

TOWNSHIP OF JACKSON

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

**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

TABLE OF CONTENTS

	EXHIBIT	PAGE
PART I		
Independent Auditor's Report		1
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		5
 Financial Statements – Regulatory Basis:		
<u>Current Fund:</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	A	9
Statements of Operations and Changes in Fund Balance – Regulatory Basis	A-1	11
Statement of Revenues – Regulatory Basis	A-2	12
Statement of Expenditures – Regulatory Basis	A-3	15
<u>Trust Fund:</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	B	23
Statements of Operations and Changes in Fund Balance – Regulatory Basis	B-1	25
Statement of Revenues – Regulatory Basis	B-2	26
Statement of Expenditures – Regulatory Basis	B-3	27
<u>General Capital Fund:</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	C	28
Statement of Fund Balance	C-1	29
<u>Public Assistance Fund</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	D	30
<u>General Fixed Assets Account Group:</u>		
Statements of Fixed Assets & Fund Balance - Regulatory Basis	E	31
<u>Payroll Fund:</u>		
Statements of Assets & Liabilities - Regulatory Basis	F	32
Notes to Financial Statements		35
 Supplemental Exhibits:		
<u>Current Fund:</u>		
Schedule of Cash & Cash Equivalents	A-4	77
Schedule of Due from State - P.L. 1971, C.20	A-5	78
Schedule of Taxes Receivable & Analysis of Property Tax Levy	A-6	79
Schedule of Tax Title Liens	A-7	80
Schedule of Property Acquired for Taxes	A-8	80
Schedule of Revenue Accounts Receivable	A-9	81
Schedule of 2019 Appropriations Reserves	A-10	82
Schedule of Accounts Payable	A-11	85

**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

TABLE OF CONTENTS

	EXHIBIT	PAGE
<u>Current Fund (continued):</u>		
Schedule of Reserve for Encumbrances	A-12	85
Schedule of Prepaid Taxes	A-13	86
Schedule of Tax Overpayments	A-14	86
Schedule of County Taxes Payable	A-15	87
Schedule of Local School District Tax Payable	A-16	87
Schedule of Special District Taxes Payable	A-17	88
Schedule of Due to State of New Jersey – Construction Fees	A-18	88
Schedule of Due to State of New Jersey – Marriage Licenses	A-19	88
Schedule of Reserve for Revaluation Program	A-20	89
Schedule of Due to Municipal Open Space Trust Fund	A-21	89
Schedule of Reserve for Garden State Trust Fund	A-22	89
Schedule of Reserve for State Board of Taxation Appeals	A-23	90
Schedule of Reserve for Master Plan	A-24	90
Schedule of Reserve Other	A-25	90
Schedule of Reserve for COAH State Plan	A-26	91
Schedule of Reserve for FEMA Reimbursement	A-27	91
Schedule of Reserve for Police Cars	A-28	91
Schedule of Interfunds – Other Funds	A-29	92
Schedule of Federal & State Grant Fund Due from Current	A-30	93
Schedule of State & Federal Grants Receivable	A-31	94
Schedule of State & Federal Grants Appropriated	A-32	95
Schedule of State & Federal Grants Unappropriated	A-33	97
Schedule of Reserve for Encumbrances	A-34	97
<u>Trust Fund:</u>		
Schedule of Cash - Treasurer	B-4	101
Schedule of Due to State of New Jersey – Animal Control	B-5	102
Schedule of Reserve for Animal Control Expenditures	B-6	102
Schedule of Interfund – Current Fund	B-7	103
Schedule of Due from County of Ocean – Community Development Block Grant	B-8	103
Schedule of Various Reserves	B-9	104
Schedule of Funds Held by Trustee - LOSAP	B-10	105
Schedule of Reserve for Length of Service Award Program	B-11	105
<u>General Capital Fund:</u>		
Schedule of Cash & Cash Equivalents	C-2	109
Analysis of Cash & Cash Investments	C-3	110
Schedule of Deferred Charges to Future Taxation – Funded	C-4	111
Schedule of Deferred Charges to Future Taxation – Unfunded	C-5	112
Schedule of General Serial Bonds	C-6	113
Schedule of Improvement Authorizations	C-7	114

**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

TABLE OF CONTENTS

	EXHIBIT	PAGE
<u>General Capital Fund (continued):</u>		
Schedule of Reserve for Encumbrances	C-8	116
Schedule of Capital Improvement Fund	C-9	116
Schedule of Reserve for Debt Service - Open Space Bonds	C-10	117
Schedule of Reserve for Debt Service - Other	C-11	117
Schedule of Reserve for Fire Damage - Annex Building	C-12	117
Schedule of Reserve for Fire Damage - New Building	C-13	117
Schedule of NJEIT Loan Payable	C-14	118
Schedule of Bond Anticipation Notes	C-15	119
Schedule of Bonds and Notes Authorized But Not Issued	C-16	120
<u>Public Assistance Fund:</u>		
Schedule of Cash	D-1	123
Schedule of Reserve for Public Assistance	D-2	123
<u>General Fixed Assets Fund:</u>		
Schedule of Investment in Fixed Assets	E-1	127

PART II

<u>Single Audit Section:</u>		
Schedule of Findings & Questioned Costs	131	
Summary Schedule of Prior Audit Findings & Questioned Costs as Prepared by Management	132	

PART III

Letter of Comments and Recommendations -Regulatory Basis		
Officials in Office and Surety Bonds	135	
General Comments	137	
Other Comments	138	
Recommendations	138	
Acknowledgement	138	

**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

PART I

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Council
Township of Jackson
Jackson, New Jersey

Report on the Financial Statements

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds and account group of the Township of Jackson 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, the related statements of revenues - regulatory basis, and statements of expenditures - regulatory basis for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 and 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 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 discussed in Note 1 to the financial statements, the Township prepares its financial statements using accounting practices that demonstrate compliance with regulatory basis of accounting and budget laws 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 U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township, as of December 31, 2020 and 2019, or the results of its operations and changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township, 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 statements of revenues - regulatory basis, statements of expenditures - regulatory basis of the various funds, and general fixed assets 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 referred to in the first paragraph as a whole. The supplemental schedules presented for the various funds and letter of comments and recommendations section 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 is not a required part of the basic financial statements.

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

The supplementary data and letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2021 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
May 27, 2021

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Certified Public Accountants + Advisors

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

Honorable Mayor and Members
of the Township Council
Township of Jackson
County of Ocean
Jackson, New Jersey

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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of Jackson, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated May 27, 2021. Our report indicated that the Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
May 27, 2021

BASIC FINANCIAL STATEMENTS

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TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

	REFERENCE	2020	2019
ASSETS			
Regular Fund:			
Cash -Treasurer	A-4	\$ 22,240,128.81	\$ 20,685,568.92
Cash - Change Fund	A	1,565.00	1,565.00
Due from State of New Jersey:			
Senior Citizen & Veteran Deductions	A-5	16,614.26	14,694.40
Total Regular Fund		<u>22,258,308.07</u>	<u>20,701,828.32</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-6	1,716,652.01	1,852,829.52
Tax Title Liens Receivable	A-7	3,802,244.19	3,617,525.11
Property Acquired for Taxes at Assessed Valuation	A-8	6,251,500.00	6,251,500.00
Revenue Accounts Receivable	A-9	20,807.22	38,586.68
Interfunds Receivable	A-29	18,946.97	31,768.07
Total Receivables & Other Assets With Full Reserves		<u>11,810,150.39</u>	<u>11,792,209.38</u>
Total Regular Fund, Receivables & Other Assets With Full Reserves		<u>34,068,458.46</u>	<u>32,494,037.70</u>
State & Federal Grants:			
Grants Receivable	A-31	1,064,830.95	661,435.10
Due from Current Fund	A-30	210,977.42	173,065.00
Total State & Federal Grants		<u>1,275,808.37</u>	<u>834,500.10</u>
Total Assets		<u>\$ 35,344,266.83</u>	<u>\$ 33,328,537.80</u>

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

	REFERENCE	2020	2019
LIABILITIES RESERVES & FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-10	\$ 2,941,780.62	\$ 2,842,162.37
Reserves for Encumbrances	A-12	1,228,748.24	1,289,928.20
Accounts Payable	A-11	563,821.56	496,116.77
Prepaid Taxes	A-13	1,096,131.30	804,260.61
Tax Overpayments	A-14	45,028.00	36,308.09
County Taxes Payable	A-15	112,499.17	203,529.85
Due State of New Jersey - Construction Fees	A-18	15,152.00	9,782.00
Due State of New Jersey - Marriage License Fees	A-19	1,330.00	1,675.00
Reserve for Revaluation Program	A-20	5,743.40	5,743.40
Reserve for Garden State Trust Fund	A-22	0.95	0.95
Reserve for State Board of Taxation Appeals	A-23	313,782.95	313,782.95
Reserve for Master Plan	A-24	3,112.48	4,384.98
Reserve Other	A-25	2,117.88	2,117.88
Reserve for COAH State Plan	A-26	915,250.00	915,250.00
Reserve for FEMA Reimbursements	A-27	56,727.20	56,727.20
Reserve for Police Cars	A-28	139,086.12	160,869.52
Reserve for Skate Park	A	2,118.00	2,118.00
Interfund Payable	A-29	212,152.42	173,726.67
Total Liabilities		<u>7,654,582.29</u>	<u>7,318,484.44</u>
Reserve for Receivables & Other Assets	A	11,810,150.39	11,792,209.38
Fund Balance	A-1	<u>14,603,725.78</u>	<u>13,383,343.88</u>
Total Regular Funds		<u>34,068,458.46</u>	<u>32,494,037.70</u>
Federal & State Grants:			
Appropriated Reserves	A-32	835,165.37	786,513.44
Unappropriated Reserves	A-33	8,160.74	21,970.83
Reserves for Encumbrances	A-34	<u>432,482.26</u>	<u>26,015.83</u>
Total State & Federal Grants		<u>1,275,808.37</u>	<u>834,500.10</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 35,344,266.83</u>	<u>\$ 33,328,537.80</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

		2020	2019
Revenue & Other Income Realized:			
Fund Balance Utilized	A-2	\$ 4,808,000.00	\$ 3,703,000.00
Miscellaneous Revenue Anticipated	A-2	8,569,095.66	8,506,943.54
Receipts From Delinquent Taxes	A-2	1,882,016.90	1,768,316.38
Receipts From Current Taxes	A-2	167,298,278.93	164,494,354.24
Nonbudget Revenue	A-2	767,071.47	720,870.89
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-10	2,863,687.50	2,113,006.47
Cancelled Accounts Payable	A-11	130,349.96	55,626.45
Prior Year Senior Citizen Deductions Allowed	A-5	1,766.44	-
Prior Year Interfunds Liquidated	A-1	22,853.83	-
Cancellation of Grant Appropriation Reserves	A-29	3,874.33	6,539.63
Total Revenue & Other Income Realized		<u>186,346,995.02</u>	<u>181,368,657.60</u>
Expenditures:			
Operations Within "CAPS":			
Salaries and Wages	A-3	20,823,505.87	20,504,054.25
Other Expenses	A-3	12,537,296.79	12,026,735.66
Deferred Charges & Statutory Expenditures Within "CAPS"	A-3	5,626,337.04	5,341,302.31
Operations Excluded from "CAPS":			
Salaries and Wages	A-3	375,124.30	382,137.50
Other Expenses	A-3	768,188.27	756,479.40
Capital Improvements - Excluded from "CAPS"	A-3	125,000.00	110,000.00
Municipal Debt Service Excluded From "CAPS"	A-3	3,820,351.85	3,743,674.44
Deferred Charges - Municipal - Excluded From "CAPS"	A-3	760.50	-
Transferred to Board of Education for Use of Local Schools	A-3	1,000,000.00	-
Local District School Taxes	A-16	94,986,090.00	93,216,775.00
Fire District Taxes	A-17	6,977,082.00	6,673,098.00
County Taxes	A-15	31,785,671.68	31,387,560.87
Amount Due County for Added & Omitted Taxes	A-15	112,499.18	203,529.86
Municipal Open Space Taxes	A-21	1,371,490.34	1,366,744.87
Prior Year Interfunds Advanced	A-1	-	8,821.85
Prior Year Senior Citizen Deductions Disallowed	A-5	5,863.70	7,630.81
Cancellation of Grant Receivable	A-29	3,351.60	5,481.69
Total Expenditures		<u>180,318,613.12</u>	<u>175,734,026.51</u>
Statutory Excess to Fund Balance		6,028,381.90	5,634,631.09
Fund Balance January 1	A	<u>13,383,343.88</u>	<u>11,451,712.79</u>
Total		19,411,725.78	17,086,343.88
Decreased by: Utilized as Revenue	A-2	<u>4,808,000.00</u>	<u>3,703,000.00</u>
Balance December 31	A	<u>\$ 14,603,725.78</u>	<u>\$ 13,383,343.88</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2020

	ANTICIPATED BUDGET	ADDED PER N.J.S.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 4,808,000.00		\$ 4,808,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	39,050.00	-	39,050.00	-
Other	29,900.00	-	28,864.00	(1,036.00)
Fees & Permits	185,000.00	-	239,972.90	54,972.90
Fines & Costs:				
Municipal Court	475,000.00	-	312,188.03	(162,811.97)
Interest & Cost on Taxes	370,000.00	-	500,191.82	130,191.82
Interest on Investments & Deposits	775,000.00	-	1,022,526.00	247,526.00
Housing & Commercial CCO's	99,000.00	-	115,200.00	16,200.00
Energy Receipts Taxes	3,352,149.00	-	3,352,148.99	(0.01)
Garden State Trust	56,290.00	-	56,290.00	-
Uniform Construction Code Fees	1,200,000.00	-	1,623,680.35	423,680.35
Shared Service Agreement - BOE	105,548.58	70,365.72	175,914.30	-
Clean Communities Program	-	107,743.09	107,743.09	-
Recycling Tonnage Grant	10,367.46	-	10,367.46	-
Municipal Alliance on Alcoholism & Drug Abuse	-	800.00	800.00	-
Safe & Secure Communities Program	-	28,805.00	28,805.00	-
Body Armor Replacement Grant-State	8,389.85	-	8,389.85	-
Cops in Shops	6,160.00	-	6,160.00	-
Alcohol Education and Rehabilitation Fund	1,687.87	-	1,687.87	-
Drunk Driving Enforcement Fund	9,915.50	-	9,915.50	-
Drive Sober or Get Pulled Over - Statewide Crackdown	-	7,200.00	7,200.00	-
Homeland Security	18,000.00	-	18,000.00	-
Pedestrian Safety Grant	-	6,270.00	6,270.00	-
Handicapped Recreation Opportunities Grant	15,000.00	-	15,000.00	-
NJDOT Municipal Aid Program - Brewers Avenue	425,000.00	-	425,000.00	-
OC Office of Senior Services Information Assistance	17,700.00	-	17,700.00	-
OC Office of Senior Services Information Assistance Participant Donation/Project Income	10.00	-	10.00	-
Bulletproof Vest Program	-	7,342.50	7,342.50	-
Reserve for Debt Service - General Capital Fund	100,000.00	-	100,000.00	-
Reserve for Recycling - Trust Other Fund	50,000.00	-	50,000.00	-
Capital Fund Balance	15,000.00	-	15,000.00	-
Crash Abatement Tactics Grant	16,500.00	-	16,500.00	-
DOSCC/Census 2020 Outreach Grant	10,200.00	-	10,200.00	-
JIF/Police Accreditation Svcs	20,000.00	-	20,000.00	-
Cablevision Franchise Fee	220,978.00	-	220,978.00	-
Total	7,631,846.26	228,526.31	8,569,095.66	708,723.09
Receipts from Delinquent Taxes	1,450,000.00	-	1,882,016.90	432,016.90
Amount to be Raised by Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	33,646,396.96	-	34,751,738.31	1,105,341.35
Budget Totals	47,536,243.22	228,526.31	50,010,850.87	2,246,081.34
Nonbudget Revenues	-	-	767,071.47	767,071.47
Total	\$ 47,536,243.22	\$ 228,526.31	\$ 50,777,922.34	\$ 3,013,152.81

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2020**

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 167,298,278.93
Net Revenue From Collections	167,298,278.93
Allocated to School, County, Municipal Open Space & Special Districts	<u>135,232,833.20</u>
Balance for Support of Municipal Budget Appropriations	32,065,445.73
Increased by Appropriation for Uncollected Taxes	<u>2,686,292.58</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 34,751,738.31</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 1,762,093.32
Tax Title Lien Collections	<u>119,923.58</u>
Total	<u><u>\$ 1,882,016.90</u></u>
Construction Code Official:	
Plumbing Fees & Permits	\$ 227,021.00
Electrical Fees & Permits	412,866.00
Building Inspector Fees & Permits	540,297.00
Fire Inspection Fees & Permits	86,417.00
TCO, CCO & COMM	14,793.00
Building Fines & Penalties	12,646.00
Commercial CCO	7,398.00
Housing Resale CCOS	164,485.00
Misc Other	<u>157,757.35</u>
Total Construction Code Official	<u><u>\$ 1,623,680.35</u></u>
Other Fees & Permits:	
Public Works	\$ 49,597.00
Forester	6,600.00
Police Department	22,753.80
Zoning Board	32,132.00
Planning Board	102,587.10
Vital Statistics	<u>26,303.00</u>
Total Other Fees & Permits	<u><u>\$ 239,972.90</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2020**

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenue Not Anticipated:

Administration Fees	\$ 257.00
Administrative Fee - Senior Citizen's & Veteran's	7,964.66
Auction Proceeds	1,185.61
Bid Specs	275.00
Clerk	6,860.00
Gas & Fuel Reimbursements	31,446.15
Health Insurance Dividend	9,801.00
Insurance Reimbursement	4,602.10
Miscellaneous	1,335.04
Motor Vehicle Inspection Fines	1,765.00
Non Sufficient Funds	648.00
Ocean County Rent of Polling Places	1,800.00
Ocean County Joint Insurance Fund Dividends	90,844.00
Planning & Zoning	31.83
Police	2,595.00
Police Alarm Fines	950.00
Rental Registration	116,500.00
Resolution Fees	3,900.00
Shared Services	6,609.89
Subdivision Fees	4,995.60
Surcharge O/S Employment	145,545.00
Tax Collector Fees	141,941.02
Telephone Revenue	38,369.67
Tower Rental	101,099.90
Vacant Property Registration	45,750.00
Total Miscellaneous Revenue Not Anticipated	<u>\$ 767,071.47</u>

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS		EXPENDED		RESERVED	CANCELLED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED				
OPERATIONS - Within "CAPS"								
General Government:								
Administrative Executive:								
Salaries and Wages	\$ 302,054.00	\$ 319,019.62	\$ 314,636.23	\$ 3,344.68	\$ 4,383.39	\$ -		
Other Expenses	64,900.00	64,900.00	52,176.42	-	9,378.90	-		
Township Council:								
Salaries and Wages	44,340.00	44,340.00	44,120.10	-	219.90	-		
Other Expenses	900.00	900.00	194.21	75.00	630.79	-		
Mayor:								
Salaries and Wages	29,500.00	29,500.00	29,499.96	-	0.04	-		
Other Expenses	4,100.00	4,100.00	2,310.00	-	1,790.00	-		
Human Services:								
Salaries and Wages	116,418.20	116,418.20	112,744.13	-	3,674.07	-		
Other Expenses	25,530.00	25,530.00	20,707.15	1,204.00	3,618.85	-		
Municipal Clerk:								
Salaries and Wages	279,439.75	290,548.45	282,074.71	-	8,473.74	-		
Other Expenses	28,925.00	28,925.00	19,267.97	6,024.55	3,632.48	-		
Election:								
Salaries and Wages	3,500.00	3,550.00	3,545.38	-	4.62	-		
Other Expenses	6,500.00	6,450.00	-	-	6,450.00	-		
Financial Administration:								
Salaries and Wages	353,537.12	356,081.50	342,417.09	-	13,664.41	-		
Other Expenses	31,543.00	26,543.00	16,104.73	9,224.98	1,213.29	-		
Audit Services:								
Other Expenses	47,500.00	47,500.00	-	47,500.00	-	-		
Data Processing:								
Salaries and Wages	125,471.70	141,591.76	141,406.81	-	184.95	-		
Other Expenses	78,500.00	78,500.00	52,079.66	14,632.03	11,788.31	-		
Collection of Taxes:								
Salaries and Wages	312,763.73	321,090.16	311,012.64	2,782.25	7,295.27	-		
Other Expenses	31,865.00	31,865.00	16,894.25	8,423.14	6,547.61	-		
Assessment of Taxes:								
Salaries and Wages	387,770.09	388,052.84	378,283.06	2,689.64	7,080.14	-		
Other Expenses	20,020.00	20,020.00	5,230.61	5,982.13	8,807.26	-		
Purchasing:								
Salaries and Wages	106,112.90	106,112.90	103,080.92	1,683.49	1,348.49	-		
Other Expenses	36,196.88	36,196.88	31,459.06	414.43	4,323.39	-		

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

APPROPRIATIONS		EXPENDED		RESERVED	CANCELLED
BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED		
Legal Services & Costs:					
Other Expenses	484,500.00	694,500.00	568,351.97	118,960.69	7,187.34
Engineering Services & Costs:					
Salaries and Wages	28,728.96	27,756.96	22,652.01		5,104.95
Other Expenses	191,500.00	191,500.00	138,135.91		31,627.57
Historical Commission:					
Other Expenses	100.00	100.00			100.00
Community Alliance-Alcoholism & Drugs:					
Salaries and Wages	1,140.00	1,140.00			1,140.00
Other Expenses	100.00	100.00			100.00
Mayor's Community Advisory Board:					
Other Expenses	50.00	50.00			50.00
Economic Development Advisory Board:					
Other Expenses	1,175.00	1,175.00			1,175.00
Housing and Inspection Code					
Salaries and Wages	120,648.00	85,648.00	42,127.52		43,520.48
Other Expenses	6,955.00	6,955.00	3,180.51		3,020.21
Land Use Administration:					
Planning/Zoning Boards:					
Salaries and Wages	278,538.08	282,659.60	269,791.61	3,148.66	9,719.33
Other Expenses	64,200.00	234,200.00	155,259.05	9,537.26	69,403.69
Maintenance of Tax Maps:					
Other Expenses	20,000.00	20,000.00	9,257.50		
				10,742.50	
Code Enforcement - Other:					
Rent Leveling Board:					
Salaries and Wages	3,145.00	3,145.00	1,200.00		1,945.00
Other Expenses	48,050.00	37,050.00	18,539.64		16,871.61
Code Enforcement - Other:					
Salaries and Wages	427,814.48	433,163.40	415,236.72	2,856.78	15,069.90
Other Expenses	17,105.00	18,105.00	14,519.49	2,834.87	750.64
Commercial Building Standards:					
Salaries and Wages	12,000.00	12,000.00	6,600.00		5,400.00
Other Expenses	1,100.00	1,100.00	307.96		792.04
Unsafe Structures Committee					
Other Expenses	20,000.00	20,000.00			20,000.00

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS		EXPENDED		RESERVED	CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED		
Insurance:						
General Liability	807,678.00	807,678.00	760,054.00	7,500.00	40,124.00	-
Workers Compensation	537,252.00	537,252.00	537,252.00	-	-	-
Employee Group Health	4,537,000.00	4,511,000.00	3,752,617.21	523.77	757,859.02	-
Health Benefit Waiver	125,000.00	105,000.00	72,219.14	-	32,780.86	-
Unemployment Trust Fund	10,000.00	10,000.00	-	-	10,000.00	-
Public Safety Functions:						
Police Department:						
Salaries and Wages	12,421,583.50	12,379,742.37	11,896,424.41	-	483,317.96	-
Other Expenses	763,152.91	744,152.91	550,432.58	190,464.54	3,255.79	-
Police Dispatch/911:						
Salaries and Wages	546,000.00	552,698.92	510,522.62	-	42,176.30	-
Emergency Management:						
Salaries and Wages	12,846.00	12,846.00	6,385.94	-	6,460.06	-
Other Expenses	30,200.00	30,200.00	1,591.17	80.01	28,528.82	-
Aid to Volunteer Ambulance:						
Other Expenses	105,000.00	105,000.00	-	-	105,000.00	-
Municipal Prosecutor:						
Other Expenses	50,000.00	50,000.00	36,666.63	3,348.37	9,985.00	-
Juvenile Conference Committee:						
Salaries and Wages	1,300.00	1,300.00	-	-	1,300.00	-
Other Expenses	25.00	25.00	-	-	25.00	-
Public Works Functions:						
Streets & Roads Maintenance:						
Salaries and Wages	1,545,714.48	1,523,745.75	1,398,703.36	4,984.27	120,058.12	-
Other Expenses	237,105.00	241,105.00	135,439.95	81,459.69	24,205.36	-
Snow Removal:						
Other Expenses	270,000.00	270,000.00	262,113.71	7,886.29	0.00	-
Shade Tree Commission:						
Salaries and Wages	1,250.00	1,250.00	950.00	-	300.00	-
Other Expenses	7,650.00	7,650.00	2,535.60	598.50	4,515.90	-
Solid Waste Collection:						
Salaries and Wages	157,474.59	143,142.92	108,496.23	-	34,646.69	-
Other Expenses	595,437.00	603,437.00	550,672.12	50,136.27	2,628.61	-
Buildings & Grounds:						
Salaries and Wages	808,613.82	806,670.19	688,181.81	-	118,488.38	-
Other Expenses	234,300.00	229,300.00	147,828.52	42,062.69	39,408.79	-

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

APPROPRIATIONS		EXPENDED		RESERVED	CANCELLED
BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED		
Vehicle Maintenance:					
Salaries and Wages	390,724.00	387,606.82	335,200.60	-	52,406.22
Other Expenses	253,600.00	242,600.00	144,970.65	70,499.17	27,130.18
Community Services Act:					
Other Expenses	151,100.00	151,100.00	-	151,100.00	-
Health & Human Services Functions:					
Public Health Services:					
Salaries and Wages	7,500.00	7,500.00	7,499.90	-	0.10
Other Expenses	800.00	800.00	510.50	-	289.50
Environmental Health Services-Environmental Commission:					
Salaries and Wages	1,300.00	1,300.00	680.00	-	620.00
Other Expenses	425.00	425.00	61.10	-	363.90
Animal Control Services:					
Salaries and Wages	147,394.70	153,464.07	142,167.79	-	11,296.28
Other Expenses	42,350.00	40,350.00	17,791.82	9,648.67	12,909.51
Going Green Committee:					
Other Expenses	100.00	100.00	-	-	100.00
Parks & Recreation Functions:					
Recreation Services & Programs:					
Salaries and Wages	141,996.91	142,406.17	125,589.75	1,568.86	15,247.56
Other Expenses	21,400.00	21,400.00	12,908.42	8,134.92	356.66
Office for the Golden Age:					
Salaries and Wages	257,364.96	248,030.56	228,947.85	1,586.61	17,496.10
Other Expenses	25,375.00	25,375.00	16,638.92	4,652.17	4,083.91
Handicapped Committee:					
Salaries and Wages	28,028.96	25,528.96	21,188.86	-	4,340.10
Other Expenses	7,300.00	7,300.00	1,046.39	360.38	5,893.23
Park Maintenance:					
Other Expenses	37,000.00	37,000.00	36,041.01	-	958.99
Municipal Court Functions:					
Municipal Court:					
Salaries and Wages	372,534.25	342,915.79	311,562.02	-	31,353.77
Other Expenses	27,390.00	27,390.00	11,694.69	1,153.98	14,541.33
Public Defender:					
Other Expenses	8,000.00	8,000.00	8,000.00	-	-

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS		EXPENDED		RESERVED	CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED		
Other Common Operating Functions:						
Salary & Wage Adjustment:						
Salaries and Wages	157,020.00	9,160.69			9,160.69	
Postage & Photocopy:						
Other Expenses	71,000.00	71,000.00	41,248.05	18,650.01	11,101.94	
Accumulated Leave Compensation-Sick Trust:						
Other Expenses	200,000.00	200,000.00	200,000.00			
Utility Expenses & Bulk Purchases:						
Electricity	449,000.00	399,000.00	307,508.59	69,373.55	22,117.86	
Street Lighting	360,000.00	410,000.00	347,163.41	54,836.59	8,000.00	
Telecommunication Costs	55,000.00	55,000.00	52,396.66	1,338.52	1,264.82	
Natural Gas	120,000.00	120,000.00	73,199.88	41,853.12	4,947.00	
Fuel & Petroleum Products	475,000.00	422,000.00	197,314.99	43,869.80	180,815.21	
Landfill/Solid Waste:						
Landfill/Solid Waste Disposal Costs:						
Other Expenses	227,000.00	297,000.00	255,561.69	23,453.53	17,984.78	
Legier Landfill - Postclosure Monitoring:						
Other Expenses	31,500.00	31,500.00	23,960.09	7,009.91	530.00	
Uniform Construction Code Appropriations Offset by Dedicated Revenues(NJAC5:23-4.17):						
Construction Code Department:						
Salaries and Wages	1,210,887.69	1,122,378.27	953,721.00	8,288.26	160,369.01	
Other Expenses	101,842.00	121,842.00	97,448.48	18,769.95	5,623.57	
Total Operations Including Contingent Within "CAPS"						
	33,348,802.66	33,360,802.66	29,335,515.09	1,201,433.03	2,823,854.54	
Detail:						
Salaries and Wages	21,142,455.87	20,823,505.87	19,556,651.03	29,588.82	1,237,266.02	
Other Expenses	12,206,346.79	12,537,296.79	9,778,864.06	1,171,844.21	1,586,588.52	

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS		EXPENDED		CANCELLED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED		
Deferred Charges & Statutory Expenditures						
Municipal Within "CAPS":						
Deferred Charges:						
Prior Year Bills	24,575.00	24,575.00	22,681.80	-	-	
Statutory Expenditures:						
Public Employees' Retirement System	998,757.26	998,757.26	998,757.26	-	-	
Social Security System (O.A.S.I.)	1,622,230.00	1,610,230.00	1,513,040.25	1,586.61	95,603.14	
Police & Firemen's Retirement System	2,982,172.98	2,982,172.98	2,982,172.98	-	-	
Defined Contribution Retirement Program	12,495.00	12,495.00	10,003.76	-	2,491.24	
Total Deferred Charges & Statutory Expenditures Within "CAPS"	5,640,230.24	5,628,230.24	5,526,656.05	1,586.61	98,094.38	
Total General Appropriations for Municipal Purposes Within "CAPS"	38,989,032.90	38,989,032.90	34,862,171.14	1,203,019.64	2,921,948.92	
OPERATIONS - EXCLUDED FROM "CAPS"						
Implementation of 911 Emergency:						
Salaries & Wages	182,000.00	182,000.00	182,000.00	-	-	
Relocation Assistance:						
Other Expenses	2,000.00	2,000.00	-	-	2,000.00	
LOSAP	25,000.00	25,000.00	-	25,000.00	-	
Recycling Tonnage Tax	10,000.00	10,000.00	6,520.70	728.60	2,750.70	
Shared Service Agreement-BOE/Police SRO	105,548.58	175,914.30	175,914.30	-	-	
Supplemental Fire Services Programs:						
Fire District Tax Obligations	13,026.00	13,026.00	13,026.00	-	-	
Public & Private Programs Offset by Revenues:						
OC Office of Senior Services-Information Assistance:						
Salaries and Wages	17,210.00	17,210.00	17,210.00	-	-	
Other Expenses	500.00	500.00	500.00	-	-	
Safe & Secure Communities Program	-	28,805.00	28,805.00	-	-	
Municipal Alliance on Alcohol & Drug Abuse:						
County Grant	-	800.00	800.00	-	-	
State of NJ Body Armor Grant	8,389.85	8,389.85	8,389.85	-	-	
Clean Communities Grant	-	107,743.09	107,743.09	-	-	
Drunk Driving Enforcement Fund	9,915.50	9,915.50	9,915.50	-	-	
Matching Funds for Grants	15,281.00	15,281.00	200.00	-	15,081.00	
Alcohol Education and Rehabilitation	1,687.87	1,687.87	1,687.87	-	-	
Pedestrian Safety Grant	-	6,270.00	6,270.00	-	-	

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS		EXPENDED		RESERVED	CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED		
COPS in Shops Summer Shore Initiative	6,160.00	6,160.00	6,160.00	-	-	-
Drive Sober or Get Pulled Over	-	7,200.00	7,200.00	-	-	-
Federal Bureau of Justice Bulletproof Vest Partner	-	7,342.50	7,342.50	-	-	-
NJDOT Municipal Aid Grant	425,000.00	425,000.00	425,000.00	-	-	-
Homeland Security	18,000.00	18,000.00	18,000.00	-	-	-
Handicapped Recreation Opportunities Grant:						
State Share	15,000.00	15,000.00	15,000.00	-	-	-
Local Share	3,000.00	3,000.00	3,000.00	-	-	-
Crash Abatement Tactics Grant	16,500.00	16,500.00	16,500.00	-	-	-
DOSCC/Census 2020 Outreach Grant	10,200.00	10,200.00	10,200.00	-	-	-
JIF/Police Accreditation Svcs	20,000.00	20,000.00	20,000.00	-	-	-
Recycling Tonnage Grant	10,367.46	10,367.46	10,367.46	-	-	-
Total Operations Excluded from "CAPS"	914,786.26	1,143,312.57	1,097,752.27	25,728.60	19,831.70	-
Detail:						
Salaries and Wages	304,758.58	375,124.30	375,124.30	-	-	-
Other Expenses	610,027.68	768,188.27	722,627.97	25,728.60	19,831.70	-
Capital Improvements - Excluded from "CAPS":						
Capital Improvement Fund	125,000.00	125,000.00	125,000.00	-	-	-
Total Capital Improvement Excluded from "CAPS"	125,000.00	125,000.00	125,000.00	-	-	-
Municipal Debt Service - Excluded from "CAPS":						
Payment of Bond Principal	3,270,000.00	3,270,000.00	3,270,000.00	-	-	-
Interest on Bonds	262,625.00	262,625.00	262,625.00	-	-	-
Interest on Notes	262,108.15	262,108.15	262,108.13	-	(0.00)	0.02
Loan Repayment for Principal and Interest						
Jet Vac/Sweeper	25,637.83	25,637.83	25,618.72	-	0.00	19.11
Deferred Charges to future Taxation - Unfunded Bond Issue - 17-16, 9-17, 22-19	760.50	760.50	760.50	-	-	-
Total Capital Improvements, Municipal Debt Service, Deferred Charges & Judgements Excluded from "CAPS"	3,821,131.48	3,821,131.48	3,821,112.35	-	(0.00)	19.13

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

	APPROPRIATIONS		EXPENDED		CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	
Transferred to Board of Education for Use of Local Schools	1,000,000.00	1,000,000.00	1,000,000.00	-	-
Total General Appropriations Excluded from "CAPS"	5,860,917.74	6,089,444.05	6,043,864.62	25,728.60	19,831.70 19.13
Subtotal General Appropriations	44,849,950.64	45,078,476.95	40,906,035.76	1,228,748.24	2,941,780.62 1,912.33
Reserve For Uncollected Taxes	2,686,292.58	2,686,292.58	2,686,292.58	-	-
Total General Appropriations	\$ 47,536,243.22	\$ 47,764,769.53	\$ 43,592,328.34	\$ 1,228,748.24	\$ 2,941,780.62 \$ 1,912.33
Budget Added by N.J.S. 40A:4-87		\$ 47,536,243.22 228,526.31			
Total		\$ 47,764,769.53			
Reserve for Uncollected Taxes			\$ 2,686,292.58		
Appropriated Reserves for Federal & State Grants			720,291.27		
Cash Disbursements			40,185,744.49		
Total			\$ 43,592,328.34		

**TOWNSHIP OF JACKSON
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019**

	REFERENCE	2020	2019
ASSETS			
Animal Control Trust Fund:			
Cash	B-4	\$ 116,127.93	\$ 129,968.32
Total Animal Control Trust Fund		<u>116,127.93</u>	<u>129,968.32</u>
Open Space Trust Fund:			
Cash	B-4	<u>4,399,422.01</u>	<u>5,324,575.09</u>
Total Open Space Trust Fund		<u>4,399,422.01</u>	<u>5,324,575.09</u>
Trust Other Funds:			
Cash	B-4	13,159,114.54	12,678,897.10
Due from County of Ocean - Community Development Block Grant	B-8	<u>397,654.12</u>	<u>273,704.02</u>
Total Trust Other Funds		<u>13,556,768.66</u>	<u>12,952,601.12</u>
Length of Service Awards Program (LOSAP)			
Investments Held by Trustee	B-10	<u>202,924.84</u>	<u>182,857.61</u>
Total Assets		<u>\$ 18,275,243.44</u>	<u>\$ 18,590,002.14</u>

**TOWNSHIP OF JACKSON
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019**

	REFERENCE	2020	2019
LIABILITIES & RESERVES			
Animal Control Trust Fund:			
Due to State of New Jersey	B-5	\$ 2.40	\$ 2.40
Due to Current Fund	A	10,032.73	21,757.01
Reserve for Animal Control Expenditures	B-6	<u>106,092.80</u>	<u>108,208.91</u>
Total Animal Control Trust Fund		<u>116,127.93</u>	<u>129,968.32</u>
Open Space Trust Fund:			
Reserve for Open Space	B-1	<u>4,399,422.01</u>	<u>5,324,575.09</u>
Total Open Space Trust Fund		<u>4,399,422.01</u>	<u>5,324,575.09</u>
Trust Other Funds:			
Various Reserves	B-9	13,549,029.42	12,943,251.73
Interfund - Current Fund	B-7	<u>7,739.24</u>	<u>9,349.39</u>
Total Trust Other Funds		<u>13,556,768.66</u>	<u>12,952,601.12</u>
Length of Service Awards Program (LOSAP)			
Reserve for LOSAP	B-11	<u>202,924.84</u>	<u>182,857.61</u>
Total Liabilities & Reserves		<u>\$ 18,275,243.44</u>	<u>\$ 18,590,002.14</u>

**TOWNSHIP OF JACKSON
OPEN SPACE TRUST FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

		<u>2020</u>	<u>2019</u>
Revenue & Other Income Realized:			
Amount to be Raised by Taxation	B-2	\$ 1,366,659.05	\$ 1,357,923.75
Added & Omitted Levy	B-2	4,831.29	8,821.12
Miscellaneous Revenue Not Anticipated	B-2	<u>132,758.47</u>	<u>107,802.83</u>
 Total Revenue & Other Income Realized		<u>1,504,248.81</u>	<u>1,474,547.70</u>
Expenditures:			
Development of Lands for Recreation & Conservation	B-3	71,979.28	100,000.00
Debt Service	B-3	323,950.00	326,300.00
Reserve for Future Use	B-3	<u>2,033,472.61</u>	<u>520,771.72</u>
 Total Expenditures		<u>2,429,401.89</u>	<u>947,071.72</u>
Statutory Excess to Fund Balance		(925,153.08)	527,475.98
Fund Balance January 1	B	<u>5,324,575.09</u>	<u>4,797,099.11</u>
 Balance December 31	B	<u>\$ 4,399,422.01</u>	<u>\$ 5,324,575.09</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

TOWNSHIP OF JACKSON
OPEN SPACE TRUST FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	ANTICIPATED BUDGET	REALIZED	EXCESS OR (DEFICIT)
Amount to be Raised by Taxation	\$ 1,366,659.05	\$ 1,366,659.05	\$ -
Added & Omitted Levy	- -	4,831.29	4,831.29
Miscellaneous Revenue Not Anticipated	- -	132,758.47	132,758.47
Total	\$ 1,366,659.05	\$ 1,504,248.81	\$ 137,589.76

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
OPEN SPACE TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
Development of Lands for Recreation and Conservation:				
Other Expenses	\$ 100,000.00	\$ 100,000.00	\$ 71,979.28	\$ 28,020.72
Total Development of Lands for Recreation and Conservation	100,000.00	100,000.00	71,979.28	28,020.72
Debt Service:				
Payment of Bond Principal	250,000.00	250,000.00	250,000.00	-
Interest on Bonds	73,950.00	73,950.00	-	73,950.00
Total Debt Service	323,950.00	323,950.00	323,950.00	-
Reserve for Future Use				
Total	942,709.05	942,709.05	2,033,472.61	(1,090,763.56)
	<u>\$ 1,366,659.05</u>	<u>\$ 1,366,659.05</u>	<u>\$ 2,429,401.89</u>	<u>\$ (1,062,742.84)</u>

TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

ASSETS	REFERENCE	2020	2019
Cash & Cash Equivalents	C-2	\$ 6,095,524.08	\$ 6,398,995.71
Deferred Charges to Future Taxation:			
Funded	C-4	22,321,131.29	12,221,234.12
Unfunded	C-5	<u>2,462,566.00</u>	<u>14,958,760.50</u>
Total Assets		<u><u>\$ 30,879,221.37</u></u>	<u><u>\$ 33,578,990.33</u></u>
LIABILITIES, RESERVES & FUND BALANCE			
General Serial Bond	C-6	\$ 22,090,000.00	\$ 11,970,000.00
NJEIT Loans Payable	C-14	231,131.29	251,234.12
Bond Anticipation Notes	C-15	-	11,039,321.00
Improvement Authorizations:			
Funded	C-7	3,741,983.27	808,307.55
Unfunded	C-7	1,178,330.93	4,083,470.89
Reserve for Encumbrances	C-8	2,396,435.82	4,091,875.18
Capital Improvement Fund	C-9	77.83	4,686.83
Reserve for Debt Service - Open Space Bonds	C-10	945,770.57	1,045,770.57
Reserve for Debt Service - Other	C-11	167,044.59	167,044.59
Reserve for Fire Damage - Annex Building	C-12	3,217.61	3,217.61
Reserve for Debt Service - New Building	C-13	25,000.00	-
Fund Balance	C-1	<u>100,229.46</u>	<u>114,061.99</u>
Total Liabilities, Reserves & Fund Balance		<u><u>\$ 30,879,221.37</u></u>	<u><u>\$ 33,578,990.33</u></u>

There were Bonds & Notes Authorized but not issued on December 31, 2020 of \$2,462,566.00 and on December 31, 2019 was \$3,919,439.50.

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 114,061.99
Increased by:	
Reoffering Premium, net	<u>1,319,167.47</u>
Subtotal	<u>1,433,229.46</u>
Decreased by:	
Anticipated as Current Fund Revenue	15,000.00
Ordinance Funded by Premium on Bonds	<u>1,318,000.00</u>
Subtotal	<u>1,333,000.00</u>
Balance December 31, 2020	<u>\$ 100,229.46</u>

TOWNSHIP OF JACKSON
PUBLIC ASSISTANCE FUND
STATEMENTS OF ASSETS AND RESERVES - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

ASSETS	REFERENCE	<u>2020</u>	<u>2019</u>
Cash & Cash Equivalents	D-1	\$ 29,171.99	\$ 28,451.76
Total Assets		<u>\$ 29,171.99</u>	<u>\$ 28,451.76</u>
RESERVES			
Reserve for Public Assistance	D-2	\$ 29,171.99	\$ 28,451.76
Total Reserves		<u>\$ 29,171.99</u>	<u>\$ 28,451.76</u>

TOWNSHIP OF JACKSON
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF GENERAL FIXED ASSETS
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

ASSETS	REFERENCE	2020	2019
Land	E-1	\$ 56,320,100.00	\$ 56,320,100.00
Building & Building Improvements	E-1	50,515,712.00	50,329,762.00
Machinery & Equipment	E-1	<u>15,742,275.00</u>	<u>14,637,384.00</u>
Total		<u><u>\$ 122,578,087.00</u></u>	<u><u>\$ 121,287,246.00</u></u>

INVESTMENT IN FIXED ASSETS

Investment in Fixed Assets	E	<u><u>\$ 122,578,087.00</u></u>	<u><u>\$ 121,287,246.00</u></u>
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TOWNSHIP OF JACKSON
PAYROLL FUND
STATEMENTS OF ASSETS AND LIABILITIES - REGULATORY BASIS
DECEMBER 31, 2020 AND 2019

ASSETS	2020	2019
Cash	<u>\$ 12,212.32</u>	<u>\$ 7,295.10</u>
Total Assets	<u><u>\$ 12,212.32</u></u>	<u><u>\$ 7,295.10</u></u>
 LIABILITIES		
Payroll Deductions Payable	<u>\$ 12,212.32</u>	<u>\$ 7,295.10</u>
Total Liabilities	<u><u>\$ 12,212.32</u></u>	<u><u>\$ 7,295.10</u></u>

**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

This report includes the financial statements of the Township of Jackson (the “Township”), within the County of Ocean, in the State of New Jersey and reflects the activities of the municipality which is under the control of the Mayor and Township Council. The financial statements of the Board of Education, First Aid Organization and Fire Districts are reported separately since their activities are administered by separate boards.

The Township’s governing body is also responsible for appointing the board members of the Jackson Township Municipal Utilities Authority, but the Township’s accountability for this organization does not extend beyond making the appointments.

The financial statements of the component unit of the Township of Jackson are not presented in accordance with Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements 39, 61, 80, 90, and 97. If the provisions of these GASB statements 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 County, the primary government:

Jackson Township Municipal Utilities Authority

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township contain all funds and account groups in accordance with the “Requirements of Audit” 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 of Audit 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 further in this note.

In accordance with the “Requirements”, the Township accounts for its financial transactions through the use of separate funds, which are described as follows:

Current Fund – This fund accounts for revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Funds – These funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

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

Public Assistance Fund – This fund accounts for receipt and disbursement of funds that provide assistance to certain residents of the Township.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1. Summary of Significant Accounting Policies (continued)

General Fixed Asset Account Group – The Fixed Asset Account Group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other funds of the Township.

Payroll Fund – This fund accounts for the receipt and disbursements of funds used to meet obligations to employees and payroll tax liability.

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its Current Fund 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 10th of each year. At introduction, the governing body must 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 Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements. Once a budget is approved, it may be amended after November 1 by a resolution adopted by the governing body.

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. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost. Therefore, unrealized gains or losses on investments have not been recorded.

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

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1. Summary of Significant Accounting Policies (continued)

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

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories and Supplies - The cost 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 Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift, be included in the aforementioned inventory. In addition, property management standards must be maintained that includes 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. All fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Foreclosed property – Foreclosed Property or "Property Acquired for Taxes" 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 Township 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 Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1. Summary of Significant Accounting Policies (continued)

Deferred Charges – The recognition of certain expenditures is deferred to future periods. These expenditures or deferred charges are generally over expenditures 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.

Fund Balance – Fund Balance included in the Current Fund represent the amount available for anticipation as revenue in future years' budgets, with certain restrictions.

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

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

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Ocean. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th 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 10th of the current year and due to be paid to the County by February 15th of the following year.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Township of Jackson School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district July 1 to June 30.

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July 1 to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount. The Township did not defer School Taxes for the year ended December 31, 2020.

Reserve for Uncollected Taxes – The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the 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.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1. Summary of Significant Accounting Policies (continued)

Expenditures – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is 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 interest payments on outstanding general capital bonds and notes are provided on the cash basis.

Appropriation Reserves – Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts, which may be cancelled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31st of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

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

Compensated Absences – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

Recent Accounting Pronouncements – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB adopts accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP). The municipalities in the State of New Jersey do not prepare their financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2020:

Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This Statement provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Statement No. 83, *Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 1. Summary of Significant Accounting Policies (continued)

Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses.

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. Requirements of this pronouncement related to section 1, paragraph 4 are effective immediately. All other requirements will be effective for reporting periods beginning June 15, 2021.

Management has determined that the implementation of these Statements did not have a significant impact on the Township's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

Statement No. 87, *Leases*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

Statement No. 93, *Replacement of Interbank Offered Rates*. The requirements of this Statement, except for paragraphs 11b, 13, and 14 are effective for reporting periods beginning after June 15, 2020. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021.

Note 2. Deposits and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law.

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 2. Deposits and Investments (continued)

Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. However,

GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2020, the Township's bank balance of \$46,250,430.57 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 28,294,461.43
NJ Cash Management Fund	60.97
Uninsured and Uncollateralized	<u>17,955,908.17</u>
<u>\$ 46,250,430.57</u>	

Investments

Under the regulatory basis of accounting, investments are measured at cost in the Township's financial statements. However, had the financial statements been prepared in accordance with generally accepted accounting principles (GAAP), investments would be reported at fair value (except for fully benefit-responsive investment contracts, which would be reported at contract value). Contract value is the relevant measure for the portion of the Length of Service Awards Program (LOSAP) Plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the LOSAP Plan.

Investments at Fair Value – The fair value measurements of investments are required to be reported based on the hierarchy established by GAAP. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available. As of December 31, 2020, the Township had no investments held at Level 2 or 3.

Following is a description of the valuation methodologies used for investments measured at fair value:

Mutual Funds: Valued at quoted market prices which represent the net asset value ("NAV") shares held by the Township at year-end.

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 2. Deposits and Investments (continued)

The Township's fair value, hierarchy level and maturities of its investments at December 31, 2020 was as follows:

Investment type	Carrying Value	Fair Value as of December 31, 2020		Investment Maturities (in Years)
		Level 1	Total	
Mutual Funds	\$ 148,558.55	\$ 148,558.55	\$ 148,558.55	\$ 148,558.55
	<u>\$ 148,558.55</u>	<u>\$ 148,558.55</u>	<u>\$ 148,558.55</u>	<u>\$ 148,558.55</u>
Fund				
Trust Fund - LOSAP (Fair Value)	\$ 148,558.55	\$ 148,558.55	\$ 148,558.55	\$ 148,558.55
	<u>\$ 148,558.55</u>	<u>\$ 148,558.55</u>	<u>\$ 148,558.55</u>	<u>\$ 148,558.55</u>

Investments at Contract Value - The Township held a fully benefit-responsive investment contract with the Lincoln Financial Group (Lincoln) totaling \$54,366.31 as of December 31, 2020. Lincoln Financial Group maintains the contributions in the group fixed annuity contract (fixed account). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contract held by the Township is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the LOSAP Plan. The Township's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the contract issuer's ability to meet its financial obligations. The fixed account continues in-force until they are terminated by Lincoln Financial Group or the LOSAP Plan and do not define a maturity date.

No events are probable of occurring that might limit the ability of the LOSAP Plan to transact at contract value with the contract issuer and also limit the ability of the LOSAP Plan to transact at contract value with participants. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. The total Trust Fund LOSAP value held by the Township at December 31, 2020 was as follows:

Trust Fund - LOSAP (Fair Value)	148,558.53
Trust Fund - LOSAP (Contract Value)	<u>54,366.31</u>
Total Trust Fund - LOSAP	<u>\$ 202,924.84</u>

Custodial credit risk related to Investments - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Township will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Township has no investment policy to limit exposure to custodial credit risk.

Interest rate risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 2. Deposits and Investments (continued)

Credit risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. As of December 31, 2020, the Township's investments had the following ratings:

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A: 5-15.1, the Township's investment policies place no limit in the amount the Township may invest in any one issuer. More than 5% of the Township's investments are in mutual funds and fixed account investment contract. These investments represent 100% of the Township's total investments.

Note 3. Property Taxes

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Rate	<u>\$ 2.368</u>	<u>\$ 2.342</u>	<u>\$ 2.283</u>
Apportionment of Tax Rate:			
Municipal	0.492	0.486	0.478
Municipal Open Space	0.020	0.020	0.020
County General	0.466	0.463	0.454
Local School	1.390	1.373	1.331

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2020	\$ 6,833,295,262.00
2019	6,789,618,746.00
2018	6,761,719,027.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2020	\$ 169,423,568.30	\$ 167,298,278.93	98.74%
2019	166,803,053.60	164,494,354.24	98.61%
2018	161,192,721.46	158,928,545.16	98.59%

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 3. Property Taxes (continued)

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	\$ 3,802,244.19	\$ 1,716,652.01	\$ 5,518,896.20	3.26%
2019	3,617,525.11	1,852,829.52	5,470,354.63	3.28%
2018	3,357,833.01	1,814,819.70	5,172,652.71	3.21%

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2020	156
2019	151
2018	155

The last tax sale was held on December 16, 2020.

Note 4. Property Acquired By Tax Title Lien Liquidation

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

<u>Year</u>	<u>Amount</u>
2020	\$ 6,251,500.00
2019	6,251,500.00
2018	6,306,200.00

Note 5. Fund Balances Appropriated

The following schedule details 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:

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2020	\$ 14,603,725.78	\$ 5,950,000.00	40.74%
2019	13,383,343.88	4,808,000.00	35.93%
2018	11,451,712.79	3,703,000.00	32.34%

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 6. Disaggregated Receivable and Payable Balances

There are no significant components of receivable and payable balances reported in the financial statements.

Note 7. Interfund Receivables, Payables and Transfers

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2020:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 18,946.97	\$ 212,152.42
State and Federal Grant Fund	210,977.42	-
Animal Control Trust	-	10,032.73
Trust Other Fund	<u>-</u>	<u>7,739.24</u>
	<u><u>\$ 229,924.39</u></u>	<u><u>\$ 229,924.39</u></u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

Note 8. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2020.

	Balance December 31, <u>2019</u>	Additions	Deletions	Balance December 31, <u>2020</u>
Land	\$ 56,320,100.00	\$ -	\$ -	\$ 56,320,100.00
Buildings and Improvements	50,329,762.00	185,950.00	-	50,515,712.00
Machinery & Equipment	<u>14,637,384.00</u>	<u>1,179,891.00</u>	<u>75,000.00</u>	<u>15,742,275.00</u>
	<u><u>\$ 121,287,246.00</u></u>	<u><u>\$ 1,365,841.00</u></u>	<u><u>\$ 75,000.00</u></u>	<u><u>\$ 122,578,087.00</u></u>

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 9. Pension Obligations

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the year ended June 30, 2020. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2019.

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 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 or more years 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.

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 9. Pension Obligations (continued):

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2019, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2019, the Township's contractually required contribution to PERS plan was \$987,000.

Components of Net Pension Liability - At December 31, 2020, the Township's proportionate share of the PERS net pension liability was \$18,283,277.00. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The Township's proportion measured as of June 30, 2019, was 0.1014695676% which was an increase of 0.0013170476% from its proportion measured as of June 30, 2018.

A. Public Employees' Retirement System (PERS) (continued):

Balances at December 31, 2019 and December 31, 2018

	<u>12/31/2019</u>	<u>12/30/2018</u>
Actuarial valuation date (including roll forward)	June 30, 2019	June 30, 2018
Deferred Outflows of Resources	\$ 2,994,982	\$ 4,531,660
Deferred Inflows of Resources	6,750,654	6,707,145
Net Pension Liability	18,283,277	19,719,532
Township's portion of the Plan's total Net Pension Liability	0.10147%	0.10015%

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2019, the Township's proportionate share of the PERS expense, calculated by the plan as of the June 30, 2019 measurement date is \$1,140,327.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$987,000 to the plan in 2019.

At December 31, 2019, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 328,161	\$ 80,767
Changes of Assumptions	1,825,652	6,346,067
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	288,609
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>841,169</u>	<u>35,211</u>
	<u><u>\$ 2,994,982</u></u>	<u><u>\$ 6,750,654</u></u>

The Township will amortize the above sources of deferred outflows and inflows related to PERS over the following number of years:

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

<u>Year Ending</u>	<u>Dec 31,</u>	<u>Amount</u>
2020	\$ (519,807)	
2021	(931,957)	
2022	(1,588,691)	
2023	(653,510)	
2024	<u>(61,707)</u>	
		<u>\$ (3,755,672)</u>

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation		
Price	2.75%	
Wage	3.25%	
Salary Increases:		
Through 2026	2.00 - 6.00% Based on Years of Service	
Thereafter	3.00 - 7.00% Based on Years of Service	
Investment Rate of Return	7.00%	
Mortality Rate Table		
PERS	Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019	
PFRS	Pub-2010 Safety Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019	
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018	

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

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

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

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 9. Pension Obligations (continued):

A. Public Employees' Retirement System (PERS) (continued):

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

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.28%) or 1-percentage-point higher (7.28%) than the current rate:

	1% Decrease (5.28%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
Township's Proportionate Share of the Net Pension Liability	\$ 23,255,413	\$ 18,283,277	\$ 14,327,916

B. Police and Firemen's Retirement System (PFRS)

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

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

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 9. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, 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 if 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.

Basis of Presentation - The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS, its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS, the participating employers, or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PFRS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2019, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2019, the Township's contractually required contributions to PFRS plan was \$2,981,857.

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

Net Pension Liability and Pension Expense - At December 31, 2019 the Township's proportionate share of the PFRS net pension liability was \$36,126,169. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2019. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The Township's proportion measured as of June 30, 2019, was 0.2952010415%, which was an increase of 0.0087942867% from its proportion measured as of June 30, 2018.

Balances at December 31, 2019 and December 31, 2018

	<u>12/31/2019</u>	<u>12/31/2018</u>
Actuarial valuation date (including roll forward)	June 30, 2019	June 30, 2018
Deferred Outflows of Resources	\$ 3,143,305	\$ 4,763,241
Deferred Inflows of Resources	12,519,052	10,478,308
Net Pension Liability	36,126,169	38,755,556
Township's portion of the Plan's total net pension Liability	0.29520%	0.28641%

Pension Expense and Deferred Outflows/Inflows of Resources – At December 31, 2019, the Township's proportionate share of the PFRS expense, calculated by the plan as of the June 30, 2019 measurement date was \$4,013,467. This expense is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$2,981,857 to the plan in 2019.

At December 31, 2019, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 304,951	\$ 228,721
Changes of Assumptions	1,237,879	11,675,647
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	489,498
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>1,600,475</u>	<u>125,186</u>
	<u><u>\$ 3,143,305</u></u>	<u><u>\$ 12,519,052</u></u>

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

The Township will amortize the above sources of deferred outflows and inflows related to PFRS over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	-	5.53
June 30, 2016	-	5.58
June 30, 2017	5.59	-
June 30, 2018	5.73	-
June 30, 2019	-	5.92
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.17	-
June 30, 2015	5.53	-
June 30, 2016	5.58	-
June 30, 2017	-	5.59
June 30, 2018	-	5.73
June 30, 2019	-	5.92
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	-	5.00
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.17	6.17
June 30, 2015	5.53	5.53
June 30, 2016	5.58	5.58
June 30, 2017	5.59	5.59
June 30, 2018	5.73	5.73
June 30, 2019	5.92	5.92

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PFRS that will be recognized in future periods:

Year Ending	Dec 31,	Amount
2020	\$ (2,205,965)	
2021	(2,815,033)	
2022	(2,536,989)	
2023	(1,318,128)	
2024	<u>(499,632)</u>	
		<u><u>\$ (9,375,747)</u></u>

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

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Township is \$5,704,391 as of December 31, 2019. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2019. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2019 was 0.2952010415%, which was an increase of 0.0087942867% from its proportion measured as of June 30, 2018, which is the same proportion as the Township's. At December 31, 2019, the Township's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

Township's Proportionate Share of Net Pension Liability	\$ 36,126,169
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>5,704,391</u>
	<u><u>\$ 41,830,560</u></u>

At December 31, 2019, the State's proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2019 measurement date was \$662,803.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25 - 15.25%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
PFRS	Pub-2010 Safety Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2013 - June 30, 2018

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

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

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

<u>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>	<u>10.85%</u>
	<u>100.00%</u>	

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 9. Pension Obligations (continued):

B. Police and Firemen's Retirement System (PFRS) (continued):

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

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85%) or 1-percentage-point higher (7.85%) than the current rate:

	1% Decrease <u>(5.85%)</u>	Current Discount Rate <u>(6.85%)</u>	1% Increase <u>(7.85%)</u>
Township's Proportionate Share of the Net Pension Liability	\$ 48,829,416	\$ 36,126,169	\$ 25,612,402
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>7,710,258</u>	<u>5,704,391</u>	<u>4,044,247</u>
	<u><u>\$ 56,539,674</u></u>	<u><u>\$ 41,830,560</u></u>	<u><u>\$ 29,656,649</u></u>

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

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 10. Postemployment Benefits Other Than Pensions

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the year ended June 30, 2020. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2019.

General Information about the OPEB Plan

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

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

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

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 10. Postemployment Benefits Other Than Pensions (continued):

Basis of Presentation

The schedule of employer and nonemployer allocations and the schedule of OPEB amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the participating employers or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2019 were \$5,637,151,775.00 and \$8,182,092,807.00, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2018 through June 30, 2019. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

Special Funding Situation

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a 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.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 10. Postemployment Benefits Other Than Pensions (continued):

The participating employer allocations included in the supplemental schedule of employer special funding allocations and the supplemental schedule of special funding amounts by employer for each employer are provided as each employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the OPEB expense allocated to the State of New Jersey under the special funding situation and include their proportionate share of the collective net OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

Additionally, the State's proportionate share of the OPEB liability attributable to the Township is \$26,134,660.00 as of December 31, 2019. The OPEB liability was measured as of June 30, 2019. The total OPEB liability used to calculate the OPEB liability was determined using update procedures to roll forward the total OPEB liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2019. The State's proportion of the OPEB liability associated with the Township was based on a projection of the Township's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2019 was 0.4729639932%, which was a decrease of 0.0021200074% from its proportion measured as of June 30, 2018, which is the same proportion as the Township's. At December 31, 2019, the Township's and the State of New Jersey's proportionate share of the OPEB liability were as follows:

State of New Jersey's	
Proportionate Share of OPEB Liability	
Associated with the Township	\$ 26,134,660.00

At December 31, 2019, the State's proportionate share of the OPEB expense, associated with the Township, calculated by the plan as of the June 30, 2019 measurement date was \$346,421.00.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 11. Municipal Debt

The following schedule represents the Township's summary of debt, as filed in the Township's Annual Debt Statement required by the Local Bond Law of New Jersey for the current and two previous years:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 22,321,131.29	\$ 23,260,555.12	\$ 20,098,336.95
Total Debt Issued	<u>22,321,131.29</u>	<u>23,260,555.12</u>	<u>20,098,336.95</u>
Authorized but not issued:			
General:			
Bonds, Notes and Loans	2,462,566.00	3,919,439.50	2,109,502.50
Total Authorized But Not Issued	<u>2,462,566.00</u>	<u>3,919,439.50</u>	<u>2,109,502.50</u>
Total Gross Debt	<u>\$ 24,783,697.29</u>	<u>\$ 27,179,994.62</u>	<u>\$ 22,207,839.45</u>
Deductions:			
General:			
Funds Temporarily Held to pay Bonds & Notes	1,112,815.16	1,212,815.16	1,281,840.79
Open Space Trust (40A:2-44h)	<u>2,315,000.00</u>	<u>2,565,000.00</u>	<u>2,810,000.00</u>
Total Deductions	<u>3,427,815.16</u>	<u>3,777,815.16</u>	<u>4,091,840.79</u>
Total Net Debt	<u>\$ 21,355,882.13</u>	<u>\$ 23,402,179.46</u>	<u>\$ 18,115,998.66</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The following schedule is a summary of the previous schedule and is prepared in accordance with the required method of setting up the Annual Debt Statement:

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 11. Municipal Debt (continued)

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Debt	\$ 49,570,000.00	\$ 49,570,000.00	\$ -
General Debt	<u>24,783,697.29</u>	<u>3,427,815.16</u>	<u>21,355,882.13</u>
	<u><u>\$ 74,353,697.29</u></u>	<u><u>\$ 52,997,815.16</u></u>	<u><u>\$ 21,355,882.13</u></u>

Net Debt \$21,355,882.13 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$7,884,489,757.00, equals 0.271% New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2020 is calculated as follows:

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 275,957,141.50
Net Debt	<u>21,355,882.13</u>
Remaining Borrowing Power	<u><u>\$ 254,601,259.37</u></u>

General Debt

A. Serial Bonds Payable

On July 23, 2014, the Township issued \$5,845,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.00% and mature in 2025.

On February 2, 2016, the Township issued \$7,100,000.00 of General Bonds. The General Refunding Bonds were issued at interest rates varying from 2.00% to 4.00% and mature in 2028.

During 2016, the Township issued \$5,858,000.00 of General Bonds. The General Obligation bonds were issued at interest rates varying from 2.00% to 4.00% and mature in 2023.

During 2020, the Township issued \$13,640,000.00 of General Bonds. The General Obligation bonds were issued at interest rates varying from 2.00% to 4.00% and mature in 2033.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 11. Municipal Debt (continued)

Principal and interest due on the outstanding bonds is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 2,880,000.00	\$ 870,180.56	\$ 3,750,180.56
2022	2,895,000.00	554,175.00	3,449,175.00
2023	2,980,000.00	473,550.00	3,453,550.00
2024	1,890,000.00	388,950.00	2,278,950.00
2025	1,900,000.00	327,412.50	2,227,412.50
2026-2030	6,260,000.00	837,750.00	7,097,750.00
2031-2033	3,285,000.00	98,550.00	3,383,550.00
	<u>\$ 22,090,000.00</u>	<u>\$ 3,550,568.06</u>	<u>\$ 25,640,568.06</u>

B. Bond Anticipation Notes Payable – Short Term Debt

As of December 31, 2020, the Township did not have any Bond Anticipation notes outstanding.

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2020, the Township had \$2,462,566.00 in various General Capital bonds and notes authorized but not issued.

D. Loans Payable

New Jersey Environmental Infrastructure Trust

In 2017 the Township finalized one loan agreement with the State of New Jersey Department of Environmental Protection, pursuant to the 2017A-1 New Jersey Environmental Infrastructure Trust Financing Program.

The loan consists of two agreements, a Trust Loan Agreement of \$145,000.00 to be repaid over a 14 year period at interest rates ranging from 3.00% to 5.00%, and a no interest Fund Loan Agreement of \$148,175.00 to be repaid over a 14 year period. The proceeds of the loans are to provide for the acquisition of a Jet Vac and Sweeper for use by the Township.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 20,102.83	\$ 4,600.00	\$ 24,702.83
2022	20,102.83	4,100.00	24,202.83
2023	20,102.83	3,600.00	23,702.83
2024	20,102.83	3,100.00	23,202.83
2025	20,102.83	2,600.00	22,702.83
2026-2030	105,514.15	7,500.00	113,014.15
2031	25,102.99	450.00	25,552.99
	<u>\$ 231,131.29</u>	<u>\$ 25,950.00</u>	<u>\$ 257,081.29</u>

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 11. Municipal Debt (continued)

Summary of Principal Debt

A summary of the changes in long-term and short term debt of the Township is as follows:

	Balance December 31, <u>2019</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2020</u>	Balance Due Within <u>One Year</u>
General Capital:					
General Bonds	\$ 11,970,000.00	\$ 13,640,000.00	\$ 3,520,000.00	\$ 22,090,000.00	\$ 2,880,000.00
Bond Anticipation Notes	11,039,321.00	-	11,039,321.00	-	-
Loans	251,234.12	-	20,102.83	231,131.29	20,102.83
Authorized but Not Issued	3,919,439.50	2,462,566.00	3,919,439.50	2,462,566.00	-
	<hr/> <u>\$ 27,179,994.62</u>	<hr/> <u>\$ 16,102,566.00</u>	<hr/> <u>\$ 18,498,863.33</u>	<hr/> <u>\$ 24,783,697.29</u>	<hr/> <u>\$ 2,900,102.83</u>

Note 12. Deferred Compensation Salary Account

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 13. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absences amount is not reported as a liability in the accompanying financial statements. It is estimated that accrued benefits for compensated absences are valued at \$3,137,752.01 at December 31, 2020.

The Township has established a Trust Fund in accordance with NJSA 40A:4-39 to set aside funds for future payments of compensated absences. As of December 31, 2020, the Township has reserved in the Other Trust Fund \$492,143.66 to fund compensated absences in accordance with NJSA 40A:4-39.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 14. Risk Management

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

Joint Insurance Pool

The Township is a member of the Municipal Excess Liability Joint Insurance Fund. The Fund provides the Township with the following coverage

Worker's Compensation	\$ 1,700,000
General Liability	\$ 20,000,000
Employer's Liability	\$ 1,700,000
Auto Liability	\$ 300,000
Flood	\$ 100,000,000
Property/Boiler and Machinery	\$ 125,000,000
Public Officials Liability	\$ 2,000,000
Environmental Impairment Liability	\$ 1,000,000

Contributions to the Funds are payable in one installment and are based on actuarial assumptions determined by the Funds' actuaries. The Fund publishes its own financial report for the year ended December 31, 2020 which can be obtained on the Fund's website.

New Jersey Unemployment Compensation Insurance

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

<u>Year</u>	<u>Amount</u>		
	<u>Contributions</u>	<u>Reimbursed</u>	<u>Ending Balance</u>
2020	\$ 34,464.34	\$ 24,830.19	\$ 317,206.63
2019	33,242.63	26,759.74	307,572.48
2018	27,538.39	6,636.31	301,089.59

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 15. Contingencies

Grantor Agencies

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2020 the Township estimates that no material liabilities will result from such audits.

Litigation

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses.

As of December 31, 2020 there were certain tax appeals on file against the Township related to 2015 through 2020 tax years. The Township has estimated the potential exposure to the Township from such appeals is approximately \$313,782.95.

Note 16. Tax Abatements

The Township is authorized by the New Jersey Housing and Mortgage Financing Act Law of 1983, N.J.S.A. 55:14K-1 et seq. (hereinafter “HMFA Law”), and a Resolution of the Council dated March 13, 2007, to enter into property tax abatement agreements for the purpose of attracting affordable housing. The exemption of the projects from real property taxation subject to this law shall not extend beyond the date on which the Agency Mortgage is paid in full, which according to the HMFA Law, may not exceed fifty (50) years.

For the year ended December 31, 2020, the Township abated property taxes totaling \$273,938.99 under this program, including the following tax abatement agreement that exceeded 10 percent of the total, which is the percentage the Township considers to be material for purposes of individual disclosure:

<u>Recipient</u>	<u>Purpose</u>	<u>Amount Abated</u>	<u>Pilot Billings</u>
Windsor Crescent LLC	Affordable Housing	\$ 273,938.99	\$ 72,098.95
		\$ 273,938.99	\$ 72,098.95

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 17. Length of Service Awards Program

The Township's length of service awards program ("LOSAP") is reported in the Township's trust fund Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

The tax deferred income benefits for the active volunteer firefighters and emergency medical personnel serving the residents of the Township come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

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 Township elected to contribute \$1,150.00.00 for the year ended December 31, 2020 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. During the year ended December 31, 2020, the Township contributed a total of \$0.00 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township 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.

Participant Accounts - Each participant's account is credited with the Township'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 Township has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the plan participants and their beneficiaries. Such funds, although subject to the claims of the

Township's creditors until distributed as benefit payments, are not available for funding the operations of the Township. The funds may also be used to pay the administrative fees charged by the Plan Administrator. Lincoln Financial Group ("Plan Administrator"), an approved Length of Service Awards Program provider, is the administrator of the Plan. The Township'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.

Vesting - Benefits, plus actual earnings thereon, are one hundred percent (100%) vested after five (5) years of service.

Payment of Benefits - Upon retirement or disability, participants may select various payout options, 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. During the year ended December 31, 2020 payouts of \$0.00 were made to vested participants.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 17. Length of Service Awards Program (continued):

Forfeited Accounts – During the year ended December 31, 2020, no accounts were forfeited.

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

Note 18. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2020 and May 27, 2021, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. The following was noted:

Pending Litigation

The Township is currently a Defendant in a number of lawsuits filed under the Religious Land Use and Institutional Persons Act (RLUIPA) in Federal Court as well as State Court. These allegations include asserted violations of Constitutional Rights. The Township does maintain insurance for these types of claims, and it is uncertain at this juncture if said coverage will be sufficient to cover any and all claims, etc. These matters range from having just been filed to ongoing discovery. The Township is vigorously defending against each of these allegations and is working to obtain amicable resolutions thereof in a way which would be advantageous to the Township and its' tax payers. At this juncture, it is impossible to determine or estimate the amount of any potential loss which would not be covered by insurance with respect to any of these claims.

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SUPPLEMENTAL EXHIBITS

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CURRENT FUND

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TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Balance December 31, 2019	\$ 20,685,568.92
Increased by Receipts:	
Nonbudget Revenues	\$ 767,071.47
Taxes Receivable	167,852,361.64
Tax Title Liens	119,923.58
Tax Overpayments	63,236.60
Revenue Accounts Receivable	7,852,004.39
Prepaid Taxes	1,094,051.14
State of New Jersey (Ch.29, P.L.1971)	397,732.88
Interfunds	608,790.20
Reserve for Police Cars	69,592.64
Due to State of New Jersey - Construction Fees	56,213.00
Due to State of New Jersey - Marriage Licenses	<u>5,535.00</u>
 Total Receipts	 <u>178,886,512.54</u>
 Subtotal	 199,572,081.46
Decreased by Disbursements:	
2020 Appropriations	40,185,744.49
2019 Reserved Appropriations	1,038,237.06
Accounts Payable	32,111.26
Tax Overpayments	50,452.79
County Taxes Payable	31,989,201.54
Local School District Tax	94,986,090.00
Special District Taxes	6,977,082.00
Municipal Open Space Trust Fund Taxes	1,371,490.34
Reserve for Police Cars	91,376.04
Reserve for Master Plan	1,272.50
Prepaid Taxes	1,983.74
Due to State of New Jersey - Construction Fees	50,843.00
Due to State of New Jersey - Marriage Licenses	5,880.00
Interfunds	<u>550,187.89</u>
 Total Disbursements	 <u>177,331,952.65</u>
 Balance December 31, 2020	 <u>\$ 22,240,128.81</u>

TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF DUE FROM STATE - P.L. 1971, C.20
FOR THE YEAR ENDED DECEMBER 31, 2020

Balance December 31, 2019	\$ 14,694.40
Increased by:	
Deductions per Tax Duplicate:	
Senior Citizens	\$ 49,500.00
Veterans	346,500.00
Deductions Allowed by Tax Collector:	
2020 Senior Citizen Deductions	2,000.00
2020 Veteran Deductions	9,750.00
Prior Years Senior Citizens & Veterans	<u>1,766.44</u>
	<u>409,516.44</u>
	424,210.84
Decreased by:	
Received from State of New Jersey	397,732.88
Deductions Disallowed by Tax Collector:	
Current Year Senior Citizens & Veterans	4,000.00
Prior Years Senior Citizens & Veterans	<u>5,863.70</u>
	<u>407,596.58</u>
Balance December 31, 2020	<u>\$ 16,614.26</u>

TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2020

YEAR	BALANCE DECEMBER 31, 2019	2020 LEVY	ADDED TAXES	COLLECTED		DUE FROM STATE OF NEW JERSEY	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2020
				2019	2020				
2015	\$ 4,819.54	-	\$ -	\$ -	\$ -	\$ (2,434.36)	\$ -	\$ 2,434.36	\$ -
2017	14,743.90	-	\$ -	\$ -	\$ -	\$ 1,714.67	\$ -	\$ -	\$ 3,104.87
2018	1,833,266.08	-	\$ -	\$ -	\$ -	\$ (10,463.79)	\$ -	\$ 21,703.41	\$ 3,504.28
2019						\$ 1,773,276.80	\$ (4,097.26)	\$ 52,044.09	\$ 4,601.85
Total	1,852,829.52	-				1,762,093.32	(4,097.26)	76,181.86	4,601.85
2020		168,829,789.38		593,778.92	804,260.61	166,090,268.32	403,750.00	123,689.28	298,997.83
Total	\$ 1,852,829.52	\$ 168,829,789.38		\$ 593,778.92	\$ 804,260.61	\$ 167,852,361.64	\$ 399,652.74	\$ 199,871.14	\$ 303,599.68
									\$ 1,716,652.01

ANALYSIS OF 2020 PROPERTY TAX LEVY

General Purpose	\$ 161,852,707.38
Special District Tax	\$ 6,977,082.00
Added Taxes (54.4-63.1 et seq)	<u>\$ 593,778.92</u>
Total	<u><u>\$ 169,423,568.30</u></u>
 TAX LEVY:	
Local School Tax	\$ 94,986,090.00
County Taxes (Abstract)	\$ 31,785,671.68
County Added & Omitted Taxes	<u><u>\$ 112,499.18</u></u>
Special District Taxes	\$ 31,898,170.86
Municipal Open Space	\$ 6,977,082.00
Local Tax for Municipal Purposes	1,371,490.34
Add: Additional Taxes Levied	
Total	<u><u>\$ 169,423,568.30</u></u>

EXHIBIT A-7

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 3,617,525.11
Increased by:	
Transfer from Taxes Receivable	\$ 304,642.66
Interest & Costs on Taxes	<u>-</u>
	<u>304,642.66</u>
	3,922,167.77
Decreased by:	
Collections	119,923.58
Cancellation	<u>-</u>
	<u>119,923.58</u>
Balance December 31, 2020	<u>\$ 3,802,244.19</u>

EXHIBIT A-8

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2020 and 2019	<u>\$ 6,251,500.00</u>
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TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DECEMBER 31, 2019	ACCRUED IN 2020	COLLECTED	BALANCE DECEMBER 31, 2020
Clerk:				
Alcoholic Beverage Licenses	\$ -	\$ 39,050.00	\$ 39,050.00	\$ -
Other Licenses	- -	28,864.00	28,864.00	- -
Fees & Permits	- -	239,972.90	239,972.90	- -
Municipal Court:				
Fines & Costs	38,586.68	294,408.57	312,188.03	20,807.22
Tax Collector:				
Interest & Costs on Taxes	- -	500,191.82	500,191.82	- -
Interest on Investments & Deposits	- -	1,022,526.00	1,022,526.00	- -
Housing and Commercial CCO's	- -	115,200.00	115,200.00	- -
Energy Receipts Tax	- -	3,352,148.99	3,352,148.99	- -
Garden State Trust Fund	- -	56,290.00	56,290.00	- -
Uniform Construction Code Fees	- -	1,623,680.35	1,623,680.35	- -
Cablevision Franchise Fee	- -	220,978.00	220,978.00	- -
Shared Service Agreement - BOE	- -	175,914.30	175,914.30	- -
Capital Fund Balance	- -	15,000.00	15,000.00	- -
Reserve for Debt Service - General Capital Fund	- -	100,000.00	100,000.00	- -
Reserve for Recycling - Trust Other Fund	- -	50,000.00	50,000.00	- -
Total	\$ 38,586.68	\$ 7,834,224.93	\$ 7,852,004.39	\$ 20,807.22

TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF 2019 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DECEMBER 31, 2019	RESERVE FOR ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
General Government:					
Administrative Executive:					
Salaries and Wages	\$ 9,590.55	\$ -	\$ 9,590.55	\$ -	\$ 9,590.55
Other Expenses	33,443.60	7,900.43	40,344.03	4,117.18	36,226.85
Human Services:					
Salaries and Wages	18,706.42	-	18,206.42	977.50	17,228.92
Other Expenses	1,050.32	2,248.00	3,298.32	1,830.00	1,468.32
Township Council:					
Salaries and Wages	805.79	-	805.79	-	805.79
Other Expenses	575.58	65.00	640.58	65.00	575.58
Election:					
Salaries and Wages	453.23	-	453.23	5.28	447.95
Other Expenses	24.70	-	24.70	-	24.70
Municipal Clerk:					
Salaries and Wages	19,829.75	2,373.63	22,203.38	2,268.24	19,935.14
Other Expenses	3,468.76	4,150.00	7,618.76	5,609.44	2,009.32
Mayor Office:					
Salaries and Wages	0.04	-	0.04	-	0.04
Other Expenses	1,809.50	-	1,809.50	-	1,809.50
Financial Administration:					
Salaries and Wages	23,715.30	2,558.51	26,273.81	2,558.43	23,715.38
Other Expenses	5,681.12	15,026.28	20,707.40	15,026.28	5,681.12
Audit Services:					
Other Expenses	-	47,500.00	47,500.00	47,500.00	-
Data Processing:					
Salaries and Wages	602.19	-	602.19	-	602.19
Other Expenses	9,529.21	24,930.99	33,960.20	24,253.22	9,706.98
Collection of Taxes:					
Salaries and Wages	-	4,668.93	4,868.93	4,775.53	93.40
Other Expenses	14,648.06	5,085.33	18,233.39	5,085.33	13,148.06
Assessment of Taxes:					
Salaries and Wages	4,796.71	6,517.54	11,314.25	7,664.31	3,649.94
Other Expenses	3,651.81	10,313.52	15,765.33	15,191.03	574.30
Purchasing:					
Salaries and Wages	-	711.85	911.85	890.50	21.35
Other Expenses	228.27	1,085.41	1,613.68	1,418.93	194.75
Legal Services & Costs:					
Other Expenses	85,927.00	28,355.00	114,282.00	81,659.16	32,622.84
Engineering Services & Costs:					
Salaries and Wages	1,620.00	481.67	2,101.67	1,501.25	600.42
Other Expenses	57,997.38	64,085.23	118,982.61	84,382.09	34,600.52
Historical Commission:					
Other Expenses	100.00	-	100.00	-	100.00
Community Alliance-Alcoholism & Drugs					
Salaries and Wages	1,140.00	-	1,140.00	-	1,140.00
Other Expenses	-	100.00	100.00	4.53	95.47
Mayor's Community Advisory Board					
Other Expenses	50.00	-	50.00	-	50.00
Economic Development Advisory Board					
Other Expenses	1,175.00	-	1,175.00	-	1,175.00

TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF 2019 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DECEMBER 31, 2019	RESERVE FOR ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Planning/Zoning Boards:					
Salaries and Wages	3,290.63	2,417.49	5,708.12	2,417.41	3,290.71
Other Expenses	10,542.71	19,004.03	42,546.74	31,146.09	11,400.65
Maintenance of Tax Maps:					
Other Expenses	10,232.50	-	10,232.50	4,487.50	5,745.00
Rent Leveling Board:					
Salaries and Wages	2,245.00	-	2,245.00	96.80	2,148.20
Other Expenses	16,874.04	6,876.90	22,750.94	6,988.90	15,762.04
Code Enforcement - Other:					
Salaries and Wages	9,525.88	1,856.77	11,382.65	4,158.86	7,223.79
Other Expenses	4,141.66	4,190.61	8,332.27	4,342.75	3,989.52
Commercial Building Standards:					
Salaries and Wages	4,875.00	-	4,875.00	-	4,875.00
Other Expenses	594.26	292.74	887.00	292.74	594.26
Unsafe Structures Committee:					
Other Expenses	20,000.00	-	20,000.00	-	20,000.00
Insurance:					
General Liability	9,309.60	-	9,309.60	-	9,309.60
Workers Compensation	872.00	-	872.00	-	872.00
Insurance (continued):					
Employee Group Health	430,901.26	514.29	431,415.55	676.32	430,739.23
Health Benefit Waiver	7,160.00	-	7,160.00	-	7,160.00
Unemployment Trust Fund					
Salaries and Wages	10,000.00	-	10,000.00	-	10,000.00
Police Department:					
Salaries and Wages	515,240.22	9,041.62	524,281.84	36,289.38	487,992.46
Other Expenses	16,835.91	127,917.52	144,753.43	128,791.44	15,961.99
Police Dispatch/911:					
Salaries and Wages	121,609.18	-	121,609.18	6,767.00	114,842.18
Emergency Management:					
Salaries and Wages	5,712.86	-	5,712.86	99.68	5,613.18
Other Expenses	16,000.69	-	16,000.69	80.01	15,920.68
Municipal Prosecutor:					
Other Expenses	9,987.50	3,333.37	13,320.87	3,336.37	9,984.50
Juvenile Conference Committee					
Salaries and Wages	1,300.00	-	1,300.00	-	1,300.00
Other Expenses	25.00	-	25.00	-	25.00
Streets & Roads Maintenance:					
Salaries and Wages	98,993.94	2,316.50	101,310.44	2,855.14	98,455.30
Other Expenses	17,947.52	84,515.48	100,463.00	56,236.63	44,226.37
Snow Removal:					
Other Expenses	-	19,339.23	19,339.23	15,182.33	4,156.90
Shade Tree Commission:					
Salaries and Wages	110.00	-	110.00	-	110.00
Other Expenses	2,427.90	193.50	2,621.40	516.00	2,105.40
Solid Waste Collection:					
Salaries and Wages	20,407.18	-	20,407.18	571.14	19,836.04
Other Expenses	177.28	48,510.67	48,687.95	48,585.67	102.28
Buildings & Grounds:					
Salaries and Wages	253,782.69	-	253,782.69	1,620.65	252,162.04
Other Expenses	14,516.68	57,389.13	69,405.81	24,680.11	44,725.70
Vehicle Maintenance:					
Salaries and Wages	15,211.17	-	15,211.17	-	15,211.17
Other Expenses	23,992.06	60,677.73	82,669.79	44,623.44	38,046.35
Community Services Act:					
Other Expenses	-	155,000.00	155,000.00	155,000.00	-

TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF 2019 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DECEMBER 31, 2019	RESERVE FOR ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Public Health Services:					
Salaries and Wages	0.10	-	0.10	-	0.10
Other Expenses	269.00	-	269.00	-	269.00
Environmental Health Services-					
Environmental Commission:					
Salaries and Wages	95.00	-	95.00	-	95.00
Other Expenses	390.44	-	390.44	-	390.44
Animal Control Services:					
Salaries and Wages	14,529.69	3,792.04	18,321.73	4,091.67	14,230.06
Other Expenses	7,299.83	9,008.05	16,307.88	7,952.83	8,355.05
Going Green Committee:					
Other Expenses	100.00	-	100.00		100.00
Recreation Services & Programs:					
Salaries and Wages	15,961.68	1,680.41	17,642.09	2,707.33	14,934.76
Other Expenses	1,096.42	1,704.02	2,800.44	1,730.02	1,070.42
Office for the Golden Age:					
Salaries and Wages	24,491.88	3,379.80	27,871.68	6,127.82	21,743.86
Other Expenses	1,768.67	2,868.96	4,637.63	2,688.98	1,948.65
Handicapped Committee:					
Salaries and Wages	7,702.70	-	7,702.70	620.27	7,082.43
Other Expenses	2,928.58	-	2,928.58	-	2,928.58
Park Maintenance:					
Other Expenses	2,635.28	67,995.26	70,630.54	63,341.26	7,289.28
Municipal Court:					
Salaries and Wages	64,322.64	4,128.21	68,450.85	6,162.43	62,288.42
Other Expenses	15,616.76	814.25	16,431.01	770.95	15,660.06
Salary & Wage Adjustment					
Salaries and Wages	19,029.55	-	19,029.55	-	19,029.55
Postage & Photocopy:					
Other Expenses	6,517.93	6,188.07	12,706.00	6,188.07	6,517.93
Utility Expenses & Bulk Purchases:					
Electricity	73,279.68	106,270.40	179,550.08	101,093.38	78,456.70
Street Lighting	-	5,887.96	5,887.96	5,887.96	-
Telecommunication Costs	13,842.07	681.88	14,523.95	1,542.64	12,981.31
Natural Gas	5,807.29	43,206.45	49,013.74	30,668.29	18,345.45
Fuel & Petroleum Products	192,804.64	101,045.76	293,850.40	49,390.65	244,459.75
Landfill/Solid Waste Disposal Costs:					
Other Expenses	174.09	40,190.82	40,364.91	27,657.54	12,707.37
Legler Landfill - Postclosure Monitoring					
Other Expenses	-	4,419.02	4,419.02	2,700.00	1,719.02
Uniform Construction Code:					
Construction Code Department:					
Salaries and Wages	295,982.34	3,069.88	299,052.22	5,328.02	293,724.20
Other Expenses	9,142.55	912.04	9,054.59	903.82	8,150.77
Statutory Expenditures:					
Social Security System (O.A.S.I.)	79,918.21	3,770.30	83,288.51	6,128.62	77,159.89
Defined Contribution					
Retirement Program	1,321.97	-	1,321.97	54.44	1,267.53
Relocation Assistance	2,000.00	-	2,000.00	-	2,000.00
LOSAF	-	46,000.00	46,000.00	46,000.00	-
Recycling Tonnage Tax	670.77	1,369.72	2,040.49	2,040.49	-
Matching Funds for Grants	7,000.00	-	7,000.00	-	7,000.00
Total General Appropriations	<u>\$ 2,842,162.37</u>	<u>\$ 1,289,928.20</u>	<u>\$ 4,132,090.57</u>	<u>\$ 1,268,403.07</u>	<u>\$ 2,863,687.50</u>
		Cash Disbursements		\$ 1,038,237.06	
		Accounts Payable		<u>230,166.01</u>	
		Total		<u>\$ 1,268,403.07</u>	

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 496,116.77
Increased by:	
Appropriation Reserves Charged	<u>230,166.01</u>
	726,282.78
Decreased by:	
Cash Disbursed	\$ 32,111.26
Cancelled	<u>130,349.96</u>
	<u>162,461.22</u>
Balance December 31, 2020	<u><u>\$ 563,821.56</u></u>

**SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 1,289,928.20
Increased by:	
2020 Budget Appropriations	<u>1,228,748.24</u>
Subtotal	2,518,676.44
Decreased by:	
Transfer to Appropriation Reserves	<u>1,289,928.20</u>
Balance December 31, 2020	<u><u>\$ 1,228,748.24</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 804,260.61
Increased by:	
2020 Tax Collections on 2021 Taxes	\$ 1,094,051.14
Overpayments Transferred to 2021 Taxes	<u>4,063.90</u>
	<u>1,098,115.04</u>
	1,902,375.65
Decreased by:	
Cash Disbursements	1,983.74
Applied to 2020 Taxes Receivable	<u>804,260.61</u>
	<u>806,244.35</u>
Balance December 31, 2020	<u><u>\$ 1,096,131.30</u></u>

**SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 36,308.09
Increased by:	
Overpayments Created	<u>63,236.60</u>
	99,544.69
Decreased by:	
Overpayments Transferred to Prepaid Taxes	4,063.90
Cash Refunds	<u>50,452.79</u>
	<u>54,516.69</u>
Balance December 31, 2020	<u><u>\$ 45,028.00</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 203,529.85
Increased by:	
County Tax	\$ 26,599,364.03
County Library Tax	2,931,506.37
County Health Tax	1,307,716.56
County Open Space Preservation Tax	947,084.72
Due County for Added & Omitted Taxes	<u>112,499.18</u>
	<u>31,898,170.86</u>
	32,101,700.71
Decreased by:	
Payments	<u>31,989,201.54</u>
Balance December 31, 2020	<u>\$ 112,499.17</u>

**SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ -
Increased by:	
Levy - Calendar Year 2020	<u>94,986,090.00</u>
Decreased by:	
Disbursed	<u>94,986,090.00</u>
Balance December 31, 2020	<u>\$ -</u>

EXHIBIT A-17

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF SPECIAL DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ -
Increased by:	
Fire Districts Levy:	
Cassville Fire District #2	\$ 2,005,999.00
Hulses Corner Fire District #3	3,222,836.00
Jackson Mills Fire District #4	<u>1,748,247.00</u>
	<u>6,977,082.00</u>
Decreased by:	
Disbursed	<u>6,977,082.00</u>
Balance December 31, 2020	<u><u>\$ -</u></u>

EXHIBIT A-18

**SCHEDULE OF DUE TO STATE OF NEW JERSEY - CONSTRUCTION FEES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 9,782.00
Increased by:	
Collections	<u>56,213.00</u>
	65,995.00
Decreased by:	
Disbursed	<u>50,843.00</u>
Balance December 31, 2020	<u><u>\$ 15,152.00</u></u>

EXHIBIT A-19

**SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE LICENSE FEES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 1,675.00
Increased by:	
Collections	<u>5,535.00</u>
	7,210.00
Decreased by:	
Disbursed	<u>5,880.00</u>
Balance December 31, 2020	<u><u>\$ 1,330.00</u></u>

EXHIBIT A-20

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF RESERVE FOR REVALUATION PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2020 and 2019	\$ <u>5,743.40</u>
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EXHIBIT A-21

**SCHEDULE OF DUE TO MUNICIPAL OPEN SPACE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ -
Increased by:	
Open Space Tax	\$ 1,366,659.05
Added & Omitted Taxes	<u>4,831.29</u>
	<u>1,371,490.34</u>
Decreased by:	1,371,490.34
Cash Disbursed	<u>1,371,490.34</u>
Balance December 31, 2020	\$ -

EXHIBIT A-22

**SCHEDULE OF RESERVE FOR GARDEN STATE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2020 and 2019	\$ <u>0.95</u>
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EXHIBIT A-23

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF RESERVE FOR STATE BOARD OF TAXATION APPEALS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2020 and 2019	\$ <u>313,782.95</u>
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EXHIBIT A-24

**SCHEDULE OF RESERVE FOR MASTER PLAN
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 4,384.98
Decreased by:	
Disbursements	<u>1,272.50</u>
Balance December 31, 2020	<u>\$ 3,112.48</u>

EXHIBIT A-25

**SCHEDULE OF RESERVE OTHER
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2020 and 2019	\$ <u>2,117.88</u>
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EXHIBIT A-26

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDEULE OF RESERVE FOR COAH STATE PLAN
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2020 and 2019	<u>\$ 915,250.00</u>
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EXHIBIT A-27

**SCHEDEULE OF RESERVE FOR FEMA REIMBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2020 and 2019	<u>\$ 56,727.20</u>
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EXHIBIT A-28

**SCHEDEULE OF RESERVE FOR POLICE CARS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 160,869.52
Increased by:	
Cash Receipts	<u>69,592.64</u>
	230,462.16
Decreased by:	
Cash Disbursements	<u>91,376.04</u>
Balance December 31, 2020	<u>\$ 139,086.12</u>

TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF INTERFUNDS - OTHER FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	FEDERAL & STATE GRANT FUND	DOG TRUST	TRUST OTHER	TOTAL
Balance December 31, 2019				
Interfunds Receivable (Payable)	<u>\$ (173,065.00)</u>	<u>\$ 21,757.01</u>	<u>\$ 9,349.39</u>	<u>\$ (141,958.60)</u>
Increased by:				
Anticipated Revenue	717,091.27	-	-	717,091.27
Cash Disbursements	261,298.58	-	288,889.31	550,187.89
Statutory Excess	-	10,032.73		10,032.73
Cancellation of Appropriation Reserves	3,874.33	-	-	3,874.33
Subtotal	<u>982,264.18</u>	<u>10,032.73</u>	<u>288,889.31</u>	<u>1,281,186.22</u>
Decreased by:				
Cash Collections:				
Grants Receivable	167,815.05	-	-	167,815.05
Unappropriated Funds	128,718.68	-	-	128,718.68
Interfunds Liquidated	-	21,757.01	290,499.46	312,256.47
Grant Appropriations	720,291.27	-	-	720,291.27
Cancellation of Grant Receivables	3,351.60	-	-	3,351.60
Subtotal	<u>1,020,176.60</u>	<u>21,757.01</u>	<u>290,499.46</u>	<u>1,332,433.07</u>
Balance December 31, 2020				
Interfunds Receivable (Payable)	<u>\$ (210,977.42)</u>	<u>\$ 10,032.73</u>	<u>\$ 7,739.24</u>	<u>\$ (193,205.45)</u>
Due From Developers Escrow			\$ 4,173.95	
Due From General Trust			4,740.29	
Due To Parks & Recreation			<u>(1,175.00)</u>	
Total			<u>\$ 7,739.24</u>	

TOWNSHIP OF JACKSON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF DUE FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

Balance December 31, 2019	\$ 173,065.00
Increased by:	
Deposited in Current Fund:	
Unappropriated Reserves	\$ 128,718.68
Grants Receivable	167,815.05
Cancellation of Grants Receivable	3,351.60
2020 Budget Appropriations	<u>720,291.27</u>
	<u>1,020,176.60</u>
	1,193,241.60
Decreased by:	
Disbursed by Current Fund:	
Appropriated Reserves	261,298.58
Cancellation of Appropriated Reserves	3,874.33
2020 Anticipated Revenue	<u>717,091.27</u>
	<u>982,264.18</u>
Balance December 31, 2020	<u><u>\$ 210,977.42</u></u>

TOWNSHIP OF JACKSON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DECEMBER 31, 2019	2020 ANTICIPATED REVENUE	CASH RECEIVED	TRANSFER FROM UNAPPROPRIATED RESERVE	CANCELLED	BALANCE DECEMBER 31, 2020
State Grants:						
Municipal Alliance Alcohol & Drug Alliance - 2019	\$ 33,124.00	\$ 425,000.00	\$ 22,751.65	\$ -	\$ -	\$ 11,172.35
NJ-DOT Municipal Aid - 2020	375,000.00	-	-	-	-	425,000.00
NJ-DOT Municipal Aid - Brewers Bridge III - 2019	193,750.00	-	-	-	-	375,000.00
NJ-DOT Municipal Aid - Woodlane/New Central '18	15,602.91	-	15,602.91	-	-	193,750.00
Safe & Secure Neighborhood - 2019	-	10,367.46	-	10,367.46	-	-
Recycling Tonnage - 2020	-	8,389.85	-	8,389.85	-	-
Body Armor Replacement Grant - 2020	-	6,270.00	-	5,720.00	-	6,270.00
Pedestrian Safety Grant - 2020	-	-	15,000.00	15,000.00	-	-
Pedestrian Safety Grant - 2019	6,270.00	-	-	13,202.09	-	-
NJ Handicapped Recreational Opportunities - 2020	-	28,805.00	-	-	-	15,602.91
Safe & Secure Neighborhood - 2020	-	1,687.87	-	-	-	-
Pedestrian Safety Grant - 2019	-	107,743.09	-	-	-	-
NJ Handicapped Recreational Opportunities - 2020	-	9,915.50	-	-	-	-
Safe & Secure Neighborhood - 2020	-	16,500.00	16,362.50	-	1,687.87	-
Alcohol Education and Rehabilitation Fund - 2020	-	10,200.00	7,535.90	-	107,743.09	-
Clean Communities - 2020	-	20,000.00	20,000.00	-	-	-
Drunk Driving Enforcement Fund - 2020	-	18,000.00	-	18,000.00	-	-
Crash Abatement Tactics Grant - 2020	-	-	-	-	-	-
DOSCC/Census 2021 Outreach Grant - 2020	-	-	-	-	-	-
JIF/Police Accreditation Services - 2020	-	-	-	-	-	-
Homeland Security - 2020	-	-	-	-	-	-
Homeland Security - 2019	18,000.00	-	18,000.00	-	-	18,000.00
Total State	641,746.91	678,678.77	134,175.05	138,103.77	3,351.60	1,044,795.26
Federal Grants:						
Bullet Proof Vest 2020	-	7,342.50	-	-	-	7,342.50
Bullet Proof Vest 2019	6,965.59	-	1,472.40	-	-	5,493.19
Bullet Proof Vest 2018	7,222.60	-	7,222.60	-	-	-
Cops in Shops Summer/Shore Initiative - 2020	-	6,160.00	6,160.00	-	-	-
Drive Sober or Get Pulled Over - 2020	-	7,200.00	-	-	-	7,200.00
Drive Sober or Get Pulled Over - 2018	5,500.00	-	5,500.00	4,425.00	-	-
OC Office of Senior Services - Information Assistance Grant - 202	-	17,710.00	13,285.00	-	-	-
Total Federal	19,688.19	38,412.50	33,640.00	4,425.00	-	20,035.69
Total	\$ 661,435.10	\$ 717,091.27	\$ 167,815.05	\$ 142,528.77	\$ 3,351.60	\$ 1,064,830.95

TOWNSHIP OF JACKSON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DECEMBER 31, 2019	TRANSFERRED FROM 2020 BUDGET	PRIOR YEAR ENCUMBRANCES	EXPENDED	RESERVE FOR ENCUMBRANCES	CANCELLED	BALANCE DECEMBER 31, 2020
State Grants:							
Recycling Tonnage Grant - 2009	\$ 0.34	\$ 413.96	-	\$ -	\$ 304.12	\$ -	\$ 0.34
Recycling Tonnage Grant - 2010	28,429.77	-	-	3,078.45	19,162.27	109.84	(0.00)
Recycling Tonnage Grant - 2011	49,031.10	-	-	-	2,630.79	-	9,715.16
Recycling Tonnage Grant - 2012	8.87	-	-	-	-	-	49,031.10
Recycling Tonnage Grant - 2013	0.15	-	-	-	-	-	8.87
Recycling Tonnage Grant - 2014	95,114.66	-	-	-	3,707.79	-	0.15
Recycling Tonnage Grant - 2015	76,648.12	-	-	-	-	-	91,406.87
Recycling Tonnage Grant - 2016	48,115.29	-	-	-	-	-	76,648.12
Recycling Tonnage Grant - 2018	-	10,367.46	-	-	-	-	48,115.29
Recycling Tonnage Grant - 2020	90.23	-	1,507.00	1,468.50	128.73	-	10,367.46
Body Armor Replacement Grant - 2019	-	8,389.85	-	5,878.20	2,511.65	-	0.00
Body Armor Replacement Grant - 2020	-	-	-	-	-	-	(0.00)
Drunk Driving Enforcement Fund -2014	7.96	-	-	-	7.96	-	-
Drunk Driving Enforcement Fund -2015	11.99	-	-	-	11.99	-	-
Drunk Driving Enforcement Fund -2017	46.13	-	-	-	46.13	-	-
Drunk Driving Enforcement Fund -2018	548.69	-	1,822.18	2,226.18	144.69	-	0.00
Drunk Driving Enforcement Fund -2019	7,762.65	-	-	-	1,720.63	3,801.56	2,240.46
Drunk Driving Enforcement Fund -2020	-	9,915.50	-	4,250.15	-	-	5,665.35
Alcohol Education & Rehabilitation - 2013	2,790.01	-	-	2,600.00	-	-	190.01
Alcohol Education & Rehabilitation - 2016	2,534.13	-	-	-	-	-	2,534.13
Alcohol Education & Rehabilitation - 2017	8,032.26	-	-	-	-	-	8,032.26
Alcohol Education & Rehabilitation - 2019	4,174.25	-	-	-	-	-	4,174.25
Alcohol Education & Rehabilitation - 2020	-	1,687.87	-	-	-	-	1,687.87
Clean Communities Program - 2017	2.32	-	10.00	(56.40)	10.00	-	58.72
Clean Communities Program - 2018	65.38	-	637.50	682.58	20.00	-	0.30
Clean Communities Program - 2019	52,719.26	-	34.45	50,325.21	2,423.10	-	5.40
Clean Communities Program - 2019	-	107,743.09	-	44,320.51	21,176.76	-	42,245.82
Recycling Mini Grant	2,906.35	-	-	-	-	-	2,906.35
Stormwater Management	371.60	-	-	-	-	-	371.60
Going Green Sustainable/Small Cities 2012	1,000.00	-	-	-	-	-	1,000.00
NJ-DOT Municipal Aid - Brewers Bridge III - 2019	375,000.00	-	-	-	375,000.00	-	-
NJ-DOT Municipal Aid - 2020	-	425,000.00	-	-	-	-	425,000.00
Municipal Alliance - 2018/2019	-	1,000.00	-	5,260.10	4,760.10	-	-
Municipal Alliance - 2019/2020	10,943.10	-	11,756.17	7,544.37	-	50.00	16,154.90

TOWNSHIP OF JACKSON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DECEMBER 31, 2019	TRANSFERRED FROM 2020 BUDGET	PRIOR YEAR ENCUMBRANCES	EXPENDED	RESERVE FOR ENCUMBRANCES	CANCELLED	BALANCE DECEMBER 31, 2020
Safe and Secure Neighborhood - 2019	8,401.66	-	-	8,401.66	-	-	-
Safe and Secure Neighborhood - 2020	-	28,805.00	-	20,403.34	-	-	8,401.66
Crash Abatement Tactics Grant - 2020	-	16,500.00	-	16,362.50	-	137.50	-
DOSCC/Census 2021 Outreach Grant - 2020	-	10,200.00	-	7,535.90	-	2,664.10	0.00
JIF/Police Accreditation Services - 2020	-	20,000.00	-	-	20,000.00	-	-
NJ Handicapped Recreational Opportunities - 2020	-	18,000.00	-	17,350.92	649.08	-	0.00
Pedestrian Safety Grant - 2019	4,950.00	-	-	4,400.00	-	55.00	-
Pedestrian Safety Grant - 2020	-	6,270.00	-	2,640.00	-	-	3,630.00
 Total State Grants	 780,120.23	 663,878.77	 24,105.85	 226,054.61	 428,606.20	 3,851.60	 809,592.44

Federal Grants:

Ocean County Office of Senior Services -
 Information Systems Grant 2019
 Federal Bureau of Justice -
 Bulletproof Vest Partnership - 2019
 Bulletproof Vest Partnership - 2020
 Cops in Shops Summer/Shore Initiative - 2020
 Drive Sober or Get Pulled Over - 2019
 Drive Sober or Get Pulled Over - 2020
 OC Office of Sen Serv - Info Assist Grant - 2020
 Homeland Security - 2020

Total Federal Grants

Totals

TOWNSHIP OF JACKSON
FEDERAL AND STATE GRANT FUND
SCHEDEULE OF STATE AND FEDERAL GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DECEMBER 31, 2019	RECEIVED 2020	ANTICIPATED AS REVENUE	BALANCE DECEMBER 31, 2020
Alcohol Education & Rehabilitation	\$ 1,687.87	\$ 3,000.74	\$ 1,687.87	\$ 3,000.74
NJ Body Armor	-	8,389.85	8,389.85	-
Clean Communities	-	107,743.09	107,743.09	-
Drunk Driving Enforcement Fund	9,915.50	-	9,915.50	-
Recycling Tonnage	10,367.46	-	10,367.46	-
OC Office of Senior Services Information Assistance Grant	-	9,585.00	4,425.00	5,160.00
Total	\$ 21,970.83	\$ 128,718.68	\$ 142,528.77	\$ 8,160.74

SCHEDEULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

Balance December 31, 2019	\$ 26,015.83
Increased by:	
Charged to Appropriation Reserves	<u>432,482.26</u>
	458,498.09
Decreased by:	
Applied to Appropriated Reserves	<u>26,015.83</u>
Balance December 31, 2020	<u>\$ 432,482.26</u>

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TRUST FUND

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**TOWNSHIP OF JACKSON
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2020**

	ANIMAL CONTROL TRUST FUND	OPEN SPACE TRUST FUND	TRUST OTHER FUND
Balance December 31, 2019	\$ 129,968.32	\$ 5,324,575.09	\$ 12,678,897.10
Increased by Receipts:			
Reserve for Animal Control Trust Fund			
Expenditures	\$ 51,836.60		
Interfund Due Current			288,889.31
Various Reserves			5,150,141.80
Due from Ocean County Community			
Development Block Grant			22,049.90
Reserve for Open Space		1,504,248.81	
Due to State of New Jersey	6,117.60	57,954.20	1,504,248.81
Total Receipts			<u>5,461,081.01</u>
Decreased by Disbursements:			
Due to State of New Jersey	6,117.60		
Animal Control Trust Fund Expenditures			
(R.S.4:19015.11)	43,919.98		290,499.46
Interfund - Current Fund	21,757.01		4,690,364.11
Various Reserves		71,794.59	2,429,401.89
Reserve for Open Space			2,429,401.89
Total Disbursements			<u>4,980,863.57</u>
Balance December 31, 2020	<u>\$ 116,127.93</u>	<u>\$ 4,399,422.01</u>	<u>\$ 13,159,114.54</u>

EXHIBIT B-5

**TOWNSHIP OF JACKSON
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 2.40
Increased by:	
Cash Receipts	<u>6,117.60</u>
Subtotal	6,120.00
Decreased by:	
Cash Disbursements	<u>6,117.60</u>
Balance December 31, 2020	<u><u>\$ 2.40</u></u>

EXHIBIT B-6

**SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 108,208.91
Increased by:	
2020 Dog License Fees Collected	<u>51,836.60</u>
Subtotal	160,045.51
Decreased by:	
Statutory Excess Due to Current Expenditures Under R.S.4:19-15:11 - Cash	<u>10,032.73</u> <u>43,919.98</u> <u>53,952.71</u>
Balance December 31, 2020	<u><u>\$ 106,092.80</u></u>

LICENSE FEES COLLECTED

YEAR	AMOUNT
2019	\$ 56,262.89
2018	<u>49,829.91</u>
Total	<u><u>\$ 106,092.80</u></u>

**TOWNSHIP OF JACKSON
TRUST OTHER FUND
SCHEDULE OF INTERFUND - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 9,349.39
Increased by:	
Cash Receipts	<u>288,889.31</u>
	298,238.70
Decreased by:	
Cash Disbursements	<u>290,499.46</u>
Balance December 31, 2020	<u><u>\$ 7,739.24</u></u>

**SCHEDULE OF DUE FROM COUNTY OF OCEAN COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 273,704.02
Increased by:	
Grant Awards 2020	<u>146,000.00</u>
	419,704.02
Decreased by:	
Cash Receipts	<u>22,049.90</u>
Balance December 31, 2020	<u><u>\$ 397,654.12</u></u>

Analysis of Balance, December 31, 2020

CT-1512-17	109,654.12
CT-1512-19	\$ 142,000.00
CT-1512-20	<u>146,000.00</u>
	<u><u>\$ 397,654.12</u></u>

TOWNSHIP OF JACKSON
TRUST OTHER FUND
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2020

	BALANCE DECEMBER 31, 2019	INCREASES	DECREASES	BALANCE DECEMBER 31, 2020
Reserve for:				
Municipal Alliance	\$ 1,519.27	\$ -	\$ -	\$ 1,519.27
Developer Escrow	4,091,358.50	1,150,997.34	899,232.94	4,343,122.90
Recreation Trust	172,130.47	166,872.49	260,243.45	78,759.51
Handicapped Commission	8,220.57	14,184.18	4,560.54	17,844.21
Tax Title Liens Premiums/ Redemptions	1,461,003.31	1,487,221.57	1,604,729.10	1,343,495.78
Unemployment Trust	307,572.48	34,464.34	24,830.19	317,206.63
Parking Offense Adjudication Act	2,570.00	28.00	-	2,598.00
Recycling Trust	196,559.51	51,431.56	119,921.62	128,069.45
Harmony Trust	474.00	-	-	474.00
Special Law Enforcement Fund	94,708.71	36,095.25	25,153.16	105,650.80
Public Defender Fees	16,028.59	15,149.00	24,550.00	6,627.59
Tree Escrow	493,068.29	20,950.00	38,201.44	475,816.85
Sick Leave Trust Fund	493,650.40	200,000.00	201,506.74	492,143.66
Off Duty Police	84,266.19	904,797.50	832,567.50	156,496.19
Youth Advisory	71.87	-	-	71.87
Management of Feral Cats	47.44	-	-	47.44
Snow Removal	1,704,787.25	527,398.27	255,658.84	1,976,526.68
C.O.A.H.	2,763,998.42	411,072.15	301,678.40	2,873,392.17
Clean Communities Donation	6.92	-	-	6.92
Developers Contribution Curbs & Sidewalks	253,019.80	89,500.00	-	342,519.80
Detention Basin	517,121.66	11,900.92	51,994.02	477,028.56
Section 125 Flex Spending	171.06	4.33	-	175.39
Community Development Block Grant	273,704.02	168,049.90	45,536.17	396,217.75
Police Donations	7,193.00	6,025.00	-	13,218.00
 Total	 \$ 12,943,251.73	 \$ 5,296,141.80	 \$ 4,690,364.11	 \$ 13,549,029.42

EXHIBIT B-10

TOWNSHIP OF JACKSON
LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")
SCHEDULE OF FUNDS HELD BY TRUSTEE
FOR THE YEAR ENDED DECEMBER 31, 2020

Balance December 31, 2019	\$ 182,857.61
Increased by:	
Gain on Investments	<u>20,692.23</u>
	<u>20,692.23</u>
	203,549.84
Decreased by:	
Account Fees	<u>625.00</u>
	<u>625.00</u>
Balance December 31, 2020	<u>\$ 202,924.84</u>

EXHIBIT B-11

SCHEDULE OF RESERVE FOR LOSAP
FOR THE YEAR ENDED DECEMBER 31, 2020

Balance December 31, 2019	\$ 182,857.61
Increased by:	
Gain on Investments	<u>20,692.23</u>
	<u>20,692.23</u>
	203,549.84
Decreased by:	
Account Fees	<u>625.00</u>
	<u>625.00</u>
Balance December 31, 2020	<u>\$ 202,924.84</u>

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GENERAL CAPITAL FUND

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**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 6,398,995.71
Increased by:	
General Obligation Bonds Issued	\$ 13,640,000.00
Premium on Bonds	1,319,167.47
Deferred Charges Unfunded Budget Appropriation	760.50
Reserve for Debt Service - New Building	25,000.00
Capital Improvement Fund	<u>125,000.00</u>
	<u>15,109,927.97</u>
	21,508,923.68
Decreased by:	
Bond Anticipation Notes	11,039,321.00
Anticipated as Current Fund Revenue	15,000.00
Reserve for Debt Service - Open Space Bonds	100,000.00
Improvement Authorizations	<u>4,259,078.60</u>
	<u>15,413,399.60</u>
Balance December 31, 2020	<u><u>\$ 6,095,524.08</u></u>

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	BALANCE DECEMBER 31, 2020
Capital Improvement Fund	\$ 77.83
Reserve for Encumbrances	2,396,435.82
Capital Fund Balance	100,229.46
Reserve for Debt Service - Open Space Bonds	945,770.57
Reserve for Building Department Facilities	3,217.61
Reserve for Debt Service - Other	167,044.59
Reserve for Debt Service - New Building	25,000.00
Improvement Authorizations:	
Ordinance Number:	DESCRIPTION
19-09(vi)	Acquisition of Equipment for Public Works
19-09(vii)	Acquisition of Passenger Bus for Senior Center
25-10	Municipal Capital Improvements
25-10	Public Works Equipment
18-13(vi)	Various Road/Drainage and Sidewalk Improvements
20-14(i)	Acquisition of DPW Equipment
20-14(iii)	Acquisition of Senior Center Bus
21-15	Police Equipment
21-15	Various Building Improvements
21-15	Section 20 Costs
17-16	DPW Equipment/Gas Boy - Cap Project
17-16	Misc. Public Works Projects/Repairs
17-16	Justice Complex
17-16	Police CAD/Vehicles
17-16	Section 20 Costs
09-17	Road/SW/Drainage
09-17	DPW Projects & Repairs
09-17	Section 20 Costs
18-18	SR CTR Mini-Bus
18-18	Engineering
18-18	Various Building Improvements
18-18	Section 20 Costs
19-18	Road/SW/Drainage
19-18	Section 20 Costs
26-18	Section 20 Costs
22-19	Record Retention/Microfilming
22-19	DPW B & G
22-19	Engineering Road Drainage
22-19	Police Vehicles
22-19	Recreation Vehicles
22-19	Section 20 Costs
07-20	Road/SW/Drainage
07-20	Police Vehicles
07-20	Various Department Vehicles
07-20	Recreation/Turf Fields
07-20	Record Retention
07-20	DPW Vehicles & Equipment
07-20	Section 20 Costs
	<hr/>
	\$ 6,095,524.08

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 12,221,234.12
Increased by:	
Bonds Issued in the Current Year	<u>\$ 13,640,000.00</u>
	<u>13,640,000.00</u>
Subtotal	25,861,234.12
Decreased by:	
Budget Appropriation to Pay Bonds	\$ 3,270,000.00
Paid by Open Space Trust Fund	250,000.00
Budget Appropriation to Pay NJEIT Loans Payable	<u>20,102.83</u>
	<u>3,540,102.83</u>
Balance December 31, 2020	<u><u>\$ 22,321,131.29</u></u>

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND**
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2020

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2019	2020 AUTHORIZATIONS	2020 DECREASED	BALANCE DECEMBER 31, 2020	ANALYSIS OF BALANCE DECEMBER 31, 2020		
						BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
17-16	DPW Equipment/Gas Bay - Cap Project	\$ 545,300.00	\$	\$ 545,300.00	\$	\$	\$	\$
17-16	Misc. Public Works Projects/Repairs	66,500.00		66,500.00				
17-16	Justice Complex	109,250.00		109,250.00				
17-16	Police CAD/Vehicles	313,500.00		313,500.00				
17-16	Roads/Sidewalks/Drainage	950,000.00		950,000.00				
17-16	Section 20 Costs	297,682.50		297,682.50				
09-17	Roads/Sidewalks/Drainage	949,984.12		949,984.12				
09-17	DPW Projects & Repairs	584,735.92		584,735.92				
09-17	Assessor/Vehicle	23,750.00		23,750.00				
09-17	Police Equipment & Vehicle	259,355.18		259,355.18				
09-17	Section 20 Costs	272,673.78		272,673.78				
18-18	SR CTR Mini-Bus	25,432.36		25,432.36				
18-18	Police Vehicles	128,571.24		128,571.24				
18-18	Engineering	104,761.81		104,761.81				
18-18	Various Park Improvements	47,619.01		47,619.01				
18-18	Various Building Improvements	47,619.01		47,619.01				
18-18	DPW Roads/Claw	66,666.67		66,666.67				
18-18	Section 20 Costs	63,100.90		63,100.90				
19-18	Road/SW/Drainage	1,218,750.00		1,218,750.00				
19-18	Section 20 Costs	325,000.00		325,000.00				
22-19	Road/SW/Drainage	1,092,500.00		1,092,500.00				
22-19	Police Vehicles	249,227.00		249,227.00				
22-19	Building Department Equipment	568,100.00		568,100.00				
22-19	Various Building Improvements	302,622.00		302,622.00				
22-19	Code Enforcement & Housing Vehicles	162,509.00		162,509.00				
26-18	New Radio System	6,183,550.00		6,183,550.00				
07-20	Engineering/Road/Drainage	-	1,396,500.00	-	1,396,500.00			
07-20	Police Vehicles	-	237,500.00	-	237,500.00			
07-20	Various Department Vehicles	-	114,000.00	-	114,000.00			
07-20	Recreation/Turf Fields	-	190,000.00	-	190,000.00			
07-20	Record Retention	-	71,250.00	-	71,250.00			
07-20	DPW Vehicles & Equipment	-	133,000.00	-	133,000.00			
07-20	Section 20 Costs	-	320,316.00	-	320,316.00			
Total		\$ 14,958,760.50	\$ 2,462,566.00	\$ 14,958,760.50	\$ 2,462,566.00	\$	\$ 1,284,235.07	\$ 1,178,330.93

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

MATURITIES OF BONDS									
IMPROVEMENT DESCRIPTION		ORIGINAL AMOUNT OF ISSUE	ORIGINAL DATE OF ISSUE	DECEMBER 31, 2020 OUTSTANDING	PAYMENT DATE	PAYMENT AMOUNT	INTEREST RATE	BALANCE DECEMBER 31, 2019	BALANCE DECEMBER 31, 2020
General Obligation - Series 2014		5,485,000.00	7/23/2014	6/1/2021	515,000.00	2.00%	\$ 3,335,000.00	\$ 500,000.00	\$ 2,835,000.00
				6/1/2022	520,000.00	2.00%			
				6/1/2023	600,000.00	2.125%			
				6/1/2024	600,000.00	2.25%			
				6/1/2025	600,000.00	2.375%			
Bonds - General - Series 2016		4,210,000.00	2/2/2016	N/A	N/A	N/A	2,120,000.00	-	2,120,000.00
General Bonds - Open Space - Series 2016		2,890,000.00	2/2/2016	12/1/2021	260,000.00	4.00%	2,565,000.00	-	2,500,000.00
				12/1/2022	270,000.00	2.50%			2,315,000.00
				12/1/2023	280,000.00	2.50%			
				12/1/2024	285,000.00	2.50%			
				12/1/2025	295,000.00	2.75%			
				12/1/2026	300,000.00	2.75%			
				12/1/2027	310,000.00	3.00%			
				12/1/2028	315,000.00	3.00%			
General Obligation - Series 2016		5,858,000.00	11/30/2016	12/1/2021	1,100,000.00	3.00%	3,950,000.00	-	650,000.00
				12/1/2022	1,100,000.00	4.00%			3,300,000.00
				12/1/2023	1,100,000.00	2.125%			
General Obligation - Series 2020		13,640,000.00	2/12/2020	2/1/2021	1,005,000.00	4.00%	-	13,640,000.00	13,640,000.00
				2/1/2022	1,005,000.00	4.00%			
				2/1/2023	1,000,000.00	4.00%			
				2/1/2024	1,005,000.00	4.00%			
				2/1/2025	1,005,000.00	4.00%			
				2/1/2026	1,025,000.00	4.00%			
				2/1/2027	1,050,000.00	4.00%			
				2/1/2028	1,070,000.00	4.00%			
				2/1/2029	1,095,000.00	3.00%			
				2/1/2030	1,095,000.00	3.00%			
				2/1/2031	1,095,000.00	2.00%			
				2/1/2032	1,095,000.00	2.00%			
				2/1/2033	1,095,000.00	2.00%			
Total					\$ 11,970,000.00	\$ 13,640,000.00	\$ 3,520,000.00	\$ 22,090,000.00	
Current Fund Budget Appropriation							\$ 3,270,000.00		
Open Space Trust Appropriation							250,000.00		
							\$ 3,520,000.00		

TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2020

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2019		2020 AUTHORIZATIONS	RECLASS PRIOR YEAR ENCUMBRANCES	PAID OR CHARGED	RESERVE FOR ENCUMBRANCES	AUTHORIZATION CANCELLED/ (TRANSFERRED)	BALANCE DECEMBER 31, 2020	
		FUNDED	UNFUNDED						FUNDED	UNFUNDED
09-07(iii)	Construction of Public Works Storage Building	\$ 1,637,08	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,637,08)	\$ -	\$ -
28-07A	Telecommunications & GPS Equipment	32,649.43	-	-	-	133.04	133.04	(32,649.43)	-	-
29-08(ii)	Telephone/Data System Upgrade	-	-	-	-	1.00	1.00	-	-	-
19-09(iv)	Implementation of Recycling Center	408.83	-	-	-	3,553.66	3,553.66	(408.83)	-	-
19-09(vi)	Acquisition of Equipment for Public Works	5,002.00	-	-	-	-	-	(2.00)	5,000.00	-
10-09(vii)	Acquisition of Passenger Bus for Senior Center	2,552.00	-	-	2,309.73	-	-	-	2,552.00	-
25-10	Municipal Capital Improvements	29,173.89	-	5,500.00	5,826.11	-	-	-	35,000.00	-
25-10	DPW Equipment	5,500.00	-	-	-	5,826.11	-	-	5,500.00	-
03-12	DPW Equipment	7,842.97	-	-	-	-	-	(2,016.86)	-	-
03-12	Ambulance	1,211.00	-	-	-	-	-	(1,211.00)	-	-
03-12	Non-Passenger Vehicles	-	-	-	8,686.32	-	-	-	-	-
18-13(ii)	Acquisition of Pool Equipment	26.15	-	-	-	8,686.32	-	(26.15)	-	-
18-13(iii)	Record Retention/Microfilming	13,201.27	-	-	106,290.84	48,224.02	58,066.32	-	13,201.27	9,676.53
18-13(vii)	Section 20 Costs	9,676.53	-	-	-	-	-	-	-	-
20-14(i)	Acquisition of DPW Equipment	124.66	-	-	-	-	-	(124.66)	-	-
20-14(iii)	Acquisition of Senior Center Bus	5,317.70	-	-	-	-	-	-	5,317.70	-
20-14(iv)	Acquisition of UCC non-passenger Vehicles	-	-	-	3,989.58	-	-	-	-	-
21-15	DPW Equipment/Road Repair	4,317.91	-	-	-	3,989.58	-	-	-	-
21-15	Police Equipment	109,176.99	-	-	-	-	-	(4,317.91)	-	-
21-15	Various Building Improvements	26,458.99	-	-	-	-	-	-	-	-
21-15	Municipal Court Equipment	38,029.06	-	-	-	-	-	-	-	-
21-15	Section 20 Costs	18,541.00	-	-	-	-	-	-	-	-
17-16	DPW Equipment/Gas Boy - Cap Project	25,411.25	69,958.12	-	-	17,421.54	-	-	-	-
17-16	Misc. Public Works Projects/Repairs	-	15,432.00	-	-	10,188.75	10,188.75	-	-	-
17-16	Justice Complex	-	15,432.00	-	-	-	-	-	-	-
21-16	Police CAD/Vehicles	-	84,977.14	-	-	-	-	-	-	-
17-16	Section 20 Costs	-	63,389.08	-	-	-	-	-	-	-
09-17	Road/SW/Drainage	-	109,017.24	-	-	187,501.76	222,675.98	-	7,297.47	-
09-17	DPW Projects & Repairs	-	-	425,638.86	-	304,738.00	92,562.77	-	128,018.31	-
09-17	Assessor Vehicle	-	-	-	45,700.00	45,700.00	86,214.39	-	8,106.70	-
09-17	Section 20 Costs	1,271.64	-	-	-	473.00	473.00	-	-	-
18-18	SR CTR Mini-Bus	-	154,450.49	-	-	104,440.00	113,208.04	-	-	-
18-18	Police Vehicles	-	25,432.36	-	-	-	-	-	-	-
18-18	Engineering	-	89,600.00	-	-	182.71	182.71	-	-	-
18-18	Various Park Improvements	-	-	-	-	50,000.00	49,990.12	-	-	-
18-18	Various Building Improvements	2,380.99	47,619.01	-	-	-	-	-	-	-
18-18	Section 20 Costs	2,345.10	63,100.90	-	-	-	-	-	-	-
19-18	Road/SW/Drainage	-	-	122,060.00	-	1,117,104.84	1,100,537.64	-	51,221.09	-
19-18	Section 20 Costs	-	-	-	-	200,000.00	94,384.77	-	16,567.20	-
26-18	Police Radio Tower	-	-	-	-	1,134,333.32	958,870.28	-	115,598.38	-
26-18	Section 20 Costs	37,397.12	806,550.00	-	-	690.85	30,259.14	-	129,131.16	-
22-19	Record Retention/Microfilming	125,000.00	-	-	-	-	-	-	-	-
22-19	Assessor Vehicles	-	-	-	-	-	-	-	-	-
22-19	DPW B & G	154,436.35	643,150.00	-	-	30,000.00	30,000.00	-	-	-
22-19	Code New Vehicles	-	-	-	-	276,538.89	345,490.92	-	-	-
22-19	Engineering Road Drainage	75,000.00	950,000.00	-	-	60,000.00	60,000.00	-	-	-
22-19	Housing Vehicles	-	-	-	-	-	-	-	620,864.75	-
22-19	Police Vehicles	-	70,000.00	-	-	23,750.00	23,750.00	-	-	-
22-19	Recreation Vehicles	1,750.00	33,250.00	-	-	228,125.00	161,678.90	-	66,446.10	-
22-19	UCC Vehicles	-	68.50	-	-	-	-	-	30,464.00	-
22-19	Section 20 Costs	72,467.64	309,777.19	-	-	10,294.30	147,931.50	-	148,000.00	-
									23,279.73	76,884.80

TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2020

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE		RECLASS PRIOR YEAR	PAID OR CHARGED	RESERVE FOR ENCUMBRANCES	AUTHORIZATION CANCELED/ (TRANSFERRED)	BALANCE	
		DECEMBER 31, 2019 FUNDDED	2020 UNFUNDDED					DECEMBER 31, 2020 FUNDDED	UNFUNDDED
07-20	Engineering Road Drainage	-	-	1,470,000.00	-	332,234.26	506,019.20	-	631,746.54
07-20	Police Vehicles	-	-	250,000.00	-	249,529.58	-	0.00	470.42
07-20	Various Department Vehicles	-	-	120,000.00	-	124,003.72	-	-	76,429.14
07-20	Recreation/Turf Fields	-	-	200,000.00	-	-	-	10,000.00	190,000.00
07-20	Record Retention	-	-	75,000.00	-	-	-	3,750.00	71,250.00
07-20	DPW Vehicles & Equipment	-	-	140,000.00	-	16,850.00	109,240.17	-	13,909.83
07-20	Section 20 Costs	-	-	337,175.00	-	96,355.81	46,294.19	-	194,525.00
Total		\$ 808,307.55	\$ 4,083,470.89	\$ 2,592,175.00	\$ 4,091,875.18	\$ 4,239,078.60	\$ 2,396,435.82	\$ (0.00)	\$ 3,741,983.27
									\$ 1,178,330.93

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 4,091,875.18
Increased by:	
Charged to Improvement Authorizations	<u>2,396,435.82</u>
	6,488,311.00
Decreased by:	
Prior Year Encumbrance Canceled	<u>4,091,875.18</u>
Balance December 31, 2020	<u><u>\$ 2,396,435.82</u></u>

**SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 4,686.83
Increased by:	
2020 Budget Appropriation	<u>125,000.00</u>
	129,686.83
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>129,609.00</u>
Balance December 31, 2020	<u><u>\$ 77.83</u></u>

EXHIBIT C-10

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE - OPEN SPACE BONDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 1,045,770.57
Decreased by:	
Cash Disbursement	<u>100,000.00</u>

Balance December 31, 2020	<u><u>\$ 945,770.57</u></u>
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EXHIBIT C-11

**SCHEDULE OF RESERVE FOR DEBT SERVICE - OTHER
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2020 and 2019	<u><u>\$ 167,044.59</u></u>
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EXHIBIT C-12

**SCHEDULE OF RESERVE FOR FIRE DAMAGE - ANNEX BUILDING
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2020 and 2019	<u><u>\$ 3,217.61</u></u>
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EXHIBIT C-13

**SCHEDULE OF RESERVE FOR DEBT SERVICE - NEW BUILDING
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ -
Increased by:	
Cash Receipts	<u>25,000.00</u>

Balance December 31, 2020	<u><u>\$ 25,000.00</u></u>
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**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF NJEIT LOAN PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2020**

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2020**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31,		DECREASED	BALANCE DECEMBER 31, 2020
						2019	2020		
17-16	Acquisition, Construction, Repair & Installation of Various Capital Improvements	8/07/2018	8/6/2019	2/13/2020	2.00%	\$ 2,282,000.00	\$ -	\$ 2,282,000.00	\$ -
09-17	Acquisition, Construction, Repair & Installation of Various Capital Improvements	8/07/2018	8/6/2019	2/13/2020	2.00%	2,090,000.00	\$ -	2,090,000.00	\$ -
18-18	Various Improvements & Equipment	2/13/2019	2/13/2019	2/13/2020	3.25%	483,771.00	\$ -	483,771.00	\$ -
26-18	New Radio System	2/13/2019	2/13/2019	2/13/2020	3.25%	6,183,550.00	\$ -	6,183,550.00	\$ -
				Total		\$ 11,039,321.00	\$ -	\$ 11,039,321.00	\$ -
				New Issue Renewal		\$ -		\$ -	
						\$ -		\$ -	

TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
AT DECEMBER 31, 2020

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2019	2020 AUTHORIZATIONS	BANS ISSUED	DEFERRED CHARGES FUNDED	CANCELLED	BALANCE DECEMBER 31, 2020
17-16	Section 20 Costs	\$ 232.50	\$ -	\$ -	\$ 232.50	\$ -	\$ -
09-17	Section 20 Costs	499.00	-	-	499.00	-	-
19-18	Road/SW/Drainage	1,218,750.00	-	-	1,218,750.00	-	-
19-18	Section 20 Costs	325,000.00	-	-	325,000.00	-	-
22-19	Road/SW/Drainage	1,092,500.00	-	-	1,092,500.00	-	-
22-19	Police Vehicles	249,227.00	-	-	249,227.00	-	-
22-19	Building Department Equipment	568,100.00	-	-	568,100.00	-	-
22-19	Various Building Improvements	302,622.00	-	-	302,622.00	-	-
22-19	Code Enforcement & Housing Vehicles	162,509.00	-	-	162,509.00	-	-
07-20	Road/SW/Drainage	-	1,675,800.00	-	-	-	1,675,800.00
07-20	Police Vehicles	-	250,562.50	-	-	-	250,562.50
07-20	Various Department Vehicles	-	120,270.00	-	-	-	120,270.00
07-20	Recreation/Turf Fields	-	200,450.00	-	-	-	200,450.00
07-20	Record Retention	-	75,168.50	-	-	-	75,168.50
07-20	DPW Vehicles & Equipment	-	140,315.00	-	-	-	140,315.00
Total		<u>\$ 3,919,439.50</u>	<u>\$ 2,462,566.00</u>	<u>\$ -</u>	<u>\$ 3,919,439.50</u>	<u>\$ -</u>	<u>\$ 2,462,566.00</u>

PUBLIC ASSISTANCE FUND

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EXHIBIT D-1

**TOWNSHIP OF JACKSON
PUBLIC ASSISTANCE FUND
SCHEDULE OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 28,451.76
Increased by:	
Interest Earned	<u>720.23</u>
Balance December 31, 2020	<u>\$ 29,171.99</u>

EXHIBIT D-2

**SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2020**

Balance December 31, 2019	\$ 28,451.76
Increased by:	
Interest Earned	<u>720.23</u>
Balance December 31, 2020	<u>\$ 29,171.99</u>

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GENERAL FIXED ASSETS

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TOWNSHIP OF JACKSON
GENERAL FIXED ASSETS GROUP
SCHEDULE OF INVESTMENTS IN GENERAL FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020

GENERAL FIXED ASSETS	BALANCE DECEMBER 31,		BALANCE DECEMBER 31,	
	2019	ADDITIONS	DELETIONS	2020
Land	\$ 56,320,100.00	\$ -	\$ -	\$ 56,320,100.00
Building & Building Improvements	50,329,762.00	185,950.00	-	50,515,712.00
Machinery & Equipment	14,637,384.00	1,179,891.00	75,000.00	15,742,275.00
Total	\$ 121,287,246.00	\$ 1,365,841.00	\$ 75,000.00	\$ 122,578,087.00

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TOWNSHIP OF JACKSON

PART II

**SCHEDULE OF FINANCIAL STATEMENT FINDINGS -
GOVERNMENT AUDITING STANDARDS**

FOR THE YEAR ENDED DECEMBER 31, 2020

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**TOWNSHIP OF JACKSON
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Section II – Financial Statement Findings

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

None.

**TOWNSHIP OF JACKSON
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2020**

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 New Jersey OMB's Circular 15-08.

FINANCIAL STATEMENT FINDINGS

Finding No. 2019-001

Condition:

The Township was inconsistent with following internal control procedures in place for obtaining quotes and obtaining the approval of requisitions for purchase orders before the receipt of a good or service.

Current Status:

The finding has since been corrected in the current year.

Finding No. 2019-002

Condition:

The Township did not properly calculate employee contributions for health benefits for all employees for the year ended December 31, 2019.

Current Status:

The finding has since been corrected in the current year.

STATE FINANCIAL ASSISTANCE

N/A – No State Single Audit findings in prior year.

FEDERAL FINANCIAL ASSISTANCE

N/A – No Federal Single Audit findings in prior year.

TOWNSHIP OF JACKSON

PART III

LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2020

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OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2020:

<u>Name</u>	<u>Title</u>
Michael Reina	Mayor
Martin Flemming	Councilmember
Stephen Chisholm Jr.	Councilmember
Kenneth Bressi	Councilmember
Alex Sauickie III	Councilmember
Andrew Kern	Councilmember
Terence Wall	Administrator
Sharon Pinkava	Chief Financial Officer
Janice Kisty	Township Clerk/Search Officer
Daniel Sahin	Magistrate
Camille Elluzzi	Court Administrator
Gregory P. McGuckin	Attorney

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Honorable Mayor and Members
of the Township Council
Township of Jackson
County of Ocean
Jackson, New Jersey

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2020.

GENERAL COMMENTS:

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

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

For the six months January 1, 2020 through June 30, 2020, the bid threshold in accordance with N.J.S.A. 40A:11-4 was \$17,500. Effective July 1, 2020, the Township passed a resolution increasing the bid threshold from \$17,500 to \$44,000 pursuant to N.J.S.A 40A:11-3 and N.J.S.A. 40A:11-9(a).

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

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

Our examination of expenditures did not reveal any individual payments or contracts in excess of the bid threshold "for the performance of any work, or the furnishing of any materials, supplies or labor" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6*.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 7, 2020 adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW THEREFORE, BE IT RESOLVED, that the Township Council of Jackson Township hereby formally implements Chapter 75 of the Public Laws of 1991 by establishing a “delinquency” penalty in the amount of 6% of the tax assessments or other municipal charges or delinquencies in excess of \$10,000.00 at the end of the calendar year. This shall be in addition to the interest rates of eight (8%) percent on delinquent taxes up to \$1,500.00 and eighteen (18%) percent on delinquent taxes in excess of \$1,500.00; and

BE IT FURTHER RESOLVED, by the Governing Body of the Township of Jackson hereby authorizes a ten day grace period, during which no interest will be charged if payment is made within ten calendar days following the date upon which the same was due pursuant to N.J.S.A. 54:4-67.

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

OTHER COMMENTS (FINDINGS):

None.

RECOMMENDATIONS:

None.

Appreciation

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

May 27, 2021
Lakewood, New Jersey