

**TOWNSHIP OF SPRINGFIELD**

**COUNTY OF BURLINGTON**

**REPORT OF AUDIT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2022**

**TOWNSHIP OF SPRINGFIELD**  
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**TOWNSHIP OF SPRINGFIELD**  
**PART I**  
**REPORT OF AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Council  
Township of Springfield  
Jobstown, New Jersey 08041

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Springfield, in the County of Burlington, State of New Jersey, as of December 31, 2022 and 2021, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

#### ***Unmodified Opinions on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Springfield, in the County of Burlington, State of New Jersey, as of December 31, 2022 and 2021, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2022, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America* section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the Township of Springfield, in the County of Burlington, State of New Jersey, as of December 31, 2022 and 2021, or the results of its operations and changes in fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions on Regulatory Basis of Accounting***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Accounting Principles Generally Accepted in the United States of America***

As described in note 1 to the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

***Emphasis of Matter***

***Change in Accounting Principle***

As discussed in note 1 to the financial statements, during the year ended December 31, 2022, the Township adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. The adoption of this new accounting principle resulted in material note disclosure. As a result of the regulatory basis of accounting, described in the previous paragraph, the implementation of this Statement only required financial statement disclosures. Our opinions are not modified with respect to this matter.

***Consistency of Financial Statements***

Because of the implementation of GASB Statement No. 87, the Township has determined that lease agreements in which they are the lessor have now been disclosed in accordance with the Statement (note 5). Our opinions are not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Supplementary Information**

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

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



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**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2023 on our consideration of the Township of Springfield's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Springfield's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Springfield's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
October 5, 2023

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Council  
Township of Springfield  
Jobstown, New Jersey 08041

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Township of Springfield, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated October 5, 2023. That report indicated that the Township of Springfield's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting principle and an additional paragraph on the consistency of financial statements resulting from the new accounting principle.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) 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 the Township's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that 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 or significant deficiencies may exist that were not identified.

**Report on 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*, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Purpose of this Report**

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees, New Jersey  
October 5, 2023

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis  
 As of December 31, 2022 and 2021

<u>ASSETS</u>	Ref.	<u>2022</u>	<u>2021</u>
Regular Fund:			
Cash - Treasurer	SA-1	\$ 2,177,932.65	\$ 2,008,083.39
Cash - Collector	SA-2	199,225.97	159,469.54
Cash - Change Funds	SA-3	200.00	200.00
		<hr/>	<hr/>
		2,377,358.62	2,167,752.93
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	193,200.12	186,996.48
Tax Title Liens Receivable	SA-5	218,680.73	231,954.03
Property Acquired for Taxes--Assessed Valuation		498,600.00	498,600.00
Revenue Accounts Receivable	SA-6	3,217.73	2,650.54
Due from Animal Control Fund	SB-4		1,326.30
		<hr/>	<hr/>
		913,698.58	921,527.35
Deferred Charges:			
Emergency Appropriation (40A:4-47)	A-3		89,500.00
		<hr/>	<hr/>
		3,291,057.20	3,178,780.28
Federal and State Grant Fund:			
Due from Current Fund	SA-20	484,573.63	441,033.67
Federal and State Grants Receivable	SA-21	12,824.58	11,875.33
		<hr/>	<hr/>
		497,398.21	452,909.00
		<hr/>	<hr/>
		\$ 3,788,455.41	\$ 3,631,689.28

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**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis  
 As of December 31, 2022 and 2021

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	Ref.	<u>2022</u>	<u>2021</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3; SA-8	\$ 144,989.24	\$ 116,413.80
Reserve for Encumbrances	SA-9	19,168.08	75,519.61
Prepaid Taxes	SA-10	228,477.22	217,025.30
Tax Overpayments	SA-11	69,037.46	66,223.84
Due to County for Added and Omitted Taxes	SA-17	16,646.50	6,811.61
Due to State of New Jersey (Ch. 73, P.L. 1976)	SA-7	1,824.00	1,574.00
Accounts Payable	SA-12	8,377.03	3,960.78
Regional School Taxes Payable	SA-18	108,692.59	
Reserve for State Tax Appeals		18,956.00	18,956.00
Reserve for Purchase of Brick Pavers	SA-14	510.00	450.00
Reserve for Municipal Relief Fund	SA-1	22,253.47	
Reserve for Repair of Petticoat Bridge		1,849.61	1,849.61
Reserve for Municipal Alliance		5,384.23	5,384.23
Reserve for Penalties - Uniform Fire Code	SA-13	2,000.00	2,000.00
Reserve for Repairs to Annex Building	SA-15		283,040.19
Due to Federal and State Grant Fund	SA-20	484,573.63	441,033.67
Due to Animal Control Fund	SB-4	202.70	
Due to Trust - Municipal Open Space	SB-13	234,259.74	155,865.01
Due to General Capital Fund		176,250.00	176,250.00
		<u>1,543,451.50</u>	<u>1,572,357.65</u>
Reserve for Receivables and Other Assets	A	913,698.58	921,527.35
Fund Balance	A-1	833,907.12	684,895.28
		<u>3,291,057.20</u>	<u>3,178,780.28</u>
Federal and State Grant Fund:			
Unappropriated Reserves	SA-22	201,025.63	170,452.74
Appropriated Reserves	SA-23	296,372.58	282,456.26
		<u>497,398.21</u>	<u>452,909.00</u>
		<u>\$ 3,788,455.41</u>	<u>\$ 3,631,689.28</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance--Regulatory Basis  
 For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 400,000.00	\$ 507,400.00
Miscellaneous Revenue Anticipated	1,179,502.11	981,893.74
Receipts from Delinquent Taxes	213,645.71	114,151.80
Receipts from Current Taxes	11,394,303.40	11,390,691.15
Non-Budget Revenues	86,107.41	113,657.22
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	74,581.42	113,574.14
Cancellation of Reserves for:		
Repairs to Annex Building	283,040.19	
Statutory Excess in Reserve for Dog Fund Expenditures		1,326.30
Liquidation of Reserves for:		
Due from Animal Control Fund	1,326.30	
	<hr/>	
Total Income	13,632,506.54	13,222,694.35
<u>Expenditures</u>		
Budget Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	896,777.26	1,031,970.00
Other Expenses	1,671,638.74	1,530,406.00
Deferred Charges and Statutory Expenditures--Within "CAPS"	364,616.00	349,389.00
Operations-- Excluded from "CAPS":		
Salaries and Wages	122,127.00	122,127.00
Other Expenses	154,284.15	158,939.46
Capital Improvements--Excluded from "CAPS"	35,000.00	55,000.00
Municipal Debt Service--Excluded from "CAPS"	787,955.93	758,085.00
Deferred Charges--Excluded from "CAPS"	89,500.00	
County Taxes	1,770,198.39	1,730,956.99
Due to County for Added and Omitted Taxes	16,646.50	6,811.61
Municipal Open Space Tax	78,394.73	77,824.02
Local District School Tax	3,654,006.00	3,510,154.50
Regional School Tax	3,442,100.00	3,551,668.00
Senior Citizens' Deductions Disallowed by Tax Collector--		
Prior Year Taxes	250.00	
Refund of Prior Year Revenue		15,966.50
Reserves Created:		
Due from Animal Control Fund		1,326.30
	<hr/>	
Total Expenditures	13,083,494.70	12,900,624.38
Excess in Revenue	<hr/>	<hr/>
	549,011.84	322,069.97
Adjustments to Income before Surplus:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year	-	89,500.00
	<hr/>	<hr/>
Statutory Excess to Surplus	549,011.84	411,569.97
<u>Fund Balance</u>		
Balance Jan. 1	<hr/>	<hr/>
	684,895.28	780,725.31
	1,233,907.12	1,192,295.28
Decreased by:		
Utilized as Revenue	<hr/>	<hr/>
	400,000.00	507,400.00
Balance Dec. 31	<hr/>	<hr/>
	\$ 833,907.12	\$ 684,895.28

The accompanying Notes to Financial Statements are an integral part of these statements.

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2022

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S. 40A:4-87</u>		
Fund Balance Anticipated	\$ 400,000.00		\$ 400,000.00	
Miscellaneous Revenue				
Licenses:				
Alcoholic Beverages	3,800.00		3,866.00	\$ 66.00
Other	3,000.00		1,606.00	(1,394.00)
Interest and Cost on Taxes	32,000.00		61,949.24	29,949.24
Interest on Investments and Deposits	4,000.00		8,498.29	4,498.29
Energy Receipts Tax	426,607.00		426,607.00	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees and Permits	80,000.00		95,078.00	15,078.00
Municipal Court	58,600.00		48,091.75	(10,508.25)
State and Federal Revenues Off-Set with Appropriations:				
Safe & Secure Communities Program - P.L. 1994, Chapter 220	13,500.00		13,500.00	
Recycling Tonnage Grant	26,704.46		26,704.46	
Clean Communities Program		\$ 12,324.00	12,324.00	
Body Armor Replacement Fund	899.44		899.44	
Burlington Historical Preservation Program		3,796.25	3,796.25	
Other Special Items:				
Ground Lease	207,000.00		257,233.94	50,233.94
PILOT Payments	44,000.00		48,895.00	4,895.00
American Rescue Plan - Police	170,452.74		170,452.74	
Miscellaneous Revenue Anticipated	1,070,563.64	16,120.25	1,179,502.11	92,818.22
Receipts from Delinquent Taxes	110,000.00	-	213,645.71	103,645.71
Amounts to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	2,825,215.20	-	2,983,828.79	158,613.59
Budget Totals	4,405,778.84	16,120.25	4,776,976.61	355,077.52
Non-Budget Revenues	-	-	86,107.41	86,107.41
	<u>\$ 4,405,778.84</u>	<u>\$ 16,120.25</u>	<u>\$ 4,863,084.02</u>	<u>\$ 441,184.93</u>

(Continued)

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2022

Analysis of Realized Revenue

Allocation of Current Tax Collections:

Revenue from Collections	\$ 11,394,303.40
Allocated to:	
School, County and Local Open Space Taxes	8,710,474.62
Balance for Support of Municipal Budget Appropriations	2,683,828.78
Add: Appropriation "Reserve for Uncollected Taxes"	300,000.01
Amount for Support of Municipal Budget Appropriations	\$ 2,983,828.79

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 187,245.17
Tax Title Lien Collections	26,400.54
	\$ 213,645.71

Interest on Investments:

Treasurer	\$ 8,498.29
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Analysis of Non-Budget Revenue

Miscellaneous Revenue not Anticipated:

Police Reports	\$ 881.76
Planning & Zoning Applications	2,320.00
Police Extra Duty - Fees & Administration Costs	8,661.85
Restitution	228.00
Zoning Fees	3,255.00
Insurance Refund	4,595.00
Farm Lease	500.00
Tropical Storm Isaias Assistance	24,801.75
Brick Pavers	60.00
Tax Fees / Miscellaneous	150.00
Tax Penalties	4,255.20
Sale of Assets	9,302.74
Hunting Leases	3,750.00
Homestead Mail Reimbursement	127.80
Clerk Miscellaneous	1,070.45
Administrative Fee for Senior Citizen and Veterans Deductions	650.00
Miscellaneous- Other	21,497.86
	\$ 86,107.41

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



**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	Appropriations		Paid or Charged	Expended	
	Budget	Budget After Modification		Encumbered	Reserved
<b>OPERATIONS - WITHIN "CAPS"</b>					
<u>General Government Functions:</u>					
Administrative Executive					
Other Expenses	\$ 28,000.00	\$ 27,500.00	\$ 26,935.03		\$ 564.97
Council/Manager					
Salaries and Wages	31,550.00	31,550.00	31,472.72		77.28
Other Expenses	12,450.00	11,350.00	10,048.74		1,301.26
Elections (Municipal Clerk):					
Salaries and Wages	69,600.00	77,600.00	77,212.07		387.93
Other Expenses	14,350.00	10,790.00	7,739.89		3,050.11
Financial Administration					
Salaries and Wages	31,620.00	32,180.00	32,180.00		
Other Expenses	13,420.00	11,912.00	10,752.74	\$ 638.80	520.46
Annual Audit	22,600.00	20,500.00	20,500.00		
Collection of Taxes					
Other Expenses	5,650.00	4,650.00	4,378.25		271.75
Assessment of Taxes					
Salaries and Wages	20,400.00	20,400.00	20,400.00		
Other Expenses	4,650.00	3,450.00	3,076.99		373.01
Legal Services & Costs					
Other Expenses	48,200.00	58,200.00	54,733.94	752.50	2,713.56
Municipal Court - Mansfield Township					
Other Expenses	56,400.00	56,400.00	56,400.00		
Engineering Services					
Other Expenses	4,000.00	6,000.00	5,508.48		491.52
<u>Municipal Land Use Law N.J.S.A. 40:55D-1</u>					
Planning Board					
Salaries and Wages	13,500.00	13,500.00	11,372.89		2,127.11
Other Expenses	16,900.00	6,900.00	3,299.80	2,161.25	1,438.95
Zoning Costs:					
Salaries and Wages	18,000.00	18,000.00	15,396.45		2,603.55
Other Expenses	6,510.00	5,510.00	5,350.88	128.00	31.12

(Continued)

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	Appropriations		Paid or Charged	Expended	
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>
<u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u>					
<u>State Uniform Construction Code (N.J.S.A. 52:270-120 et. seq.)</u>					
<u>Construction Code Official:</u>					
Salaries and Wages	\$ 77,500.00	\$ 73,000.00	\$ 68,180.18		\$ 4,819.82
Other Expenses	13,900.00	10,900.00	9,716.86		1,183.14
<u>Insurance</u>					
General Liability	45,000.00	46,750.00	46,749.00		1.00
Workers Compensation	69,759.00	69,759.00	69,759.00		
Employee Group Health	334,460.00	336,310.00	335,211.36	\$ 1,020.60	78.04
Employee Group Health Waivers	10,000.00	10,000.00	10,000.00		
Unemployment Compensation Insurance	6,000.00	6,000.00	5,033.26		966.74
<u>Public Safety:</u>					
<u>Police</u>					
Salaries and Wages	604,547.26	630,547.26	630,514.96		32.30
Salaries and Wages-ARP	170,452.74	170,452.74	170,452.74		
Other Expenses	65,600.00	65,600.00	40,042.61	10,187.33	15,370.06
Other Expenses - Vehicle Lease	17,305.00	17,305.00	17,304.83		0.17
<u>Office of Emergency Management:</u>					
Salaries and Wages	2,500.00				
Other Expenses	2,500.00				
<u>Aid to Volunteer Fire Companies:</u>					
Springfield Township	25,000.00	25,000.00	25,000.00		
Juliustown	25,000.00	25,000.00	25,000.00		
Jacksonville - Other Aid	25,000.00	25,000.00	25,000.00		
<u>First Aid Organization Contribution</u>					
Ambulance Services	68,000.00	68,000.00	51,000.00		17,000.00
<u>Public Works:</u>					
<u>Road Repair and Maintenance</u>					
Other Expenses	190,000.00	188,500.00	159,537.10	419.60	28,543.30
<u>Solid Waste Collection</u>					
Solid Waste Collection - Contractual	125,000.00	120,800.00	120,701.32		98.68

(Continued)

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	Appropriations		Paid or Charged	Expended	
	<u>Budget</u>	<u>Budget After Modification</u>		<u>Encumbered</u>	<u>Reserved</u>
<u>OPERATIONS - WITHIN "CAPS" (CONT'D)</u>					
<u>Public Works (Cont'd):</u>					
Public Buildings and Grounds					
Other Expenses	\$ 27,500.00	\$ 27,500.00	\$ 22,105.94	\$ 360.00	\$ 5,034.06
Recycling					
Other Expenses	3,500.00	3,500.00		3,500.00	
Vehicle Maintenance					
Other Expenses	20,000.00	20,000.00	18,539.93		1,460.07
<u>Health and Welfare</u>					
Board of Health					
Other Expenses	200.00	50.00			50.00
Animal Control Regulation					
Other Expenses	2,000.00	2,000.00	1,569.00		431.00
<u>Utility Expenses and Bulk Purchases</u>					
Electricity	12,000.00	12,000.00	10,791.69		1,208.31
Street Lighting	55,000.00	49,000.00	42,683.02		6,316.98
Telephone	6,000.00	6,000.00	5,490.43		509.57
Gas-Propane	2,000.00	2,000.00	792.35		1,207.65
Telecommunications	1,800.00	2,050.00	1,851.04		198.96
Gasoline	35,000.00	32,500.00	28,407.43		4,092.57
Landfill / Solid Waste Disposal Costs	104,000.00	104,000.00	76,396.64		27,603.36
<u>Unclassified</u>					
County Share of PILOT Payments	2,500.00	2,500.00	2,416.25		83.75
<hr/>					
Total Operations within "CAPS"	2,566,824.00	2,568,416.00	2,417,005.81	19,168.08	132,242.11
<u>Detail:</u>					
Salaries and Wages	869,217.26	896,777.26	886,729.27	-	10,047.99
Other Expenses (Including Contingent)	1,697,606.74	1,671,638.74	1,530,276.54	19,168.08	122,194.12

(Continued)

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	Appropriations		Expended		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>
<b><u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u></b>					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	\$ 32,224.00	\$ 32,224.00	\$ 32,224.00		
Social Security System (O.A.S.I.)	89,000.00	89,000.00	83,587.87		\$ 5,412.13
Police and Firemen's Retirement System	243,392.00	243,392.00	243,392.00		
Defined Contribution Retirement Plan	1,600.00				
	<hr/>				
Total Deferred Charges and Statutory Expenditures - Municipal within "CAPS"	366,216.00	364,616.00	359,203.87	-	5,412.13
	<hr/>				
Total General Appropriations for Municipal Purposes within "CAPS"	2,933,040.00	2,933,032.00	2,776,209.68	\$ 19,168.08	137,654.24
	<hr/>				
Insurance:					
Employee Group Health	3,040.00	3,040.00	3,040.00		
	<hr/>				
Total Other Operations - Excluded from "CAPS"	3,040.00	3,040.00	3,040.00	-	-
	<hr/>				
<b><u>Interlocal Municipal Service Agreements</u></b>					
Municipal Court - Mansfield Township:					
Other Expenses	58,600.00	58,600.00	58,600.00		
Tax Collector:					
Other Expenses	14,670.00	14,670.00	7,335.00		7,335.00
	<hr/>				
Total Shared Service Agreements	73,270.00	73,270.00	65,935.00	-	7,335.00
	<hr/>				

(Continued)

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	Appropriations		Paid or Charged	Expended	
	Budget	Budget After Modification		Encumbered	Reserved
<b><u>OPERATIONS - EXCLUDED FROM "CAPS" (CONT'D)</u></b>					
<b><u>Public and Private Programs Offset by Revenues</u></b>					
Safe & Secure Communities Township Share:					
Salaries & Wages	\$ 108,627.00	\$ 108,627.00	\$ 108,627.00		
Other Expenses	34,250.00	34,250.00	34,250.00		
Safe & Secure Communities State Share:					
Salaries & Wages	13,500.00	13,500.00	13,500.00		
Recycling Grant	26,704.46	26,704.46	26,704.46		
Clean Communities Program (N.J.S.A. 40A:4-87 + \$12,324.00)		12,324.00	12,324.00		
Body Armor Replacement Fund	899.44	899.44	899.44		
Burlington Historical Partnership Program Grant (N.J.S.A. 40A:4-87 + \$3,796.25)		3,796.25	3,796.25		
<b>Total Public and Private Programs Offset by Revenues</b>	<b>183,980.90</b>	<b>200,101.15</b>	<b>200,101.15</b>	<b>-</b>	<b>-</b>
<b>Total Operations - Excluded from "CAPS"</b>	<b>260,290.90</b>	<b>276,411.15</b>	<b>269,076.15</b>	<b>-</b>	<b>\$ 7,335.00</b>
<b>Detail:</b>					
Salaries and Wages	122,127.00	122,127.00	122,127.00	-	-
Other Expenses	138,163.90	154,284.15	146,949.15	-	7,335.00
<b><u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u></b>					
Capital Improvement Fund	35,000.00	35,000.00	35,000.00		
<b>Total Capital Improvements - Excluded from "CAPS"</b>	<b>35,000.00</b>	<b>35,000.00</b>	<b>35,000.00</b>	<b>-</b>	<b>-</b>
<b><u>Municipal Debt Service - Excluded from "CAPS"</u></b>					
Payment of Bond Principal	540,000.00	540,000.00	540,000.00		
Payment of Bond Anticipation Notes and Capital Notes	43,846.00	43,854.00	43,854.00		
Interest on Bonds	159,250.00	159,250.00	159,250.00		
Interest on Notes	44,851.93	44,851.93	44,851.93		
<b>Total Municipal Debt Service - Excluded from "CAPS"</b>	<b>787,947.93</b>	<b>787,955.93</b>	<b>787,955.93</b>	<b>-</b>	<b>-</b>

(Continued)

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2022

	Appropriations		Expended		
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>
<u>DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"</u>					
Emergency Authorization	\$ 89,500.00	\$ 89,500.00	\$ 89,500.00		
Total Deferred Charges - Municipal - Excluded from "CAPS"	89,500.00	89,500.00	89,500.00		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,172,738.83	1,188,867.08	1,181,532.08	-	\$ 7,335.00
Subtotal General Appropriations	4,105,778.83	4,121,899.08	3,957,741.76	\$ 19,168.08	144,989.24
Reserve for Uncollected Taxes	300,000.01	300,000.01	300,000.01	-	-
Total General Appropriations	<u>\$ 4,405,778.84</u>	<u>\$ 4,421,899.09</u>	<u>\$ 4,257,741.77</u>	<u>\$ 19,168.08</u>	<u>\$ 144,989.24</u>
Appropriation by 40A:4-87 Budget		\$ 16,120.25 <u>4,405,778.84</u>			
		<u>\$ 4,421,899.09</u>			
Reserve for Federal and State Grants			\$ 200,101.15		
Deferred Charges - Emergency Authorizations			89,500.00		
Reserve for Uncollected Taxes			300,000.01		
Due Animal Control Fund			1,529.00		
Disbursed			<u>3,666,611.61</u>		
			<u>\$ 4,257,741.77</u>		

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

**TOWNSHIP OF SPRINGFIELD**  
**TRUST FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2022 and 2021

<u>ASSETS</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Animal Control Fund:			
Cash	SB-1	\$ 1,103.70	\$ 6,681.50
Due from Current Fund	SB-4	202.70	
		<u>1,306.40</u>	<u>6,681.50</u>
Other Funds:			
Cash	SB-1	<u>348,577.91</u>	<u>404,831.57</u>
Municipal Open Space Fund:			
Cash	SB-1	601,117.98	713,128.40
Due from Current Fund	SB-14	<u>234,259.74</u>	<u>155,865.01</u>
		<u>835,377.72</u>	<u>868,993.41</u>
		<u>\$ 1,185,262.03</u>	<u>\$ 1,280,506.48</u>

(Continued)

**TOWNSHIP OF SPRINGFIELD**  
**TRUST FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2022 and 2021

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	SB-2	\$ 891.40	\$ 5,355.20
Reserve for Encumbrances - Animal Control Fund	SB-2	415.00	
Due to Current Fund	SB-4		1,326.30
		<u>1,306.40</u>	<u>6,681.50</u>
Other Funds:			
Reserve for Developers' Escrow Fund	SB-5	213,696.01	203,816.74
Reserve for Recreation Commission N.J.S.40:12-8	SB-6	27,383.56	22,851.33
Premiums on Tax Sale	SB-9	37,000.00	48,300.00
Reserve for Law Enforcement Trust Fund	SB-10	5,739.11	5,727.65
Reserve for Outside Employment of Off-Duty Municipal Police Officers	SB-12	5,645.00	6,225.00
Payroll Deductions Payable	SB-11	43,305.78	33,017.42
Reserve for COAH Development Fees	SB-8	15,808.45	84,893.43
		<u>348,577.91</u>	<u>404,831.57</u>
Municipal Open Space Fund:			
Reserve for Encumbrances	SB-13	6,409.87	1,319.60
Reserve for Open Space, Recreation and Farmland Preservation	SB-13	828,967.85	867,673.81
		<u>835,377.72</u>	<u>868,993.41</u>
		<u>\$ 1,185,262.03</u>	<u>\$ 1,280,506.48</u>

The accompanying Notes to Financial Statements are an integral part of these statements.



**TOWNSHIP OF SPRINGFIELD**  
**TRUST--MUNICIPAL OPEN SPACE FUND**  
**Statement of Revenues--Regulatory Basis**  
**For the Year Ended December 31, 2022**

	<u>Anticipated Budget</u>	<u>Budget After Modification</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Amount to be Raised by Taxation	\$ 77,665.00	\$ 77,665.00	\$ 78,394.73	\$ 729.73
Interest Income			1,345.46	1,345.46
Reserve Funds:				
Other Revenue	867,673.81	867,673.81	867,673.81	
	<u>\$ 945,338.81</u>	<u>\$ 945,338.81</u>	<u>\$ 947,414.00</u>	<u>\$ 2,075.19</u>

Analysis of Realized Revenues

Current Year Levy	\$ 77,665.00
Added/Omitted Tax Levy	729.73
Interest Income	1,345.46
Reserve Funds	<u>867,673.81</u>
	<u>\$ 947,414.00</u>

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

**TOWNSHIP OF SPRINGFIELD**  
**TRUST--MUNICIPAL OPEN SPACE FUND**  
**Statement of Expenditures--Regulatory Basis**  
**For the Year Ended December 31, 2022**

	<u>Appropriations</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Original</u> <u>Budget</u>	<u>Budget After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Encumbered</u>	<u>Balance</u> <u>Canceled</u>
Development of Lands for Recreation and Conservation:					
Other Expenses	\$ 102,500.00	\$ 94,000.00	\$ 10,210.00	\$ 414.81	\$ 83,375.19
Maintenance of Lands for Recreation and Conservation:					
Salary & Wages	47,500.00	48,000.00	47,557.20		442.80
Other Expenses	54,000.00	62,000.00	55,588.68	5,995.06	416.26
Acquisition of Farmland	100,000.00	100,000.00			100,000.00
Reserve for Future Use	641,338.81	641,338.81			641,338.81
	<u>\$ 945,338.81</u>	<u>\$ 945,338.81</u>	<u>\$ 113,355.88</u>	<u>\$ 6,409.87</u>	<u>\$ 825,573.06</u>

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

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2022 and 2021

<u>Assets</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Cash	SC-1	\$ 1,826,709.27	\$ 2,085,141.56
Due from Current Fund		176,250.00	176,250.00
DOT Grant Receivable	SC-5	24,098.95	24,098.95
Deferred Charges to Future Taxation--Funded	SC-3	4,685,000.00	5,225,000.00
Deferred Charges to Future Taxation--Unfunded	SC-4	4,384,800.00	3,573,154.00
		<u>\$11,096,858.22</u>	<u>\$ 11,083,644.51</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Bond Anticipation Notes	SC-10	\$ 4,399,800.00	\$ 3,588,154.00
Serial Bonds Payable	SC-11	4,685,000.00	5,225,000.00
Contracts Payable	SC-6	5,849.50	5,849.50
Capital Improvement Fund	SC-8	80,661.00	90,161.00
Reserve for Encumbrances	SC-9	48,705.92	148,087.03
Improvement Authorizations:			
Funded	SC-7	457,408.49	457,408.49
Unfunded	SC-7	1,382,520.96	1,532,072.14
Fund Balance	C-1	36,912.35	36,912.35
		<u>\$11,096,858.22</u>	<u>\$ 11,083,644.51</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
Schedule of General Capital Fund Balance - Regulatory Basis  
As of December 31, 2021 and 2022

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Balance Dec. 31, 2021 and 2022	<u>\$ 36,912.35</u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
Statement of General Fixed Asset Group of Accounts - Regulatory Basis  
For the Year Ended December 31, 2022

	Balance <u>Dec. 31, 2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2022</u>
General Fixed Assets:				
Land and Improvements	\$ 3,970,800.00			\$ 3,970,800.00
Buildings and Improvements	1,107,650.00			1,107,650.00
Machinery & Equipment	622,691.00			622,691.00
Vehicles	1,871,044.00			1,871,044.00
Total General Fixed Assets	<u>\$ 7,572,185.00</u>	-	-	<u>\$ 7,572,185.00</u>
Total Investment in General Fixed Assets	<u>\$ 7,572,185.00</u>			<u>\$ 7,572,185.00</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

**TOWNSHIP OF SPRINGFIELD**  
Notes to Financial Statements  
For the Year Ended December 31, 2022

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**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Financial Reporting Entity** - The Township of Springfield (hereafter referred to as the "Township") was incorporated as a township by an act of the New Jersey legislature on February 21, 1798, as one of New Jersey's initial group of 104 townships. The Township, located in Burlington County, New Jersey, has a total area of approximately thirty square miles, and is located approximately thirty miles from the City of Philadelphia. The Township borders Burlington Township, Chesterfield Township, Eastampton Township, Florence Township, Mansfield Township, North Hanover Township, Pemberton Township and Wrightstown. According to the 2020 census, the population is 3,245.

The Township is governed under the Council-Manager form of government, with a five-member Council. The Council is elected at-large in a partisan vote to four-year terms on a staggered basis, with either two or three seats coming up for election every other year as part of the November general election. At an annual reorganization meeting, the Council selects one of its members to serve as Mayor and another as Deputy Mayor. Legislative and executive power is vested in the Council.

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

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

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

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

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

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

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

**Budgets and Budgetary Accounting** - The Township must adopt an annual budget for its current and municipal open space funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval, and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

**Interfunds** - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. 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.

**Inventories of Supplies** - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

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

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

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

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

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

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

**Fund Balance** - Fund balance included in the current fund represents amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.



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

**Property Tax Revenues** - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Burlington, Township of Springfield School District and the Northern Burlington County Regional School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The municipality is responsible for levying, collecting, and remitting school taxes for the Township of Springfield School District and the Northern Burlington County Regional High School District. For the local school district and regional high school district, operations is charged for the Township's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2021 and decreased by the amount deferred at December 31, 2022.

**County Taxes** - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Burlington. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year, and due to be paid to the County by February 15 of the following year.

**Reserve for Uncollected Taxes** - The inclusion of the "reserve for uncollected taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediately preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal and interest payments on outstanding general capital bonds and notes are provided on the cash basis.

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

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

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

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

**Impact of Recently Issued Accounting Principles****Recently Issued and Adopted Accounting Pronouncements**

The Township implemented the following GASB Statement for the year ended December 31, 2022:

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to measure and disclose a lease liability and a lessor is required to measure and disclose a lease receivable; thereby enhancing the relevance and consistency of information about governments' leasing activities. As a result of the regulatory basis of accounting previously described in note 1, the implementation of this Statement only required financial statement disclosures. There exists no impact on the financial statements of the Township.

Because of the implementation of GASB Statement No. 87, the Township has determined that lease agreements in which they are the lessor are now disclosed in accordance with the Statement (note 5).

**Recently Issued Accounting Pronouncements**

The Governmental Accounting Standards Board (GASB) has issued the following statements that have effective dates that may affect future financial presentations:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The Statement will become effective for the Township's year ending December 31, 2023. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Township, however management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Township.

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the Township in the year ending December 31, 2024. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Township, however management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Township.

**Note 2: CASH AND CASH EQUIVALENTS**

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

As of December 31, 2022, the Township's bank balances of \$5,140,227.82 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 5,096,226.03
Uninsured and Uncollateralized	44,001.79
Total	\$ 5,140,227.82

**Note 3: PROPERTY TAXES**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years:

**Comparative Schedule of Tax Rates**

	Year Ended				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Rate	\$ 2.973	\$ 2.991	\$ 2.983	\$ 2.981	\$ 2.979
Apportionment of Tax Rate:					
Municipal	\$ .729	\$ .699	\$ .672	\$ .654	\$ .605
County	.457	.448	.457	.437	.443
Local School	.878	.935	.890	.882	.920
Regional School	.889	.889	.945	.989	.993
Municipal Open Space	.020	.020	.019	.019	.018

**Note 3: PROPERTY TAXES (CONT'D)**

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

**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2022	\$ 387,454,071.00
2021	387,234,038.00
2020	387,049,638.00
2019	385,732,559.00
2018	386,057,875.00

**Comparison of Tax Levies and Collections**

	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2022	\$ 11,627,537.69	\$ 11,394,303.40	97.99%
2021	11,627,643.10	11,390,691.15	97.96%
2020	11,573,640.11	11,430,747.50	98.77%
2019	11,575,731.84	11,430,075.15	98.74%
2018	11,510,340.19	11,331,376.56	98.45%

**Delinquent Taxes and Tax Title Liens**

	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2022	\$ 218,680.73	\$ 193,200.12	\$ 411,880.85	3.54%
2021	231,954.03	186,996.48	418,950.51	3.60%
2020	222,612.69	108,734.17	331,346.86	2.86%
2019	237,606.39	92,636.60	330,242.99	2.85%
2018	222,730.60	120,458.48	343,189.08	2.98%

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

<u>Year</u>	<u>Number</u>
2022	11
2021	13
2020	15
2019	12
2018	13

**Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

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

<u>Year</u>	<u>Amount</u>
2022	\$ 498,600.00
2021	498,600.00
2020	498,600.00
2019	498,600.00
2018	498,600.00

**Note 5: LEASES RECEIVABLE**

The Township, as lessor, has entered into the following leases which meet the requirements of GASB 87:

**Cell Towers –**

On December 31, 2022, the Township entered into a five-year lease agreement with American Tower for the lease of cell towers with an incremental borrowing rate of 7.00%. The agreement included periodic renewals that extended the agreement through 2067. Based on this agreement, the Township is receiving payments that increase 10% every five (5) years. The payments will range between \$8,000.00 and \$17,148.71 through December 31, 2067.

On April 7, 2008, the Township entered into a five-year lease agreement with Verizon for the lease of cell towers with an incremental borrowing rate of 3.50%. The agreement included periodic renewals that extended the agreement through 2033. Based on this agreement, the Township is receiving payments that increase 3% every year. The payments will range between \$500.00 and \$1,016.40 through April 6, 2023.

On November 1, 1997, the Township entered into a five-year lease agreement with T-Mobile for the lease of cell towers with an incremental borrowing rate of 5.00%. The agreement included periodic renewals that extended the agreement through 2023. Based on this agreement, the Township is receiving payments that increase 5% every five (5) years. The payments will range between \$633.34 and \$982.67 through October 31, 2023.

On November 1, 1996, the Township entered into a five-year lease agreement with Crown Castle for the lease of cell towers with an incremental borrowing rate of 3.50%. The agreement included periodic renewals that extended the agreement through 2038. Based on this agreement, the Township is receiving payments that increase 5% every five (5) years. The payments will range between \$2,157.76 and \$9,981.21 through October 31, 2038.

Under the provisions of GASB 87, as of December 31, 2022, the balance of the lease's receivable is \$2,860,452.72. As a result of the regulatory basis of accounting previously described in note 1, such balance is not recorded on the Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis of the current fund.

**Note 5: LEASES RECEIVABLE (CONT'D)**

The following is a summary of the leases as of December 31, 2022:

<u>Lease Description</u>	<u>Lease Receivable</u>	<u>Lease Revenue</u>	<u>Lease Interest Revenue</u>
Land Lease - Cell Towers	<u>\$ 2,860,452.72</u>	<u>\$ 37,661.52</u>	<u>\$ 44,077.64</u>

Under the provisions of GASB 87, for the year ended December 31, 2022, the Township would have recognized \$38,570.31 in a reduction of lease receivable and \$44,077.64 in interest revenue related to the leases. In addition, \$37,661.52 would have been recognized as both lease revenue and a reduction in deferred inflows of resources related to leases.

As a result of the regulatory basis of accounting previously described in note 1, rental payments collected by the Township are reported as revenue in the current fund.

The following schedule represents the remaining principal and interest payments of these lease agreements:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 33,292.14	\$ 146,998.49	\$ 180,290.63
2024	28,993.80	156,095.49	185,089.29
2025	29,610.71	155,765.32	185,376.03
2026	30,207.31	155,464.13	185,671.44
2027	30,779.38	155,196.23	185,975.61
2028-2032	282,306.98	759,765.59	1,042,072.57
2033-2037	450,822.68	710,292.58	1,161,115.26
2038-2042	76,997.50	661,694.32	738,691.82
2043-2047	46,133.50	656,634.50	702,768.00
2048-2052	149,255.39	623,789.41	773,044.80
2053-2057	303,829.24	546,520.16	850,349.40
2058-2062	532,181.03	403,203.37	935,384.40
2063-2067	866,043.06	162,878.18	1,028,921.24
	<u>\$ 2,860,452.72</u>	<u>\$ 5,294,297.77</u>	<u>\$ 8,154,750.49</u>

**Note 6: FUND BALANCE APPROPRIATED**

The following schedule details the amount of fund balance in the current fund available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2022	\$ 833,907.12	\$ 400,000.00	47.97%
2021	684,895.28	400,000.00	58.40%
2020	780,725.31	507,400.00	64.99%
2019	898,087.45	540,000.00	60.13%
2018	872,343.79	575,000.00	65.91%

**Note 7: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2022:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current		\$ 895,286.07
Federal and State Grant	\$ 484,573.63	
Trust - Municipal Open Space	234,259.74	
Trust - Animal Control	202.70	
General Capital	176,250.00	
	<u>\$ 895,286.07</u>	<u>\$ 895,286.07</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2023, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 8: PENSION PLANS**

In May of 2023, the New Jersey Division of Local Government Services issued Local Finance Notice 2023-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions reporting on GASBS No. 68, *Accounting and Financial Reporting for Pensions*. As of the date of this report, the information for the measurement period ended June 30, 2022 was not available for both plans; therefore, the information from the measurement period June 30, 2021 is disclosed below.

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

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

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

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

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



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

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Vesting and Benefit Provisions**

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

**Tier Definition**

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Police and Firemen's Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

**Tier Definition**

- 1 Members who were enrolled prior to May 22, 2010
- 2 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 3 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2021 was 17.00% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

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

**Public Employees' Retirement System (Cont'd)** - Based on the most recent PERS measurement date of June 30, 2021, the Township's contractually required contribution to the pension plan for the year ended December 31, 2021 is \$32,224.00, and was payable by April 1, 2022. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2020, the Township's contractually required contribution to the pension plan for the year ended December 31, 2020 was \$30,912.00, which was paid on April 1, 2021.

Employee contributions to the Plan for the year ended December 31, 2021 were \$14,245.57.

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

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

The Township's contractually required contribution rate for the year ended December 31, 2021 was 36.73% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2021, the Township's contractually required contribution to the pension plan for the year ended December 31, 2021 was \$243,392.00, and was payable by April 1, 2022. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2020, the Township's contractually required contribution to the pension plan for the year ended December 31, 2020 was \$227,877.00, which was paid on April 1, 2021.

Employee contributions to the Plan for the year ended December 31, 2021 were \$66,258.00.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2021 was 5.63% of the Township's covered payroll.

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

**Police and Firemen's Retirement System (Cont'd)** - Based on the most recent PFRS measurement date of June 30, 2021 the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2021 is \$37,293.00, and was payable by April 1, 2022. For the prior year measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2020 was \$31,475.00, which was paid on April 1, 2021.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period.

For the year ended December 31, 2022, no employees of the Township contributed to the Defined Contribution Retirement Program.

**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions****Public Employees' Retirement System**

**Pension Liability** - As of December 31, 2021, the Township's proportionate share of the PERS net pension liability was \$325,964.00. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. 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. For the June 30, 2021 measurement date, the Township's proportion was 0.0027515629%, which was a decrease of 0.0000741615% from its proportion measured as of June 30, 2020.

**Pension (Benefit) Expense** - For the year ended December 31, 2021, the Township's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2021 measurement date was (\$60,663.00). This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2021, the Township's contribution to PERS was \$30,912.00, and was paid on April 1, 2021.

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

**Pension Liability** - As of December 31, 2021, 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	\$ 1,526,421.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>429,306.00</u>
	<u>\$ 1,955,727.00</u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. 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 and the State of New Jersey, actuarially determined. For the June 30, 2021 measurement date, the Township's proportion was 0.0208836939%, which was an increase of 0.0004860082% from its proportion measured as of June 30, 2020. Likewise, at June 30, 2021, the State of New Jersey's proportion, on-behalf of the Township, was 0.0208834284%, which was an increase of 0.0004857427% from its proportion, on-behalf of the Township, measured as of June 30, 2020.

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

**Pension (Benefit) Expense** - For the year ended December 31, 2021, the Township's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2021 measurement date was (\$86,904.00). This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2021, the Township's contribution to PFRS was \$227,877.00, and was paid on April 1, 2021.

For the year ended December 31, 2021, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Township, calculated by the Plan as of the June 30, 2021 measurement date was \$47,812.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - As of December 31, 2021, the Township had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 5,141.00	\$ 17,415.00	\$ 22,556.00	\$ 2,334.00	\$ 182,849.00	\$ 185,183.00
Changes of Assumptions	1,698.00	8,122.00	9,820.00	116,045.00	457,461.00	573,506.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	85,867.00	650,458.00	736,325.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	27,864.00	261,984.00	289,848.00	88,998.00	-	88,998.00
Township Contributions Subsequent to the Measurement Date	16,112.00	121,696.00	137,808.00	-	-	-
	<u>\$ 50,815.00</u>	<u>\$ 409,217.00</u>	<u>\$ 460,032.00</u>	<u>\$ 293,244.00</u>	<u>\$ 1,290,768.00</u>	<u>\$ 1,584,012.00</u>

Deferred outflows of resources in the amounts of \$16,112.00 and \$121,696.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability during the year ending December 31, 2022. These amounts were based on an estimated April 1, 2023 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2021 to the Township's year end of December 31, 2021.

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

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - The Township will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions over the following number of years:

	PERS		PFRS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
June 30, 2019	5.21	-	-	5.92
June 30, 2020	5.16	-	5.90	-
June 30, 2021	-	5.13	-	6.17
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
June 30, 2019	-	5.21	-	5.92
June 30, 2020	-	5.16	-	5.90
June 30, 2021	5.13	-	6.17	-
Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2017	-	5.00	-	5.00
June 30, 2018	-	5.00	-	5.00
June 30, 2019	-	5.00	-	5.00
June 30, 2020	-	5.00	-	5.00
June 30, 2021	-	5.00	-	5.00
Changes in Proportion				
Year of Pension Plan Deferral:				
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73
June 30, 2019	5.21	5.21	5.92	5.92
June 30, 2020	5.16	5.16	5.90	5.90
June 30, 2021	5.13	5.13	6.17	6.17

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

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

<b>Year Ending Dec 31,</b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>	<b><u>Total</u></b>
2022	\$ (90,781.00)	\$ (321,119.00)	\$ (411,900.00)
2023	(69,996.00)	(226,782.00)	(296,778.00)
2024	(62,219.00)	(191,229.00)	(253,448.00)
2025	(35,146.00)	(240,446.00)	(275,592.00)
2026	(399.00)	(20,234.00)	(20,633.00)
Thereafter	-	(3,437.00)	(3,437.00)
	<u>\$ (258,541.00)</u>	<u>\$ (1,003,247.00)</u>	<u>\$ (1,261,788.00)</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

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

<sup>(1)</sup> based on years of service



**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)****Public Employees' Retirement System**

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-2021.

**Police and Firemen's Retirement System**

Pre-retirement mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

For both PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' and PFRS' target asset allocation as of June 30, 2021 are summarized in the table that follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

**Note 8: PENSION PLANS (CONT'D)**

**Actuarial Assumptions (Cont'd)**

**Discount Rate -**

**Public Employees' Retirement System** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.16% as of the June 30, 2021 measurement date 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 would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

**Police and Firemen's Retirement System** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.16% as of June 30, 2021 measurement date based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Public Employees' Retirement System (PERS)** - The following presents the Township's proportionate share of the net pension liability as of the June 30, 2021 measurement date, calculated using a discount rate of 7.00%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Township's Proportionate Share of the Net Pension Liability	\$ 443,897.00	\$ 325,964.00	\$ 225,881.00

**Note 8: PENSION PLANS (CONT'D)**

**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)**

**Police and Firemen’s Retirement System (PFRS)** - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Township’s annual required contribution. As such, the net pension liability as of the June 30, 2021 measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Township's Proportionate Share of the Net Pension Liability	\$ 2,317,822.00	\$ 1,526,421.00	\$ 867,665.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	651,887.00	429,306.00	244,031.00
	\$ 2,969,709.00	\$ 1,955,727.00	\$ 1,111,696.00

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information**

In accordance with GASBS 68, the following information is also presented for the PERS and PFRS pension plans. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

***Schedule of the Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Nine Plan Years)***

	<u>Measurement Date Ended June 30,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net Pension Liability	0.0027515629%	0.0028257244%	0.0033767674%	0.0031116636%	0.0030882135%
Township's Proportionate Share of the Net Pension Liability	\$ 325,964.00	\$ 460,802.00	\$ 608,442.00	\$ 612,671.00	\$ 718,887.00
Township's Covered Payroll (Plan Measurement Period)	\$ 217,140.00	\$ 204,480.00	\$ 239,960.00	\$ 218,520.00	\$ 213,952.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	150.12%	225.35%	253.56%	280.37%	336.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.60%	48.10%
	<u>Measurement Date Ended June 30,</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Proportion of the Net Pension Liability	0.0030430476%	0.0032222840%	0.0037094293%	0.0038857059%	
Township's Proportionate Share of the Net Pension Liability	\$ 901,263.00	\$ 723,338.00	\$ 694,507.00	\$ 742,636.00	
Township's Covered Payroll (Plan Measurement Period)	\$ 209,336.00	\$ 222,276.00	\$ 256,520.00	\$ 277,568.00	
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	430.53%	325.42%	270.74%	267.55%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%	

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of Contributions - Public Employees' Retirement System (PERS) (Last Nine Years)***

	<u>Year Ended December 31,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Contractually Required Contribution	\$ 32,224.00	\$ 30,912.00	\$ 32,846.00	\$ 30,951.00	\$ 28,609.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(32,224.00)</u>	<u>(30,912.00)</u>	<u>(32,846.00)</u>	<u>(30,951.00)</u>	<u>(28,609.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 189,540.00	\$ 215,685.00	\$ 228,500.00	\$ 239,717.00	\$ 218,722.00
Township's Contributions as a Percentage of Covered Payroll	17.00%	14.33%	14.37%	12.91%	13.08%

  

	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 27,034.00	\$ 27,703.00	\$ 30,580.00	\$ 29,278.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(27,034.00)</u>	<u>(27,703.00)</u>	<u>(30,580.00)</u>	<u>(29,278.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 214,638.00	\$ 209,068.00	\$ 218,933.00	\$ 234,556.00
Township's Contributions as a Percentage of Covered Payroll	12.60%	13.25%	13.97%	12.48%

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Nine Plan Years)***

	<u>Measurement Date Ended June 30,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net Pension Liability	0.0208836939%	0.0203976857%	0.0202078862%	0.0180808553%	0.0179290046%
Township's Proportionate Share of the Net Pension Liability	\$ 1,526,421.00	\$ 2,635,650.00	\$ 2,473,004.00	\$ 2,446,638.00	\$ 2,767,892.00
State's Proportionate Share of the Net Pension Liability associated with the Township	429,306.00	409,041.00	390,492.00	332,335.00	310,027.00
Total	<u>\$ 1,955,727.00</u>	<u>\$ 3,044,691.00</u>	<u>\$ 2,863,496.00</u>	<u>\$ 2,778,973.00</u>	<u>\$ 3,077,919.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 732,080.00	\$ 703,820.00	\$ 684,908.00	\$ 599,840.00	\$ 580,356.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	208.50%	374.48%	361.07%	407.88%	476.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.26%	63.52%	65.00%	62.48%	58.60%
	<u>Measurement Date Ended June 30,</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Proportion of the Net Pension Liability	0.0175847985%	0.0157444630%	0.0150782013%	0.0166130341%	
Township's Proportionate Share of the Net Pension Liability	\$ 3,359,146.00	\$ 2,622,479.00	\$ 1,896,698.00	\$ 2,208,553.00	
State's Proportionate Share of the Net Pension Liability associated with the Township	282,085.00	229,983.00	204,242.00	205,864.00	
Total	<u>\$ 3,641,231.00</u>	<u>\$ 2,852,462.00</u>	<u>\$ 2,100,940.00</u>	<u>\$ 2,414,417.00</u>	
Township's Covered Payroll (Plan Measurement Period)	\$ 562,052.00	\$ 498,600.00	\$ 476,240.00	\$ 521,372.00	
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	597.66%	525.97%	398.27%	423.60%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	56.31%	62.41%	58.70%	

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

	<u>Year Ended December 31,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Contractually Required Contribution	\$ 243,392.00	\$ 227,877.00	\$ 204,122.00	\$ 176,767.00	\$ 158,675.00
Township's Contribution in Relation to the Contractually Required Contribution	(243,392.00)	(227,877.00)	(204,122.00)	(176,767.00)	(158,675.00)
Township's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Township's Covered Payroll (Calendar Year)	\$ 662,580.00	\$ 711,303.00	\$ 706,897.00	\$ 683,709.00	\$ 609,568.00
Township's Contributions as a Percentage of Covered Payroll	36.73%	32.04%	28.88%	25.85%	26.03%
	<u>Year Ended December 31,</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	
Township's Contractually Required Contribution	\$ 143,376.00	\$ 127,979.00	\$ 115,811.00	\$ 121,205.00	
Township's Contribution in Relation to the Contractually Required Contribution	(143,376.00)	(127,979.00)	(115,811.00)	(121,205.00)	
Township's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	
Township's Covered Payroll (Calendar Year)	\$ 585,175.00	\$ 564,572.00	\$ 522,529.00	\$ 507,083.00	
Township's Contributions as a Percentage of Covered Payroll	24.50%	22.67%	22.16%	23.90%	

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)***Changes in Benefit Terms

The June 30, 2021 measurement date included one change to the plan provisions. Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the defined contribution retirement program (DCRP) and regular part of PERS into the WCJ Part of PERS.

Changes in Assumptions

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	5.00%
2020	7.00%	2016	3.98%
2019	6.28%	2015	4.90%
2018	5.66%	2014	5.39%

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	7.00%
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%

The mortality assumption was updated upon direction from the Division of Pensions and Benefits.

***Police and Firemen's Retirement System (PFRS)***Changes in Benefit Terms

None

Changes in Assumptions

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	6.14%
2020	7.00%	2016	5.55%
2019	6.85%	2015	5.79%
2018	6.51%	2014	6.32%



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

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	7.00%
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%

The mortality assumption was updated upon direction from the Division of Pensions and Benefits.

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

In May of 2023, the New Jersey Division of Local Government Services issued Local Finance Notice 2023-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASBS No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. As of the date of this report, the information for the measurement period ended June 30, 2022 was not available; therefore, the information from the measurement period June 30, 2021 is disclosed below.

**General Information about the State Health Benefit Local Government Retired Employees Plan**

**Plan Description and Benefits Provided** - The Township contributes to the State Health Benefits Local Government Retired Employees Plan (the "Plan"), which 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* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the "State"), Division of Pensions and Benefits' (the "Division") annual financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating 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 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****General Information about the State Health Benefit Local Government Retired Employees Plan (Cont'd)**

**Contributions** - The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members.

The Township was billed monthly by the Plan and paid \$96,985.68 for the year ended December 31, 2021, representing 11.38% of the Township's covered payroll. During the year ended December 31, 2021, retirees were not required to contribute to the Plan.

**OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

**OPEB Liability** - At December 31, 2021, the Township's proportionate share of the net OPEB liability was \$3,581,236.00.

The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021.

The Township's proportion of the net OPEB liability was based on the ratio of the Plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2020 through June 30, 2021. For the June 30, 2021 measurement date, the Township's proportion was 0.019896%, which was a decrease of 0.000258% from its proportion measured as of the June 30, 2020 measurement date.

**OPEB (Benefit) Expense** - At December 31, 2021, the Township's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2021 measurement date, is (\$49,599.00). This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2021, the Township made contributions to the Plan totaling \$96,985.68.

**Deferred Outflows of Resources and Deferred Inflows of Resources** - At December 31, 2021, the Township had deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 80,359.00	\$ 749,248.00
Changes of Assumptions	515,172.00	633,026.00
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	1,712.00	-
Changes in Proportion	258,940.00	523,520.00
Contributions Subsequent to the Measurement Date	48,492.84	-
	<u>\$ 904,675.84</u>	<u>\$ 1,905,794.00</u>

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - Deferred outflows of resources in the amount of \$48,492.84 will be included as a reduction of the Township's net OPEB liability during the year ending December 31, 2022. The Township will amortize the above other deferred outflows of resources and deferred inflows of resources related to the OPEB liability over the following number of years:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience		
June 30, 2018	-	8.14
June 30, 2019	-	8.05
June 30, 2020	7.87	-
June 30, 2021	-	7.82
Changes of Assumptions		
Year of OPEB Plan Deferral:		
June 30, 2017	-	8.04
June 30, 2018	-	8.14
June 30, 2019	-	8.05
June 30, 2020	7.87	-
June 30, 2021	7.82	-
Net Difference between Projected and Actual Investment Earnings on OPEB Plan Investments		
Year of OPEB Plan Deferral:		
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
Changes in Proportion		
Year of OPEB Plan Deferral:		
June 30, 2017	8.04	8.04
June 30, 2018	8.14	8.14
June 30, 2019	8.05	8.05
June 30, 2020	7.87	7.87
June 30, 2021	7.82	7.82

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

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

<b>Year Ending Dec. 31,</b>	
2022	\$ (302,629.00)
2023	(302,910.00)
2024	(303,167.00)
2025	(160,015.00)
2026	(35,511.00)
Thereafter	<u>54,621.00</u>
	<u>\$ (1,049,611.00)</u>

**Actuarial Assumptions**

The actuarial assumptions vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021, used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases *	
PERS:	
Initial Fiscal Year Applied:	
Rate through 2026	2.00% to 6.00%
Rate Thereafter	3.00% to 7.00%
PFRS:	
Rate for all Future Years	3.25% to 15.25%

\* salary increases are based on years of service within the respective Plan

PERS mortality rates were based on Pub-2010 General classification headcount weighted mortality with fully generational morality improvement projections from the central year using Scale MP-2021.

PFRS mortality rates were based on Pub-2010 Safety classification headcount weighted mortality with fully generational morality improvement projections from the central year using Scale MP-2021.

Actuarial assumptions used in the 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 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Actuarial Assumptions (Cont'd)**

All of the Plan's investments are in the State of New Jersey Cash Management Fund (the "CMF"). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, *Certain Investments and External Investment Pools*. The CMF invests in U.S. government and agency obligations, commercial paper, corporate obligations and certificates of deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) are the unit cost of value of \$1.00. Participant shares are valued on a fair value basis. The CMF pay interest to participants on a monthly basis.

**Discount Rate** - The discount rate used to measure the OPEB liability at June 30, 2021 was 2.16%. 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.

**Health Care Trend Assumptions** - The health care trend assumptions used is as follows:

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual Rate of Increase</u>			
	<u>Medical Trend</u>			<u>Prescription</u>
	<u>Pre-65</u>	<u>PPO Post-65</u>	<u>HMP Post-65</u>	<u>Drug</u> <u>Trend</u>
2021	5.65%	13.08%	13.76%	6.75%
2022	5.55%	3.34%	3.22%	6.50%
2023	5.45%	0.52%	0.17%	6.25%
2024	5.35%	7.56%	7.79%	6.00%
2025	5.20%	14.43%	15.23%	5.50%
2026	5.00%	12.55%	13.19%	5.00%
2027	4.75%	8.95%	9.29%	4.75%
2028	4.50%	5.92%	6.04%	4.50%
2029	4.50%	5.38%	5.46%	4.50%
2030	4.50%	4.86%	4.89%	4.50%
2031	4.50%	4.55%	4.56%	4.50%
2032 and Later	4.50%	4.50%	4.50%	4.50%

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The net OPEB liability, calculated using a discount rate of 2.16%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used, is as follows:

	<b>1%</b> <b>Decrease</b> <b>(1.16%)</b>	<b>Current</b> <b>Discount Rate</b> <b>(2.16%)</b>	<b>1%</b> <b>Increase</b> <b>(3.16%)</b>
Township's Proportionate Share of the Net OPEB Liability	\$ 4,214,428.00	\$ 3,581,236.00	\$ 3,079,418.00

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The net OPEB liability, using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	<u>1%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1%</u> <u>Increase</u>
Township's Proportionate Share of the Net OPEB Liability	\$ 2,987,957.00	\$ 3,581,236.00	\$ 4,355,392.00

**OPEB Plan Fiduciary Net Position**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB (benefit) expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Supplementary OPEB Information**

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

**Schedule of the Township's Proportionate Share of the Net OPEB Liability (Last Five Plan Years)**

	<u>Measurement Date Ended June 30,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net OPEB Liability	0.019896%	0.020154%	0.018778%	0.020277%	0.020016%
Township's Proportionate Share of the Net OPEB Liability	\$ 3,581,236.00	\$ 3,616,960.00	\$ 2,543,681.00	\$ 3,176,720.00	\$ 4,086,424.00
Township's Covered Payroll (Plan Measurement Period)	\$ 885,738.00	\$ 958,384.00	\$ 920,485.00	\$ 878,129.00	\$ 812,112.00
Township's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	404.32%	377.40%	276.34%	361.76%	503.18%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.28%	0.91%	1.98%	1.97%	1.03%

**Schedule of the Township's Contributions (Last Five Years)**

	<u>Year Ended December 31,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Required Contributions	\$ 96,985.68	\$ 63,462.84	\$ 125,643.84	\$ 107,960.04	\$ 109,047.12
Township's Contributions in Relation to the Required Contribution	(96,985.68)	(63,462.84)	(125,643.84)	(107,960.04)	(109,047.12)
Township's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Township's Covered Payroll (Calendar Year)	\$ 852,120.00	\$ 926,986.00	\$ 935,397.00	\$ 923,426.00	\$ 828,290.00
Township's Contributions as a Percentage of Covered Payroll	11.38%	6.85%	13.43%	11.69%	13.17%

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Other Notes to Supplementary OPEB Information**

**Changes in Benefit Terms** - The actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021, included changes due to employers adopting and /or changing Chapter 48 provisions.

**Changes in Assumptions** - The discount rate used as of the June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%
2019	3.50%		

The expected investment rate of return is based on guidance provided by the State. These expected rates of return are the same as the discount rates listed above.

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included changes in the trend and updated mortality improvement assumptions.

In October 2021, the Society of Actuaries (SOA) released an updated set of life expectancy mortality improvement assumptions, Scale MP-2021. The MP-2021 scale reflects more recent mortality data for the U.S. population.

**Note 10: COMPENSATED ABSENCES**

Full-time employees upon retirement or removal from employment shall be eligible for payment of all unused vacation time. In addition, upon retirement, an employee shall be eligible for payment of accrued sick leave up to a maximum of \$12,000.00.

The Police Department personnel contract entitles employees up to one hundred forty-four (144) hours of sick leave per year. This time will be accumulative and is to be carried over into the following year(s). Upon separation, employees are entitled to a payment of accrued sick leave up to a maximum of \$12,000.00. Vacation days are earned by years of experience and may be accumulated for two years. Failure to use accumulated vacation time within said two year period shall constitute an abandonment of this vacation time. Upon separation, employees are entitled to compensation for unused vacation time of up to two years of accumulated days in an amount not to exceed \$15,000.00.

Both sick and vacation days are computed at the rate of hourly pay earned by the employee at the time of separation.

It is estimated that, at December 31, 2022, accrued benefits for compensated absences are valued at \$201,432.09.



**Note 11: CAPITAL DEBT**

**General Improvement Bonds**

General Improvement Refunding Bonds, Series 2013 - On November 13, 2013, the Township issued \$2,745,000.00 in general improvement refunding bonds, with interest rates ranging from 2.0% to 3.0%, to advance refund the outstanding callable principal amount of the originally issued \$3,148,000.00 General Improvement Bonds, Series 2004 with an interest rates ranging from of 4.100% to 4.375%. The final maturity of the bonds is August 15, 2024.

General Improvement Bonds, Series 2014 - On January 9, 2014, the Township issued \$2,588,000.00 of general improvement bonds, with interest rates ranging from 3.00% to 4.00%. The bonds were issued for the purpose of funding various capital projects in the Township. The final maturity of the bonds is January 15, 2034.

General Improvement Bonds, Series 2016 - On November 10, 2016, the Township issued \$2,760,000.00 in general improvement bonds, with interest rates ranging from 1.00% to 3.00%. The bonds were issued for the purpose of funding various capital projects in the Township. The final maturity of the bonds is March 15, 2034.

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 555,000.00	\$ 144,050.00	\$ 699,050.00
2024	570,000.00	127,800.00	697,800.00
2025	350,000.00	110,400.00	460,400.00
2026	350,000.00	101,500.00	451,500.00
2027	350,000.00	91,350.00	441,350.00
2028-2032	1,790,000.00	278,450.00	2,068,450.00
2033-2034	720,000.00	24,800.00	744,800.00
	<u>\$ 4,685,000.00</u>	<u>\$ 878,350.00</u>	<u>\$ 5,563,350.00</u>

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b><u>Issued</u></b>			
General:			
Bonds, Loans and Notes	\$ 9,084,800.00	\$ 8,813,154.00	\$ 7,465,000.00
Total Issued	<u>9,084,800.00</u>	<u>8,813,154.00</u>	<u>7,465,000.00</u>
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds, Loans and Notes	220,000.00	220,000.00	1,000,000.00
Total Authorized but not Issued	<u>220,000.00</u>	<u>220,000.00</u>	<u>1,000,000.00</u>
Total Issued and Authorized but not Issued	<u>9,304,800.00</u>	<u>9,033,154.00</u>	<u>8,465,000.00</u>
<b><u>Deductions</u></b>			
General:			
Cash Pledged to Payment of Bond Anticipation Notes	235,000.00	235,000.00	235,000.00
Total Deductions	<u>235,000.00</u>	<u>235,000.00</u>	<u>235,000.00</u>
<b>Net Debt</b>	<u>\$ 9,069,800.00</u>	<u>\$ 8,798,154.00</u>	<u>\$ 8,230,000.00</u>

**Note 11: CAPITAL DEBT (CONT'D)**

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 1.887%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 9,818,485.18	\$ 9,818,485.18	
General	9,304,800.00	235,000.00	\$ 9,069,800.00
	<u>\$ 19,123,285.18</u>	<u>\$ 10,053,485.18</u>	<u>\$ 9,069,800.00</u>

Net debt \$9,069,800.00 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$480,586,013.67, equals 1.887%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 16,820,510.48
Less: Net Debt	<u>9,069,800.00</u>
Remaining Borrowing Power	<u>\$ 7,750,710.48</u>

**Note 12: SCHOOL TAXES**

Northern Burlington Regional High School tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the current fund liabilities as follows:

	<u>Balance December 31,</u>	
	<u>2022</u>	<u>2021</u>
Balance of Tax	\$ 108,692.59	
Deferred	<u>1,719,087.76</u>	<u>\$ 1,719,087.76</u>
	<u>\$ 1,827,780.35</u>	<u>\$ 1,719,087.76</u>

Township of Springfield School District tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the current fund liabilities as follows:

	<u>Balance December 31,</u>	
	<u>2022</u>	<u>2021</u>
Deferred	<u>\$ 1,557,566.48</u>	<u>\$ 1,808,437.48</u>

**Note 13: RISK MANAGEMENT**

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

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

Workers' Compensation and Employer's Liability  
Casualty and Crime Coverage  
Environmental Liability  
Property – Blanket Building and Grounds  
Public Official's Liability  
General and Automobile Liability

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

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

Burlington County Municipal Joint Insurance Fund  
6000 Sagemore Drive  
Suite 6203  
P.O. Box 489  
Marlton, New Jersey 08053

**Note 14: OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST**

Pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Township authorized the establishment of the Township of Springfield Open Space, Recreation and Farmland Preservation Trust Fund, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a trust fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Township of Springfield Open Space, Recreation and Farmland Preservation Trust Funds.

**Note 15: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Township expects such amount, if any, to be immaterial.

**Note 16: CONCENTRATIONS**

The Township depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Township is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

**Note 17: SUBSEQUENT EVENTS**

**COVID-19** - On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Township’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Township is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for calendar year 2023.

**SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Current Cash -- Treasurer  
For the Year Ended December 31, 2022

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance Dec. 31, 2021	\$ 2,008,083.39	
Increased by Receipts:		
Collector	\$ 11,617,704.75	
Revenue Accounts Receivable	1,051,830.43	
Due State of New Jersey - (Ch. 73, P.L. 1976)	32,500.00	
Due State of New Jersey--		
Marriage License Fees (R.S. 37:1-12)	500.00	
Miscellaneous Revenue not Anticipated	86,107.41	
Interest on Investments and Deposits	8,498.29	
Reserve for Brick Pavers	60.00	
Reserve for Municipal Relief Fund	22,253.47	
Due from Federal and State Grant Fund	43,539.96	
Federal and State Grant Fund:		
Matching Funds for Grants		\$ 142,877.00
Receivable		257,300.53
	12,862,994.31	\$ 400,177.53
	14,871,077.70	400,177.53
Decreased by Disbursements:		
2022 Budget Appropriations	3,666,611.61	
2021 Appropriation Reserves	112,935.74	
Refund of Tax Overpayments	5,797.29	
County Taxes	1,770,198.39	
Due County for Added and Omitted Taxes	6,811.61	
Local School Taxes	3,654,006.00	
Regional School Taxes	3,333,407.41	
Due State of New Jersey--Marriage License Fees	500.00	
Matching Funds for Grants	142,877.00	
Federal and State Grant Fund:		
Due Current Fund		43,539.96
Due Current Fund:		
Anticipated as Revenue in Current Fund Budget (ARP)		170,452.74
Appropriated Reserve		186,184.83
	12,693,145.05	400,177.53
Balance Dec. 31, 2022	\$ 2,177,932.65	-

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Current Cash--Collector  
For the Year Ended December 31, 2022

Balance Dec. 31, 2021		\$ 159,469.54
Received:		
Taxes Receivable	\$ 11,332,023.27	
2023 Prepaid Taxes	228,477.22	
Tax Overpayments	8,610.91	
Tax Title Liens	26,400.54	
Interest and Costs on Taxes	61,949.24	
		11,657,461.18
		11,816,930.72
Decreased by:		
Payments to Treasurer		11,617,704.75
Balance Dec. 31, 2022		\$ 199,225.97



**TOWNSHIP OF SPRINGFIELD**  
CURRENT FUND  
Schedule of Change Funds  
As of December 31, 2022

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<u>Office</u>	<u>Dec. 31, 2022</u>
Collector	<u>\$ 200.00</u>

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
 Statement of Taxes Receivable and Analysis of Property Tax Levy  
 For the Year Ended December 31, 2022

Year	Balance Dec. 31, 2021	2022 Levy	Added Taxes	2021	Collected 2022	Due from State of New Jersey	Transferred to Tax Title Liens	Cancelled	Balance Dec. 31, 2022
2021	\$ 186,996.48		\$ 250.00		\$ 187,245.17			\$ 1.31	
	186,996.48		250.00		187,245.17			1.31	
2022		\$ 11,627,537.69		\$ 217,025.30	11,144,778.10	\$ 32,500.00	\$ 13,127.24	26,906.93	\$ 193,200.12
	\$ 186,996.48	\$ 11,627,537.69	\$ 250.00	\$ 217,025.30	\$ 11,332,023.27	\$ 32,500.00	\$ 13,127.24	\$ 26,908.24	\$ 193,200.12

Analysis of 2022 Property Tax Levy

Tax Yield

General Purpose Tax	\$ 11,519,009.53
Added/Omitted Taxes (54:4-63.1 et seq.)	<u>108,528.16</u>
	<u>\$ 11,627,537.69</u>

Tax Levy

Local School Tax	\$ 3,403,135.00
Regional School Tax	3,442,100.00
County Taxes:	
County Tax	\$ 1,517,556.09
County Library Tax	134,968.57
County Open Space Fund Tax	117,673.73
Due County for Added/Omitted Taxes (54:4-63.1 et seq.)	<u>16,646.50</u>
Total County Taxes	1,786,844.89
Municipal Open Space Tax	78,394.73
Local Tax for Municipal Purposes	2,825,215.20
Add: Additional Tax Levied	<u>91,847.87</u>
Local Tax for Municipal Purposes Levied	<u>2,995,457.80</u>
	<u>\$ 11,627,537.69</u>

**TOWNSHIP OF SPRINGFIELD**  
CURRENT FUND  
Statement of Tax Title Liens  
For the Year Ended December 31, 2022

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Balance Dec. 31, 2021	\$ 231,954.03
Increased by:	
Transfers from Taxes Receivable	<u>13,127.24</u>
	245,081.27
Decreased by:	
Receipts	<u>26,400.54</u>
Balance Dec. 31, 2022	<u><u>\$ 218,680.73</u></u>

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2022

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Accrued</u> <u>in 2022</u>	<u>Collection</u> <u>Treasurer</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Clerk -- Registrar of Vital Statistics:				
Licenses:				
Alcoholic Beverage		\$ 3,866.00	\$ 3,866.00	
Other		1,606.00	1,606.00	
Construction Code Official:				
Fees and Permits		95,078.00	95,078.00	
Ground Lease		257,233.94	257,233.94	
PILOT Payments		48,895.00	48,895.00	
American Rescue Plan - Police		170,452.74	170,452.74	
Energy Receipts Tax		426,607.00	426,607.00	
Shared Services Agreement - Municipal Court Services	\$ 2,650.54	48,658.94	48,091.75	\$ 3,217.73
	<u>\$ 2,650.54</u>	<u>\$ 1,052,397.62</u>	<u>\$ 1,051,830.43</u>	<u>\$ 3,217.73</u>

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Due To State of New Jersey Senior Citizens' and  
Veterans' Deductions Ch. 73, P.L. 1976  
For the Year Ended December 31, 2022

Balance Dec. 31, 2021		\$ 1,574.00
Increased by:		
Collections		32,500.00
		34,074.00
Decreased by:		
Accrued in 2022:		
Senior Citizens' Deductions per Billings	\$ 2,500.00	
Veterans' Deductions per Billings	30,000.00	
	32,500.00	
Less: Deductions Disallowed by		
Tax Collector--Prior Year Taxes	250.00	
Subtotal - 2022 Taxes		32,250.00
Balance Dec. 31, 2022		\$ 1,824.00

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of 2021 Appropriation Reserves  
For the Year Ended December 31, 2022

	Balance		Balance After	Paid or	Balance
	December 31, 2021				
	<u>Encumbered</u>	<u>Reserved</u>			
<b>OPERATIONS--WITHIN "CAPS"</b>					
<u>General Government</u>					
Administrative Executive:					
Other Expenses	\$ 2,478.18	\$ 5,495.50	\$ 7,973.68	\$ 7,582.27	\$ 391.41
Council/Manager					
Salaries and Wages		10.16	10.16		10.16
Other Expenses	923.59	2,413.32	3,336.91	923.59	2,413.32
Elections (Municipal Clerk)					
Salaries and Wages		147.40	147.40		147.40
Other Expenses	2,609.35	895.46	3,504.81	2,609.35	895.46
Financial Administration					
Salaries and Wages		0.02	0.02		0.02
Annual Audit		1,771.50	1,771.50		1,771.50
Other Expenses	777.98	2,793.94	3,571.92	840.74	2,731.18
Assessment of Taxes					
Salaries and Wages		399.96	399.96		399.96
Other Expenses	460.25	0.30	460.55	460.25	0.30
Collection of Taxes					
Other Expenses		2,731.95	31.95		31.95
Legal Services and Costs					
Other Expenses		6,996.01	6,996.01	5,836.81	1,159.20
Engineering Services and Costs					
Other Expenses	645.00	938.50	1,583.50	645.00	938.50
<u>Land Use Administration</u>					
Planning Board					
Salaries and Wages		1,450.18	1,450.18		1,450.18
Other Expenses	1,740.25	8,103.85	7,444.10	2,188.25	5,255.85
Zoning Board of Adjustment:					
Salaries and Wages		820.62	820.62		820.62
Other Expenses	906.76	4,739.81	5,646.57	1,679.76	3,966.81
<u>Uniform Construction Code Enforcement Functions:</u>					
Construction Official:					
Salaries and Wages		11,356.60	356.60		356.60
Other Expenses	2,500.00	1,965.00	4,465.00	2,500.00	1,965.00
<u>Insurance</u>					
General Liability		735.00	735.00		735.00
Employee Group Health	891.00	647.78	1,538.78	891.00	647.78
Unemployment Compensation Insurance		1,191.98	1,191.98		1,191.98
<u>Public Safety Functions</u>					
Police					
Salaries and Wages		1,204.04	20,304.04	20,289.40	14.64
Other Expenses	8,447.93	2,949.31	11,397.24	8,746.70	2,650.54
Vehicle Lease & Equipment		320.54	320.54		320.54
Office of Emergency Management:					
Other Expenses		1,330.00	1,330.00		1,330.00
Aid to Volunteer Fire Companies:					
Juliestown	6,250.00		6,250.00	6,250.00	
First Aid Organization Contributions					
Ambulance Services	16,675.00		16,675.00	16,675.00	

(Continued)

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of 2021 Appropriation Reserves  
For the Year Ended December 31, 2022

	Balance		Balance After	Paid or	Balance
	December 31, 2021				
	<u>Encumbered</u>	<u>Reserved</u>	<u>Transfers</u>	<u>Charged</u>	<u>Lapsed</u>
<b>OPERATIONS--WITHIN "CAPS" (CONT'D)</b>					
<u>Streets &amp; Roads</u>					
Road Repairs and Maintenance					
Other Expenses	\$ 1,332.00	\$ 10,563.79	\$ 11,895.79	\$ 1,332.00	\$ 10,563.79
<u>Sanitation</u>					
Garbage & Trash - Contractual (PL 1987 Chap. 74)					
Garbage & Trash Removal - Contractual		0.08	5,560.08		5,560.08
Public Buildings and Grounds					
Other Expenses	2,090.20	7,470.52	9,560.72	4,740.20	4,820.52
Recycling					
Other Expenses		80.00	80.00		80.00
Vehicle Maintenance					
Other Expenses	2,426.47	10,051.01	3,917.48	3,316.43	601.05
<u>Health and Welfare</u>					
Board of Health					
Other Expenses		200.00	200.00		200.00
Animal Control		2,000.00	2,000.00		2,000.00
<u>Utility Expenses and Bulk Purchases</u>					
Electricity	1,407.24	2,407.03	3,814.27	2,454.70	1,359.57
Street Lighting	7,830.77	4,252.61	12,083.38	12,083.38	
Telephone	890.58	635.28	1,525.86	890.58	635.28
Telecommunications	296.70	9.80	306.50	296.70	9.80
Natural Gas	170.21	1,173.68	1,343.89	349.73	994.16
Gasoline	2,446.41	511.11	2,957.52	2,446.41	511.11
Landfill / Solid Waste Disposal Costs	11,323.74	443.91	11,767.65	11,323.74	443.91
<u>Unclassified:</u>					
County Share of PILOT					
Other Expenses		0.25	0.25		0.25
<b>Total Operations--Within "CAPS"</b>	<b>75,519.61</b>	<b>101,207.80</b>	<b>176,727.41</b>	<b>117,351.99</b>	<b>59,375.42</b>
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		13,606.00	13,606.00		13,606.00
Defined Contribution Retirement Plan		1,600.00	1,600.00		1,600.00
<b>Total Deferred Charges and Statutory Expenditures</b>					
Municipal--Within "CAPS"	-	15,206.00	15,206.00	-	15,206.00
<b>Total General Appropriations for Municipal Purposes Within "CAPS"</b>	<b>75,519.61</b>	<b>116,413.80</b>	<b>191,933.41</b>	<b>117,351.99</b>	<b>74,581.42</b>
	<b>\$ 75,519.61</b>	<b>\$ 116,413.80</b>	<b>\$ 191,933.41</b>	<b>\$ 117,351.99</b>	<b>\$ 74,581.42</b>
Accounts Payable				\$ 4,416.25	
Disbursed				112,935.74	
				<u>\$ 117,351.99</u>	

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Reserve for Encumbrances  
For the Year Ended December 31, 2022

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Balance Dec. 31, 2021 Current Fund	\$ 75,519.61
Increased by - Transfers from: 2022 Budget Appropriations	19,168.08
	94,687.69
Decreased by - Transfers to: 2021 Appropriation Reserves	75,519.61
Balance Dec. 31, 2022	\$ 19,168.08
<u>Analysis of Balance Dec. 31, 2022</u> Current Fund	\$ 19,168.08



**TOWNSHIP OF SPRINGFIELD**  
CURRENT FUND  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021 (2022 Taxes)	\$ 217,025.30
Increased by:	
Collections--2023 Taxes	<u>228,477.22</u>
	445,502.52
Decreased by:	
Application to 2022 Taxes Receivable	<u>217,025.30</u>
Balance Dec. 31, 2022 (2023 Taxes)	<u><u>\$ 228,477.22</u></u>

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Tax Overpayments  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 66,223.84
Increased by:	
Overpayments in 2022	8,610.91
	74,834.75
Decreased by:	
Refunds	5,797.29
Balance Dec. 31, 2022	\$ 69,037.46

## Exhibit SA-12

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Accounts Payable  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 3,960.78
Increased by:	
Charges to 2021 Appropriation Reserves	4,416.25
Balance Dec. 31, 2022	\$ 8,377.03

## Exhibit SA-13

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Schedule of Reserve for Penalties - Uniform Fire Code  
As of December 31, 2022 and 2021

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Balance Dec. 31, 2021 and 2022	\$ 2,000.00
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**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Reserve for Purchase of Brick Pavers  
For the Year Ended December 31, 2022

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Balance Dec. 31, 2021	\$ 450.00
Increased by:	
Receipts	60.00
Balance Dec. 31, 2022	\$ 510.00

Exhibit SA-15

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Reserve for Repairs to Annex Building  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 283,040.19
Decreased by:	
Cancelled	\$ 283,040.19

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of County Taxes Payable  
For the Year Ended December 31, 2022

---

2022 Tax Levy:		
County Tax	\$ 1,517,556.09	
County Library Tax	134,968.57	
County Open Space Fund Tax	<u>117,673.73</u>	
		<u>\$ 1,770,198.39</u>
Decreased by:		
Payments		<u><u>\$ 1,770,198.39</u></u>

**Exhibit SA-17**

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Due County for Added Taxes  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021		\$ 6,811.61
Increased by County Share of 2022 Levy: Added Taxes (R.S.54:4-63.1 et seq.)		<u>16,646.50</u>
		23,458.11
Decreased by:		
Payments		<u>6,811.61</u>
Balance Dec. 31, 2022		<u><u>\$ 16,646.50</u></u>

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Regional School Tax  
For the Year Ended December 31, 2022

<hr/>		
Balance Dec. 31, 2021:		
School Tax Deferred	\$	1,719,087.76
Increased by:		
Levy--School Year July 1, 2022 to June 30, 2023		3,442,100.00
		5,161,187.76
Decreased by:		
Payments		3,333,407.41
Balance Dec. 31, 2022:		
School Tax Payable	\$	108,692.59
School Tax Deferred		1,719,087.76
		\$ 1,827,780.35
2022 Liability for Regional School Tax:		
Tax Paid	\$	3,333,407.41
Add: Tax Payable Dec. 31, 2022		108,692.59
Amount Charged to 2022 Operations	\$	3,442,100.00

**TOWNSHIP OF SPRINGFIELD**  
**CURRENT FUND**  
Statement of Local District School Tax  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021:	
School Tax Deferred	\$ 1,808,437.48
Increased by:	
Levy--School Year July 1, 2022 to June 30, 2023	3,403,135.00
	5,211,572.48
Decreased by:	
Payments	3,654,006.00
Balance Dec. 31, 2022:	
School Tax Deferred	\$ 1,557,566.48
2022 Liability for Local School Tax:	
Tax Paid	\$ 3,654,006.00
Amount Charged to 2022 Operations	\$ 3,654,006.00

**TOWNSHIP OF SPRINGFIELD**  
FEDERAL AND STATE GRANT FUND  
Statement of Due Current Fund  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 441,033.67
Increased by:	
Receipts	<u>43,539.96</u>
Balance Dec. 31, 2022	<u><u>\$ 484,573.63</u></u>

**TOWNSHIP OF SPRINGFIELD**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal, State and Other Grants Receivable  
For the Year Ended December 31, 2022

<u>Program</u>	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Federal Grants:				
American Rescue Plan	-	\$ 170,452.74	\$ 170,452.74	-
State Grants:				
Clean Communities Grant		12,324.00	12,324.00	
Body Armor Replacement Fund		1,990.33	1,990.33	
Body Cameras Grant		28,532.00	28,532.00	
Recycling Tonnage Grant		26,704.46	26,704.46	
Safe & Secure Communities	\$ 11,875.33	13,500.00	13,500.00	\$ 11,875.33
Total State Grants Receivable	11,875.33	83,050.79	83,050.79	11,875.33
Other Grants:				
Burlington Historical Preservation Program		4,746.25	3,797.00	949.25
Total All Grants Receivable	\$ 11,875.33	\$ 258,249.78	\$ 257,300.53	\$ 12,824.58



**TOWNSHIP OF SPRINGFIELD**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal, State and Other Grants -- Unappropriated  
For the Year Ended December 31, 2022

<u>Program</u>	<u>Balance Dec. 31, 2021</u>	<u>Grants Receivable</u>	<u>Realized as Miscellaneous Revenue in 2022 Budget</u>	<u>Balance Dec. 31, 2022</u>
Federal Grants:				
American Rescue Plan	\$ 170,452.74	\$ 170,452.74	\$ 170,452.74	\$ 170,452.74
State Grants:				
Recycling Tonnage Grant		26,704.46	26,704.46	
Clean Communities		12,324.00	12,324.00	
Body Armor Replacement Fund		1,990.33	899.44	1,090.89
Safe & Secure Communities		13,500.00	13,500.00	
Body Cameras Grant		28,532.00		28,532.00
Total State Grants	-	83,050.79	53,427.90	29,622.89
Other Grants:				
Burlington Historical Preservation Program		4,746.25	3,796.25	950.00
Total All Grants	\$ 170,452.74	\$ 258,249.78	\$ 227,676.89	\$ 201,025.63

**TOWNSHIP OF SPRINGFIELD**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal, State and Other Grants -- Appropriated  
For the Year Ended December 31, 2022

<u>Program</u>	<u>Balance Dec. 31, 2021</u>	<u>Transfer from 2022 Budget Appropriation</u>	<u>Disbursed</u>	<u>Balance Dec. 31, 2022</u>
Federal Grants:				
Cops Fast Grant - Match	\$ 669.00			\$ 669.00
Cops Fast Grant	10,249.66			10,249.66
Total Reserve for Federal Grants	10,918.66	-	-	10,918.66
State Grants:				
Clean Communities Program		\$ 12,324.00	\$ 12,324.00	
Drunk Driving Enforcement	21,735.78		740.81	20,994.97
Body Armor Grant		899.44		899.44
Safe & Secure Communities:				
State Share	0.02	13,500.00	13,499.98	0.04
Safe & Secure Communities:				
Local Share	47,291.80	142,877.00	130,068.58	60,100.22
D.O.T. Grant - 2015	196,000.00			196,000.00
Community Municipal Park Development	1,960.00			1,960.00
Recycling Grant		26,704.46	26,704.46	
Tree Planting Grant	4,550.00			4,550.00
Total Reserve for State Grants	271,537.60	196,304.90	183,337.83	284,504.67
Other Grants:				
Burlington Historical Partnership Program		3,796.25	2,847.00	949.25
Total Reserve for Federal and State Grants	\$ 282,456.26	\$ 200,101.15	\$ 186,184.83	\$ 296,372.58
Matching Funds for Grants \$ 142,877.00				
2022 Budget Appropriations <u>57,224.15</u>				
<u>\$ 200,101.15</u>				

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**TOWNSHIP OF SPRINGFIELD**  
**TRUST-OTHER FUNDS**  
Statement of Trust Cash--Treasurer  
For the Year Ended December 31, 2022

	<u>Animal Control</u>	<u>Open Space</u>	<u>Other</u>
Balance Dec. 31, 2021	\$ 6,681.50	\$ 713,128.40	\$ 404,831.57
Increased by Receipts:			
Dog License Fees	\$ 2,129.20		
State Registration Fees	358.80		
Reserve for Municipal Open Space:			
Interest Earnings		\$ 1,345.46	
Reserve for Developers' Escrow Fund			\$ 44,909.92
Reserve for Recreation Commission N.J.S.40:12-8			30,586.10
Deposits for Redemption of Tax Sale Certificates			8,060.67
Reserve for Law Enforcement Trust Fund			11.46
Reserve for Outside Employment of Off-Duty Municipal Police Officers			45,975.00
Net Payroll			845,724.00
Payroll Deductions Payable			819,818.34
Reserve for COAH Development Fees			10,673.68
	2,488.00	1,345.46	1,805,759.17
	9,169.50	714,473.86	2,210,590.74

(Continued)

**TOWNSHIP OF SPRINGFIELD**  
**TRUST-OTHER FUNDS**  
Statement of Trust Cash--Treasurer  
For the Year Ended December 31, 2022

	<u>Animal Control</u>	<u>Open Space</u>	<u>Other</u>
Balance Brought Forward	\$ 9,169.50	\$ 714,473.86	\$ 2,210,590.74
Decreased by Disbursements:			
Expenditures Under R.S.4:19-15.11	\$ 6,178.00		
State Registration Fees	358.80		
Due Current Fund - Animal Control Fund	1,529.00		
Reserve for Municipal Open Space		\$ 113,355.88	
Reserve for Developers' Escrow Fund			\$ 35,030.65
Reserve for Recreation Commission N.J.S.40:12-8			26,053.87
Deposits for Redemption of Tax Sale Certificates			8,060.67
Premiums on Tax Sale			11,300.00
Reserve for Outside Employment of Off-Duty Municipal Police Officers			46,555.00
Net Payroll			845,724.00
Payroll Deductions Payable			809,529.98
Reserve for COAH Development Fees			79,758.66
	8,065.80	113,355.88	1,862,012.83
Balance Dec. 31, 2022	\$ 1,103.70	\$ 601,117.98	\$ 348,577.91

**TOWNSHIP OF SPRINGFIELD**  
**ANIMAL CONTROL FUND**  
 Statement of Reserve for Animal Control Expenditures  
 For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021		\$	5,355.20
Increased by:			
Dog License Fees			2,129.20
			7,484.40
Decreased by:			
Encumbrances	\$	415.00	
Expenditures Under R.S.4:19-15.1--Cash		6,178.00	
			6,593.00
Balance Dec. 31, 2022		\$	891.40

License Fees Collected

Year	Amount
2020	\$ 2,528.40
2021	2,459.00
	\$ 4,987.40

**TOWNSHIP OF SPRINGFIELD**  
**ANIMAL CONTROL FUND**  
 Statement of Due to State of New Jersey  
 Dog Registration Fees  
 For the Year Ended December 31, 2022

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Increased by:			
Receipts		\$	358.80
Decreased by:			
Disbursements		\$	358.80

**TOWNSHIP OF SPRINGFIELD**  
**ANIMAL CONTROL FUND**  
 Statement of Due to/from Current Fund  
 For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021 (Due to)		\$	1,326.30
Increased by:			
Disbursements - On behalf of the Current Fund			1,529.00
Balance Dec. 31, 2022 (Due from)		\$	202.70

**TOWNSHIP OF SPRINGFIELD**  
**TRUST--OTHER FUNDS**  
Statement of Reserve for Developers' Escrow Fund  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 203,816.74
Increased by:	
Deposits	44,909.92
	248,726.66
Decreased by:	
Professional Fees and Refunds of Deposits	35,030.65
Balance Dec. 31, 2022	\$ 213,696.01

Exhibit SB-6

**TOWNSHIP OF SPRINGFIELD**  
**TRUST--OTHER FUNDS**  
Statement of Reserve for Recreation Commission N.J.S.40:12-8  
For the Year Ended December 31, 2022

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Balance Dec. 31, 2021	\$ 22,851.33
Increased by:	
Recreation Activities and Fees	30,586.10
	53,437.43
Decreased by:	
Payments for Recreational Activities	26,053.87
Balance Dec. 31, 2022	\$ 27,383.56

**TOWNSHIP OF SPRINGFIELD**  
**TRUST--OTHER FUNDS**  
Statement of Deposits for Redemption of Tax Sale Certificates  
For the Year Ended December 31, 2022

---

Increased by:		
Receipts	\$	8,060.67
Decreased by:		
Disbursements	\$	<u>8,060.67</u>

Exhibit SB-8

**TOWNSHIP OF SPRINGFIELD**  
**TRUST--OTHER FUNDS**  
Statement of Reserve for COAH Development Fees  
For the Year Ended December 31, 2022

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Balance Dec. 31, 2021	\$	84,893.43
Increased by:		
Receipts		<u>10,673.68</u>
		95,567.11
Decreased by:		
Disbursements		<u>79,758.66</u>
Balance Dec. 31, 2022	\$	<u>15,808.45</u>

Exhibit SB-9

**TOWNSHIP OF SPRINGFIELD**  
**TRUST--OTHER FUNDS**  
Statement of Premiums on Tax Sale  
For the Year Ended December 31, 2022

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Balance Dec. 31, 2021	\$	48,300.00
Decreased by:		
Refunded		<u>11,300.00</u>
Balance Dec. 31, 2022	\$	<u>37,000.00</u>



**TOWNSHIP OF SPRINGFIELD**  
**TRUST--OTHER FUNDS**  
Statement of Reserve for Law Enforcement Trust Fund  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$	5,727.65
Increased by:		
Receipts		11.46
Balance Dec. 31, 2022	\$	5,739.11

Exhibit SB-11

**TOWNSHIP OF SPRINGFIELD**  
**TRUST--OTHER FUNDS**  
Statement of Payroll Deductions Payable  
For the Year Ended December 31, 2022

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Balance Dec. 31, 2021	\$	33,017.42
Increased by:		
Receipts		819,818.34
		852,835.76
Decreased by:		
Disbursements		809,529.98
Balance Dec. 31, 2022	\$	43,305.78

Exhibit SB-12

**TOWNSHIP OF SPRINGFIELD**  
**TRUST--OTHER FUNDS**  
Statement of Reserve for Outside Employment of Off-Duty Municipal Police Officers  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$	6,225.00
Increased by:		
Receipts		45,975.00
		52,200.00
Decreased by:		
Disbursements		46,555.00
Balance Dec. 31, 2022	\$	5,645.00

**TOWNSHIP OF SPRINGFIELD**  
**TRUST--MUNICIPAL OPEN SPACE FUND**  
Statement of Reserve for Open Space, Recreation and Farmland Preservation  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021		\$ 867,673.81
Increased by:		
Receipts:		
Due Current Fund - Tax Levy	\$ 77,665.00	
Receipts - Interest Earnings	1,345.46	
Prior Year Encumbrances	<u>1,319.60</u>	
	\$ 80,330.06	
Due Current Fund - Added/Omitted Tax Levy	<u>729.73</u>	<u>81,059.79</u>
		948,733.60
Decreased by:		
Reserve for Encumbrances	6,409.87	
Disbursements	<u>113,355.88</u>	<u>119,765.75</u>
Balance Dec. 31, 2022		<u><u>\$ 828,967.85</u></u>

Exhibit SB-14

**TOWNSHIP OF SPRINGFIELD**  
**TRUST--MUNICIPAL OPEN SPACE FUND**  
Statement of Due from Current Fund  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021		\$ 155,865.01
Increased by:		
Statement of Reserve for Open Space, Recreation and Farmland Preservation:		
Tax Levy	\$ 77,665.00	
Added/Omitted Tax Levy	<u>729.73</u>	<u>78,394.73</u>
Balance Dec. 31, 2022		<u><u>\$ 234,259.74</u></u>

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash -- Treasurer  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021		\$ 2,085,141.56
Increased by Receipts:		
Bond Anticipation Notes	\$ 855,500.00	
2022 Budget Appropriations:		
Capital Improvement Fund	<u>35,000.00</u>	
		<u>890,500.00</u>
		2,975,641.56
Decreased by Disbursements:		
Improvement Authorizations		<u>1,148,932.29</u>
Balance Dec. 31, 2022		<u><u>\$ 1,826,709.27</u></u>

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For the Year Ended December 31, 2022

	Balance (Deficit) <u>Dec. 31, 2021</u>	Receipts		Disbursements			Balance (Deficit) <u>Dec. 31, 2022</u>		
		Budget Appropriations	Bond Anticipation Notes	Bond Anticipation Notes	Improvement Authorizations	Transfer			
						In		Out	
Fund Balance	\$ 36,912.35						\$ 36,912.35		
Capital Improvement Fund	90,161.00	\$ 35,000.00				\$ 44,500.00	80,661.00		
Due Current Fund	(176,250.00)						(176,250.00)		
DOT Grant Receivable	(24,098.95)						(24,098.95)		
Contracts Payable	5,849.50						5,849.50		
Reserve for Encumbrances	148,087.03					\$ 48,705.92	48,705.92		
Cash Pledged to Payment of Bond Anticipation Notes	235,000.00					148,087.03	235,000.00		
Improvement Authorizations:									
<u>Ordinance Number</u>		<u>Improvement Description</u>							
2003-12		Apartment & Rehabilitation Grants	19,995.80				19,995.80		
2004-05		Rehabilitation of Substandard Housing Units	57,916.75				57,916.75		
2003-08; 2005-09		Various Capital Improvements	116.30				116.30		
2010-01		Reconstruct Columbus-Jobstown Road	(50,000.00)				(50,000.00)		
2013-02; 2015-06									
2015-07		Various Capital Improvements	379,379.64				379,379.64		
2017-09		Road and Drainage Improvements	135,237.52	\$ 1,622,300.00	\$ 1,622,300.00	\$ 61,052.09	53,273.17	127,458.60	
2019-05; 2021-02		Various Capital Improvements	1,226,834.62			1,027,926.62	94,813.86	46,919.92	246,801.94
2022-04		Various Capital Improvements		855,500.00		59,953.58	44,500.00	1,786.00	838,260.42
	<u>\$ 2,085,141.56</u>	<u>\$ 35,000.00</u>	<u>\$ 2,477,800.00</u>	<u>\$ 1,622,300.00</u>	<u>\$ 1,148,932.29</u>	<u>\$ 241,292.95</u>	<u>\$ 241,292.95</u>	<u>\$ 1,826,709.27</u>	

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation -- Funded  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 5,225,000.00
Decreased by:	
2022 Budget Appropriation to Pay:	
Current Fund Budget:	
Serial Bonds	<u>540,000.00</u>
Balance Dec. 31, 2022	<u><u>\$ 4,685,000.00</u></u>

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
 Statement of Deferred Charges to Future Taxation -- Unfunded  
 For the Year Ended December 31, 2022

		<u>Analysis of Balance Dec. 31, 2022</u>					
<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2021</u>	<u>2022 Authorizations</u>	<u>Notes Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2022</u>	<u>Financed by Bond Anticipation Notes</u>	<u>Unexpended Improvement Authorizations</u>
						<u>Expenditures</u>	
2010-01	Columbus-Jobstown Road	\$ 50,000.00			\$ 50,000.00	\$ 50,000.00	
2017-09	Road and Drainage Improvements	1,431,154.00		\$ 43,854.00	1,387,300.00	\$ 1,387,300.00	
2019-05; 2021-02	Various Capital Improvements	2,092,000.00			2,092,000.00	1,922,000.00	\$ 170,000.00
2022-04	Various Capital Improvements		\$ 855,500.00		855,500.00	855,500.00	
		<u>\$ 3,573,154.00</u>	<u>\$ 855,500.00</u>	<u>\$ 43,854.00</u>	<u>\$ 4,384,800.00</u>	<u>\$ 4,164,800.00</u>	<u>\$ 170,000.00</u>
Bond Anticipation Notes (Exh. SC-10)						\$ 4,399,800.00	
Less: Excess Cash Pledged to the Payment of Bond Anticipation Notes						<u>(235,000.00)</u>	
						<u>\$ 4,164,800.00</u>	
Improvement Authorizations - Unfunded							\$ 1,382,520.96
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:							
	Ordinance 2017-09					\$ 127,458.60	
	Ordinance 2019-05; 2021-02					246,801.94	
	Ordinance 2022-04					<u>838,260.42</u>	
							<u>1,212,520.96</u>
							<u>\$ 170,000.00</u>

**TOWNSHIP OF SPRINGFIELD**  
GENERAL CAPITAL FUND  
Schedule of DOT Grant Receivable  
As of December 31, 2021 and 2022

---

Balance Dec. 31, 2021 and 2022 \$ 24,098.95

**TOWNSHIP OF SPRINGFIELD**  
GENERAL CAPITAL FUND  
Schedule of Contracts Payable  
As of December 31, 2021 and 2022

---

Balance Dec. 31, 2021 and 2022 \$ 5,849.50



**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
 Statement of Improvement Authorizations  
 For the Year Ended December 31, 2022

Improvement Description	Ordinance Number	Date	Amount	Balance Dec. 31, 2021		2022 Authorizations		Transfer from Reserve for Encumbrances	Paid or Charged	Balance Dec. 31, 2022	
				Funded	Unfunded	Capital Improvement Fund	Charges to Future Taxation Unfunded			Funded	Unfunded
Various Capital Improvements	2003-08; 2005-09	4/9/2003	\$ 75,000.00	\$ 116.30						\$ 116.30	
Apartment & Rehabilitation Grants	2003-12	8/13/2003	100,000.00	19,995.80						19,995.80	
Rehabilitation of Substandard Housing Units	2004-05	2/21/2004	1,000,000.00	57,916.75						57,916.75	
Various Capital Improvements	2013-02; 2015-06; 2015-07	4/10/2013	4,800,000.00	379,379.64						379,379.64	
Road and Drainage Improvements	2017-09	12/13/2017	1,800,000.00		\$ 135,237.52			\$ 53,273.17	\$ 61,052.09		\$ 127,458.60
Various Capital Improvements; Road and Drainage Improvements	2019-05; 2021-02	6/12/2019; 2/10/2021	2,200,000.00		1,396,834.62			94,813.86	1,074,846.54		416,801.94
Various Capital Improvements;	2022-04	6/8/2022	900,000.00			\$ 44,500.00	\$ 855,500.00		61,739.58		838,260.42
				<u>\$ 457,408.49</u>	<u>\$ 1,532,072.14</u>	<u>\$ 44,500.00</u>	<u>\$ 855,500.00</u>	<u>\$ 148,087.03</u>	<u>\$ 1,197,638.21</u>	<u>\$ 457,408.49</u>	<u>\$ 1,382,520.96</u>
									Disbursed Encumbered	\$ 1,148,932.29	
										<u>48,705.92</u>	
										<u>\$ 1,197,638.21</u>	

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 90,161.00
Increased by:	
2022 Budget Appropriation	<u>35,000.00</u>
	125,161.00
Decreased by:	
Appropriation to Finance Improvement Authorizations	<u>44,500.00</u>
Balance Dec. 31, 2022	<u><u>\$ 80,661.00</u></u>

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
Statement of Reserve for Encumbrances  
For the Year Ended December 31, 2022

---

Balance Dec. 31, 2021	\$ 148,087.03
Increased by:	
Charges to Improvement Authorizations	<u>48,705.92</u>
	196,792.95
Decreased by:	
Transferred to Improvement Authorizations	<u>148,087.03</u>
Balance Dec. 31, 2022	<u><u>\$ 48,705.92</u></u>

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
 Statement of Bond Anticipation Notes  
 For the Year Ended December 31, 2022

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Original Amount of Issue</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Increased</u>	<u>Deceased</u>	<u>Balance Dec. 31, 2022</u>
General Improvements:										
2017-09	Road and Drainage Improvements	\$ 1,710,000.00	12/13/2018	12/8/2021 12/8/2022	12/8/2022 9/7/2023	1.250% 4.250%	\$ 1,666,154.00	\$ 1,622,300.00	\$ 1,666,154.00	\$ 1,622,300.00
2019-05	Various Capital Improvements	950,000.00	2/10/2021	12/8/2021 12/8/2022	12/8/2022 9/7/2023	1.250% 4.250%	780,000.00	780,000.00	780,000.00	780,000.00
2021-02	Road and Drainage Improvements	1,142,000.00	2/10/2021	12/8/2021 12/8/2022	12/8/2022 9/7/2023	1.250% 4.250%	1,142,000.00	1,142,000.00	1,142,000.00	1,142,000.00
2022-04	Various Capital Improvements	855,500.00	10/13/2022	10/13/2022	10/12/2023	3.160%		855,500.00		855,500.00
							<u>\$ 3,588,154.00</u>	<u>\$ 4,399,800.00</u>	<u>\$ 3,588,154.00</u>	<u>\$ 4,399,800.00</u>
									\$ 43,854.00	
								\$ 3,544,300.00	3,544,300.00	
								855,500.00		
								<u>\$ 4,399,800.00</u>	<u>\$ 3,588,154.00</u>	

Paid by Budget Appropriation  
 Renewals  
 Issued for Cash

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
 Statement of General Serial Bonds  
 For the Year Ended December 31, 2022

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2021	Decreased	Balance Dec. 31, 2022						
			Outstanding Dec. 31, 2022 Date	Amount										
Series 2013 Refunding	11/13/2013	\$ 2,745,000.00	08/15/23	\$ 355,000.00	3.000%	\$ 1,025,000.00	\$ 340,000.00	\$ 685,000.00						
			08/15/24	330,000.00	3.000%									
General Improvement Bonds	1/9/2014	2,588,000.00	01/15/23	100,000.00	3.000%	1,940,000.00	100,000.00	1,840,000.00						
			01/15/24	140,000.00	3.000%									
			01/15/25	160,000.00	3.125%									
			01/15/26	160,000.00	3.250%									
			01/15/27	160,000.00	3.500%									
			01/15/28	160,000.00	3.500%									
			01/15/29	160,000.00	4.000%									
			01/15/30	160,000.00	4.000%									
			01/15/31	160,000.00	4.000%									
			01/15/32	160,000.00	4.000%									
			01/15/33	160,000.00	4.000%									
			01/15/34	160,000.00	4.000%									
			General Improvement Bonds	3/10/2016	2,760,000.00				03/15/23	100,000.00	2.000%	2,260,000.00	100,000.00	2,160,000.00
									03/15/24	100,000.00	2.000%			
03/15/25	190,000.00	2.000%												
03/15/26	190,000.00	2.000%												
03/15/27	190,000.00	3.000%												
03/15/28	190,000.00	3.000%												
03/15/29	200,000.00	3.000%												
03/15/30	200,000.00	3.000%												
03/15/31	200,000.00	3.000%												
03/15/32	200,000.00	3.000%												
03/15/33	200,000.00	3.000%												
03/15/34	200,000.00	3.000%												
<u>2,260,000.00</u>						<u>100,000.00</u>	<u>2,160,000.00</u>							
<u>\$ 5,225,000.00</u>						<u>\$ 540,000.00</u>	<u>\$ 4,685,000.00</u>							
Paid by Budget Appropriation - Current Fund							<u>\$ 540,000.00</u>							

**TOWNSHIP OF SPRINGFIELD**  
**GENERAL CAPITAL FUND**  
Statement of Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2022

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2021</u>	<u>2022 Authorizations</u>	<u>Notes Issued</u>	<u>Balance Dec. 31, 2022</u>
General Improvements:					
2010-01	Reconstruct Columbus-Jobstown Road	\$ 50,000.00			\$ 50,000.00
2019-05; 2021-02	Various Capital Improvements	170,000.00			170,000.00
2022-04	Various Capital Improvements		\$ 855,500.00	\$ 855,500.00	
		<u>\$ 220,000.00</u>	<u>\$ 855,500.00</u>	<u>\$ 855,500.00</u>	<u>\$ 220,000.00</u>

**PART II**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**TOWNSHIP OF SPRINGFIELD**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2022

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***Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

None.



**TOWNSHIP OF SPRINGFIELD**  
Summary Schedule of Prior Year Audit Findings  
and Recommendations as Prepared by Management

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This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**FINANCIAL STATEMENT FINDINGS**

None.

**FEDERAL AWARDS**

Not applicable.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

Not applicable.

**TOWNSHIP OF SPRINGFIELD**  
 Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Anthony Marinello	Mayor	(B)
David Frank	Deputy Mayor	(B)
Andrew Eaton	Councilman	(B)
Denis McDaniel	Councilman	(B)
Peter Sobotka	Councilman	(B)
J. Paul Keller	Township Manager	(B)
Yolaika Gonzalez	Chief Financial Officer / Treasurer	(A)
Patricia Clayton	Municipal Clerk (1/1/2022 - 10/1/2022)	(B)
Brandy Boyington	Acting Municipal Clerk (10/4/2022 - 12/31/2022)	(B)
Melissa Chesla	Tax Collector / Tax Search Officer	(A)
Hon. R. Douglas Hoffman	Judge	(B)
Suzanne Morales	Municipal Court Administrator	(B)
Harry Case	Construction Official / Building Inspector	(B)
Eric Trout	Police Chief	(B)
Bernard J. Dunn, Jr.	Zoning Officer	(B)
George Morris	Solicitor	
Christopher J. Noll	Engineer	
Richard Buscemi	Tax Assessor	

(A) Statutory Position Bond - Burlington County Joint Insurance Pool \$50,000.00. Amounts in excess of \$50,000.00 covered by Municipal Excess Liability Joint Insurance Fund to \$950,000.00

(B) Public Officials Bond - Burlington County Joint Insurance Pool \$50,000.00. Amounts in excess of \$50,000.00 covered by Municipal Excess Liability Joint Insurance Fund to \$950,000.00

All of the bonds were examined and were properly executed.

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**APPRECIATION**

I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

A handwritten signature in black ink, reading "Michael D. Cesaro". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

