

**CITY OF MILLVILLE**  
**COUNTY OF CUMBERLAND**  
**REPORT OF AUDIT**

**FOR THE YEAR ENDED**  
**DECEMBER 31, 2020**

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**CITY OF MILLVILLE**  
**PART I**  
**REPORT OF AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**



## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the City Board of Commissioners  
City of Millville  
Millville, New Jersey 08332

### **Report on the Financial Statements**

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the City of Millville, in the County of Cumberland, State of New Jersey, as of December 31, 2020 and 2019, 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, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

**Opinions**

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

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

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

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

In our opinion, because of the significance of the matter discussed in the “*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City of Millville, in the County of Cumberland, State of New Jersey, as of December 31, 2020 and 2019, or the results of its operations and changes in fund balance for the years then ended.

*Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the City of Millville, in the County of Cumberland, State of New Jersey, as of December 31, 2020 and 2019, 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, 2020, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

**Other Matters**

*Other Information*

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

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

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**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2021 on our consideration of the City of Millville, in the County of Cumberland, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Millville'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 City of Millville'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  
September 17, 2021

**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 City Board of Commissioners  
City of Millville  
Millville, New Jersey 08332

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the City of Millville, in the County of Cumberland, State of New Jersey, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated September 17, 2021. That report indicated that the City of Millville's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Millville'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 City of Millville's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Millville's internal control.

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Millville'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  
September 17, 2021

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis**  
**As of December 31, 2020 and 2019**

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<b>Regular Fund:</b>			
Cash	SA-1	\$ 16,515,942.90	\$ 16,226,001.44
Change Funds	SA-2	2,200.00	2,200.00
Due from State of New Jersey:			
Veterans' and Senior Citizens' Deductions	SA-3	41,164.53	122,354.09
		<u>16,559,307.43</u>	<u>16,350,555.53</u>
<b>Receivables and Other Assets with Full Reserves:</b>			
Protested Checks Receivable	SA-4	1,775.00	5,049.79
Due from Bank		2,314.17	2,314.17
Delinquent Taxes Receivable	SA-5	679,045.55	893,777.16
Tax Title Liens Receivable	SA-6	351,552.13	200,870.99
Penalty Surcharge Receivable	SA-7	11,395.20	1,752.43
Property Maintenance Assessments Receivable	SA-8	244,271.06	210,495.56
Property Acquired for Taxes--Assessed Valuation	SA-9	4,732,230.00	5,219,030.00
Revenue Accounts Receivable	SA-10	12,392.73	22,567.47
Due Animal Control Fund	SB-3	15.29	12.78
Due Trust Other Fund	SB-2	3,159.72	3,626.29
Due Water Utility Operating Fund	SD-15		449.93
Due Sewer Operating Fund	SE-15	1,025.10	
		<u>6,039,175.95</u>	<u>6,559,946.57</u>
<b>Deferred Charges:</b>			
Emergency Authorizations	A-3		45,000.00
		<u>22,598,483.38</u>	<u>22,955,502.10</u>
<b>Federal and State Grant Fund:</b>			
Cash	SA-1	889,693.41	1,337,391.16
Federal and State Grants Receivable	SA-22	3,220,136.78	2,107,041.76
		<u>4,109,830.19</u>	<u>3,444,432.92</u>
<b>Total Federal and State Grant Fund</b>		<u>\$ 26,708,313.57</u>	<u>\$ 26,399,935.02</u>

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis**  
**As of December 31, 2020 and 2019**

<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>	Ref.	<u>2020</u>	<u>2019</u>
<b>Regular Fund:</b>			
<b>Liabilities:</b>			
Appropriation Reserves	A-3	\$ 2,655,741.61	\$ 3,397,287.87
Reserve for Encumbrances	A-3	505,458.42	377,592.61
Accounts Payable	SA-12	26,510.20	107,100.06
Tax Overpayments	SA-14	4,238.46	2,011.41
Prepaid Taxes	SA-15	453,435.97	436,564.83
Due County for Added Taxes	SA-17	30,831.13	31,473.25
Local District School Taxes Payable	SA-16	3,581,451.14	3,374,817.14
Due State of New Jersey--Marriage License Fees	SA-13	177.00	282.00
Due State of New Jersey--Burial Fees	SA-1	20.00	20.00
Due to Water Operating Fund	SD-15	38.64	-
Due Sewer Operating Fund	SE-16	-	550.66
Reserve for Tax Appeals	SA-19	2,724,335.92	2,724,335.92
Reserve for Insurance Proceeds	SA-20	319,566.49	272,000.12
Reserve for Proceeds from Sale of Municipal Assets	SA-21	127,790.00	127,790.00
		<u>10,429,594.98</u>	<u>10,851,825.87</u>
Reserves for Receivables		6,039,175.95	6,559,946.57
Fund Balance	A-1	<u>6,129,712.45</u>	<u>5,543,729.66</u>
<b>Total Regular Fund</b>		<u>22,598,483.38</u>	<u>22,955,502.10</u>
<b>Federal and State Grant Fund:</b>			
Reserve for Encumbrances	SA-23	97,780.76	223,687.68
Accounts Payable		5,386.65	5,386.65
<b>Reserve for State and Federal Grants:</b>			
Appropriated	SA-23	4,006,662.78	3,141,422.16
Unappropriated	SA-24	-	73,936.43
<b>Total Federal and State Grant Fund</b>		<u>4,109,830.19</u>	<u>3,444,432.92</u>
		<u>\$ 26,708,313.57</u>	<u>\$ 26,399,935.02</u>

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

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statements of Operations and Changes in Fund Balance -- Regulatory Basis**  
**For the Years Ended December 31, 2020 and 2019**

<u>Revenue and Other Income Realized</u>	<u>2020</u>	<u>2019</u>
Fund Balance Utilized	\$ 4,192,596.00	\$ 4,881,695.00
Miscellaneous Revenues Anticipated	10,186,329.61	10,694,657.40
Receipts from Delinquent Taxes	890,672.67	773,060.66
Receipts from Current Taxes	51,492,197.00	49,073,656.08
Non-Budget Revenue	489,616.67	284,912.56
Other Credits to Income:		
Cancellation of Accounts Payable	106,000.06	67,966.39
Reserve Liquidated:		
Unexpended Balance of Appropriation Reserves	2,904,349.97	2,149,197.81
Protested Checks		110.00
Interfund Loans Returned:		
Trust Other Fund	466.57	133.34
Water Utility Operating Fund	449.93	
<b>Total Income</b>	<b>70,262,678.48</b>	<b>67,925,389.24</b>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	12,487,592.00	12,359,182.00
Other Expenses	11,609,790.00	12,137,647.00
Deferred Charges and Statutory Expenditures Within "CAPS"	2,959,861.00	2,884,817.00
Operations--Excluded from "CAPS":		
Salaries and Wages	90,000.00	90,000.00
Other Expenses	2,234,275.19	1,649,322.40
Capital Improvements--Excluded from "CAPS"	50,000.00	50,000.00
Municipal Debt Service--Excluded from "CAPS"	3,223,211.73	3,271,899.23
Deferred Charges--Excluded from "CAPS"	45,000.00	200,000.00
County Taxes	19,497,217.19	18,400,448.54
Due County for Added and Omitted Taxes	30,831.13	31,473.25
Local District School Tax	13,167,781.00	12,661,327.00
Prior Year Senior Citizen and Veteran Deduction Disallowed	8,260.27	6,250.00
Cancellation Senior/Veteran Receivable	79,252.57	
Interfund Loans Made:		
Animal Control Fund	2.51	1.06
Sewer Utility Operating Fund	1,025.10	
Water Utility Operating Fund		362.66
<b>Total Expenditures</b>	<b>65,484,099.69</b>	<b>63,742,730.14</b>
<b>Excess in Revenue</b>	<b>4,778,578.79</b>	<b>4,182,659.10</b>
Adjustments to Income Before Fund Balance:		
Expenditures included above which are by Statute		
Deferred Charges to Budget of Succeeding Year		45,000.00
<b>Statutory Excess to Fund Balance</b>	<b>4,778,578.79</b>	<b>4,227,659.10</b>
Fund Balance		
Balance January 1	5,543,729.66	6,197,765.56
	10,322,308.45	10,425,424.66
Decreased by:		
Utilized as Anticipated Revenue	4,192,596.00	4,881,695.00
<b>Balance December 31</b>	<b>\$ 6,129,712.45</b>	<b>\$ 5,543,729.66</b>

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

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statement of Revenues -- Regulatory Basis**  
**For the Year Ended December 31, 2020**

	<u>Budget</u>	<u>Special N.J.S. 40:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	\$ 4,192,596.00		\$ 4,192,596.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	14,500.00		14,730.00	\$ 230.00
Other	11,000.00		3,537.00	(7,463.00)
Fees and Permits	713,000.00		875,069.55	162,069.55
Fines and Costs:				
Municipal Court	371,000.00		236,379.71	(134,620.29)
Interest and Costs on Taxes	114,000.00		147,051.06	33,051.06
Interest on Investments and Deposits	220,000.00		318,683.46	98,683.46
Manufactured Homes Annual Service Fee	239,000.00		239,553.08	553.08
Cable T.V. Franchise Fee	86,000.00		85,925.62	(74.38)
Rent--Millville Library	176,680.00		176,680.00	
Consolidated Municipal Property Tax Relief Aid (N.J.S.A. 52:27D-118.35)	92,903.00		92,903.00	
Energy Receipts Tax	4,126,970.00		4,126,970.00	
Emergency Medical Services	400,000.00		181,842.74	(218,157.26)
Open Space PILOT (Reserve for Garden State Preservation Trust)	29,852.00		29,852.00	
Uniform Construction Code Fees	450,000.00		430,940.60	(19,059.40)
Public and Private Revenues Offset with Appropriations:				
Local Freight Impact Fund - Wade & Orange		\$ 450,000.00	450,000.00	
N.J. Department of Transportation:				
FY20 - 5th St Rd Construction	415,540.00		415,540.00	
Safe Streets to Transit Program	210,000.00		210,000.00	
Clean Communities		60,948.05	60,948.05	
Drive Sober or Get Pulled Over		7,200.00	7,200.00	
Safe & Secure Communities Program		90,000.00	90,000.00	
Municipal Alliance Program		11,164.00	11,164.00	
Recycling Tonnage Grant	63,769.23		63,769.23	
Body Armor Fund	6,627.22		6,627.22	
Bulletproof Vest Partnership		12,764.49	12,764.49	
Edward Bryne Justice Assistance Grant Program		39,899.00	39,899.00	
Municipal Pub. Access Plan Dev. And Coastal Hazards Assessment		9,947.50	9,947.50	
Alcohol Education & Rehabilitation		219.70	219.70	
New Jersey Urban Enterprise Zone COVID-19		25,000.00	25,000.00	
BJA Coronavirus Supplemental Funding	67,516.00		67,516.00	
Additional Revenues Offset with Appropriations:				
Millville Board of Education - Gasoline	16,000.00		4,826.52	(11,173.48)
Shared Services Agreement - Tax Assessor	32,000.00		32,000.00	
Other Special Items:				
Utility Operating Surplus of Prior Years:				
Water Utility	201,586.00		201,586.00	
Sewer Utility	385,290.00		385,290.00	
Uniform Fire Safety Act	120,000.00		120,704.76	704.76
Payments in Lieu of Taxes--Abatements	375,000.00		439,331.14	64,331.14
Hotel Motel Tax	132,000.00		98,917.92	(33,082.08)
Payment in Lieu of Taxes--Housing Authority	75,670.00		81,830.19	6,160.19
Payment in Lieu of Taxes--Senior Center	13,300.00		34,130.07	20,830.07
Reserve for Payment of Debt	107,000.00		107,000.00	
General Capital Fund Balance	250,000.00		250,000.00	
Total Miscellaneous Revenues	<u>9,516,203.45</u>	<u>707,142.74</u>	<u>10,186,329.61</u>	<u>(37,016.58)</u>
Receipts from Delinquent Taxes	<u>652,000.00</u>		<u>890,672.67</u>	<u>238,672.67</u>
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	<u>19,914,244.89</u>		<u>21,013,824.57</u>	<u>1,099,579.68</u>
Budget Totals	<u>34,275,044.34</u>	<u>707,142.74</u>	<u>36,283,422.85</u>	<u>1,301,235.77</u>
Non-Budget Revenue			<u>489,616.67</u>	<u>489,616.67</u>
	<u>\$ 34,275,044.34</u>	<u>\$ 707,142.74</u>	<u>\$ 36,773,039.52</u>	<u>\$ 1,790,852.44</u>

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2020

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Analysis of Realized Revenues

## Allocation of Current Tax Collections:

Revenue from Collections	\$ 51,492,197.00
Allocated to:	
School, County and Revenue Allocation District	<u>32,695,829.32</u>
Balance for Support of Municipal Budget Appropriations	18,796,367.68
Add:	
Appropriation "Reserve for Uncollected Taxes"	<u>2,217,456.89</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 21,013,824.57</u></u>

## Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 822,887.14
Tax Title Lien Collection	<u>67,785.53</u>
	<u><u>\$ 890,672.67</u></u>

## Fees and Permits--Other:

City Clerk	\$ 274,628.00
Searches for Taxes and Municipal Improvements	50.00
Housing Inspector Fees and Permits	506,657.00
Street Opening Permits	58,272.55
Planning and Zoning Board Fees	35,057.00
Police Fees and Permits	<u>405.00</u>
	<u><u>\$ 875,069.55</u></u>

## Interest and Costs on Taxes:

Receipts	\$ 145,298.63
Penalty Surcharge Receivable--Collections	<u>1,752.43</u>
	<u><u>\$ 147,051.06</u></u>

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statement of Revenues -- Regulatory Basis**  
**For the Year Ended December 31, 2020**

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**Analysis of Non-Budget Revenues**

State of N.J.:

Administrative Cost Reimbursement - Senior Citizen & Veterans	\$ 4,155.23
Sale of Municipal Assets	62,016.00
T-Mobile Rent Proceeds	42,281.00
Sprint Rent Proceeds	40,506.52
AT&T Rent Proceeds	24,271.12
Tax Sale Costs	22,504.88
Interest on Clean Up Assessment	1,649.45
Photocopies	62.35
Firearms Registration	2,613.00
Accident Reports	32.00
Confiscated Funds	7,659.21
Other Miscellaneous	<u>224,560.10</u>

\$ 432,310.86

Property Maintenance Assessments

57,305.81

\$ 489,616.67

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

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Expenditures – Regulatory Basis  
 For the Year Ended December 31, 2020

	Appropriations		Paid or Charged		Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	
<b>OPERATIONS--WITHIN "CAPS"</b>					
General Government Functions					
General Administration					
Salaries and Wages	\$ 18,500.00	\$ 18,500.00	\$ 16,485.69	\$	\$ 2,014.31
Other Expenses	10,275.00	10,275.00	2,189.49	2,417.07	5,668.44
Human Resources					
Salaries and Wages	83,500.00	83,500.00	83,500.00		
Other Expenses	12,250.00	12,250.00	4,915.65	17.35	7,317.00
Board of Commissioners					
Salaries and Wages	59,500.00	59,500.00	58,136.44		1,363.56
Other Expenses	7,995.00	7,995.00	3,173.32	2.75	4,818.93
Municipal Clerk's Office					
Salaries and Wages	298,000.00	298,000.00	281,573.44	300.00	16,126.56
Other Expenses	78,100.00	78,100.00	37,625.00	4,567.15	35,907.85
Financial Administration					
Salaries and Wages	444,000.00	444,000.00	433,138.78		10,861.22
Other Expenses	53,200.00	53,200.00	34,922.22	3,695.00	14,582.78
Annual Audit	50,000.00	50,000.00			50,000.00
Information Systems					
Other Expenses	188,500.00	188,500.00	183,662.82	3,464.94	1,372.24
Collection of Taxes					
Salaries and Wages	96,500.00	96,500.00	96,500.00		
Other Expenses	33,100.00	33,100.00	24,346.10	533.43	8,220.47
Assessment of Taxes					
Salaries and Wages	212,500.00	212,500.00	211,426.62		1,073.38
Other Expenses	119,400.00	119,400.00	38,048.79	12,425.89	68,925.32
Legal Services and Costs					
Other Expenses	371,250.00	371,250.00	313,824.83	49,833.29	7,591.88
Municipal Court					
Salaries and Wages	376,000.00	376,000.00	333,848.73		42,151.27
Other Expenses	65,216.00	65,216.00	34,958.48	4,152.95	26,104.57

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2020

	Appropriations		Paid or Charged		Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	
<b>OPERATIONS--WITHIN "CAPS" (CONTD)</b>					
General Government Functions (Cont'd)					
Public Defender	\$ 38,675.00	\$ 38,675.00	\$ 29,200.00	\$ 9,200.00	\$ 275.00
Other Expenses					
Engineering Services and Costs					
Salaries and Wages	250,000.00	250,000.00	202,016.64		47,983.36
Other Expenses	101,500.00	101,500.00	22,960.56	22,671.60	55,867.84
Economic Development					
Other Expenses	30,000.00	30,000.00	7,798.22		22,201.78
Land Use Administration					
Planning/Community Development					
Salaries and Wages	39,500.00	39,500.00	19,537.21		19,962.79
Other Expenses	27,850.00	27,850.00	9,811.27	50.00	17,988.73
Planning Board					
Salaries and Wages	44,000.00	44,000.00	39,074.25		4,925.75
Other Expenses	18,350.00	18,350.00	7,177.96	1,673.42	9,498.62
Zoning Board of Adjustment					
Salaries and Wages	34,500.00	34,500.00	33,833.87		666.13
Other Expenses	21,250.00	21,250.00	10,052.87	234.80	10,962.33
Bureau of Permits and Inspections					
Salaries and Wages	195,000.00	195,000.00	195,000.00		
Other Expenses	112,800.00	112,800.00	53,667.90	39,271.36	19,860.74
Insurance					
General Liability	385,000.00	385,000.00	385,000.00		
Workers Compensation	650,000.00	650,000.00	643,337.42		6,662.58
Employee Group Health	4,016,000.00	4,016,000.00	3,897,211.44		118,788.56
Health Benefits Waiver	75,000.00	75,000.00			75,000.00

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Expenditures – Regulatory Basis  
 For the Year Ended December 31, 2020

	<u>Appropriations</u>		<u>Paid or Charged</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	
<b>OPERATIONS--WITHIN "CAPS" (CONTD)</b>					
Public Safety Functions					
Police					
Salaries and Wages	\$ 6,808,500.00	\$ 6,808,500.00	\$ 6,096,482.46	\$	\$ 712,017.54
Other Expenses	409,500.00	409,500.00	327,711.79	52,056.48	29,731.73
Office of Emergency Management					
Salaries and Wages	15,000.00	15,000.00	14,194.56		805.44
Other Expenses	24,650.00	24,650.00	13,547.02	5,746.65	5,356.33
Fire Department					
Salaries and Wages	1,588,550.00	1,578,550.00	1,507,688.69		70,861.31
Other Expenses	165,625.00	175,625.00	158,795.92	15,303.55	1,525.53
Municipal Prosecutor's Office					
Other Expenses	74,000.00	74,000.00	52,200.00	5,400.00	16,400.00
Uniform Fire Safety Act					
Salaries and Wages	110,860.00	110,860.00	104,813.65		6,046.35
Other Expenses	36,699.00	36,699.00	35,127.49	1,508.47	63.04
Public Works Functions					
Streets and Roads Maintenance					
Salaries and Wages	809,000.00	809,000.00	744,288.34		64,711.66
Other Expenses	198,850.00	198,850.00	112,164.44	46,291.71	40,393.85
Shade Tree Commission					
Salaries and Wages	1,000.00	1,000.00	1,000.00		
Other Expenses	7,000.00	7,000.00	1,252.28	4,450.00	1,297.72
Solid Waste and Recycling Collection					
Salaries and Wages	7,500.00	7,500.00	2,347.23		5,152.77
Other Expenses	1,159,640.00	1,159,640.00	987,140.33	86,554.12	85,945.55
Solid Waste Recycling – Apartments – NJSA 40A:4-45.3kk	15,000.00	15,000.00			15,000.00
Public Buildings and Grounds					
Salaries and Wages	100,000.00	100,000.00	68,306.50		31,693.50
Other Expenses	205,550.00	205,550.00	131,964.71	51,373.66	22,211.63

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2020

	Appropriations		Paid or Charged		Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	
<b>OPERATIONS--WITHIN "CAPS" (CONT'D)</b>					
Public Works Functions					
Fleet Management					
Salaries and Wages	\$ 205,182.00	\$ 205,182.00	\$ 160,512.95	\$	\$ 44,669.05
Other Expenses	40,350.00	40,350.00	21,017.90	7,889.56	11,442.54
Health and Human Services Functions					
Animal Control Services					
Salaries and Wages	66,000.00	66,000.00	60,827.40		5,172.60
Other Expenses	139,665.00	139,665.00	138,632.53		1,032.47
Contributions to Social Services Agencies -- Office on Aging	6,900.00	6,900.00	6,900.00		
Parks & Recreation Functions					
Recreation Services & Programs					
Salaries and Wages	144,500.00	144,500.00	100,580.99		43,919.01
Other Expenses	56,450.00	56,450.00	26,955.59	8,670.76	20,823.65
Federal and State Downtown Maintenance					
Salaries and Wages	45,500.00	45,500.00	44,858.04		641.96
Other Expenses	64,000.00	64,000.00	60,418.12		3,581.88
Parks and Playgrounds					
Salaries and Wages	204,500.00	204,500.00	174,355.30		30,144.70
Other Expenses	180,900.00	180,900.00	126,268.22	44,972.40	9,659.38
Celebration of Public Event, Anniversary, or Holiday					
Other Expenses	27,200.00	27,200.00	12,500.00	1,881.00	12,819.00
State Uniform Construction Code (NJAC 5:23-4.17)					
Construction Official					
Salaries and Wages	115,000.00	115,000.00	113,880.48		1,119.52
Other Expenses	115,600.00	115,600.00	94,008.03	16,822.76	4,769.21
Reserve for Payment of Unused Accumulated Sick Pay	50,000.00	50,000.00	14,999.94		35,000.06
Unclassified					
Utilities:					
Electricity	456,200.00	456,200.00	310,494.10		145,705.90
Street Lighting	657,000.00	657,000.00	588,126.30		68,873.70
Telephone	198,000.00	198,000.00	113,480.08	2,026.30	82,493.62
Natural Gas	87,500.00	87,500.00	56,834.58		30,665.42

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2020

	Appropriations		Paid or Charged		Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	
<b>OPERATIONS--WITHIN "CAPS" (CONTD)</b>					
Utilities:					
Gasoline	\$ 212,000.00	\$ 212,000.00	\$ 116,070.64		\$ 95,929.36
Landfill/Solid Waste Disposal Costs	668,800.00	668,800.00	607,248.50		61,551.50
<b>Total Operations--Within "CAPS"</b>	<b>24,095,382.00</b>	<b>24,095,382.00</b>	<b>21,055,951.11</b>	<b>\$ 505,458.42</b>	<b>2,533,972.47</b>
Contingent	2,000.00	2,000.00			2,000.00
<b>Total Operations Including Contingent--Within "CAPS"</b>	<b>24,097,382.00</b>	<b>24,097,382.00</b>	<b>21,055,951.11</b>	<b>505,458.42</b>	<b>2,535,972.47</b>
Detail:					
Salaries and Wages	12,497,592.00	12,487,592.00	11,213,208.20	300.00	1,274,083.80
Other Expenses (Including Contingent)	11,599,790.00	11,609,790.00	9,842,742.91	505,158.42	1,261,888.67
<b>Statutory Expenditures:</b>					
Contribution to:					
Public Employees Retirement System	650,000.00	650,000.00	638,876.21		11,123.79
Social Security (O.A.S.I.)	475,000.00	475,000.00	464,820.69		10,179.31
Police and Fireman's Retirement System of N.J.	1,784,861.00	1,784,861.00	1,784,860.94		0.06
Unemployment Insurance	50,000.00	50,000.00	15,396.25		34,603.75
<b>Total Deferred Charges and Statutory Expenditures--</b>	<b>2,959,861.00</b>	<b>2,959,861.00</b>	<b>2,903,954.09</b>	<b>-</b>	<b>55,906.91</b>
Municipal-Within "CAPS"					
<b>Total General Appropriations for Municipal</b>	<b>27,057,243.00</b>	<b>27,057,243.00</b>	<b>23,959,905.20</b>	<b>505,458.42</b>	<b>2,591,879.38</b>
Purposes--Within "CAPS"					

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Expenditures – Regulatory Basis  
 For the Year Ended December 31, 2020

	Appropriations		Paid or Charged		Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	
<b>OPERATIONS—EXCLUDED FROM "CAPS"</b>					
Interest on Tax Appeals	\$ 1,000.00	\$ 1,000.00			\$ 1,000.00
Aid to Library (N.J.S.A. 40:54-35)	709,680.00	709,680.00	\$ 709,680.00		
Recycling Tax (P.L. 2007, c.311)	40,000.00	40,000.00	24,480.78		15,519.22
Length of Service Award Program	30,000.00	30,000.00	14,950.00		15,050.00
<b>OPERATIONS—EXCLUDED FROM "CAPS"</b>					
Interlocal Service Agreements:					
Millville Board of Education – Gasoline	16,000.00	16,000.00	5,915.99		10,084.01
Tax Assessor - Upper Deerfield Township	32,000.00	32,000.00	32,000.00		
Public and Private Programs Off-set by Revenues:					
Matching Funds for Grants	25,000.00	22,209.00			22,209.00
Recycling Tonnage Grant	63,769.23	63,769.23	63,769.23		
Local Freight Impact Fund - Wade & Orange (NJSA 40A:4-87 +\$450,000.00)		450,000.00	450,000.00		
N.J. Department of Transportation:					
Safe Streets to Transit Program	210,000.00	210,000.00	210,000.00		
FY20 - 5th St Rd Construction	415,540.00	415,540.00	415,540.00		
Municipal Pub. Access Plan Development (NJSA 40A:4-87 +\$9,947.50)		9,947.50	9,947.50		
Municipal Alliance Program (NJSA 40A:4-87 +\$13,955.00)		13,955.00	13,955.00		
Clean Communities Program (NJSA 40A:4-87 +\$60,948.08)		60,948.05	60,948.05		
Body Armor Replacement Fund	6,627.22	6,627.22	6,627.22		
Bulletproof Vest Partnership (NJSA 40A:4-87 +\$12,764.49)		12,764.49	12,764.49		
Drive Sober or Get Pulled Over (NJSA 40A:4-87 +\$7,200.00)		7,200.00	7,200.00		
Justice Assistance Grant Program (NJSA 40A:4-87 +\$39,899.00)		39,899.00	39,899.00		
Safe and Secure Communities Grant (NJSA 40A:4-87 +\$90,000.00)		90,000.00	90,000.00		
Alcohol Education & Rehabilitation (NJSA 40A:4-87 +\$219.70)		219.70	219.70		
New Jersey Urban Enterprise Zone COVID-19 (NJSA 40A:4-87 +\$25,000.00)		25,000.00	25,000.00		
BJA Coronavirus Supplemental Funding	67,516.00	67,516.00	67,516.00		
<b>Total Public and Private Programs Offset by Revenues</b>	<b>788,452.45</b>	<b>1,495,595.19</b>	<b>1,473,386.19</b>	<b>-</b>	<b>22,209.00</b>
<b>Total Operations—Excluded from "CAPS"</b>	<b>1,617,132.45</b>	<b>2,324,275.19</b>	<b>2,260,412.96</b>	<b>-</b>	<b>63,862.23</b>
Detail:					
Salaries and Wages	-	90,000.00	90,000.00	-	-
Other Expenses	1,617,132.45	2,234,275.19	2,170,412.96	-	63,862.23

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Expenditures – Regulatory Basis  
 For the Year Ended December 31, 2020

	Appropriations		Paid or Charged		Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered Reserved	
<b>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</b>					
Capital Improvement Fund	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00		
Total Capital Improvements--Excluded from "CAPS"	50,000.00	50,000.00	50,000.00	-	-
<b>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</b>					
Payment of Bond Principal	2,595,000.00	2,595,000.00	2,595,000.00		
Interest on Bonds	561,740.00	561,740.00	561,740.00		
Interest on Notes	65,000.00	65,000.00			\$ 65,000.00
Green Trust Loan Program:					
Principal	59,437.35	59,437.35	59,437.35		
Interest	7,034.65	7,034.65	7,034.38		0.27
Total Municipal Debt Service-Excluded From "CAPS"	3,288,212.00	3,288,212.00	3,223,211.73	-	65,000.27

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2020

	Appropriations		Paid or Charged			Unexpended Balance Canceled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<b>MUNICIPAL DEFERRED CHARGES -- EXCLUDED FROM "CAPS"</b>						
Deferred Charges	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00			
Emergency Authorizations						
<b>Total Municipal Deferred Charges-Excluded From "CAPS"</b>	<b>45,000.00</b>	<b>45,000.00</b>	<b>45,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Appropriations for Municipal Purposes Excluded from "CAPS"</b>	<b>5,000,344.45</b>	<b>5,707,487.19</b>	<b>5,578,624.69</b>	<b>-</b>	<b>\$ 63,862.23</b>	<b>\$ 65,000.27</b>
Subtotal General Appropriations	32,057,587.45	32,764,730.19	29,538,529.89	\$ 505,458.42	2,655,741.61	65,000.27
Reserve for Uncollected Taxes	2,217,456.89	2,217,456.89	2,217,456.89			
<b>Total General Appropriations</b>	<b>\$ 34,275,044.34</b>	<b>\$ 34,982,187.08</b>	<b>\$ 31,755,986.78</b>	<b>\$ 505,458.42</b>	<b>\$ 2,655,741.61</b>	<b>\$ 65,000.27</b>
Appropriations by 40A:4-87 Budget	\$ 707,142.74	34,275,044.34				
	<u>\$ 34,982,187.08</u>					
Reserve for Federal, State and Other Grants -- Appropriated			\$ 1,473,386.19			
Reserve for Uncollected Taxes			2,217,456.89			
Deferred Charges - Emergency Authorizations			45,000.00			
Disbursed			<u>28,020,143.70</u>			
			<u>\$ 31,755,986.78</u>			

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

**CITY OF MILLVILLE**  
**TRUST FUND**  
**Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis**  
**As of December 31, 2020 and 2019**

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<b>Animal Control Fund:</b>			
Cash	SB-1	\$ 8,800.31	\$ 9,063.24
Protested Checks		49.00	49.00
<b>Total Animal Control Fund</b>		<b>8,849.31</b>	<b>9,112.24</b>
<b>Other Funds:</b>			
Cash	SB-1	3,842,154.79	3,627,749.32
Due Water Utility Operating Fund		1,095.64	1,095.64
Due Animal Control Fund	SB-4		293.00
Due from Bank		137.86	137.86
Mortgage and Loan Receivable--UEZ Assistance Program	SB-12	2,565,505.66	2,676,033.46
<b>Total Other Funds</b>		<b>6,408,893.95</b>	<b>6,305,309.28</b>
<b>Length of Service Awards Program:</b>			
Investments - Length of Service Awards Program	SB-7	506,840.35	456,629.56
<b>Total Length of Service Awards Program</b>		<b>506,840.35</b>	<b>456,629.56</b>
<b>Community Development Fund:</b>			
Cash	SB-1	264,186.38	288,499.34
Community Development Block Grants Receivable	SB-9	752,403.72	483,660.93
Home Investment Partnership Program Receivable	SB-13	562,404.45	558,244.45
Mortgages Receivable--Reserve for Rehabilitation Projects	SB-10	63,643.89	63,643.89
Mortgages Receivable--Reserve for U.D.A.G.	SB-11	77,953.93	82,420.31
<b>Total Community Development Fund</b>		<b>1,720,592.37</b>	<b>1,476,468.92</b>
		<b>\$ 8,645,175.98</b>	<b>\$ 8,247,520.00</b>

(Continued)

**CITY OF MILLVILLE**  
**TRUST FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2020 and 2019

		<u>2020</u>	<u>2019</u>
<b><u>LIABILITIES AND RESERVES</u></b>			
	<u>Ref.</u>		
Animal Control Fund:			
Due Current Fund	SB-3	\$ 15.29	12.78
Due Trust Other Fund	SB-4		293.00
Due to Employee		39.00	39.00
Reserve for Animal Control	SB-5	8,795.02	8,767.46
		<u>8,849.31</u>	<u>9,112.24</u>
Total Animal Control Fund			
Other Funds:			
Due Current Fund	SB-2	3,159.72	3,626.29
Due Sewer Operating Fund	SE-1	2,208.54	2,209.54
Miscellaneous Trust Reserves:			
Outside Employment for Police	SB-14	32,887.47	45,154.68
Public Defender	SB-14	10,919.17	12,520.75
Planning Board Escrows	SB-14	307,038.67	265,252.98
Unemployment Compensation Insurance	SB-14	42,447.10	48,524.10
Landfill Closure	SB-14	154,120.04	151,869.10
Municipal Alliance Grant Funds	SB-14	711.24	1,722.89
Self-Insurance Funds	SB-14	201,289.24	210,913.22
Neighborhood Preservation Program	SB-14	315.00	315.00
State Law Enforcement Fund	SB-14	15,891.85	15,891.85
Snow Removal	SB-14	89,757.31	52,832.26
Vanaman Memorial Park Donations	SB-14	6,052.00	6,052.00
Memorial in Patriot Park Donations	SB-14	1,415.88	5,265.88
Parking Offenses Adjudication Act	SB-14	12,494.12	12,518.00
COAH Fees	SB-14	57,566.51	60,436.60
Millville Garden Rent Revenue	SB-14	7,755.93	7,755.93
Neighborhood Opportunity Fund	SB-14	2,860.00	2,860.00
Recreation Donations	SB-14	9,082.16	5,417.72
Uniform Fire Safety Act Penalties	SB-14	10,953.96	14,044.95
Employee Accumulated Absences	SB-14	1,194,799.11	1,083,549.11
Reserve for Sheldon Estate Bequest	SB-15	6,648.50	6,646.51
Reserve for Payroll Taxes Payable	SB-8	218,656.55	199,787.56
Reserve for Tax Title Lien Redemption	SB-15	438,721.90	431,082.14
Reserve for Revolving Loan Fund--UEZ Assistance Program	SB-17	800,105.54	767,495.98
Reserve for UEZ 1st Generation Project	SB-18	215,530.78	215,530.78
Reserve for Mortgage Receivable--UEZ Assistance Program	SB-12	2,565,505.66	2,676,033.46
		<u>6,408,893.95</u>	<u>6,305,309.28</u>
Total Other Funds			

(Continued)

**CITY OF MILLVILLE  
TRUST FUND**

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
As of December 31, 2020 and 2019

<u>LIABILITIES AND RESERVES (CONT'D)</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Length of Service Awards Program:			
Reserve for Length of Service Awards Program	SB-7	\$ 506,840.35	\$ 456,629.56
Total Length of Service Awards Program		<u>506,840.35</u>	<u>456,629.56</u>
Community Development Fund:			
Reserve for Mortgage Notes Receivable	SB-10	63,643.89	63,643.89
Reserve for Mortgage Notes Receivable--U.D.A.G.	SB-11	77,953.93	82,420.31
Reserve for Community Development Funds	SB-16	750,165.21	501,050.08
Reserve for Revolving Loan Fund--Rehabilitation Program	SB-19	115,638.01	115,748.01
Reserve for Home Investment Partnership Program	SB-20	578,448.53	581,813.53
Reserve for Revolving Loan Fund--U.D.A.G.	SB-21	128,335.65	129,844.14
Reserve for U.D.A.G. Interest	SB-22	6,357.15	1,898.96
Reserve for Third Ward Neighborhood Preservation		<u>50.00</u>	<u>50.00</u>
Total Community Development Fund		<u>1,720,592.37</u>	<u>1,476,468.92</u>
		<u>\$ 8,645,175.98</u>	<u>\$ 8,247,520.00</u>

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

**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
**Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis**  
**As of December 31, 2020 and 2019**

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Cash	SC-1	\$ 2,933,633.38	\$ 1,625,052.36
Grants Receivable	SC-3	135,039.27	135,039.27
Deferred Charges to Future Taxation:			
Funded	SC-6	14,755,067.70	17,409,505.05
Unfunded	SC-7	5,995,365.54	5,211,615.54
		<u>\$ 23,819,105.89</u>	<u>\$ 24,381,212.22</u>
<u>LIABILITIES, RESERVES</u>			
<u>AND FUND BALANCE</u>			
General Serial Bonds	SC-12	\$ 14,448,000.00	\$ 17,043,000.00
Bond Anticipation Notes	SC-12	4,930,000.00	
Due State of New Jersey:			
Green Trust Loan Payable	SC-10	307,067.70	366,505.05
Improvement Authorizations:			
Funded	SC-11	532,005.14	766,062.22
Unfunded	SC-11	1,305,894.89	3,092,759.76
Reserve for Encumbrances	SC-9	625,733.01	1,094,230.04
Reserve for Preliminary Expenses	SC-5	2,850.00	2,850.00
Reserve for Payment of Debt	SC-4	743,033.58	850,033.58
Capital Improvement Fund	SC-8	249,264.86	240,514.86
Reserve for Grants Receivable	SC-3	135,039.27	135,039.27
Fund Balance	C-1	540,217.44	790,217.44
		<u>\$ 23,819,105.89</u>	<u>\$ 24,381,212.22</u>

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

**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Fund Balance -- Regulatory Basis  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019	\$ 790,217.44
Decreased by:	
Anticipated Revenue in Current Fund	<u>250,000.00</u>
Balance Dec. 31, 2020	<u>\$ 540,217.44</u>

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

**CITY OF MILLVILLE**  
**WATER UTILITY FUND**  
**Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis**  
**As of December 31, 2020 and 2019**

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<b>Operating Fund:</b>			
Cash	SD-1	\$ 3,096,390.49	\$ 3,278,299.29
Due Sewer Operating Fund	SD-1	100.00	
Due Current Fund	SD-15	38.64	
		<hr/>	
		3,096,529.13	3,278,299.29
<b>Receivables with Full Reserves:</b>			
Consumer Accounts Receivable	SD-4	272,749.57	201,523.92
Water Utility Liens	SD-8	9,000.84	9,990.73
Fire Hydrant Rentals	SD-6	651.00	
Other Accounts Receivable	SD-7	4,354.38	4,425.01
		<hr/>	
		286,755.79	215,939.66
		<hr/>	
Total Operating Fund		3,383,284.92	3,494,238.95
<b>Assessment Trust Fund:</b>			
Cash	SD-1	11,000.00	11,000.00
		<hr/>	
Total Assessment Trust Fund		11,000.00	11,000.00
<b>Capital Fund:</b>			
Cash	SD-1	3,647,274.90	2,150,422.73
Fixed Capital	SD-9	22,214,726.58	22,100,546.58
Fixed Capital Authorized and Uncompleted	SD-10	6,353,236.31	4,323,236.31
		<hr/>	
Total Capital Fund		32,215,237.79	28,574,205.62
		<hr/>	
		\$ 35,609,522.71	\$ 32,079,444.57
		<hr/>	

(Continued)

**CITY OF MILLVILLE**  
**WATER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2020 and 2019

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4/SD-11	\$ 689,726.57	\$ 726,159.42
Reserve for Encumbrances	D-4/SD-11	74,849.70	163,984.29
Accrued Interest on Bonds, Notes, and Loans	SD-12	73,320.64	55,712.31
Accounts Payable	SD-13	5,056.06	23,351.50
Water Rental Overpayments	SD-14	14,803.73	12,493.07
Due Current Fund	SD-15		449.93
Due Trust Other Fund		1,095.64	1,095.64
Reserve for Insurance Proceeds	SD-5	15,217.20	15,217.20
Reserve for Sale of Municipal Assets		2,130.00	2,130.00
		<u>876,199.54</u>	<u>1,000,593.36</u>
Reserve for Receivables	D	286,755.79	215,939.66
Fund Balance	D-1	2,220,329.59	2,277,705.93
		<u>2,220,329.59</u>	<u>2,277,705.93</u>
Total Operating Fund		<u>3,383,284.92</u>	<u>3,494,238.95</u>
Assessment Trust Fund:			
Fund Balance		<u>11,000.00</u>	<u>11,000.00</u>
Total Assessment Trust Fund		<u>11,000.00</u>	<u>11,000.00</u>
Capital Fund:			
Serial Bonds	SD-21	3,261,000.00	3,521,000.00
NJ Environmental Infrastructure Loan Payable	SD-20	2,546,863.88	2,814,600.66
Bond Anticipation Notes	SD-22	2,000,000.00	
Improvement Authorizations:			
Funded	SD-17	652,230.04	644,572.87
Unfunded	SD-17	3,567,600.22	2,070,315.22
Capital Improvement Fund		169,402.58	169,402.58
Reserve for Encumbrances	SD-16	85,097.17	63,187.17
Reserve for:			
Amortization	SD-18	16,426,796.67	16,052,616.67
Deferred Amortization	SD-19	2,177,457.12	1,909,720.34
Reserve for Payment of Debt		594,825.02	594,825.02
Fund Balance	D-2	733,965.09	733,965.09
		<u>32,215,237.79</u>	<u>28,574,205.62</u>
Total Capital Fund		<u>32,215,237.79</u>	<u>28,574,205.62</u>
		<u>\$ 35,609,522.71</u>	<u>\$ 32,079,444.57</u>

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

**CITY OF MILLVILLE**  
**WATER UTILITY FUND**  
**Statements of Operation and Changes in Operating Fund Balance -- Regulatory Basis**  
**For the Years Ended December 31, 2020 and 2019**

<u>Revenue and Other Income Realized</u>	<u>2020</u>	<u>2019</u>
Fund Balance	\$ 604,844.00	\$ 719,882.00
Water Rents	3,134,782.08	3,235,053.51
Fire Hydrant Service	11,349.00	14,925.67
Miscellaneous	129,211.89	106,768.53
Other Credits to Income:		
Water Turn On and Off Reserve Liquidated	235.63	
Accounts Payable Canceled	23,351.50	
Unexpended Balance of Appropriation Reserves	677,282.57	675,621.03
<b>Total Income</b>	<b>4,581,056.67</b>	<b>4,752,250.74</b>
 <u>Expenditures</u>		
Operating	2,793,314.00	2,935,987.00
Capital Improvements	175,000.00	175,000.00
Debt Service	682,524.01	681,697.90
Deferred Charges and Statutory Expenditures	181,000.00	181,000.00
Reserve Created:		
Protested Checks	165.00	1,322.84
<b>Total Expenditures</b>	<b>3,832,003.01</b>	<b>3,975,007.74</b>
 Excess in Revenue	 749,053.66	 777,243.00
 <u>Fund Balance</u>		
Balance January 1	2,277,705.93	2,421,930.93
	3,026,759.59	3,199,173.93
Decreased by:		
Utilized as Revenue by Water Operating Budget	604,844.00	719,882.00
Utilized as Revenue by Current Fund Budget	201,586.00	201,586.00
<b>Balance December 31</b>	<b>\$ 2,220,329.59</b>	<b>\$ 2,277,705.93</b>

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

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
Schedule of Capital Fund Balance -- Regulatory Basis  
As of December 31, 2020

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Balance Dec. 31, 2020

\$ 733,965.09

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

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance	\$ 604,844.00	\$ 604,844.00	
Rents	3,200,000.00	3,134,782.08	\$ (65,217.92)
Fire Hydrant Service	11,400.00	11,349.00	(51.00)
Miscellaneous	30,000.00	129,211.89	99,211.89
	<u>\$ 3,846,244.00</u>	<u>\$ 3,880,186.97</u>	<u>\$ 33,942.97</u>

Analysis of Realized Revenues

Rents:

Consumer Accounts Receivable	\$ 3,129,286.78
Water Utility Liens	<u>5,495.30</u>
	<u>\$ 3,134,782.08</u>

Miscellaneous:

Interest on Delinquent Accounts	\$ 11,617.65
Other Accounts Receivable:	
Water Service Contracts (Tap Fees)	4,900.00
Connecting Fees	15,823.58
Water Turn on and Turn Off Fees	<u>7,445.99</u>
	\$ 39,787.22
Interest on Deposits	82,517.67
Meters and Miscellaneous	<u>6,907.00</u>
	<u>\$ 129,211.89</u>

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

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
**Statement of Expenditures – Regulatory Basis**  
**For the Year Ended December 31, 2020**

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	
Operating:						
Salaries and Wages	\$ 1,130,505.00	\$ 1,130,505.00	\$ 1,034,710.35		\$ 95,794.65	
Other Expenses	1,662,809.00	1,662,809.00	1,205,350.72	\$ 74,849.70	382,608.58	
<b>Total Operating</b>	<b>2,793,314.00</b>	<b>2,793,314.00</b>	<b>2,240,061.07</b>	<b>74,849.70</b>	<b>478,403.23</b>	<b>-</b>
Capital Improvements:						
Capital Outlay	175,000.00	175,000.00			175,000.00	
Debt Service:						
Payment of Bond Principal	260,000.00	260,000.00	260,000.00			\$ 2,708.34
Interest on Bonds	110,605.00	110,605.00	107,896.66			3,183.33
Interest on Notes	25,000.00	25,000.00	21,816.67			8,514.32
Water Supply Bond Loan	301,325.00	301,325.00	292,810.68			
<b>Total Debt Service</b>	<b>696,930.00</b>	<b>696,930.00</b>	<b>682,524.01</b>	<b>-</b>	<b>-</b>	<b>14,405.99</b>
Deferred Charges and Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	103,000.00	103,000.00	75,204.25		27,795.75	
Public Employees' Retirement System	68,000.00	68,000.00	68,000.00			
Disability Insurance	10,000.00	10,000.00	1,472.41		8,527.59	
<b>Total Statutory Expenditures</b>	<b>181,000.00</b>	<b>181,000.00</b>	<b>144,676.66</b>	<b>-</b>	<b>36,323.34</b>	<b>-</b>
<b>Total Water Utility Appropriations</b>	<b>\$ 3,846,244.00</b>	<b>\$ 3,846,244.00</b>	<b>\$ 3,067,261.74</b>	<b>\$ 74,849.70</b>	<b>\$ 689,726.57</b>	<b>\$ 14,405.99</b>
Interest on Bonds, Loans and Notes Disbursed			\$ 154,787.23			
			<u>2,912,474.51</u>			
			<u>\$ 3,067,261.74</u>			

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

**CITY OF MILLVILLE**  
**SEWER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2020 and 2019

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Operating Fund:			
Cash	SE-1	\$ 5,934,514.60	\$ 5,861,802.99
Due from Current Fund	SE-15		550.66
Due from Trust Other Fund	SE-1	2,208.54	2,209.54
		<u>5,936,723.14</u>	<u>5,864,563.19</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SE-4	574,775.15	402,014.30
Sewer Utility Liens	SE-5	10,541.37	6,403.33
Other Accounts Receivable - Protested Checks	SE-7	285.00	25.00
		<u>585,601.52</u>	<u>408,442.63</u>
Total Operating Fund		<u>6,522,324.66</u>	<u>6,273,005.82</u>
Assessment Trust Fund:			
Cash	SE-1	62,488.35	62,054.82
Due from Sewer Operating Fund	SE-1		433.53
Total Assessment Trust Fund		<u>62,488.35</u>	<u>62,488.35</u>
Capital Fund:			
Cash	SE-1	2,017,149.19	1,515,997.18
Due from State of NJ -- Environmental Infrastructure Trust	SE-6	52,618.75	52,618.75
Fixed Capital	SE-8	28,672,802.25	28,488,023.31
Fixed Capital Authorized and Uncompleted	SE-9	20,623,116.64	20,553,116.64
Total Capital Fund		<u>51,365,686.83</u>	<u>50,609,755.88</u>
		<u>\$ 57,950,499.84</u>	<u>\$ 56,945,250.05</u>

(Continued)

**CITY OF MILLVILLE**  
**SEWER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2020 and 2019

**LIABILITIES, RESERVES**  
**AND FUND BALANCE**

	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<b>Operating Fund:</b>			
<b>Liabilities:</b>			
Appropriation Reserves	E-5/SE-10	\$ 812,207.91	\$ 674,182.71
Reserve for Encumbrances	E-5/SE-10	206,688.56	374,976.52
Accrued Interest on Bonds, Notes and Loans	SE-11	75,190.01	76,045.85
Sewer Rental Overpayments	SE-12	21,323.44	14,892.90
Accounts Payable	SE-13	16,268.57	16,171.53
Reserve for Insurance Proceeds		706.86	706.86
Due to Current Fund	SE-15	1,025.10	
Due to Sewer Assessment Fund	SE-1		433.53
Due to Water Operating Fund	SE-1	100.00	
Reserve for Sale of Municipal Assets		4,641.10	4,641.10
		<u>1,138,151.55</u>	<u>1,162,051.00</u>
Reserve for Receivables		585,601.52	408,442.63
Fund Balance	E-1	<u>4,798,571.59</u>	<u>4,702,512.19</u>
		<u>6,522,324.66</u>	<u>6,273,005.82</u>
<b>Assessment Trust Fund:</b>			
Fund Balance	E-2	<u>62,488.35</u>	<u>62,488.35</u>
		<u>62,488.35</u>	<u>62,488.35</u>
<b>Capital Fund:</b>			
Serial Bonds Payable	SE-23	2,195,000.00	2,640,000.00
New Jersey Environmental Infrastructure Loans Payable	SE-22	9,933,524.45	10,661,357.86
Bond Anticipation Notes	SE-21	700,000.00	
<b>Improvement Authorizations:</b>			
Funded	SE-20	19,574.69	59,574.69
Unfunded	SE-20	673,678.60	947,902.48
Contracts Payable	SE-14	142,230.00	4,668.92
Contracts Payable - Reserve for Preliminary Expenses	SE-16	255,830.31	
Capital Improvement Fund	SE-19	693,936.09	901,951.59
<b>Reserve for:</b>			
Deferred Reserve for Amortization	SE-17	3,618,323.84	3,410,306.34
Amortization	SE-18	32,243,211.58	31,093,616.73
Reserve for Payment of Debt	SE-3	561,957.65	561,957.65
Fund Balance	E-3	<u>328,419.62</u>	<u>328,419.62</u>
		<u>51,365,686.83</u>	<u>50,609,755.88</u>
		<u>\$ 57,950,499.84</u>	<u>\$ 56,945,250.05</u>

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

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
**Statements of Operations and Changes in Operating Fund Balance -- Regulatory Basis**  
**For the Years Ended December 31, 2020 and 2019**

<u>Revenue and Other Income Realized</u>	<u>2020</u>	<u>2019</u>
Fund Balance Utilized	\$ 232,817.00	\$ 369,369.00
Rents	5,846,397.50	6,051,998.57
Miscellaneous	158,224.86	127,743.21
Other Credits to Income:		
Reserve for Protested Checks Receivable-- Liquidated	3,948.51	
Unexpended Balance of Appropriation Reserves	631,424.83	287,447.24
Accounts Payable Canceled	16,171.53	
	<hr/>	<hr/>
Total Income	6,888,984.23	6,836,558.02
	<hr/>	<hr/>
<u>Expenditures</u>		
Operating	4,363,608.00	4,391,120.00
Capital Improvements	185,000.00	210,000.00
Debt Service	1,378,001.32	1,437,510.15
Deferred Charges and Statutory Expenditures	244,000.00	244,000.00
Other Debits to Income:		
Reserve for Protested Checks Receivable-- Created	4,208.51	2,316.74
	<hr/>	<hr/>
Total Expenditures	6,174,817.83	6,284,946.89
	<hr/>	<hr/>
Excess in Revenue	714,166.40	551,611.13
<u>Fund Balance</u>		
Balance January 1	4,702,512.19	4,905,560.06
	<hr/>	<hr/>
	5,416,678.59	5,457,171.19
Decreased by:		
Utilized as Revenue	232,817.00	369,369.00
Utilized as Revenue in Current Fund	385,290.00	385,290.00
	<hr/>	<hr/>
Balance December 31	\$ 4,798,571.59	\$ 4,702,512.19
	<hr/>	<hr/>

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

**CITY OF MILLVILLE**  
**SEWER UTILITY ASSESSMENT FUND**  
Schedule of Assessment Trust Fund Balance--Regulatory Basis  
As of December 31, 2020

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Balance Dec. 31, 2020	<u>\$ 62,488.35</u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
Schedule of Capital Fund Balance--Regulatory Basis  
As of December 31, 2020

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Balance Dec. 31, 2020	<u>\$ 328,419.62</u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Anticipated</u> <u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Surplus Anticipated	\$ 232,817.00	\$ 232,817.00	
Rents	5,900,000.00	5,846,397.50	\$ (53,602.50)
Miscellaneous	86,800.00	158,224.86	71,424.86
	<u>\$ 6,219,617.00</u>	<u>\$ 6,237,439.36</u>	<u>\$ 17,822.36</u>

Analysis of Realized Revenues

Rents:

Consumer Accounts Receivable	\$ 5,841,861.56
Sewer Utility Liens	<u>4,535.94</u>
	<u>\$ 5,846,397.50</u>

Miscellaneous:

Interest on Delinquent Accounts	\$ 22,009.22
Connection Fees	22,518.80
Miscellaneous	50.28
Interest Earned on Deposits	<u>113,646.56</u>
	<u>\$ 158,224.86</u>

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

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
 Statement of Expenditures--Regulatory Basis  
 For the Year Ended December 31, 2020

	Appropriations		Expended		Unexpended Balance Canceled
	Original Budget	Budget After Modification	Paid or Charged	Encumbrances Reserved	
Operating:					
Salaries and Wages	\$ 1,450,758.00	\$ 1,450,758.00	\$ 1,296,307.26	\$ 154,450.74	
Other Expenses	2,912,850.00	2,912,850.00	2,101,445.34	206,688.56	604,716.10
<b>Total Operating</b>	<b>4,363,608.00</b>	<b>4,363,608.00</b>	<b>3,397,752.60</b>	<b>206,688.56</b>	<b>759,166.84</b>
Capital Improvements:					
Capital Improvement Fund	75,000.00	75,000.00	75,000.00		
Capital Outlay	110,000.00	110,000.00	89,739.94	20,260.06	
<b>Total Capital Improvements</b>	<b>185,000.00</b>	<b>185,000.00</b>	<b>164,739.94</b>	<b>20,260.06</b>	<b>-</b>
Debt Service:					
Payment of Bond Principal	445,000.00	445,000.00	445,000.00		
Interest on Bonds	91,575.00	91,575.00	87,437.50		\$ 4,137.50
Interest on Notes	30,000.00	30,000.00	7,635.83		22,364.17
NJ Wastewater Treatment Loans	860,434.00	860,434.00	837,927.99		22,506.01
<b>Total Debt Service</b>	<b>1,427,009.00</b>	<b>1,427,009.00</b>	<b>1,378,001.32</b>	<b>-</b>	<b>49,007.68</b>
Deferred Charges & Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)	120,000.00	120,000.00	97,270.27	22,729.73	
Public Employees' Retirement System	112,000.00	112,000.00	112,000.00		
Unemployment Compensation Insurance	10,000.00	10,000.00		10,000.00	
Disability Insurance	2,000.00	2,000.00	1,948.72	51.28	
<b>Total Deferred Charges and Statutory Expenditures</b>	<b>244,000.00</b>	<b>244,000.00</b>	<b>211,218.99</b>	<b>32,781.01</b>	<b>-</b>
<b>Total Sewer Utility Appropriations</b>	<b>\$ 6,219,617.00</b>	<b>\$ 6,219,617.00</b>	<b>\$ 5,151,712.85</b>	<b>\$ 206,688.56</b>	<b>\$ 812,207.91</b>
Interest on Bonds, Notes and Loans Disbursed			\$ 205,168.51		
			<u>4,946,544.34</u>		
			<u>\$ 5,151,712.85</u>		

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

**CITY OF MILLVILLE**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
Statement of General Fixed Asset Group of Accounts -- Regulatory Basis  
For the Year Ended December 31, 2020

	Balance <u>Dec. 31, 2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2020</u>
General Fixed Assets:				
Land & Land Improvements	\$ 46,326,378.50	\$ 94,000.00	\$ 5,000.00	\$ 46,415,378.50
Buildings	6,612,745.34	86,185.00		6,698,930.34
Equipment & Vehicles	15,560,425.43	1,594,573.60	2,131,663.05	15,023,335.98
<b>Total General Fixed Assets</b>	<b>\$ 68,499,549.27</b>	<b>\$ 1,774,758.60</b>	<b>\$ 2,136,663.05</b>	<b>\$ 68,137,644.82</b>
<b>Total Investment in General Fixed Assets</b>	<b>\$ 68,499,549.27</b>			<b>\$ 68,137,644.82</b>

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

**CITY OF MILLVILLE**  
Notes to Financial Statements  
For the Year Ended December 31, 2020

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

**Description of Financial Reporting Entity** - The City of Millville (hereafter referred to as the "City") was incorporated as a City by an act of the State Legislature in 1866. In 1913, the Walsh Act was passed and the City began operating under its present Commission form of government. There are five elected Commissioners, one of whom serves as Mayor. The City is located in Cumberland County, approximately 45 miles from Philadelphia, Pennsylvania and comprises approximately 44 square miles. The present population according to the 2010 census is 28,400.

**Component Units** - The financial statements of the component units of the City are not presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended. If the provisions of the aforementioned GASB Statement, as amended had been complied with, the financial statements of the following component unit would have been either blended or discretely presented with the financial statements of the City, the primary government:

Millville Public Library  
210 Buck St.  
Millville, NJ 08332

Annual financial reports may be inspected directly at the office of this component unit during regular business hours.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation** - The financial statements of the City 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 City 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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

In accordance with the *Requirements*, the City accounts for its financial transactions through the use of separate funds and an account group which are described as follows (cont'd):

**Water Utility Operating and Capital Funds** - The Water Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Water Utility.

**Water Utility Assessment Fund** - The Water Utility Assessment Fund accounts for special assessments levied against property owners for water improvements which benefit property owners, rather than the City as a whole.

**Sewer Utility Operating and Capital Funds** - The Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Sewer Utility.

**Sewer Utility Assessment Fund** - The Sewer Utility Assessment Fund accounts special assessments levied against property owners for sewer improvements which benefit property owners, rather than the City as a whole.

**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.

**Budgets and Budgetary Accounting** - The City must adopt an annual budget for its current and utility 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 City'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. Investments recorded in the trust fund for the City's length of service awards program, however, are stated at fair value.

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

**Cash, Cash Equivalents and Investments (Cont'd)** - 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 City 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.

**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 City 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 City 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 City's basic financial statements.

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

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

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

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

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

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

**Fund Balance** - Fund balances included in the current fund and utility operating funds represent 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 City's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the City's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the City which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

**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 City's annual budget, but also the amounts required in support of the budgets of the County of Cumberland and the City of Millville School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

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

**School Taxes** - The City is responsible for levying, collecting, and remitting school taxes for the City of Millville School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2019 and decreased by the amount deferred at December 31, 2020.

**County Taxes** - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Cumberland. 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 City's annual budget protects the City from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate 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 payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

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

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

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

**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be recovered. Although the City 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, 2020, the City's bank balances of \$39,502,648.58 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 38,846,557.84
Uninsured and Uncollateralized	<u>656,090.74</u>
Total	<u>\$ 39,502,648.58</u>

**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**

	<u>Year Ended</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Tax Rate	<u>\$ 3.607</u>	<u>\$ 3.440</u>	<u>\$ 3.369</u>	<u>\$ 3.338</u>	<u>\$ 3.296</u>
Apportionment of Tax Rate:					
Municipal	\$ 1.366	\$ 1.313	\$ 1.267	\$ 1.266	\$ 1.266
County	1.338	1.260	1.272	1.257	1.230
Local School	.903	.867	.830	.815	.800

**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2020	\$ 1,458,480,483.00
2019	1,461,227,347.00
2018	1,476,288,125.00
2017	1,474,534,621.00
2016	1,472,483,710.00

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

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 (cont'd):

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2020	\$ 52,690,540.92	\$ 51,492,197.00	97.73%
2019	50,351,883.13	49,073,656.08	97.46%
2018	49,897,116.09	48,491,251.59	97.18%
2017	49,360,037.10	48,300,419.33	97.85%
2016	48,610,325.27	47,471,646.14	97.66%

**Delinquent Taxes and Tax Title Liens**

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2020	\$ 351,552.13	\$ 679,045.55	\$ 1,030,597.68	1.96%
2019	200,870.99	893,777.16	1,094,648.15	2.17%
2018	304,225.78	685,425.81	989,651.59	1.98%
2017	118,438.81	943,656.44	1,062,095.25	2.15%
2016	274,634.93	1,133,582.11	1,408,217.04	2.90%

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>
2020	90
2019	65
2018	85
2017	38
2016	36

**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>
2020	\$ 4,732,230.00
2019	5,219,030.00
2018	3,986,130.00
2017	2,733,330.00
2016	2,732,230.00

**Note 5: WATER UTILITY SERVICE CHARGES**

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

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2020	\$ 201,523.92	\$ 9,990.73	\$ 3,265,041.62	\$ 3,476,556.27	\$ 3,134,782.08
2019	227,256.20	12,019.65	3,221,785.00	3,461,060.85	3,235,053.51
2018	118,112.76	838.76	3,391,419.39	3,510,370.91	3,213,913.29
2017	163,398.72	706.26	3,383,998.12	3,548,103.10	3,429,151.58
2016	147,214.55	2,994.46	3,591,482.02	3,741,691.03	3,574,808.95

**Note 6: SEWER UTILITY SERVICE CHARGES**

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

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2020	\$ 402,014.30	\$ 6,403.33	\$ 6,050,704.68	\$ 6,459,122.31	\$ 5,846,397.50
2019	418,662.50	19,057.27	6,077,729.63	6,515,449.40	6,051,998.57
2018	230,646.00	2,560.87	6,343,919.23	6,577,126.10	6,052,034.52
2017	283,783.86	1,468.87	6,041,749.45	6,327,002.18	6,066,454.83
2016	251,817.09	671.10	5,978,065.90	6,230,554.09	5,946,099.13

**Note 7: FUND BALANCES APPROPRIATED**

The following schedules detail the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

**Current Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2020	\$ 6,129,712.45	\$ 4,758,400.00	77.63%
2019	5,543,729.66	4,192,596.00	75.63%
2018	6,197,765.56	4,881,695.00	78.77%
2017	8,920,947.32	7,518,091.00	84.27%
2016	8,735,807.61	5,748,139.00	65.80%

**Water Utility Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2020	\$ 2,220,329.59	\$ 745,700.00	33.59%
2019	2,277,705.93	806,430.00	35.41%
2018	2,421,930.93	921,468.00	38.05%
2017	2,705,458.29	895,504.00	33.10%
2016	2,636,243.96	658,629.00	24.98%

**Sewer Utility Fund**

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2020	\$ 4,798,571.59	\$ 297,050.00	6.19%
2019	4,702,512.19	618,107.00	13.14%
2018	4,905,560.06	754,659.00	15.38%
2017	4,200,802.68	385,290.00	9.17%
2016	3,133,328.70	551,309.00	17.59%

**Note 8: 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, 2020:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 4,200.11	\$ 38.64
Trust - Animal Control		15.29
Trust - Other	1,095.64	5,368.26
Water Utility - Operating	138.64	1,095.64
Sewer Utility - Operating	2,208.54	1,125.10
Totals	<u>\$ 7,642.93</u>	<u>\$ 7,642.93</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 2021, the City expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 9: PENSION PLANS**

A substantial number of the City'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, several City employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. In addition, certain City 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 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 City, 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.

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

**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 City. The PFRS' Board of Trustees is primarily responsible for the administration of the PFRS.

**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 Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). 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 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The following represents the membership tiers for PERS:

**Tier Definition**

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

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 9: 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.

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** - The City's contractually required contribution rate for the year ended December 31, 2020 was 14.66% of the City'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.

Based on the most recent PERS measurement date of June 30, 2020, the City's contractually required contribution to the pension plan for the year ended December 31, 2020 is \$906,030.00, and is payable by April 1, 2021. 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, 2019, the City's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$788,910.00, which was paid on April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$463,382.80.

**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 City's contractually required contribution rate for the year ended December 31, 2020 was 32.73% of the City'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.

**Note 9: 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, 2020, the City's contractually required contribution to the pension plan for the year ended December 31, 2020 is \$1,996,348.00, and is payable by April 1, 2021. 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, 2019, the City's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$1,761,599.00, which was paid on April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$609,942.00.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the City, for the year ended December 31, 2020 was 4.52% of the City's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the City, to the pension plan for the year ended December 31, 2020 was \$275,745.00, and is payable by April 1, 2021. For the prior year measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the City, to the pension plan for the year ended December 31, 2019 was \$227,068.00, which was paid on April 1, 2020.

**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 City contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the year ended December 31, 2020, employee contributions totaled \$11,109.90, and the City's contributions were \$6,060.03. There were no forfeitures during the year.

**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, 2020, the City's proportionate share of the PERS net pension liability was \$13,506,089.00. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. The City's proportion of the net pension liability was based on a projection of the City'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, 2020 measurement date, the City's proportion was 0.0828219171%, which was an increase of 0.0017171992 % from its proportion measured as of June 30, 2019.

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

**Pension Expense** - For the year ended December 31, 2020, the City's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was \$198,906.00. This (benefit) expense is not recognized by the City because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2020, the City's contribution to PERS was \$788,910.00, and was paid on April 1, 2020.

**Police and Firemen's Retirement System**

**Pension Liability** - As of December 31, 2020, the City's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

City's Proportionate Share of Net Pension Liability	\$ 23,089,977.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the City	<u>3,583,459.00</u>
	<u>\$ 26,673,436.00</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. The City's proportion of the net pension liability was based on a projection of the City'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, 2020 measurement date, the City's proportion was 0.1786967493%, which was an increase of 0.0043001033% from its proportion measured as of June 30, 2019. Likewise, at June 30, 2020, the State of New Jersey's proportion, on-behalf of the City, was 0.1786967493%, which was an increase of 0.0043001033% from its proportion, on-behalf of the City, measured as of June 30, 2019.

**Note 9: 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 Expense** - For the year ended December 31, 2020, the City's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was \$871,865.00. This (benefit) expense is not recognized by the City because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2020, the City's contribution to PFRS was \$1,761,599.00, and was paid on April 1, 2020.

For the year ended December 31, 2020, the State's proportionate share of the PFRS pension (benefit) expense, associated with the City, calculated by the Plan as of the June 30, 2020 measurement date, was \$406,113.00. This on-behalf (benefit) expense is not recognized by the City 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, 2020, the City 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		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 245,924.00	\$ 232,786.00	\$ 478,710.00	\$ 47,763.00	\$ 82,667.00	\$ 130,630.00
Changes of Assumptions	438,153.00	58,106.00	496,259.00	5,655,127.00	6,190,285.00	11,845,412.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	461,649.00	1,353,873.00	1,815,522.00	-	-	-
Changes in Proportion and Differences between City Contributions and Proportionate Share of Contributions	645,727.00	1,269,260.00	1,914,987.00	774,299.00	1,218,977.00	1,993,276.00
City Contributions Subsequent to the Measurement Date	453,015.00	998,174.00	1,451,189.00	-	-	-
	<u>\$ 2,244,468.00</u>	<u>\$ 3,912,199.00</u>	<u>\$ 6,156,667.00</u>	<u>\$ 6,477,189.00</u>	<u>\$ 7,492,129.00</u>	<u>\$ 13,969,318.00</u>

**Note 9: 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)** - Deferred outflows of resources in the amounts of \$453,015.00 and \$998,174.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability during the year ending December 31, 2021. These amounts were based on an estimated April 1, 2022 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2020 to the City's year end of December 31, 2020.

The City 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, 2015	5.72	-	-	5.53
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	-
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
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
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2016	5.00	-	5.00	-
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	-
Changes in Proportion and Differences between City Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
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

**Note 9: 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>
2021	\$ (1,911,174.00)	\$ (2,548,622.00)	\$ (4,459,796.00)
2022	(1,624,000.00)	(1,543,810.00)	(3,167,810.00)
2023	(825,038.00)	(453,178.00)	(1,278,216.00)
2024	(260,287.00)	56,316.00	(203,971.00)
2025	(65,237.00)	(88,810.00)	(154,047.00)
	<u>\$ (4,685,736.00)</u>	<u>\$ (4,578,104.00)</u>	<u>\$ (9,263,840.00)</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. 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 9: 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-2020.

**Police and Firemen's Retirement System**

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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, 2020) 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, 2020 are summarized in the table that follows:

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

**Note 9: 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, 2020. 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 2.21% as of the June 30, 2020 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 would be based on 78% of the actuarially determined contributions for the State 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, 2020. 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 2.21% as of June 30, 2020 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 will be based on 78% of the actuarially determined contributions for the State 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 City's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Public Employees' Retirement System (PERS)** - The following presents the City's proportionate share of the net pension liability as of the June 30, 2020 measurement date, calculated using a discount rate of 7.00%, as well as what the City'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:

	<u>PERS</u>		
	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
City's Proportionate Share of the Net Pension Liability	<u>\$ 17,001,913.00</u>	<u>\$ 13,506,089.00</u>	<u>\$ 10,539,787.00</u>

**Note 9: PENSION PLANS (CONT'D)****Sensitivity of City's 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 City's annual required contribution. As such, the net pension liability as of the June 30, 2020 measurement date, for the City 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>PFRS</b>		
	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
City's Proportionate Share of the Net Pension Liability	\$ 30,704,917.00	\$ 23,089,977.00	\$ 16,765,188.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the City	<u>4,765,263.00</u>	<u>3,583,459.00</u>	<u>2,601,881.00</u>
	<u>\$ 35,470,180.00</u>	<u>\$ 26,673,436.00</u>	<u>\$ 19,367,069.00</u>

**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 9: 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 City's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Eight Plan Years)***

	<u>Measurement Date Ended June 30,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Proportion of the Net Pension Liability	0.0828219171%	0.0811047179%	0.0787111860%	0.0835067657%
City's Proportionate Share of the Net Pension Liability	\$ 13,506,089.00	\$ 14,613,840.00	\$ 15,497,840.00	\$ 19,439,040.00
City's Covered Payroll (Plan Measurement Period)	\$ 5,868,064.00	\$ 5,679,524.00	\$ 5,407,328.00	\$ 5,716,328.00
City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	230.16%	257.31%	288.61%	340.06%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	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>
City's Proportion of the Net Pension Liability	0.0869501822%	0.0902109235%	0.0858453883%	0.0830261391%
City's Proportionate Share of the Net Pension Liability	\$ 25,752,150.00	\$ 20,250,545.00	\$ 16,072,605.00	\$ 15,867,945.00
City's Covered Payroll (Plan Measurement Period)	\$ 5,971,600.00	\$ 6,178,560.00	\$ 6,009,304.00	\$ 5,787,888.00
City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	431.24%	327.76%	267.46%	274.16%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

**Note 9: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the City's Contributions - Public Employees' Retirement System (PERS) (Last Eight Years)***

	<u>Year Ended December 31,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Contractually Required Contribution	\$ 906,030.00	\$ 788,910.00	\$ 782,922.00	\$ 773,601.00
City's Contribution in Relation to the Contractually Required Contribution	\$ (906,030.00)	\$ (788,910.00)	(782,922.00)	(773,601.00)
City's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll (Calendar Year)	\$ 6,178,312.00	\$ 5,898,545.00	\$ 5,700,297.00	\$ 5,453,054.00
City's Contributions as a Percentage of Covered Payroll	14.66%	13.37%	13.73%	14.19%
	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
City's Contractually Required Contribution	\$ 772,453.00	\$ 775,572.00	\$ 707,697.00	\$ 625,585.00
City's Contribution in Relation to the Contractually Required Contribution	(772,453.00)	(775,572.00)	(707,697.00)	(625,585.00)
City's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll (Calendar Year)	\$ 5,642,285.00	\$ 5,994,904.00	\$ 6,193,627.00	\$ 6,140,792.00
City's Contributions as a Percentage of Covered Payroll	13.69%	12.94%	11.43%	10.19%

**Note 9: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the City's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Eight Plan Years)***

	<u>Measurement Date Ended June 30,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Proportion of the Net Pension Liability	0.1786967493%	0.1743966460%	0.1677097604%	0.1754074151%
City's Proportionate Share of the Net Pension Liability	\$ 23,089,977.00	\$ 21,342,346.00	\$ 22,693,895.00	\$ 27,079,514.00
State's Proportionate Share of the Net Pension Liability associated with the City	<u>3,583,459.00</u>	<u>3,369,997.00</u>	<u>3,082,590.00</u>	<u>3,033,134.00</u>
<b>Total</b>	<b><u>\$ 26,673,436.00</u></b>	<b><u>\$ 24,712,343.00</u></b>	<b><u>\$ 25,776,485.00</u></b>	<b><u>\$ 30,112,648.00</u></b>
City's Covered Payroll (Plan Measurement Period)	\$ 6,165,908.00	\$ 5,833,436.00	\$ 5,570,024.00	\$ 5,524,428.00
City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	374.48%	365.86%	407.43%	490.18%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	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>
City's Proportion of the Net Pension Liability	0.1859257362%	0.1986241402%	0.1887112842%	0.1915114609%
City's Proportionate Share of the Net Pension Liability	\$ 35,516,572.00	\$ 33,083,858.00	\$ 23,738,129.00	\$ 25,459,721.00
State's Proportionate Share of the Net Pension Liability associated with the City	<u>2,982,511.00</u>	<u>2,801,343.00</u>	<u>2,556,198.00</u>	<u>2,373,155.00</u>
<b>Total</b>	<b><u>\$ 38,499,083.00</u></b>	<b><u>\$ 35,985,201.00</u></b>	<b><u>\$ 26,294,327.00</u></b>	<b><u>\$ 27,832,876.00</u></b>
City's Covered Payroll (Plan Measurement Period)	\$ 6,025,780.00	\$ 6,277,748.00	\$ 5,964,540.00	\$ 5,813,944.40
City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	589.41%	527.00%	397.99%	437.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	58.31%	62.41%	58.70%

**Note 9: PENSION PLANS (CONT'D)**

**Supplementary Pension Information (Cont'd)**

***Schedule of the City's Contributions - Police and Firemen's Retirement System (PFRS) (Last Eight Years)***

	<u>Year Ended December 31,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Contractually Required Contribution	\$ 1,996,348.00	\$ 1,761,599.00	\$ 1,639,610.00	\$ 1,552,388.00
City's Contribution in Relation to the Contractually Required Contribution	<u>(1,996,348.00)</u>	<u>(1,761,599.00)</u>	<u>(1,639,610.00)</u>	<u>(1,552,388.00)</u>
City's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll (Calendar Year)	\$ 6,099,420.00	\$ 6,213,032.00	\$ 5,927,886.00	\$ 5,563,901.00
City's Contributions as a Percentage of Covered Payroll	32.73%	28.35%	27.66%	27.90%
	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
City's Contractually Required Contribution	\$ 1,515,928.00	\$ 1,614,518.00	\$ 1,449,433.00	\$ 1,397,225.00
City's Contribution in Relation to the Contractually Required Contribution	<u>(1,515,928.00)</u>	<u>(1,614,518.00)</u>	<u>(1,449,433.00)</u>	<u>(1,397,225.00)</u>
City's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll (Calendar Year)	\$ 5,524,825.00	\$ 5,815,293.00	\$ 6,184,573.00	\$ 6,018,794.00
City's Contributions as a Percentage of Covered Payroll	27.44%	27.76%	23.44%	23.21%

**Note 9: 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, 2020 measurement date included two changes to the plan provisions. Chapter 157, P.L. 2019 expanded the definition of regular or assigned duties for purposes of accidental disability. The Division of Pension and Benefits (DPB) also adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions.

**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>
2020	7.00%	2016	3.98%
2019	6.28%	2015	4.90%
2018	5.66%	2014	5.39%
2017	5.00%		

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>
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

***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>
2020	7.00%	2016	5.55%
2019	6.85%	2015	5.79%
2018	6.51%	2014	6.32%
2017	6.14%		

**Note 9: 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>
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

**Note 10: LENGTH OF SERVICE AWARDS PROGRAM**

**Plan Description** - The City's length of service awards program (the "Plan"), which is a defined contribution plan reported in the City's trust fund, was created by a City Ordinance adopted on June 1, 1999 pursuant to Section 457(e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27.

The voters of the City approved the adoption of the Plan at the general election held on November 2, 1999, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2000. The Plan provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel, and is administered by Lincoln National Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The City's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

The tax deferred income benefits for emergency service volunteers of the volunteer fire department and the first aid organization, come from contributions made solely by the governing body of the City, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**Plan Amendments** - The City may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the City, and the following procedures must be followed: (a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the City's governing body, provided, however, that any amendment required by the IRS, may be adopted by the City's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the City shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The City may amend the Plan agreement to accommodate changes in the Internal Revenue Code, Federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the City shall notify all participants in writing prior to making any amendment to the Plan.

**Contributions** - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually.

The City elected to contribute \$1,150.00 for the year ended December 31, 2020, per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The City has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2020, the City's total expenditure to the Plan was \$16,100.00.

**Note 10: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)**

**Participant Accounts** - Each participant's account is credited with the City's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The City has placed the amounts deferred, including earnings, in an account maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the City to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the City. These funds, however, are not available for funding the operations of the City.

**Vesting** - The City, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-11.63 may make a yearly contribution to the length of service awards program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

**Payment of Benefits** - Upon separation from volunteer service, retirement or disability, termination of the Plan, participants may select various payout options of vested accumulated deferrals, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate.

In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

**Forfeited Accounts** - For the year ended December 31, 2020, no accounts were forfeited.

**Investments** - The investments of the length of service awards program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

**Plan Information** - Additional information about the City's length of service awards program can be obtained by contacting the Plan Administrator.

**Note 10: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)****Supplementary Length of Service Award Program Information**

In accordance with GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, the following schedule of City contributions to the length of service award program is presented. This schedule is 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.

	<u>Year Ended December 31,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Plan Calculated Contribution	\$ 14,950.00	\$ 16,100.00	\$ 19,550.00	\$ 18,400.00
City's Contributions in Relation to the Plan Calculated Contribution	<u>(14,950.00)</u>	<u>(16,100.00)</u>	<u>(19,550.00)</u>	<u>(18,400.00)</u>
City's Plan Calculated Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2016</u>	<u>2015</u>	<u>2014</u>	
City's Plan Calculated Contribution	\$ 16,100.00	\$ 11,500.00	\$ 16,100.00	
City's Contributions in Relation to the Plan Calculated Contribution	<u>(16,100.00)</u>	<u>(11,500.00)</u>	<u>(16,100.00)</u>	
City's Plan Calculated Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

**CITY OF MILLVILLE POSTEMPLOYMENT BENEFIT PLAN**

**Plan Description and Benefits Provided** - The City provides postretirement health care benefits through a health plan for retirees, which includes a medical, dental, vision, and prescription plan. The City provides a single employer post-employment healthcare plan, which is not administered through a trust that meets the criteria in paragraph 4 of the GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*, and covers the following retiree populations: Council 18 employees retiring with at least fifteen (15) years of service with the City and the duration of the benefit is five (5) years for fifteen (15) years of service, eight (8) years for twenty (20) years of service, and thirteen (13) years with twenty-five (25) years of service; Police, Superior and Fire employees retiring with at least twenty-five (25) years of service with the City and the duration of the benefit is twelve (12) years; Administrative employees retiring with at least fifteen (15) years of service with the City and the duration of the benefit is five (5) years for fifteen (15) years of service, nine (9) years for twenty (20) years of service, and thirteen (13) years with twenty-five (25) years of service.

Coverage is provided for the retirees and their spouse up to age sixty-five, providing the retirees annually certify that they have no other medical coverage. This provision is part of a labor agreement between the City and Council 18, Police, Superior, Fire and Administrative. The Plan is administered by the City; therefore, premium payments are made directly to the insurance carriers. Reimbursements by the retirees are paid in monthly installments after the City provides the retirees with a detailed accounting of the costs.

**Employees Covered by Benefit Terms** - As of December 31, 2020, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	156
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	
Active Employees	186
	342

**Total OPEB Liability**

The City's total OPEB liability of \$11,572,494.00 was measured as of December 31, 2020 and was determined by an actuarial valuation as of this same date.

**Actuarial Assumptions and Other Inputs** - The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50% Annually
Salary Increases	See "Salary Increases" Table
Discount Rate	2.12%
Healthcare Cost Trend Rates	See "Health Care Cost Trend Rates" Table
Retirees' Share of Benefit-Related Costs	See "Retirees' Share of Benefit-Related Costs" Table

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****CITY OF MILLVILLE POSTEMPLOYMENT BENEFIT PLAN (CONT'D)****Actuarial Assumptions and Other Inputs (Cont'd)****Salary Increases****Public Employees' Retirement System (PERS)**

<u>Service</u>	<u>Annual Rate of Increase (%)</u>	
	<u>FYE 2019 to FYE 2026</u>	<u>FYE 2026 and Later</u>
0	6.00%	7.00%
5	4.75%	5.75%
10	3.60%	4.60%
15	2.80%	3.80%
20	2.60%	3.60%
25	2.40%	3.40%
29	2.00%	3.00%

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

<u>Service</u>	<u>Annual Rate of Increase (%)</u>
0	15.25%
1	15.25%
2	12.75%
3	10.75%
4	10.25%
5	9.25%
6	8.25%
7	7.25%
8	5.75%
9	5.25%
10	4.75%
11	4.25%
12	3.75%
13	3.25%

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****CITY OF MILLVILLE POSTEMPLOYMENT BENEFIT PLAN (CONT'D)****Actuarial Assumptions and Other Inputs (Cont'd)****Health Care Cost Trend Rates**

To Fiscal Year Ending	Annual Rate of Increase (%)				
	Medical		RX	Dental	Vision
	Pre-65	Post-65			
2021	6.50%	5.30%	7.10%	5.00%	3.00%
2022	6.40%	5.20%	7.00%	5.00%	3.00%
2023	6.30%	5.10%	6.90%	5.00%	3.00%
2024	6.04%	5.01%	6.56%	5.00%	3.00%
2025	5.79%	4.93%	6.21%	5.00%	3.00%
2026	5.53%	4.84%	5.87%	5.00%	3.00%
2027	5.27%	4.76%	5.53%	5.00%	3.00%
2028	5.01%	4.67%	5.19%	5.00%	3.00%
2029	4.76%	4.59%	4.84%	5.00%	3.00%
2030 & Later	4.50%	4.50%	4.50%	5.00%	3.00%

**Retirees' Share of Benefit-Related Costs**

Retirement Allowance (RA)	Single	Family
RA < \$20k	4.50%	3.43%
\$20k =< RA < \$25k	5.50%	3.43%
\$25k =< RA < \$30k	7.50%	4.43%
\$30k =< RA < \$35k	10.00%	5.85%
\$35k =< RA < \$40k	11.00%	6.85%
\$40k =< RA < \$45k	12.00%	7.85%
\$45k =< RA < \$50k	14.00%	9.85%
\$50k =< RA < \$55k	20.00%	14.55%
\$55k =< RA < \$60k	23.00%	16.55%
\$60k =< RA < \$65k	27.00%	20.40%
\$65k =< RA < \$70k	29.00%	22.40%
\$70k =< RA < \$75k	32.00%	25.40%
\$75k =< RA < \$80k	33.00%	26.40%
\$80k =< RA < \$85k	34.00%	27.40%
\$85k =< RA < \$90k	34.00%	29.40%
\$90k =< RA < \$95k	34.00%	29.70%
\$95k =< RA < \$100k	35.00%	29.85%
\$100k =< RA < \$110k	35.00%	34.55%
\$110k =< RA	35.00%	35.00%

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****CITY OF MILLVILLE POSTEMPLOYMENT BENEFIT PLAN (CONT'D)****Actuarial Assumptions and Other Inputs (Cont'd)**

The discount rate was based on the 20-Bond General Obligation (GO) Index.

Mortality rates were based on the following:

*Pre-Retirement (PERS)* - PUBGH2010EE Pub-2010 Public Plans, Fully Generational MP2020, "General" Classification, Headcount-Weighted, Employees Mortality

*Pre-Retirement (PFRS)* - PUBGH2010EE Pub-2010 Public Plans, Fully Generational MP2020, "Safety" Classification, Headcount-Weighted, Employees Mortality

*Post-Retirement* - PUBGH2010HA Pub-2010 Public Plans, Fully Generational MP2020, "General" Classification, Headcount-Weighted, Healthy Annuitant Mortality

An experience study was not performed on the actuarial assumptions used in the December 31, 2020 valuation since the Plan had insufficient data to produce a study with credible results. Mortality rates, termination rates and retirement rates were based on standard tables issued by the Society of Actuaries. The actuary has used their professional judgement in applying these assumptions to this Plan.

**Changes in Total OPEB Liability**

Balance at December 31, 2019		\$ 21,031,047.00
Changes for the Year:		
Service Cost	\$1,039,651.00	
Interest Cost	587,342.00	
Benefit Payments	(1,278,323.00)	
Changes in Assumptions	(8,073,915.00)	
Difference between Expected and Actual Experience	<u>(1,733,308.00)</u>	
Net Changes		<u>(9,458,553.00)</u>
Balance at December 31, 2020		<u>\$ 11,572,494.00</u>

Changes of benefit terms reflect no increase in the retirees' share of health insurance premiums.

Changes of assumptions and other inputs reflect a change in the discount rate from 2.74% at December 31, 2019 to 2.12% at December 31, 2020.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****CITY OF MILLVILLE POSTEMPLOYMENT BENEFIT PLAN (CONT'D)**

**Sensitivity of Total OPEB Liability to Changes in Discount Rate** - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated for using a discount rate that is 1-percentage -point lower or 1-percentage-point higher than the current discount rate:

	<u>December 31, 2020</u>		
	<u>1.00% Decrease (1.12%)</u>	<u>Current Discount Rate (2.12%)</u>	<u>1.00% Increase (3.12%)</u>
Total OPEB Liability	<u>\$ 12,334,254.00</u>	<u>\$ 11,572,494.00</u>	<u>\$ 10,860,854.00</u>

**Sensitivity of Total OPEB Liability to Changes in Healthcare Cost Trend Rates** - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>December 31, 2020</u>		
	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1.00% Increase</u>
Total OPEB Liability	<u>\$ 10,459,659.00</u>	<u>\$ 11,572,494.00</u>	<u>\$ 12,882,927.00</u>

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** - For the year ended December 31, 2020, the City recognized OPEB expense of \$239,207.00. As of December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 1,133,320.00	\$ -
Difference Between Expected and Actual Experience	-	8,697,682.00
	<u>\$ 1,133,320.00</u>	<u>\$ 8,697,682.00</u>

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****CITY OF MILLVILLE POSTEMPLOYMENT BENEFIT PLAN (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)**

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

<b>Year Ending Dec 31,</b>	
2021	\$ (1,387,786.00)
2022	(1,387,786.00)
2023	(1,374,416.00)
2024	(1,269,051.00)
2025	(1,532,380.00)
Thereafter	<u>(612,943.00)</u>
	<u>\$ (7,564,362.00)</u>

**Supplementary OPEB Information**

In accordance with GASBS No. 75, the following information is also presented for the City's OPEB 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 Changes in the City's Total OPEB Liability and Related Ratios***

	<u>Plan Measurement Date December 31,</u>		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>			
Service Cost	\$ 1,039,651.00	\$ 934,685.00	\$ 994,987.00
Interest Cost	587,342.00	798,120.00	707,022.00
Benefit Payments	(1,278,323.00)	(1,893,457.00)	(1,845,104.00)
Changes in Assumptions	(8,073,915.00)	1,713,314.00	(859,048.00)
Difference Between Expected and Actual Experience	<u>(1,733,308.00)</u>	<u>-</u>	<u>-</u>
Net Change in Total OPEB Liability	(9,458,553.00)	1,552,662.00	(1,002,143.00)
Total OPEB Liability - Beginning of Year	<u>21,031,047.00</u>	<u>19,478,385.00</u>	<u>20,480,528.00</u>
Total OPEB Liability - End of Year	<u>\$ 11,572,494.00</u>	<u>\$ 21,031,047.00</u>	<u>\$ 19,478,385.00</u>
Covered-Employee Payroll	\$ 12,166,742.00	\$ 11,866,457.34	\$ 11,628,183.00
Total OPEB Liability as a Percentage of Covered Payroll	95.12%	177.23%	167.51%

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Other Notes to Supplementary OPEB Information****Changes in Benefit Terms**

None

**Changes in Assumptions**

The discount rate changed from 2.74% as of the December 31, 2019 measurement date to 2.12% as of the December 31, 2020 measurement date. On December 20, 2019 the President signed the 2020 appropriations bill which includes the SECURE Act. Under the SECURE Act, the Excise Tax on High-Cost Plans ("Cadillac Tax") was repealed for all tax years beginning after December 31, 2019. The mortality improvement scale was updated from MP-2018 to MP-2020 to reflect latest available mortality improvement scale issued by the Society of Actuaries as of the measurement date. The health care trend and claim rates have been updated to better anticipate future experience under the plan. Future retiree participation percentage has been updated from 70% to 100%. Marriage percentage updated from 70% to 55%. Salary scale assumptions, retirement dates, withdrawal rates and disability rates were updated.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS****STATE HEALTH BENEFITS PLAN**

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on 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, 2020 was not available; therefore, the information from the measurement period June 30, 2019 is disclosed below.

**General Information about the OPEB Plan**

**Plan Description and Benefits Provided** - The City 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) Comprehensive Annual Financial Report (CAFR), 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 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 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****STATE HEALTH BENEFITS PLAN (CONT'D)****General Information about the OPEB 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 City was billed monthly by the Plan and paid \$1,033,155.01, for the year ended December 31, 2019, representing 8.53% of the City's covered payroll. During the year ended December 31, 2019, retirees were required to contribute \$46,289.90 to the Plan.

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

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

The amount of actual contributions to the OPEB Plan made by the State, on-behalf of the City, is not known, however, under the Special Funding Situation, the State's OPEB (benefit) expense, on-behalf of the City, is \$260,431.00 for the year ended December 31, 2019 representing 2.15% of the City's covered payroll.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****STATE HEALTH BENEFITS PLAN (CONT'D)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

**OPEB Liability** - At December 31, 2019 the City's and State's proportionate share of the net OPEB liability were as follows:

City's Proportionate Share of Net OPEB Liability	\$ 23,135,741.00
State of New Jersey's Proportionate Share of Net OPEB Liability Associated with the City	<u>19,647,356.00</u>
	<u>\$ 42,783,097.00</u>

The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.

The City'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, 2018 through June 30, 2019. For the June 30, 2019 measurement date, the City's proportion was 0.170793% which was a decrease of 0.009773% from its proportion measured as of the June 30, 2018 measurement date.

The State's proportion of the net OPEB liability, on-behalf of the City was based on the ratio of the plan members of an individual employer to the total members of the Plan's special funding situation during the measurement period July 1, 2018 through June 30, 2019. For the June 30, 2019 measurement date, the State's proportion on-behalf of the City was 0.355562% which was a decrease of 0.003391% from its proportion measured as of the June 30, 2018 measurement date.

**OPEB (Benefit) Expense** - At December 31, 2019, the City's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is (\$644,302.00). This (benefit) expense is not recognized by the City because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2019, the City made contributions to the Plan totaling \$1,033,155.01.

At December 31, 2019, the State's proportionate share of the OPEB (benefit) expense, associated with the City, calculated by the Plan as of the June 30, 2019 measurement date is \$260,431.00. This on-behalf (benefit) expense is not recognized by the City because of the regulatory basis of accounting as described in note 1.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****STATE HEALTH BENEFITS PLAN (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** - At December 31, 2019, the City had deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ -	\$ 6,765,793.00
Changes of Assumptions	-	8,198,792.00
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	19,057.00	-
Changes in Proportion and Differences between City Contributions and Proportionate Share of Contributions	1,376,708.00	3,847,230.00
City Contributions Subsequent to the Measurement Date	590,359.34	-
	<u>\$ 1,986,124.34</u>	<u>\$ 18,811,815.00</u>

\$590,359.34 reported as deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be included as a reduction of the City's net OPEB liability during the year ending December 31, 2020. The City will amortize the above other deferred outflow of resources and deferred inflows of resources related to the OPEB liability over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
June 30, 2017	-	-
June 30, 2018	-	8.14
June 30, 2019	-	8.05
Changes of Assumptions		
Year of OPEB Plan Deferral:		
June 30, 2017	-	8.04
June 30, 2018	-	8.14
June 30, 2019	-	8.05
Net Difference between Projected and Actual 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	-
Changes in Proportion and Differences between City Contributions and Proportionate Share of Contributions		
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

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****STATE HEALTH BENEFITS PLAN (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>	
2020	\$ (2,862,810.00)
2021	(2,862,810.00)
2022	(2,864,304.00)
2023	(2,866,719.00)
2024	(2,868,925.00)
Thereafter	<u>(3,090,482.00)</u>
	<u>\$ (17,416,050.00)</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 at June 30, 2019 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 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 mortality improvement projections from the central year using Scale MP-2019.

PFRS mortality rates were based on Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019.

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

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

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****STATE HEALTH BENEFITS PLAN (CONT'D)****Actuarial Assumptions (Cont'd)**

All of the Plan's investments are in the State of New Jersey Cash Management Fund ("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, 2019 was 3.50%. 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** - For pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

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

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

	1% Decrease <u>(2.50%)</u>	Current Discount Rate <u>(3.50%)</u>	1% Increase <u>(4.50%)</u>
City's Proportionate Share of the Net OPEB Liability	\$ 26,750,802.00	\$ 23,135,741.00	\$ 20,198,026.00
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the City	<u>22,717,342.00</u>	<u>19,647,356.00</u>	<u>17,152,587.00</u>
	<u>\$ 49,468,144.00</u>	<u>\$ 42,783,097.00</u>	<u>\$ 37,350,613.00</u>

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****STATE HEALTH BENEFITS PLAN (CONT'D)****Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

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

	<u>1%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rates</u>	<u>1%</u> <u>Increase</u>
City's Proportionate Share of the Net OPEB Liability	\$ 19,523,714.00	\$ 23,135,741.00	\$ 27,743,489.00
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the City	<u>16,579,947.00</u>	<u>19,647,356.00</u>	<u>23,560,352.00</u>
	<u>\$ 36,103,661.00</u>	<u>\$ 42,783,097.00</u>	<u>\$ 51,303,841.00</u>

**OPEB Plan Fiduciary Net Position**

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

**Supplementary OPEB Information**

In accordance with 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 City's Proportionate Share of the net OPEB Liability (Last Three Plan Years)***

	<u>Measurement Date Ended June 30,</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Proportion of the Net OPEB Liability	0.170793%	0.180566%	0.172518%
City's Proportionate Share of the Net OPEB Liability	\$ 23,135,741.00	\$ 28,288,586.00	\$ 35,220,910.00
State's Proportionate Share of the Net OPEB Liability Associated with the City	<u>19,647,356.00</u>	<u>22,304,781.00</u>	<u>30,614,376.00</u>
Total	<u>\$ 42,783,097.00</u>	<u>\$ 50,593,367.00</u>	<u>\$ 65,835,286.00</u>
City's Covered Payroll (Plan Measurement Period)	\$ 11,980,189.00	\$ 11,226,334.00	\$ 11,028,104.00
City's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	193.12%	251.98%	319.37%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.97%	1.03%

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****STATE HEALTH BENEFITS PLAN (CONT'D)*****Schedule of the City's Contributions (Last Three Years)***

	<u>Year Ended December 31,</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Required Contributions	\$ 1,033,155.01	\$ 1,122,736.56	\$ 1,748,603.88
City's Contributions in Relation to the Required Contribution	<u>(1,033,155.01)</u>	<u>(1,122,736.56)</u>	<u>(1,748,603.88)</u>
City's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll (Calendar Year)	\$ 12,111,577.00	\$ 11,628,183.00	\$ 11,016,955.00
City's Contributions as a Percentage of Covered Payroll	8.53%	9.66%	15.87%

**Other Notes to Supplementary OPEB Information****Changes in Benefit Terms**

In 2019, there were slight changes to the Chapter 48 provisions.

**Changes in Assumptions**

In 2019, the discount rate changed to 3.50% from 3.87%, and there were changes in the assumed health care cost trend, PPO/HMO future retiree elections, and excise tax assumptions. Further, decrements, salary scale, and mortality assumptions were updated based on the July 1, 2013 - June 30, 2018 PFRS and July 1, 2014 - June 30, 2018 PERS experience studies. For mortality related to PFRS members and retirees, the Pub-2010 "Safety" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019 was used. For mortality related to PERS members and retirees, the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019 was used.

In 2018, the discount rate changed to 3.87% from 3.58%, there were changes in the census, claims and premiums experience and a decrease in the assumed health care cost trend and excise tax assumptions.

In 2017, the discount rate changed to 3.58% from 2.85%.

**Note 12: COMPENSATED ABSENCES**

Under the existing policy of the City, full-time employees are entitled to accumulate annual unused sick leave and vacation days. Unused sick leave may be accumulated and carried forward to the subsequent year. Vacation days not used during the year may be accumulated and carried forward, but the carry-forward is limited to the equivalent of one year's accrued vacation days.

The City compensates employees for unused sick leave and vacation days upon termination or retirement. For unused sick leave, however, the current policy provides one compensated day for every two days accumulated.

The City has established a compensated absences trust fund to set aside funds for future payments of compensated absences. At December 31, 2020, the balance of the fund was \$1,194,799.11. It is estimated that, at December 31, 2020, accrued benefits for compensated absences are valued at \$2,901,445.26.

**Note 13: DEFERRED COMPENSATION SALARY ACCOUNT**

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

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

**Note 14: SANITARY LANDFILL ESCROW CLOSURE FUND**

The City operates a municipal landfill located in the southern part of the City. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

The City has received State approval for its Landfill Closure Plan. As of December 31, 2020 the Reserve for Landfill Closure had a balance of \$154,120.04. However, the escrow closure fund balance at year-end does not represent the estimated cost of closure as of that date. The required balance of the fund merely represents the amount required to be escrowed in accordance with the statute. Actual costs associated with the closure are not known.

**Note 15: CAPITAL DEBT****General Obligation Bonds**

General Obligation Bonds, Series 2011 - On November 1, 2011, the City issued \$16,185,000.00 of general improvement, water utility, sewer utility, and revenue allocation district bonds, with interest rates ranging from 3.0% to 5.0%. The bonds were issued for the purpose of funding various capital projects in the City. The final maturity of the bonds is November 1, 2023.

General Obligation Refunding Bonds, Series 2012 - On September 5, 2012, the City issued \$8,015,000.00 in general obligation refunding bonds, with interest rates ranging from 1.00% to 2.50%, to advance refund \$1,735,000.00 in outstanding 2001 general improvement bonds with an interest rate of 4.10%, \$5,124,000.00 in outstanding 2004 general improvement bonds with an interest rate of 4.125%, \$154,000.00 in outstanding 2004 water utility bonds with an interest rate of 4.125%, and \$592,000.00 in outstanding 2004 sewer utility bonds with an interest rate of 4.125%. The final maturity of the bonds is July 15, 2020.

General Obligation Refunding Bonds, Series 2016 - On April 21, 2016, the City issued \$4,265,000.00 in general obligation refunding bonds, with interest rates ranging from 2.00% to 3.00%, to advance refund \$1,751,000.00 in outstanding 2008 general improvement bonds with an interest rate of 5.0%, \$1,405,000.00 in outstanding 2008 water utility bonds with an interest rate of 5.0%, and \$965,000.00 in outstanding 2008 sewer utility bonds with an interest rate of 5.0%. The final maturity of the bonds is September 1, 2028.

General Obligation Bonds, Series 2017 - On July 26, 2017, the City issued \$13,469,000.00 of general improvement, water utility, and sewer utility bonds, with interest rates ranging from 2.0% to 4.0%. The bonds were issued for the purpose of funding various capital projects in the City. The final maturity of the bonds is July 15, 2037.

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

**Bonded Debt Issued and Outstanding**

Year	General		Water Utility		Sewer Utility		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2021	\$ 2,480,000.00	\$ 465,565.00	\$ 280,000.00	\$ 101,405.00	\$ 445,000.00	\$ 72,225.00	\$ 3,824,195.00
2022	2,500,000.00	375,665.00	290,000.00	92,805.00	450,000.00	53,375.00	3,761,845.00
2023	2,614,000.00	300,665.00	321,000.00	84,105.00	455,000.00	39,875.00	3,814,645.00
2024	1,275,000.00	212,745.00	255,000.00	73,475.00	150,000.00	25,725.00	1,991,945.00
2025	950,000.00	164,995.00	260,000.00	64,825.00	150,000.00	20,725.00	1,810,545.00
2026-30	4,629,000.00	385,725.00	1,045,000.00	208,825.00	545,000.00	39,175.00	6,862,725.00
2031-35			600,000.00	93,925.00			693,925.00
2036-37			230,000.00	11,050.00			241,050.00
Totals	\$ 14,448,000.00	\$ 1,915,380.00	\$ 3,281,000.00	\$ 730,415.00	\$ 2,195,000.00	\$ 251,100.00	\$ 22,800,875.00

**Note 15: CAPITAL DEBT (CONT'D)****General Debt - New Jersey Environmental Infrastructure Loans**

The City entered into loan agreements with the State of New Jersey Environmental Infrastructure Trust. The loans consists of two parts - a Trust Loan repayable at market interest rates and a Fund Loan repayable with no interest.

Water Utility NJEIT Loan Series 2003A - On October 15, 2003, the City entered into a loan agreement in the amount of \$1,451,680.00 with the New Jersey Environmental Infrastructure Trust. The final payment of the loan is September 1, 2023.

Water Utility NJEIT Loan Series 2013A - On May 22, 2013, the City entered into a loan agreement in the amount of \$3,660,000.00 with the New Jersey Environmental Infrastructure Trust. The final payment of the loan is August 1, 2032.

Sewer Utility NJEIT Loan Series 2003A - On October 15, 2003, the City entered into a loan agreement in the amount of \$2,850,000.00 with the New Jersey Environmental Infrastructure Trust. The final payment of the loan is September 1, 2023.

Sewer Utility NJEIT Loan Series 2010A - On March 10, 2010, the City entered into a loan agreement in the amount of \$4,286,975.00 with the New Jersey Environmental Infrastructure Trust. The final payment of the loan is August 1, 2029.

Sewer Utility NJEIT Loan Series 2018A - On December 1, 2017, the City entered into a loan agreement in the amount of \$9,423,760.00 with the New Jersey Environmental Infrastructure Trust. The final payment of the loan is September 1, 2037.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Environmental Infrastructure loans:

**Schedule of NJEIT Loans**

<u>Year</u>	<u>Water Utility</u>		<u>Sewer Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2021	\$ 279,252.19	\$ 29,487.50	\$ 737,833.41	\$ 120,600.00	\$ 1,167,173.10
2022	262,609.60	25,212.50	753,000.39	109,725.00	1,150,547.49
2023	246,101.68	20,800.00	762,863.95	97,350.00	1,127,115.63
2024	191,101.68	15,700.00	584,716.17	84,487.50	876,005.35
2025	191,101.68	13,200.00	589,716.17	76,637.50	870,655.35
2026-30	980,508.40	42,600.00	2,934,055.85	263,087.50	4,220,251.75
2031-35	396,188.65	5,100.00	2,525,955.85	125,925.02	3,053,169.52
2036-37			1,045,382.66	16,537.52	1,061,920.18
Totals	<u>\$ 2,546,863.88</u>	<u>\$ 152,100.00</u>	<u>\$ 9,933,524.45</u>	<u>\$ 894,350.04</u>	<u>\$ 13,526,838.37</u>

**Note 15: CAPITAL DEBT (CONT'D)****General Debt - New Jersey Green Acres Loans**

The City entered into 3 loan agreements with the State of New Jersey under the Green Acres and Recreational Act. Provisions of these agreements require the City to repay the loans in semi-annual installments over twenty years bearing interest at two percent commencing nine months from the date of the final receipt of funds. The remaining principal balance on these 3 loans as of December 31, 2020 was \$307,067.70.

Green Trust Loan - On July 22, 2003, the City entered into a loan agreement in the amount of \$250,000.00 with the State of New Jersey with an interest rate of 2.00%, for the Green Acres-Sharp Street Recreation Complex. The final payment of the loan is April 4, 2022.

Green Trust Loan - On December 9, 2005, the City entered into a loan agreement in the amount of \$250,000.00 with the State of New Jersey with an interest rate of 2.00%, for the Public Marina. The final payment of the loan is September 6, 2024.

Green Trust Loan - On March 29, 2010, the City entered into a loan agreement in the amount of \$500,000.00 with the State of New Jersey with an interest rate of 2.00%, for the Waterfront IV&V project. The final payment of the loan is December 31, 2027.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Green Acres loans:

**Schedule of Green Trust Loans**

<u>Year</u>	<u>Principal</u>	<u>General</u> <u>Interest</u>	<u>Total</u>
2021	\$ 60,632.02	\$ 5,839.71	\$ 66,471.73
2022	53,733.72	4,621.00	58,354.72
2023	46,615.58	3,622.12	50,237.70
2024	47,552.56	2,685.16	50,237.72
2025	32,193.17	1,810.51	34,003.68
2026-27	66,340.65	1,666.77	68,007.42
<b>Totals</b>	<b>\$ 307,067.70</b>	<b>\$ 20,245.27</b>	<b>\$ 327,312.97</b>

**Note 15: CAPITAL DEBT (CONT'D)**

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b><u>Issued</u></b>			
General:			
Bonds, Loans and Notes	\$ 19,685,067.70	\$ 17,409,505.05	\$ 20,022,771.23
Water Utility:			
Bonds, Loans and Notes	7,807,863.88	6,335,600.66	6,869,852.86
Sewer Utility:			
Bonds, Loans and Notes	12,828,524.45	13,301,357.86	14,509,039.46
Total Issued	<u>40,321,456.03</u>	<u>37,046,463.57</u>	<u>41,401,663.55</u>
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds, Loans and Notes	1,065,365.54	5,211,615.54	2,051,060.54
Water Utility:			
Bonds, Loans and Notes	2,155,845.22	2,125,845.22	845.22
Sewer Utility:			
Bonds, Loans and Notes	647,315.02	1,277,315.02	577,315.02
Total Authorized but not Issued	<u>3,868,525.78</u>	<u>8,614,775.78</u>	<u>2,629,220.78</u>
Total Issued and Authorized but not Issued	<u>44,189,981.81</u>	<u>45,661,239.35</u>	<u>44,030,884.33</u>
<b><u>Deductions</u></b>			
General:			
Reserve for Payment of Bonds	743,033.58	850,033.58	957,033.58
Water Utility:			
Self-Liquidating	9,963,709.10	8,461,445.88	6,870,698.08
Sewer Utility:			
Self-Liquidating	13,475,839.47	14,578,672.88	15,086,354.48
Total Deductions	<u>24,182,582.15</u>	<u>23,890,152.34</u>	<u>22,914,086.14</u>
Net Debt	<u>\$ 20,007,399.66</u>	<u>\$ 21,771,087.01</u>	<u>\$ 21,116,798.19</u>

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

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 1.280%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Self-Liquidating	\$ 23,439,548.57	\$ 23,439,548.57	
General	20,750,433.24	743,033.58	\$ 20,007,399.66
	<u>\$ 44,189,981.81</u>	<u>\$ 24,182,582.15</u>	<u>\$ 20,007,399.66</u>

Net debt \$20,007,399.66 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$1,563,325,989.33, equals 1.280%.

**Note 15: CAPITAL DEBT (CONT'D)****Borrowing Power Under N.J.S.A. 40A:2-6 as Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$	54,716,409.63
Less: Net Debt		<u>20,007,399.66</u>
Remaining Borrowing Power	\$	<u><u>34,709,009.97</u></u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$	3,880,186.97
Deductions:		
Operating and Maintenance Costs	\$	2,974,314.00
Debt Service		<u>682,524.01</u>
Total Deductions		<u>3,656,838.01</u>
Excess in Revenue	\$	<u><u>223,348.96</u></u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$	6,237,439.36
Deductions:		
Operating and Maintenance Costs	\$	4,607,608.00
Debt Service		<u>1,378,001.32</u>
Total Deductions		<u>5,985,609.32</u>
Excess in Revenue	\$	<u><u>251,830.04</u></u>

**Note 16: SCHOOL TAXES**

Millville 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>2020</u>	<u>2019</u>
Balance of Tax	\$ 5,372,451.14	\$ 5,165,817.14
Deferred	<u>1,791,000.00</u>	<u>1,791,000.00</u>
Taxes Payable	<u>\$ 3,581,451.14</u>	<u>\$ 3,058,119.14</u>

**Note 17: RISK MANAGEMENT**

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

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

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

<u>Year</u>	<u>City Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020		\$ 6,077.00	\$ 42,447.10
2019	\$ 65,197.48	29,910.59	48,524.10
2018		21,321.68	13,237.21

**Joint Insurance Pool** - The City of Millville is a member of the Atlantic County Municipal Insurance Joint Insurance Fund. The Fund provides its members with the following coverage:

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

**Note 17: RISK MANAGEMENT (CONT'D)**

**Joint Insurance Pool (Cont'd)** - The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

- Excess Workers' Compensation
- Excess General Liability
- Non-Owned Aircraft Liability
- Excess Auto Liability
- Fidelity and Performance (Blanket)
- Excess Property including Boiler and Machinery
- Crime including Excess Public Employee and Public Official Coverage

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

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

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

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report for the year ended December 31, 2020, which can be obtained from:

Atlantic County Municipal Joint Insurance Fund  
 Greentree Centre/525 Lincoln Drive West  
 PO Box 488  
 Marlton, New Jersey 08053  
[www.acmjif.org](http://www.acmjif.org)

Municipal Excess Liability Joint Insurance Fund  
 250 Pehle Ave, Suite 701  
 Saddlebrook, New Jersey 07663

**Self-Insurance Reserve** – In addition to the commercial insurance and the insurance provided by the public entity risk pools, the City maintained a self-insurance fund for employee medical insurance and general liability claims. As of December 31, 2020 the balance in the Reserve for Self-Insurance Fund in the Trust Other Fund was \$201,289.24. After February 28, 2006 medical insurance was provided by a commercial carrier until February 16, 2010, when the City authorized participation in the State Health Benefits Program. In addition, the Reserve for Self-Insurance Fund is used to satisfy deductibles for commercial insurance and public entity risk pool claims.

The following is a summary of the claims liability of the City's trust fund for self-insured workers' compensation for the current and previous year:

	<u>2020</u>	<u>2019</u>
Incurred Claims	\$ 9,623.98	\$ 5,432.70
Payment of Claims	<u>(9,623.98)</u>	<u>(5,432.70)</u>

There have been no settlements that exceed the City's coverage for years ended December 31, 2020, 2019 and 2018.

**Note 18: 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 City expects such amount, if any, to be immaterial.

**Litigation** - The City is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the City, from such litigation is either unknown or potential losses, if any, cannot be determined at this time.

**Note 19: CONCENTRATIONS**

The City 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 City is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

**Note 20: TAX ABATEMENTS**

The City enters into property tax abatement agreements with local businesses under the state Long Term Tax Exemption Law. Under the Law, municipalities may grant property tax abatements to Urban Renewal Entities to undertake commercial and residential redevelopment projects, relocation projects for residents displaced by the redevelopment area, and low and moderate income housing projects.

For the year ended December 31, 2020, the City abated property taxes totaling \$1,917,809.88 including the following tax abatement agreements that each exceeded ten percent (10%) of the total amount abated:

- A seventy-six percent (76%) property tax abatement to a motor sports park. The abatement amounted to \$546,400.00.
- A fifty percent (50%) property tax reduction for a department store retailer. The abatement amounted to \$265,402.08.
- An eighty-nine percent (89%) property tax reduction for the housing authority. The abatement amounted to \$644,875.71.

**Note 21: SUBSEQUENT EVENTS**

**Tax Appeals** - As of December 31, 2020, several tax appeals were on file against the City. Based upon information provided by the tax assessor, if such appeals are not settled in favor of the City, the estimated impact of the tax refunds could be material.

**Authorization of Debt** - Subsequent to December 31, the City authorized additional bonds and notes as follows:

<u>Purpose</u>	<u>Introduced</u>	<u>Authorization</u>
<b>General Improvements</b>		
Authorizing Expansion and Improvements to the Millville Public Library	1/19/2021	\$ 771,250.00
Continuing Environmental Remediation Work and Demolition of the Electroplating Building of the Former Airwork Facility Group Located at the Millville Municipal Airport	4/20/2021	475,000.00
Purchases of a Fire Truck and Police Patrol SUVs	7/6/2021	1,634,000.00

**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 City'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 City is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for calendar year 2021.

**SUPPLEMENTAL EXHIBITS**



**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**



CITY OF MILLVILLE  
CURRENT FUND  
Statement of Current Cash  
Treasurer  
For the Year Ended December 31, 2020

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2019	\$ 16,226,001.44	\$ 1,337,391.16
Increased by Receipts:		
Trust Other Fund	\$ 466.57	
Water Utility Operating Fund	488.57	
Interest and Costs on Taxes	145,298.63	
Interest on Investments and Deposits	318,683.46	
Consolidated Municipal Property Tax Relief Aid	92,903.00	
Energy Receipts Tax	4,126,970.00	
Reserve for Payment of Debt Service	107,000.00	
Utility Surplus of Prior Years:		
Water Utility	201,586.00	
Sewer Utility	385,290.00	
General Capital Surplus of Prior Years	250,000.00	
Miscellaneous Revenue not Anticipated	432,310.86	
Due from State of New Jersey-- Veterans' and Senior Citizens' Deductions	205,261.65	
Taxes Receivable	51,650,939.42	
Tax Title Liens	67,785.53	
Penalty Surcharge Receivable	1,752.43	
Property Maintenance Assessments Receivable	57,305.81	
Revenue Accounts Receivable	3,056,398.90	
Appropriation Reserves Refunds	14,749.92	
Tax Overpayments	98,026.82	
Prepaid Taxes	453,435.97	
State Library Aid	12,306.00	
Due State of New Jersey--Uniform Construction Code--State Training Fees	36,187.00	
Due State of New Jersey--Marriage License Fees	2,375.00	
Reserve for Garden State Preservation Trust Fund	29,852.00	
Reserve for Insurance Proceeds	64,185.74	
Federal and State Grants Receivable		\$ 283,563.74
Federal and State Grants Appropriated:		
Interest Earned and Refunds		3,608.40
Matching Funds For Grants		2,791.00
	<u>61,811,559.28</u>	<u>289,963.14</u>
Carried Forward	78,037,560.72	1,627,354.30

(Continued)

CITY OF MILLVILLE  
CURRENT FUND  
Statement of Current Cash  
Treasurer  
For the Year Ended December 31, 2020

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Brought Forward	\$ 78,037,560.72	\$ 1,627,354.30
Decreased by Disbursements:		
Animal Control Fund	\$ 2.51	
Sewer Utility Operating Fund	1,575.76	
2020 Appropriations	28,020,143.70	
2019 Appropriation Reserves	859,870.23	
Local School Taxes Payable	12,961,147.00	
County Taxes	19,497,217.19	
County Added and Omitted Taxes	31,473.25	
Refund of Tax Overpayments	79,804.81	
State Library Aid	12,306.00	
Due State of New Jersey--Uniform Construction Code--State Training Fees	36,187.00	
Due State of New Jersey--Marriage License Fees	2,480.00	
Reserve for Insurance Proceeds	16,619.37	
Matching Funds For Grants	2,791.00	
Federal and State Grants--Appropriated	<u>737,660.89</u>	
	<u>61,521,617.82</u>	<u>737,660.89</u>
Balance December 31, 2020	<u>\$ 16,515,942.90</u>	<u>\$ 889,693.41</u>

CITY OF MILLVILLE  
CURRENT FUND  
Schedule of Change Funds  
As of December 31, 2020

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<u>Office</u>	<u>Amount</u>
Tax Collector	\$ 1,000.00
Water and Sewer Department	300.00
Municipal Court	200.00
Clerk	<u>700.00</u>
	<u>\$ 2,200.00</u>

**CITY OF MILLVILLE**  
**CURRENT FUND**  
Statement of Due From State of New Jersey  
Veterans' and Senior Citizens' Deductions  
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 122,354.09
Increased by:		
Deductions per Tax Billings	\$ 218,500.00	
Deductions Allowed by Tax Collector	<u>2,978.08</u>	
		\$ 221,478.08
Less: Deductions Disallowed by Tax Collector 2020		<u>9,893.15</u>
		211,584.93
Less: Deductions Disallowed by Tax Collector 2019		<u>8,260.27</u>
		<u>203,324.66</u>
		325,678.75
Decreased By:		
Receipts	205,261.65	
Canceled	<u>79,252.57</u>	
		<u>284,514.22</u>
Balance Dec. 31, 2020		<u><u>\$ 41,164.53</u></u>

Exhibit SA-4

**CITY OF MILLVILLE**  
**CURRENT FUND**  
Statement of Protested Checks  
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 5,049.79
Decreased by:		
Canceled by Resolution		<u>3,274.79</u>
Balance Dec. 31, 2020		<u><u>\$ 1,775.00</u></u>

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statement of Taxes Receivable and Analysis of Property Tax Levy**  
**For the Year Ended December 31, 2020**

Year	Balance Dec. 31, 2019	Current 2020 Levy	Added Taxes	Collections		Due from State of New Jersey	Over- Payments Applied	Canceled	Transferred to Tax Title Liens	Transfers	Balance Dec. 31, 2020
				2019	2020						
Arrears	\$ 5,682.31			\$	\$ 1,532.85					\$ 5,509.53	\$ 9,658.99
2016	2,162.19						\$	0.01	\$ 2,162.18		
2017	2,243.87								2,189.73		54.14
2018	3,916.24				250.00				3,208.05		458.19
2019	879,772.55		\$ 8,260.27		821,104.29			3,505.83	59,419.37		4,003.33
	893,777.16		8,260.27		822,887.14			3,505.84	66,979.33	5,509.53	14,174.65
2020		\$ 52,690,540.92		\$ 436,564.83	50,825,052.28	\$ 211,584.93	\$ 15,994.96	392,180.02	135,783.47	(5,509.53)	664,870.90
	\$ 893,777.16	\$ 52,690,540.92	\$ 8,260.27	\$ 436,564.83	\$ 51,650,939.42	\$ 211,584.93	\$ 15,994.96	\$ 395,685.86	\$ 202,762.80	-	\$ 679,045.55

**Analysis of Year 2020 Property Tax Levy**

Tax Yield	
General Purpose Tax	\$ 52,607,391.02
Added Taxes (54-4-63 et seq.)	83,149.90
	<u>\$ 52,690,540.92</u>
Tax Levy	
Local District School Tax:	
School Budget	\$ 13,167,781.00
County Taxes:	
County Tax	\$ 18,428,043.03
County Health Tax	911,565.28
County Open Space	157,608.88
	<u>19,497,217.19</u>
Due County for Added and Omitted Taxes	30,831.13
Total County Taxes	<u>19,528,048.32</u>
Local Tax for Municipal Purposes	19,914,244.89
Addition to Local Tax for Municipal Purposes	80,466.71
Local Tax for Municipal Purposes Levied	<u>19,994,711.60</u>
	<u>\$ 52,690,540.92</u>

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statement of Tax Title Liens**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019		\$ 200,870.99
Increased by:		
Transfers from Taxes Receivable	\$ 202,762.80	
Interest and Costs Accrued at Tax Sale	<u>22,192.55</u>	
		<u>224,955.35</u>
		425,826.34
Decreased by:		
Transfer to Foreclosed Property	6,488.68	
Collections	<u>67,785.53</u>	
		<u>74,274.21</u>
Balance Dec. 31, 2020		<u><u>\$ 351,552.13</u></u>

**CITY OF MILLVILLE**  
**CURRENT FUND**  
Statement of Penalty Surcharge Receivable  
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 1,752.43
Increased by:		
Delinquency Penalty Accrued		11,395.20
		13,147.63
Decreased by:		
Collections		1,752.43
Balance Dec. 31, 2020		\$ 11,395.20

Exhibit SA-8

**CITY OF MILLVILLE**  
**CURRENT FUND**  
Statement of Property Maintenance Assessments Receivable  
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 210,495.56
Increased by:		
Assessments Levied		119,767.02
		330,262.58
Decreased by:		
Canceled	\$ 4,562.50	
Transferred to Foreclosed Property	24,123.21	
Collections	57,305.81	
		85,991.52
Balance Dec. 31, 2020		\$ 244,271.06

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statement of Property Acquired for Taxes--Assessed Valuation**  
**For the Year Ended December 31, 2020**

<hr/>		
Balance Dec. 31, 2019		\$ 5,219,030.00
Increased by:		
Transfers from Tax Title Liens	\$ 6,488.68	
Transfers from Property Maintenance Assessments	24,123.21	
Legal Fees	<u>770.00</u>	
		<u>31,381.89</u>
		5,250,411.89
Decreased by:		
Loss on Sales	499,181.89	
Cash from Sales - Miscellaneous Revenue not Anticipated	<u>19,000.00</u>	
		<u>518,181.89</u>
Balance Dec. 31, 2020		<u><u>\$ 4,732,230.00</u></u>

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Revenue Accounts Receivable  
 For the Year Ended December 31, 2020

	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Accrued</u> <u>in 2020</u>	<u>Collections</u>	<u>Balance</u> <u>Dec. 31, 2020</u>
City Clerk:				
Licenses:				
Alcoholic Beverages	\$	14,730.00	\$ 14,730.00	
Other		3,537.00	3,537.00	
Fees and Permits		274,628.00	274,628.00	
Construction Code Official		430,940.60	430,940.60	
Uniform Fire Safety Act Fees and Permits		120,704.76	120,704.76	
Emergency Medical Services		181,842.74	181,842.74	
Tax Search Fees and Municipal Improvement				
Search Fees		50.00	50.00	
Street Opening Permits		58,272.55	58,272.55	
Planning and Zoning Board Fees		35,057.00	35,057.00	
Municipal Court--Fines and Costs	\$ 22,567.47	226,204.97	236,379.71	\$ 12,392.73
Housing Inspector Fees and Permits		506,657.00	506,657.00	
Police Fees and Permits		405.00	405.00	
Manufactured Homes Annual Service Fee		239,553.08	239,553.08	
Cable TV--Franchise Fee		85,925.62	85,925.62	
Gasoline -- Millville Board of Education		4,826.52	4,826.52	
Shared Services Agreement - Tax Assessor		32,000.00	32,000.00	
Payment in Lieu of Taxes--Housing Authority		81,830.19	81,830.19	
Payments in Lieu of Taxes--Abatements		439,331.14	439,331.14	
Payment in Lieu of Taxes--Senior Center		34,130.07	34,130.07	
Hotel Motel Tax		98,917.92	98,917.92	
Rent--Millville Library		176,680.00	176,680.00	
	<u>\$ 22,567.47</u>	<u>\$ 3,046,224.16</u>	<u>\$ 3,056,398.90</u>	<u>\$ 12,392.73</u>

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of 2019 Appropriation Reserves  
 For the Year Ended December 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Disbursed	Accounts Payable	Refunds	Balanced Lapsed
	<u>Reserved</u>	<u>Encumbered</u>					
<b>OPERATIONS--WITHIN "CAPS"</b>							
General Government Functions							
General Administration							
Salaries and Wages	3,576.94	\$	3,576.94				3,576.94
Other Expenses	10,577.07	109.70	10,686.77	7,151.92			3,534.85
Human Resources							
Salaries and Wages	488.21		488.21	87.50	\$ 93.00		307.71
Other Expenses	8,694.49	93.00	8,787.49	227.63			8,559.86
Board of Commissioners							
Salaries and Wages	1,363.56		1,363.56				1,363.56
Other Expenses	4,169.03		4,169.03	274.43			3,894.60
Municipal Clerk's Office							
Salaries and Wages	345.95		345.95				345.95
Other Expenses	25,789.07	483.28	26,272.35	998.89			25,273.46
Financial Administration							
Salaries and Wages	74,231.77		74,231.77	612.50			73,619.27
Other Expenses	7,917.20	716.72	8,633.92	1,772.61			6,861.31
Annual Audit	50,000.00		50,000.00	48,516.00	1,484.00		
Information Technology							
Other Expenses	19,869.53	75.86	19,945.39	9,396.04			10,549.35
Collection of Taxes							
Salaries and Wages	42,228.53		42,228.53				42,228.53
Other Expenses	4,979.82	63.09	5,042.91	312.75			4,730.16
Assessment of Taxes							
Salaries and Wages	4,384.11		4,384.11				4,384.11
Other Expenses	59,326.94	5,904.93	65,231.87	8,415.78			56,816.09
Legal Services and Costs							
Other Expenses	6,995.00	61,198.92	68,193.92	43,643.05			24,550.87

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of 2019 Appropriation Reserves  
 For the Year Ended December 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Disbursed	Accounts Payable	Refunds	Balanced Lapsed
	Reserved	Encumbered					
<b>OPERATIONS—WITHIN "CAPS" (CONT'D)</b>							
General Government Functions (Cont'd)							
Municipal Court							
Salaries and Wages	\$ 28,531.57	\$	28,531.57				\$ 28,531.57
Other Expenses	80,693.18	3,651.55	84,344.73	11,253.94			73,090.79
Public Defender							
Other Expenses	38,675.00		38,675.00				38,675.00
Engineering Services and Costs							
Salaries and Wages	67,493.79		67,493.79				67,493.79
Other Expenses	5,961.47	33,359.44	39,320.91	34,541.31			4,779.60
Economic and Industrial Development							
Other Expenses	14,376.54	6,240.00	20,616.54	3,465.00	2,775.00		14,376.54
Land Use Administration							
Planning/Community Development							
Salaries and Wages	20,259.28		20,259.28				20,259.28
Other Expenses	14,836.12		14,836.12	7.31			14,828.81
Planning Board							
Salaries and Wages	6,089.44		6,089.44				6,089.44
Other Expenses	8,995.09	3,971.76	12,966.85	93.63	3,962.36		8,910.86
Zoning Board Adjustment							
Salaries and Wages	1,453.21		1,453.21				1,453.21
Other Expenses	11,019.87	445.90	11,465.77	460.52			11,005.25
Bureau of Permits and Inspections							
Salaries and Wages	6,600.12		6,600.12				6,600.12
Other Expenses	1,784.88	36,938.35	38,723.23	36,525.00	1,203.35		994.88

(Continued)

CITY OF MILLVILLE  
CURRENT FUND  
Statement of 2019 Appropriation Reserves  
For the Year Ended December 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Disbursed	Accounts Payable	Refunds	Balanced Lapsed
	Reserved	Encumbered					
OPERATIONS--WITHIN "CAPS" (CONTD)							
Land Use Administration (Cont'd)							
Insurance							
Surety Bond Premiums	\$ 5,000.00	\$	\$ 5,000.00				\$ 5,000.00
Liability Insurance		5,600.00	5,600.00				5,600.00
Workers Compensation	174,011.03	1,666.67	175,677.70				175,677.70
Health Benefits Waiver	12,167.99		12,167.99				12,167.99
Employee Group Health	324,738.45		324,738.45				324,738.45
Public Safety Functions							
Police							
Salaries and Wages	766,435.02		766,435.02			\$ 14,749.92	781,184.94
Other Expenses	110,771.34	26,987.23	137,758.57	\$ 73,588.77	\$ 8,050.90		56,118.90
Office of Emergency Management							
Salaries and Wages	805.44		805.44				805.44
Other Expenses	3,402.10	2,486.81	5,888.91	2,517.55			3,371.36
Fire Department							
Other Expenses	3,476.44	20,988.18	24,464.62	22,776.49	3,887.35		(2,199.22)
Municipal Prosecutor's Office							
Other Expenses	16,400.00	1,800.00	18,200.00				18,200.00
Uniform Fire Safety Act							
Salaries and Wages	11,759.56		11,759.56				11,759.56
Other Expenses	650.10	1,639.00	2,289.10	1,430.03			859.07
Streets and Road Repairs and Maintenance							
Salaries and Wages	74,513.42		74,513.42	20,853.47			53,659.95
Other Expenses	35,238.57	3,845.41	39,083.98	25,764.45			13,319.53
Shade Tree Commission							
Other Expenses	308.50	2,800.00	3,108.50	2,843.90			264.60
Solid Waste and Recycling Collection							
Salaries and Wages	5,035.52		5,035.52				5,035.52
Other Expenses	101,930.01	59,883.19	161,813.20	107,343.35			54,469.85
Solid Waste Recycling -- Apartments	15,000.00		15,000.00				15,000.00

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of 2019 Appropriation Reserves  
 For the Year Ended December 31, 2020

	<u>Balance</u>	<u>Balance</u>	<u>Disbursed</u>	<u>Accounts</u>	<u>Refunds</u>	<u>Balance</u>
	<u>Reserved</u>	<u>Dec. 31, 2019</u>	<u>Encumbered</u>	<u>Payable</u>	<u>Transfers</u>	<u>Lapsed</u>
<b>OPERATIONS-WITHIN "CAPS" (CONT'D)</b>						
Public Safety Functions (Cont'd)						
Public Buildings and Grounds						
Salaries and Wages	\$ 43,232.77	\$ 43,232.77				\$ 43,232.77
Other Expenses	18,755.45	61,345.63	\$ 42,656.59			18,689.04
Fleet Management						
Salaries and Wages	10,590.94	10,590.94				10,590.94
Other Expenses	13,351.98	13,517.70	3,029.36	\$ 569.27		9,919.07
Health and Human Services						
Animal Control Services						
Salaries and Wages	3,522.09	3,522.09				3,522.09
Other Expenses	677.50	886.50	246.77			639.73
Recreation and Public Events						
Recreation						
Salaries and Wages	8,259.23	8,259.23				8,259.23
Other Expenses	24,837.10	26,483.46	5,273.36			21,210.10
Federal and Downtown Maintenance						
Salaries and Wages	646.54	646.54				646.54
Other Expenses	175.27	10,671.18	10,495.91			175.27
Parks and Playgrounds						
Salaries and Wages	27,536.69	27,536.69				27,536.69
Other Expenses	13,824.61	48,887.56	36,354.77	650.97		11,881.82
Celebration of Public Event, Anniversary, or Holiday						
Other Expenses	12,616.59	12,616.59				12,616.59

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of 2019 Appropriation Reserves  
 For the Year Ended December 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Disbursed	Accounts Payable	Refunds	Balanced Lapsed
	Reserved	Encumbered					
OPERATIONS--WITHIN "CAPS" (CONTD)							
Code Enforcement and Administration							
State Uniform Construction Code (NJSA 52:27D et seq.)							
Construction Official							
Salaries and Wages	\$ 13,983.36		\$ 13,983.36				\$ 13,983.36
Other Expenses	13,205.21	3,679.00	16,884.21	345.00	\$ 2,734.00		13,805.21
Reserve for Payment of Unused Accumulated Sick Pay	100,000.00		100,000.00	100,000.00			
Unclassified							
Utilities:							
Electricity	143,865.42		143,865.42	15,139.22			128,726.20
Street Lighting	101,654.22		101,654.22	53,288.31			48,365.91
Telephone	18,589.45	2,794.50	21,383.95	11,512.14			9,871.81
Natural Gas	55,310.67		55,310.67	17,316.45			37,994.22
Gasoline	105,988.82		105,988.82	11,137.56			94,851.26
Landfill/Solid Waste Disposal Costs	95,254.01		95,254.01	48,373.82			46,880.19
Contingent	2,000.00		2,000.00				2,000.00

(Continued)

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of 2019 Appropriation Reserves  
 For the Year Ended December 31, 2020

	Balance Dec. 31, 2019		Balance After Transfers	Disbursed	Accounts Payable	Refunds	Balanced Lapsed
	Reserved	Encumbered					
<b>OPERATIONS--WITHIN "CAPS" (CONTD)</b>							
Statutory Expenditures:							
Contribution to:							
Public Employees Retirement System	\$ 17,753.86	\$	17,753.86				\$ 17,753.86
Social Security (O.A.S.I.)	63,161.06		63,161.06	54.88			63,106.18
Unemployment Compensation Insurance	36,744.48		36,744.48	36,744.48			
Defined Contribution Retirement Program	50,000.00		50,000.00				50,000.00
<b>Total General Appropriations for Municipal Purposes Within--"CAPS"</b>	<b>3,288,887.59</b>	<b>\$ 377,592.61</b>	<b>3,666,480.20</b>	<b>856,842.44</b>	<b>\$ 25,410.20</b>	<b>\$ 14,749.92</b>	<b>2,798,977.48</b>
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>							
<u>Interlocal Service Agreement</u>							
Millville Board of Education - Gasoline	8,892.62		8,892.62	671.74			8,220.88
Tax Assessor - Upper Deerfield	30,000.00		30,000.00				30,000.00
Interest on Tax Appeals	10,000.00		10,000.00				10,000.00
Recycling Tax (P.L. 2007, c.311)	13,882.48		13,882.48	2,356.05			11,526.43
Length of Service Award Program	3,523.68		3,523.68				3,523.68
Matching Funds for Grants	42,101.50		42,101.50				42,101.50
<b>Total Operations--Excluded from "CAPS"</b>	<b>108,400.28</b>	<b>-</b>	<b>108,400.28</b>	<b>3,027.79</b>	<b>-</b>	<b>-</b>	<b>105,372.49</b>
<b>Total General Appropriations for Municipal Purposes Excluded from "CAPS"</b>	<b>108,400.28</b>	<b>-</b>	<b>108,400.28</b>	<b>3,027.79</b>	<b>-</b>	<b>-</b>	<b>105,372.49</b>
<b>Total General Appropriations for Municipal Purposes</b>	<b>\$ 3,397,287.87</b>	<b>\$ 377,592.61</b>	<b>\$ 3,774,880.48</b>	<b>\$ 859,870.23</b>	<b>\$ 25,410.20</b>	<b>\$ 14,749.92</b>	<b>\$ 2,904,349.97</b>

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statement of Accounts Payable**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019	\$	107,100.06
Increased by:		
Transfer from 2019 Appropriation Reserves		<u>25,410.20</u>
		132,510.26
Decreased by:		
Canceled to Fund Balance		<u>106,000.06</u>
Balance Dec. 31, 2020	\$	<u><u>26,510.20</u></u>

Exhibit SA-13

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statement of Due to State of New Jersey - Marriage License Fees**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019	\$	282.00
Increased by:		
Receipts		<u>2,375.00</u>
		2,657.00
Decreased by:		
Disbursements		<u>2,480.00</u>
Balance Dec. 31, 2020	\$	<u><u>177.00</u></u>

**CITY OF MILLVILLE**  
**CURRENT FUND**  
Statement of Tax Overpayments  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019		\$ 2,011.41
Increased by:		
Collections		<u>98,026.82</u>
		100,038.23
Decreased by:		
Refunds	\$ 79,804.81	
Applied to Taxes Receivable	<u>15,994.96</u>	
		<u>95,799.77</u>
Balance Dec. 31, 2020		<u><u>\$ 4,238.46</u></u>

**Exhibit SA-15**

**CITY OF MILLVILLE**  
**CURRENT FUND**  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019 (2020 Taxes)		\$ 436,564.83
Increased by:		
Collections		<u>453,435.97</u>
		890,000.80
Decreased by:		
Application to 2020 Taxes Receivable		<u>436,564.83</u>
Balance Dec. 31, 2020 (2021 Taxes)		<u><u>\$ 453,435.97</u></u>

**CITY OF MILLVILLE**  
**CURRENT FUND**  
**Statement of Local District School Tax**  
**For the Year Ended December 31, 2020**

<hr/>		
Balance Dec. 31, 2019		
School Tax Deferred	\$ 1,791,000.00	
School Tax Payable	<u>3,374,817.14</u>	
		\$ 5,165,817.14
Increased by:		
Levy - School Fiscal Year		<u>13,167,781.00</u>
		18,333,598.14
Decreased by:		
Payments		<u>12,961,147.00</u>
Balance Dec. 31, 2020		
School Tax Deferred	1,791,000.00	
School Tax Payable	<u>3,581,451.14</u>	
		<u>\$ 5,372,451.14</u>
Liability for Local District		
School Tax:		
Tax Paid	\$ 12,961,147.00	
Tax Payable Dec. 31, 2020	<u>3,581,451.14</u>	
	16,542,598.14	
Less: Tax Payable Dec. 31, 2019	<u>3,374,817.14</u>	
Amount Charged to Operations		<u>\$ 13,167,781.00</u>

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Due County for Added Taxes  
 For the Year Ended December 31, 2020

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Balance Dec. 31, 2019	\$	31,473.25
2020 Levy:		
Added Taxes (2020)		30,831.13
		62,304.38
Decreased by Payment		31,473.25
Balance December 31, 2020	\$	30,831.13

**Exhibit SA-18**

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Statement of Reserve for Garden State Preservation Trust Fund  
 For the Year Ended December 31, 2020

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Increased by:		
Receipts	\$	29,852.00
Decreased by:		
Realized as Revenue in Budget	\$	29,852.00

**Exhibit SA-19**

**CITY OF MILLVILLE**  
**CURRENT FUND**  
 Schedule of Reserve for Tax Appeals  
 As of December 31, 2020

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Balance Dec. 31, 2020	\$	2,724,335.92
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**CITY OF MILLVILLE**  
**CURRENT FUND**  
Statement of Reserve for Insurance Proceeds  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019	\$ 272,000.12
Increased by:	
Insurance Proceeds Received	64,185.74
	336,185.86
Decreased by:	
Disbursements	16,619.37
Balance Dec. 31, 2020	\$ 319,566.49

Exhibit SA-21

**CITY OF MILLVILLE**  
**CURRENT FUND**  
Schedule of Reserve for Proceeds from Sale of Municipal Assets  
As of December 31, 2020

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Balance Dec. 31, 2020	\$ 127,790.00
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**CITY OF MILLVILLE**  
**FEDERAL AND STATE GRANT FUND**  
**Statement of Federal and State Grants Receivable**  
**For the Year Ended December 31, 2020**

	Balance <u>Dec. 31, 2019</u>	<u>Accrued</u>	<u>Received</u>	Balance <u>Dec. 31, 2020</u>
<b>Federal Grants:</b>				
U.S. Department of Homeland Security				
Passed thru N.J. Department of Law and Public Safety:				
Click it or Ticket	\$ 2,020.00			\$ 2,020.00
Drive Sober or Get Pulled Over	2,190.00	\$ 7,200.00		9,390.00
U.S. Department of Homeland Security				
EMA Exercise Grant	7,000.00			7,000.00
U.S. Department of Justice				
BJA Coronavirus Supplemental Funding		67,516.00		67,516.00
Justice Assistance Grant	0.20	39,899.00	\$ 20,121.00	19,778.20
Local Law Enforcement Grant	22,026.00			22,026.00
Bulletproof Vest Partnership	6,231.89	12,764.49	1,552.50	17,443.88
<b>Total Federal Grants</b>	<b>39,468.09</b>	<b>127,379.49</b>	<b>21,673.50</b>	<b>145,174.08</b>
<b>State Grants:</b>				
N.J. Department of Transportation				
Highway Planning and Construction:				
Authority Act--Municipal Aid	60,440.43			60,440.43
Authority Act--Whitaker Ave. & Miller Ave.	25,000.00			25,000.00
Authority Act--South Fifth Street Road Improvement	42,500.00			42,500.00
Authority Act - 7th Street Road Reconstruction	9,842.07			9,842.07
Local Aid for Centers and State Plan Implementation Program	3,825.34			3,825.34
Local Aid Bikeway Program	8.25			8.25
Local Aid Centers of Place Program	50,574.02			50,574.02
Local Freight Impact Fund - Wade & Orange		450,000.00		450,000.00
FY18 - 6th Street Road Reconstruction	30,460.35			30,460.35
FY19 - Columbine Ave Improvements	269,264.00			269,264.00
FY20 - 5th St Rd Construction		415,540.00		415,540.00
Safe Streets to Transit Program	143,142.95	210,000.00		353,142.95
Bikeway Program Maurice River Phase V	517,000.00		17,870.33	499,129.67
N.J. Department of Community Affairs				
Hazardous Discharge Site Remediation	692,394.52			692,394.52
Neighborhood Preservation Program	100,000.00		75,405.07	24,594.93
NJ Historic Preservation	2,590.51			2,590.51
N.J. Department of Environmental Protection				
Clean Communities		60,948.05	60,948.05	
N.J. Department of Law and Public Safety				
Safe and Secure Communities Program	67,855.73	90,000.00	67,500.00	90,355.73
Body Armor Replacement Fund		6,627.22	6,627.22	
N.J. Department of State				
Municipal Alliance Program	39,492.44	11,164.00	20,356.51	30,299.93
New Jersey Urban Enterprise Zone COVID-19		25,000.00		25,000.00
<b>Total State Grants</b>	<b>2,054,390.61</b>	<b>1,269,279.27</b>	<b>248,707.18</b>	<b>3,074,962.70</b>
<b>Other Grants:</b>				
Holly City Development Corporation - Community Policing	13,183.06		13,183.06	
<b>Total Other Grants</b>	<b>13,183.06</b>	<b>-</b>	<b>13,183.06</b>	<b>-</b>
<b>Total All Grants</b>	<b>\$ 2,107,041.76</b>	<b>\$ 1,396,658.76</b>	<b>\$ 283,563.74</b>	<b>\$ 3,220,136.78</b>

**CITY OF MILLVILLE**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Reserve for Federal and State Grants--Appropriated  
 For the Year Ended December 31, 2020

Program	Balance		Transferred from 2020 Budget Appropriation	Refunds and Interest Earned	Disbursed	Encumbered	Balance Dec. 31, 2020
	Appropriated	Dec. 31, 2019 Encumbered					
Federal Grants:							
U.S. Department of Transportation							
Passed thru N.J. Department of Law and Public Safety:							
Click It or Ticket	\$ 2,020.00					\$	2,020.00
Drive Sober or Get Pulled Over	2,190.00	\$ 7,200.00			4,320.00		5,070.00
Flammable Liquids Firefighter Training	236.36						236.36
U.S. Department of Homeland Security							
Passed thru N.J. Department of Law and Public Safety:							
Emergency Management Assistance Grant	5,000.00						5,000.00
Emergency Management Assistance Grant	10,000.00						10,000.00
2011 EMA Exercise Grant	69.88						69.88
2009 EMA Exercise Grant	3,395.74						3,395.74
U.S. Department of Justice							
BJA Coronavirus Supplemental Funding	265.00		67,516.00		31,568.20		35,947.80
Bulletproof Vest Partnership Grant	16,362.06		12,764.49		8,280.00	\$ 91.99	4,657.50
Justice Assistance Grant			39,899.00	\$ 3,608.40	39,467.67		20,401.79
<b>Total Federal Grants</b>	<b>39,539.04</b>	<b>-</b>	<b>127,379.49</b>	<b>3,608.40</b>	<b>83,635.87</b>	<b>91.99</b>	<b>86,799.07</b>

(Continued)

**CITY OF MILLVILLE**  
**FEDERAL AND STATE GRANT FUND**  
**Statement of Reserve for Federal and State Grants--Appropriated**  
**For the Year Ended December 31, 2020**

Program State Grants:	Balance Dec. 31, 2019	Encumbered	Transferred from 2020 Budget Appropriation	Refunds and Interest Earned	Disbursed	Encumbered	Balance Dec. 31, 2020
N.J. Department of Transportation: Local Freight Impact Fund - Wade & Orange			\$ 450,000.00				\$ 450,000.00
N.J. Transportation Trust Fund: FY 2014 Awards	\$ 14,723.11						14,723.11
3rd Street Improvements FY 2015 Awards	14,287.03						14,287.03
3rd Street Improvements FY 2018 Awards	70,342.87	11,046.78		\$ 11,046.78			70,342.87
6th Street Road Reconstruction FY 2019 Awards	269,264.00			179,743.76	13,502.24		76,018.00
Columbine Ave Improvements FY 2020 Awards			415,540.00				415,540.00
5th St Rd Construction Bikeway Program Maurice River Phase V	361,900.00	155,100.00		97,282.27	57,817.73		361,900.00
Highway Safety "Safe Corridors Program"	26,189.38						26,189.38
Safe Streets to Transit Program	144,762.95		210,000.00				354,762.95
2014 N.J. UEZ	50.00						50.00
Clean Communities Program	86,519.18	31,289.00	60,948.05	100,425.23	649.76		77,681.24
Recycling Tonnage Grant			63,769.23				
Recycling Tonnage Grant - Purchase of Trash Truck	1,400.00						
Safe & Secure Communities	58,665.44			1,400.00			
Body Armor Replacement Fund	4,401.90	3,105.00	90,000.00	69,657.71	7,594.01		79,007.73
Drunk Driving Enforcement	45,276.38	419.00	6,627.22	2,070.00			4,470.11
Neighborhood Preservation Program	104,969.90			965.00			44,730.38
Hazardous Discharge Site Remediation	1,861,610.49	20,000.00		105,374.97	18,125.03		1,469.90
Alcohol Education & Rehabilitation	2,212.22		219.70				1,861,610.49
N.J. Department of Commerce							2,431.92
New Jersey Urban Enterprise Zone COVID-19			25,000.00				25,000.00
N.J. Department of State:							
Municipal Pub Access Plan and Coastal Hazards			9,947.50				9,947.50
Municipal Alliance Grant	20,137.34	2,727.90	13,955.00	16,036.25			20,783.99
<b>Total State Grants</b>	<b>3,086,712.19</b>	<b>223,687.68</b>	<b>1,346,006.70</b>	<b>-</b>	<b>647,771.20</b>	<b>97,688.77</b>	<b>3,910,946.60</b>
Other Grants:							
Sustainable Jersey Small Grant	209.94						209.94
Holly City Dev. Corp. - Community Policing	6,253.82			6,253.82			
Cumberland County Wastewater Grant	8,707.17						8,707.17
<b>Total Other Grants</b>	<b>15,170.93</b>	<b>-</b>	<b>-</b>	<b>6,253.82</b>	<b>-</b>	<b>-</b>	<b>8,917.11</b>
<b>Total All Grants</b>	<b>\$ 3,141,422.16</b>	<b>\$ 223,687.68</b>	<b>\$ 1,473,386.19</b>	<b>\$ 3,608.40</b>	<b>\$ 737,660.89</b>	<b>\$ 97,780.76</b>	<b>\$ 4,006,662.78</b>

**CITY OF MILLVILLE**  
**FEDERAL AND STATE GRANT FUND**  
 Statement of Reserve for Federal and State Grants—Unappropriated  
 For the Year Ended December 31, 2020

	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Federal</u> <u>and State</u> <u>Grants</u> <u>Receivable</u>	<u>Anticipated</u> <u>as</u> <u>Budgeted</u> <u>Revenue</u>	<u>Balance</u> <u>Dec. 31, 2020</u>
<b>Federal Grants:</b>				
U.S. Department of Transportation				
Passed thru N.J. Department of Law and Public Safety				
Drive Sober or Get Pulled Over	\$	7,200.00	\$	7,200.00
U.S. Department of Justice				
BJA Coronavirus Supplemental Funding	67,516.00		67,516.00	
Bulletproof Vest Partnership	12,764.49		12,764.49	
Justice Assistance Grant	39,899.00		39,899.00	
<b>Total Federal Grants</b>	<b>-</b>	<b>127,379.49</b>	<b>127,379.49</b>	<b>-</b>
<b>State Grants:</b>				
N.J. Department of Transportation:				
Local Freight Impact Fund - Wade & Orange		450,000.00	450,000.00	
FY20 - 5th St Rd Construction		415,540.00	415,540.00	
Safe Streets to Transit Program		210,000.00	210,000.00	
Clean Communities Program		60,948.05	60,948.05	
Recycling Tonnage Grant	\$	63,769.23	63,769.23	
Safe & Secure Communities		90,000.00	90,000.00	
Body Armor Replacement Fund		6,627.22	6,627.22	
Alcohol Education & Rehabilitation	219.70		219.70	
Municipal Public Access Plan & Coastal Hazards	9,947.50		9,947.50	
New Jersey Urban Enterprise Zone COVID-19		25,000.00	25,000.00	
Municipal Alliance		11,164.00	11,164.00	
<b>Total State Grants</b>	<b>73,936.43</b>	<b>1,269,279.27</b>	<b>1,343,215.70</b>	<b>-</b>
<b>Total All Grants</b>	<b>\$ 73,936.43</b>	<b>\$ 1,396,658.76</b>	<b>\$ 1,470,595.19</b>	<b>-</b>

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**



**CITY OF MILLVILLE**  
**TRUST FUND**  
 Statement of Trust Cash -- Treasurer  
 For the Year Ended December 31, 2020

	<u>Animal Control</u>	<u>Other</u>	<u>Community Development</u>
Balance December 31, 2019	\$ 9,063.24	\$ 3,627,749.32	\$ 288,499.34
Increased by Receipts:			
Current Fund	2.51		
Animal Control Fund	\$		
Net Payroll		293.00	
Payroll Deductions Payable		14,927,472.72	
Mortgage Notes Receivable--UEZ Assistance Program		12,235,518.07	
Community Development Block Grants Receivable		110,527.80	
Home Investment Partnership Program Receivable			205,784.21
Mortgage Notes Receivable--U.D.A.G.			137,159.00
Due State of New Jersey--Animal Registration Fees	2,764.20		4,466.38
Reserve for Animal Control Fund Expenditures	8,928.80		
Reserve for Miscellaneous Trust Reserves:			
Budget Appropriation		148,175.05	
Interest Earned		2,250.94	
Fees, Refunds and Donations		182,550.79	
Reserve for Miscellaneous Trust Escrows:			
Interest Earned		1.99	
Liens		1,531,566.76	
Reserve for Revolving Loan Fund--UEZ Assistance Program		7,210.36	
Reserve for U.D.A.G. Interest			4,458.19
	11,695.51	29,145,567.48	351,867.78
	20,758.75	32,773,316.80	640,367.12

(Continued)

**CITY OF MILLVILLE**  
**TRUST FUND**  
 Statement of Trust Cash -- Treasurer  
 For the Year Ended December 31, 2020

	<u>Animal Control</u>	<u>Other</u>	<u>Community Development</u>
Balance Brought Forward	\$ 20,758.75	\$ 32,773,316.80	\$ 640,367.12
Decreased by Disbursements:			
Current Fund	\$	466.57	
Sewer Utility Operating Fund		1.00	
Trust Other Fund	\$		
Net Payroll	293.00	14,927,472.72	
Payroll Deductions Payable		12,216,649.08	
Due State of New Jersey--Animal Registration Fees	2,764.20		
Expenditures Under R.S.4:19-15.11	8,901.24		
Reserve for Miscellaneous Trust Reserves		177,517.04	
Reserve for Miscellaneous Trust Escrows		1,523,927.00	
Reserve for Revolving Loan Fund--UEZ Assistance Program		85,128.60	\$ 144,684.00
Reserve for Home Investment Partnership Program			225,411.87
Reserve for Community Development Funds			110.00
Reserve for Revolving Loan Fund--Rehabilitation Program			5,974.87
Reserve for Revolving Loan Fund--UDAG			
	11,958.44	28,931,162.01	376,180.74
Balance December 31, 2020	\$ 8,800.31	\$ 3,842,154.79	\$ 264,186.38

**CITY OF MILLVILLE**  
**TRUST OTHER FUND**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2020

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Balance December 31, 2019	\$ 3,626.29
Decreased by:	
Disbursements	<u>466.57</u>
Balance December 31, 2020	<u><u>\$ 3,159.72</u></u>

**CITY OF MILLVILLE**  
**ANIMAL CONTROL FUND**  
 Statement of Due to Current Fund  
 For the Year Ended December 31, 2020

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Balance December 31, 2019	\$ 12.78
Increased by:	
Receipts	2.51
Balance December 31, 2020	\$ 15.29

Exhibit SB-4

**CITY OF MILLVILLE**  
**ANIMAL CONTROL FUND**  
 Statement of Due to Trust Other Fund  
 For the Year Ended December 31, 2020

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Balance December 31, 2019	\$ 293.00
Decreased by:	
Disbursements	\$ 293.00

**CITY OF MILLVILLE**  
**ANIMAL CONTROL FUND**  
 Statement of Due to State of NJ - Animal Registration Fees  
 For the Year Ended December 31, 2020

Increased by:	
Receipts	\$ 2,764.20
Decreased by:	
Disbursements	<u>\$ 2,764.20</u>

**Exhibit SB-6**

**CITY OF MILLVILLE**  
**ANIMAL CONTROL FUND**  
 Statement of Reserve for Animal Control Fund Expenditures  
 For the Year Ended December 31, 2020

Balance December 31, 2019	\$ 8,767.46
Fees Collected:	
Dog License	<u>8,928.80</u>
	17,696.26
Decreased by:	
Expenditures Under R.S.4:19-15.11:	
Cash	<u>8,901.24</u>
Balance December 31, 2020	<u>\$ 8,795.02</u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2019	\$ 10,624.20
2018	<u>13,619.00</u>
	<u>\$ 24,243.20</u>

**CITY OF MILLVILLE**  
**LENGTH OF SERVICE AWARD PROGRAM**  
Statement of Investments - Length of Service Awards Program  
For the Year End December 31, 2020

Balance December 31, 2019		\$ 456,629.56
Increased by:		
City Contributions	\$ 14,950.00	
Unrealized Gain on Investments	70,726.51	
		85,676.51
		542,306.07
Decreased by:		
Benefits Paid to Participants	34,640.72	
Administration Expenses	825.00	
		35,465.72
Balance December 31, 2020		\$ 506,840.35

Schedule of Investments, December 31, 2020

<u>Description</u>	<u>Amount</u>
Fixed Annuity Contract	\$ 91,407.25
Mutual Funds	415,433.10
	\$ 506,840.35

**CITY OF MILLVILLE**  
**TRUST OTHER FUND**  
**Statement of Payroll Taxes Payable**  
**For the Year End December 31, 2020**

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Balance December 31, 2019	\$ 199,787.56
Increased by:	
Receipts	<u>12,235,518.07</u>
	12,435,305.63
Decreased by:	
Disbursements	<u>12,216,649.08</u>
Balance December 31, 2020	<u><u>\$ 218,656.55</u></u>

**CITY OF MILLVILLE**  
**COMMUNITY DEVELOPMENT FUND**  
**Statement of Community Development Block Grants Receivable**  
**For the Year Ended December 31, 2020**

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Balance December 31, 2019		\$ 483,660.93
Increased by:		
Fiscal Year 2020 Award	\$ 298,780.00	
Fiscal Year 2020 Award - COVID	<u>175,747.00</u>	
		<u>474,527.00</u>
		958,187.93
Decreased by:		
Receipts		<u>205,784.21</u>
Balance December 31, 2020		<u><u>\$ 752,403.72</u></u>

**CITY OF MILLVILLE**  
**COMMUNITY DEVELOPMENT FUND**  
 Schedule of Mortgages Receivable--Reserve for Rehabilitation Projects  
 As of December 31, 2020

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Balance December 31, 2020	\$	<u>63,643.89</u>
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Exhibit SB-11

**CITY OF MILLVILLE**  
**COMMUNITY DEVELOPMENT FUND**  
 Statement of Mortgages Receivable--U.D.A.G.  
 For the Year Ended December 31, 2020

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Balance December 31, 2019	\$	82,420.31
Decreased by:		
Payments Received		<u>4,466.38</u>
Balance December 31, 2020	\$	<u>77,953.93</u>

Exhibit SB-12

**CITY OF MILLVILLE**  
**TRUST OTHER FUND**  
 Statement of Mortgages and Loans Receivable--UEZ Assistance Program  
 For the Year Ended December 31, 2020

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Balance December 31, 2019	\$	2,676,033.46
Decreased by:		
Payments Received		<u>110,527.80</u>
Balance December 31, 2020	\$	<u>2,565,505.66</u>

**CITY OF MILLVILLE**  
**COMMUNITY DEVELOPMENT FUND**  
Statement of Home Investment Partnership Program Receivable  
For the Year Ended December 31, 2020

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Balance December 31, 2019	\$ 558,244.45
Increased by:	
Fiscal Year 2020 Award	<u>141,319.00</u>
	699,563.45
Decreased by:	
Receipts	<u>137,159.00</u>
Balance December 31, 2020	<u><u>\$ 562,404.45</u></u>

**CITY OF MILLVILLE**  
**TRUST OTHER FUNDS**  
 Statement of Miscellaneous Trust Reserves  
 For the Year Ended December 31, 2020

	Balance December 31, 2019	Budget Appropriation	Interest Earned	Fees, Refunds and Donations	Disbursed	Balance December 31, 2020
	Increased By			Decreased By		
Reserve for:						
Outside Employment for Police	\$ 45,154.68			\$ 88,109.38	\$ 100,376.59	\$ 32,887.47
Public Defender	12,520.75			2,748.42	4,350.00	10,919.17
Planning Board Escrows	265,252.98			58,649.00	16,863.31	307,038.67
Unemployment Compensation Insurance	48,524.10				6,077.00	42,447.10
Landfill Closure	151,869.10		\$ 2,250.94			154,120.04
Municipal Alliance Grant Funds	1,722.89			620.00	1,631.65	711.24
Self-Insurance Funds	210,913.22				9,623.98	201,289.24
Neighborhood Preservation Program	315.00					315.00
State Law Enforcement Fund	15,891.85					15,891.85
Storm Recovery Fund	52,832.26	\$ 36,925.05				89,757.31
Vanaman Memorial Park Donations	6,052.00					6,052.00
Memorial in Patriot Park Donations	5,265.88				3,850.00	1,415.88
Parking Offenses Adjudication Act	12,518.00			636.00	659.88	12,494.12
COAH Fees	60,436.60			24,004.10	26,874.19	57,566.51
Millville Garden Rent Revenue	7,755.93					7,755.93
Neighborhood Opportunity Fund	2,860.00					2,860.00
Recreation Donations	5,417.72			3,731.89	67.45	9,082.16
Uniform Fire Safety Act Penalties	14,044.95			4,052.00	7,142.99	10,953.96
Employee Accumulated Absences	1,083,549.11	111,250.00				1,194,799.11
	<u>\$ 2,002,897.02</u>	<u>\$ 148,175.05</u>	<u>\$ 2,250.94</u>	<u>\$ 182,550.79</u>	<u>\$ 177,517.04</u>	<u>\$ 2,158,356.76</u>
Current Fund:				Cash - Treasurer		
Streets and Roads - Salaries and Wages		\$ 36,925.05				
Accumulated Absences - Other Expenses		100,000.00				
Sewer Utility Operating Fund:						
Accumulated Absences - Other Expenses		<u>11,250.00</u>				
		<u>\$ 148,175.05</u>				

CITY OF MILLVILLE  
 TRUST OTHER FUNDS  
 Statement of Miscellaneous Trust Escrows  
 For the Year Ended December 31, 2020

	R e c e i v e d		D i s b u r s e d		Balance December 31, 2020
	Balance December 31, 2019	Interest	Liens	Liens	
Reserve for Sheldon Estate Bequest	\$ 6,646.51	\$ 1.99			\$ 6,648.50
Tax Collector's Reserve for Tax Title Lien Redemptions	431,082.14	\$ 1,531,566.76	\$ 1,523,927.00		438,721.90
	\$ 437,728.65	\$ 1.99	\$ 1,531,566.76	\$ 1,523,927.00	\$ 445,370.40

**CITY OF MILLVILLE**  
**COMMUNITY DEVELOPMENT FUND**  
Statement of Reserve for Community Development Funds  
For the Year Ended December 31, 2020

Balance December 31, 2019		\$ 501,050.08
Increased by:		
Fiscal Year 2020 Award	\$ 298,780.00	
Fiscal Year 2020 Award - COVID	<u>175,747.00</u>	
		<u>474,527.00</u>
		975,577.08
Decreased by:		
Disbursements		<u>225,411.87</u>
Balance December 31, 2020		<u><u>\$ 750,165.21</u></u>

Analysis of Balance December 31, 2020

2020 Community Development Block Grant		\$ 285,989.75
2020 Community Development Block Grant - COVID		164,404.50
2019 Community Development Block Grant		118,318.89
2018 Community Development Block Grant		49,977.86
2017 Community Development Block Grant		100,902.63
2016 Community Development Block Grant		25,087.45
2015 Community Development Block Grant		<u>5,484.13</u>
		<u><u>\$ 750,165.21</u></u>

**CITY OF MILLVILLE**  
**TRUST OTHER FUND**  
Statement of Reserve for Revolving Loan Fund - UEZ Assistance Program  
For the Year Ended December 31, 2020

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Balance December 31, 2019		\$ 767,495.98
Increased by:		
Mortgage Notes Receivable--Collected	\$ 110,527.80	
Other	<u>7,210.36</u>	
		<u>117,738.16</u>
		885,234.14
Decreased by:		
Disbursements:		
Other		<u>85,128.60</u>
Balance December 31, 2020		<u><u>\$ 800,105.54</u></u>

Exhibit SB-18

**CITY OF MILLVILLE**  
**TRUST OTHER FUND**  
Schedule of Reserve for UEZ 1st Generation Project  
As of December 31, 2020

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Balance December 31, 2020		<u><u>\$ 215,530.78</u></u>
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**CITY OF MILLVILLE**  
**COMMUNITY DEVELOPMENT FUND**  
Statement of Reserve for Revolving Loan Fund-Rehabilitation Program  
For the Year Ended December 31, 2020

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Balance December 31, 2019	\$ 115,748.01
Decreased by:	
Disbursements	110.00
Balance December 31, 2020	\$ 115,638.01

Exhibit SB-20

**CITY OF MILLVILLE**  
**COMMUNITY DEVELOPMENT FUND**  
Statement of Reserve for Home Investment Partnership Program  
For the Year Ended December 31, 2020

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Balance December 31, 2019	\$ 581,813.53
Increased by:	
Fiscal Year 2020 Award	141,319.00
	723,132.53
Decreased by:	
Disbursements	144,684.00
Balance December 31, 2020	\$ 578,448.53

**CITY OF MILLVILLE**  
**COMMUNITY DEVELOPMENT FUND**  
Statement of Reserve for Revolving Loan Fund - U.D.A.G.  
For the Year Ended December 31, 2020

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Balance December 31, 2019	\$ 129,844.14
Increased by:	
Mortgage Notes Receivable--Collected	4,466.38
	134,310.52
Decreased by:	
Disbursements:	
Other	5,974.87
Balance December 31, 2020	\$ 128,335.65

Exhibit SB-22

**CITY OF MILLVILLE**  
**COMMUNITY DEVELOPMENT FUND**  
Statement of Reserve for U.D.A.G. Interest  
For the Year Ended December 31, 2020

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Balance December 31, 2019	\$ 1,898.96
Increased by:	
Receipts:	
Interest and Late Fees	4,458.19
Balance December 31, 2020	\$ 6,357.15

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**



**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash  
Treasurer  
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 1,625,052.36
Increased by Receipts:		
Budget Appropriations:		
Capital Improvement Fund	\$ 50,000.00	
Bond Anticipation Notes	<u>4,930,000.00</u>	
		<u>4,980,000.00</u>
		6,605,052.36
Decreased by Disbursements:		
Capital Fund Balance	250,000.00	
Improvement Authorizations	3,314,418.98	
Reserve for Payment of Debt	<u>107,000.00</u>	
		<u>3,671,418.98</u>
Balance Dec. 31, 2020		<u><u>\$ 2,933,633.38</u></u>

**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For the Year Ended December 31, 2020

	Balance (Deficit) Dec. 31, 2019		Receipts			Disbursements			Transfers		Balance (Deficit) Dec. 31, 2020	
			Budget Appropriation	Bond Anticipation Notes	Improvement Authorizations	Miscellaneous	From	To				
Fund Balance	\$	790,217.44				\$	250,000.00				\$	
Capital Improvement Fund		240,514.86	\$	50,000.00					41,250.00			
Reserve for Payment of Debt		850,033.58				107,000.00					743,033.58	
Ordinance No.:												
33-2007		(40,916.70)									(40,916.70)	
41-2007		(1,044,549.15)	\$	1,350,000.00	\$	284,219.82		303,301.05	\$	290,430.82	8,360.80	
10-2008		(2,128.54)						140.80		140.80	(2,128.54)	
12-2008		(1,527.27)									(1,527.27)	
15-2008;34-2008		(32,687.90)									(32,687.90)	
12-2009		(203,181.16)									(203,181.16)	
19-2012; 36-2012		(30.88)									(30.88)	
4-2013		260,359.75			19,356.30			1,639.00		3,714.00	243,078.45	
33-2014		12,652.01			11,935.96			118.80			597.25	
16-2015		20,004.48									20,004.48	
19-2015		22,743.21			50,344.00			20,369.21		47,970.00	68,559.87	
24-2016		88,492.66			28,366.50			4,953.79		14,387.50	9,423.03	
29-2016		9,423.03									9,423.03	
45-2016		119,008.71			24,077.24			11,900.00		141,868.02	83,031.47	
23-2017		107,017.75			178,156.00			2,934.80			67,794.97	
25-2017		39,515.62									39,515.62	
46-2018		(353,534.88)		420,000.00	253,198.93			1,090.30		239,800.20	51,976.09	
37-2019		(440,299.30)		1,510,000.00	620,863.49			21,130.46		355,918.70	783,625.45	
52-2019		86,845.00		1,650,000.00	1,575,031.44			19,932.65		41,250.00	141,880.91	
19-2020		1,094,230.04			287,869.30			238,222.15		625,733.01	(464,841.45)	
Reserve for Encumbrances		2,850.00						1,094,230.04			2,850.00	
Reserve for Preliminary Expenses												
	\$	1,625,052.36	\$	50,000.00	\$	3,314,418.98	\$	357,000.00	\$	1,761,213.05	\$	2,933,633.38

CITY OF MILLVILLE  
GENERAL CAPITAL FUND  
Schedule of Grants Receivable  
As of December 31, 2020

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Balance Dec. 31, 2020		<u>\$ 135,039.27</u>
<u>Analysis of Balance December 31, 2020</u>		
<u>Grant</u>	<u>Ord. No.</u>	<u>Reserved</u>
Hazardous Discharge Grant	03-2006	<u>\$ 135,039.27</u>

**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
Statement of Reserve for Payment of Debt  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019	\$	850,033.58
Decreased by:		
Disbursed to Current Fund - Realized as Miscellaneous Revenue Anticipated		107,000.00
Balance Dec. 31, 2020	\$	743,033.58

Exhibit SC-5

**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
Schedule of Reserve for Preliminary Expenses - Senior Center  
As of December 31, 2020

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Balance Dec. 31, 2020	\$	2,850.00
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**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation--Funded  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019		\$ 17,409,505.05
Decreased by:		
Appropriations to Pay Principal on Debt:		
Municipal Bonds	\$ 2,595,000.00	
Green Trust Loan	<u>59,437.35</u>	
		<u>2,654,437.35</u>
Balance Dec. 31, 2020		<u><u>\$ 14,755,067.70</u></u>

CITY OF MILLVILLE  
 GENERAL CAPITAL FUND  
 Statement of Deferred Charges to Future Taxation--Unfunded  
 For the Year Ended December 31, 2020

Improvement Description	Date	Ordinance Number	Balance		Analysis of Balance Dec. 31, 2020		Unexpended Improvement Authorizations
			Dec. 31, 2019	Dec. 31, 2020	Financed by Bond Anticipation Notes	Expenditures	
General Improvements:							
Acquisition of Computer Equipment and Technology	09/18/2007	33-2007	\$ 40,916.70	\$ 40,916.70	\$ 40,916.70	\$	550.00
Improvements to Vacant Land and Environmental Remediation	10/16/2007	41-2007	1,350,550.00	1,350,550.00	1,350,000.00		
Various Capital Improvements	04/15/2008	10-2008	2,128.54	2,128.54		2,128.54	
Capital Expenditures for Public Purposes - Millville Gardens	05/20/2008	12-2008	1,527.27	1,527.27		1,527.27	
Capital Expenditures for Public Purposes - Road Improvements	06/17/2008	15-2008, 34-2008	32,687.90	32,687.90		32,687.90	
Various Capital Improvements and Acquisitions	03/03/2009	12-2009	203,219.25	203,219.25		203,181.16	38.09
Various Capital Improvements and Acquisitions	05/15/2012	19-2012, 36-2012	30.88	30.88		30.88	
Various Capital Improvements and Acquisitions	08/21/2018	46-2018	420,000.00	420,000.00	420,000.00		
Various Capital Improvements and Acquisitions	07/11/2019	37-2019	1,510,500.00	1,510,500.00	1,510,000.00		500.00
Various Purchases and Repairs of Ambulances and Recycling and Trash Containers	12/27/2019	52-2019	1,650,055.00	1,650,055.00	1,650,000.00		55.00
Various Capital Improvements and Acquisitions	10/20/2020	19-2020	783,750.00	783,750.00	783,750.00		318,908.55
			\$ 5,211,615.54	\$ 5,995,365.54	\$ 4,930,000.00	\$ 745,313.90	\$ 320,051.64

**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
**Statement of Capital Improvement Fund**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019	\$ 240,514.86
Increased by:	
Budget Appropriation	50,000.00
	290,514.86
Decreased by:	
Appropriation to Finance Improvement Authorizations	41,250.00
Balance Dec. 31, 2020	\$ 249,264.86

Exhibit SC-9

**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
**Statement of Reserve for Encumbrances**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019	\$ 1,094,230.04
Increased by:	
Encumbrances	625,733.01
	1,719,963.05
Decreased by:	
Transferred to Improvement Authorizations	1,094,230.04
Balance Dec. 31, 2020	\$ 625,733.01

Exhibit SC-10

**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
**Statement of Green Trust Loan Payable**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019	\$ 366,505.05
Decreased by:	
Principal Payments Paid by Current Fund Budget	59,437.35
Balance Dec. 31, 2020	\$ 307,067.70



CITY OF MILLVILLE  
 GENERAL CAPITAL FUND  
 Statement of General Bond Anticipation Notes  
 For the Year Ended December 31, 2020

<u>Improvement Description</u>	<u>Ord. Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Increased</u>	
						<u>Issued for Cash</u>	<u>Balance Dec. 31, 2020</u>
Improvements to Vacant Land and Environmental Remediation	41-2007	5/7/2020	5/7/2020	5/6/2021	1.65%	\$ 1,350,000.00	\$ 1,350,000.00
Various Capital Improvements and Acquisitions	46-2018	5/7/2020	5/7/2020	5/6/2021	1.65%	420,000.00	420,000.00
Various Capital Improvements and Acquisitions	37-2019	5/7/2020	5/7/2020	5/6/2021	1.65%	1,510,000.00	1,510,000.00
Various Purchases and Repairs of Ambulances and Recycling and Trash Containers	52-2019	5/7/2020	5/7/2020	5/6/2021	1.65%	1,650,000.00	1,650,000.00
						<u>\$ 4,930,000.00</u>	<u>\$ 4,930,000.00</u>

**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
 Statement of General Serial Bonds  
 For the Year Ended December 31, 2020

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Dec. 31, 2020</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2019</u>	<u>Paid</u>	<u>Balance Dec. 31, 2020</u>
			<u>Date</u> <u>Amount</u>				
General Bonds of 2011	11/01/11	\$ 5,639,000.00	11/01/21 \$ 600,000.00	5.000%			
			11/01/22 600,000.00	5.000%			
			11/01/23 689,000.00	3.000%	\$ 2,389,000.00	\$ 500,000.00	\$ 1,889,000.00
Refunding Bonds of 2012	09/05/12	7,222,000.00			735,000.00	735,000.00	
Revenue Allocation District Bonds	11/01/11	7,025,000.00	11/01/21 650,000.00	5.000%			
			11/01/22 650,000.00	5.000%			
			11/01/23 675,000.00	3.000%	2,575,000.00	600,000.00	1,975,000.00
Refunding Bonds of 2016	04/21/16	1,805,000.00	09/01/21 280,000.00	3.000%			
			09/01/22 300,000.00	3.000%			
			09/01/23 300,000.00	3.000%			
			09/01/24 325,000.00	3.000%	1,490,000.00	285,000.00	1,205,000.00
General Bonds of 2017	07/26/17	10,804,000.00	07/15/21 950,000.00	2.000%			
			07/15/22 950,000.00	3.000%			
			07/15/23 950,000.00	4.000%			
			07/15/24 950,000.00	4.000%			
			07/15/25 950,000.00	4.000%			
			07/15/26 950,000.00	2.250%			
			07/15/27 950,000.00	2.500%			
			07/15/28 925,000.00	3.000%			
			07/15/29 900,000.00	3.000%			
				07/15/30 904,000.00	3.000%	9,854,000.00	475,000.00
					<u>\$ 17,043,000.00</u>	<u>\$ 2,595,000.00</u>	<u>\$ 14,448,000.00</u>
					<u>Paid by Budget Appropriation</u>		<u>\$ 2,595,000.00</u>

**CITY OF MILLVILLE**  
**GENERAL CAPITAL FUND**  
 Statement of General Bonds and Notes Authorized But Not Issued  
 For the Year Ended December 31, 2020

Improvement Description	Ordinance		Balance		Notes Issued	Balance
	Date	Number	Dec. 31, 2019	Dec. 31, 2020		
General Improvements:						
Acquisition of Computer Equipment and Technology	09/18/2007	33-2007	\$ 40,916.70	\$ 40,916.70		
Improvements to Vacant Land and Environmental Remediation	10/16/2007	41-2007	1,350,550.00		\$ 1,350,000.00	\$ 550.00
Various Capital Improvements	04/15/2008	10-2008	2,128.54			2,128.54
Capital Expenditures for Public Purposes - Millville Gardens	05/20/2008	12-2008	1,527.27			1,527.27
Capital Expenditures for Public Purposes - Road Improvements	06/17/2008	15-2008	32,687.90			32,687.90
Various Capital Improvements and Acquisitions	03/03/2009	12-2009	203,219.25			203,219.25
Various Capital Improvements and Acquisitions	05/15/2012	19-2012; 36-2012	30.88			30.88
Various Capital Improvements and Acquisitions	08/21/2018	46-2018	420,000.00		420,000.00	
Various Capital Improvements and Acquisitions	07/11/2019	37-2019	1,510,500.00		1,510,000.00	500.00
Various Purchases and Repairs of Ambulances and Recycling and Trash Containers	12/27/2019	52-2019	1,650,055.00		1,650,000.00	55.00
Various Capital Improvements and Acquisitions	10/20/2020	19-2020		\$ 783,750.00		783,750.00
				\$ 783,750.00	\$ 4,930,000.00	\$ 1,065,365.54

**SUPPLEMENTAL EXHIBITS**

**WATER UTILITY FUND**



**CITY OF MILLVILLE**  
**WATER UTILITY FUNDS**  
 Statement of Water Utility Cash  
 Treasurer

For the Year Ended December 31, 2020

	<u>Operating Fund</u>	<u>Assessment Fund</u>	<u>Capital Fund</u>
Balance Dec. 31, 2019	\$ 3,278,299.29	\$ 11,000.00	\$ 2,150,422.73
Increased by Receipts:			
Consumer Accounts Receivable	\$ 3,116,793.71		
Water Utility Liens	5,495.30		
Fire Hydrant Service	11,349.00		
Interest on Delinquent Accounts	11,617.65		
Other Accounts Receivable	28,405.20		
Interest on Deposits	82,517.67		
Meters and Miscellaneous	6,907.00		
Overpayments	14,803.73		
Bond Anticipation Notes	3,277,889.26		2,000,000.00
Decreased by Disbursements:			
2020 Appropriations	2,912,474.51		
2019 Appropriation Reserves	207,805.08		
Improvement Authorizations			503,147.83
Interest on Bonds, Notes, and Loans	137,178.90		
Other Accounts Receivable	165.00		
Due Current Fund	488.57		
Due Sewer Operating Fund	100.00		
Utility Surplus of Prior Year to Current Fund	201,586.00		
	6,556,188.55	11,000.00	4,150,422.73
	3,459,798.06		503,147.83
Balance Dec. 31, 2020	\$ 3,096,390.49	\$ 11,000.00	\$ 3,647,274.90

**CITY OF MILLVILLE**  
**WATER UTILITY ASSESSMENT FUND**  
Schedule of Water Utility Assessment Trust Cash  
As of December 31, 2020

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	<u>Balance</u> <u>Dec. 31, 2020</u>
Fund Balance	<u>\$ 11,000.00</u>

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
 Analysis of Water Utility Capital Cash  
 For the Year Ended December 31, 2020

	Receipts		Disbursements		Balance (Deficit) Dec. 31, 2020
	Balance (Deficit) Dec. 31, 2019	Bond Anticipation Notes	Improvement Authorizations	Transfers	
Fund Balance	\$ 733,965.09				\$ 733,965.09
Capital Improvement Fund	169,402.58				169,402.58
Reserve for Payment of Debt	594,825.02				594,825.02
<b>Improvement Authorizations:</b>					
Ordinance					
Number					
6-2016	Repairs of Water Meters				239,296.67
7-2016	Cedarville Rd. Water Main Replacement				132,391.09
24-2017	Capital Improvements for Water Utility			\$ 7,657.17	280,542.28
36-2019	Improvements to the Municipal Water Utility	\$ 2,000,000.00	\$ 503,147.83	\$ 85,097.17	1,411,755.00
Reserve for Encumbrances	63,187.17		63,187.17		85,097.17
	<u>\$ 2,150,422.73</u>	<u>\$ 2,000,000.00</u>	<u>\$ 503,147.83</u>	<u>\$ 148,284.34</u>	<u>\$ 3,647,274.90</u>

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
**Statement of Consumer Accounts Receivable**  
**For the Year Ended December 31, 2020**

Balance Dec. 31, 2019		\$ 201,523.92
Increased by:		
Water Rents Charged in 2020		<u>3,265,041.62</u>
		3,466,565.54
Decreased by:		
Collections	\$ 3,116,793.71	
Overpayments Applied	12,493.07	
Transfer to Lien	4,505.41	
Canceled by Resolution	<u>60,023.78</u>	
		<u>3,193,815.97</u>
Balance Dec. 31, 2020		<u><u>\$ 272,749.57</u></u>

**Exhibit SD-5**

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
**Schedule of Reserve for Insurance Proceeds**  
**As of December 31, 2020**

Balance Dec. 31, 2020		<u><u>\$ 15,217.20</u></u>
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**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
**Statement of Fire Hydrant Rentals**  
**For the Year Ended December 31, 2020**

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Increased by:		
Fire Hydrant Rentals Billed in 2020		\$ 12,000.00
Decreased by:		
Collections		11,349.00
Balance Dec. 31, 2020		\$ 651.00

Exhibit SD-7

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
**Statement of Other Accounts Receivable**  
**For the Year Ended December 31, 2020**

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	<u>Balance</u>		<u>Received</u>	<u>Balance</u>
	<u>Dec. 31, 2019</u>	<u>Accrued</u>		<u>Dec. 31, 2020</u>
Water Turn On and Off Fees	\$ 4,425.01	\$ 7,445.99	\$ 7,681.62	\$ 4,189.38
Water Service Contracts (Tap Fees)		4,900.00	4,900.00	
Connecting Fees		15,823.58	15,823.58	
Protested Checks		165.00		165.00
	\$ 4,425.01	\$ 28,334.57	\$ 28,405.20	\$ 4,354.38

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
**Statement of Water Utility Liens**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019	\$ 9,990.73
Increased by:	
Transfers from Consumer Accounts Receivable	<u>4,505.41</u>
	14,496.14
Decreased by:	
Collections	<u>5,495.30</u>
Balance Dec. 31, 2020	<u><u>\$ 9,000.84</u></u>

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
**Statement of Fixed Capital**  
**For the Year Ended December 31, 2020**

<u>Account</u>	<u>Balance Dec. 31, 2019</u>	<u>Additions</u>	<u>Balance Dec. 31, 2020</u>
Balance Dec. 31, 1983 - Details Not Available	\$ 196,365.01		\$ 196,365.01
Purification System - Land	577.36		577.36
Pumping System - Land	3,962.78		3,962.78
Other Distribution System - Land	45.58		45.58
Reservation Structures	471.01		471.01
Springs and Wells	392,690.94		392,690.94
Intake and Supply Basins	11,773.67		11,773.67
Coagulating Basins	11,820.73		11,820.73
Filters	18,567.24		18,567.24
Ozone Sterilizing and Aeration Plant	6,420.00		6,420.00
Chemical Treatment Plant	14,226.54		14,226.54
Clear Water Basins	2,810.84		2,810.84
Pumping Structures	142,830.69		142,830.69
Miscellaneous Pumping Equipment	11,743.40		11,743.40
Electrical Power Pumping Equipment	76,057.75		76,057.75
Transmission Mains	1,175,158.19		1,175,158.19
Storage Reservoir - Tank and Standpipe	38,554.77		38,554.77
Distribution Mains	1,596,133.19		1,596,133.19
Service Pipe	168,234.98		168,234.98
Meters	550,438.62		550,438.62
Fire Hydrants	921,057.03		921,057.03
Trucks and Vehicles	700,227.83		700,227.83
Scouter	1,441.16		1,441.16
General Equipment	147,204.31		147,204.31
Storage Reservoir - Land	4,000.00		4,000.00
Engineering Costs - Water Survey	5,432.59		5,432.59
Office Facilities and Furnishings	54,975.79		54,975.79
Tractor and Equipment	43,200.55		43,200.55
Ware Avenue	74,676.00		74,676.00
Supply Distribution and Storage Facilities	1,086,856.58		1,086,856.58
Water Storage Tank With Transmission	1,119,085.40		1,119,085.40
Roofing	48,003.00		48,003.00
Data Collection System	880,750.00		880,750.00
Well Repair and Construction	2,780,130.34		2,780,130.34
Demolition	8,040.00		8,040.00
Equalization Facility	281,175.00		281,175.00
Water Main Extension	870,869.39		870,869.39
Improvements to Water Utility	4,773,458.55	\$ 114,180.00	4,887,638.55
Infrastructure Improvements to Airport Industrial Park	1,865,747.79		1,865,747.79
Improvements to South Millville Industrial Park	74,073.37		74,073.37
Treatment Plant for Airport Water Wells	1,189,884.32		1,189,884.32
Improvements/Upgrades to Existing Equipment and Infrastructure	751,374.29		751,374.29
	<u>\$ 22,100,546.58</u>	<u>\$ 114,180.00</u>	<u>\$ 22,214,726.58</u>
FY 2019 Capital Outlay Budget - Appropriation Reserves		<u>\$ 114,180.00</u>	

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
 Statement of Fixed Capital Authorized and Uncompleted  
 For the Year Ended December 31, 2020

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance</u>		<u>Charges to Future Revenue</u>	<u>Balance Dec. 31, 2020</u>
				<u>Dec. 31, 2019</u>	<u>Dec. 31, 2020</u>		
General							
Improvements:							
6-2016	Repair Various Water Mains	2/19/2016	\$ 965,845.22	\$ 965,845.22	\$	\$	965,845.22
7-2016	Water Main Replacement	2/19/2016	132,391.09	132,391.09			132,391.09
24-2017	Capital Improvements for Water Utility	6/10/2017	1,100,000.00	1,100,000.00			1,100,000.00
36-2019	Improvements to the Municipal Water Utility	6/18/2019	2,125,000.00	2,125,000.00			2,125,000.00
20-2020	Improvements to the Municipal Water Utility	10/20/2020	2,030,000.00		\$ 2,030,000.00		2,030,000.00
				<u>\$ 4,323,236.31</u>	<u>\$ 2,030,000.00</u>	<u>\$</u>	<u>6,353,236.31</u>

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
**Statement of Appropriation Reserves**  
**For the Year Ended December 31, 2020**

	Balance		Balance After Transfer	Disbursed	Accounts Payable	Balanced Lapsed
	December 31, 2019 Reserved	Encumbered				
<b>Operating:</b>						
Salaries and Wages	\$ 226,539.19		\$ 226,539.19			\$ 226,539.19
Other Expenses	449,762.39	\$ 49,804.29	499,566.68	\$ 93,625.08	\$ 5,056.06	400,885.54
<b>Capital Improvements:</b>						
Capital Outlay	8,825.00	114,180.00	123,005.00	114,180.00		8,825.00
<b>Statutory Expenditures:</b>						
Contributions to:						
Social Security System (O.A.S.I.)	27,225.77		27,225.77			27,225.77
Public Employees' Retirement System	5,097.52		5,097.52			5,097.52
Disability Insurance	8,709.55		8,709.55			8,709.55
	<u>\$ 726,159.42</u>	<u>\$ 163,984.29</u>	<u>\$ 890,143.71</u>	<u>\$ 207,805.08</u>	<u>\$ 5,056.06</u>	<u>\$ 677,282.57</u>

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
Statement of Accrued Interest on Bonds, Notes and Loans and Analysis of Balance  
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 55,712.31
Increased by:		
Budget Appropriation for:		
Interest on Bonds	\$ 107,896.66	
Interest on Loans	25,073.90	
Interest on Notes	<u>21,816.67</u>	
		<u>154,787.23</u>
		210,499.54
Decreased by:		
Interest Paid		<u>137,178.90</u>
Balance Dec. 31, 2020		<u>\$ 73,320.64</u>

Analysis of Accrued Interest Dec. 31, 2020

	Principal Outstanding Dec. 31, 2020	Interest Rate	From	To	Period	Amount
<b>Serial Bonds</b>						
Water Bonds of 2011	\$ 206,000.00	Various	11/1/2020	12/31/2020	2 Months	\$ 1,263.33
Water Refunding Bonds of 2016	1,170,000.00	Various	9/1/2020	12/31/2020	4 Months	11,700.00
Water Bonds of 2017	<u>1,885,000.00</u>	Various	7/15/2020	12/31/2020	5.5 Months	<u>26,915.63</u>
	<u>3,261,000.00</u>					39,878.96
<b>NJ Waste Water Infrastructure Loan (1)</b>						
Series 2013A	625,000.00	Various	8/1/2020	12/31/2020	5 Months	8,979.17
Series 1999A	<u>170,000.00</u>	Various	9/1/2020	12/31/2020	4 Months	<u>2,645.84</u>
	<u>795,000.00</u>					<u>11,625.01</u>
<b>Bond Anticipation Notes</b>						
Series 2020	<u>2,000,000.00</u>	1.65%	5/7/2020	12/31/2020	238 Days	<u>21,816.67</u>
	<u>2,000,000.00</u>					<u>21,816.67</u>
<b>Grand Total</b>	<u>\$ 5,431,000.00</u>					<u>\$ 73,320.64</u>

(1) Trust portion of Loans only. Fund Portions are principal only loans.

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
**Statement of Accounts Payable**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019	\$ 23,351.50
Increased by:	
Transfer from FY 2019 Appropriation Reserves	5,056.06
	28,407.56
Decreased by:	
Canceled to Fund Balance	23,351.50
Balance Dec. 31, 2020	\$ 5,056.06

Exhibit SD-14

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
**Statement of Overpayment of Rents**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019	\$ 12,493.07
Increased by:	
Collections	14,803.73
	27,296.80
Decreased by:	
Applied to Rents	12,493.07
Balance Dec. 31, 2020	\$ 14,803.73

**CITY OF MILLVILLE**  
**WATER UTILITY OPERATING FUND**  
Statement of Due to/from Current Fund  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019 (Due To)	\$ 449.93
Decreased by:	
Disbursed	<u>488.57</u>
Balance Dec. 31, 2020 (Due From)	<u><u>\$ 38.64</u></u>

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
**Statement of Reserve for Encumbrances**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019	\$ 63,187.17
Increased by:	
Encumbrances	<u>85,097.17</u>
	148,284.34
Decreased by:	
Transfer to Improvement Authorizations	<u>63,187.17</u>
Balance Dec. 31, 2020	<u><u>\$ 85,097.17</u></u>

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
**Statement of Improvement Authorizations**  
**For the Year Ended December 31, 2020**

Ord. No.	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2019		Deferred Charges to Future Revenue	Transfer from Reserve for Encumbrances	Paid or Charged	Balance Dec. 31, 2020		
				Funded	Unfunded				Funded	Unfunded	
General Improvements:											
6-2016	Repairs of Water Meters	2/19/2016	\$ 965,845.22	\$ 239,296.67	\$ 845.22			\$ 239,296.67	\$ 845.22		
7-2016	Cedarville Rd. Water Main Replacement	2/19/2016	132,391.09	132,391.09					132,391.09		
24-2017	Capital Improvements for Water Utility	6/10/2017	1,100,000.00	272,885.11		\$ 7,657.17			280,542.28		
36-2019	Improvements to the Municipal Water Utility	6/18/2019	2,125,000.00		2,069,470.00		55,530.00	\$ 588,245.00		1,536,755.00	
20-2020	Improvements to the Municipal Water Utility	10/20/2020	2,030,000.00			\$ 2,030,000.00				2,030,000.00	
				<b>\$ 644,572.87</b>	<b>\$ 2,070,315.22</b>	<b>\$ 2,030,000.00</b>	<b>\$ 63,187.17</b>	<b>\$ 588,245.00</b>	<b>\$ 652,230.04</b>	<b>\$ 3,567,600.22</b>	
				Disbursed Reserve for Encumbrances				\$ 503,147.83			
								85,097.17			
								<u>\$ 588,245.00</u>			

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019		\$ 16,052,616.67
Increased by:		
Paid by Operating Budget:		
Bond Principal	\$ 260,000.00	
Capital Outlay:		
FY 2019 Operating Budget	<u>114,180.00</u>	
		<u>374,180.00</u>
Balance Dec. 31, 2020		<u><u>\$ 16,426,796.67</u></u>

Exhibit SD-19

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
Statement of Reserve for Deferred Amortization  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019		\$ 1,909,720.34
Increased by:		
Infrastructure Loan Paid by Operating Budget	<u>267,736.78</u>	
Balance Dec. 31, 2020		<u><u>\$ 2,177,457.12</u></u>

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
 Statement of New Jersey Environmental Infrastructure Loan Payable  
 For the Year Ended December 31, 2020

Balance Dec. 31, 2019	\$ 2,814,600.66
Decreased by:	
Paid by Operating Budget	267,736.78
Balance Dec. 31, 2020	\$ 2,546,863.88

Schedule of New Jersey Environmental Infrastructure Loan Payable Dec. 31, 2020

Due Date	Series 2013A		Series 2003A		Total
	Trust	Fund	Trust	Fund	
February 2021		\$ 47,033.89			\$ 47,033.89
March 2021				\$ 2,405.71	2,405.71
August 2021	\$ 45,000.00	94,067.79			139,067.79
September, 2021			\$ 55,000.00	35,744.80	90,744.80
February 2022		47,033.89			47,033.89
March 2022				1,655.58	1,655.58
August 2022	45,000.00	94,067.79			139,067.79
September, 2022			55,000.00	19,852.34	74,852.34
February 2023		47,033.89			47,033.89
August 2023	45,000.00	94,067.79			139,067.79
September, 2023			60,000.00		60,000.00
February 2024		47,033.89			47,033.89
August 2024	50,000.00	94,067.79			144,067.79
February 2025		47,033.89			47,033.89
August 2025	50,000.00	94,067.79			144,067.79
February 2026		47,033.89			47,033.89
August 2026	50,000.00	94,067.79			144,067.79
February 2027		47,033.89			47,033.89
August 2027	55,000.00	94,067.79			149,067.79
February 2028		47,033.89			47,033.89
August 2028	55,000.00	94,067.79			149,067.79
February 2029		47,033.89			47,033.89
August 2029	55,000.00	94,067.79			149,067.79
February 2030		47,033.89			47,033.89
August 2030	60,000.00	94,067.79			154,067.79
February 2031		47,033.89			47,033.89
August 2031	60,000.00	94,067.79			154,067.79
February 2032		47,033.89			47,033.89
August 2032	55,000.00	93,053.08			148,053.08
	\$ 625,000.00	\$ 1,692,205.45	\$ 170,000.00	\$ 59,658.43	\$ 2,546,863.88

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
**Statement of Water Serial Bonds**  
**For the Year Ended December 31, 2020**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2020</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2019</u>	<u>Paid</u>	<u>Balance Dec. 31, 2020</u>
Water Bonds of 2011	11/1/2011	\$ 2,430,000.00	11/01/21 \$ 70,000.00	5.000%			
			11/01/22 70,000.00	3.000%			
			11/01/23 66,000.00	3.000%	\$ 276,000.00	\$ 70,000.00	\$ 206,000.00
Water Refunding Bonds of 2016	9/1/2016	1,460,000.00	09/01/21 130,000.00	3.000%			
			09/01/22 135,000.00	3.000%			
			09/01/23 155,000.00	3.000%			
			09/01/24 155,000.00	3.000%			
			9/1/25-27 150,000.00	3.000%			
			09/01/28 145,000.00	3.000%	1,300,000.00	130,000.00	1,170,000.00
Water Bonds of 2017	7/26/2017	2,065,000.00	07/15/21 60,000.00	2.000%			
			07/15/22 85,000.00	3.000%			
			7/15/23-24 100,000.00	4.000%			
			07/15/25 110,000.00	4.000%			
			07/15/26 120,000.00	2.250%			
			07/15/27 120,000.00	2.500%			
			7/15/28-32 120,000.00	3.000%			
			7/15/33-34 120,000.00	3.125%			
		7/15/35-36 120,000.00	3.250%				
			07/15/37 110,000.00	3.250%	1,945,000.00	60,000.00	1,885,000.00
					<u>\$ 3,521,000.00</u>	<u>\$ 260,000.00</u>	<u>\$ 3,261,000.00</u>

Paid by Budget Appropriation \$ 260,000.00

CITY OF MILLVILLE  
 WATER UTILITY CAPITAL FUND  
 Statement of Water Bond Anticipation Notes  
 For the Year Ended December 31, 2020

<u>Purpose</u>	<u>Ord. Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Issued</u>	<u>Balance Dec. 31, 2020</u>
Improvements to the Municipal Water Utility	36-2019	5/7/2020	5/7/2020	5/6/2021	1.650%	\$ 2,000,000.00	\$ 2,000,000.00
						<u>\$ 2,000,000.00</u>	<u>\$ 2,000,000.00</u>

**CITY OF MILLVILLE**  
**WATER UTILITY CAPITAL FUND**  
 Statement of Bonds and Notes Authorized but not Issued  
 For the Year Ended December 31, 2020

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2019</u>	<u>FY 2020 Authorization</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2020</u>
6-2016	Repair Various Water Meters	\$ 845.22			\$ 845.22
36-2019	Improvements to the Municipal Water Utility	2,125,000.00		\$ 2,000,000.00	125,000.00
20-2020	Improvements to the Municipal Water Utility		\$ 2,030,000.00		2,030,000.00
		<u>\$ 2,125,845.22</u>	<u>\$ 2,030,000.00</u>	<u>\$ 2,000,000.00</u>	<u>\$ 2,155,845.22</u>

**SUPPLEMENTAL EXHIBITS**

**SEWER UTILITY FUND**



**CITY OF MILLVILLE**  
**SEWER UTILITY FUNDS**  
 Statement of Sewer Utility Cash  
 Treasurer

For the Year Ended December 31, 2020

	<u>Operating Fund</u>	<u>Assessment Fund</u>	<u>Capital Fund</u>
Balance Dec. 31, 2019	\$ 5,861,802.99	\$ 62,054.82	\$ 1,515,997.18
Increased by Receipts:			
Consumer Accounts Receivable	\$ 5,826,968.66		
Sewer Utility Liens	4,535.94		
Sewer Utility Overpayments	21,323.44		
Protested Checks	3,948.51		
Interest on Delinquent Accounts	22,009.22		
Connection Fees	22,518.80		
Miscellaneous Fees	50.28		
Interest Earned on Deposits	113,646.56		
Current Fund	1,575.76		
Trust Other	1.00		
Water Utility Operating Fund		\$ 433.53	\$ 700,000.00
Sewer Utility Operating Fund			75,000.00
Bond Anticipation Notes			
Budget Appropriation:			
- Capital Improvement Fund	6,016,678.17	433.53	775,000.00
	11,878,481.16	62,488.35	2,290,997.18
Decreased by Disbursements:			
2020 Appropriations	4,946,544.34		
2019 Appropriation Reserves	401,465.83		
Protested Checks	4,208.51		
Improvement Authorizations			246,662.80
Charges for Preliminary Costs of Improvement	206,024.35		27,185.19
Interest on Bonds, Notes and Loans	433.53		
Sewer Utility Capital Fund	385,290.00		
Utility Surplus of Prior Year to Current Fund			
	5,943,966.56	-	273,847.99
Balance Dec. 31, 2020	\$ 5,934,514.60	\$ 62,488.35	\$ 2,017,149.19

**CITY OF MILLVILLE**  
**SEWER UTILITY ASSESSMENT FUND**  
Schedule of Sewer Utility Assessment Trust Cash  
As of December 31, 2020

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	Balance <u>Dec. 31, 2020</u>
Fund Balance	<u>\$ 62,488.35</u>

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
 Analysis of Capital Cash  
 For the Year Ended December 31, 2020

	Balance (Deficit) Dec. 31, 2019	Receipts			Disbursements			Balance (Deficit) Dec. 31, 2020
		Budget Appropriations	Bond Anticipation Notes	Improvement Authorizations	Miscellaneous	Transfers From	To	
Fund Balance	\$ 328,419.62							\$ 328,419.62
Capital Improvement Fund	901,951.59	\$ 75,000.00			\$ 27,185.19			949,766.40
Reserve for Payment of Debt	561,957.65							561,957.65
Cash Pledged to the Payment of Debt	41,456.00							41,456.00
Reserve for Improvement to the Solid Dewatering Upgrade Project					\$ 255,830.31			(255,830.31)
Improvement Authorizations:								
Ordinance								
Number								
22-2002	59,009.56			\$ 4,668.92				19,009.56
						\$ 4,668.92		
6-2008	(228,575.02)							(228,575.02)
7-2008;19-2009	565.13							565.13
39-2012	(62,147.52)			439.88				(62,587.40)
36-2019	(38,690.00)		\$ 700,000.00	241,554.00		37,230.00		382,526.00
20-2020						65,000.00		(65,000.00)
NJ Environmental Infrastructure Loan Receivable	(52,618.75)							(52,618.75)
Contracts Payable	4,668.92					4,668.92		398,060.31
	\$ 1,515,997.18	\$ 75,000.00	\$ 700,000.00	\$ 246,662.80	\$ 27,185.19	\$ 402,729.23	\$ 402,729.23	\$ 2,017,149.19

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Consumer Accounts Receivable**  
**For the Year Ended December 31, 2020**

Balance Dec. 31, 2019		\$ 402,014.30
Increased by:		
Sewer Rents Charged		<u>6,050,704.68</u>
		6,452,718.98
Decreased by:		
Collections	\$ 5,826,968.66	
Overpayments Applied	<u>14,892.90</u>	
	\$ 5,841,861.56	
Transfer to Lien	8,395.52	
Canceled	<u>27,686.75</u>	
		<u>5,877,943.83</u>
Balance Dec. 31, 2020		<u>\$ 574,775.15</u>

Exhibit SE-5

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Sewer Utility Liens**  
**For the Year Ended December 31, 2020**

Balance Dec. 31, 2019		\$ 6,403.33
Increased by:		
Transfers from Consumer Account Receivable	\$ 8,395.52	
Interest and Costs Accrued	<u>278.46</u>	
		<u>8,673.98</u>
		15,077.31
Decreased by:		
Collections		<u>4,535.94</u>
Balance Dec. 31, 2020		<u>\$ 10,541.37</u>

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
 Schedule of Due from State of New Jersey -- NJ Environmental Infrastructure Trust  
 As of December 31, 2020

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Balance Dec. 31, 2020	<u>\$ 52,618.75</u>
<u>Analysis of Balance Dec. 31, 2020</u>	
NJ Environmental Infrastructure Trust	\$ 50,611.75
NJ Environmental Infrastructure Trust - ARRA Financing	<u>2,007.00</u>
	<u>\$ 52,618.75</u>

**Exhibit SE-7**

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
 Statement of Other Accounts Receivable  
 For the Year Ended December 31, 2020

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	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2020</u>
Sewer Connection Fees		\$ 22,518.80	\$ 22,518.80	
Protested Checks	\$ 25.00	4,208.51	3,948.51	\$ 285.00
	<u>\$ 25.00</u>	<u>\$ 26,727.31</u>	<u>\$ 26,467.31</u>	<u>\$ 285.00</u>

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Fixed Capital**  
**For the Year Ended December 31, 2020**

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Additions</u>	<u>Balance</u> <u>Dec. 31, 2020</u>
Balance Dec. 31, 1967--Financed by Capital Fund--Details not Available	\$ 375,000.00		\$ 375,000.00
Pumping Station	805,664.17		805,664.17
Sanitary Sewer Lines	922,364.89		922,364.89
Vehicles	457,606.06	\$ 30,654.00	488,260.06
Office Facilities and Furnishings	40,182.19		40,182.19
General Equipment	501,944.66		501,944.66
Improvement of Sewer System Feasibility Study--Sanitary Sewer Facilities (Contractual)	1,983,323.83		1,983,323.83
	6,000.00		6,000.00
Additions and Alterations to Treatment Plant	3,094,598.41		3,094,598.41
Laboratory	257,961.18		257,961.18
Roof System--Sewer Utility Building	138,782.44		138,782.44
Improvements to Plant & Buildings	557,378.03		557,378.03
Acquisition, Installation of Improvements to Wastewater Treatment Plant	12,263,226.08	154,124.94	12,417,351.02
Purchase of Machinery	558,394.85		558,394.85
Old Ireland Avenue Pumping Station Ord. 63-95	1,326,703.18		1,326,703.18
Improvements to South Millville Industrial Park Ord. 10-97	65,870.54		65,870.54
Rieck Ave., Route 49 Sewer Extension Ord. 11-96	720,968.66		720,968.66
Sewer Main Extension and Pump Lift Station for Commercial Development Rt 55/47 Interchange	571,876.94		571,876.94
Infrastructure Improvements to Airport Industrial Park	1,628,145.85		1,628,145.85
Replace or Rehabilitate Sewer Mains Ord. 24-96	2,212,031.35		2,212,031.35
	<u>\$ 28,488,023.31</u>	<u>\$ 184,778.94</u>	<u>\$ 28,672,802.25</u>
2020 Budget Appropriation - Capital Outlay		\$ 89,739.94	
2019 Appropriation Reserves - Capital Outlay		<u>95,039.00</u>	
		<u>\$ 184,778.94</u>	

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
 Statement of Fixed Capital Authorized and Uncompleted  
 For the Year Ended December 31, 2020

Improvement Description	Ordinance		Amount	Balance Dec. 31, 2019	Charges to Future Revenue	Balance Dec. 31, 2020
	Number	Date				
General Improvements:						
Environmental Investigation and Cleanup of Taxiway Pump Station	22-2002	7/2/2002	\$ 2,000,000.00	\$ 1,999,208.44	\$	\$ 1,999,208.44
Upgrades to Wastewater Collection System	6-2008	2/19/2008	3,150,000.00	3,078,575.02		3,078,575.02
Upgrades to Wastewater Treatment Plant - Phase I	7-2008; 19-2009	2/19/2008 6/16/2009	8,843,000.00	4,686,456.34		4,686,456.34
Upgrades to Municipal Sewer Utility	39-2012	12/18/2012	9,822,500.00	9,822,500.00		9,822,500.00
Sewer Jet & Catch Basin Cleaner	25-2016	6/7/2016	266,377.00	266,376.84		266,376.84
Improvements to Sewer Utility	36-2019	6/18/2019	700,000.00	700,000.00		700,000.00
Improvements to Sewer Utility	20-2020	10/20/2020	70,000.00	70,000.00	\$	70,000.00
				<u>\$ 20,553,116.64</u>	<u>\$ 70,000.00</u>	<u>\$ 20,623,116.64</u>

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
 Statement of Appropriation Reserves  
 For the Year Ended December 31, 2020

	Balance Dec. 31, 2019		Balance After Transfer	Disbursed	Accounts Payable	Balance Lapsed
	Reserved	Encumbered				
Operating:						
Salaries and Wages	\$ 57,860.21	\$ 279,852.52	\$ 57,860.21	\$ 8,314.25	\$	\$ 49,545.96
Other Expenses	561,784.42		841,636.94	298,112.58	16,268.57	527,255.79
Capital Improvements:						
Capital Outlay	14,876.00	95,124.00	110,000.00	95,039.00		14,961.00
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I.)	19,636.85		19,636.85			19,636.85
Public Employees' Retirement System	9,783.47		9,783.47			9,783.47
Unemployment Compensation Insurance	10,000.00		10,000.00			10,000.00
Disability Insurance	241.76		241.76			241.76
	<u>\$ 674,182.71</u>	<u>\$ 374,976.52</u>	<u>\$ 1,049,159.23</u>	<u>\$ 401,465.83</u>	<u>\$ 16,268.57</u>	<u>\$ 631,424.83</u>

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
Statement of Accrued Interest on Bonds, Notes and Loans and Analysis of Balance  
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 76,045.85
Increased by:		
Charged to Budget Appropriation:		
Interest on Bonds	\$ 87,437.50	
Interest on Notes	7,635.83	
Interest on Loans	<u>110,095.18</u>	
		<u>205,168.51</u>
		281,214.36
Decreased by:		
Interest Paid		
Operating Fund		<u>206,024.35</u>
Balance Dec. 31, 2020		<u><u>\$ 75,190.01</u></u>

Analysis of Accrued Interest Dec. 31, 2020

	Principal Outstanding <u>Dec. 31, 2020</u>	Interest Rate	From	To	Period	Amount
Serial Bonds (Capital):						
Sewer Bonds of 2011	\$ 900,000.00	Various	11/1/2020	12/31/2020	2 Months	\$ 5,500.00
Sewer Refunding Bonds of 2016	795,000.00	Various	9/1/2020	12/31/2020	4 Months	7,950.00
Sewer Bonds of 2017	<u>500,000.00</u>	Various	7/15/2020	12/31/2020	5.5 Months	<u>7,046.88</u>
	<u>2,195,000.00</u>					<u>20,496.88</u>
NJ Environmental Infrastructure Loans (1)						
Series 2003 A	330,000.00	Various	9/1/2020	12/31/2020	4 Months	5,137.50
Series 2010 A	595,000.00	Various	9/1/2020	12/31/2020	4 Months	7,633.34
Series 2018 A	<u>2,175,000.00</u>	Various	8/1/2020	12/31/2020	5 Months	<u>34,286.46</u>
	<u>3,100,000.00</u>					<u>47,057.30</u>
Bond Anticipation Notes (Capital)						
Series 2020	<u>700,000.00</u>	1.65%	5/7/2020	12/31/2020	238 Days	<u>7,635.83</u>
	<u>700,000.00</u>					<u>7,635.83</u>
Grand Total	<u><u>\$ 5,995,000.00</u></u>					<u><u>\$ 75,190.01</u></u>

(1) Principal on Trust Loans Only. Fund Loans have a 0% Interest Rate

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
Statement of Sewer Rental Overpayments  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019	\$ 14,892.90
Increased by:	
Receipts	<u>21,323.44</u>
	36,216.34
Decreased by:	
Applied to Consumer Accounts Receivable	<u>14,892.90</u>
Balance Dec. 31, 2020	<u><u>\$ 21,323.44</u></u>

Exhibit SE-13

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
Statement of Accounts Payable  
For the Year Ended December 31, 2020

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Balance Dec. 31, 2019	\$ 16,171.53
Increased by:	
Transfer from 2019 Appropriation Reserves	<u>16,268.57</u>
	32,440.10
Decreased by:	
Canceled to Fund Balance	<u>16,171.53</u>
Balance Dec. 31, 2020	<u><u>\$ 16,268.57</u></u>

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Contracts Payable**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019	\$ 4,668.92
Increased by:	
Contracts and Change Orders	142,230.00
	146,898.92
Decreased by:	
Transfer to Improvement Authorizations	4,668.92
Balance Dec. 31, 2020	\$ 142,230.00

Exhibit SE-15

**CITY OF MILLVILLE**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Due from/to Current Fund**  
**For the Year Ended December 31, 2020**

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Balance Dec. 31, 2019 (Due From)	\$ 550.66
Decreased by:	
Receipts	1,575.76
Balance Dec. 31, 2020 (Due To)	\$ 1,025.10

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Contracts Payable - Preliminary Expenses**  
**For the Year Ended December 31, 2020**

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Increased by:	
Contracts and Change Orders	<u>\$ 255,830.31</u>
Balance Dec. 31, 2020	<u><u>\$ 255,830.31</u></u>

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
 Statement of Deferred Reserve for Amortization  
 For the Year Ended December 31, 2020

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2019</u>	<u>NJ Water Trust Loans Paid</u>	<u>Balance Dec. 31, 2020</u>
Improvements to W/W Treatment Plant & Coll System	21-2002	12/21/2004	\$ 3,410,306.34	\$ 208,017.50	\$ 3,618,323.84

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Reserve for Amortization**  
**For the Year Ended December 31, 2020**

Balance Dec. 31, 2019		\$ 31,093,616.73
Increased by:		
Serial Bonds Paid by Operating Budget	\$ 445,000.00	
N.J. Environmental Infrastructure Loans Paid by Operating Budget	519,815.31	
N.J. Environmental Infrastructure Loans Canceled	0.60	
Capital Outlay 2020 Appropriation	89,739.94	
Capital Outlay 2019 Appropriation Reserves	<u>95,039.00</u>	
		<u>1,149,594.85</u>
Balance Dec. 31, 2020		<u><u>\$ 32,243,211.58</u></u>

Exhibit SE-19

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Capital Improvement Fund**  
**For the Year Ended December 31, 2020**

Balance Dec. 31, 2019		\$ 901,951.59
Increased by:		
Budget Appropriation		<u>75,000.00</u>
		976,951.59
Decreased by:		
Charges for Preliminary Costs of Improvement:		
Improvement to the Solid Dewatering Upgrade Project		
Disbursed	\$ 27,185.19	
Encumbered	<u>255,830.31</u>	
		<u>283,015.50</u>
Balance Dec. 31, 2020		<u><u>\$ 693,936.09</u></u>



CITY OF MILLVILLE  
SEWER UTILITY CAPITAL FUND  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2020

<u>Improvement Description</u>	<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Increased</u>	<u>Balance Dec. 31, 2020</u>
Improvements to Sewer Utility	36-2019	5/7/2020	5/7/2020	5/6/2021	1.650%	\$ 700,000.00	\$ 700,000.00
						<u>\$ 700,000.00</u>	<u>\$ 700,000.00</u>
				Issued for Cash		<u>\$ 700,000.00</u>	

CITY OF MILLVILLE  
SEWER UTILITY CAPITAL FUND  
Statement of New Jersey Environmental Infrastructure Loans Payable  
For the Year Ended December 31, 2020

Balance Dec. 31, 2019		\$ 10,661,357.86
Decreased by:		
Canceled	\$ 0.60	
Principal Paid by Operating Fund	727,832.81	
		727,833.41
Balance Dec. 31, 2020		\$ 9,933,524.45

Schedule of New Jersey Environmental Infrastructure Loans Payable Dec. 31, 2020

Due Date	Series 2003A		Series 2010A		Series 2018A		Total
	Trust	Fund	Trust	Fund	Trust	Fund	
February, 2021				\$ 18,175.00			\$ 18,175.00
March, 2021		\$ 4,679.41				\$ 120,063.72	124,743.13
August, 2021			\$ 55,000.00	36,350.00			91,350.00
September, 2021	\$ 105,000.00	68,437.83			\$ 90,000.00	240,127.45	503,565.28
February, 2022				18,175.00			18,175.00
March, 2022		3,244.84				120,063.72	123,308.56
August, 2022			60,000.00	36,350.00			96,350.00
September, 2022	110,000.00	70,039.38			95,000.00	240,127.45	515,166.83
February, 2023				18,175.00			18,175.00
March, 2023		1,656.47				120,063.72	121,722.19
August, 2023			60,000.00	36,350.00			96,350.00
September, 2023	115,000.00	71,489.31			100,000.00	240,127.45	526,616.76
February, 2024				18,175.00			18,175.00
March, 2024						120,063.72	120,063.72
August, 2024			65,000.00	36,350.00			101,350.00
September, 2024					105,000.00	240,127.45	345,127.45
February, 2025				18,175.00			18,175.00
March, 2025						120,063.72	120,063.72
August, 2025			65,000.00	36,350.00			101,350.00
September, 2025					110,000.00	240,127.45	350,127.45
February, 2026				18,175.00			18,175.00
March, 2026						120,063.72	120,063.72
August, 2026			70,000.00	36,350.00			106,350.00
September, 2026					115,000.00	240,127.45	355,127.45
February, 2027				18,175.00			18,175.00
March, 2027						120,063.72	120,063.72
August, 2027			70,000.00	36,350.00			106,350.00
September, 2027					120,000.00	240,127.45	360,127.45
February, 2028				18,175.00			18,175.00
March, 2028						120,063.72	120,063.72
August, 2028			75,000.00	36,350.00			111,350.00
September, 2028					125,000.00	240,127.45	365,127.45
February, 2029				18,175.00			18,175.00
March, 2029						120,063.72	120,063.72
August, 2029			75,000.00	36,350.00			111,350.00
September, 2029					130,000.00	240,127.45	370,127.45
March, 2030						120,063.72	120,063.72
September, 2030					135,000.00	240,127.45	375,127.45
March, 2031						120,063.72	120,063.72
September, 2031					135,000.00	240,127.45	375,127.45
March, 2032						120,063.72	120,063.72
September, 2032					140,000.00	240,127.45	380,127.45
March, 2033						120,063.72	120,063.72
September, 2033					145,000.00	240,127.45	385,127.45
March, 2034						120,063.72	120,063.72
September, 2034					150,000.00	240,127.45	390,127.45
March, 2035						120,063.72	120,063.72
September, 2035					155,000.00	240,127.45	395,127.45
March, 2036						120,063.72	120,063.72
September, 2036					160,000.00	240,127.45	400,127.45
March, 2037						120,063.72	120,063.72
September, 2037					165,000.00	240,127.77	405,127.77
	\$ 330,000.00	\$ 219,549.24	\$ 595,000.00	\$ 490,725.00	\$ 2,175,000.00	\$ 6,123,250.21	\$ 9,933,524.45

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
 Statement of Sewer Serial Bonds  
 For the Year Ended December 31, 2020

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds</u>			<u>Interest Rate</u>	<u>Balance Dec. 31, 2019</u>	<u>Paid</u>	<u>Balance Dec. 31, 2020</u>
			<u>Outstanding Dec. 31, 2020</u>	<u>Date</u>	<u>Amount</u>				
Sewer Bonds of 2011	11/1/11	\$ 2,850,000.00	11/1/2021	\$ 300,000.00	3.000%				
			11/1/2022	300,000.00	3.000%				
			11/1/2023	300,000.00	3.000%	\$ 1,200,000.00	\$ 300,000.00	\$ 900,000.00	
Sewer Refunding Bonds of 2016	09/5/12	1,000,000.00	9/1/2021	95,000.00	3.000%				
			9/1/2022	100,000.00	3.000%				
			9/1/2023	105,000.00	3.000%				
			9/1/2024	100,000.00	3.000%				
			9/1/2025	100,000.00	3.000%				
			9/1/2026	100,000.00	3.000%				
			9/1/2027	100,000.00	3.000%				
			9/1/2028	95,000.00	3.000%	890,000.00	95,000.00	795,000.00	
Sewer Bonds of 2017	07/26/17	600,000.00	7/15/2021	50,000.00	2.000%				
			7/15/2022	50,000.00	3.000%				
			7/15/2023	50,000.00	4.000%				
			7/15/2024	50,000.00	4.000%				
			7/15/2025	50,000.00	4.000%				
			7/15/2026	50,000.00	2.250%				
			7/15/2027	50,000.00	2.500%				
			7/15/2028	50,000.00	3.000%				
		7/15/2029	50,000.00	3.000%					
		7/15/1930	50,000.00	3.000%		550,000.00	50,000.00	500,000.00	
							<b>\$ 2,640,000.00</b>	<b>\$ 445,000.00</b>	<b>\$ 2,195,000.00</b>

**CITY OF MILLVILLE**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Bonds and Notes Authorized But Not Issued**  
**For the Year Ended December 31, 2020**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2019</u>	<u>2020 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2020</u>
6-2008	Upgrades to Wastewater Collection System	\$ 228,575.02			\$ 228,575.02
39-2012	Upgrades to Municipal Sewer Utility	348,740.00			348,740.00
36-2019	Improvements to Sewer Utility	700,000.00		\$ 700,000.00	
20-2020	Improvements to Sewer Utility		\$ 70,000.00		70,000.00
		<u>\$ 1,277,315.02</u>	<u>\$ 70,000.00</u>	<u>\$ 700,000.00</u>	<u>\$ 647,315.02</u>

**PART II**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2020**



**CITY OF MILLVILLE**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2020

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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.

**CITY OF MILLVILLE**  
Summary Schedule of Prior Year Audit Findings  
and Questioned Costs as Prepared by Management

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This section identifies the status of prior year findings related to the financial statements and State Financial Assistance that are required to be reported in accordance with *Government Auditing Standards* and State of New Jersey Circular 15-08-OMB.

**FINANCIAL STATEMENT FINDINGS**

None.

**FEDERAL AWARDS**

Not Applicable.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

None.

**CITY OF MILLVILLE**  
**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>
Michael Santiago	Mayor	(A)
W. James Parent	Commissioner	(A)
Ashleigh Udalovas	Commissioner	(A)
Joseph Pepitone	Commissioner	(A)
Bruce Cooper	Commissioner	(A)
Regina Burke	City Administrator	(A)
Jeanne M. Parkinson	City Clerk	(A)
Marcella D. Shepard	Chief Financial Officer	(A)
Tracey Gregoire	Tax and Utilities Collector	(A)
Regina Burke	Purchasing Agent	(A)
Jason Witcher	Municipal Court Judge	(A)
Jody Farabella	Police Chief	(A)
Brock D. Russell, Esq.	City Attorney	(A)
Robin Young	Construction Official	(A)
Brian M. Prohowich	City Engineer	(A)
Brian Rosenberger	Assessor	(A)
Kimberly Hamlyn	Municipal Court Administrator	(A)

(A) Covered by \$1,000,000, with either a \$1,000 deductible or for the amount the employee or official is required by law to be individually bonded, by a Public Employees Dishonesty Bond from the Atlantic County Municipal Joint Insurance Fund and Municipal Excess Joint Insurance Fund.

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**APPRECIATION**

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

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

A handwritten signature in black ink that reads "Michael D. Cesaro". The signature is written in a cursive, flowing style.

Michael D. Cesaro  
Certified Public Accountant  
Registered Municipal Accountant

