal year 2019, the State contributed an amount less than the actuarially determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute fifty percent of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of fifteen years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PFRS amounted to \$300,320 for 2019.

The employee contributions for PFRS is ten percent of employees' annual compensation, as defined.

Special Funding Situation - 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 are considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer 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 to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Net Pension Liability - At December 31, 2019, the Township's proportionate share of the PFRS net pension liability is valued to be \$3,638,475. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENSION OBLIGATIONS (CONTINUED)

Police and Firemen's Retirement System (Continued)

The Township's proportion measured as of June 30, 2019, was .02973%, which was an increase of .00015% from its proportion measured as of June 30, 2018.

Actuarial Valuation Date	<u>December 31, 2019</u> June 30, 2019	<u>December 31, 2018</u> June 30, 2018
Net Pension Liability	\$ 3,638,475	\$ 4,002,259
Township's Portion of the Plan's Total Net Pension Liability	0.029731%	0.029577%

Additionally, the State's proportionate share of the net pension liability attributable to the Township is \$574,522 as of December 31, 2019. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2019, was .02973%, which was an increase of .00015% from its proportion measured as of June 30, 2018, which is the same proportion as the Township's.

Township's Proportionate Share of the Net Pension Liability	\$ 3,638,475.00
State's Proportionate Share of the Net Pension Liability Associated with the Township	<u>574,522.00</u>
Total Net Pension Liability	<u>\$ 4,212,997.00</u>

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

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

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

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENSION OBLIGATIONS (CONTINUED)

Police and Firemen’s Retirement System (Continued)

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

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

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

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

Discount Rate - The discount rate used to measure the total pension liability was 6.85% as of June 30, 2019. The single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENSION OBLIGATIONS (CONTINUED)

Police and Firemen’s Retirement System (Continued)

on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2076. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2076, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township’s proportionate share of the collective net pension liability calculated using the discount rate as disclosed above, as well as what the Township’s proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	At 1% Decrease (5.85%)	At Current Discount Rate (6.85%)	At 1% Increase (7.85%)
Local	<u>\$ 5,694,436</u>	<u>\$ 4,212,997</u>	<u>\$ 2,986,892</u>

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources for the year ended June 30, 2019:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 30,713	\$ 23,036
Changes of Assumptions	124,674	1,175,922
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		49,300
Changes in Proportion	604,140	41,677
	<u>\$ 759,527</u>	<u>\$ 1,289,935</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PENSION OBLIGATIONS (CONTINUED)

Police and Firemen’s Retirement System (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2020	\$ (65,989)
2021	(65,989)
2022	(65,989)
2023	(65,989)
2024	(65,987)
THEREAFTER	<u>(200,465)</u>
Total	<u>\$ (530,408)</u>

Pension Plan Fiduciary Net Position - Detailed information about the pension plan’s fiduciary net position is available in the separately issued PERS financial statements.

Defined Contribution Retirement Program

The Defined Contribution Retirement Program (“DCRP”) is a cost-sharing multiple-employer defined contribution pension fund which was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A.43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township’s contribution amounts, when applicable, for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The Township currently has no employees enrolled in the DCRP. The Township paid \$-0- for the year ended December 31, 2019.

Related-Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

J. ASSESSMENTS AND COLLECTION OF PROPERTY TAXES

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

Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1 and November 1 of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one-half of the prior year’s tax. The preliminary payments are due and payable on February 1 and May 1. The New Jersey statutes allow a grace period of ten days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of eight percent on the first \$1,500 and eighteen percent on any delinquent amount in excess of \$1,500. If taxes are delinquent on or after April 1 of the succeeding year, the delinquent amount is subject to “Tax Sale” which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1 of the current tax year even though the amount due is not known.

K. OTHER POST-EMPLOYMENT BENEFITS

The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2018, the State paid PRM benefits for 148,401 State and local retirees.

The State funds post-retirement medical benefits on a “pay-as-you-go” basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2018, the State contributed \$1.909 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The increase in the State’s pay-as-you-go contribution between Fiscal Year 2017 and Fiscal Year 2018 is attributed to rising health care costs, an increase in the number of participants qualifying for State paid PRM benefits at retirement, and larger fund balance utilization in Fiscal Year 2017 than in Fiscal Year 2018. The Fiscal Year 2019 Appropriations Act includes \$1.921 billion as the State’s contribution to fund pay-as-you-go PRM costs.

State Health Benefits Plan Description

The Township contributes to the State Health Benefits Program (“SHBP”), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52: 14-17.25 et seq., to provide health benefits to State employees, retirees and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

State Health Benefits Plan Description (Continued)

The SHBP was extended to employees, retirees and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 1990, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 165-2002 on October 23, 2002. The Township adopted the provision of Chapter 88, Public Laws of 1974 as amended by Chapter 436, P.L. 1981 to permit local public employers to pay the premium charges for certain eligible pensioners and their dependents and to pay Medicare charges for such retirees and their spouses covered by the New Jersey Health Benefits Program. In 2011, Township employees began making health benefit contributions of 1.5% of their base salaries towards the health benefit costs.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. As a participating employer the Township will pay and remit to the State treasury contributions to cover the full cost of premiums for eligible pensioners on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with provisions of Chapter 75, Public Law of 1972.

The Township's contributions to SHBP for the year ended December 31, 2019 and 2018, were \$36,696 and \$47,986, respectively, which equaled the required contributions for each year. There were four retired participants eligible at December 31, 2019, and three retired participants eligible at December 31, 2018.

General Information About the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other post-employment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Post-employment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

General Information About the OPEB Plan (Continued)

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

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

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

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2018 through June 30, 2019.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Special Funding Situation

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer. The Township's unaudited portion of the non-employer contributing entities' total proportionate share of the collective net OPEB liability as of December 31, 2019, is 0.070441% or \$3,892,372.

Net OPEB Liability

Components of Net OPEB Liability

The components of the Township's net OPEB liability of the participating employers in the Plan as of June 30, 2019, are as follows:

	June 30, 2019
Total OPEB liability	\$ 1,977,119
Plan Fiduciary Net Position	<u>39,083</u>
Net OPEB Liability	<u>\$ 1,938,036</u>
 Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	 1.98%

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability (Continued)

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

Inflation	2.50%
Salary increases*	
Public Employees' Retirement (PERS)	
Initial fiscal year applied	
Rate Through 2026	2.00 - 6.00%
Rate Thereafter	3.25 - 7.00%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25 - 15.25%
Mortality:	
PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections Scale MP-2019

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

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

One hundred percent of active members are considered to participate in the Plan upon retirement.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Township's net OPEB liability as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

At June 30, 2019		
At 1% Decrease (2.50%)	At Current Discount Decrease (3.50%)	At 1% Increase (4.50%)
\$ 2,240,863	\$ 1,938,036	\$ 1,691,950

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate:

The following presents the net OPEB liability as of June 30, 2019, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is one percentage point lower or one percentage point higher than the current rate:

At June 30, 2019		
At 1% Decrease	Healthcare Cost Trend Rate	At 1% Increase
\$ 1,635,464	\$ 1,938,036	\$ 2,324,019

Deferred Outflows of Resources and Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		\$ 566,757
Changes in assumptions		686,797
Net difference between projected and actual investment earnings on pension plan investments	\$ 1,596	
Changes in proportion	36,266	509,654
	<u>\$ 37,862</u>	<u>\$ 1,763,208</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

The amounts reported as a deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2020	\$ (218,713)
2021	(218,713)
2022	(218,713)
2023	(218,713)
2024	(218,712)
Thereafter	(631,782)
	<u>\$ (1,725,346)</u>

L. CAPITAL ASSETS

The following schedule is a summarization of the changes in General Capital Assets by Source for the year ended December 31, 2019:

	Balance December 31, <u>2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Reallocation</u>	Balance December 31, <u>2019</u>
General Fixed Assets:					
Land	\$ 7,742,542.00				7,742,542.00
Buiding and Improvements	3,093,702.05	\$ 88,033.55	\$ (20,321.00)	(817,903.85)	2,343,510.75
Furniture, Vehicles and Equipment	946,544.69	99,955.00		817,903.85	1,864,403.54
Total	<u>\$ 11,782,788.74</u>	<u>\$ 187,988.55</u>	<u>\$ (20,321.00)</u>	<u>-</u>	<u>11,950,456.29</u>
Total Investment in General Fixed Assets	<u>\$ 11,782,788.74</u>	<u>\$ 187,988.55</u>	<u>\$ (20,321.00)</u>	<u>-</u>	<u>\$ 11,950,456.29</u>

M. JOINT INSURANCE POOL

The Township is a member of the Burlington County Municipal Joint Insurance Fund (the "Fund"). The Fund provides its members with the following coverage:

- Workers' Compensation and Employer's Liability
- Liability Other Than Motor Vehicles
- Property Damage Other Than Motor Vehicles
- Motor Vehicles

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

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. JOINT INSURANCE POOL (CONTINUED)

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

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

N. FUND BALANCE

Of the \$2,687,359 Current Fund balance at December 31, 2019, \$1,250,000 is appropriated in the 2020 budget.

O. INTERFUNDS

The following interfunds remained as of December 31, 2019:

	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 257,553.25	\$ 528.92
Trust Other Funds	528.92	257,553.25
Total Funds	<u>\$ 258,082.17</u>	<u>\$ 258,082.17</u>

The purpose of these interfunds are short-term borrowings.

P. SUBSEQUENT EVENTS

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Township operates. Due to the impact of New Jersey Governor Murphy's Executive Order No. 107 dated March 21, 2020, mandating statewide stay-at-home practices and closure of all non-essential retail businesses, it is reasonably possible that revenues will decline significantly. It is unknown how long these conditions will last and what the complete financial effect will be to the Township.

SUPPLEMENTAL SCHEDULES

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-1

**CURRENT FUND
SCHEDULE OF CURRENT AND GRANT FUNDS CASH – CHIEF FINANCIAL OFFICER**

Year Ended December 31, 2019

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2018	\$ 4,403,313.86	\$ 121,396.07
Increased by Receipts:		
Received from Collector	\$ 18,206,086.29	
Taxes Receivable - Homestead Rebate	228,939.16	
Revenue Accounts Receivable	411,262.93	
Due State of New Jersey, Ch. 20, P.L. 1971	75,025.35	
Miscellaneous Revenue not Anticipated	196,669.20	
Energy Receipts Tax	676,039.00	
Cable TV Franchise Fees	26,451.08	
Construction Code - State Training Fees	11,114.00	
Clerk - Marriage License Fees	1,275.00	
Appropriation Refunds	209,680.25	
Due Trust Other Fund	16,962.99	
Federal and State Grants Receivable		\$ 59,563.11
Contra	<u>676,494.24</u>	
	<u>20,735,999.49</u>	<u>59,563.11</u>
	25,139,313.35	180,959.18
Decreased by Disbursements:		
2019 Appropriations	6,643,863.60	
2018 Appropriation Reserves	118,924.27	
County Taxes Payable	2,122,331.55	
Local School Taxes Payable	10,467,923.00	
Fire District Taxes Payable	422,400.00	
Tax Overpayments	3,848.42	
Construction Code - State Training Fees	12,112.00	
Clerk - Marriage License Fees	1,275.00	
Due Trust Other Fund	156,504.04	
Due Open Space Trust Fund	118,640.00	
Reserve for Codification	4,300.00	
Reserve for Reassessment	16,400.00	
General Capital Note Receivable	1,425,000.00	
Contra	676,494.24	
Federal and State Grants--Appropriated		<u>50,835.55</u>
	<u>22,190,016.12</u>	<u>50,835.55</u>
Balance Dec. 31, 2019	<u>\$ 2,949,297.23</u>	<u>\$ 130,123.63</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-2

**CURRENT FUND
SCHEDULE OF CURRENT FUND CASH – COLLECTOR**

Year Ended December 31, 2019

Balance Dec. 31, 2018		\$	184,885.57
Increased by Receipts:			
Taxes Receivable	\$	17,874,838.26	
Interest and Cost on Taxes		73,763.47	
Prepaid Taxes		187,495.56	
Tax Overpayments		4,044.02	
Revenue Account Receivable		117,869.56	
Miscellaneous Revenue not Anticipated		8,807.31	
			<u>18,266,818.18</u>
			18,451,703.75
Decreased by Disbursements:			
Payments to Chief Financial Officer			<u>18,206,086.29</u>
Balance Dec. 31, 2019		\$	<u>245,617.46</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-3

**CURRENT FUND
SCHEDULE OF CHANGE FUNDS**

Year Ended December 31, 2019

<u>Office</u>	<u>Amount</u>
Court	\$ 150.00
Tax	200.00
Finance	300.00
	<u>650.00</u>
	<u>\$ 650.00</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-4

**CURRENT FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY
CH. 20, P.L. 1971**

Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 4,454.20
Increased by:		
2019 Senior Citizens' and Veterans' Deductions per Tax Billing	\$ 77,500.00	
2019 Senior Citizens' and Veterans' Deductions Allowed by Collector	<u>1,750.00</u>	
	79,250.00	
Deduct: 2019 Senior Citizens' and Veterans' Deductions Disallowed by Collector	<u>1,236.98</u>	
		\$ 78,013.02
Deduct: Prior Year Senior Citizens' and Veterans' Deductions Disallowed by Collector		<u>2,500.00</u>
		<u>75,513.02</u>
		79,967.22
Decreased by:		
Collections		<u>75,025.35</u>
Balance Dec. 31, 2019		<u>\$ 4,941.87</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-5

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

Year Ended December 31, 2019

Year	Balance	2019 Levy	Added Taxes	Collections		Due from State of New Jersey	Appeals	Canceled	Overpayments Applied	Transferred to Tax Title Liens	Balance
	Dec. 31, 2018			2018	2019						Dec. 31, 2019
2006	\$ 50.00							\$ 50.00			
2014	1,766.21							1,766.21			
2017	2,082.32				\$ 2,082.32						
2018	317,369.61		\$ 2,500.00		312,926.42				\$ 1,236.21		\$ 5,706.98
	321,268.14	-	2,500.00	-	315,008.74	-	-	1,816.21	1,236.21	-	5,706.98
2019		\$ 18,463,625.83	5,208.23	\$ 121,594.67	17,788,768.68	\$ 78,013.02	\$ 140,431.17	\$ 22,345.57	-	\$ 25,319.44	292,361.51
	\$ 321,268.14	\$ 18,463,625.83	\$ 7,708.23	\$ 121,594.67	\$ 18,103,777.42	\$ 78,013.02	\$ 140,431.17	\$ 24,161.78	\$ 1,236.21	\$ 25,319.44	\$ 298,068.49

Analysis of 2019 Property Tax Levy

Tax Yield

General Purpose Tax

\$ 18,463,625.83

Tax Levy

Local District School Tax

\$ 10,467,923.00

County Taxes:

County Tax

\$ 1,794,510.73

Open Space Tax

160,075.63

Library

167,745.19

County for Added and Omitted Taxes

18,673.92

Total County Taxes

2,141,005.47

Fire District Taxes

422,450.00

Local Open Space Taxes

59,500.00

Local Open Space Taxes Added and Omitted Taxes

528.92

60,028.92

Local Tax for Municipal Purposes

5,230,222.13

Add: Additional Tax Levied

5,743.35

Add: Added and Omitted Tax

136,252.96

Local Tax for Municipal Purposes Levied

5,372,218.44

\$ 18,463,625.83

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-6

**CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE**

Year Ended December 31, 2019

Balance Dec. 31, 2018	\$ 154,835.15
Increased by:	
Transfers from Taxes Receivable	<u>25,319.44</u>
Balance Dec. 31, 2019	<u>\$ 180,154.59</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-7

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

Year Ended December 31, 2019

	Balance <u>Dec. 31, 2018</u>	Accrued <u>in 2019</u>	Collected by		Balance <u>Dec. 31, 2019</u>
			<u>Chief Financial Officer</u>	<u>Tax Collector</u>	
Clerk:					
Licenses:					
Alcoholic Beverages		\$ 12,900.00	\$ 12,900.00		
Fees and Permits -- Other:					
Clerk - Other		2,788.00	2,788.00		
Planning Board		800.00	800.00		
Zoning Board		5,723.00	5,723.00		
Police Department		493.00	493.00		
Road Opening Permit		3,456.00	3,456.00		
Uniform Construction Code Fees		150,036.20	150,036.20		
Municipal Court Fines and Costs	\$ 14,786.86	193,119.44	194,057.14		\$ 13,849.16
Burlington Coat Factory Pilot		117,869.56		\$ 117,869.56	
Interest on Investments		41,009.59	41,009.59		
	<u>\$ 14,786.86</u>	<u>\$ 528,194.79</u>	<u>\$ 411,262.93</u>	<u>\$ 117,869.56</u>	<u>\$ 13,849.16</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-8

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES**

Year Ended December 31, 2019

	Balance Dec 31, 2018		Balance After Modification	Disbursed	Balance Lapsed
	Encumbered	Reserved			
OPERATIONS - WITHIN "CAPS"					
GENERAL GOVERNMENT FUNCTIONS					
Administration					
Salaries and Wages		\$ 946.17	\$ 946.17		\$ 946.17
Other Expenses	\$ 13,664.07	3,408.21	17,072.28	\$ 15,410.32	1,661.96
Township Committee					
Salaries and Wages		124.50	124.50		124.50
Other Expenses	1,195.00	2,941.88	4,136.88	1,195.00	2,941.88
Municipal Clerk					
Salaries and Wages		12,325.87	8,325.87		8,325.87
Other Expenses	597.50	10,559.47	11,156.97	821.64	10,335.33
Financial Administration					
Salaries and Wages		4,485.37	4,485.37		4,485.37
Other Expenses	4,546.84	458.95	9,005.79	5,219.74	3,786.05
Audit Services					
Other Expenses		500.00	500.00		500.00
Collection of Taxes					
Salaries and Wages		7,714.43	7,714.43		7,714.43
Other Expenses		1,163.46	1,163.46		1,163.46
Assessment of Taxes					
Salaries and Wages		104.88	104.88		104.88
Other Expenses		8,249.21	8,249.21	375.66	7,873.55
Legal Services and Costs					
Other Expenses		15,696.55	15,696.55	7,164.21	8,532.34
Municipal Court					
Salaries and Wages		10,015.37	10,015.37		10,015.37
Other Expenses	33.60	4,516.97	4,550.57	252.72	4,297.85
Municipal Prosecutor					
Other Expenses		3,625.00	3,625.00	1,125.00	2,500.00
Engineering Services and Costs					
Other Expenses		10,620.89	10,620.89		10,620.89
Economic Development					
Other Expenses		1,200.00	1,200.00		1,200.00
Land Use Administration					
Municipal Land Use Law (N.J.S.A. 40:55D-1)					
Planning Board					
Salaries and Wages		850.00	850.00		850.00
Other Expenses		2,536.54	2,536.54		2,536.54
Zoning Board					
Salaries and Wages		1,956.20	1,956.20		1,956.20
Other Expenses		175.00	175.00		175.00
Insurance					
General Liability		751.00	751.00		751.00
Workers Compensation		718.00	718.00		718.00
Employee Group		24,360.84	24,360.84		24,360.84
Unemployment Compensation Insurance		2,249.18	2,249.18		2,249.18
PUBLIC SAFETY FUNCTIONS					
Police					
Salaries and Wages		11,194.34	11,194.34		11,194.34
Other Expenses	10,145.27	10,618.94	20,764.21	11,295.31	9,468.90
Emergency Management					
Other Expenses		1,500.00	1,500.00		1,500.00
Aid to Vol. Ambulance					
Other Expenses		2,000.00	2,000.00		2,000.00
PUBLIC WORKS FUNCTIONS					
Streets and Roads Maintenance					
Salaries and Wages		54,802.78	54,802.78		54,802.78
Other Expenses	5,592.29	25,847.55	31,439.84	6,187.02	25,252.82

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-8

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)**

Year Ended December 31, 2019

	Balance Dec 31, 2018		Balance After Modification	Disbursed	Balance Lapsed
	Encumbered	Reserved			
<u>OPERATIONS - WITHIN "CAPS" (CONTD)</u>					
<u>PUBLIC WORKS FUNCTIONS (CONTD)</u>					
Solid Waste Collection					
Salaries and Wages		\$ 99.94	\$ 99.94		\$ 99.94
Other Expenses		14,160.00	14,160.00	\$ 12,415.00	1,745.00
Public Buildings and Grounds					
Other Expenses		20,702.80	20,702.80	2,271.30	18,431.50
Community Services Act					
Other Expenses		26,717.39	26,717.39	21,212.63	5,504.76
<u>HEALTH AND HUMAN SERVICES</u>					
Board of Health					
Salaries and Wages		903.75	903.75		903.75
Other Expenses		925.56	925.56		925.56
<u>PARK AND RECREATION FUNCTIONS</u>					
Recreation Services					
Other Expenses		64.82	64.82		64.82
Maintenance of Parks					
Other Expenses		4,500.00	4,500.00		4,500.00
Celebration of Public Events					
Other Expenses		9,621.28	9,621.28		9,621.28
<u>State Uniform Construction Code Appropriations</u>					
<u>Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>					
Construction Official					
Salaries and Wages		10,793.70	10,793.70		10,793.70
Other Expenses	\$ 358.50	9,729.69	10,088.19	576.59	9,511.60
Construction Sub-Code Officials					
Fire					
Salaries and Wages		240.52	240.52		240.52
Plumbing					
Salaries and Wages		1,609.14	1,609.14		1,609.14
Electrical					
Salaries and Wages		3,635.76	3,635.76		3,635.76
Other Code Enforcement					
Salaries and Wages		7,275.03	7,275.03		7,275.03
Other Expenses		2,671.37	2,671.37		2,671.37
<u>UTILITY EXPENSES AND BULK PURCHASES</u>					
Utilities					
Electricity		6,869.99	6,869.99	4,678.97	2,191.02
Street Lighting		24,364.49	24,364.49	7,518.71	16,845.78
Telephone and Telegraph	273.84	1,058.33	1,332.17	182.56	1,149.61
Water	209.81	730.75	940.56	226.66	713.90
Fuel Oil		4,307.71	4,307.71	2,726.88	1,580.83
Telecommunications		3,259.51	3,259.51		3,259.51
Gasoline		1,711.04	1,711.04	364.49	1,346.55
Trash Disposal		24,019.70	24,019.70	14,183.58	9,836.12
<u>Unclassified</u>					
Storm Water Sewers					
Other Expenses		14,220.00	14,220.00		14,220.00
Environmental Commission					
Other Expenses		1,359.26	1,359.26		1,359.26
Aid to Providence House					
Other Expenses		1,010.00	1,010.00	630.00	380.00
Newsletter					
Other Expenses		600.00	600.00		600.00
Senior Citizen Advisory Committee					
Other Expenses		356.27	356.27	207.86	148.41

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-8

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)**

Year Ended December 31, 2019

	Balance Dec 31, 2018		Balance After Modification	Disbursed	Balance Lapsed
	Encumbered	Reserved			
<u>OPERATIONS - WITHIN "CAPS" (CONTD)</u>					
<u>Unclassified</u>					
Contingent		\$ 10,000.00	\$ 10,000.00		\$ 10,000.00
Statutory Expenditures					
Public Employees' Retirement System		1.00	1.00		1.00
Social Security System (O.A.S.I.)		6,875.64	6,875.64		6,875.64
Defined Contribution Retirement Program	\$ 8.82	1,830.28	1,839.10		1,839.10
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Affordable Housing					
Other Expenses		2,891.89	2,891.89	\$ 2,142.28	749.61
Recycling Tax		1,344.06	1,344.06	538.14	805.92
<u>CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"</u>					
Acquisition of Four-Wheel Drive Police Vehicles	2.00	3,897.53	3,899.53	2.00	3,897.53
Street Drainage Improvements		100,000.00	100,000.00		100,000.00
	<u>\$ 36,627.54</u>	<u>\$ 562,575.75</u>	<u>\$ 599,203.29</u>	<u>\$ 118,924.27</u>	<u>\$ 480,279.02</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-9

**CURRENT FUND
SCHEDULE OF PREPAID TAXES**

Year Ended December 31, 2019

Balance Dec. 31, 2018 (2019 Taxes)	\$ 121,594.67
Increased by:	
Receipts - Collector 2020 Taxes	<u>187,495.56</u>
	309,090.23
Decreased by:	
Applied to 2019 Taxes Receivable	<u>121,594.67</u>
Balance Dec. 31, 2019 (2020 Taxes)	<u><u>\$ 187,495.56</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-10

**CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS**

Year Ended December 31, 2019

Balance Dec. 31, 2018	\$ 4,273.89
Increased by:	
Receipts - Collector	<u>4,044.02</u>
	8,317.91
Decreased by:	
Refunds - Chief Financial Officer	\$ 3,848.42
Application to Taxes Receivable	<u>1,236.21</u>
	<u>5,084.63</u>
Balance Dec. 31, 2019	<u><u>\$ 3,233.28</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-11

**CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY –
UNIFORM CONSTRUCTION CODE
STATE TRAINING FEES**

Year Ended December 31, 2019

Balance Dec. 31, 2018	\$	1,878.00
Increased by:		
Receipts		<u>11,114.00</u>
		12,992.00
Decreased by:		
Payments		<u>12,112.00</u>
Balance Dec. 31, 2019	\$	<u><u>880.00</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-12

**CURRENT FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY –
MARRIAGE LICENSE FEES**

Year Ended December 31, 2019

Balance Dec. 31, 2018	\$	200.00
Increased by:		
Receipts		<u>1,275.00</u>
		1,475.00
Decreased by:		
Payments		<u>1,275.00</u>
Balance Dec. 31, 2019	\$	<u><u>200.00</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-13

**CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE**

Year Ended December 31, 2019

Lewy:			
County Tax	\$	1,794,510.73	
Open Space Tax		160,075.63	
Library		<u>167,745.19</u>	
			\$ 2,122,331.55
Decreased by:			
Payments			<u>\$ 2,122,331.55</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-14

**CURRENT FUND
SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE**

Year Ended December 31, 2019

Balance Dec. 31, 2018			\$ 59,140.00
Increased by:			
Lewy:			
Municipal Open Space Tax	\$	59,500.00	
Municipal Open Space Added and Omitted Taxes		<u>528.92</u>	
			<u>60,028.92</u>
			119,168.92
Decreased by:			
Payments			<u>118,640.00</u>
Balance Dec. 31, 2019			<u>\$ 528.92</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-15

**CURRENT FUND
SCHEDULE OF FIRE DISTRICT TAXES PAYABLE**

Year Ended December 31, 2019

Lewy	\$	422,450.00
Decreased by:		
Payments		<u>422,400.00</u>
Balance Dec. 31, 2019	\$	<u><u>50.00</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-16

**CURRENT FUND
SCHEDULE OF DUE TO COUNTY FOR ADDED AND OMITTED TAXES**

Year Ended December 31, 2019

Increased by:	
County Share of Added / Omitted Taxes	<u>\$ 18,673.92</u>
Balance Dec. 31, 2019	<u><u>\$ 18,673.92</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-17

**CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE**

Year Ended December 31, 2019

Increased by:	
Levy - Calendar Year January 1, 2019 to December 31, 2019	<u>\$ 10,467,923.00</u>
Decreased by:	
Payments	<u><u>\$ 10,467,923.00</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-18

**CURRENT FUND
SCHEDULE OF CURRENT FUND RESERVES**

Year Ended December 31, 2019

<u>Reserve</u>	<u>Balance Dec. 31, 2018</u>	<u>Disbursements</u>	<u>Realized as Revenue in 2019 Budget</u>	<u>Balance Dec. 31, 2019</u>
Reserve for Codification of Ordinances	\$ 16,400.00	\$ 4,300.00		\$ 12,100.00
Reserve for Sale of Municipal Assets	963,769.50		\$ 50,000.00	913,769.50
Reserve for Reassessment of Real Property	125,000.00	16,400.00		108,600.00
	<u>\$ 1,105,169.50</u>	<u>\$ 20,700.00</u>	<u>\$ 50,000.00</u>	<u>\$ 1,034,469.50</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-19

**CURRENT FUND
SCHEDULE OF DEFERRED CHARGES
N.J.S.40A:4-53 - SPECIAL EMERGENCIES**

Year Ended December 31, 2019

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>1/5 of Net Amount Authorized</u>	<u>Balance Dec. 31, 2018</u>	<u>Current Year Authorization</u>	<u>Raised in 2019 Budget</u>	<u>Balance Dec. 31, 2019</u>
03-27-2018	Reassessment of Real Property	\$ 125,000.00	\$ 25,000.00	100,000.00		\$ 25,000.00	\$ 75,000.00

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-20

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

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>
State:				
Alcohol Education and Rehabilitation Fund		\$ 1,044.87	\$ 1,044.87	
Clean Communities Grant		18,885.92	18,885.92	
Recycling Tonnage Grant		37,767.34	37,767.34	
Body Armor Replacement Grant		1,864.98	1,864.98	
Total State Grants	-	59,563.11	59,563.11	-
Local Grants:				
County Recycling Grant	\$ 10,444.83			\$ 10,444.83
County Park Development Grant	200,000.00			200,000.00
Total Local Grants	210,444.83	-	-	210,444.83
Total All Grants	\$ 210,444.83	\$ 59,563.11	\$ 59,563.11	\$ 210,444.83

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-21

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS – UNAPPROPRIATED**

Year Ended December 31, 2019

<u>Program</u>	<u>Balance Dec. 31, 2018</u>	<u>Grants Receivable</u>	<u>Realized as Revenue 2019 Budget</u>	<u>Balance Dec. 31, 2019</u>
State:				
Alcohol Education and Rehabilitation Fund	\$ 585.86	\$ 1,044.87	\$ 585.86	\$ 1,044.87
Clean Communities Grant	16,922.80	18,885.92	16,922.80	18,885.92
Recycling Tonnage Grant		37,767.34		37,767.34
Body Armor Replacement Fund		1,864.98		1,864.98
	<hr/>			
Total State Grants	\$ 17,508.66	\$ 59,563.11	\$ 17,508.66	\$ 59,563.11
	<hr/>			
Total All Grants	\$ 17,508.66	\$ 59,563.11	\$ 17,508.66	\$ 59,563.11
	<hr/>			

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SA-22

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS – APPROPRIATED**

Year Ended December 31, 2019

<u>Program</u>	<u>Balance Dec. 31, 2018</u>	<u>Transferred from 2019 Budget Appropriation</u>	<u>Disbursed</u>	<u>Encumbered</u>	<u>Balance Dec. 31, 2019</u>
Federal Grants:					
Bulletproof Vest Partnership Program	\$ 74.54				\$ 74.54
New Jersey Department of Transportation	5,207.98				5,207.98
Storm Water Regulation	7,936.00				7,936.00
Total Federal Grants	13,218.52	-	-	-	13,218.52
State Grants:					
Clean Communities Grant	2,365.20	\$ 16,922.80	\$ 15,902.46	\$ 1,861.63	1,523.91
Drunk Driving Enforcement Grant	3,058.00				3,058.00
Alcohol Education and Rehabilitation	7,289.00	585.86			7,874.86
Green Communities Grant	6,000.00				6,000.00
Green Acres Tree Management Plan	1,292.50				1,292.50
Recycling Tonnage Grant	72,104.73		33,173.09	65.00	38,866.64
Domestic Violence Training Program	4,990.00				4,990.00
School Safety Program/Child Identification	500.00				500.00
Body Armor Replacement	3,514.29		1,760.00		1,754.29
Total State Grants	101,113.72	17,508.66	50,835.55	1,926.63	65,860.20
Local Grants:					
County Park Development Grant	200,000.00		-		200,000.00
Total All Grants	\$ 314,332.24	\$ 17,508.66	\$ 50,835.55	\$ 1,926.63	\$ 279,078.72

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-1

**TRUST FUNDS
SCHEDULE OF CASH – CHIEF FINANCIAL OFFICER**

Year Ended December 31, 2019

	Animal Control Trust Fund	Open Space Trust Fund	Other Funds
Balance Dec. 31, 2018	\$ 8,298.16	\$ 107,368.74	\$ 696,988.03
Increased by Receipts:			
Dog License Fees	\$ 5,901.40		
Due State of New Jersey	831.60		
2019 Budget Revenue		\$ 59,500.00	
Due Current Fund		59,140.00	\$ 133,629.04
2019 Budget Appropriation	4,000.00		
Reserve for Special Law Enforcement			1,230.00
Reserve for Public Defender			4,733.76
Reserve for Escrow Deposits			46,726.13
Reserve for Street Opening			35,182.60
Reserve for Parking Offenses Adjudication Act			20.00
Reserve for Police Outside Services			114,038.83
Reserve for Flexible Spending			3,300.00
Reserve for Development Fee			35,131.48
Payroll Deductions Payable			1,267,504.12
Net Payroll			1,839,771.70
Contra			444,314.84
	<u>10,733.00</u>	<u>118,640.00</u>	<u>3,925,582.50</u>
Decreased by Disbursements:	19,031.16	226,008.74	4,622,570.53
Expenditures Under R.S.4:19-15.11	14,074.44		
Due State of New Jersey	831.60		
2019 Budget Appropriations		34,432.80	
Due Current Fund			475.00
Reserve for Public Defender			10,500.00
Reserve for Escrow Deposits			87,441.32
Reserve for Street Opening			1,500.00
Reserve for Police Outside Services			119,172.22
Reserve for Flexible Spending			4,352.51
Reserve for Accumulated Absence			53,844.00
Payroll Deductions Payable			1,289,294.80
Net Payroll			1,839,771.70
Prepaid Payroll			115,368.23
Contra			444,314.84
	<u>14,906.04</u>	<u>34,432.80</u>	<u>3,966,034.62</u>
Balance Dec. 31, 2019	<u>\$ 4,125.12</u>	<u>\$ 191,575.94</u>	<u>\$ 656,535.91</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-2

**TRUST FUNDS
SCHEDULE OF TRUST CASH – COLLECTOR
PER N.J.S.40A:5-5**

Year Ended December 31, 2019

	<u>Other Funds</u>	
Balance Dec. 31, 2018		\$ 201,727.05
Increased by Receipts:		
Reserve for Tax Title Lien Redemptions	\$ 196,623.27	
Reserve for Premiums Received at Tax Sale	350,800.00	
Contra	<u>66,779.44</u>	
		<u>614,202.71</u>
		815,929.76
Decreased by Disbursements:		
Reserve for Tax Title Lien Redemptions	189,020.67	
Reserve for Premiums Received at Tax Sale	189,100.00	
Contra	66,779.44	
Due Current Fund	<u>3.57</u>	
		<u>444,903.68</u>
Balance Dec. 31, 2019		<u><u>\$ 371,026.08</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-3

**TRUST FUNDS
ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES**

Year Ended December 31, 2019

Balance Dec. 31, 2018		\$	8,298.16
Increased by:			
Receipts:			
License Fees Collected by Clerk	\$	5,901.40	
2019 Budget Appropriation		<u>4,000.00</u>	
			<u>9,901.40</u>
			18,199.56
Decreased by:			
Expenditures Under R.S.4:19-15.11:			
Disbursements	\$	14,074.44	
Encumbrances		<u>950.00</u>	
			<u>15,024.44</u>
Balance Dec. 31, 2019		\$	<u><u>3,175.12</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-4

**TRUST FUNDS
STATEMENT OF DUE TO CURRENT FUND**

Year Ended December 31, 2019

Balance Dec. 31, 2018		\$	118,012.20
Increased by:			
Receipts:			
Treasurer:			
Interfund Loans	133,629.04		
Police Outside Services Paid by Current on Behalf of Trust	<u>22,875.00</u>		
			<u>156,504.04</u>
			274,516.24
Decreased by:			
Disbursements:			
Interfunds Returned	\$ 478.57		
Collected by Current Fund on Behalf of Trust	15,709.50		
Interest Earned Due Trust Other Funds	<u>774.92</u>		
			<u>16,962.99</u>
Balance Dec. 31, 2019		\$	<u><u>257,553.25</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SB-5

**TRUST FUNDS
STATEMENT OF TRUST OTHER RESERVES**

Year Ended December 31, 2019

<u>Reserve</u>	Balance <u>Dec. 31, 2018</u>	<u>Increased</u>	<u>Decreased</u>	<u>Encumbrances</u>	Balance <u>Dec. 31, 2019</u>
Reserve for Special Law Enforcement	\$ 8,347.18	\$ 1,230.00		\$ (1,493.00)	\$ 8,084.18
Reserve for Public Defender	12,790.00	4,733.76	\$ 10,500.00	(5,250.00)	1,773.76
Reserve for Escrow Deposits	328,729.58	47,501.05	87,441.32	5,478.30	294,267.61
Reserve for Street Opening	4,620.00	35,182.60	1,500.00		38,302.60
Reserve for Recreation Contributions	8,230.13				8,230.13
Reserve for Parking Offenses Adjudication Act	831.00	20.00			851.00
Reserve for Bicycle Patrol Fund	1,995.00				1,995.00
Reserve for Trees Fund (Branches of Love)	567.00				567.00
Reserve for Police Outside Services	9,871.02	158,474.05	142,047.22		26,297.85
Reserve for Train Station	795.00				795.00
Reserve for Flexible Spending	2,595.42	3,300.00	4,352.51		1,542.91
Reserve for Development Fee	5,007.44	35,131.48			40,138.92
Reserve for Accumulated Absences	99,955.25		53,844.00		46,111.25
Reserve for Storm Recovery	40,000.00				40,000.00
Payroll Deductions Payable	49,167.08	1,267,504.12	1,289,294.80		27,376.40
Net Payroll		1,839,771.70	1,839,771.70		
Reserve for Tax Title Lien Redemptions	4,523.48	196,623.27	189,020.67		12,126.08
Reserve for Premiums Received at Tax Sale	196,400.00	350,800.00	189,100.00	800.00	358,900.00
Reserve for Encumbrances	6,278.30			464.70	6,743.00
	<u>\$ 780,702.88</u>	<u>\$ 3,940,272.03</u>	<u>\$ 3,806,872.22</u>	<u>\$ -</u>	<u>\$ 914,102.69</u>
Chief Financial Officer		\$ 3,347,638.62	\$ 3,405,876.55		
Collector		547,423.27	378,120.67		
Due from Police Outside Vendors		28,725.72			
Due Current Fund		16,484.42	22,875.00		
		<u>\$ 3,940,272.03</u>	<u>\$ 3,806,872.22</u>		

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-1

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH
PER N.J.S.40A:5-5**

Year Ended December 31, 2019

<hr/>	
Balance Dec. 31, 2018	\$ 553,261.56
Increased by Receipts:	
Budget Appropriation - Capital Improvement Fund	\$ 100,000.00
Budget Appropriation - Deferred Charges to Future Taxation Unfunded	305,000.00
Account Receivable - NJDOT	378,750.00
Improvement Authorizations - Refunds	49,331.00
Bond Anticipation Notes	1,425,000.00
Contra	<u>95,000.00</u>
	<u>2,353,081.00</u>
	2,906,342.56
Decreased by Disbursements:	
Improvement Authorizations	1,372,879.31
Reserve for Encumbrances	98,191.63
Contracts Payable	835,110.87
Contra	<u>95,000.00</u>
	<u>2,401,181.81</u>
Balance Dec. 31, 2019	<u><u>\$ 505,160.75</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-2

**GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH**

Year Ended December 31, 2019

	Balance		Receipts			Disbursements		Transfers		Balance
	(Deficit)	Budget	Notes	Miscellaneous	Improvement	Miscellaneous	From	To	(Deficit)	
	Dec. 31, 2018	Appropriation							Dec. 31, 2019	
Capital Improvement Fund	\$ 296,428.16	\$ 100,000.00							\$ 63,000.00	\$ 333,428.16
Fund Balance	349,962.14									349,962.14
Account Receivable	(250,000.00)			\$ 378,750.00						128,750.00
Improvement Authorizations:										
2012-07 Weiman Field Improvements	12,017.29				\$ 3,327.50			\$ 1,085.99		9,775.78
2013-08 Roadway Improvements to Cardinal Road and Adams Ave.	164,467.86				8,733.09			12,195.96		167,930.73
2014-05 Various Improvements or Purposes	(311,608.62)	305,000.00			13,100.00					(19,708.62)
2015-06 Various Road & Drainage Improvements	280,248.74				150,950.05		50,670.50	57,554.63		136,182.82
2015-07 Various Roadway and Municipal Improvements	108,747.25				21,683.29		32,184.69	63.75		54,943.02
2016-08 Acquisition of Vehicles for Public Works Department	(164,579.00)									(164,579.00)
2016-09 Various Road & Drainage Improvements	(1,164,986.61)		\$ 1,425,000.00	49,331.00	242,845.70		8,988.55	27,581.86		85,092.00
2018-04 Various Improvements or Purposes	(169,528.35)				764,713.18		126,570.51			(1,060,812.04)
2019-07a Acquisition of Vehicles & Equipment								10,000.00		10,000.00
2019-07b Various Capital Improvements to Facilities								15,000.00		15,000.00
2019-07c Various Road & Drainage Improvements					167,526.50		544,771.05	38,000.00		(674,297.55)
Contra				95,000.00		\$ 95,000.00				
Reserve for Payment of Debt	348,037.57									348,037.57
Reserve for Encumbrances	205,863.27						98,191.63	85,401.20	15,422.50	37,692.94
Contracts Payable	848,191.86						835,110.87	13,080.99	747,762.80	747,762.80
	\$ 553,261.56	\$ 405,000.00	\$ 1,425,000.00	\$ 523,081.00	\$ 1,372,879.31	\$ 1,028,302.50	\$ 924,667.49	\$ 924,667.49	\$ 505,160.75	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-3

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION – FUNDED**

Year Ended December 31, 2019

Balance Dec. 31, 2018	\$ 3,425,000.00
Decreased by:	
2019 Budget Appropriation:	
Serial Bonds	<u>370,000.00</u>
Balance Dec. 31, 2019	<u><u>\$ 3,055,000.00</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-4

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

Year Ended December 31, 2019

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2018	2019 Authorizations	Budget Appropriation	Balance Dec. 31, 2019	Analysis of Balance Dec. 31, 2019		
							Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
2014-05	Various Improvements or Purposes	06/03/14	\$ 411,250.00		\$ 305,000.00	\$ 106,250.00		\$ 19,708.62	\$ 86,541.38
2015-06	Various Road & Drainage Improvements	10/20/15	130,200.00			130,200.00			130,200.00
2015-07	Various Roadway and Municipal Improvements	11/10/15	568,000.00			568,000.00		143,806.98	424,193.02
2016-08	Acquisition of Vehicles for Public Works Department	10/04/16	190,000.00			190,000.00		164,579.00	25,421.00
2016-09	Various Road & Drainage Improvements	12/06/16	1,425,000.00			1,425,000.00	\$ 1,425,000.00		
2018-04	Various Improvements or Purposes	06/19/19	1,065,000.00			1,065,000.00		1,060,812.04	4,187.96
2019-07a	Acquisition of Vehicles & Equipment	07/17/19		\$ 190,000.00		190,000.00			190,000.00
2019-07b	Various Capital Improvements to Facilities	07/17/19		285,000.00		285,000.00			285,000.00
2019-07c	Various Road & Drainage Improvements	07/17/19		707,000.00		707,000.00		419,297.55	287,702.45
			\$ 3,789,450.00	\$ 1,182,000.00	\$ 305,000.00	\$ 4,666,450.00	\$ 1,425,000.00	\$ 1,808,204.19	\$ 1,433,245.81
Improvement Authorizations Unfunded									\$ 1,518,337.81
Less: Unexpended Proceeds of Bond Anticipation Notes:									
Ordinance:									
2016-09									85,092.00
									\$ 1,433,245.81

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-5

**GENERAL CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE**

Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 848,191.86
Increased by:		
Contracts Awarded and Charged to Improvement Authorizations		<u>747,762.80</u>
		1,595,954.66
Decreased by:		
Disbursements	\$ 835,110.87	
Canceled	<u>13,080.99</u>	
		<u>848,191.86</u>
Balance Dec. 31, 2019		<u>\$ 747,762.80</u>

Schedule of Contracts Payable Dec. 31, 2019

<u>Vendor:</u>	<u>Ordinance Number</u>	<u>Amount</u>
Environmental Resolutions	2015-06	\$ 46,000.00
Environmental Resolutions	2015-06	4,590.50
County of Burlington	2015-07a	32,184.69
Pioneer General Contracting	2016-09	8,261.05
Winner Ford	2018-04a	48,333.00
Pioneer General Contracting	2018-04b	50,495.01
Environmental Resolutions	2018-04b	16,742.50
Pioneer General Contracting	2019-07c	<u>541,156.05</u>
		<u>\$ 747,762.80</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-6

**GENERAL CAPITAL FUND
SCHEDULE OF ACCOUNTS RECEIVABLE**

Year Ended December 31, 2019

Balance Dec. 31, 2018		\$ 250,000.00
Increased by:		
Award - New Jersey Department of Transportation Ord. 2019-07c		<u>255,000.00</u>
		505,000.00
Decreased by:		
Receipts		<u>378,750.00</u>
Balance Dec. 31, 2019		<u>\$ 126,250.00</u>

Schedule of Receivables as of Dec. 31, 2019

New Jersey Department of Transportation - Bridgeboro Road - Ordinance 2018-04b		\$ 62,500.00
New Jersey Department of Transportation - Regency Road - Ordinance 2019-07c		<u>63,750.00</u>
		<u>\$ 126,250.00</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-7

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Year Ended December 31, 2019

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2018		2019 Authorizations	Contracts Payable Canceled	Encumbrances Canceled	Paid or Charged	Balance Dec. 31, 2019	
				Funded	Unfunded					Funded	Unfunded
2012-07	Weiman Field Improvements	9/18/2012	\$ 400,000.00	\$ 12,017.29				\$ 1,085.99	\$ 3,327.50	\$ 9,775.78	
2013-08a	Various Capital Improvements to Facilities	10/01/13	540,000.00	160,716.86			\$ 12,195.96		8,733.09	164,179.73	
2013-08c	Acquisition of Equipment for Public Works Department	10/01/13	57,000.00	3,751.00						3,751.00	
2014-05a	Various Capital Improvements to Facilities	06/03/14	180,000.00		\$ 12,299.85						\$ 12,299.85
2014-05c	Improvements to Weimann Sports Complex	06/03/14	245,000.00		87,341.53				13,100.00		74,241.53
2015-06	Various Road & Drainage Improvements	10/20/15	983,663.61	478,998.74	130,200.00		57,554.63		201,620.55	334,932.82	130,200.00
2015-07a	Various Capital Improvements to Facilities	11/10/15	545,000.00		477,997.25				53,867.98		424,129.27
2015-07b	Roadway Improvements	11/10/15	235,000.00				63.75				63.75
2016-08	Acquisition of Vehicles for Public Works Department	10/04/16	200,000.00		25,421.00						25,421.00
2016-09	Various Road & Drainage Improvements	12/06/16	1,500,000.00		260,013.39		27,581.86		202,503.25		85,092.00
2018-04a	Acquisition of Vehicles & Equipment	6/19/2018	520,000.00		149,671.65				148,897.19		774.46
2018-04b	Various Improvements or Purposes	6/19/2018	850,000.00	175,800.00	570,000.00				742,386.50		3,413.50
2019-07a	Acquisition of Vehicles & Equipment	07/17/19	200,000.00			\$ 200,000.00				10,000.00	190,000.00
2019-07b	Various Capital Improvements to Facilities	07/17/19	300,000.00			300,000.00				15,000.00	285,000.00
2019-07c	Various Road & Drainage Improvements	07/17/19	1,000,000.00			1,000,000.00			712,297.55		287,702.45
				\$ 831,283.89	\$ 1,712,944.67	\$ 1,500,000.00	\$ 97,396.20	\$ 1,085.99	\$ 2,086,733.61	\$ 537,639.33	\$ 1,518,337.81
Capital Improvement Fund						\$ 63,000.00					
Deferred Charges to Future Taxation - Unfunded						1,182,000.00					
Accounts Receivable - NJDOT						255,000.00					
						\$ 1,500,000.00					
Disbursed									\$ 1,372,879.31		
Refunded									(49,331.00)		
Reserve for Encumbrances									15,422.50		
Contracts Payable									747,762.80		
									\$ 2,086,733.61		

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-8

**GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES**

Year Ended December 31, 2019

Balance Dec. 31, 2018		\$	205,863.27
Increased by:			
Charges to Improvement Authorizations			<u>15,422.50</u>
			221,285.77
Decreased by:			
Disbursements	\$	98,191.63	
Canceled		<u>85,401.20</u>	
			<u>183,592.83</u>
Balance Dec. 31, 2019		\$	<u><u>37,692.94</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-9

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Year Ended December 31, 2019

Balance Dec. 31, 2018		\$	296,428.16
Increased by:			
2019 Budget Appropriation			<u>100,000.00</u>
			396,428.16
Decreased by:			
Appropriation to Finance			
Improvement Authorizations			<u>63,000.00</u>
Balance Dec. 31, 2019		\$	<u><u>333,428.16</u></u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-10

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS**

Year Ended December 31, 2019

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2019</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>
			<u>Date</u>	<u>Amount</u>				
Burlington County Bridge Commission Revenue Bonds, Series 2013A (Refunding of 2003 General Bonds)	02/28/2013	\$ 1,780,000.00	11/01/20	\$ 185,000.00	5.000%			
			11/01/21	195,000.00	5.000%			
			11/01/22	205,000.00	5.000%			
			11/01/23	210,000.00	5.000%	\$ 970,000.00	\$ 175,000.00	\$ 795,000.00
Burlington County Bridge Commission County-Guaranteed Pooled Loan Revenue Bonds, (Governmental Loan Program), Series 2014A-2	01/02/2014	3,350,000.00	11/01/20	205,000.00	5.000%			
			11/01/21	215,000.00	5.000%			
			11/01/22	230,000.00	5.000%			
			11/01/23	240,000.00	5.000%			
			11/01/24	250,000.00	5.000%			
			11/01/25	265,000.00	3.375%			
			11/01/26	275,000.00	3.500%			
			11/01/27	285,000.00	5.000%			
			11/01/28	295,000.00	5.000%	2,455,000.00	195,000.00	2,260,000.00
						<u>\$ 3,425,000.00</u>	<u>\$ 370,000.00</u>	<u>\$ 3,055,000.00</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-11

**GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES**

Year Ended December 31, 2019

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Notes</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (a)</u>	<u>Balance Dec. 31, 2018</u>	<u>Notes Issued</u>	<u>Balance Dec. 31, 2019</u>
2016-09	Various Road & Drainage Improvements	12/05/19	12/5/2019	12/4/2020	0.00%	\$ -	\$ 1,425,000.00	\$ 1,425,000.00

(a) The note is held by the current fund at 0.00% interest.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SC-12

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

Year Ended December 31, 2019

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2018</u>	<u>Funded by Budget Appropriation</u>	<u>2019 Authorizations</u>	<u>Notes Issued</u>	<u>Balance Dec. 31, 2019</u>
General Improvements:							
2014-05	Various Improvements or Purposes	06/03/14	\$ 411,250.00	\$ 305,000.00			\$ 106,250.00
2015-06	Various Road & Drainage Improvements	10/20/15	130,200.00				130,200.00
2015-07	Various Roadway and Municipal Improvements	11/10/15	568,000.00				568,000.00
2016-08	Acquisition of Vehicles for Public Works Department	10/04/16	190,000.00				190,000.00
2016-09	Various Road & Drainage Improvements	12/06/16	1,425,000.00			\$ 1,425,000.00	
2018-04	Various Improvements or Purposes	06/19/18	1,065,000.00				1,065,000.00
2019-07a	Acquisition of Vehicles & Equipment	07/17/19			\$ 190,000.00		190,000.00
2019-07b	Various Capital Improvements to Facilities	07/17/19			285,000.00		285,000.00
2019-07c	Various Road & Drainage Improvements	07/17/19			707,000.00		707,000.00
			<u>\$ 3,789,450.00</u>	<u>\$ 305,000.00</u>	<u>\$ 1,182,000.00</u>	<u>\$ 1,425,000.00</u>	<u>\$ 3,241,450.00</u>

INDEPENDENT AUDITORS' 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

To the Honorable Mayor and Members
of the Township Council
Township of Edgewater Park
County of Burlington
Edgewater Park, New Jersey 08010

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Edgewater Park (the "Township"), as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated September 9, 2020, in which we expressed an adverse opinion on the conformity of the financial statements with accounting principles generally accepted in the United States of America due to differences between those principles and accounting practices 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's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township'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.

INDEPENDENT AUDITORS' 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 (CONTINUED)

Compliance and Other Matters

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

Purpose of this Report

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



Warren A. Broudy, CPA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

September 9, 2020

SUPPLEMENTARY INFORMATION

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**SUMMARY OF MUNICIPAL DEBT (EXCLUDING CURRENT DEBT)
Year Ended December 31, 2019**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Issued -			
General - Bonds and Notes	\$ 4,480,000.00	\$ 3,425,000.00	\$ 3,785,000.00
Deductions - Funds Temporarily Held to Pay Notes:			
General	348,037.57	348,037.57	270,037.57
Net Debt Issued	<u>4,131,962.43</u>	<u>3,076,962.43</u>	<u>3,514,962.43</u>
Authorized but not Issued:			
General - Bonds & Notes	3,241,450.00	3,789,450.00	2,994,450.00
Net Debt	<u>\$ 7,373,412.43</u>	<u>\$ 6,866,412.43</u>	<u>\$ 6,509,412.43</u>

**SUMMARY OF MUNICIPAL DEBT (EXCLUDING CURRENT DEBT)
Year Ended December 31, 2019**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.266%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District	\$ 14,255,000.00	\$ 14,255,000.00	\$ -
General Debt	7,721,450.00	348,037.57	7,373,412.43
Total	<u>\$ 21,976,450.00</u>	<u>\$ 14,603,037.57</u>	<u>\$ 7,373,412.43</u>

Net debt, \$7,373,412.43, divided by Equalized Valuation Basis Per N.J.S.A.40A:2-2 as amended, \$544,865,436.67 equals 1.353%.

Equalized Valuation Basis:

2019	\$582,306,224.00
2018	529,767,556.00
2017	522,522,530.00
Average	<u>\$544,865,436.67</u>

Borrowing Power Under 40A:2-6

3.5% of Equalized Valuation Basis (Municipal)	\$19,070,290.28
Net Debt	<u>7,373,412.43</u>
Remaining Borrowing Power	<u>\$11,696,877.85</u>

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY
Year Ended December 31, 2019**

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

YEAR	TAX LEVY	CURRENTLY	
		CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2019	\$18,463,625.83	\$17,910,363.35	97.00%
2018	17,796,208.46	17,299,200.34	97.21%
2017	17,595,939.07	17,101,444.72	97.19%
2016	16,615,214.60	16,230,090.17	97.68%
2015	16,223,892.23	15,802,499.17	97.40%

**COMPARISON OF TAX RATE INFORMATION
Year Ended December 31, 2019**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Tax Rate	<u>\$3.077</u>	<u>\$3.009</u>	<u>\$2.952</u>
Apportionment of Tax Rate:			
Municipal	0.879	0.849	0.811
County	0.357	0.353	0.372
Local School	1.760	1.726	1.691
Fire District Tax	0.071	0.071	0.069
Open Space Tax	0.010	0.010	0.009

**NET VALUATION TAXABLE
Year Ended December 31, 2019**

Net Valuation Taxable:

2019	<u>\$595,000,600.00</u>		
2018		<u>\$591,432,600.00</u>	
2017			<u>\$591,391,100.00</u>

**DELINQUENT TAXES AND TAX TITLE LIENS
Year Ended December 31, 2019**

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

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2019	\$180,154.59	\$298,068.49	\$478,223.08	2.59%
2018	154,835.15	321,268.14	476,103.29	2.68%
2017	125,438.26	358,852.41	484,290.67	2.75%

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**COMPARATIVE STATEMENT OF OPERATIONS
Year Ended December 31, 2019**

	YEAR 2019		YEAR 2018	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$1,300,000.00	6.00%	\$1,275,000.00	4.02%
Miscellaneous - from Other Than Local Property Tax Levies	2,058,650.23	9.50%	2,269,162.05	9.82%
Collection of Delinquent Taxes & Tax Title Liens	316,244.95	1.46%	358,087.64	1.74%
Collection of Current Tax Levy	<u>17,988,376.37</u>	<u>83.04%</u>	<u>17,299,200.34</u>	<u>84.42%</u>
Total Income	<u>21,663,271.55</u>	<u>100.00%</u>	<u>21,201,450.03</u>	<u>100.00%</u>
Expenditures				
Budget Expenditures - Municipal Purposes	7,244,308.09	35.38%	7,349,128.87	33.57%
County Taxes	2,141,005.47	10.46%	2,085,160.65	15.09%
Local & Regional School Taxes	10,467,923.00	51.12%	10,203,082.00	49.09%
Fire District Taxes	422,450.00	2.06%	414,120.00	1.93%
Other Expenditures	<u>202,069.97</u>	<u>0.99%</u>	<u>78,065.52</u>	<u>0.32%</u>
Total Expenditures	<u>20,477,756.53</u>	<u>100.00%</u>	<u>20,129,557.04</u>	<u>100.00%</u>
Excess in Revenue to Fund Balance	1,185,515.02		1,071,892.99	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above which are by Statute Deferred Charges to Budget of Succeeding Year			<u>125,000.00</u>	
Statutory Excess to Fund Balance	1,185,515.02		1,196,892.99	
Fund Balance January 1,	<u>2,801,844.28</u>		<u>2,879,951.29</u>	
	3,987,359.30		4,076,844.28	
Less:				
Utilization as Anticipated Revenue	<u>1,300,000.00</u>		<u>1,275,000.00</u>	
Fund Balance December 31,	<u>\$2,687,359.30</u>		<u>2,801,844.28</u>	

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Year Ended December 31, 2019**

PERS - Last 10 Fiscal Years							
	2019	2018	2017	2016	2015	2014	2013
Township's proportion of the net pension liability	0.0076866025%	0.0090000078%	0.0089859252%	0.0079866210%	0.0085110263%	0.0099836778%	0.0084860960%
Township's proportionate share of net pension liability	1,385,009	1,772,057	2,091,780	2,365,408	1,910,555	1,869,218	1,621,862
Township's covered-employee payroll	680,385	579,717	617,041	617,212	577,548	558,005	560,957
Township's proportionate share of net pension liability as a % of payroll	203.56%	305.68%	339.00%	383.24%	330.80%	334.98%	289.12%
Total pension liability	3,189,284	3,818,845	4,030,400	3,951,357	3,669,068	3,900,770	3,162,963
Plan fiduciary net position	1,804,275	2,046,788	1,938,620	1,585,949	1,758,513	2,031,552	1,541,101
Plan fiduciary net position as a % of total pension liability	56.57%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

PFRS Plan - Last 10 Fiscal Years							
	2019	2018	2017	2016	2015	2014	2013
Township's proportion of the net pension liability	0.0297313978%	0.0295770254%	0.0269317547%	0.0250739386%	0.0205062222%	0.0237384902%	0.0237922553%
Township's collective proportionate share of net pension liability	4,212,997	4,545,900	4,623,444	5,191,985	3,715,161	3,307,633	3,457,793
Township's covered-employee payroll	1,155,722	1,078,124	995,640	893,932	837,064	697,180	700,868
Township's proportionate share of net pension liability as a % of payroll	364.53%	421.65%	464.37%	580.80%	443.83%	474.43%	493.36%
Total pension liability	12,035,725	12,114,765	11,168,919	10,818,540	8,502,795	8,798,954	8,371,400
Plan fiduciary net position	7,822,729	7,568,865	6,545,475	5,626,555	4,787,635	5,491,321	4,913,607
Plan fiduciary net position as a % of total pension liability	65.00%	62.48%	58.60%	52.01%	56.31%	62.41%	58.70%

Notes to the Required Supplementary Information

- There were no benefit changes.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2013 of 5.55% and 6.45% to 5.39% and 6.32%, respectively, as of the measurement date of June 30, 2014.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2014 of 5.39% and 6.32% to 4.90% and 5.79%, respectively, as of the measurement date of June 30, 2015.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2015 of 4.90% and 5.79% to 3.98% and 5.55%, respectively, as of the measurement date of June 30, 2016.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2016 of 3.98% and 5.55% to 5.00% and 6.14%, respectively, as of the measurement date of June 30, 2017.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2017 of 5.00% and 6.14% to 5.66% and 6.51%, respectively, as of the measurement date of June 30, 2018.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2018 of 5.66% and 6.51% to 6.28% and 6.85%, respectively, as of the measurement date of June 30, 2019.

The pension schedules are intended to show information for ten years. The State of New Jersey has issued seven years of pension information to the township. Additional years' information will be displayed as it becomes available.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**SCHEDULE OF CONTRIBUTIONS
Year Ended December 31, 2019**

	PERS - Last 10 Fiscal Years						
	Years Ended June 30,						
	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 74,768	\$ 89,521	\$ 83,245	\$ 70,952	\$ 73,172	\$ 82,304	\$ 63,941
Contributions in relation to the contractually required contribution	74,768	89,521	83,245	70,952	73,172	82,304	63,941
Agency's covered employee payroll	680,385	579,717	617,041	617,212	577,548	558,005	560,957
Contributions as a % of covered employee payroll	10.99%	15.44%	13.49%	11.50%	12.67%	14.75%	11.40%
	PFRS - Last 10 Fiscal Years						
	Years Ended June 30,						
	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 300,320	\$ 289,159	\$ 238,351	\$ 204,438	\$ 166,685	\$ 182,328	\$ 173,583
Contributions in relation to the contractually required contribution	300,320	289,159	238,351	204,438	166,685	182,328	173,583
Agency's covered employee payroll	1,155,722	1,078,124	995,640	893,932	837,064	697,180	700,868
Contributions as a % of covered employee payroll	25.99%	26.82%	23.94%	22.87%	19.91%	26.15%	24.77%

The pension schedules are intended to show information for ten years. The State of New Jersey has issued seven years of pension information to the township. Additional years' information will be displayed as it becomes available.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY
Year Ended December 31, 2019

	Last 10 Fiscal Years*			
	2019	2018	2017	2016
Proportion of the net OPEB liability	0.014307%	0.016415%	0.016203%	0.016853%
Proportionate share of net OPEB liability	\$ 1,938,036	\$ 2,571,675	\$ 3,307,970	\$ 3,660,044
Contributions	36,696	47,986	16,817	19,028

*The OPEB schedules are intended to show information for ten years. The State of New Jersey has issued four years of OPEB information to the Township. Additional years' information will be displayed as it becomes available.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

OFFICIALS IN OFFICE AND SURETY BONDS

December 31, 2019

NAME	TITLE	AMOUNT OF SURETY
Bill Belgard	Mayor	B
Charles Amutah	Deputy Mayor	B
Michael Trainor	Committeeman	B
Lauren DiFilippo	Committeewoman	B
Kevin Johnson	Committeeman	B
Tom Pullion	Township Administrator	B
Tara Krueger	Certified Municipal Finance Officer (Effective February 2, 2019)	B
Tanyika Johns	Tax Collector (Retired February 8, 2019)	A
Mindy Weiner	Tax Collector (Effective February 9, 2019)	A
Krisden McCrink	Municipal Court Judge	B
Catherine Iezzi	Court Administrator	B
Justin Vining	Tax Assessor (Retired February 26, 2019)	B
Neal Snyder	Tax Assessor (Effective March 5, 2019)	B
Salvatore Siciliano	Solicitor	
Environmental Resolutions, Inc.	Engineer	

(A) RLI Insurance Company - \$125,000 coverage

(B) Municipal Excess Liability Joint Insurance Fund - \$1,000,000 blanket bond

To the Honorable Mayor and
Members of the Township Committee
Township of Edgewater Park
Edgewater Park, New Jersey 08010

We have audited the financial statements and transactions of the Township of Edgewater Park in the County of Burlington for the year ended December 31, 2019. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500 except by contract or agreement.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where a question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S.A.40A:11-6.1.

Collection of Interest on Delinquent Taxes

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

The governing body on January 5, 2019, adopted the following resolution authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED by the Township Committee of the Township of Edgewater Park, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

BE IT FURTHER RESOLVED, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2019, included 2018 real estate taxes only.

The last tax sale was held on September 12, 2019, and was complete.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a partial payment or estimate.

Municipal Court

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the Municipal Court records, no attempt was made to differentiate between fines due the Township, County, or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

Acknowledgment

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,

A handwritten signature in black ink that reads "Warren A. Broudy". The signature is written in a cursive style with a large, stylized 'W' and 'B'.

Warren A. Broudy, Certified Public Accountant
Registered Municipal Accountant No. CR554

September 9, 2020

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS
Year Ended December 31, 2019**

None reported.

**TOWNSHIP OF EDGEWATER PARK
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended December 31, 2019

None reported.