

Report of Audit

on the

Financial Statements

of the

Township of Marlboro

in the

County of Monmouth
New Jersey

for the

Year Ended
December 31, 2020

TOWNSHIP OF MARLBORO

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TOWNSHIP OF MARLBORO

PART I

INDEPENDENT AUDITOR'S REPORT ON
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
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YEAR ENDED DECEMBER 31, 2020 AND 2019



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Council
Township of Marlboro
County of Monmouth
Marlboro, New Jersey 07746

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Township of Marlboro, as of December 31, 2020 and 2019, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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

SUPLEE, CLOONEY & COMPANY

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the regulatory financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township of Marlboro's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Marlboro'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 regulatory financial statements.

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

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

As described in Note 1 of the regulatory financial statements, the regulatory financial statements are prepared by the Township of Marlboro on the basis of the financial reporting provisions prescribed by 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 New Jersey.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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 accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Township of Marlboro as of December 31, 2020 and 2019, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2020.

Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2020 and 2019, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2020 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

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Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Marlboro's regulatory financial statements. The supplementary information, schedules and data listed in the table of contents 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 regulatory financial statements.

The supplemental information, schedules and data listed above and also listed in the table of contents are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory 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 information, schedules and data listed in the table of contents are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 26, 2021 on our consideration of the Township of Marlboro'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Marlboro's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

May 26, 2021



SUPLEE, CLOONEY & COMPANY
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**INDEPENDENT AUDITOR'S 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**

The Honorable Mayor and Members
of the Township Council
Township of Marlboro
County of Monmouth
Marlboro, New Jersey 07746

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Township of Marlboro, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon dated May 26, 2021. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Marlboro prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township'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 financial statements. 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 of Marlboro'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 of Marlboro's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

May 26, 2021

CURRENT FUND

TOWNSHIP OF MARLBORO

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>BALANCE DECEMBER 31, 2019</u>
Current Fund:			
Cash	A-4	\$ 30,284,508.93	\$ 18,578,961.83
Investment		-	6,500,000.00
Change Funds	A-6	1,100.00	1,100.00
Petty Cash	A-7	400.00	400.00
		<u>\$ 30,286,008.93</u>	<u>\$ 25,080,461.83</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	A-9	\$ 1,017,595.04	\$ 1,066,668.61
Tax Title Liens Receivable	A-10	1,081,976.62	991,091.02
Property Acquired for Taxes - Assessed Valuation	A-11	802,400.00	802,400.00
Revenue Accounts Receivable	A-12	9,502.18	30,391.24
Interfunds Receivable	A-13	200,000.00	500,000.00
Prepaid Regional School Taxes	A-22		517,942.11
	A	<u>\$ 3,111,473.84</u>	<u>\$ 3,908,492.98</u>
Deferred Charges:			
Emergency Authorization (40A:4-46)	A-25	\$ 345,724.41	\$ 187,423.34
		<u>\$ 345,724.41</u>	<u>\$ 187,423.34</u>
		<u>\$ 33,743,207.18</u>	<u>\$ 29,176,378.15</u>
Grant Fund:			
Grants Receivable	A-26	\$ 36,719.21	\$ 65,556.51
Interfunds Receivable	A-29	486,624.20	475,394.82
		<u>\$ 523,343.41</u>	<u>\$ 540,951.33</u>
		<u>\$ 34,266,550.59</u>	<u>\$ 29,717,329.48</u>

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

TOWNSHIP OF MARLBORO

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>BALANCE DECEMBER 31, 2019</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Current Fund:			
Liabilities:			
Appropriation Reserves	A-3:A-14	\$ 4,135,483.37	\$ 2,750,728.04
Due State of New Jersey-Senior Citizens and Veterans Deductions	A-8	12,072.21	11,559.19
Interfunds Payable	A-13	486,654.20	475,394.82
Reserve for Miscellaneous Deposits	A-15	1,632,141.29	1,322,272.82
Tax Overpayments	A-16	1,493.51	96,143.48
Encumbrances Payable	A-17	1,980,092.84	1,461,416.62
Accounts Payable	A-18	277,890.78	564,757.84
Prepaid Taxes	A-19	1,373,403.65	825,166.29
County Taxes Payable	A-20	122,294.03	129,495.14
Local School Taxes Payable	A-21	7,800,469.50	6,380,274.50
Regional School Taxes Payable	A-22	172,594.89	
		<u>\$ 17,994,590.27</u>	<u>\$ 14,017,208.74</u>
Reserve for Receivables	A	3,111,473.84	3,908,492.98
Fund Balance	A-1	<u>12,637,143.07</u>	<u>11,250,676.43</u>
		<u>\$ 33,743,207.18</u>	<u>\$ 29,176,378.15</u>
Grant Fund:			
Encumbrances Payable	A-17	\$ 245,049.85	\$ 129,155.86
Reserve for Grants-Appropriated	A-27	278,293.56	388,495.37
Reserve for Grants-Unappropriated	A-28		23,300.10
		<u>\$ 523,343.41</u>	<u>\$ 540,951.33</u>
		<u>\$ 34,266,550.59</u>	<u>\$ 29,717,329.48</u>

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

TOWNSHIP OF MARLBORO

CURRENT FUND

STATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS

REVENUE AND OTHER INCOME	REF.	YEAR ENDED	
		DECEMBER 31, 2020	DECEMBER 31, 2019
Fund Balance Utilized	A-1:A-2	\$ 5,300,000.00	\$ 5,550,000.00
Miscellaneous Revenues Anticipated	A-2	5,589,637.70	6,548,590.20
Receipts from Delinquent Taxes	A-2	1,100,176.65	1,002,089.30
Receipts from Current Taxes	A-2	166,471,094.89	165,853,665.54
Non-Budget Revenues	A-2	474,190.58	542,618.54
Other Credits to Income:			
Unexpended Balance of Appropriation Reserve	A-14	2,581,734.59	1,780,898.26
Reserve for Prepaid Regional School Tax		517,942.11	469,857.00
Grants Appropriated Reserves Cancelled	A-15		1,007.95
Accounts Payable Cancelled	A-18	322,975.49	47,599.56
Interfunds Returned		300,000.00	
Total Income		\$ 182,657,752.01	\$ 181,796,326.35
EXPENDITURES			
Budget and Emergency Appropriations:			
Within "CAPS":			
Operations including Contingent	A-3	\$ 27,066,543.80	\$ 26,459,101.23
Deferred Charges and Statutory			
Expenditures - Municipal	A-3	4,843,052.15	4,701,473.16
Excluded from "CAPS"			
Operations	A-3	1,289,153.53	1,395,981.61
Capital Improvement Fund	A-3	300,000.00	400,000.00
Municipal Debt Service	A-3	3,861,481.93	3,879,261.68
Deferred Charges and Judgments	A-3	187,423.34	
County Tax	A-20	23,319,620.21	23,060,349.03
County Tax for Added and Omitted Taxes	A-20	122,294.34	129,495.74
Local District School Tax	A-21	77,647,155.00	77,899,993.00
Regional District School Tax	A-22	33,740,954.00	34,123,416.00
Municipal Open Space Tax	A-23	724,530.23	720,012.28
Special District Taxes	A-24	3,175,548.00	3,076,488.00
Interfund Advances			500,000.00
Prior Year Senior Citizens Deductions, net	A-8		3,396.57
Refund of Prior Year Revenue - Tax Appeals	A-4	39,253.25	163,662.00
Total Expenditures		\$ 176,317,009.78	\$ 176,512,630.30
Excess in Revenue		\$ 6,340,742.23	\$ 5,283,696.05
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year	A-3	345,724.41	187,423.34
Statutory Excess to Fund Balance		\$ 6,686,466.64	\$ 5,471,119.39
Fund Balance			
Balance, January 1	A	11,250,676.43	11,329,557.04
		\$ 17,937,143.07	\$ 16,800,676.43
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	5,300,000.00	5,550,000.00
Balance, December 31	A	\$ 12,637,143.07	\$ 11,250,676.43

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

TOWNSHIP OF MARLBORO

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
	BUDGET	SPECIAL N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 5,300,000.00		\$ 5,300,000.00
Miscellaneous Revenues:				
Alcoholic Beverage Licenses	A-12	\$ 41,630.00	\$ 42,500.00	\$ 870.00
Other Licenses	A-2	20,000.00	22,902.00	2,902.00
Fees and Permits:				
Other	A-2	720,000.00	916,199.01	196,199.01
Fines and Costs - Municipal Court	A-12	473,100.00	243,335.11	(229,764.89)
Interest and Costs on Taxes	A-12	180,000.00	285,784.70	105,784.70
Cable Television Franchise Fees	A-12	216,000.00	220,586.31	4,586.31
Cell Tower Rental	A-12	266,500.00	373,334.95	106,834.95
Interest on Investments and Deposits	A-12	450,000.00	197,826.22	(252,173.78)
Energy Receipts Tax	A-12	2,268,949.00	2,268,949.01	0.01
Drunk Driving Enforcement Fund	A-26		18,414.14	18,414.14
Clean Communities Grant	A-26		86,407.57	86,407.57
Municipal Alliance on Alcoholism and Drug Abuse	A-26		2,077.50	2,077.50
State Body Armor Replacement Fund	A-26		6,543.29	6,543.29
Recycling Tonnage Grant	A-26	23,300.10	23,300.10	
Uniform Fire Safety Act	A-12	83,901.12	84,391.58	490.46
Payment in Lieu of Taxes	A-12	500,000.00	528,842.51	28,842.51
Sale of Liquor License	A-15	150,000.00	150,000.00	
Capital Surplus	A-12	100,000.00	100,000.00	
Bullet Proof Vest Partnership	A-26		16,243.70	16,243.70
Sustainable Jersey Small Grants Program	A-26		2,000.00	2,000.00
	A-1	\$ 5,493,380.22	\$ 131,686.20	\$ 5,589,637.70
Receipts From Delinquent Taxes	A-2	\$ 750,000.00		\$ 1,100,176.65
Amount to be Raised by Taxes for Support of: Local Tax for Municipal Purposes	A-2	\$ 28,485,442.86		\$ 30,342,283.48
Budget Totals		\$ 40,028,823.08	\$ 131,686.20	\$ 42,332,097.83
Non-Budget Revenues	A-2			474,190.58
		\$ 40,028,823.08	\$ 131,686.20	\$ 42,806,288.41
REF.	A-3		A-3	

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

TOWNSHIP OF MARLBORO

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	<u>REF.</u>		
Allocations of Current Tax Collections:			
Revenues from Collections	A-1:A-9	\$	166,871,094.89
Less: Reserve for Tax Appeals			<u>400,000.00</u>
	A-1		<u>166,471,094.89</u>
Allocated to:			
School Taxes		\$	111,388,109.00
County Taxes			23,441,914.55
Special District Tax			3,175,548.00
Municipal Open Space Tax			<u>724,530.23</u>
			<u>138,730,101.78</u>
Balance for Support of Municipal Appropriations		\$	27,740,993.11
Add: Appropriation "Reserve for Uncollected Taxes"	A-3		<u>2,601,290.37</u>
Amount for Support of Municipal Budget Appropriations	A-2	\$	<u><u>30,342,283.48</u></u>

ANALYSIS OF REALIZED REVENUES

Receipts from Delinquent Taxes:			
Delinquent Tax Collections	A-9	\$	<u>1,100,176.65</u>
	A-1:A-2	\$	<u><u>1,100,176.65</u></u>
Licenses - Other:			
Clerk	A-12	\$	22,119.00
Registrar	A-12		<u>783.00</u>
	A-2	\$	<u><u>22,902.00</u></u>
Other Fees and Permits:			
Engineering Department	A-12	\$	23,394.00
Planning Board	A-12		91,878.00
Zoning Board	A-12		112,017.50
Fire Prevention Department	A-12		160,751.00
Police Department	A-12		72,406.46
Registrar	A-12		135.00
Community Development	A-12		201,193.05
Township Clerk	A-12		254,532.00
Tax Assessor	A-12		1,130.00
Administration	A-12		<u>1,715.00</u>
		\$	<u>919,152.01</u>
Less Transferred to Encumbrances	A-17		414.00
Less: Refunds	A-4		<u>2,539.00</u>
	A-2	\$	<u><u>916,199.01</u></u>

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

TOWNSHIP OF MARLBORO

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

Miscellaneous Revenue Not Anticipated:

Lease of Municipal Property	\$	2,900.00
Reimbursement of Expense		5,357.20
Settlements		10,251.03
Scrap Metal Recycling		6,598.34
Mobile Home Park Rental		30,000.00
Property Maintenance Liens		12,699.39
Escrow Inspections		2,007.28
Indirect UCC Costs		257,794.66
Police Off Duty		102,453.44
Farmers Market		5,520.00
Other		<u>38,609.24</u>

A-1:A-2

\$ 474,190.58

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

TOWNSHIP OF MARLBORO
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS			PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION				
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT						
General Administration:						
Salaries and Wages	\$ 275,174.90	\$ 293,174.90	\$ 285,231.39	\$ 7,943.51		
Other Expenses	129,673.52	129,673.52	111,399.49	18,274.03		
Office of the Mayor:						
Salaries and Wages	76,818.37	76,818.37	76,598.98	219.39		
Other Expenses	4,107.00	4,107.00	2,262.00	1,845.00		
Township Council:						
Salaries and Wages	18,000.00	18,000.00	18,000.00			
Other Expenses	530.00	530.00	154.90	375.10		
Municipal Clerk:						
Salaries and Wages	244,071.01	244,071.01	193,541.38	50,529.63		
Other Expenses	48,924.25	48,924.25	41,487.44	7,436.81		
Finance:						
Salaries and Wages	209,656.06	175,656.06	171,110.09	4,545.97		
Other Expenses	9,045.86	9,045.86	7,080.44	1,965.42		
Annual Audit:						
Other Expenses	34,792.52	34,792.52	29,792.52	5,000.00		
Central Computer Services:						
Salaries and Wages	130,932.17	140,932.17	138,114.30	2,817.87		
Other Expenses	128,021.96	128,021.96	127,137.21	884.75		
Collection of Taxes:						
Salaries and Wages	144,840.83	146,840.83	141,571.43	5,269.40		
Other Expenses	41,736.28	41,736.28	25,136.60	16,599.68		
Assessment of Taxes:						
Salaries and Wages	133,910.69	133,910.69	128,429.27	5,481.42		
Other Expenses	62,568.75	62,568.75	47,725.44	14,843.31		
Legal Services and Costs:						
Other Expenses	210,071.53	210,071.53	194,524.04	15,547.49		
Engineering Services:						
Salaries and Wages	290,795.81	286,795.81	265,840.35	20,955.46		
Other Expenses	114,424.88	114,424.88	111,279.28	3,145.60		

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

TOWNSHIP OF MARLBORO

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS			PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION				
OPERATIONS WITHIN "CAPS" (CONTINUED)						
GENERAL GOVERNMENT						
Economic Development:						
Other Expenses	\$ 19,775.00	\$ 19,775.00	\$ 7,200.00	\$ 12,575.00	\$	
Cable Studio:						
Other Expenses	52,423.39	52,423.39	49,331.39	3,092.00		
Inter - Governmental Relations:						
Other Expenses	9,956.00	9,956.00	1,578.75	8,377.25		
Historic Sites Commission:						
Other Expenses	1,200.00	1,200.00		1,200.00		
Planning Board:						
Salaries and Wages	81,278.05	71,278.05	59,643.28	11,634.77		
Other Expenses	23,791.00	23,791.00	15,625.66	8,165.34		
Planning Board - Contractual:						
Other Expenses	86,400.00	113,400.00	110,480.00	2,920.00		
Zoning Board:						
Salaries and Wages	174,154.50	154,154.50	143,789.53	10,364.97		
Other Expenses	47,826.00	47,826.00	41,327.63	6,498.37		
Insurance:						
Group Health Insurance	2,902,592.02	2,902,592.02	2,692,883.56	209,708.46		
General Liability Insurance	537,176.17	737,176.17	641,351.70	95,824.47		
Worker's Compensation Insurance	483,474.68	483,474.68	483,076.67	398.01		
Health Benefit Waiver	84,000.00	84,000.00	62,886.50	21,113.50		
PUBLIC SAFETY						
Police:						
Salaries and Wages	9,366,702.70	9,299,771.25	8,557,350.57	742,420.68		
Other Expenses	668,326.25	668,326.25	487,395.87	180,930.38		
Emergency Management Services:						
Salaries and Wages	23,000.00	23,000.00	23,000.00			
Other Expenses	11,806.00	11,806.00	8,950.71	2,855.29		
Uniform Fire Safety Act:						
Salaries and Wages	253,246.95	253,246.95	233,384.08	19,862.87		
Other Expenses	25,174.96	25,174.96	3,292.00	21,882.96		

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

TOWNSHIP OF MARLBORO

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS		PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION			
OPERATIONS WITHIN "CAPS" (CONTINUED)					
PUBLIC SAFETY					
Aid to Volunteer Rescue Squad:					
Other Expenses	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$	
Municipal Prosecutor:					
Salaries and Wages	31,836.24	31,836.24	31,212.00	624.24	
Other Expenses	3,000.00	3,000.00	3,000.00		
PUBLIC WORKS					
Streets & Roads Maintenance:					
Salaries and Wages	1,806,385.95	1,891,176.08	1,831,444.94	59,731.14	
Other Expenses	186,442.72	380,308.45	304,504.95	75,803.50	
Snow Removal (Municipal Services Act):					
Salaries and Wages	211,000.00	211,000.00	12,917.78	198,082.22	
Other Expenses	1,030,470.04	1,030,470.04	451,511.88	578,958.16	
Shade Tree Committee:					
Other Expenses	12,280.00	12,280.00	5,549.93	6,730.07	
Public Works - Other:					
Salaries and Wages	186,901.30	186,901.30	182,609.14	4,292.16	
Other Expenses	8,391.00	8,391.00	2,259.99	6,131.01	
Community Services Act:					
Other Expenses	140,505.00	140,505.00		140,505.00	
Solid Waste Collection:					
Salaries and Wages	21,600.00	22,600.00	22,585.28	14.72	
Other Expenses	689,661.00	689,661.00	649,847.71	39,813.29	
Public Buildings and Grounds:					
Salaries and Wages	254,460.92	254,460.92	214,587.64	39,873.28	
Other Expenses	204,035.13	234,035.13	227,031.04	7,004.09	
Vehicle Maintenance:					
Salaries and Wages	493,532.90	493,532.90	423,577.65	69,955.25	
Other Expenses	298,771.00	268,771.00	227,484.58	41,286.42	

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

TOWNSHIP OF MARLBORO

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS			PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION				
OPERATIONS WITHIN "CAPS" (CONTINUED)						
HEALTH AND WELFARE						
Public Health Services - Registrar:						
Salaries and Wages	\$ 21,500.00	\$ 21,500.00	\$ 21,500.00	\$ 7,17.00	\$	
Other Expenses	996.75	996.75	279.75			
Environmental Health Services:						
Salaries and Wages	2,000.00	2,000.00	2,000.00			
Other Expenses	1,045.00	1,045.00	375.00		670.00	
Animal Control Services:						
Other Expenses	46,872.65	46,872.65	46,872.65			
Drug Abuse Control:						
Salaries and Wages	17,949.59	24,949.59	22,481.82		2,467.77	
Other Expenses	15,314.25	15,314.25	5,725.76		9,588.49	
PARKS AND RECREATION:						
Park Maintenance:						
Salaries and Wages	411,739.59	411,739.59	369,117.01		42,622.58	
Other Expenses	180,981.88	180,981.88	130,670.14		50,311.74	
Recreation:						
Salaries and Wages	543,225.62	543,225.62	342,728.31		200,497.31	
Other Expenses	276,334.97	276,334.97	57,215.20		219,119.77	
Municipal Library:						
Other Expenses	13,000.00	13,000.00	4,232.27		8,767.73	
Teen Program:						
Other Expenses	4,410.00	4,410.00	1,076.00		3,334.00	
Municipal Court:						
Salaries and Wages	373,215.03	373,215.03	342,678.03		30,537.00	
Other Expenses	96,687.07	96,687.07	36,596.88		60,090.19	
Public Defender:						
Salaries and Wages	9,550.87	9,550.87	9,364.08		186.79	
Other Expenses	8,360.00	8,360.00	8,360.00			
Ethics Commission:						
Other Expenses	8,170.00	8,170.00	8,170.00			
Open Space Committee:						
Other Expenses	973.25	973.25	940.00		33.25	
Affordable Housing:						
Salaries and Wages	17,000.00	17,000.00	9,000.00		8,000.00	

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

TOWNSHIP OF MARLBORO
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS			PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION				
UNCLASSIFIED						
Utilities:						
Telephone	\$ 215,846.04	\$ 215,846.04	\$ 193,505.51	\$ 22,340.53	\$	
Electricity	307,086.84	307,086.84	290,798.07	16,288.77		
Gasoline	321,260.73	321,260.73	151,006.04	170,254.69		
Water	25,980.00	29,980.00	27,123.27	2,856.73		
Street Lighting	645,481.00	645,481.00	621,959.55	23,521.45		
Natural Gas	61,100.00	61,100.00	53,080.29	8,019.71		
Sewage Processing and Disposal	11,500.00	11,500.00	11,029.42	470.58		
Landfill/Solid Waste Disposal Costs	184,690.00	184,690.00	176,598.05	8,091.95		
Postage	28,375.00	28,375.00	2,149.85	26,225.15		
Accumulated Absences Compensation	1,000.00	1,000.00		1,000.00		
TOTAL OPERATIONS WITHIN "CAPS"	\$ 26,657,319.39	\$ 27,064,043.80	\$ 23,335,721.91	\$ 3,728,321.89	\$	
Contingent	2,500.00	2,500.00		2,500.00		
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	\$ 26,653,819.39	\$ 27,066,543.80	\$ 23,335,721.91	\$ 3,730,821.89	\$	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	\$ 1,150,001.00	1,150,001.00	1,143,374.00	6,627.00	469.50	
Prior Year Bills	1,000.00	1,000.00	530.50			
Social Security System (OAS)	1,357,519.65	1,290,519.65	1,133,778.77	156,740.88		
Police and Firemen's Retirement System of NJ	2,400,001.00	2,400,001.00	2,364,817.00	35,184.00		
Unemployment Insurance	1,000.00	1,000.00	1,000.00			
Defined Contribution Retirement Program	1,000.00	1,000.00	187.50	812.50		
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	\$ 4,910,521.65	\$ 4,843,521.65	\$ 4,643,687.77	\$ 199,364.38	\$ 469.50	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	\$ 31,564,341.04	\$ 31,910,065.45	\$ 27,979,409.68	\$ 3,930,186.27	\$ 469.50	

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

TOWNSHIP OF MARLBORO

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS			PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION				
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
LOSAP:						
Other Expense	\$ 85,000.00	\$ 85,000.00	\$ 73,839.70	\$ 11,160.30	\$	
Police Dispatch 911:						
Salaries and Wages	824,875.87	824,875.87	733,758.27	91,117.60		
Other Expense	213,291.36	213,291.36	110,689.16	102,602.20		
SFSP Fire District Payments:						
Other Expense	11,000.00	11,000.00	10,583.00	417.00		
<u>TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"</u>	<u>\$ 1,134,167.23</u>	<u>\$ 1,134,167.23</u>	<u>\$ 928,870.13</u>	<u>\$ 205,297.10</u>	<u>\$</u>	
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY</u>						
<u>REVENUE</u>						
Clean Communities Grant		86,407.57	86,407.57			
Recycling Tonnage Grant	23,300.10	23,300.10	23,300.10			
Municipal Alliance on Alcoholism and Drug Abuse		2,077.50	2,077.50			
Body Armor Replacement Fund - State		6,543.29	6,543.29			
Drunk Driving Enforcement Fund		18,414.14	18,414.14			
Bulletproof Vest Partnership		16,243.70	16,243.70			
Sustainable Jersey Grant		2,000.00	2,000.00			
<u>TOTAL PUBLIC AND PRIVATE PROGRAMS OFFSET BY</u>						
<u>REVENUE</u>	<u>\$ 23,300.10</u>	<u>\$ 154,986.30</u>	<u>\$ 154,986.30</u>	<u>\$</u>	<u>\$</u>	
<u>CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"</u>						
Capital Improvement Fund	\$ 300,000.00	300,000.00	300,000.00			
<u>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>	<u>\$ 300,000.00</u>	<u>\$ 300,000.00</u>	<u>\$ 300,000.00</u>	<u>\$</u>	<u>\$</u>	

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

TOWNSHIP OF MARLBORO

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS		PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION			
<u>MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"</u>					
Payment of Bond Principal	\$ 2,725,000.00	\$ 2,725,000.00	\$ 2,717,094.00	\$	7,906.00
Interest on Bonds	1,270,800.00	1,270,800.00	923,734.50		347,065.50
Interest on Notes	1.00	1.00			1.00
Green Trust Loan Program:					
Loan repayments for Principal and Interest	29,100.00	29,100.00	28,864.50		235.50
Capital Lease Obligations:					
Principal	184,000.00	184,000.00	182,565.92		1,434.08
Interest	9,400.00	9,400.00	9,223.01		176.99
TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"	\$ 4,218,301.00	\$ 4,218,301.00	\$ 3,861,481.93	\$	\$ 356,819.07
<u>DEFERRED CHARGES EXCLUDED FROM "CAPS"</u>					
Emergency Authorizations - (N.J.S.A. 40A: 4-46)	\$ 187,423.34	187,423.34	187,423.34		
TOTAL DEFERRED CHARGES EXCLUDED FROM "CAPS"	\$ 187,423.34	\$ 187,423.34	\$ 187,423.34	\$	\$
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</u>	\$ 5,863,191.67	\$ 5,994,877.87	\$ 5,432,761.70	\$ 205,297.10	\$ 356,819.07
<u>SUB-TOTAL GENERAL APPROPRIATIONS RESERVE FOR UNCOLLECTED TAXES</u>	\$ 37,427,532.71	\$ 37,904,943.32	\$ 33,412,171.38	\$ 4,135,483.37	\$ 357,288.57
	2,601,290.37	2,601,290.37	2,601,290.37		
TOTAL GENERAL APPROPRIATIONS	\$ 40,028,823.08	\$ 40,506,233.69	\$ 36,013,461.75	\$ 4,135,483.37	\$ 357,288.57
REF.	A-2		A-1	A-A-1	
Budget		\$ 40,028,823.08			
Emergency Appropriation by 40A:4-46	A-25	345,724.41			
Budget Amendments	A-2	131,686.20			
		<u>40,506,233.69</u>			
Cash Disbursements - Net	A-4		\$ 31,259,400.14		
Reserve for Encumbrances	A-17		1,810,361.60		
Reserve for Grants Appropriated	A-27		154,986.30		
Deferred Charges	A-25		187,423.34		
Reserve for Uncollected Taxes	A-2		2,601,290.37		
			<u>36,013,461.75</u>		

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

TRUST FUND

"B"

TOWNSHIP OF MARLBORO

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

			BALANCE DECEMBER 31, 2020	BALANCE DECEMBER 31, 2019
<u>A S S E T S</u>				
Animal Control Fund:				
Cash and Cash Equivalents	B-1	\$	83,879.37	\$ 79,718.05
		\$	<u>83,879.37</u>	<u>79,718.05</u>
Escrow Deposit Trust Fund:				
Cash and Cash Equivalents	B-1	\$	2,347,191.88	\$ 2,157,129.41
		\$	<u>2,347,191.88</u>	<u>2,157,129.41</u>
Open Space Trust Fund:				
Cash and Cash Equivalents	B-1	\$	3,963,900.53	\$ 249,468.35
Investment in Capital Notes				3,963,000.00
		\$	<u>3,963,900.53</u>	<u>4,212,468.35</u>
Payroll Fund:				
Cash and Cash Equivalents	B	\$	25,269.37	\$ 17,369.26
Other Funds:				
Cash and Cash Equivalents	B-1	\$	12,750,559.87	\$ 9,719,001.39
Investment in Capital Notes				3,500,000.00
Change Fund			200.00	200.00
		\$	<u>12,750,759.87</u>	<u>13,219,201.39</u>
		\$	<u>19,171,001.02</u>	<u>19,685,886.46</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>				
Animal Control Fund:				
Reserve for Animal Control Expenditures	B-2	\$	68,399.99	\$ 65,767.20
Due State of New Jersey	B-3		50.40	11.40
Encumbrances Payable	B-8		15,428.98	13,939.45
		\$	<u>83,879.37</u>	<u>79,718.05</u>
Escrow Deposit Trust Fund:				
Reserve for Escrow Deposits	B-5	\$	2,303,649.97	\$ 2,056,682.81
Encumbrances Payable	B-8		43,541.91	100,446.60
		\$	<u>2,347,191.88</u>	<u>2,157,129.41</u>
Open Space Trust Fund:				
Reserve for Open Space Trust	B-4	\$	3,963,900.46	\$ 4,204,638.69
Encumbrances Payable	B-8		0.07	7,829.66
		\$	<u>3,963,900.53</u>	<u>4,212,468.35</u>
Payroll Fund:				
Payroll Deductions Payable	B	\$	25,269.37	\$ 17,369.26
Other Funds:				
Various Trust Reserves	B-6	\$	11,873,419.06	\$ 11,950,683.70
Due State of New Jersey - DCA Fees	B-7		26,185.00	19,069.00
Encumbrances Payable	B-8		851,155.81	749,448.69
Interfund Payable	B-9			500,000.00
		\$	<u>12,750,759.87</u>	<u>13,219,201.39</u>
		\$	<u>19,171,001.02</u>	<u>19,685,886.46</u>

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

GENERAL CAPITAL FUND

"C"

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2019</u>
<u>ASSETS</u>			
Cash	C-2:C-3	\$ 7,251,749.60	\$ 10,259,849.33
Green Acres Loan Receivable	C-6	276,299.00	276,299.00
Other Accounts Receivable	C-7	220,000.00	190,000.00
Grants Receivable	C-8	3,351,574.93	2,882,736.00
Deferred Charges to Future Taxation:			
Funded	C-4	36,199,314.11	39,476,641.73
Unfunded	C-5	<u>20,375,139.80</u>	<u>15,438,789.80</u>
		\$ <u>67,674,077.44</u>	\$ <u>68,524,315.86</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds	C-9	\$ 36,143,000.00	\$ 39,393,000.00
Bond Anticipation Notes	C-10	10,953,000.00	10,953,000.00
Green Trust Loan Program Payable	C-11	56,314.11	83,641.73
Improvement Authorizations:			
Funded	C-12	9,499,894.52	9,568,213.62
Unfunded	C-12	6,325,528.84	3,781,321.11
Capital Improvement Fund	C-13	117,756.00	77,564.00
Contracts Payable	C-14	3,651,331.08	3,712,831.37
Various Reserves	C-15	267,514.40	195,005.54
Fund Balance	C-1	<u>659,738.49</u>	<u>759,738.49</u>
		\$ <u>67,674,077.44</u>	\$ <u>68,524,315.86</u>

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

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE-REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2019	C		\$ 759,738.49
Decreased by:			
Anticipated in Current Fund Budget	C-2	<u>100,000.00</u>	<u>100,000.00</u>
Balance, December 31, 2020	C		\$ <u><u>659,738.49</u></u>

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

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RECREATION AND SWIM UTILITY FUND

TOWNSHIP OF MARLBORO
RECREATION AND SWIM UTILITY FUND
BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>BALANCE DECEMBER 31, 2019</u>
Operating Fund:			
Cash	D-5	\$ 109,701.08	\$ 591,772.13
Change Fund			100.00
Petty Cash			1,500.00
		<hr/>	<hr/>
		109,701.08	593,372.13
		<hr/>	<hr/>
Deferred Charges:			
Special Emergency 40A:4-53 - COVID 19 Emergency	D-1	700,000.00	
		<hr/>	<hr/>
<u>Total Operating Fund</u>		809,701.08	593,372.13
		<hr/>	<hr/>
Capital Fund:			
Cash	D-5; D-6	213,527.72	221,614.62
Fixed Capital	D-14	3,446,793.21	3,446,793.21
Fixed Capital Authorized and Uncompleted	D-15	1,368,691.32	1,154,287.32
		<hr/>	<hr/>
<u>Total Capital Fund</u>		5,029,012.25	4,822,695.15
		<hr/>	<hr/>
		\$ 5,838,713.33	\$ 5,416,067.28
		<hr/>	<hr/>

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

TOWNSHIP OF MARLBORO
RECREATION AND SWIM UTILITY FUND
BALANCE SHEETS - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>BALANCE DECEMBER 31, 2019</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4:D-9	\$ 107,864.51	\$ 64,634.93
Prepaid Participation Fees	D-7		15,448.99
Prepaid Membership Fees	D-8		55,198.63
Encumbrances Payable	D-10	246,568.71	239,954.78
Account Payable	D-11	1,168.00	8,019.29
Accrued Interest on Bonds and Loans	D-12	6,509.31	5,368.75
Due Current Fund	D-22	200,000.00	
		<u>562,110.53</u>	<u>388,625.37</u>
Fund Balance	D-1	<u>247,590.55</u>	<u>204,746.76</u>
		<u>809,701.08</u>	<u>593,372.13</u>
<u>Total Operating Fund</u>			
Capital Fund:			
Contracts Payable	D-13	7,347.04	5,266.09
Improvement Authorizations:			
Funded	D-16	152,429.70	151,892.65
Unfunded	D-16	333,901.13	131,261.23
Reserve for:			
Amortization	D-17	3,486,550.45	3,411,550.45
Capital Outlay	D-18	416.07	416.07
Debt Service	D-21	1,059.20	
Serial Bonds Payable	D-19	869,000.00	944,000.00
Bond Anticipation Notes Payable	D-20	160,000.00	160,000.00
Fund Balance	D-2	18,308.66	18,308.66
		<u>5,029,012.25</u>	<u>4,822,695.15</u>
<u>Total Capital Fund</u>			
		<u>5,029,012.25</u>	<u>4,822,695.15</u>
		<u>\$ 5,838,713.33</u>	<u>\$ 5,416,067.28</u>

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

"D-1"

TOWNSHIP OF MARLBORO
RECREATION AND SWIM UTILITY FUND
STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	YEAR ENDED DECEMBER 31, 2020	YEAR ENDED DECEMBER 31, 2019
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-3	\$ 189,691.12	\$ 249,606.42
Program Participation Fees	D-3	326,922.66	1,966,977.58
Non-Budget Revenue:	D-3	102,397.90	337,787.85
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-9	120,623.91	75,861.23
Cancellation of Accounts Payable			2,935.19
Deferred Charge - COVID 19 Emergency	D	700,000.00	
<u>TOTAL INCOME</u>		<u>1,439,635.59</u>	<u>2,633,168.27</u>
<u>EXPENDITURES</u>			
Operating	D-4	1,105,185.98	2,325,078.35
Capital Outlay	D-4	1.00	1.00
Debt Service	D-4	101,910.56	113,461.67
Statutory Expenditures and Deferred Charges	D-4	3.14	3.18
<u>TOTAL EXPENDITURES</u>		<u>1,207,100.68</u>	<u>2,438,544.20</u>
Excess in Revenue		232,534.91	194,624.07
<u>Fund Balance</u>			
Balance, January 1	D	<u>204,746.76</u>	<u>259,729.11</u>
		437,281.67	454,353.18
Decreased by:			
Utilization by Recreation and Swim Utility Operating Budget	D-1:D-3	<u>189,691.12</u>	<u>249,606.42</u>
Balance, December 31	D	<u>\$ 247,590.55</u>	<u>\$ 204,746.76</u>

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

TOWNSHIP OF MARLBORO

RECREATION AND SWIM UTILITY FUND

STATEMENTS OF CHANGE IN CAPITAL FUND BALANCE - REGULATORY BASIS

REF.

Balance, December 31, 2019 and
December 31, 2020

D

\$ 18,308.66

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

TOWNSHIP OF MARLBORO

RECREATION AND SWIM UTILITY FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR</u> <u>(DEFICIT)</u>
Fund Balance Anticipated	D-1	\$ 189,691.12	\$ 189,691.12	\$
Program Participation Fees	D-1:D-3	2,296,000.00	326,922.66	(1,969,077.34)
Membership Fees	D-1:D-3		98,393.81	98,393.81
Interest on Investments	D-1:D-5		4,004.09	4,004.09
	D-4	<u>\$ 2,485,691.12</u>	<u>\$ 619,011.68</u>	<u>\$ (1,866,679.44)</u>

ANALYSIS OF REALIZED REVENUE

Program Participation Fees:

Cash Received	D-5	\$ 333,309.67
Prepaid Applied	D-7	15,448.99
Less: Refund of Revenue Payable	D-10	<u>(21,836.00)</u>
	D-3	<u>\$ 326,922.66</u>

Program Participation Fees:

Cash Received	D-5	\$ 43,195.18
Prepaid Applied	D-8	<u>55,198.63</u>
	D-3	<u>\$ 98,393.81</u>

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

TOWNSHIP OF MARLBORO

RECREATION AND SWIM UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31 2020

	APPROPRIATIONS		EXPENDED		CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
Operating:					
Salaries and Wages	\$ 1,018,693.70	\$ 1,018,693.70	\$ 373,770.15	\$ 34,923.55	\$ 610,000.00
Other Expenses	<u>1,356,492.28</u>	<u>1,356,492.28</u>	<u>623,555.46</u>	<u>72,936.82</u>	<u>660,000.00</u>
<u>Total Operating</u>	<u>2,375,185.98</u>	<u>2,375,185.98</u>	<u>997,325.61</u>	<u>107,860.37</u>	<u>1,270,000.00</u>
Capital Improvements:					
Capital Outlay	<u>1.00</u>	<u>1.00</u>		<u>1.00</u>	
<u>Total Capital Improvements</u>	<u>1.00</u>	<u>1.00</u>		<u>1.00</u>	
Debt Service:					
Payment of Bond Principal	75,000.00	75,000.00	75,000.00		
Interest on Bonds	<u>35,500.00</u>	<u>35,500.00</u>	<u>26,909.56</u>		8,590.44
Interest on Notes	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>		
<u>Total Debt Service</u>	<u>110,501.00</u>	<u>110,501.00</u>	<u>101,910.56</u>		<u>8,590.44</u>
Statutory Expenditures:					
Contributions to:					
Public Employees Retirement System	1.37	1.37		1.37	
Social Security System (O.A.S.I.)	<u>0.77</u>	<u>0.77</u>		<u>0.77</u>	
Unemployment Compensation Insurance	<u>1.00</u>	<u>1.00</u>		<u>1.00</u>	
<u>Total Deferred Charges and Statutory Expenditures</u>	<u>3.14</u>	<u>3.14</u>		<u>3.14</u>	
	<u>\$ 2,485,691.12</u>	<u>\$ 2,485,691.12</u>	<u>\$ 1,099,236.17</u>	<u>\$ 107,864.51</u>	<u>\$ 1,278,590.44</u>

REF.

D-3

D

Cash Disbursements
Encumbrances Payable
Accrued Interest

\$ 847,592.90
224,732.71
26,910.56
\$ 1,099,236.17

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

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WATER UTILITY FUND

TOWNSHIP OF MARLBORO

WATER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>BALANCE DECEMBER 31, 2019</u>
Operating Fund:			
Cash	E-5	\$ 7,252,581.35	\$ 6,597,331.07
Change Fund	E	<u>400.00</u>	<u>400.00</u>
		<u>7,252,981.35</u>	<u>6,597,731.07</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7	<u>292,047.73</u>	<u>181,828.56</u>
		<u>7,545,029.08</u>	<u>6,779,559.63</u>
<u>Total Operating Fund</u>			
Capital Fund:			
Cash	E-5:E-6	1,229,871.14	1,760,040.20
Fixed Capital	E-15	34,255,183.31	33,955,183.31
Fixed Capital Authorized and Uncompleted	E-16	33,068,861.66	30,884,911.66
New Jersey Infrastructure Bank Loan Receivable	E-14	<u>907,853.00</u>	<u>1,684,091.00</u>
<u>Total Capital Fund</u>		<u>69,461,769.11</u>	<u>68,284,226.17</u>
		<u>\$ 77,006,798.19</u>	<u>\$ 75,063,785.80</u>

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

TOWNSHIP OF MARLBORO

WATER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>BALANCE DECEMBER 31, 2019</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	E-4:E-9	\$ 668,289.41	\$ 1,169,363.71
Encumbrances Payable	E-10	1,143,148.79	1,268,775.67
Accounts Payable	E-11	26,977.43	83,442.01
Water Overpayments	E-12	27,853.13	31,135.54
Reserve for Escrow	E-8	289,766.73	289,397.12
Accrued Interest on Bonds and Loans	E-13	140,559.10	165,878.48
		<u>2,296,594.59</u>	<u>3,007,992.53</u>
Reserve for Receivables	E-7	292,047.73	181,828.56
Fund Balance	E-1	4,956,386.76	3,589,738.54
		<u>7,545,029.08</u>	<u>6,779,559.63</u>
<u>Total Operating Fund</u>		<u>7,545,029.08</u>	<u>6,779,559.63</u>
Capital Fund:			
Serial Bonds Payable	E-23	9,870,000.00	10,855,000.00
Bond Anticipation Notes Payable	E-24	2,850,000.00	2,850,000.00
New Jersey Infrastructure Bank Loan Payable	E-25	14,608,089.41	15,331,238.50
New Jersey Infrastructure Bank Note Payable		907,853.00	
Contracts Payable	E-17	1,673,809.09	2,266,619.36
Improvement Authorizations:			
Funded	E-18	1,424,398.83	1,868,721.33
Unfunded	E-18	3,580,714.25	2,431,206.54
Capital Improvement Fund	E-22	50,000.00	50,000.00
Reserve for:			
Amortization	E-19	33,995,594.56	32,300,664.47
Deferred Amortization	E-20	300,000.00	300,000.00
Payment of Debt	E-21	182,064.08	11,530.08
Fund Balance	E-2	19,245.89	19,245.89
		<u>69,461,769.11</u>	<u>68,284,226.17</u>
<u>Total Capital Fund</u>		<u>69,461,769.11</u>	<u>68,284,226.17</u>
		<u>\$ 77,006,798.19</u>	<u>\$ 75,063,785.80</u>

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

TOWNSHIP OF MARLBORO

WATER UTILITY FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	REF.	YEAR ENDED DECEMBER 31, 2020	YEAR ENDED DECEMBER 31, 2019
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	E-3	\$ 1,909,465.74	\$ 2,000,000.00
Water Rents	E-3	9,601,824.49	9,167,621.29
Connection Fees	E-3	501,579.40	268,790.04
Other Operating Revenues	E-3	34,951.79	35,564.47
Interest on Investments	E-3	41,613.53	125,021.95
Solar Renewable Energy Credits	E-3	211,101.00	201,460.00
Water Utility Capital Surplus			120,000.00
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-9	1,582,459.27	1,250,704.96
Cancel Accounts Payable	E-11	19,903.00	
		<u>13,902,898.22</u>	<u>13,169,162.71</u>
<u>TOTAL INCOME</u>			
<u>EXPENDITURES</u>			
Operating	E-4	8,312,765.00	8,166,740.09
Capital Improvements	E-4	20,000.00	20,000.00
Debt Service	E-4	2,211,644.52	2,640,347.29
Statutory Expenditures	E-4	82,374.74	76,592.58
		<u>10,626,784.26</u>	<u>10,903,679.96</u>
<u>TOTAL EXPENDITURES</u>			
Excess in Revenue		3,276,113.96	2,265,482.75
<u>Fund Balance</u>			
Balance, January 1	E	<u>3,589,738.54</u>	<u>3,324,255.79</u>
		6,865,852.50	5,589,738.54
Decreased by:			
Utilization by Water Utility Operating Budget	E-1:E-3	<u>1,909,465.74</u>	<u>2,000,000.00</u>
Balance, December 31	E	<u>\$ 4,956,386.76</u>	<u>\$ 3,589,738.54</u>

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

TOWNSHIP OF MARLBORO

WATER UTILITY FUND

STATEMENTS OF CHANGE IN CAPITAL FUND BALANCE - REGULATORY BASIS

REF.

Balance, December 31, 2019 and
December 31, 2020

E

\$ 19,245.89

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

TOWNSHIP OF MARLBORO

WATER UTILITY FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2020

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance Anticipated	E-1	\$ 1,909,465.74	\$ 1,909,465.74	\$
Water Rents	E-1:E-3	8,550,000.00	9,601,824.49	1,051,824.49
Connection Fees	E-1:E-3	100,000.00	501,579.40	401,579.40
Other Operating Revenue	E-1:E-3	25,000.00	34,951.79	9,951.79
Interest on Investments	E-1:E-5	50,000.00	41,613.53	(8,386.47)
Solar Renewable Energy Credits	E-1:E-5	<u>100,000.00</u>	<u>211,101.00</u>	<u>111,101.00</u>
	E-4	\$ <u>10,734,465.74</u>	\$ <u>12,300,535.95</u>	\$ <u>1,566,070.21</u>

ANALYSIS OF REALIZED REVENUE

Water Fees:

Treasurer:

Cash Received	E-7	\$ 10,107,220.14	
Overpayments Applied	E-7	<u>31,135.54</u>	
	E-3		\$ <u>10,138,355.68</u>

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

TOWNSHIP OF MARLBORO
WATER UTILITY FUND

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

	APPROPRIATIONS		EXPENDED		CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
Operating:					
Salaries and Wages	\$ 1,076,762.80	\$ 1,076,762.80	\$ 891,039.44	\$ 185,723.36	
Other Expenses	7,236,002.20	7,236,002.20	6,812,529.71	423,472.49	
<u>Total Operating</u>	<u>8,312,765.00</u>	<u>8,312,765.00</u>	<u>7,703,569.15</u>	<u>609,195.85</u>	
Capital Improvements:					
Capital Outlay	20,000.00	20,000.00		20,000.00	
<u>Total Capital Improvements</u>	<u>20,000.00</u>	<u>20,000.00</u>		<u>20,000.00</u>	
Debt Service:					
Payment of Bond Principal	985,000.00	985,000.00	985,000.00		101,203.57
Interest on Bonds	461,325.00	461,325.00	360,121.43		
Interest on Notes	1.00	1.00	1.00		
NJEIT Loan Principal	712,000.00	712,000.00	712,000.00		6,477.91
NJEIT Loan Interest	161,000.00	161,000.00	154,522.09		
<u>Total Debt Service</u>	<u>2,319,326.00</u>	<u>2,319,326.00</u>	<u>2,211,644.52</u>		<u>107,681.48</u>
Statutory Expenditures:					
Contributions to:					
Public Employees Retirement System	1.37	1.37		1.37	
Social Security System (O.A.S.I.)	82,372.37	82,372.37	43,281.18	39,091.19	
Unemployment Compensation Insurance	1.00	1.00		1.00	
<u>Total Deferred Charges and Statutory Expenditures</u>	<u>82,374.74</u>	<u>82,374.74</u>	<u>43,281.18</u>	<u>39,093.56</u>	
\$	10,734,465.74	10,734,465.74	9,958,494.85	668,289.41	107,681.48
<u>REF.</u>	E-3		E-1	E-E-1	
Cash Disbursements		\$	8,300,701.54		
Encumbrances Payable			1,143,148.79		
Accrued Interest		\$	514,644.52		
			<u>9,958,494.85</u>		

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

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GENERAL FIXED ASSET ACCOUNT GROUP

TOWNSHIP OF MARLBORO
GENERAL FIXED ASSETS ACCOUNT GROUP
BALANCE SHEET - REGULATORY BASIS

	BALANCE DECEMBER <u>31, 2020</u>	BALANCE DECEMBER <u>31, 2019</u>
Fixed Assets:		
Land	\$ 72,437,771.00	\$ 72,045,370.00
Buildings	13,773,627.18	13,773,627.00
Machinery and Equipment	<u>22,360,172.32</u>	<u>21,498,887.00</u>
<u>Total Fixed Assets</u>	<u>\$ 108,571,570.50</u>	<u>\$ 107,317,884.00</u>
Reserve:		
Investments in General Fixed Assets	<u>\$ 108,571,570.50</u>	<u>\$ 107,317,884.00</u>

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

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF MARLBORO

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020 AND 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Marlboro is an instrumentality of the State of New Jersey, established to function as a municipality. The Township Council consists of elected officials and is responsible for the fiscal control of the Township.

Except as noted below, the financial statements of the Township of Marlboro include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Marlboro, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township of Marlboro do not include the operations of the Local and Regional School Districts and Fire Districts, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds, as well as government-wide financial reporting that must be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Township of Marlboro conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township of Marlboro are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account group:

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

Trust Fund - receipts, custodianship and disbursements of funds in accordance with the purpose for which each reserve was created as well as records resources and expenditures for payroll purposes.

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

Recreation/Swim Fund - records resources and expenditures for the recreation and swim programs and records resources and expenditures for the acquisition of capital facilities of the municipally owned Recreation/Swim Utility

Water Utility Fund – records resources and expenditures for the operations and acquisition of capital equipment and facilities of the municipally owned Water Utility.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Operating grants are realized as revenue when anticipated in the Township's budget.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Revenues (Continued) - Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances, at December 31, are reported as a cash liability in the financial statements and constitute part of the Township's regulatory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding 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, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders, at December 31, are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

General Fixed Assets - N.J.A.C 5:30-5.7, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$1,000.00 or more per unit. 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.

Property and equipment acquired by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized in their own respective funds.

The General Fixed Assets that have been acquired and that are utilized in the Current and General Capital Funds are instead accounted for in the General Fixed Asset Account Group. No depreciation has been provided on general fixed assets or reported 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.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Pensions

Under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" (an amendment of GASB Statement No. 68), local government employers (or non-employer contributing entity in a special funding situation) are required to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year.

If a state or local government employer or non-employer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or non-employer contributing entity that arise from other types of events.

Under GAAP, municipalities are required to recognize their proportionate share of net pension liability, deferred outflows of resources, deferred inflows of resources on the Statement of Net Position and the proportionate share of the pension related expense on the Statement of Activities.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c)(2) requires municipalities to disclose GASB 68 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 68.

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASB 68. As of the date of this report the information for the period ended June 30, 2020 was not available, therefore the information dated June 30, 2019 is disclosed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)

The Governmental Accounting Standards Board (GASB) has issued Statement no. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. It also requires the State of New Jersey to calculate and allocate to each participating member, for note disclosure purposes only, the OPEB net liability of New Jersey Health Benefits Local Government Retiree Plan (the Plan)

The statement does not alter the amount of funds that must be budgeted for OPEB payment under existing state law.

Under GAAP, municipalities are required to recognize the OPEB liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 75. The liability required to be displayed by GASB 75 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the OPEB liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 75 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 75.

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2020 was not available, therefore the information dated June 30, 2019 is disclosed.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks, deposits in the New Jersey Cash Management Fund and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation.

The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department.

When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

The Township of Marlboro had the following cash and cash equivalents at December 31, 2020:

<u>Fund</u>	<u>Cash in Bank</u>	<u>Reconciling Items</u>	<u>Change Funds</u>	<u>Total</u>
Checking Accounts	\$69,586,504.22	(\$4,071,863.38)		\$65,514,640.84
Petty Cash			\$1,900.00	1,900.00
Change Funds			1,600.00	1,600.00
	<u>\$69,586,504.22</u>	<u>(\$4,071,863.38)</u>	<u>\$3,500.00</u>	<u>\$65,518,140.84</u>

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2020, the Township's bank balance of \$69,586,504.22 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$67,282,854.25
Uninsured and Uncollateralized	<u>2,303,649.97</u>
	<u><u>\$69,586,504.22</u></u>

B. Investments

The purchase of investments by the Township is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following types of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located;
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Local Government Services of the Department of Community Affairs for Investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2020, the Township had no funds set aside for investment purposes.

Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the Township is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risk for its investments nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

C. Solar Renewable Energy Certificates ("SRECs")

The Township generates Solar Renewable Energy Certificates ("SRECs") and sells a portion of those credits annually both on the open market and pursuant to an Agreement for the purchase and sale of SRECs entered into with various entities. The Township sold 992 and 886 SRECs during 2020 and 2019 respectively under this Agreement. The Township had minted 614 and 540 SRECs available for sale at December 31, 2020 and 2019 respectively. The fair value of an SREC at December 31, 2020 and December 31, 2019, as per the unit price published in the Flett Exchange per SREC was \$223.00 and \$225.00 respectively. Since the Township does not follow GAAP, the provisions of GASB Statement No. 72 were not followed and accordingly the fair value of the Township's unsold SRECs at December 31, 2020 have not been recorded in these financial statements. The Township recorded \$201,460 and \$211,101.00 in revenue from 2020 and 2019 respectively for sales of SRECs in its Water Utility Operating Fund. The investments in SRECs have not been rated by a nationally recognized rating agency.

NOTE 3: GOVERNMENTAL DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the regulatory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT (EXCLUDING CURRENT
OPERATING DEBT AND TYPE II SCHOOL DEBT)

	<u>YEAR 2020</u>	<u>YEAR 2019</u>	<u>YEAR 2018</u>
Issued:			
General:			
Bonds, Notes and Loans	\$47,152,314.11	\$50,429,641.73	\$42,683,430.89
Recreation and Swim Utility:			
Bonds and Notes	\$1,029,000.00	\$1,104,000.00	1,029,000.00
Water Utility:			
Bonds, Notes and Loans	28,235,942.41	29,036,238.50	28,711,168.59
Net Debt Issued	<u>\$76,417,256.52</u>	<u>\$80,569,880.23</u>	<u>\$72,423,599.48</u>
Less: Reserve to Pay Bonds	90,726.43	18,217.57	839,311.72
Net Debt Issued	<u><u>\$76,326,530.09</u></u>	<u><u>\$80,551,662.66</u></u>	<u><u>\$71,584,287.76</u></u>
 <u>Authorized but not Issued</u>			
General:			
Bonds and Notes	\$9,422,139.80	\$4,485,789.80	\$9,306,099.80
Recreation and Swim Utility:			
Bonds and Notes	299,934.08	85,530.08	101,828.08
Water Utility:			
Bonds and Notes	4,700,748.25	3,124,651.25	3,060,540.25
Total Authorized but not Issued	<u>\$14,422,822.13</u>	<u>\$7,695,971.13</u>	<u>\$12,468,468.13</u>
Net Bonds and Notes Issued and and Authorized but not issued	<u><u>\$90,749,352.22</u></u>	<u><u>\$88,247,633.79</u></u>	<u><u>\$84,052,755.89</u></u>

SUMMARY OF REGULATORY DEBT CONDITION (ANNUAL DEBT STATEMENT)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a regulatory net debt of .696%

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Regional School District Debt	-0-	-0-	-0-
Local School District	\$14,716,000.00	\$14,716,000.00	-0-
Water Utility Debt	34,265,624.74	34,265,624.74	-0-
General Debt	56,574,453.71	90,726.43	56,483,727.28
	<u><u>\$105,556,078.45</u></u>	<u><u>\$49,072,351.17</u></u>	<u><u>\$56,483,727.28</u></u>

NET DEBT \$56,483,727.28 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S. 40A:2-2, AS AMENDED, \$8,116,203,263.67 EQUALS .696%.

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

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

Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Railroad Property of the Township for the last three (3) preceding years.

Equalized Valuation Basis* - December 31, 2020	\$8,116,203,263.67
3-1/2 of Equalized Valuation Basis	284,067,114.23
Net Debt	<u>56,483,727.28</u>
Remaining Borrowing Power	<u><u>\$227,583,386.95</u></u>

CALCULATION OF UTILITY "SELF-LIQUIDATING PURPOSE" PER N.J.S.A. 40A:2-45

Water Utility:

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year		\$ 12,300,535.95
Deductions:		
Operating and Maintenance Cost	\$ 8,395,139.74	
Debt Service	<u>2,211,644.52</u>	
Total Deductions		<u>10,606,784.26</u>
Excess in Revenue		<u>\$ 1,693,751.69</u>

Recreation and Swim Utility:

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year		\$ 1,319,011.98
Deductions:		
Operating and Maintenance Cost	\$ 1,105,189.12	
Debt Service	<u>101,910.56</u>	
Total Deductions		<u>1,207,099.68</u>
Excess in Revenue		<u>\$ 111,912.30</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt

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

CALENDAR YEAR	GENERAL CAPITAL		
	PRINCIPAL	INTEREST	TOTAL
2021	3,305,000.00	1,172,882.50	4,477,882.50
2022	3,420,000.00	1,054,282.50	4,474,282.50
2023	3,519,000.00	941,982.50	4,460,982.50
2024	3,595,000.00	818,672.50	4,413,672.50
2025	3,659,000.00	688,147.50	4,347,147.50
2026-2030	12,095,000.00	2,042,887.50	14,137,887.50
2031-2035	4,100,000.00	718,987.50	4,818,987.50
2036-2038	2,450,000.00	121,643.75	2,571,643.75
	<u>\$36,143,000.00</u>	<u>\$7,559,486.25</u>	<u>\$43,702,486.25</u>

CALENDAR YEAR	WATER UTILITY CAPITAL		
	PRINCIPAL	INTEREST	TOTAL
2021	1,070,000.00	343,701.26	1,413,701.26
2022	1,095,000.00	300,401.26	1,395,401.26
2023	1,136,000.00	257,976.26	1,393,976.26
2024	630,000.00	215,086.26	845,086.26
2025	636,000.00	192,186.26	828,186.26
2026-2030	2,828,000.00	649,406.30	3,477,406.30
2031-2035	1,765,000.00	225,181.29	1,990,181.29
2036-2038	710,000.00	44,046.90	754,046.90
	<u>\$9,870,000.00</u>	<u>\$2,227,985.79</u>	<u>\$12,097,985.79</u>

CALENDAR YEAR	RECREATION AND SWIM UTILITY CAPITAL		
	PRINCIPAL	INTEREST	TOTAL
2021	75,000.00	22,770.00	97,770.00
2022	80,000.00	19,770.00	99,770.00
2023	70,000.00	17,370.00	87,370.00
2024	100,000.00	15,970.00	115,970.00
2025	80,000.00	13,845.00	93,845.00
2026-2030	464,000.00	39,525.00	503,525.00
	<u>\$869,000.00</u>	<u>\$129,250.00</u>	<u>\$998,250.00</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

The General Capital Bonds are comprised of the following issues:

<u>ISSUE</u>	<u>OUTSTANDING BALANCE DECEMBER 31, 2020</u>
\$17,970,000.00 in General Obligation Bonds dated December 17, 2015, due in remaining annual installments ranging between \$1,000,000.00 and \$1,600,000.00 beginning October 15, 2021 and ending October 1, 2030 with interest from 2.000% to 4.000%	\$13,745,000.00
\$8,207,000.00 in Refunding Bonds dated September 14, 2017, due in remaining annual installments ranging between \$1,432,000.00 and \$1,706,000.00 beginning October 1, 2021 and ending October 1, 2025 with interest from 3.000% to 4.000%	8,207,000.00
\$1,006,000.00 in Open Space Refunding Bonds dated September 14, 2017, due in remaining annual installments ranging between \$196,000.00 and \$202,000.00 beginning October 1, 2021 and ending October 1, 2025 with interest from 3.000% to 4.000%	1,006,000.00
\$14,010,000.00 in General Improvement Bonds dated April 24, 2018, due in remaining annual installments ranging between \$410,000.00 and \$820,000.00 beginning May 1, 2021 and ending May 1, 2038 with interest from 3.000% to 5.000%	13,185,000.00
	<hr/>
	<u>\$36,143,000.00</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

The Water Utility Capital Bonds are comprised of the following issues:

<u>ISSUE</u>	OUTSTANDING BALANCE DECEMBER <u>31, 2020</u>
\$2,723,000.00 in Water Utility Bonds dated December 17, 2015, due in remaining annual installments ranging between \$198,000.00 and \$200,000.00 beginning October 15, 2021 and ending October 1, 2030 with interest from 2.000% to 4.000%	\$1,998,000.00
\$467,000.00 in Refunding Water Utility Bonds dated September 14, 2017, due in remaining annual installments ranging between \$90,000.00 and \$96,000.00 beginning October 1, 2021 and ending October 1, 2025 with interest from 3.000% to 4.000%	467,000.00
\$2,915,000.00 in General Improvement Bonds dated April 24, 2018, due in remaining annual installments ranging between \$140,000.00 and \$145,000.00 beginning May 1, 2021 and ending May 1, 2038 with interest from 3.000% to 5.000%	2,600,000.00
\$5,370,000.00 in Refunding Water Utility Bonds dated September 14, 2019, due in remaining annual installments ranging between \$190,000.00 and \$695,000.00 beginning December 1, 2021 and ending December 1, 2035 with interest from 3.000% to 4.000%	4,805,000.00
	<hr/> <u>\$9,870,000.00</u>

The Recreation and Swim Capital Bonds are comprised of the following issues:

<u>ISSUE</u>	OUTSTANDING BALANCE DECEMBER <u>31, 2020</u>
\$1,264,000.00 in General Improvement Bonds dated December 17, 2015, due in remaining installment ranging between of \$60,000.00 and \$104,000.00 beginning on October 15, 2021 and ending October 15, 2030 with interest from 2.000% to 4.000%	\$869,000.00
	<hr/> <u>\$869,000.00</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

STATE OF NEW JERSEY GREEN TRUST LOANS

On December 13, 2002 the Township has entered into a State of New Jersey Green Trust Loan agreement for Municipal Park Development in the amount of \$464,185.00. The loan requires semi-annual installments that include interest at 2.00%

Following are the maturities and debt schedule for the outstanding principal and interest on the loans:

CALENDAR			
<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2021	\$27,876.91	\$987.59	\$28,864.50
2022	28,437.20	426.87	28,864.07
	<u>\$56,314.11</u>	<u>\$1,414.46</u>	<u>\$57,728.57</u>

STATE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN

The Township has also entered into two loan agreements funded by the New Jersey Environmental Infrastructure Trust Fund. Both loans have been recorded in the Water Utility Capital Fund. The first loan is dated May 22, 2013 for Tennant Road Water Treatment Plant. The agreement provides for an interest-bearing loan from the Trust not to exceed \$1,635,000.00 at interest from 3.00% to 5.00% and an interest free loan not to exceed \$5,119,693.00. The second loan is dated May 26, 2016 for Harbor Road Water Treatment Plant. This agreement provides for an interest-bearing loan from the Trust not to exceed \$2,910,000.00 at interest from 2.00% to 5.00% and an interest free loan not to exceed \$9,185,000.00.

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

STATE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
LOAN (CONTINUED)

Following are the maturities and debt schedule for the outstanding principal and interest on the loans:

<u>Water Utility Capital Fund Dated May 22, 2013</u>			
<u>Calendar</u>			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$340,323.36	\$40,050.00	\$380,373.36
2022	340,323.36	36,850.00	377,173.36
2023	345,323.36	33,650.00	378,973.36
2024	350,323.36	29,400.00	379,723.36
2025	355,323.36	24,900.00	380,223.36
2026	355,323.36	22,050.00	377,373.36
2027	360,323.36	19,200.00	379,523.36
2028	360,323.36	16,200.00	376,523.36
2029	365,323.36	13,200.00	378,523.36
2030	370,323.36	10,050.00	380,373.36
2031	370,323.36	6,750.00	377,073.36
2032	<u>297,582.86</u>	<u>3,450.00</u>	<u>301,032.86</u>
	<u>\$4,211,139.82</u>	<u>\$255,750.00</u>	<u>\$4,466,889.82</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

STATE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
LOAN (CONTINUED)

Following are the maturities and debt schedule for the outstanding principal and interest on the loans:

<u>Water Utility Capital Loan Dated May 26, 2016</u>			
<u>Calendar</u>			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$379,606.73	\$97,418.76	\$477,025.49
2022	379,606.73	93,918.76	473,525.49
2023	384,606.73	90,418.76	475,025.49
2024	389,606.73	86,668.76	476,275.49
2025	389,606.73	83,468.68	473,075.41
2026	394,606.73	80,268.76	474,875.49
2027	399,606.73	76,868.76	476,475.49
2028	399,606.73	73,268.76	472,875.49
2029	404,606.73	71,468.76	476,075.49
2030	404,606.73	69,568.76	474,175.49
2031	404,606.73	67,668.76	472,275.49
2032	409,606.73	65,650.00	475,256.73
2033	409,606.73	62,650.00	472,256.73
2034	414,606.73	59,650.00	474,256.73
2035	419,606.73	56,500.00	476,106.73
2036	419,606.73	53,200.00	472,806.73
2037	424,606.73	48,800.00	473,406.73
2038	429,606.73	44,200.00	473,806.73
2039	434,606.73	39,400.00	474,006.73
2040	439,606.73	34,400.00	474,006.73
2041	444,606.73	29,200.00	473,806.73
2042	449,606.73	23,800.00	473,406.73
2043	454,606.73	18,200.00	472,806.73
2044	459,606.73	12,400.00	472,006.73
2045	456,388.07	6,400.00	462,788.07
	<u>\$10,396,949.59</u>	<u>\$1,445,456.28</u>	<u>\$11,842,405.87</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2020, the Township has authorized but not issued bonds and notes as follows:

General Capital Fund	\$9,422,139.80
Water Utility Capital Fund	\$4,700,748.25
Recreation and Swim Utility Fund	\$299,934.08

SHORT TERM DEBT

At December 31, 2020, the Township has the following Bond Anticipation Note outstanding:

General Capital Fund:

<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
11-04	11/15/19	05/14/20	05/14/21	1.75%	\$310,000.00
18-01	11/15/19	05/14/20	05/14/21	1.75%	6,091,000.00
19-01	11/15/19	05/14/20	05/14/21	1.75%	4,552,000.00
					<u>\$10,953,000.00</u>

Water Utility Capital Fund:

<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
18-02	11/15/19	05/14/20	05/14/21	1.75%	\$1,945,000.00
19-02	11/15/19	05/14/20	05/14/21	1.75%	905,000.00
					<u>\$2,850,000.00</u>

Recreation and Swim Utility Capital Fund:

<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
05-37	11/15/19	05/14/20	05/14/21	1.75%	\$7,000.00
13-09	11/15/19	05/14/20	05/14/21	1.75%	15,000.00
14-04	11/15/19	05/14/20	05/14/21	1.75%	33,000.00
19-03	11/15/19	05/14/20	05/14/21	1.75%	105,000.00
					<u>\$160,000.00</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balance at December 31, 2020, which was appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2021 were as follows:

Current Fund	\$5,600,000.00
Water Utility Operating Fund	\$1,999,297.54
Recreation and Swim Utility Operating Fund	\$875.68

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also the taxes for the County, Local School District and Regional School District. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

Taxes Collected in Advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER 31, <u>2020</u>	BALANCE DECEMBER 31, <u>2019</u>
Prepaid Taxes	<u>\$1,373,403.65</u>	<u>\$825,166.22</u>

NOTE 6: PENSION PLANS

Plan Descriptions

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Police, Firemen's Retirement System (PFRS) or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, Police and Fireman's Retirement System and Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at www.nj.gov/treasury/pensions/annrprts.shtml.

NOTE 6: PENSION PLANS (CONTINUED)

Plan Descriptions (Continued)

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

Police and Fireman's Retirement System (PFRS) - The Police and Fireman's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A, to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit. In which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:36. All benefits vest after ten years of service, except for disability benefits, which vest after four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

NOTE 6: PENSION PLANS (CONTINUED)

Vesting and Benefit Provisions (Continued)

Newly elected or appointed officials that have an existing DCRP account or are a member of another State-administered retirement system are immediately vested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully vested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan members and employer contributions may be amended by State of New Jersey legislation. As of July 1, 2020 PERS, provides for employee contributions of 7.50% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums.

The contribution policy for PFRS is set by N.J.S.A. 43: 16A and requires contributions by active members and contributing employers. Plan member and employer contributions *may* be amended by State of New Jersey legislation. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and noncontributory death benefits. During 2020, members contributed at a uniform rate of 10.00% of base salary.

The Township's share of pension costs, which is based upon the annual billings received from the State for the preceding three years are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Public Employees</u> <u>Retirement System</u>	<u>Police & Firemen's</u> <u>Retirement System</u>	<u>Defined Contribution</u> <u>Retirement System</u>	<u>Total</u>
2020	\$1,143,374.00	\$2,364,817.00	\$187.50	\$3,508,378.50
2019	1,148,202.82	2,258,323.92	178.70	3,406,705.44
2018	1,026,831.26	2,011,655.38	174.77	3,038,661.41

NOTE 6: PENSION PLANS (CONTINUED)

Pension Contribution Deferral

The State of New Jersey has enacted Public Law 2009, C.19, which authorizes the State Department of Treasury, Division of Pensions and Benefits to provide non-state contributing employers the option of paying an amount that represents a fifty percent (50%) reduction of the normal and accrued liability payment of the required contributions to the Police and Fire Retirement System (PFRS) and the Public Employees Retirement System (PERS) which would have been due April 1, 2011. If the deferral is elected, the amount deferred must be repaid, with interest, over a period of fifteen years, beginning in April, 2012; however, the contributing employer is permitted to pay off the obligation at any time by contacting the Division of Pension and Benefits for a payoff amount. The Pension deferral activity for 2020 is as follows:

Retirement System	Original Amount Deferred	Balance December 31, 2019	2020 Payments	Balance December 31, 2020
PFRS	\$ 846,447.50	\$ 415,257.50	\$ 79,098.00	\$ 336,159.50
PERS	<u>274,383.50</u>	<u>132,119.50</u>	<u>26,348.00</u>	<u>105,771.50</u>
Total	<u>\$ 1,120,831.00</u>	<u>\$ 547,377.00</u>	<u>\$ 105,446.00</u>	<u>\$ 441,931.00</u>

Information as to the comparison of the actuarially computed value of vested benefits with the system's assets is not available from the State Retirement System and, therefore, is not presented.

Certain Township employees are also covered by Federal Insurance Contribution Act.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) of the participating municipality as of December 31, 2019. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at December 31, 2019.

Public Employees Retirement System (PERS)

At June 30, 2019, the State reported a net pension liability of \$20,287,602.00 for the Township's proportionate share of the total net pension liability. The 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. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the Township's proportion was 0.1125932846 percent, which was an increase of 0.0048807246 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2019, the State recognized an actuarially determined pension expense of \$1,345,897.00 for the Township's proportionate share of the total pension expense. The pension expense recognized in the Township's financial statements based on the April 1, 2019 billing was \$1,071,392.00.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

At June 30, 2019, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflow of <u>Resources</u>	Deferred Inflow of <u>Resources</u>
Differences between expected and actual experience	\$ 364,136.00	\$ 89,622.00
Changes of assumptions	2,025,792.00	7,041,762.00
Net difference between projected and actual earnings on pension plan investments		320,248.00
Changes in proportion and differences between Township contributions and proportionate share of contributions	1,869,156.00	150,940.00
Township contributions subsequent to the measurement date	<u>547,600.50</u>	
	<u>\$ 4,806,684.50</u>	<u>\$ 7,602,572.00</u>

The \$547,600.50 reported as deferred outflows of resources related to pensions resulting from Township contributions subsequent to the measurement date (i.e. for the year ending June 30, 2019, the plan measurement date is June 30, 2018) will be recognized as a reduction of the net pension liability in the year ended June 30, 2019.

Other local amounts reported by the State as the Township's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

<u>Year Ended</u> <u>June 30,</u>	<u>Amount</u>
2020	(\$242,169.80)
2021	(1,556,724.80)
2022	(1,353,274.80)
2023	(453,146.80)
2024	<u>261,828.20</u>
	<u>(\$3,343,488.00)</u>

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Inflation	2.75%	2.25%
Salary Increases		
Through 2026	2.00-6.00%	1.65-4.15%
Thereafter	3.00-7.00%	2.65-5.15%
	Based on	Based on
	Years of Service	Age
Investment Rate of Return	7.00%	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 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.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at both June 30, 2019 and June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total pension liability was 6.28% and 5.66% as of June 30, 2019 and June 30, 2018, respectively. These single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.00% for both June 30 2019 and June 30, 2018 and a municipal bond rate of 3.50% and 3.87% for June 30, 2019 and June 30, 2018 respectively based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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 net pension liability to changes in the discount rate

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2019 respectively, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2019		
	1% Decrease <u>5.28%</u>	At Current Discount Rate <u>6.28%</u>	1% Increase <u>7.28%</u>
Township's proportionate share of the pension liability	\$25,804,814.00	\$20,287,602.00	\$15,898,630.00

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

Police and Firemen's Retirement System (PFRS)

At June 30, 2019, the State reported a net pension liability of \$27,060,670.00.00 for the Township's proportionate share of the total PFRS net pension liability. The 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. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

At June 30, 2019, the Township's proportion was 0.2211233115 percent, which was a decrease of 0.00525099894 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2019, the State recognized an actuarially determined pension expense of \$2,108,566.00. The pension expense recognized in the Township's financial statements based on the April 1, 2019 billing was \$2,110,470.00.

At June 30, 2019, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 228,427.00	\$ 171,326.00
Changes of assumptions	927,246.00	8,745,761.00
Net difference between projected and actual earnings on pension plan investments		366,663.00
Changes in proportion and differences between the Township's contributions and proportionate share of contributions	1,157,756.00	1,218,649.00
Township contributions subsequent to the measurement date	<u>1,055,235.00</u>	
	<u>\$ 3,368,664.00</u>	<u>\$ 10,502,399.00</u>

The \$1,055,235.00 reported as deferred outflows of resources related to pensions resulting from Township contributions subsequent to the measurement date (i.e. for the year ending June 30, 2019, the plan measurement date is June 30, 2018) will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (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:

Year Ended		<u>Amount</u>
<u>June 30</u>		
2020	\$	(1,430,850.60)
2021		(2,990,197.60)
2022		(2,121,239.60)
2023		(1,051,802.60)
2024		<u>(594,879.60)</u>
	\$	<u>(8,188,970.00)</u>

Actuarial Assumptions

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

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Inflation	2.75%	2.25%
Salary Increases		
Through All Future Years	3.25-15.25%	2.10-9.98%
	Based on Years of Service	Based on Age
Investment Rate of Return	7.00%	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. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Actuarial Assumptions (Continued)

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 Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00 percent at June 30, 2019 and June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Assets 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-U.S. Developed Market Equity	12.50%	9.00%
Emerging Market Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.85% and 6.51% as of June 30, 2019 and June 30, 2018, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% for both June 30, 2019 and June 30, 2018 and a municipal bond rate of 3.50% and 3.87% as of June 30, 2019 and June 30, 2018 respectively based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 70% 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 net pension liability of the participating employers as of June 30, 2019 respectively, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2019		
	1% Decrease <u>5.85%</u>	At Current Discount Rate <u>6.85%</u>	1% Increase <u>7.85%</u>
Township's proportionate share of the PFRS pension liability	\$36,576,165.00	\$27,060,670.00	\$19,185,227.00

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Special Funding Situation

In accordance with 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.c. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.c. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed by the State on behalf of the Township under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the Township does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Township related to this legislation.

At June 30, 2019 and 2018, the State's proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$4,272,931.00 and \$3,967,843.00, respectively. The State's proportionate share of contributions attributable to the Township is \$287,907.00 and \$234,992.00 respectively for the same period.

At June 30, 2019, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$27,060,670.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Township	<u>4,272,931.00</u>
	<u>\$31,333,601.00</u>

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 7: LITIGATION

The Township Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the Township's insurance carrier or would have a material financial impact on the Township.

NOTE 8: SCHOOL TAXES

Local and Regional District School Taxes have been raised and liabilities deferred by statute, resulting in the school taxes prepaid set forth in the Current Fund liabilities as follows:

	<u>Local District School Tax</u>	
	Balance	Balance
	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Balance of Tax	40,796,090.00	39,375,895.00
Deferred	<u>32,995,620.50</u>	<u>32,995,620.50</u>
Tax Payable	<u><u>\$7,800,469.50</u></u>	<u><u>\$6,380,274.50</u></u>

	<u>Regional District High School Tax</u>	
	Balance	Balance
	<u>December 31, 2020</u>	<u>December 31, 2019</u>
Balance of Tax	14,086,763.89	13,396,236.89
Deferred	<u>13,914,179.00</u>	<u>13,914,179.00</u>
Tax Prepaid	<u><u>\$172,584.89</u></u>	<u><u>(\$517,942.11)</u></u>

NOTE 9: COMPENSATED ABSENCES

Under the existing policy of the Township, employees are allowed to accumulate unused vacation and sick pay over the life of their working careers which may be taken as time off or paid at a later date as outlined in Township personnel policies. The Township estimates that the current cost of such unpaid compensation to be \$2,636,905.68 and \$2,688,245.68, at December 31, 2020 and 2019 respectively. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented. The Township has established a Reserve for Accumulated Absences in the Trust Other Fund in the amount of \$329,509.72 and \$209,001.95 at December 31, 2020 and 2019, respectively.

NOTE 10: TAX APPEALS

There are tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for 2020 and prior. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51.

NOTE 11: CONTINGENT LIABILITIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives.

On May 13, 2020, Judge Linda Grasso Jones, J.S.C. issued a Final Judgment of Compliance and Repose declaring that the Township of Marlboro is protected from further Mouth Laurel compliance litigation through July 1, 2025, enforcing the terms of an agreement reached with Fair Share Housing Center which set forth the Township's mandated affordable housing obligation, and establishing various reporting requirements and milestones for compliance.

As of December 31, 2020 and 2019, the Township held \$7,525,267.44 and \$7,508,990.75 respectively, of funds in a reserve for the "Council on Affordable Housing" as reported in the Township's Trust-Other Fund." As of December 31, 2020, balances of fully-funded capital projects associated with the Township's affordable housing obligation remain in the Township's Capital Fund: 2012-11 (\$5,163,323.74); 2012-13 (\$1,456,000.00); and 2014-22 (\$131,663.72).

Pursuant to the order, on May 21, 2020, the Township entered into an Affordable Housing Development Agreement to utilize \$8.1 of dedicated affordable housing funding for purposes of facilitating the construction of affordable housing. As of December 31, 2020, \$358,244.50 of funds had been disbursed on this project.

NOTE 12: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error or omission, injuries to employees; and natural disasters. The Township is a member of the Monmouth County Municipal Joint Insurance Fund ("JIF"). The JIF is a public entity risk pool currently operating as a common risk management and insurance program for municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workers' compensation. While additional assessments on premiums can be levied by the JIF to assure payment of the JIF's obligations, no such additional premiums have been necessary as of December 31, 2020. The JIF is expected to be self-sustaining through member premiums of which the Township portion is reported as expenditure in the Township's financial statements and liabilities of the JIF are based on the estimated ultimate cost of settling the claims. The JIF participates in the Municipal Excess Liability Program, which has a contract for excess liability insurance. The Township is not aware of any claims pending that have a demand in excess of coverages provided under the JIF. In addition, there were no significant reductions in insurance coverage from prior year coverage and there were no amounts settled which exceeded insurance coverage for each of the past three years.

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. Below is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Township Contributions and Interest</u>	<u>Employee Contributions</u>	<u>CARES Act</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020	\$1,594.18	\$23,159.23	\$62,238.72	\$137,993.56	\$82,680.86
2019	3,540.39	25,074.46		28,681.13	133,682.29
2018	10,339.20	24,041.71		11,914.41	133,748.57

NOTE 13: DEFERRED CHARGES:

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2020, the Township had the following Deferred Charges:

	BALANCE DECEMBER 31, 2020	2021 BUDGET APPROPRIATION	BALANCE TO SUCCEEDING YEARS
Current Fund:			
Emergency Authorization	345,724.41	345,724.41	-0-

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2020:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$200,000.00	\$486,654.20
Water Utility Operating Fund	30.00	
Recreation and Swim Operating Fund		200,000.00
Grant Fund	486,624.20	
	<u>686,654.20</u>	<u>686,654.20</u>

This interfund is the result of timing difference between grant expenditures and reimbursements from the granting agency. The Township makes every effort to limit the time between the expenditure of grant funds and submission for reimbursement.

NOTE 15: DEFERRED COMPENSATION PLAN

The Township has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey. The Plan is an arrangement whereby a public employer may establish a Plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations.

The Township has engaged AXA Equitable and Nationwide Retirement Solutions to administer the Plans. The plan's assets are not the property of the Township and therefore are not presented in the financial statements.

As of December 31, 2020 and 2019, the amount held by the third party administrators amounted to \$9,260,661.12 and \$8,421,250.72, respectively.

NOTE 16: LENGTH OF SERVICE AWARDS PROGRAM

In 2001, the Township of Marlboro adopted an ordinance establishing a Length of Service Awards Program for the members of the in accordance with Chapter 388 of the Laws of 1997 (N.J.S.A. 40A:14-183 et seq.) and N.J.A.C. 5:30-14.1 et seq. to reward members of the Marlboro First Aid Squad and the Morganville First Aid Squad.

Under this program, each volunteer that performs the minimum amount of service will have an annual amount of up to \$1,150.00 (adjusted by increases in the Consumer Price Index) deposited into a tax deferred income account that will earn interest for the volunteer. The cost will be budgeted annually in the budget of the Township and is anticipated to be \$85,000.00 per year.

The accompanying financial statements do not include the Township's Length of Service Award Program's activities.

NOTE 17: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. OPEB obligations are non-pension benefits that the municipality has contractually or otherwise agreed to provide employees once they have retired and, in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the municipality is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or to accrue funds, create a trust or issue debt to finance their other post-employment benefit liability. Additionally, the municipality is not required to recognize any long-term obligations resulting from OPEB on their financial statements.

Plan Description and Benefits Provided

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment 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 Postemployment Benefits Other Than Pensions*; therefore, assets are accumulated to pay associated benefits.

NOTE 17: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (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 postretirement 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 postretirement 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 negotiations' 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 postretirement 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 postretirement 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.

NOTE 17: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Special Funding Situation

The Township, by resolution of the governing body, has elected to provide postretirement medical coverage to certain employees under the provisions of Chapter 330, P.L. 1997.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge.

The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net 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.

At June 30, 2019 and 2018, the State's proportionate share of the net OPEB liability attributable to the Township for the special funding situation is \$18,905,915.00 and \$21,430,058.00 respectively.

At June 30, 2019, the Township's and State of New Jersey's proportionate share of the Net OPEB Liability were as follows:

Township's proportionate share of the Net OPEB Liability	\$0
State of New Jersey's proportionate share of Net OPEB Liability associated with the Township	<u>18,905,915</u>
	<u>\$18,905,915</u>

At December 31, 2019 and December 31, 2018, the State's proportionate share of the OPEB expense, associated with the Township, as calculated by the plan was \$250,603.00 and \$648,713.00 respectively.

NOTE 17: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	<u>2019</u> 2.50%	<u>2018</u> 2.50%
Salary Increases:		
Public Employees Retirement System (PERS):		
Initial Fiscal Year Applied		
Rate Through 2026	2.00% to 6.00%	
Rate Thereafter	3.00% to 7.00%	
Police and Firemen’s Retirement System (PFRS):		
Rate for All Future Years	3.25% to 15.25%	
All Pensions:		
Rate Through 2026	1.65% to 8.98%	
Rate Thereafter	2.65% to 9.98%	
Mortality:		
PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2020	
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2020	

*Salary increases are based on the defined benefit plan that the member is enrolled in and his or her age.

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

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

NOTE 17: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal year 2019 are reflected.

The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

Discount Rate

The discount rate for June 30, 2019 and 2018 was 3.50% and 3.87%, respectively. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey State Health Benefits Local Government Retired Employees Plan. The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 18: SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after the financial statement date through May 26, 2021 which is the date the financial statements were available to be issued. Based upon this evaluation, the Township has determined that the following subsequent events needed to be disclosed.

The COVID-19 pandemic continues to effect municipalities across the State of New Jersey and the Nation as a whole. The impact of this pandemic on the Township's operations in 2021 cannot reasonably estimated at this time and could negatively affect revenues.

NOTE 18: SUBSEQUENT EVENTS (CONTINUED)

Subsequent to December 31, 2020 the Township authorized the following debt:

<u>Ordinance Number</u>	<u>Date Adopted</u>	<u>Purpose</u>	<u>Debt Authorized</u>
General Capital Fund:			
2021-004	3/4/2021	Various Capital Improvements	\$5,601,689.00
Water Utility Capital Fund:			
2021-005	3/4/2021	Various Improvements to the Water Utility	3,763,800.00

TOWNSHIP OF MARLBORO
SUPPLEMENTARY SCHEDULES - ALL FUNDS
YEAR ENDED DECEMBER 31, 2020

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF CASH - TREASURER

<u>REF.</u>	<u>CURRENT FUND</u>	<u>CURRENT FUND</u>	<u>GRANT FUND</u>
A	\$ 18,578,961.83	\$	\$
Balance, December 31, 2019			
Increased by Receipts:			
A-5	\$ 168,547,525.77	\$	
A-12	5,067,018.09		
A-2	474,190.58		
A-8	176,542.47		
A-15	411,584.71		
A-13:A-29	951,899.68		
	6,500,000.00		
A-26	182,128,761.30	145,068.10	278,908.30
	\$ 200,707,723.13	\$	\$ 278,908.30
Decreased by Disbursements:			
A-3	\$ 31,259,400.14	\$	
A-14	1,400,673.50		
A-15	341,727.45		
A-16	76,975.27		
A-18	70,634.40		
A-20	23,449,115.66		
A-21	76,226,960.00		
A-22	33,050,417.00		
A-23	724,530.23		
A-24	3,175,548.00		
A-13:A-29	605,440.30		
A-2	2,539.00		
A-1	39,253.25		
A-27	145,069.58	133,838.72	278,908.30
	170,423,214.20	\$ 30,284,508.93	\$
A	\$	\$	\$
Balance, December 31, 2020			

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR

	<u>REF.</u>		
Increased by Receipts:			
Property Taxes Receivable	A-9	\$ 166,831,996.28	
Tax Overpayments	A-16	118,119.66	
Prepaid Taxes	A-19	1,373,403.65	
Senior Citizens Disallowed - Prior Year	A-8	3,419.87	
Revenue Accounts Receivable	A-12	<u>220,586.31</u>	
			\$ <u>168,547,525.77</u>
			\$ <u>168,547,525.77</u>
Decreased by Disbursements:			
Payments to Treasurer	A-4		\$ <u><u>168,547,525.77</u></u>

"A-6"

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF CHANGE FUNDS

<u>DEPARTMENT</u>	BALANCE DECEMBER 31, 31, 2019	BALANCE DECEMBER 31, 31, 2020
Tax Collector	\$ 800.00	\$ 800.00
Municipal Court	200.00	200.00
Police Records	50.00	50.00
Clerk	50.00	50.00
	<u>1,100.00</u>	<u>1,100.00</u>
	\$ <u>1,100.00</u>	\$ <u>1,100.00</u>
<u>REF.</u>	A	A

"A-7"

SCHEDULE OF PETTY CASH FUND

<u>DEPARTMENT</u>	BALANCE DECEMBER 31, 31, 2019	BALANCE DECEMBER 31, 31, 2020
Finance	\$ 200.00	\$ 200.00
Police	200.00	200.00
	<u>400.00</u>	<u>400.00</u>
	\$ <u>400.00</u>	\$ <u>400.00</u>
<u>REF.</u>	A	A

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS
PER CHAPTER 20, P.L. 1971

	<u>REF.</u>		
Balance, December 31, 2019 (Due to)	A		\$ (11,559.19)
Increased by:			
Senior Citizens Deductions Per Tax Billing		\$ 23,750.00	
Veterans Deductions Per Tax Billing		152,250.00	
Deductions Allowed by Tax Collector		<u>6,250.00</u>	
			\$ <u>182,250.00</u>
			\$ <u>170,690.81</u>
Decreased by:			
Deductions Disallowed by Collector:			
Received in Cash From State	A-4	\$ 176,542.47	
Deductions Disallowed by Tax Collector		2,800.68	
Prior Year Deductions Disallowed by Tax Collector	A-5	<u>3,419.87</u>	
			<u>182,763.02</u>
Balance, December 31, 2020 (Due to)	A		\$ <u><u>(12,072.21)</u></u>

ANALYSIS OF STATE SHARE OF 2020
SENIOR CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens Deductions Per Tax Billing		\$ 23,750.00
Veterans Deductions Per Tax Billing		152,250.00
Deductions Allowed by Tax Collector		<u>6,250.00</u>
		\$ <u>182,250.00</u>
Less: Deductions Disallowed by Tax Collector:		
Senior Citizens		<u>2,800.68</u>
	A-9	\$ <u><u>179,449.32</u></u>

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2019	2020 LEVY	ADDED	CASH COLLECTIONS		CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2020
				2019	2020			
2019	\$ 1,066,668.61	\$ 167,184,347.25	\$ 45,873.74	\$ 825,166.29	\$ 1,100,176.66	\$ 10,318.16	\$ 87,620.28	\$ 2,047.54
2020			877,066.70	166,045,928.60	166,045,928.60	87,151.28		1,016,547.50
	\$ 1,066,668.61	\$ 167,184,347.25	\$ 922,940.44	\$ 825,166.29	\$ 167,146,105.25	\$ 97,469.44	\$ 87,620.28	\$ 1,017,595.04

REF. A

A-2-A-19

A-2

A

Cash-Collector
State Share of Senior Citizens and
Veterans Deductions
Tax Overpayments Applied

REF.

A-5
A-8
A-16

\$ 166,831,996.28
179,449.32
134,659.65
\$ 167,146,105.25

ANALYSIS OF 2020 PROPERTY TAX LEVY

TAX YIELD	
General Property Tax	\$ 167,184,347.25
Added and Omitted Tax (54:4-63.1 et.seq.)	877,066.70
	\$ 168,061,413.95

TAX LEVY

Local District School Tax	A-21	\$ 77,647,155.00
Regional District Taxes	A-22	33,740,954.00
Special District Taxes	A-24	3,175,548.00
County Taxes:		
County Tax	A-20	\$ 23,319,620.21
Due County for Added Taxes (54:4-63.1 et.seq.)	A-20	122,294.34
		23,441,914.55
Local Tax for Municipal Purposes	A-2	28,485,442.86
Municipal Open Space	A-23	724,530.23
Additional Tax Levied		845,869.31
		30,055,842.40
		\$ 168,061,413.95

"A-10"

TOWNSHIP OF MARLBORO
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2019	A		\$ 991,091.02
Increased by:			
Transfers From Taxes Receivable	A-9	\$ 87,620.28	
Interest and Costs		<u>3,265.32</u>	
			<u>90,885.60</u>
Balance, December 31, 2020	A		\$ <u>1,081,976.62</u>

"A-11"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

Balance, December 31, 2019 and December 31, 2020	A		\$ <u>802,400.00</u>
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TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2019</u>	<u>ACCRUED IN 2020</u>	<u>COLLECTED BY TREASURER/ COLLECTOR</u>	<u>BALANCE DECEMBER 31, 2020</u>
Clerk:					
Licenses:					
Alcoholic Beverage Licenses	A-2	\$	\$ 42,500.00	\$ 42,500.00	\$
Other Licences	A-2		22,119.00	22,119.00	
Fees and Permits	A-2		254,532.00	254,532.00	
Registrar:					
Other Licenses	A-2		783.00	783.00	
Fees and Permits	A-2		135.00	135.00	
Planning Board:					
Fees and Permits	A-2		91,878.00	91,878.00	
Zoning:					
Fees and Permits	A-2		112,017.50	112,017.50	
Engineering:					
Fees and Permits	A-2		23,394.00	23,394.00	
Police:					
Fees and Permits	A-2		72,406.46	72,406.46	
Fire:					
Fees and Permits	A-2		160,751.00	160,751.00	
Tax Assessor:					
Fees and Permits	A-2		1,130.00	1,130.00	
Community Development:					
Fees and Permits	A-2		201,193.05	201,193.05	
Administration:					
Fees and Permits	A-2		1,715.00	1,715.00	
Municipal Court:					
Fines and Costs	A-2	30,391.24	222,446.05	243,335.11	9,502.18
Interest and Costs on Taxes	A-2		220,586.31	220,586.31	
Cable Television Franchise Fees	A-2		285,784.70	285,784.70	
Cell Tower Rental	A-2		373,334.95	373,334.95	
Interest on Investments and Deposits	A-2		197,826.22	197,826.22	
Energy Receipts Tax	A-2		2,268,949.01	2,268,949.01	
Uniform Fire Safety Act	A-2		84,391.58	84,391.58	
Payment in Lieu of Taxes	A-2		528,842.51	528,842.51	
Capital Surplus	A-2		100,000.00	100,000.00	
		<u>\$ 30,391.24</u>	<u>\$ 5,266,715.34</u>	<u>\$ 5,287,604.40</u>	<u>\$ 9,502.18</u>
	<u>REF.</u>	<u>A</u>			<u>A</u>
Tax Collector	A-5			\$ 220,586.31	
Treasurer	A-4			<u>5,067,018.09</u>	
				<u>\$ 5,287,604.40</u>	

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>GRANT FUND</u>	<u>TRUST OTHER FUNDS</u>	<u>WATER UTILITY OPERATING FUND</u>	<u>POOL-RECREATION UTILITY OPERATING FUND</u>
Balance, December 31, 2019						
Due From	A	\$ 500,000.00	\$	500,000.00	\$	\$
Due To	A	475,394.82	475,394.82			
Treasurer-Receipts	A-4	951,899.68	168,369.68	783,500.00	30.00	
Treasurer-Disbursements	A-4	605,440.30	157,140.30	248,300.00		200,000.00
Transferred to Encumbrances	A-17	35,200.00		35,200.00		
Balance, December 31, 2020						
Due From	A	\$ 200,000.00	\$	-	\$	\$ 200,000.00
Due To	A	486,654.20	486,624.20	-	30.00	-

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF 2019 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2019	ADJUSTED BALANCE	PAID OR CHARGED	BALANCE LAPSED
Salaries and Wages:				
General Administration	\$ 21,860.23	\$ 21,860.23	\$ 1,789.72	\$ 20,070.51
Mayor's Office	500.19	500.19		500.19
Municipal Clerk	1,992.34	2,992.34	1,692.15	1,300.19
Financial Administration	1,051.89	3,051.89		3,051.89
Computer Information Technology	7,200.05	7,200.05		7,200.05
Assessment of Taxes	225.00	2,225.00		2,225.00
Tax Collector	18,510.16	18,510.16		18,510.16
Engineering Services	62,284.97	62,284.97	1,527.12	60,757.85
Planning Board	4,799.90	4,799.90	1,803.35	2,996.55
Zoning Board	23,839.64	23,839.64	4,278.92	19,560.72
Police	465,751.81	199,151.81	2,195.93	196,955.88
Emergency Management	0.92	0.92		0.92
Uniform Fire Safety	23,571.08	23,571.08	3,500.50	20,070.58
Road Repairs & Maintenance	124,297.93	124,297.93	3,401.40	120,896.53
Snow Removal	106,230.55	106,230.55	100,000.00	6,230.55
Other Public Works	1,742.51	3,742.51		3,742.51
Solid Waste Collection	3,045.92	3,045.92		3,045.92
Vehicle Maintenance	29,653.57	29,653.57	3,723.64	25,929.93
Public Buildings and Grounds	64,908.81	64,908.81		64,908.81
Drug Abuse Control	500.01	500.01		500.01
Environmental Health Services	2,000.00	2,000.00		2,000.00
Recreation	45,542.90	45,542.90	3,197.22	42,345.68
Maintenance of Parks	40,782.46	40,782.46		40,782.46
Municipal Court	2,288.42	2,888.42	2,846.83	41.59
Public Defender	2,999.52	2,999.52		2,999.52
Police Dispatch/911	74,220.22	74,220.22	7,581.92	66,638.30
Other Expenses:				
General Administration	4,532.77	48,644.15	10,960.85	37,683.30
Mayor's Office	1,290.18	2,778.98	669.29	2,109.69
Ethics Commission	1,494.00	2,648.00	775.50	1,872.50
Township Council	250.00	250.00		250.00
Municipal Clerk	2,695.08	17,057.03	7,416.19	9,640.84
Financial Administration	314.24	648.74	309.00	339.74
Annual Audit	1,680.00	6,000.00		6,000.00
Computer Information Technology	4,042.98	58,284.09	49,577.10	8,706.99
Assessment of Taxes	11,480.67	36,674.17	10,542.00	26,132.17
Tax Collector	17,150.71	18,146.27	850.00	17,296.27
Legal Services	22,281.35	43,220.09	35,997.34	7,222.75
Engineering Services	2,460.06	31,116.35	28,978.17	2,138.18
Economic Development	9,871.55	11,423.05	1,190.00	10,233.05
Cable Studio	420.79	8,545.82	7,382.49	1,163.33
Inter-Governmental Relations	2,587.93	4,642.93	1,694.91	2,948.02
Historic Sites Commission	6,550.00	6,550.00		6,550.00
Open Space Committee	1,406.28	1,864.28		1,864.28
Postage	5,570.24	5,570.24		5,570.24
Planning Board	1,993.34	8,451.04	7,868.80	582.24
Planning Board Contractual	381.00	80,651.45	56,546.15	24,105.30
Zoning Board	7,809.89	18,794.00	4,977.22	13,816.78
Insurance:				
Group Insurance	206,417.55	95,293.90	2,098.00	93,195.90
General Liability Insurance	41,584.01	81,584.01	55,736.74	25,847.27
Workers Compensation Insurance	3,779.00	3,779.00		3,779.00
Health Benefit Waiver	12,000.00	18,935.40		18,935.40
Police	68,216.49	232,150.57	132,883.98	99,266.59

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF 2019 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2019	ADJUSTED BALANCE	PAID OR CHARGED	BALANCE LAPSED
<u>Other Expenses (Continued):</u>				
Prosecutor	\$	\$ 3,000.00	\$ 3,000.00	\$
Emergency Management Services	6,047.05	7,385.00		7,385.00
Uniform Fire Safety	10,094.61	15,677.33	3,812.55	11,864.78
Road Repairs & Maintenance	95,635.90	128,055.89	17,947.19	110,108.70
Snow Removal	399,282.11	644,805.14	251,148.21	393,656.93
Other Public Works Functions	3,393.00	4,195.13		4,195.13
Shade Tree	14.23	5,095.28	289.21	4,806.07
Solid Waste	16,092.37	53,764.88	5,540.00	48,224.88
Vehicle Maintenance	22,983.76	69,310.93	22,449.95	46,860.98
Public Buildings & Grounds	8,721.76	69,061.86	33,870.66	35,191.20
Condominium Services Act	123,673.88	128,522.96	53,605.43	74,917.53
Board of Health	247.00	391.00	144.00	247.00
Drug Abuse Control	49.39	2,498.09	409.00	2,089.09
Environmental Health	635.00	635.00		635.00
Recreation	66,536.11	100,335.18	11,124.39	89,210.79
Teen Program	31.22	394.66	101.94	292.72
Maintenance of Parks	1,330.79	25,394.07	2,878.18	22,515.89
Municipal Library	1.84	1.84		1.84
Municipal Court	29,026.79	45,968.22	6,404.10	39,564.12
Public Defender		8,000.00	8,000.00	
Accumulated Leave Compensation	1,000.00	340,000.00	340,000.00	
<u>Utility:</u>				
Street Lighting	30,661.23	136,226.86	47,179.58	89,047.28
Electricity	23,150.23	68,001.38	11,996.47	56,004.91
Telephone	41,750.54	73,454.18	10,615.46	62,838.72
Water	6,724.33	9,834.17	2,885.43	6,948.74
Sewerage Disposal	850.98	971.00		971.00
Natural Gas	85.00	16,298.73	12,515.20	3,783.53
Gasoline	76,111.39	103,499.55	35,243.59	68,255.96
Landfill/Solid Waste	2,140.79	38,798.71	7,477.22	31,321.49
Contingent	2,500.00	2,500.00		2,500.00
<u>Statutory Expenditures:</u>				
Social Security System (OAS)	78,947.62	78,947.62		78,947.62
Police and Firemen's Retirement System	9,176.08	9,176.08		9,176.08
Public Employees Retirement System	797.18	797.18		797.18
Defined Contribution Retirement Program	821.30	821.30		821.30
Length of Services Awards Program (LOSAP)	18,855.00	18,855.00		18,855.00
Police Dispatch/911	104,901.45	145,892.88	47,123.88	98,769.00
SFSP Fire District Payments	417.00	417.00		417.00
	\$ 2,750,728.04	\$ 4,071,488.66	\$ 1,489,754.07	\$ 2,581,734.59

REF.

A

A-1

Budget - Reserved

A-14

\$ 2,750,728.04

Reserve for Encumbrances

A-17

1,320,760.62

\$ 4,071,488.66

Cash Disbursements

A-4

\$ 1,400,673.50

Transferred to Accounts Payable

A-18

89,080.57

\$ 1,489,754.07

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF RESERVE FOR MISCELLANEOUS DEPOSITS

	BALANCE DECEMBER 31, 2019	MODIFIED	INCREASE	DECREASE	BALANCE DECEMBER 31, 2020
Due State of New Jersey:	\$ 550.00	\$ 550.00	\$ 2,425.00	\$ 2,950.00	\$ 25.00
Marriage License Fees	-	4,362.00	-	4,000.00	362.00
Traffic Lights	74,530.92	193,152.66	226,034.99	284,635.26	134,552.39
Insurance Proceeds	393,000.00	393,000.00	-	150,000.00	243,000.00
Liquor License	775.00	785.00	-	-	785.00
Refund of Revenue	853,416.90	853,416.90	-	-	853,416.90
FEMA	-	-	183,124.72	183,124.72	-
Redemption of Third Party Liens	-	-	400,000.00	-	400,000.00
Tax Appeals	-	-	-	-	-
	<u>\$ 1,322,272.82</u>	<u>\$ 1,445,266.56</u>	<u>\$ 811,584.71</u>	<u>\$ 624,709.98</u>	<u>\$ 1,632,141.29</u>
	REF. A				A
Balance	\$ 1,322,272.82	\$ 1,322,272.82			
Transferred from Encumbrances Payable		<u>122,993.74</u>			
	\$	<u>\$ 1,445,266.56</u>			
Cash Receipts		411,584.71			
Tax Appeals		<u>400,000.00</u>			
		<u>811,584.71</u>			
Cash Disbursements	\$		\$ 341,727.45		
2020 Budget Revenue			150,000.00		
Transferred to Encumbrances Payable			<u>132,982.53</u>		
	\$		<u>\$ 624,709.98</u>		

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2019	A	\$	96,143.48
Increased by:			
Cash Receipts	A-5		<u>118,119.66</u>
		\$	214,263.14
Decreased by:			
Cash Disbursements	A-4	\$	76,975.27
Transferred to Encumbrances	A-17		1,134.71
Applied	A-9		<u>134,659.65</u>
		\$	<u>212,769.63</u>
Balance, December 31, 2020	A	\$	<u><u>1,493.51</u></u>

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>		
Balance, December 31, 2019			\$ 1,590,572.48
Current Fund	A	\$ 1,461,416.62	
Grant Fund	A	129,155.86	
Increased by:			
Refund of Revenue	A-2	\$ 414.00	
Budget Appropriations	A-3	1,810,361.60	
Interfunds	A-13	35,200.00	
Reserve for Miscellaneous Deposits	A-15	132,982.53	
Tax Overpayments	A-16	1,134.71	
Reserve for Grants Appropriated	A-27	<u>245,049.85</u>	
			<u>2,225,142.69</u>
			\$ <u>3,815,715.17</u>
Decreased by:			
Transferred to:			
Appropriation Reserves	A-14	\$ 1,320,760.62	
Accounts Payable	A-18	17,662.26	
Reserve for Miscellaneous Deposits	A-15	122,993.74	
Reserve for Grants Appropriated	A-27	<u>129,155.86</u>	
			<u>1,590,572.48</u>
Balance, December 31, 2020			\$ <u><u>2,225,142.69</u></u>
<u>Analysis of Balance</u>			
Current Fund	A		\$ 1,980,092.84
Grant Fund	A		<u>245,049.85</u>
			\$ <u><u>2,225,142.69</u></u>

SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2019	A		\$ 564,757.84
Increased by:			
Transferred from			
Appropriation Reserves	A-14	\$ 89,080.57	
Encumbrances Payable	A-17	<u>17,662.26</u>	
			<u>106,742.83</u>
			\$ <u>671,500.67</u>
Cash Disbursements	A-4	\$ 70,634.40	
Canceled	A-1	<u>322,975.49</u>	
			<u>393,609.89</u>
Balance, December 31, 2020	A		\$ <u><u>277,890.78</u></u>

"A-19"

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF PREPAID TAXES

	<u>REF.</u>		
Balance, December 31, 2019	A	\$	825,166.29
Increased by:			
Collection of 2021 Taxes	A-5		<u>1,373,403.65</u>
		\$	<u>2,198,569.94</u>
Decreased by:			
Applied to Taxes Receivable	A-9		<u>825,166.29</u>
Balance, December 31, 2020	A	\$	<u><u>1,373,403.65</u></u>

"A-20"

SCHEDULE OF COUNTY TAXES PAYABLE

Balance, December 31, 2019	A	\$	129,495.14
2020 Tax Levy:			
County Tax	A-1:A-9	\$	23,319,620.21
Added County Taxes	A-1:A-9		<u>122,294.34</u>
			<u>23,441,914.55</u>
		\$	<u>23,571,409.69</u>
Decreased by:			
Cash Disbursements	A-4		<u>23,449,115.66</u>
Balance, December 31, 2020	A	\$	<u><u>122,294.03</u></u>

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF LOCAL SCHOOL DISTRICT TAX

	<u>REF.</u>		
Balance, December 31, 2019			
Payable	A	\$ 6,380,274.50	
Deferred		<u>32,995,620.50</u>	
			\$ 39,375,895.00
Increased by:			
Levy Calendar Year 2020	A-9		<u>77,647,155.00</u>
			\$ <u>117,023,050.00</u>
Decreased by:			
Payment to Regional District School	A-4		<u>76,226,960.00</u>
Balance, December 31, 2020	A		\$ <u><u>40,796,090.00</u></u>
Analysis of Balance			
Payable	A	\$ 7,800,469.50	
Deferred		<u>32,995,620.50</u>	
			\$ <u><u>40,796,090.00</u></u>
2020 Liability for Local District School Tax:			
Taxes Paid			\$ 76,226,960.00
Less: Taxes Payable Balance, December 31, 2019			<u>6,380,274.50</u>
			\$ <u>69,846,685.50</u>
Add: Taxes Payable Balance, December 31, 2020			<u>7,800,469.50</u>
Amount Charged to 2020 Operations	A-1		\$ <u><u>77,647,155.00</u></u>

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF REGIONAL SCHOOL DISTRICT TAX

	<u>REF.</u>		
Balance, December 31, 2019			
Prepaid	A	\$ (517,942.11)	
Deferred		<u>13,914,179.00</u>	
			\$ 13,396,236.89
Increased by:			
Levy Calendar Year 2020	A-9		<u>33,740,954.00</u>
			\$ 47,137,190.89
Decreased by:			
Payment to Regional District School	A-4		<u>33,050,417.00</u>
Balance, December 31, 2020	A		<u>\$ 14,086,773.89</u>
Analysis of Balance			
Taxes Prepaid	A	\$ 172,594.89	
Deferred		<u>13,914,179.00</u>	
			\$ <u>14,086,773.89</u>
2020 Liability for Local District School Tax:			
Taxes Paid			\$ 33,050,417.00
Add: Taxes Prepaid Balance, December 31, 2019			<u>517,942.11</u>
			\$ 33,568,359.11
Less: Taxes Prepaid Balance, December 31, 2020			<u>(172,594.89)</u>
Amount Charged to 2020 Operations	A-1		<u>\$ 33,740,954.00</u>

"A-23"

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF MUNICIPAL OPEN SPACE TAX

REF.

Increased by:			
Open Space Levy 2020	A-1:A-9	\$	<u>724,530.23</u>
Decreased by:			
Cash Disbursements	A-4	\$	<u><u>724,530.23</u></u>

"A-24"

SCHEDULE OF SPECIAL DISTRICT TAX

Increased by:			
Fire District Levy 2020	A-1:A-9	\$	<u>3,175,548.00</u>
		\$	<u>3,175,548.00</u>
Decreased by:			
Cash Disbursements	A-4	\$	<u><u>3,175,548.00</u></u>

TOWNSHIP OF MARLBORO

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

	BALANCE DECEMBER 31, <u>2019</u>	ADDED IN <u>2020</u>	RAISED IN <u>2020 BUDGET</u>	BALANCE DECEMBER 31, <u>2020</u>
Emergency 40A:4-46	\$ <u>187,423.34</u>	\$ <u>345,724.41</u>	\$ <u>187,423.34</u>	\$ <u>345,724.41</u>
	\$ <u><u>187,423.34</u></u>	\$ <u><u>345,724.41</u></u>	\$ <u><u>187,423.34</u></u>	\$ <u><u>345,724.41</u></u>
<u>REF.</u>	A	A-3	A-3	A

TOWNSHIP OF MARLBORO

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

GRANT	BALANCE DECEMBER 31, 2019	ACCRUED 2020 BUDGET	RECEIVED	UNAPPROPRIATED APPLIED	CANCELED	BALANCE DECEMBER 31, 2020
2018 Highway Safety Grant	\$ 19,975.51	\$ 18,414.14	18,414.14			19,975.51
Drunk Driving Enforcement Fund		16,243.70				16,243.70
Bulletproof Vest Partnership		2,000.00	2,000.00			
Sustainable Jersey Small Grants Program	45,081.00		29,625.60		15,455.40	
FY2020 Municipal Alliance		2,077.50	2,077.50			
2019 ANJEC Open Space Stewardship Grant	500.00	86,407.57	86,407.57			500.00
2020 Clean Communities		6,543.29	6,543.29			
2020 State Body Armor Replacement Fund		23,300.10		23,300.10		
2019 Recycling Tonnage Grant						
	\$ 65,556.51	\$ 154,986.30	\$ 145,068.10	\$ 23,300.10	\$ 15,455.40	\$ 36,719.21
	A	A-2	A-4	A-28	A-27	A

REF.

Budget	\$ 23,300.10
Chapter 159	131,686.20
	<u>154,986.30</u>

TOWNSHIP OF MARLBORO

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

GRANT/PROGRAM	BALANCE DECEMBER 31, 2019	MODIFIED	2020 BUDGET APPROPRIATIONS	PAID OR CHARGED	CANCELED	BALANCE DECEMBER 31, 2020
Green Team	\$ 1,289.59	\$ 1,289.59		1,200.00		1,289.59
2014 Hazardous Discharge Site Remediation	2,022.66	3,240.06		12,139.05		2,040.06
Bullet Proof Vest Partnership			16,243.70	1,613.04		4,104.65
Drunk Driving Enforcement Fund			18,414.14			17,140.69
Alcohol Education Rehabilitation				224.77		780.06
2013 Recycling Tonnage	780.06	339.59		13,677.10		
2015 Recycling Tonnage	129.77	780.06		33,928.86		
2016 Recycling Tonnage	6,186.20	224.77		34,807.62		
2017 Recycling Tonnage	33,928.86	13,677.10		14,500.00		
2018 Recycling Tonnage	11,673.32	33,928.86				21,584.30
2019 Recycling Tonnage	119,530.65	34,807.62				119,530.65
2020 Recycling Tonnage		36,084.30	23,300.10			23,300.10
2015 Clean Communities	206.00	119,530.65		2,068.72		
2016 Clean Communities	65.31	2,068.72		623.43		
2017 Clean Communities	34,801.58	623.43		36,701.58		
2018 Clean Communities	70,047.37	36,701.58		86,013.79		
2019 Clean Communities	68,475.86	86,013.79		95,842.74		
2020 Clean Communities		95,842.74	86,407.57	1,545.12		84,862.45
FY2016 Municipal Alliance Cash Match	12,964.28	16,885.90		16,885.90		
FY2021 Municipal Alliance	22,934.00	2,077.50	2,077.50	2,077.50	15,455.40	
FY2020 Municipal Alliance		30,584.00		15,128.60		
2017 State Body Armor Replacement Fund		1,568.61		1,568.61		
2019 State Body Armor Replacement Fund	1,798.85	1,798.85		1,798.85		
2020 State Body Armor Replacement Fund			6,543.29	6,543.29		
2018 Highway Safety Grant	161.01	161.01				161.01
Sustainable Jersey Small Grants			2,000.00			2,000.00
2019 ANJEC Open Space Stewardship Grant	1,500.00	1,500.00				1,500.00
	\$ 388,495.37	\$ 517,651.23	\$ 154,986.30	\$ 378,888.57	\$ 15,455.40	\$ 278,293.56

REF.

A-27
A-17

A-3

A-28

A

A-4
A-17

\$ 133,838.72
245,049.65
378,888.57

TOWNSHIP OF MARLBORO

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-UNAPPROPRIATED

<u>GRANT/PROGRAM</u>	BALANCE DECEMBER 31, 2019	APPLIED TO RECEIVABLES
Recycling Tonnage Grant	\$ <u>23,300.10</u>	\$ <u>23,300.10</u>
	\$ <u>23,300.10</u>	\$ <u>23,300.10</u>
<u>REF.</u>	A	A-26

TOWNSHIP OF MARLBORO

GRANT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>CURRENT FUND</u>
Balance, December 31, 2019			
Due From	A	\$ 475,394.82	\$ 475,394.82
Cash Receipts	A-4	<u>133,840.20</u>	<u>133,840.20</u>
		133,840.20	133,840.20
Cash Disbursements	A-4	\$ <u>145,069.58</u>	\$ <u>145,069.58</u>
		145,069.58	145,069.58
Balance, December 31, 2020			
Due From	A	\$ <u><u>486,624.20</u></u>	\$ <u><u>486,624.20</u></u>

TOWNSHIP OF MARLBORO

TRUST FUND

SCHEDULE OF TRUST CASH

REF.	ANIMAL CONTROL	OPEN SPACE	ESCROW DEPOSITS	OTHER
B	\$ 79,718.05	\$ 249,468.35	\$ 2,157,129.41	\$ 9,719,001.39
Increased by Receipts:				
B-2	\$ 104,792.04	\$	\$	
B-3	3,523.80			3,500,000.00
Investment Reserve for:				
B-4		3,963,000.00		
B-5		730,773.44	1,012,942.91	4,231,071.59
B-6				66,566.00
B-7			1,012,942.91	7,797,637.59
	\$ 108,315.84	\$ 4,693,773.44	\$ 3,170,072.32	\$ 17,516,638.98
	\$ 188,033.89	\$ 4,943,241.79	\$	\$
Decreased by Disbursements:				
B-2	\$ 100,670.32	\$	\$	
B-3	3,484.20			
B-4		979,341.26	822,880.44	
B-5				4,206,629.11
B-6				59,450.00
B-7				500,000.00
B-9			822,880.44	4,766,079.11
	\$ 104,154.52	\$ 979,341.26	\$ 822,880.44	\$ 4,766,079.11
B	\$ 83,879.37	\$ 3,963,900.53	\$ 2,347,191.88	\$ 12,750,559.87

TOWNSHIP OF MARLBORO

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2019	B	\$	65,767.20
Increased by:			
Cash Receipts:			
Animal Control Licenses		\$	26,853.00
Other Fees			1,231.20
Interlocal Agreement			21,677.04
Current Fund Budget Approp			<u>46,872.65</u>
	B-1		96,633.89
Transferred from Encumbrances Payable	B-8		<u>13,926.85</u>
			<u>110,560.74</u>
		\$	<u>176,327.94</u>
Decreased by:			
Expenditures Under R.S. 4:19-15.11	B-1	\$	92,512.17
Transferred to Encumbrances Payable	B-8		<u>15,415.78</u>
			<u>107,927.95</u>
Balance, December 31, 2020	B	\$	<u><u>68,399.99</u></u>

LICENSE FEES COLLECTED

<u>YEAR</u>		<u>AMOUNT</u>
2018	\$	38,071.50
2019		<u>35,883.10</u>
	\$	<u><u>73,954.60</u></u>

TOWNSHIP OF MARLBORO

TRUST FUND

SCHEDULE OF STATE REGISTRATION FEES
ANIMAL CONTROL FUND

	<u>REF.</u>		
Balance, December 31, 2019	B	\$	11.40
Increased by:			
Cash Receipts	B-1	\$	3,523.80
Transferred from Encumbrances Payable	B-8		<u>12.60</u>
			<u>3,536.40</u>
		\$	<u>3,547.80</u>
Decreased by:			
Cash Disbursements	B-1	\$	3,484.20
Transferred to Encumbrances Payable	B-8		<u>13.20</u>
			<u>3,497.40</u>
Balance, December 31, 2020	B	\$	<u><u>50.40</u></u>

TOWNSHIP OF MARLBORO

OPEN SPACE TRUST FUND

SCHEDULE OF RESERVE FOR OPEN SPACE TRUST

	<u>REF.</u>		
Balance, December 31, 2019	B		\$ 4,204,638.69
Increased by:			
Cash Receipts			
Open Space Tax Levy		\$ 724,530.23	
Interest Earned		6,243.21	
	B-1	\$ 730,773.44	
Transferred from Encumbrances Payable	B-8	7,829.66	
			<u>738,603.10</u>
			\$ 4,943,241.79
Decreased by:			
Cash Disbursements	B-1	\$ 979,341.26	
Transferred to Encumbrances Payable	B-8	0.07	
			<u>979,341.33</u>
Balance, December 31, 2020	B		\$ <u><u>3,963,900.46</u></u>

TOWNSHIP OF MARLBORO
ESCROW DEPOSIT TRUST FUND
SCHEDULE OF RESERVE FOR ESCROW DEPOSITS

	<u>REF.</u>		
Balance, December 31, 2019	B	\$	2,056,682.81
Increased by:			
Cash Receipts	B-1	\$	1,012,942.91
Transferred from Encumbrances Payable	B-8		<u>100,446.60</u>
			1,113,389.51
		\$	<u>3,170,072.32</u>
Decreased by:			
Cash Disbursements	B-1	\$	822,880.44
Transferred to Encumbrances Payable	B-8		<u>43,541.91</u>
			<u>866,422.35</u>
Balance, December 31, 2020	B	\$	<u><u>2,303,649.97</u></u>

TOWNSHIP OF MARLBORO

TRUST FUND

SCHEDULE OF VARIOUS RESERVES

	BALANCE DECEMBER 31, 2019	MODIFIED	CASH RECEIPTS	EXPENDITURES	BALANCE DECEMBER 31, 2020
Court Bail Refund	\$ 2,737.00	\$ 2,737.00			\$ 2,737.00
Bid Deposits	23,098.18	23,098.18		14,839.98	8,458.20
Tree Bank	290,776.94	296,965.46	157,595.00	43,835.00	410,725.46
Unclaimed Monies	8,470.19	8,470.19	3,002.85		11,473.04
Storm Recovery Trust	740,169.59	881,633.96	403,782.90	394,840.78	890,576.08
Marlboro Knolls	2,575.24	2,575.24			2,575.24
Water Escrow	151,360.13	151,360.13			151,360.13
Township Escrow	60,031.84	60,031.84			60,031.84
Accumulated Absences	209,001.95	209,001.95	340,000.00	219,492.23	329,509.72
Performance Bonds	31,364.64	31,364.64			31,364.64
Road Opening Deposits	521,447.85	521,447.85	100.00		521,547.85
Tax Sale Premiums	528,900.00	604,500.00	474,900.00	2,270.00	1,079,400.00
Public Defender	3,954.60	4,954.60	995.00		3,679.60
Parking Offenses Adjudication Act	5,480.00	5,480.00	20.00	2,516.70	2,963.30
Police Evidence	77.90	77.90			77.90
Off-Duty Police	83,492.47	83,492.47	1,103,694.00	1,176,708.99	10,477.48
911 Memorial	3,206.45	3,206.45		1,442.00	1,764.45
Recreation Donations	5,276.16	5,276.16	15,000.00	15,000.00	5,276.16
COAH Special Master	1,800.00	6,225.00	20,000.00	17,800.00	8,425.00
Third Party Lien	22,035.83	53,269.61		31,233.78	22,035.83
Insurance Reimbursement (JIF Dividend)	220,844.40	220,844.40	60,929.00		281,773.40
Reserve for K-9 Unit	3,474.07	3,474.07	2,950.00		6,424.07
Stormwater Management	77,575.67	85,782.52	42,760.50	90,855.60	37,687.42
Fire Safety - Dedicated Penalties	3,975.00	3,975.00	1,425.00		5,400.00
Fire Safety	27,548.56	28,843.32	1,770.00	2,286.34	28,326.98
Law Enforcement	13,130.50	27,354.50	1,550.02	14,224.00	14,680.52
Mount Laurel - Affordable Housing	7,508,990.75	7,706,806.63	313,398.66	1,138,328.63	6,881,876.66
Uniform Construction Code	1,006,366.91	1,215,768.32	1,187,009.97	1,604,750.42	798,027.87
Unemployment	133,682.29	133,682.29	86,982.13	137,993.56	82,680.86
Law Enforcement Trust II (Federal)	259,838.59	318,432.71	13,196.56	149,566.91	182,062.36
	\$ 11,950,683.70	\$ 12,700,132.39	\$ 4,231,071.59	\$ 5,057,784.92	\$ 11,873,419.06

REF.

B

B-1

B

Balance, December 31, 2019
Transferred from Encumbrances Payable

\$ 11,950,683.70
\$ 749,448.69

Cash Disbursements
Transferred to Encumbrances Payable

\$ 4,206,629.11
\$ 851,155.81
\$ 5,057,784.92

TOWNSHIP OF MARLBORO

TRUST OTHER FUND

SCHEDULE OF DUE STATE OF NEW JERSEY - DCA FEES

	<u>REF.</u>		
Balance, December 31, 2019	B	\$	19,069.00
Increased by:			
Cash Receipts	B-1	\$	<u>66,566.00</u>
			<u>66,566.00</u>
		\$	<u>85,635.00</u>
Decreased by:			
Cash Disbursements	B-1	\$	<u>59,450.00</u>
			<u>59,450.00</u>
Balance, December 31, 2020	B	\$	<u><u>26,185.00</u></u>

TOWNSHIP OF MARLBORO

TRUST FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

<u>REF.</u>		<u>ANIMAL CONTROL TRUST FUND</u>	<u>TRUST OTHER FUND</u>	<u>OPEN SPACE TRUST FUND</u>	<u>ESCROW DEPOSIT TRUST FUND</u>
B	Balance, December 31, 2019	\$ 13,939.45 \$	749,448.69 \$	7,829.66 \$	100,446.60
	Increased by:				
B-2:B-4:B-5:B-6	Transferred from Various Trust Reserves	15,415.78	851,155.81	0.07	43,541.91
B-3	Transferred from Due State of New Jersey	<u>13.20</u>	<u>851,155.81</u>	<u>0.07</u>	<u>43,541.91</u>
	Decreased by:				
B-2:B-4:B-5:B-6	Transferred to Various Trust Reserves	13,926.85	749,448.69	7,829.66	100,446.60
B-3	Transferred to Due State of New Jersey	<u>12.60</u>	<u>749,448.69</u>	<u>7,829.66</u>	<u>100,446.60</u>
B	Balance, December 31, 2020	\$ <u>15,428.98</u> \$	<u>851,155.81</u> \$	<u>0.07</u> \$	<u>43,541.91</u>

"B-9"

TOWNSHIP OF MARLBORO

TRUST FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>CURRENT</u> <u>FUND</u>
Balance, December 31, 2019		
Due To	B	\$ <u>500,000.00</u>
Decreased by:		
Cash Disbursements	B-1	\$ <u><u>500,000.00</u></u>

TOWNSHIP OF MARLBORO
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH

	<u>REF.</u>		
Balance, December 31, 2019	C	\$	10,259,849.33
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	C-13	\$	300,000.00
Lease Proceeds	C-7		190,000.00
Grants Receivable	C-8		439,071.12
Various Reserves	C-15		72,508.86
Bond Anticipation Notes	C-10		<u>10,953,000.00</u>
			<u>11,954,579.98</u>
		\$	<u>22,214,429.31</u>
Decreased by Disbursements:			
Contracts Payable	C-14	\$	3,909,679.71
Fund Balance Anticipated as Current Fund Revenue	C-1		100,000.00
Bond Anticipation Notes	C-10		<u>10,953,000.00</u>
			<u>14,962,679.71</u>
Balance, December 31, 2020	C	\$	<u><u>7,251,749.60</u></u>

"C-3"

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS

	BALANCE DECEMBER <u>31, 2020</u>
Fund Balance	\$ 659,738.49
Unfunded Improvements Expended - Listed on "C-5"	(3,096,610.96)
Contracts Payable	3,651,331.08
Various Reserves	267,514.40
Capital Improvement Fund	117,756.00
Other Accounts Receivable	(220,000.00)
Green Acres Receivable	(276,299.00)
Grants Receivable	(3,351,574.93)
Improvement Authorizations Funded - Listed on Exhibit "C-12"	<u>9,499,894.52</u>
	<u>\$ 7,251,749.60</u>

REF.

C

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO
FUTURE TAXATION - FUNDED

	<u>REF.</u>		
Balance, December 31, 2019	C		\$ 39,476,641.73
Decreased by:			
Budget Appropriation to Pay Bonds	C-9	\$ 3,250,000.00	
Budget Appropriation to Pay Green Acres Loan	C-11	<u>27,327.62</u>	
			<u>3,277,327.62</u>
Balance, December 31, 2020	C		\$ <u><u>36,199,314.11</u></u>

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2019	INCREASED BY 2020 AUTHORIZATIONS	BALANCE DECEMBER 31, 2020	ANALYSIS OF BALANCE DECEMBER 31, 2020		
					BOND ANTICIPATION NOTE	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
<u>General Improvements:</u>							
07-12	Various Capital Improvements	\$ 720,847.62	\$	\$ 720,847.62	\$	\$	\$ 720,847.62
11-04	Acquisition of Land	585,625.00		585,625.00	310,000.00	137,194.38	138,430.62
12-08	Various Capital Improvements	36,351.88		36,351.88			36,351.88
13-08	Various Capital Improvements	10,278.60		10,278.60			10,278.60
17-02	Various Capital Improvements	652.00		652.00			652.00
18-01	Various Capital Improvements	7,454,344.70		7,454,344.70	6,091,000.00	776,427.89	586,916.81
19-01	Various Capital Improvements	6,630,690.00		6,630,690.00	4,552,000.00	1,344,911.60	733,778.40
20-05	Various Capital Improvements		4,936,350.00	4,936,350.00		838,077.09	4,098,272.91
		<u>\$ 15,438,789.80</u>	<u>\$ 4,936,350.00</u>	<u>\$ 20,375,139.80</u>	<u>\$ 10,953,000.00</u>	<u>\$ 3,096,610.96</u>	<u>\$ 6,325,528.84</u>
<u>REF.</u>		C	C-12	C	C-10	C-3	C-12

"C-6"

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM STATE OF NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION - GREEN ACRES

	<u>REF.</u>	
Balance, December 31, 2019 and December 31, 2020	C	\$ <u>276,299.00</u>

"C-7"

SCHEDULE OF OTHER ACCOUNTS RECEIVABLE

Balance, December 31, 2019	C	\$ 190,000.00
Increased by:		
Improvement Authorization	C-12	\$ <u>220,000.00</u>
		<u>220,000.00</u>
		\$ <u>410,000.00</u>
Decreased by:		
Cash Receipts	C-2	<u>190,000.00</u>
Balance, December 31, 2020	C	\$ <u>220,000.00</u>

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

ORD. #	PROJECT	SOURCE	BALANCE 12/31/19	ACCRUED	RECEIVED	BALANCE 12/31/20
16-07	FY16 Greenwood Road	NJDOT	\$ 55,000.00	\$	\$ 55,000.00	87,500.00
18-11	FY18 Marlboro Rd Program	NJDOT	87,500.00			145,000.00
15-09	Open Space Grant	Monmouth County	145,000.00			1,000,000.00
16-14	Acq of Stattel Farm	NJ Dept of Agriculture	1,000,000.00			300,000.00
19-07	FY19 Marlboro Road Program	NJDOT	300,000.00			875,000.00
19-11	Route 79 Sidewalk Extension	NJDOT	875,000.00			36,164.88
19-10	Streambank Stabilization	FEMA	420,236.00		384,071.12	200,000.00
20-09	Nolan Park Improvements	Monmouth County		200,000.00		215,000.00
20-10	FY20 Marlboro Rd Program	NJDOT		215,000.00		492,910.05
20-16	Design Assistance Grant	NJDOT		492,910.05		
			<u>\$ 2,882,736.00</u>	<u>\$ 907,910.05</u>	<u>\$ 439,071.12</u>	<u>\$ 3,351,574.93</u>

REF.

C

C-12

C-2

C

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2019	BALANCE DECEMBER 31, 2020
			DATE	AMOUNT			
Open Space Improvements	10/14/2010	\$ 2,536,000.00				\$ 190,000.00	\$ 190,000.00
General Improvements	10/15/2010	15,624,000.00			3.50%	1,725,000.00	1,725,000.00
2015 General Obligation Bonds	12/17/2015	17,970,000.00	10/15/2021	1,000,000.00	4.00%		
			10/15/2022	1,050,000.00	3.00%		
			10/15/2023	1,150,000.00	2.00%		
			10/15/2024	1,200,000.00	2.13%		
			10/15/2025	1,350,000.00	2.25%		
			10/15/2026	1,600,000.00	2.38%		
			10/15/2027	1,600,000.00	2.50%		
			10/15/2028	1,600,000.00	2.50%		
			10/15/2029	1,600,000.00	2.50%		
			10/15/2030	1,595,000.00	3.00%	14,670,000.00	13,745,000.00
2017 Refunding Bonds	9/14/2017	8,207,000.00	10/1/2021	1,699,000.00	3.00%		
			10/1/2022	1,706,000.00	3.00%		
			10/1/2023	1,687,000.00	4.00%		
			10/1/2024	1,683,000.00	4.00%		
			10/1/2025	1,432,000.00	4.00%	8,207,000.00	8,207,000.00
2017 Open Space Refunding Bonds	9/14/2017	1,006,000.00	10/1/2021	196,000.00	3.00%		
			10/1/2022	204,000.00	3.00%		
			10/1/2023	202,000.00	4.00%		
			10/1/2024	202,000.00	4.00%		
			10/1/2025	202,000.00	4.00%	1,006,000.00	1,006,000.00

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURETIES OF BONDS OUTSTANDING DECEMBER 31, 2020	INTEREST RATE	BALANCE DECEMBER 31, 2019	BALANCE DECEMBER 31, 2020	DECREASED
2015 General Obligation Bonds	5/9/2018	\$ 14,010,000.00	\$ 410,000.00	5.00%	\$	\$	
	5/1/2021		410,000.00	5.00%			
	5/1/2022		460,000.00	5.00%			
	5/1/2023		480,000.00	5.00%			
	5/1/2024		510,000.00	5.00%			
	5/1/2025		675,000.00	5.00%			
	5/1/2026		820,000.00	5.00%			
	5/1/2027		820,000.00	4.00%			
	5/1/2028		820,000.00	4.00%			
	5/1/2029		820,000.00	4.00%			
	5/1/2030		820,000.00	3.00%			
	5/1/2031		820,000.00	3.00%			
	5/1/2032		820,000.00	3.00%			
	5/1/2033		820,000.00	3.00%			
	5/1/2034		820,000.00	3.13%			
	5/1/2035		820,000.00	3.13%			
	5/1/2036		820,000.00	3.25%			
	5/1/2037		820,000.00	3.25%			
	5/1/2038		810,000.00	3.38%			
					13,595,000.00	410,000.00	13,185,000.00
					\$ 39,393,000.00	\$ 3,250,000.00	\$ 36,143,000.00

REF.

C

C-4

C

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2019	INCREASED	DECREASED	BALANCE DECEMBER 31, 2020
11-04	Acquisition of Land	11/15/19	11/15/19	05/14/20	0.00%	\$ 310,000.00	\$ 310,000.00	\$ 310,000.00	\$ 310,000.00
18-01	Various Capital Improvements	11/15/19	05/14/20	05/14/21	1.75%	6,091,000.00	6,091,000.00	6,091,000.00	6,091,000.00
19-01	Various Capital Improvements	11/15/19	05/14/20	05/14/21	1.75%	4,552,000.00	4,552,000.00	4,552,000.00	4,552,000.00
						<u>\$ 10,953,000.00</u>	<u>\$ 10,953,000.00</u>	<u>\$ 10,953,000.00</u>	<u>\$ 10,953,000.00</u>
					<u>REF.</u>	<u>C</u>	<u>C-2</u>	<u>C-5</u>	<u>C-C-5</u>

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

SCHEDULE OF GREEN TRUST LOAN PROGRAM PAYABLE

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITIES OF BONDS OUTSTANDING</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2019</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2020</u>
			<u>DATE</u>	<u>AMOUNT</u>				
Municipal Park Development	12/13/2002	\$ 464,185.00	3/13/2021	13,869.11	2.00%			
			9/13/2021	14,007.80	2.00%			
			3/13/2022	14,147.88	2.00%			
			9/13/2022	14,289.32	2.00%	\$ 83,641.73	\$ 27,327.62	\$ 56,314.11
					\$	\$ 83,641.73	\$ 27,327.62	\$ 56,314.11

REF.

C

C-4

C

TOWNSHIP OF MARLBORO
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2019		2020 AUTHORIZATIONS	CONTRACTS PAYABLE	BALANCE DECEMBER 31, 2020	
				FUNDED	UNFUNDED			FUNDED	UNFUNDED
02-21	Various Improvements	7/18/2002	\$ 253,000.00	\$ 5,779.60	\$ -	\$ -	\$ -	\$ 5,779.60	\$ -
05-19	Computer Operated Signs	6/2/2005	45,000.00	44,469.22	-	-	-	44,469.22	-
05-36	Various Improvements	10/6/2005	2,195,000.00	19,507.23	-	-	-	19,507.23	-
06-19	Various Improvements	8/10/2006	3,686,000.00	16,280.00	-	-	-	16,280.00	-
07-12	Various Capital Improvements	6/6/2007	5,500,000.00	4,519.83	720,847.62	-	1,233.50	3,286.33	720,847.62
11-02	Various Capital Improvements	3/3/2011	2,970,473.00	86,536.74	-	-	(627.30)	87,164.04	-
11-04	Acquisition of Land	3/3/2011	2,992,500.00	-	161,918.62	-	23,488.00	-	138,430.62
12-08	Various Capital Improvements	6/13/2012	2,879,221.00	39,554.73	36,351.88	-	10,838.81	28,715.92	36,351.88
12-11	Various Capital Improvements	5/17/2012	5,275,000.00	5,163,323.74	-	-	-	5,163,323.74	-
12-13	Various Capital Improvements	5/17/2012	1,456,000.00	1,456,000.00	-	-	-	1,456,000.00	-
13-08	Various Capital Improvements	6/11/2013	3,081,900.00	200,038.16	10,278.60	-	61,196.08	138,842.08	10,278.60
14-03	Various Capital Improvements	2/20/2014	3,343,449.00	141,686.33	-	-	(606.04)	142,292.37	-
14-22	Leach Fields-Hamilton Park	9/4/2014	720,000.00	135,188.72	-	-	950.00	134,238.72	-
15-02	Various Capital Improvements	2/2/2015	4,606,410.00	248,564.42	-	-	18,736.37	229,828.05	-
15-14	Improvements to Texas Road	9/24/2015	240,000.00	15,513.35	-	-	-	15,513.35	-
16-02	Various Capital Improvements	2/25/2016	3,341,669.00	382,990.58	-	-	121,061.58	261,929.00	-
16-12	Acquisition of Open Space	10/20/2016	8,500,000.00	7,153.17	-	-	-	7,153.17	-
17-02	Various Capital Improvements	3/2/2017	3,394,162.00	118,439.22	652.00	-	3,195.51	115,243.71	652.00
17-10	Improvements to Intersection of Route 520/3	10/19/2017	23,750.00	23,750.00	-	-	-	23,750.00	-
18-01	Various Capital Improvements	2/15/2018	7,846,708.00	-	953,376.51	-	366,459.70	-	586,916.81
18-03	Acquisition of Police Cars	2/15/2018	190,000.00	7,124.26	-	-	7,124.26	-	-
18-04	Improvements to H&L Fields	2/15/2018	494,477.02	15,547.02	-	-	-	15,547.02	-
18-07	Acquisition of Open Space	2/15/2018	250,000.00	250,000.00	-	-	-	250,000.00	-
18-11	NJDOT 2018 Road Program	5/17/2018	35,000.00	-	-	-	(20,352.75)	20,352.75	-
19-01	Various Capital Improvements	2/21/2019	6,979,662.00	11,247.30	1,897,895.88	-	1,164,117.48	5,249.37	733,778.40
19-04	Acquisition of Police Cars	2/21/2019	190,000.00	300,000.00	-	-	5,997.93	-	-
19-07	Marlboro Road Program	5/2/2019	300,000.00	875,000.00	-	-	300,000.00	-	-
19-11	Sidewalk Extension Project	10/3/2019	875,000.00	-	-	-	-	875,000.00	-
20-05	Various Capital Improvements	4/23/2020	5,196,158.00	-	5,196,158.00	-	1,097,885.09	-	4,098,272.91
20-08	Lease Purchase of Police Cars	4/23/2020	220,000.00	-	220,000.00	-	194,571.15	25,428.85	-
20-09	Preservation of Open Space	4/23/2020	200,000.00	200,000.00	-	-	-	200,000.00	-
20-10	Marlboro Road Program	4/23/2020	215,000.00	215,000.00	-	-	-	215,000.00	-
20-16	NJDOT Design Assistance Grant	12/17/2020	492,910.05	-	492,910.05	-	492,910.05	-	-
				\$ 9,568,213.62	\$ 3,781,321.11	\$ 6,324,068.05	\$ 3,848,179.42	\$ 9,499,894.52	\$ 6,325,528.84

REF. C C C C-14 C-C-3 C-C-5

C-5 \$ 4,936,350.00
C-7 220,000.00
C-8 907,910.05
C-13 259,808.00

Deferred Charges to Future Taxation - Unfunded
Miscellaneous Accounts Receivable
Grants Receivable
Capital Improvement Fund

"C-13"

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2019	C		\$ 77,564.00
Increased by:			
Cash Receipts	C-2	\$ <u>300,000.00</u>	<u>300,000.00</u>
			\$ <u>377,564.00</u>
Decreased by:			
2020 Improvement Authorizations	C-12	\$ <u>259,808.00</u>	<u>259,808.00</u>
Balance, December 31, 2020	C		\$ <u><u>117,756.00</u></u>

"C-14"

SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2019	C		\$ 3,712,831.37
Increased by:			
Improvement Authorizations	C-12	\$ <u>3,848,179.42</u>	<u>3,848,179.42</u>
			\$ <u>7,561,010.79</u>
Decreased by:			
Cash Disbursements	C-2		<u>3,909,679.71</u>
Balance, December 31, 2020	C		\$ <u><u>3,651,331.08</u></u>

TOWNSHIP OF MARLBORO
GENERAL CAPITAL FUND
SCHEDULE OF VARIOUS RESERVES

	BALANCE DECEMBER <u>31, 2019</u>	<u>INCREASED</u>	BALANCE DECEMBER <u>31, 2020</u>
Traffic Light - Ryan Road	\$ 30,995.85		\$ 30,995.85
Pleasant Valley Road Improvements	6,120.63		6,120.63
Payment of Debt Service	18,217.57	72,508.86	90,726.43
Sidewalks - Tennent Road	1,723.68		1,723.68
Emerald Hills	42,902.91		42,902.91
Union Hill - Costco	95,044.90		95,044.90
	<u>\$ 195,005.54</u>	<u>\$ 72,508.86</u>	<u>\$ 267,514.40</u>
<u>Ref</u>	C	C-2	C

TOWNSHIP OF MARLBORO

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED
BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2019</u>	<u>INCREASED BY: 2020 AUTHORIZATIONS</u>	<u>BALANCE DECEMBER 31, 2020</u>
2007-12	Various Capital Improvements	\$ 720,847.62	\$	\$ 720,847.62
2011-04	Acquisition of Land	275,625.00		275,625.00
2012-08	Various Capital Improvements	36,351.88		36,351.88
2013-08	Various Capital Improvements	10,278.60		10,278.60
2017-02	Various Capital Improvements	652.00		652.00
2018-01	Various Capital Improvements	1,363,344.70		1,363,344.70
2019-01	Various Capital Improvements	2,078,690.00		2,078,690.00
2020-05	Various Capital Improvements		4,936,350.00	4,936,350.00
		<u>\$ 4,485,789.80</u>	<u>\$ 4,936,350.00</u>	<u>\$ 9,422,139.80</u>
<u>REF.</u>		C	C-5	C

TOWNSHIP OF MARLBORO

RECREATION AND SWIM UTILITY OPERATING FUND

SCHEDULE OF CASH - TREASURER

<u>REF.</u>		<u>OPERATING</u>	<u>CAPITAL</u>
D	Balance, December 31, 2019	\$ 591,772.13	\$ 221,614.62
	Increased by Receipts:		
D	Change Fund	100.00	
D	Petty Cash	1,500.00	
D-3	Program Participation Fees	333,309.67	
D-3	Membership Fees	43,195.18	
D-3	Interest on Investments	4,004.09	
D-22	Due Current Fund	200,000.00	
D-20	Bond Anticipation Note		160,000.00
D-21	Reserve for Debt Service		1,059.20
		<u>582,108.94</u>	<u>161,059.20</u>
		1,173,881.07	382,673.82
	Decreased by Disbursements:		
D-4	Appropriations	847,592.90	
D-9	Appropriation Reserves	183,797.80	
D-11	Accounts Payable	7,019.29	
D-12	Accrued Interest Payable	25,770.00	
D-13	Contracts Payable		9,146.10
D-20	Bond Anticipation Note		160,000.00
		<u>1,064,179.99</u>	<u>169,146.10</u>
D	Balance, December 31, 2020	\$ 109,701.08	\$ 213,527.72

"D-6"

TOWNSHIP OF MARLBORO

RECREATION AND SWIM UTILITY CAPITAL FUND

ANALYSIS OF CASH

	BALANCE DECEMBER 31, <u>2020</u>
Fund Balance	\$ 18,308.66
Reserve for Capital Outlay	416.07
Reserve for Debt Service	1,059.20
Contracts Payable	7,347.04
Unfunded Improvements Expended:	
05-37 Various Swim Pool Facilities Improvements	359.36
12-09 Various Swim Pool Facilities Improvements	10,050.55
13-09 Various Swim Pool Facilities Improvements	(24.31)
14-04 Various Swim Pool Facilities Improvements	175,373.19
15-08 Marlboro Country Park	5.96
15-08 Various Improvements to the Recreation Utility	1,232.00
19-03 Various Improvements to the Recreation Utility	<u>(600.00)</u>
	<u>\$ 213,527.72</u>

REF.

D

"D-7"

TOWNSHIP OF MARLBORO
RECREATION AND SWIM UTILITY OPERATING FUND
SCHEDULE OF PREPAID PARTICIPATION FEES

	<u>REF.</u>		
Balance, December 31, 2019	D	\$	15,448.99
Decreased by:			
Prepaid Applied	D-3		<u>15,448.99</u>

"D-8"

RECREATION AND SWIM UTILITY OPERATING FUND
SCHEDULE OF PREPAID MEMBERSHIP FEES

Balance, December 31, 2019	D	\$	55,198.63
Decreased by:			
Applied	D-3	\$	<u>55,198.63</u>

TOWNSHIP OF MARLBORO

RECREATION AND SWIM UTILITY OPERATING FUND

SCHEDULE OF 2019 APPROPRIATION RESERVES

		BALANCE DECEMBER 31, 2019	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Operating:					
Salaries and Wages		\$ 38,815.00	\$ 38,815.00		\$ 38,815.00
Other Expenses		25,815.75	265,770.53	183,965.80	81,804.73
Capital Improvements:					
Capital Outlay		1.00	1.00		1.00
Statutory Expenditures:					
Contributions to:					
Public Employees Retirement System		1.41	1.41		1.41
Social Security System (O.A.S.I.)		0.77	0.77		0.77
Unemployment Compensation Insurance		1.00	1.00		1.00
		<u>\$ 64,634.93</u>	<u>\$ 304,589.71</u>	<u>\$ 183,965.80</u>	<u>\$ 120,623.91</u>
	<u>REF.</u>	D			D-1
Balance, December 31, 2019	D-9		\$ 64,634.93		
Encumbrances Payable	D-10		<u>239,954.78</u>		
			<u>\$ 304,589.71</u>		
Cash Disbursements	D-5			\$ 183,797.80	
Accounts Payable	D-11			<u>168.00</u>	
				<u>\$ 183,965.80</u>	

"D-10"

TOWNSHIP OF MARLBORO
RECREATION AND SWIM UTILITY OPERATING FUND
SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2019	D		\$ 239,954.78
Increased by:			
Charges to 2020 Budget Appropriations	D-4	224,732.71	
Refund of Revenue	D-3	<u>21,836.00</u>	
			<u>246,568.71</u>
			\$ <u>486,523.49</u>
Decreased by:			
Transferred to Appropriation Reserves	D-9		<u>239,954.78</u>
Balance, December 31, 2020	D		<u>\$ 246,568.71</u>

"D-11"

RECREATION AND SWIM UTILITY OPERATING FUND
SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2019	D		\$ 8,019.29
Increased by:			
Transferred from Appropriation Reserves	D-9	\$ <u>168.00</u>	
			<u>168.00</u>
			8,187.29
Decreased by:			
Cash Disbursements	D-5	\$ <u>7,019.29</u>	
			<u>7,019.29</u>
Balance, December 31, 2020	D		<u>\$ 1,168.00</u>

TOWNSHIP OF MARLBORO
RECREATION AND SWIM UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS

	<u>REF.</u>		
Balance, December 31, 2019	D	\$	5,368.75
Increased by:			
Charges to Budget Appropriations	D-4	\$	<u>26,910.56</u>
			<u>26,910.56</u>
		\$	<u>32,279.31</u>
Decreased by:			
Cash Disbursements	D-5		<u>25,770.00</u>
Balance, December 31, 2020	D	\$	<u><u>6,509.31</u></u>

TOWNSHIP OF MARLBORO
RECREATION AND POOL UTILITY CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2019	D	\$	5,266.09
Increased by:			
Improvement Authorizations	D-16		11,227.05
		\$	<u>16,493.14</u>
Decreased by:			
Cash Disbursements	D-5	\$	<u>9,146.10</u>
			<u>9,146.10</u>
Balance, December 31, 2020	D	\$	<u><u>7,347.04</u></u>

TOWNSHIP OF MARLBORO

RECREATION AND SWIM UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	BALANCE DECEMBER <u>31, 2019</u>	BALANCE DECEMBER <u>31, 2020</u>
Water Connection Charges	\$ 6,330.00	\$ 6,330.00
Sewer Connection Charges	3,423.00	3,423.00
Equipment and Fixtures	179,271.59	179,271.59
Sprinkler System	12,250.00	12,250.00
Vehicle	17,745.00	17,745.00
Swimming Pool and Improvements	2,764,928.30	2,764,928.30
Flume Slide	204,287.32	204,287.32
Marlboro County Park Improvements	250,000.00	250,000.00
Diving Board	<u>8,558.00</u>	<u>8,558.00</u>
	<u>\$ 3,446,793.21</u>	<u>\$ 3,446,793.21</u>
	D	D

TOWNSHIP OF MARLBORO

RECREATION AND SWIM UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE #</u>	<u>DESCRIPTION</u>	<u>DATE</u>	<u>ORDINANCE</u> <u>AMOUNT</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2019</u>	<u>IMPROVEMENT</u> <u>AUTHORIZATIONS</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u>
05-37	Various Swim Pool Facilities Improvements	9/22/2005	\$ 446,250.00	\$ 29,495.32	\$	\$ 29,495.32
12-09	Various Swim Pool Facilities Improvements	4/12/2012	136,475.00	136,475.00		136,475.00
13-09	Various Swim Pool Facilities Improvements	3/14/2013	71,085.00	71,085.00		71,085.00
14-04	Various Swim Pool Facilities Improvements	2/20/2014	773,530.00	773,530.00		773,530.00
19-03	Various Improvements to the Recreation Utility	2/21/2019	143,702.00	143,702.00		143,702.00
20-07	Various Improvements to the Recreation Utility	4/23/2020	214,404.00		214,404.00	214,404.00
				<u>\$ 1,154,287.32</u>	<u>\$ 214,404.00</u>	<u>\$ 1,368,691.32</u>

REF.

D

D-16

D

TOWNSHIP OF MARLBORO

RECREATION AND SWIM UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2019		2020 AUTHORIZATION	CONTRACTS PAYABLE	BALANCE DECEMBER 31, 2020	
				FUNDED	UNFUNDED			FUNDED	UNFUNDED
	General Improvements:								
05-37	Various Swim Pool Facilities Improvements	9/22/2005	\$ 446,250.00	\$ 6,102.44	\$	\$	5.00	\$ 6,097.44	
12-09	Various Swim Pool Facilities Improvements	4/12/2012	136,475.00	19,475.00			(557.55)	19,475.00	
13-09	Various Swim Pool Facilities Improvements	3/14/2013	71,085.00	6,666.19			605.50	6,060.69	
14-04	Various Swim Pool Facilities Improvements	2/20/2014	773,530.00	48,530.00			20.50	48,530.00	
15-08	Marlboro Country Park	5/13/2015	250,000.00	5.96			-	142,373.19	
19-03	Various Improvements to the Recreation Utility	2/21/2019	143,702.00	50,487.60			10,553.60	5.96	39,934.00
20-07	Various Improvements to the Recreation Utility	4/23/2020	214,404.00			214,404.00	600.00		213,804.00
			\$ 151,892.65	\$ 131,261.23	\$	\$ 214,404.00	\$ 11,227.05	\$ 152,429.70	\$ 333,901.13
			D	D	D	D-15	D-13	D	D

"D-17"

TOWNSHIP OF MARLBORO
RECREATION AND SWIM UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2019	D	\$	3,411,550.45
Increased by:			
Serial Bonds Paid by Operating Budget	D-19	\$	<u>75,000.00</u>
			<u>75,000.00</u>
Balance, December 31, 2020	D	\$	<u><u>3,486,550.45</u></u>

"D-18"

SCHEDULE OF RESERVE FOR CAPITAL OUTLAY

Balance, December 31, 2019 and December 31, 2020	D	\$	<u><u>416.07</u></u>
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TOWNSHIP OF MARLBORO
RECREATION AND SWIM UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2019	INCREASED	DECREASED	BALANCE DECEMBER 31, 2020
05-37	Various Swim Pool Facility Improvements	11/14/19	11/14/19	05/14/20	0%	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	7,000.00
13-09	Various Swim Pool Facility Improvements	05/14/20	05/14/20	05/14/21	1.75%	15,000.00	15,000.00	15,000.00	15,000.00
14-04	Various Swim Pool Facility Improvements	11/14/19	11/14/19	05/14/20	0%	33,000.00	33,000.00	33,000.00	33,000.00
19-03	Various Improvements to the Recreation Utility	05/14/20	05/14/20	05/14/21	1.75%	105,000.00	105,000.00	105,000.00	105,000.00
						<u>\$ 160,000.00</u>	<u>\$ 160,000.00</u>	<u>\$ 160,000.00</u>	<u>\$ 160,000.00</u>

REF.

D

D-5

D-5

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REF.

D

D-5

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D

TOWNSHIP OF MARLBORO

RECREATION AND POOL UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR DEBT SERVICE

	<u>REF.</u>	
Increased by:		
Cash Receipts	D-5	\$ <u>1,059.20</u>
Balance, December 31, 2020	D	\$ <u><u>1,059.20</u></u>

TOWNSHIP OF MARLBORO
RECREATION AND SWIM UTILITY OPERATING FUND
SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>	
Increased by:		
Receipts	D-5	\$ <u>200,000.00</u>
Balance, December 31, 2020	D	\$ <u><u>200,000.00</u></u>

"D-23"

TOWNSHIP OF MARLBORO

RECREATION AND SWIM UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>		<u>BALANCE DECEMBER 31, 2020</u>
05-37	Various Swim Pool Facility Improvements	\$	5,738.08
12-09	Various Swim Pool Facility Improvements		19,475.00
13-09	Various Swim Pool Facility Improvements		6,085.00
14-04	Various Swim Pool Facility Improvements		15,530.00
19-03	Various Improvements to the Recreation Utility		38,702.00
20-07	Various Improvements to the Recreation Utility		<u>214,404.00</u>
		\$	<u><u>299,934.08</u></u>

D

TOWNSHIP OF MARLBORO

WATER UTILITY FUND

SCHEDULE OF CASH - TREASURER

	REF.	OPERATING	CAPITAL
Balance, December 31, 2019	E	\$ 6,597,331.07	\$ 1,760,040.20
Increased by Receipts:			
Water Rents Receivable	E-7	10,107,220.14	
Solar Energy Credits	E-3	211,101.00	
Interest on Investments	E-3	41,613.53	
Overpayments	E-12	27,853.13	
Reserve for Escrow	E-8	369.61	
NJIB Receivable	E-14		1,666,464.00
Reserve for Payment of Debt Service	E-21		170,534.00
Bond Anticipation Note	E-24		2,850,000.00
		<u>10,388,157.41</u>	<u>4,686,998.00</u>
		16,985,488.48	6,447,038.20
Decreased by Disbursements:			
Appropriations	E-4	8,300,701.54	
Appropriation Reserves	E-9	838,702.69	
Accounts Payable	E-11	53,539.00	
Accrued Interest Payable	E-13	539,963.90	
Bond Anticipation Note	E-24		2,850,000.00
Contracts Payable	E-17		2,367,167.06
		<u>9,732,907.13</u>	<u>5,217,167.06</u>
Balance, December 31, 2020	E	\$ 7,252,581.35	\$ 1,229,871.14

TOWNSHIP OF MARLBORO
WATER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	BALANCE DECEMBER 31, <u>31, 2020</u>
Fund Balance	\$ 19,245.89
Capital Improvement Fund	50,000.00
Reserve for Payment of Debt	182,064.08
Contracts Payable	1,673,809.09
New Jersey Infrastructure Bank Loan Receivable	(907,853.00)
Improvement Authorizations:	
2009-46 MUA - Facility Improvements	23,023.00
2010-17 System Improvements	10,942.76
2011-03 System Improvements	100.00
2011-12 Acquisition of Land	19,295.12
2012-26 Treatment Plant Const (NJEIT)	734,445.98
2013-10 System Improvements	6,553.63
2014-05 System Improvements	58,173.48
2014-06 Treatment Plant Const (Harbor Rd.)	248,550.87
2015-03 System Improvements	76,701.52
2016-03 System Improvements	210,999.26
2017-03 System Improvements	203,127.45
2018-02 System Improvements	3,245.88
2019-02 System Improvements	(495,242.89)
2020-06 System Improvements	<u>(887,310.98)</u>
	<u>\$ 1,229,871.14</u>

REF.

E

"E-7"

TOWNSHIP OF MARLBORO
WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2019	E		\$ 181,828.56
Increased by:			
Water Rents Levied			<u>10,248,574.85</u>
			\$ 10,430,403.41
Decreased by:			
Collections	E-5	\$ 10,107,220.14	
Overpayments Applied	E-12	<u>31,135.54</u>	
			<u>10,138,355.68</u>
Balance, December 31, 2020	E		<u>\$ 292,047.73</u>

"E-8"

WATER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ESCROWS

Balance, December 31, 2019	E		\$ 289,397.12
Increased by:			
Cash Receipts	E-5		<u>369.61</u>
Balance, December 31, 2020	E		<u>\$ 289,766.73</u>

TOWNSHIP OF MARLBORO

WATER UTILITY OPERATING FUND

SCHEDULE OF 2019 APPROPRIATION RESERVES

	<u>BALANCE DECEMBER 31, 2019</u>	<u>BALANCE AFTER TRANSFERS</u>	<u>PAID OR CHARGED</u>	<u>BALANCE LAPSED</u>
Operating:				
Salaries and Wages	\$ 37,935.21	\$ 37,935.21	\$ 1,669.20	\$ 36,266.01
Other Expenses	1,086,456.55	2,355,232.22	854,010.91	1,501,221.31
Capital Improvements:				
Capital Outlay	20,000.00	20,000.00		20,000.00
Statutory Expenditures:				
Contributions to:				
Public Employees Retirement System	1.41	1.41		1.41
Social Security System (O.A.S.I.)	24,969.54	24,969.54		24,969.54
Unemployment Compensation Insurance	1.00	1.00		1.00
	<u>\$ 1,169,363.71</u>	<u>\$ 2,438,139.38</u>	<u>\$ 855,680.11</u>	<u>\$ 1,582,459.27</u>

REF.

E

E-1

Balance, December 31, 2019 E-9
 Transferred from Encumbrances Payable E-10

\$ 1,169,363.71
1,268,775.67
\$ 2,438,139.38

Cash Disbursements E-5
 Transferred to Encumbrances Payable E-10

\$ 838,702.69
16,977.42
\$ 855,680.11

"E-10"

TOWNSHIP OF MARLBORO
WATER UTILITY OPERATING FUND
SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2019	E	\$	1,268,775.67
Increased by:			
Charges to 2020 Budget Appropriations	E-4		<u>1,143,148.79</u>
		\$	<u>2,411,924.46</u>
Decreased by:			
Transferred to Appropriation Reserves	E-9		<u>1,268,775.67</u>
Balance, December 31, 2020	E	\$	<u><u>1,143,148.79</u></u>

"E-11"

WATER UTILITY OPERATING FUND
SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2019	E	\$	83,442.01
Increased by:			
Transferred from Appropriation Reserves	E-9		<u>16,977.42</u>
			100,419.43
Decreased by:			
Cash Disbursements	E-5	\$	53,539.00
Cancelled	E-1		<u>19,903.00</u>
			<u>73,442.00</u>
Balance, December 31, 2020	E	\$	<u><u>26,977.43</u></u>

TOWNSHIP OF MARLBORO
WATER UTILITY OPERATING FUND
SCHEDULE OF WATER RENT OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2019	E	\$	31,135.54
Increased by:			
Cash Receipts	E-5		<u>27,853.13</u>
		\$	58,988.67
Decreased by:			
Overpayments Applied	E-7	\$	<u>31,135.54</u>
			<u>31,135.54</u>
Balance, December 31, 2020	E	\$	<u><u>27,853.13</u></u>

TOWNSHIP OF MARLBORO

WATER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS

	<u>REF.</u>		
Balance, December 31, 2019	E	\$	165,878.48
Increased by:			
Charges to Budget Appropriations	E-4	\$	<u>514,644.52</u>
			514,644.52
		\$	<u>680,523.00</u>
Decreased by:			
Cash Disbursements	E-5		<u>539,963.90</u>
Balance, December 31, 2020	E	\$	<u><u>140,559.10</u></u>

TOWNSHIP OF MARLBORO

WATER UTILITY CAPITAL FUND

SCHEDULE OF NEW JERSEY INFRASTRUCTURE BANK LOAN RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2019	E		1,684,091.00
Increased by:			
2020 Interim Financing			<u>907,853.00</u>
			\$ 2,591,944.00
Decreased by:			
Cash Receipts	E-5	\$ 1,666,464.00	
Cancelled		<u>17,627.00</u>	
			<u>1,684,091.00</u>
Balance, December 31, 2020	E		\$ <u><u>907,853.00</u></u>

TOWNSHIP OF MARLBORO
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2019</u>	<u>TRANSFERRED</u> <u>FROM FIXED</u> <u>AUTHORIZED &</u> <u>UNCOMPLETED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u>
Miscellaneous	\$ 32,967,341.00		\$ 32,967,341.00
Water Tank Evaluation	3,200.00		3,200.00
Improvements to Generator	1,040.00		1,040.00
Asphalt Hot Patcher	13,211.40		13,211.40
Vehicle Equipment	3,894.44		3,894.44
Radio Equipment	4,496.47		4,496.47
Improvements to Distribution System	544,750.00		544,750.00
Well Redevelopment and Rehabilitation	141,750.00		141,750.00
Water Meter Replacement	210,000.00		210,000.00
GIS plan of Water System	52,500.00		52,500.00
Acquisition of Easement	13,000.00		13,000.00
Acquisition of Land		300,000.00	300,000.00
	<u>\$ 33,955,183.31</u>	<u>300,000.00</u>	<u>\$ 34,255,183.31</u>
<u>REF.</u>	E	E-16	E

TOWNSHIP OF MARLBORO

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>DESCRIPTION</u>	<u>ORDINANCE #</u>	<u>BALANCE DECEMBER 31, 2019</u>	<u>INCREASED BY IMPROVEMENT AUTHORIZATIONS</u>	<u>DECREASED BY TRANSFERRED TO FIXED CAPITAL</u>	<u>BALANCE DECEMBER 31, 2020</u>
Various Capital Improvements	2009-46	\$ 840,000.00	\$	\$	840,000.00
Acquisition of Land	2011-12	300,000.00			
Water Treatment Plant	2012-26	7,600,000.00		300,000.00	7,600,000.00
Various Capital Improvements	2013-10	682,550.00			682,550.00
Various Capital Improvements	2014-05	770,346.16			770,346.16
Water Treatment Plant	2014-06	11,500,000.00			11,500,000.00
Various Capital Improvements	2015-03	435,130.50			435,130.50
Water Treatment Plant	2015-04	900,000.00			900,000.00
Various Capital Improvements	2016-03	543,920.00			543,920.00
Various Capital Improvements	2017-03	1,643,365.00			1,643,365.00
Various Capital Improvements	2018-02	2,634,489.00			2,634,489.00
Various Improvements to the Water Utility	2019-02	3,035,111.00			3,035,111.00
Various Improvements to the Water Utility	2020-06		2,318,950.00		2,318,950.00
Various Improvements to the Water Utility	2020-13		165,000.00		165,000.00
		<u>\$ 30,884,911.66</u>	<u>\$ 2,483,950.00</u>	<u>\$ 300,000.00</u>	<u>\$ 33,068,861.66</u>

REF.

E

E-18

E-15

E

TOWNSHIP OF MARLBORO
WATER UTILITY CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2019	E	\$	2,266,619.36
Increased by:			
Improvement Authorizations	E-18		<u>1,774,356.79</u>
		\$	<u>4,040,976.15</u>
Decreased by:			
Cash Disbursements	E-5	\$	<u>2,367,167.06</u>
			<u>2,367,167.06</u>
Balance, December 31, 2020	E	\$	<u><u>1,673,809.09</u></u>

TOWNSHIP OF MARLBORO
 WATER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2019		2020 AUTHORIZATION	CONTRACTS PAYABLE - NET	BALANCE DECEMBER 31, 2020	
				FUNDED	UNFUNDED			FUNDED	UNFUNDED
09-46	Various Capital Improvements	12/18/2009	\$ 840,000.00	\$ 23,023.00	\$			\$ 23,023.00	\$
10-17	Various Capital Improvements	7/15/2010	840,000.00	10,942.76				10,942.76	
11-03	Various Capital Improvements	4/13/2011	614,250.00	150.00				150.00	
11-12	Acquisition of Land & Related Improvements	5/19/2011	300,000.00	19,295.12				19,295.12	
12-26	Various Capital Improvements	10/4/2012	7,600,000.00	762,108.53			(50,078.45)	812,186.98	
13-10	Various Capital Improvements	6/11/2013	682,550.00	6,553.63				6,553.63	
14-05	Various Capital Improvements	6/13/2014	770,346.16	58,173.48				58,173.48	
14.06/15-04/20-13	Treatment Plant Construction	6/13/2014, 2/12/2015	2,050,000.00	179,893.53	165,000.00		381,965.66	76,701.52	262,518.87
15-03	Various Capital Improvements	2/12/2015	435,130.50	204,491.52			127,730.00	210,898.26	
16-03	Various Capital Improvements	12/9/2016	543,920.00	210,994.76			(4.50)	203,127.20	
17-03	Various Capital Improvements	3/2/2017	1,643,365.00	394,155.00			181,027.80	3,245.88	51.25
18-02	Various Capital Improvements	2/15/2018	2,634,489.00				(77,983.19)		689,489.00
19-02	Various Improvements to the Water Utility	2/21/2019	3,035,111.00				314,388.49		1,197,015.11
20-06	Various Improvements to the Water Utility	3/19/2020	2,318,950.00			2,318,950.00	887,310.98		1,431,639.02
			\$ 1,868,721.33	\$ 2,431,206.54	\$ 2,483,950.00	\$ 1,774,356.79	\$ 1,424,398.83	\$ 3,580,714.25	

E E E-16 E-17 E E

"E-19"

TOWNSHIP OF MARLBORO

WATER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2019	E		\$ 32,300,664.47
Increased by:			
Serial Bonds Paid by Operating Budget	E-23	\$ 985,000.00	
NJ EIT Loans Paid by Operating Budget	E-25	<u>709,930.09</u>	
			<u>1,694,930.09</u>
Balance, December 31, 2020	E		\$ <u>33,995,594.56</u>

"E-20"

SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION

Balance, December 31, 2019 and December 31, 2020	E		\$ <u>300,000.00</u>
<u>Analysis of Balance:</u>			
11-12 Acquisition of Land & Related Improvements			\$ <u>300,000.00</u>
			\$ <u>300,000.00</u>

"E-21"

TOWNSHIP OF MARLBORO

WATER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR PAYMENT OF DEBT

	<u>REF.</u>	
Balance, December 31, 2019	E	\$ 11,530.08
Increased by:		
Cash Receipts	E-5	<u>170,534.00</u>
Balance, December 31, 2020	E	<u>\$ 182,064.08</u>

"E-22"

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance, December 31, 2019 and December 31, 2020	E	<u>\$ 50,000.00</u>
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TOWNSHIP OF MARLBORO

WATER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2019	BALANCE DECEMBER 31, 2020
			DATE	AMOUNT			
Water Utility Improvements	7/15/2010	\$ 840,000.00		\$		\$ 80,000.00	\$
Water Utility Improvements	12/17/2015	2,723,000.00	10/15/2021	200,000.00	4.000%		
			10/15/2022	200,000.00	3.000%		
			10/15/2023	200,000.00	2.000%		
			10/15/2024	200,000.00	2.125%		
			10/15/2025	200,000.00	2.250%		
			10/15/2026	200,000.00	2.375%		
			10/15/2027	200,000.00	2.500%		
			10/15/2028	200,000.00	2.500%		
			10/15/2029	200,000.00	2.500%		
			10/15/2030	198,000.00	3.000%	2,198,000.00	1,998,000.00
Water Utility Refunding Bonds	9/14/2017	467,000.00	10/1/21	90,000.00	3.000%		
			10/1/22	90,000.00	3.000%		
			10/1/23	96,000.00	4.000%		
			10/1/24	95,000.00	4.000%		
			10/1/25	96,000.00	4.000%	467,000.00	467,000.00
Water Utility Improvements	4/24/2018	2,915,000.00	5/1/21	140,000.00	5.000%		
			5/1/22	140,000.00	5.000%		
			5/1/23	145,000.00	5.000%		
			5/1/24	145,000.00	5.000%		
			5/1/25	145,000.00	5.000%		
			5/1/26	145,000.00	5.000%		
			5/1/27	145,000.00	4.000%		
			5/1/28	145,000.00	4.000%		
			5/1/29	145,000.00	4.000%		
			5/1/30	145,000.00	3.000%		
			5/1/31	145,000.00	3.000%		
			5/1/32	145,000.00	3.000%		
			5/1/33	145,000.00	3.000%		
			5/1/34	145,000.00	3.125%		
			5/1/35	145,000.00	3.125%		
			5/1/36	145,000.00	3.250%		
			5/1/37	145,000.00	3.250%		
			5/1/38	145,000.00	3.375%		
						2,740,000.00	2,600,000.00
						140,000.00	

TOWNSHIP OF MARLBORO

WATER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURED DATE	MATURED AMOUNT	INTEREST RATE	BALANCE DECEMBER		DECREASED	BALANCE DECEMBER
						31, 2019	31, 2020		
Water Utility Refunding Bonds	9/4/2019	\$ 5,370,000.00	12/1/21	640,000.00	4.000%	\$	\$	\$	\$
			12/1/22	665,000.00	4.000%				
			12/1/23	695,000.00	4.000%				
			12/1/24	190,000.00	4.000%				
			12/1/25	195,000.00	4.000%				
			12/1/26	205,000.00	4.000%				
			12/1/27	215,000.00	4.000%				
			12/1/28	220,000.00	4.000%				
			12/1/29	230,000.00	4.000%				
			12/1/30	235,000.00	3.000%				
			12/1/31	250,000.00	3.000%				
			12/1/32	260,000.00	3.000%				
			12/1/33	260,000.00	3.000%				
			12/1/34	270,000.00	3.000%				
			12/1/35	275,000.00	3.000%				
							5,370,000.00	565,000.00	4,805,000.00
							10,855,000.00	985,000.00	9,870,000.00

REF.

E-19

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TOWNSHIP OF MARLBORO

WATER UTILITY CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2019	INCREASED	DECREASED	BALANCE DECEMBER 31, 2020
2018-02	Various Capital Improvements	05/14/20	11/15/19	05/14/20	0%	\$ 1,945,000.00	\$ 1,945,000.00	\$	\$ 1,945,000.00
2019-02	Various Improvements to the Water Utility	05/14/20	05/14/20	05/14/21	1.75%	905,000.00	1,945,000.00	905,000.00	1,945,000.00
			05/14/20	05/14/21	1.75%		905,000.00		905,000.00
						\$ 2,850,000.00	\$ 2,850,000.00	\$ 2,850,000.00	\$ 2,850,000.00

REF.

E

E-5

E-5

E

TOWNSHIP OF MARLBORO
WATER CAPITAL FUND

SCHEDULE OF NEW JERSEY INFRASTRUCTURE BANK LOAN PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	OUTSTANDING DECEMBER 31, 2020	INTEREST RATE	BALANCE DECEMBER 31, 2019	DECREASED	BALANCE DECEMBER 31, 2020
Trust Loan: Water Treatment Plant and Well	May 22, 2013	1,635,000.00	80,000.00	4.000%			
	8/1/2021		80,000.00	4.000%			
	8/1/2022		80,000.00	4.000%			
	8/1/2023		85,000.00	5.000%			
	8/1/2024		90,000.00	5.000%			
	8/1/2025		95,000.00	3.000%			
	8/1/2026		95,000.00	3.000%			
	8/1/2027		100,000.00	3.000%			
	8/1/2028		100,000.00	3.000%			
	8/1/2029		105,000.00	3.000%			
8/1/2030		110,000.00	3.000%				
8/1/2031		110,000.00	3.000%				
8/1/2032		115,000.00	3.000%		1,240,000.00	75,000.00	1,165,000.00
Fund Loan: Water Treatment Plant and Well	May 9, 2013	5,119,693.00	86,774.45	0.00%			
	8/1/2021		173,548.91	0.00%			
	2/1/2022		86,774.45	0.00%			
	8/1/2022		173,548.91	0.00%			
	2/1/2023		86,774.45	0.00%			
	8/1/2023		173,548.91	0.00%			
	2/1/2024		86,774.45	0.00%			
	8/1/2024		173,548.91	0.00%			
	2/1/2025		86,774.45	0.00%			
	8/1/2025		173,548.91	0.00%			
	2/1/2026		86,774.45	0.00%			
	8/1/2026		173,548.91	0.00%			
	2/1/2027		86,774.45	0.00%			
8/1/2027		173,548.91	0.00%				
2/1/2028		86,774.45	0.00%				
8/1/2028		173,548.91	0.00%				
2/1/2029		86,774.45	0.00%				
8/1/2029		173,548.91	0.00%				
2/1/2030		86,774.45	0.00%				
8/1/2030		173,548.91	0.00%				
2/1/2031		86,774.45	0.00%				
8/1/2031		173,548.91	0.00%				
2/1/2032		86,774.45	0.00%				
8/1/2032		95,808.41	0.00%		3,306,463.18	260,323.36	3,046,139.82

TOWNSHIP OF MARLBORO
WATER CAPITAL FUND

SCHEDULE OF NEW JERSEY INFRASTRUCTURE BANK LOAN PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	OUTSTANDING DECEMBER 31, 2020 AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2019	DECREASED	BALANCE DECEMBER 31, 2020
Trust Loan: Treatment Plant Construction	May 26, 2016	\$ 2,910,000.00					
			70,000.00	5.000%	\$	\$	
	8/1/2021		70,000.00	5.000%			
	8/1/2022		75,000.00	5.000%			
	8/1/2023		80,000.00	4.000%			
	8/1/2024		85,000.00	4.000%			
	8/1/2025		90,000.00	4.000%			
	8/1/2026		95,000.00	2.000%			
	8/1/2027		95,000.00	2.000%			
	8/1/2028		95,000.00	1.250%			
	8/1/2029		100,000.00	3.000%			
	8/1/2030		100,000.00	3.000%			
	8/1/2031		105,000.00	3.000%			
	8/1/2032		110,000.00	3.000%			
	8/1/2033		115,000.00	4.000%			
	8/1/2034		120,000.00	4.000%			
	8/1/2035		125,000.00	4.000%			
	8/1/2036		130,000.00	4.000%			
	8/1/2037		135,000.00	4.000%			
	8/1/2038		140,000.00	4.000%			
	8/1/2039		145,000.00	4.000%			
	8/1/2040		150,000.00	4.000%			
	8/1/2041		160,000.00	4.000%			
	8/1/2042						
	8/1/2043						
	8/1/2044						
	8/1/2045						
					2,735,000.00	65,000.00	2,670,000.00
Fund Loan Treatment Plant Construction	May 26, 2016	9,185,000.00					
			103,202.24	0%			
	2/1/2021		206,404.49	0%			
	8/1/2021		103,202.24	0%			
	2/1/2022		206,404.49	0%			
	8/1/2022		103,202.24	0%			
	2/1/2023		206,404.49	0%			
	8/1/2023		103,202.24	0%			
	2/1/2024		206,404.49	0%			
	8/1/2024		103,202.24	0%			
	2/1/2025		206,404.49	0%			
	8/1/2025		103,202.24	0%			
	2/1/2026		206,404.49	0%			
	8/1/2026		103,202.24	0%			

TOWNSHIP OF MARLBORO

WATER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2020</u>
17-03	Various Capital Improvements	\$ 51.25
18-02	Various Capital Improvements	689,489.00
19-02	Various Improvements to the Water Utility	1,692,258.00
20-06	Various Improvements to the Water Utility	<u>2,318,950.00</u>
		\$ <u><u>4,700,748.25</u></u>

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PART II

TOWNSHIP OF MARLBORO

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2020

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

	YEAR 2020		YEAR 2019	
	AMOUNT	%	AMOUNT	%
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized	\$ 5,300,000.00	2.90%	\$ 5,550,000.00	3.05%
Miscellaneous-From Other Than Local				
Property Tax Levies	9,786,480.47	5.36%	9,390,571.51	5.17%
Collection of Delinquent Taxes and Tax Title Liens	1,100,176.65	0.60%	1,002,089.30	0.55%
Collection of Current Tax Levy	<u>166,471,094.89</u>	<u>91.14%</u>	<u>165,853,665.54</u>	<u>91.23%</u>
TOTAL INCOME	\$ <u>182,657,752.01</u>	<u>100.00%</u>	\$ <u>181,796,326.35</u>	<u>100.00%</u>
EXPENDITURES				
Budget Expenditures:				
Municipal Purposes	\$ 37,547,654.75	21.30%	\$ 36,835,817.68	20.87%
County Taxes	23,441,914.55	13.30%	23,189,844.77	13.14%
Regional School Taxes	33,740,954.00	19.14%	34,123,416.00	19.33%
Local School Taxes	77,647,155.00	44.04%	77,899,993.00	44.13%
Municipal Open Space Taxes	724,530.23	0.41%	720,012.28	0.41%
Fire District Taxes	3,175,548.00	1.80%	3,076,488.00	1.74%
Other	<u>39,253.25</u>	<u>0.02%</u>	<u>667,058.57</u>	<u>0.38%</u>
TOTAL EXPENDITURES	\$ <u>176,317,009.78</u>	<u>100.00%</u>	\$ <u>176,512,630.30</u>	<u>100.00%</u>
Excess in Revenue	\$ 6,340,742.23		\$ 5,283,696.05	
Adjustments to Income Before Fund Balance				
Expenditures Included Above Which are by Statute				
Deferred Charges to the Budget of the Succeeding Year	<u>345,724.41</u>		<u>187,423.34</u>	
Statutory Excess to Fund Balance	\$ 6,686,466.64		\$ 5,471,119.39	
Fund Balance, January 1	<u>11,250,676.43</u>		<u>11,329,557.04</u>	
	\$ 17,937,143.07		\$ 16,800,676.43	
Less: Utilization as Anticipated Revenue	<u>5,300,000.00</u>		<u>5,550,000.00</u>	
Fund Balance, December 31	\$ <u>12,637,143.07</u>		\$ <u>11,250,676.43</u>	

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

	YEAR ENDED DECEMBER 31, 2020		YEAR ENDED DECEMBER 31, 2019	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 189,691.12	13.18%	\$ 249,606.42	9.48%
Program Participation Fees	326,922.66	22.71%	1,966,977.58	74.70%
Miscellaneous	923,021.81	64.11%	416,584.27	15.82%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>TOTAL INCOME</u>	\$ <u>1,439,635.59</u>	<u>100.00%</u>	\$ <u>2,633,168.27</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 1,105,185.98	91.56%	\$ 2,325,078.35	95.35%
Capital Improvements	1.00		1.00	
Debt Service	101,910.56	8.44%	113,461.67	4.65%
Deferred Charges and Statutory Expenditures	3.14		3.18	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>TOTAL EXPENDITURES</u>	\$ <u>1,207,100.68</u>	<u>100.00%</u>	\$ <u>2,438,544.20</u>	<u>100.00%</u>
Excess in Revenue	232,534.91		\$ 194,624.07	
Fund Balance, January 1	<u>204,746.76</u>		<u>259,729.11</u>	
	\$ <u>437,281.67</u>		\$ <u>454,353.18</u>	
Decreased by:				
Utilized as Anticipated Revenue	<u>189,691.12</u>		<u>249,606.42</u>	
Fund Balance, December 31	\$ <u>247,590.55</u>		\$ <u>204,746.76</u>	

**COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE-WATER UTILITY FUND**

	YEAR ENDED DECEMBER 31, 2020		YEAR ENDED DECEMBER 31, 2019	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 1,909,465.74	13.73%	\$ 2,000,000.00	15.19%
Collection of Water Rents	9,601,824.49	69.06%	9,167,621.29	69.61%
Miscellaneous - Other Than Water Rents	<u>2,391,607.99</u>	<u>17.20%</u>	<u>2,001,541.42</u>	<u>15.20%</u>
<u>TOTAL INCOME</u>	\$ 13,902,898.22	<u>100.00%</u>	\$ 13,169,162.71	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 8,312,765.00	78.22%	\$ 8,166,740.09	74.90%
Capital Improvements	20,000.00	0.19%	20,000.00	0.18%
Debt Service	2,211,644.52	20.81%	2,640,347.29	24.22%
Deferred Charges and Statutory Expenditures	<u>82,374.74</u>	<u>0.78%</u>	<u>76,592.58</u>	<u>0.70%</u>
<u>TOTAL EXPENDITURES</u>	\$ 10,626,784.26	<u>100.00%</u>	\$ 10,903,679.96	<u>100.00%</u>
Excess in Revenue	3,276,113.96		\$ 2,265,482.75	
Fund Balance, January 1	<u>3,589,738.54</u>		<u>3,324,255.79</u>	
	\$ 6,865,852.50		\$ 5,589,738.54	
Decreased by:				
Utilized as Anticipated Revenue	<u>1,909,465.74</u>		<u>2,000,000.00</u>	
Fund Balance, December 31	\$ <u>4,956,386.76</u>		\$ <u>3,589,738.54</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Rate	<u>2.263</u>	<u>2.265</u>	<u>2.227</u>
Apportionment of Tax Rate:			
Municipal	0.393	0.378	0.379
Municipal Open Space	0.010	0.010	0.010
County	0.322	0.321	0.317
Local School	1.072	1.082	1.063
Regional School	0.466	0.474	0.458

ASSESSED VALUATIONS:

2020	<u>\$7,245,302,300.00</u>	
2019		<u>\$7,198,738,900.00</u>
2018		<u>\$7,189,317,700.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH COLLECTION</u>	<u>PERCENTAGE OF COLLECTIONS</u>
2020	\$168,061,413.95	\$166,871,094.90	99.29%
2019	167,114,869.11	165,853,665.54	99.24%
2018	163,571,305.01	162,469,043.63	99.33%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2020	\$1,081,976.62	\$1,017,595.04	\$2,099,571.66	1.25%
2019	991,091.02	1,066,668.61	2,057,759.63	1.23%
2018	729,378.01	1,028,769.71	1,758,147.72	1.07%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Years</u>	<u>Amount</u>
2020	\$802,400.00
2019	802,400.00
2018	802,400.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2020	\$12,637,143.07	\$5,600,000.00
	2019	11,250,676.43	5,300,000.00
	2018	11,329,557.04	5,550,000.00
	2017	10,030,038.47	4,600,000.00
	2016	8,650,386.93	4,200,000.00
	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Recreation and Swim Utility Operating Fund	2020	\$247,590.55	\$875.68
	2019	204,746.76	189,691.12
	2018	259,729.11	249,606.42
	2017	201,094.61	180,000.00
	2016	296,233.98	285,000.00
	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Water Utility Operating Fund	2020	\$4,956,386.76	\$1,999,297.54
	2019	3,589,738.54	1,909,465.74
	2018	3,324,255.79	2,000,000.00
	2017	3,013,047.15	2,789,955.54
	2016	4,188,626.54	2,366,737.74

EQUALIZED VALUATIONS - REAL PROPERTY

<u>YEAR</u>	<u>AMOUNT</u>
2020	\$8,223,019,294.00
2019	\$8,125,904,617.00
2018	\$7,999,685,880.00

OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT</u>
Jonathan Hornik	Mayor	*
Carol Mazzola	Council President	*
Jeff Cantor	Council Vice-President	*
Scott Metzger	Councilperson	*
Randi Marder	Councilperson	*
Michael Scalea	Councilperson	*
Jonathan Capp	Business Administrator	*
Lori Russo	Chief Financial Officer	*
Alida Manco	Township Clerk to 08/31/20	*
Susan A. Branagan	Township Clerk from 09/01/20	*
Colleen Dolan	Tax Collector	*
Kristy Gilsenan	Court Administrator	*
James Newman	Municipal Judge	*

All of the bonds were examined and were properly executed.

*Surety Bonds are covered by the Municipal Excess Liability Joint Insurance Fund in the amount of \$1,000,000 per occurrence with a \$1,000 deductible per occurrence.

A public employee dishonesty blanket bond covering Municipal employees in the amount of \$50,000 was in effect with the Monmouth County Municipal Joint Insurance Fund. There are blanket bonds for secondary coverage with the Municipal Excess Liability Joint Insurance Fund in the amount of \$950,000 for Public Employees and \$3,000,000 for Public Officials. Both of these bonds are subject to deductibles based upon other required coverages.

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4

Every contract or agreement for the performance of any work or the 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 the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c.198 (C.40A:11-3), except by contract or agreement.

Effective July 1, 2020, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00 or up to \$44,000.00 if the entity has a Qualified Purchasing Agent. The Township has a Qualified Purchasing Agent and has elected to increase its bid threshold to \$40,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$40,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

- Water Distribution Products
- Coach Bus Transportation for Recreation Department
- Road Improvement Program
- On-Site Brush Grinding Service
- Pool Chemicals
- Maintenance and Services of Wells and Pumps
- Harbor Road Wastewater Pump Station
- HVAC Maintenance
- Gate Valve Preventative Maintenance Program
- Recycling Collection and Disposal Service
- 2020 Tandem Axle Cab and Chassis
- Snow Removal Service
- Replacement of Pressure Reducing Valves
- Generator Rental Service
- Police Vehicles
- Church Road Drainage Improvements and Stream Cleaning
- Sinkhole Repair Project

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.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$40,000.00 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 provisions of N.J.S.A. 40A:11-6.

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4
(CONTINUED)

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" as required by N.J.S.A. 40:11-14:

Auditor
Engineering Services
Architectural Services
Labor Counsel
Township Attorney
Legal Services
Planning Services
Appraisal services

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body on January 16, 2020 adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

WHEREAS, N.J.S.A. 54:4-67 permits the governing body of each municipality to fix the rate of interest to be charged for nonpayment of taxes or assessments and also permits the fixing of said rate at 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum of any amount in excess of \$1,500.00 and allows an additional penalty of a flat 6% to be collected against a delinquency in excess of \$10,000.00 on properties that fail to pay the delinquency prior to the end of the calendar year.

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Marlboro, County of Monmouth, State of New Jersey that the Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes or other municipal charges becoming delinquent after due date and 18% per annum on any amount of taxes or other municipal charges in excess of \$1,500.00 becoming delinquent after due date, and if a delinquency (including interest) is in excess of \$10,000.00 and remains in arrears after December 31, an additional flat penalty of 6% shall be charged against the delinquency.

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

<u>TYPE</u>	<u>NUMBER</u>
Payments of 2020 Taxes	50
Payment of 2020 Water Charges	50

TAX TITLE LIENS

The last tax sale was held on October 1, 2020 and was complete.

An examination of the tax sale certificates revealed all certificates were on file and available for audit.

The following is a comparison of the number of tax title liens receivable on December 31 of the last three years:

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2020	30
2019	30
2018	25

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax paying basis.

OTHER COMMENTS

Interfund Balances

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. Reference to the various balance sheets show the interfund balances remaining at year end. As a rule, all interfund balances should be closed out as of the end of the year. It is the Township's policy to review and liquidate all interfund balances on a periodic basis.

RECOMMENDATIONS

NONE

