

*TOWNSHIP OF EAST WINDSOR*

*COUNTY OF MERCER*

*REPORT OF AUDIT*

*2019*

*NISIVOCIA LLP  
CERTIFIED PUBLIC ACCOUNTANTS*

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
REPORT OF AUDIT  
2019

TOWNSHIP OF EAST WINDSOR  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2019

<u>PART I – Financial Statements and Supplementary Data</u>	<u>Page</u>
Independent Auditors' Report	1-3
<u>Financial Statements</u>	
<u>Current Fund</u>	
Comparative Balance Sheet – Regulatory Basis	A
Comparative Statement of Operations and Change in Fund Balance – Regulatory Basis	A-1
Statement of Revenue – Regulatory Basis	A-2
Statement of Expenditures – Regulatory Basis	A-3
<u>Trust Funds</u>	
Comparative Balance Sheet – Regulatory Basis	B
Statement of Fund Balance – Regulatory Basis – Assessment Trust Fund (Not Applicable)	B-1
Statement of Revenue – Regulatory Basis – Assessment Trust Fund (Not Applicable)	B-2
Statement of Expenditures – Regulatory Basis – Assessment Trust Fund (Not Applicable)	B-3
<u>General Capital Fund</u>	
Comparative Balance Sheet – Regulatory Basis	C
Statement of Fund Balance – Regulatory Basis	C-1
<u>Water Utility Fund</u> (Not Applicable)	
<u>Sewer Utility Fund</u> (Not Applicable)	
<u>Public Assistance Fund</u>	
Comparative Balance Sheet – Regulatory Basis	F
<u>Special Garbage District Fund</u>	
Comparative Balance Sheet – Regulatory Basis	G
Comparative Statement of Operations and Change in Fund Balance – Regulatory Basis	G-1
Statement of Revenue – Regulatory Basis	G-2
Statement of Expenditures – Regulatory Basis	G-3
<u>General Fixed Assets Account Group</u>	
Comparative Balance Sheet – Regulatory Basis	H
<u>Notes to Financial Statements</u>	<u>Page</u> 1-31
<u>Supplementary Data</u>	<u>Schedule</u>
Schedule of Officials in Office and Surety Bonds	1
<u>Current Fund</u>	
Schedule of Cash - Treasurer	A-4
Schedule of Cash - Collector	A-5
Schedule of Cash - Grant Funds	A-6
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-7
Schedule of Tax Title Liens	A-8
Schedule of Revenue Accounts Receivable	A-9
Schedule of Grants Receivable - Federal and State Grant Fund	A-10
Schedule of 2018 Appropriation Reserves	A-11
Schedule of Regional School District Taxes Payable	A-12
Schedule of Appropriated Reserves - Federal and State Grant Fund	A-13
Schedule of Unappropriated Reserves - Federal and State Grant Fund	A-14

TOWNSHIP OF EAST WINDSOR  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2019  
 (Continued)

PART I – Financial Statements and Supplementary Data (Cont’d)

<u>Supplementary Data</u>	<u>Schedule</u>
<u>Trust Funds</u>	
Schedule of Cash - Treasurer	B-4
Analysis of Cash - Assessment Trust Fund (Not Applicable)	B-5
Schedule of Reserve for Animal Control Fund Expenditures - Animal Control Fund	B-6
<u>General Capital Fund</u>	
Schedule of Cash	C-2
Analysis of Cash	C-3
Schedule of Deferred Charges to Future Taxation - Unfunded	C-4
Schedule of Improvement Authorizations	C-5
Schedule of Capital Improvement Fund	C-6
Schedule of Bond Anticipation Notes Payable	C-7
Schedule of Serial Bonds Payable	C-8
Schedule of Green Trust Loans Payable	C-9
Schedule of New Jersey Environmental Infrastructure Loan Payable	C-9A
Schedule of Bonds and Notes Authorized but not Issued	C-10
<u>Water Utility Fund (Not Applicable)</u>	
<u>Sewer Utility Fund (Not Applicable)</u>	
<u>Public Assistance Fund</u>	
Schedule of Cash - Treasurer	F-1
<u>Special Garbage District Fund</u>	
Schedule of Cash - Treasurer	G-4
Schedule of District Taxes Receivable	G-5
Schedule of 2018 Appropriation Reserves	G-6

PART II – Single Audit

Schedule of Expenditures of Federal Awards	1
Schedule of Expenditures of State Awards	2
Notes to Schedules of Expenditures of Federal and State Awards	3
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>	4-5
Schedule of Findings and Responses	6
Summary Schedule of Prior Audit Findings	7

PART III – Comments and Recommendations

Comments and Recommendations	1-4
Summary of Recommendations	5

TOWNSHIP OF EAST WINDSOR

PART I

FINANCIAL STATEMENTS AND

SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2019



200 Valley Road, Suite 300  
Mt. Arlington, NJ 07856  
973.298.8500

11 Lawrence Road  
Newton, NJ 07860  
973.383.6699

[nisivoccia.com](http://nisivoccia.com)

Independent Member  
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## Independent Auditors' Report

The Honorable Mayor and Members  
of the Township Council  
Township of East Windsor  
East Windsor, New Jersey

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

We have audited the financial statements – *regulatory basis* – of the various funds of the Township of East Windsor in the County of Mercer (the "Township") as of, and for the years ended December 31, 2019 and 2018, and the related notes to 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 practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township'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.

The Honorable Mayor and Members  
of the Township Council  
Township of East Windsor  
Page 2

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

As described in Note 1, the financial statements are prepared by the Township on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for the 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 each fund and account group of the Township as of December 31, 2019 and 2018, and the changes in financial position where applicable thereof for the years then ended.

### ***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the various funds and account group of the Township as of December 31, 2019 and 2018, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the years then ended on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as described in Note 1.

### ***Other Matters***

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds that collectively comprise the Township's financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary data schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate 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 various fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund financial statements or to the various fund financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the financial statements as a whole.

The Honorable Mayor and Members  
of the Township Council  
Township of East Windsor  
Page 3

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2020, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

Mount Arlington, New Jersey  
September 10, 2020

NISIVOCCIA LLP

*Francis Jones of Nisivoccia LLP*  
Francis Jones  
Registered Municipal Accountant No. 442  
Certified Public Accountant



TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
CURRENT FUND

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

	Ref.	December 31,	
		2019	2018
<b><u>ASSETS</u></b>			
Regular Fund:			
Cash and Cash Equivalents	A-4	\$ 13,323,788.37	\$ 12,778,697.65
Change Fund		285.00	285.00
Petty Cash		1,250.00	1,000.00
		<u>13,325,323.37</u>	<u>12,779,982.65</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	565,303.02	566,255.74
Tax Title Liens Receivable	A-8	256,323.79	236,953.82
Property Acquired for Taxes at Assessed Valuation		156,377.19	156,377.19
Revenue Accounts Receivable	A-9	25,039.68	41,289.74
Due Animal Control Fund	B	1,941.00	356.81
Due Other Trust Funds	B	2,004.78	
Total Receivables and Other Assets with Full Reserves		<u>1,006,989.46</u>	<u>1,001,233.30</u>
Total Regular Fund		<u>14,332,312.83</u>	<u>13,781,215.95</u>
Federal and State Grant Fund:			
Cash and Cash Equivalents	A-6	189,835.19	128,663.93
Grants Receivable	A-10	1,175,289.33	229,746.01
Total Federal and State Grant Fund		<u>1,365,124.52</u>	<u>358,409.94</u>
<b>TOTAL ASSETS</b>		<u><u>\$ 15,697,437.35</u></u>	<u><u>\$ 14,139,625.89</u></u>

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**COMPARATIVE BALANCE SHEET - REGULATORY BASIS**  
(Continued)

	Ref.	December 31,	
		2019	2018
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Regular Fund:			
Appropriation Reserves:			
Encumbered	A-3;A-11	\$ 591,820.16	\$ 925,540.38
Unencumbered	A-3;A-11	1,793,119.05	1,588,608.22
		<u>2,384,939.21</u>	<u>2,514,148.60</u>
Accounts Payable - Vendors		80,370.90	150,550.04
Due State of New Jersey:			
Senior Citizens' and Veterans' Deductions		623.98	3,452.75
Marriage License Fees		1,600.00	1,500.00
DCA Training Fees		12,527.00	10,109.00
Domestic Partnership Fees		575.00	575.00
County Added and Omitted Taxes Payable		85,873.09	312,790.57
Payment in Lieu of Taxes Due to County		90,202.76	28,652.09
Prepaid Payment in Lieu of Taxes		389,820.96	
Prepaid Taxes		1,074,623.45	1,057,209.13
Tax Overpayments		6,837.69	4,576.01
Reserve for:			
Sale of Municipal Assets		77,635.61	77,635.61
Sale of Municipal Assets - NJ Turnpike Authority		82,620.35	82,620.35
Insurance Proceeds		4,112.47	4,112.47
Sign 571/Lanning Boulevard		2,270.00	2,270.00
Ambulance		18,500.00	18,500.00
Superstorm Sandy:			
Insurance Proceeds		6,960.00	6,960.00
Federal Emergency Management Agency		1,936.17	1,936.17
Hurricane Irene:			
Insurance Proceeds		3,455.00	3,455.00
Federal Emergency Management Agency		4,093.47	4,093.47
		<u>4,329,577.11</u>	<u>4,285,146.26</u>
Reserve for Receivables and Other Assets	A	1,006,989.46	1,001,233.30
Fund Balance	A-1	8,995,746.26	8,494,836.39
		<u>14,332,312.83</u>	<u>13,781,215.95</u>
Total Regular Fund			
Federal and State Grant Fund:			
Appropriated Reserves:			
Unencumbered	A-13	1,080,838.69	303,714.52
Encumbered	A-13	253,514.23	54,695.42
Unappropriated Reserves	A-14	30,771.60	
		<u>1,365,124.52</u>	<u>358,409.94</u>
Total Federal and State Grant Fund			
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 15,697,437.35</u>	<u>\$ 14,139,625.89</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN**  
**FUND BALANCE - REGULATORY BASIS**

	Ref.	Year Ended December 31,	
		2019	2018
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 3,110,000.00	\$ 3,110,000.00
Miscellaneous Revenue Anticipated		8,777,863.39	7,527,158.87
Receipts from:			
Delinquent Taxes		571,417.30	478,810.37
Current Taxes		93,469,806.89	93,145,463.46
Nonbudget Revenue		274,535.90	821,041.08
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		1,281,232.48	1,403,084.89
Cancellations:			
Federal and State Grant Fund:			
Appropriated Reserves		6,061.22	4,612.11
Accounts Payable		48,256.59	36,175.57
Interfunds Returned			785.39
		<u>107,539,173.77</u>	<u>106,527,131.74</u>
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Municipal Purposes		22,146,494.94	21,196,309.44
County Taxes		19,951,836.06	19,641,550.60
Regional School District Taxes		59,532,399.00	58,674,334.00
Special Garbage District Taxes		2,289,083.81	2,320,493.88
Federal and State Grant Fund Receivables Cancelled		1,050.17	895.90
Prior Year Senior Citizens' and Veterans' Deductions Disallowed		3,810.95	2,862.32
Interfunds Advanced		3,588.97	
		<u>103,928,263.90</u>	<u>101,836,446.14</u>
Excess in Revenue/Statutory Excess to Fund Balance		\$ 3,610,909.87	\$ 4,690,685.60
<u>Fund Balance</u>			
Balance January 1		8,494,836.39	6,914,150.79
		<u>12,105,746.26</u>	<u>11,604,836.39</u>
Decreased by:			
Utilized as Anticipated Revenue		3,110,000.00	3,110,000.00
Balance December 31	A	<u>\$ 8,995,746.26</u>	<u>\$ 8,494,836.39</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**STATEMENT OF REVENUE - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 3,110,000.00		\$ 3,110,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	32,950.00		33,502.00	\$ 552.00
Other	36,259.00		69,470.00	33,211.00
Fees and Permits - Other	479,410.00		611,836.82	132,426.82
Municipal Court:				
Fines and Costs	463,000.00		434,248.12	28,751.88 *
Interest and Costs on Taxes	126,978.00		156,654.95	29,676.95
Interest on Investments and Deposits	76,000.00		584,784.67	508,784.67
Energy Receipts Tax	3,517,385.00		3,517,385.00	
Uniform Construction Code Fees	387,572.00		438,078.00	50,506.00
Shared Service Agreements - Animal Control	21,196.00		30,877.00	9,681.00
Shared Service Agreements - Senior Center	41,000.00		54,356.78	13,356.78
Shared Service Agreements - Dispatching	183,640.00		183,640.00	
Drunk Driving Enforcement Fund		\$ 12,553.13	12,553.13	
Clean Communities Grant		53,739.84	53,739.84	
Drive Sober or Get Pulled Over		5,500.00	5,500.00	
Click It or Ticket		5,500.00	5,500.00	
NJ Transit Operating Bus Shuttle		150,000.00	150,000.00	
Recycling Tonnage Grant		31,365.87	31,365.87	
Child Passenger Safety Grant		12,000.00	12,000.00	
Driving Distracted Crackdown		5,500.00	5,500.00	
Bullet Proof Vest Partnership Grant		4,253.11	4,253.11	
Body Armor Replacement Fund		8,697.06	8,697.06	
Sustainable Jersey Grant		10,000.00	10,000.00	
Mercer At Play, Round 2 Grant		950,000.00	950,000.00	
Bus Grant - Matching Share:				
Mercer County	10,400.00		10,400.00	
Hightstown	2,180.00		2,180.00	
Saint James Village Senior Citizen Complex	92,653.00		149,392.59	56,739.59
Wheaton Pointe - In Lieu of Taxes	25,200.00		24,743.87	456.13 *
Exeter - In Lieu of Taxes	775,000.00		779,641.92	4,641.92
Life Hazard Use Payments	46,957.00		76,614.29	29,657.29
General Capital Fund Surplus	122,810.00		122,810.00	
Hotel Tax	210,000.00		241,414.87	31,414.87
Farm Leases	2,000.00		6,723.50	4,723.50
	<u>6,652,590.00</u>	<u>1,249,109.01</u>	<u>8,777,863.39</u>	<u>876,164.38</u>
Receipt from Delinquent Taxes	<u>484,000.00</u>		<u>571,417.30</u>	<u>87,417.30</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	12,190,584.00		12,646,488.02	455,904.02
Budget Totals	<u>22,437,174.00</u>	<u>1,249,109.01</u>	<u>25,105,768.71</u>	<u>\$ 1,419,485.70</u>
Nonbudget Revenue			274,535.90	
	<u>\$ 22,437,174.00</u>	<u>\$ 1,249,109.01</u>	<u>\$ 25,380,304.61</u>	

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**STATEMENT OF REVENUE - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**  
(Continued)

Allocation of Current Tax Collections:

Revenue from Collection of Current Taxes	\$ 93,469,806.89
Allocated to County, Regional School District and Special Garbage District Taxes	81,773,318.87
Balance for Support of Municipal Budget	11,696,488.02
Add: Appropriation "Reserve for Uncollected Taxes"	950,000.00
Realized for Support of Municipal Budget	<u>\$ 12,646,488.02</u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 568,382.63
Tax Title Lien Collections	3,034.67
	<u>\$ 571,417.30</u>

Analysis of Fees and Permits - Other:

Treasurer:	
Cable Television Franchise Fees	\$ 330,148.82
Fire Inspector	118,319.00
Housing Inspection	46,050.00
Police	645.00
Municipal Clerk	32,688.00
Police Special Duty Administration and Vehicle Fees	14,800.00
Senior Center Classes	45,540.00
Board of Health/Registrar of Vital Statistics	2,950.00
Planning and Zoning Board of Adjustment	10,231.00
Engineering	2,650.00
Elevator Inspection Administration Fees	6,852.00
Park Permits	420.00
Rent Control Fees	543.00
	<u>\$ 611,836.82</u>

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**STATEMENT OF REVENUE - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**  
(Continued)

Analysis of Farm Leases:

Collections	\$ 6,723.50
	\$ 6,723.50
	\$ 6,723.50

Analysis of Interest on Investments and Deposits:

Collected/Received by Treasurer	\$ 559,488.62
Due from Other Trust Funds	25,296.05
	\$ 584,784.67
	\$ 584,784.67

Analysis of Nonbudget Revenue:

Miscellaneous Revenue Not Anticipated:

Treasurer:

Municipal Clerk	\$ 128,216.60	
Tax Assessor	9,760.80	
Municipal Registrar	5,680.00	
Police	6,285.35	
Payment in Lieu of Taxes - Administrative Fee	17,258.27	
Senior Citizens' and Veterans' Deductions - Administrative Costs	1,601.37	
Outdoor Advertising	2,750.00	
Homestead Rebate - Administrative Costs	1,689.00	
Code Enforcement	5,000.00	
Engineering	107.00	
Other Miscellaneous	58,355.28	
	\$ 236,703.67	

Tax Collector:

Miscellaneous Fees	35,891.23
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Due from Animal Control Fund:

Statutory Excess in Reserve for Animal Control Expenditures	1,941.00
	1,941.00

\$ 274,535.90

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2019

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
GENERAL GOVERNMENT:					
Manager's Office:					
Salaries & Wages	\$ 105,070.00	\$ 105,070.00	\$ 94,999.55	\$ 1,070.45	\$ 9,000.00
Other Expenses	154,985.00	154,985.00	141,039.88	13,945.12	
Human Resources:					
Other Expenses	20,000.00	20,000.00		20,000.00	
Township Council:					
Salaries & Wages	87,170.00	87,170.00	87,164.28	5.72	
Other Expenses	8,222.00	8,222.00	6,918.41	1,303.59	
Municipal Clerk:					
Salaries & Wages	123,000.00	123,000.00	122,999.99	0.01	
Other Expenses	20,700.00	18,100.00	10,889.62	7,210.38	
Elections:					
Other Expenses	10,000.00	12,600.00	12,555.00	45.00	
Financial Administration:					
Salaries & Wages	193,845.00	193,845.00	193,840.98	4.02	
Other Expenses	11,300.00	11,300.00	8,083.17	3,216.83	
Annual Audit	34,000.00	34,000.00	34,000.00		
Data Processing:					
Other Expenses	60,000.00	60,000.00	48,158.50	11,841.50	
Tax Collection (Revenue Administration):					
Salaries & Wages	151,520.00	151,520.00	114,971.23	1,548.77	35,000.00
Other Expenses	8,187.00	8,187.00	5,910.17	2,276.83	
Assessment of Taxes:					
Salaries & Wages	153,650.00	150,704.00	147,466.32	237.68	3,000.00
Other Expenses	8,255.00	11,201.00	9,962.75	1,238.25	
Legal Services and Costs:					
Salaries & Wages	28,000.00	28,000.00	27,500.04	499.96	
Other Expenses	65,000.00	65,000.00	8,730.00	56,270.00	



**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**  
**(Continued)**

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>GENERAL GOVERNMENT (Cont'd):</b>					
Engineering Services and Costs:					
Salaries & Wages	\$ 63,305.00	\$ 63,305.00	\$ 63,304.44	\$ 0.56	
Other Expenses	3,435.00	3,435.00	3,082.64	352.36	
Economic Development:					
Other Expenses	4,925.00	4,925.00	1,696.00	3,229.00	
Transportation Commission:					
Other Expenses	500.00	500.00		500.00	
Land Use Administration:					
Planning Board:					
Salaries & Wages	39,780.00	39,780.00	39,177.00	603.00	
Other Expenses	15,065.00	15,065.00	6,416.62	8,648.38	
Board of Adjustment:					
Other Expenses	5,082.00	5,082.00	3,993.36	1,088.64	
Insurance:					
Liability Insurance	243,809.00	243,809.00	229,143.56	14,665.44	
Worker's Compensation Insurance	112,000.00	112,000.00	112,000.00		
Employee Group Insurance	3,497,000.00	3,497,000.00	2,741,506.65	405,493.35	\$ 350,000.00
<b>PUBLIC SAFETY:</b>					
Police:					
Salaries & Wages	5,592,443.00	5,592,443.00	5,384,511.95	207,931.05	
Other Expense - Uniform Service	219,450.00	219,450.00	131,792.67	87,657.33	
Other Expense - Investigative Service	20,525.00	20,525.00	14,100.21	6,424.79	
Other Expense - Crime Prevention	5,410.00	5,410.00	5,157.79	252.21	
Other Expense - General Administration	62,381.00	62,381.00	53,251.05	9,129.95	
Other Expense - Support Service	47,028.00	47,028.00	42,320.02	4,707.98	
Other Expense - Training	153,815.00	153,815.00	84,873.23	23,941.77	45,000.00
Police Communications:					
Other Expense	583,200.00	583,200.00	574,640.89	8,559.11	

TOWNSHIP OF EAST WINDSOR  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>PUBLIC SAFETY (Cont'd):</b>					
Office of Emergency Management:					
Other Expenses	\$ 625.00	\$ 625.00	\$	\$ 625.00	
Daytime EMS Services:					
Other Expenses	40,800.00	40,800.00	\$ 25,500.00	15,300.00	
Aid to Volunteer Ambulance Companies:					
Other Expenses - Miscellaneous	101,416.00	101,416.00	70,747.35	30,668.65	
Fire Prevention:					
Salaries & Wages	121,209.00	121,209.00	106,798.74	14,410.26	
Other Expenses	13,800.00	13,800.00	12,825.08	974.92	
Fire:					
Other Expenses	241,610.00	241,610.00	226,672.88	14,937.12	
Municipal Court:					
Salaries & Wages	346,661.00	346,661.00	291,729.09	6,661.91	\$ 48,270.00
Other Expenses	33,000.00	33,000.00	22,343.93	10,656.07	
Public Defender:					
Other Expenses	15,038.00	15,038.00	15,038.00		
Municipal Prosecutor:					
Salaries & Wages	45,000.00	45,000.00	45,000.00		
Juvenile Conference Bureau:					
Salaries & Wages	4,060.00	4,060.00	2,928.80	1,131.20	
Other Expenses	300.00	300.00	63.96	236.04	
<b>PUBLIC WORKS FUNCTIONS:</b>					
Road Repairs and Maintenance:					
Salaries & Wages	411,670.00	411,670.00	334,709.59	76,960.41	
Other Expenses	140,090.00	140,090.00	65,630.18	74,459.82	

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**  
**(Continued)**

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>PUBLIC WORKS FUNCTIONS (Cont'd):</b>					
Public Works Administration:					
Salaries & Wages	\$ 19,614.00	\$ 19,614.00	\$ (24,968.71)	\$ 44,582.71	
Other Expenses	8,860.00	8,860.00	2,469.54	6,390.46	
Snow Operating Expenses	30,000.00	30,000.00			\$ 30,000.00
Public Building and Grounds - Ward Street:					
Other Expenses	12,000.00	12,000.00	7,294.29	4,705.71	
<b>Municipal Complex:</b>					
Salaries & Wages	500.00	500.00	500.00		
Other Expenses	34,705.00	34,705.00	26,439.47	8,265.53	
Police Building:					
Salaries & Wages	96,709.00	96,709.00	93,301.03	3,407.97	
Other Expenses	35,160.00	35,160.00	23,692.74	11,467.26	
Senior Center:					
Salaries & Wages	16,991.00	16,991.00	1,999.97	14,991.03	
Other Expenses	25,105.00	25,105.00	16,066.92	9,038.08	
Vehicle Maintenance:					
Salaries & Wages	126,816.00	126,816.00	121,369.48	5,446.52	
Other Expenses - Police Vehicles	97,800.00	97,800.00	49,545.04	48,254.96	
Other Expenses - Administrative Vehicles	18,925.00	18,925.00	9,994.86	8,930.14	
Other Expenses - Public Works Vehicles	74,800.00	74,800.00	56,306.66	18,493.34	
Condominium Community Costs:					
Other Expenses	68,752.00	68,752.00	68,751.92	0.08	
<b>HEALTH AND HUMAN SERVICES:</b>					
Board of Health:					
Salaries & Wages - Regular	293,000.00	293,000.00	259,048.23	33,951.77	
Other Expenses	33,480.00	33,480.00	28,378.63	5,101.37	

TOWNSHIP OF EAST WINDSOR  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>HEALTH AND HUMAN SERVICES (Cont'd):</b>					
Board of Health (Cont'd):					
Other Expenses - Education	\$ 400.00	\$ 400.00		\$ 400.00	
Other Expenses - Public Health Nurse	20,850.00	20,850.00	\$ 16,833.49	4,016.51	
Other Expenses - Communicable Diseases	9,000.00	9,000.00	890.00	8,110.00	
Other Expenses - Environmental Services	550.00	550.00	395.00	155.00	
Environmental Commission (N.J.S. 40:56A-1 et seq):					
Other Expenses	2,000.00	2,000.00	1,731.02	268.98	
Animal Control:					
Salaries & Wages	69,451.00	69,451.00	69,451.00		
Other Expenses	4,300.00	4,300.00	2,015.44	2,284.56	
Administration of Public Assistance:					
Salaries & Wages	33,204.00	33,204.00	33,203.74	0.26	
Other Expenses	625.00	625.00		625.00	
Contributions to Social Services Agencies:					
Other Expenses	32,250.00	32,250.00	32,250.00		
<b>PARK AND RECREATION FUNCTIONS:</b>					
Recreation Department:					
Salaries & Wages	86,755.00	86,755.00	84,993.07	1,761.93	
Commission on Aging:					
Senior Center :	1,500.00	1,500.00	1,486.59	13.41	
Salaries & Wages	98,340.00	98,340.00	98,340.00		
Other Expenses	38,390.00	38,390.00	37,964.17	425.83	
Maintenance of Parks:					
Salaries & Wages	132,850.00	132,850.00	82,523.91	50,326.09	
Other Expenses	50,680.00	50,680.00	32,128.57	18,551.43	
<b>UNIFORM CONSTRUCTION CODE:</b>					
Construction Code Official:					
Salaries & Wages	387,422.00	387,422.00	324,316.96	13,105.04	\$ 50,000.00
Other Expenses	10,775.00	10,775.00	9,719.67	1,055.33	

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**  
**(Continued)**

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
UNCLASSIFIED:					
Health Benefit Waiver	\$ 90,000.00	\$ 90,000.00	\$ 81,254.34	\$ 8,745.66	
Sick Leave Trust	150,000.00	150,000.00	150,000.00		
Utilities:					
Electricity	165,500.00	175,500.00	173,601.55	1,898.45	
Street Lighting	88,500.00	88,500.00	72,611.39	15,888.61	
Telephone	97,500.00	97,500.00	94,510.58	2,989.42	
Gas	63,000.00	63,000.00	45,468.49	17,531.51	
Fuel Oil	4,500.00	4,500.00	2,118.14	2,381.86	
Gasoline	170,000.00	160,000.00	120,452.25	39,547.75	
Total Operations Within "CAPS"	16,228,895.00	16,228,895.00	14,094,595.01	1,564,029.99	\$ 570,270.00
Detail:					
Salaries & Wages	8,828,035.00	8,825,089.00	8,201,180.68	478,638.32	145,270.00
Other Expenses	7,400,860.00	7,403,806.00	5,893,414.33	1,085,391.67	425,000.00
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS":					
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System of NJ (P.L., 2003, C.108)	358,881.00	358,881.00	358,881.00		
Social Security System (O.A.S.I.)	730,000.00	730,000.00	622,619.98	97,380.02	10,000.00
Police and Firemen's Retirement System of NJ (P.L., 2003, C.108)	1,361,613.00	1,361,613.00	1,324,354.20	37,258.80	
Defined Contribution Retirement Plan	6,000.00	6,000.00	2,468.99	3,531.01	
New Jersey Unemployment Insurance	35,000.00	35,000.00	24,385.88	10,614.12	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	2,491,494.00	2,491,494.00	2,332,710.05	148,783.95	10,000.00
Total General Appropriations for Municipal Purposes Within "CAPS"	18,720,389.00	18,720,389.00	16,427,305.06	1,712,813.94	580,270.00

TOWNSHIP OF EAST WINDSOR  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Excluded from "CAPS":					
Length of Service Award Program:					
Other Expenses	\$ 75,000.00	\$ 75,000.00		\$ 75,000.00	
NIPDES Stormwater Permit (N.J.S.A. 40A:4-45(cc)):					
Municipal Stormwater	5,250.00	5,250.00	\$ 5,250.00		
SHARED SERVICE AGREEMENTS:					
Senior Center - Other Expenses	24,400.00	24,400.00	24,392.47	7.53	
Animal Control - Salaries & Wages	10,000.00	10,000.00	8,202.42	1,797.58	
Dispatching	183,640.00	183,640.00	183,640.00		
Public and Private Programs Offset by Revenues:					
Federal Transit Administration Section 5307 Grant - Local Matching Share	28,000.00	28,000.00	28,000.00		
NJ Transit Operating Bus Shuttle (N.J.S.A. 40A:4-87 +\$150,000.00)	150,000.00	150,000.00	150,000.00		
Clean Communities Program (N.J.S.A. 40A:4-87 +\$53,739.84)	53,739.84	53,739.84	53,739.84		
Hightstown Share Bus Service	2,180.00	2,180.00	2,180.00		
Mercer County - Transportation Bus Grant	10,400.00	10,400.00	10,400.00		
Recycling Tonnage Grant (N.J.S.A. 40A:4-87 +\$31,365.87)	31,365.87	31,365.87	31,365.87		
Click It or Ticket (N.J.S.A. 40A:4-87 +\$5,500.00)	5,500.00	5,500.00	5,500.00		
Bullet Proof Vest Partnership Grant (N.J.S.A. 40A:4-87 +\$4,253.11)	4,253.11	4,253.11	4,253.11		
Drunk Driving Enforcement Fund (N.J.S.A. 40A:4-87 +\$12,553.13)	12,553.13	12,553.13	12,553.13		
Driving Distracted Crackdown (N.J.S.A. 40A:4-87 +\$5,500.00)	5,500.00	5,500.00	5,500.00		
Drive Sober or Get Pulled Over (N.J.S.A. 40A:4-87 +\$5,500.00)	5,500.00	5,500.00	5,500.00		
Body Armor Replacement Fund (N.J.S.A. 40A:4-87 +\$8,697.06)	8,697.06	8,697.06	8,697.06		
Child Passenger Safety Grant (N.J.S.A. 40A:4-87 +\$12,000.00)	12,000.00	12,000.00	12,000.00		
Sustainable Jersey Grant (N.J.S.A. 40A:4-87 +\$10,000.00)	10,000.00	10,000.00	10,000.00		
Mercer At Play Round 2 Grant (N.J.S.A. 40A:4-87 +\$950,000.00)	950,000.00	950,000.00	950,000.00		
Matching Funds for Grants	3,500.00	3,500.00		3,500.00	
Total Operations Excluded from "CAPS"	342,370.00	1,591,479.01	1,511,173.90	80,305.11	
Detail:					
Salaries & Wages	10,000.00	10,000.00	8,202.42	1,797.58	
Other Expenses	332,370.00	1,581,479.01	1,502,971.48	78,507.53	

TOWNSHIP OF EAST WINDSOR  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00		
Total Capital Improvements - Excluded from "CAPS"	75,000.00	75,000.00	75,000.00		
Municipal Debt Service - Excluded from "CAPS":					
Payment of Bond Principal	1,195,000.00	1,290,000.00	1,290,000.00		
Payment of Bond Anticipation Notes	400,000.00	400,000.00	400,000.00		
Interest on Bonds	310,900.00	215,900.00	207,891.91		\$ 8,008.09
Interest on Notes	357,000.00	357,000.00	356,999.98		0.02
Green Trust Loan Program:					
Loan Repayments for Principal and Interest	31,100.00	31,100.00	31,091.59		8.41
NJ Environmental Infrastructure Trust:					
Loan Repayments for Principal and Interest	55,415.00	55,415.00	55,913.45		1,501.55
Total Municipal Debt Service - Excluded from "CAPS"	2,349,415.00	2,349,415.00	2,339,896.93		9,518.07
Total General Appropriations - Excluded from "CAPS"	2,766,785.00	4,015,894.01	3,926,070.83	\$ 80,305.11	9,518.07
Subtotal General Appropriations	21,487,174.00	22,736,283.01	20,353,375.89	1,793,119.05	589,788.07
Reserve for Uncollected Taxes	950,000.00	950,000.00	950,000.00		
Total General Appropriations	\$ 22,437,174.00	\$ 23,686,283.01	\$ 21,303,375.89	\$ 1,793,119.05	\$ 589,788.07

Ref.

A

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**  
(Continued)

	<u>Ref.</u>	Analysis of	
		Budget After Modification	Paid or Charged
Adopted Budget		\$ 22,437,174.00	
Added by N.J.S.A. 40A:4-87		1,249,109.01	
		\$ 23,686,283.01	
Reserve for Uncollected Taxes			\$ 950,000.00
Reserve for Encumbrances	A		591,820.16
Due Federal and State Grant Fund			1,261,689.01
Cash Disbursed			19,463,908.66
			22,267,417.83
Less: Appropriation Refunds			964,041.94
			\$ 21,303,375.89

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT



TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
TRUST FUNDS

**TOWNSHIP OF EAST WINDSOR**  
**TRUST FUNDS**  
**COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

	Ref.	December 31,	
		2019	2018
<b><u>ASSETS</u></b>			
Assessment Trust Fund:			
Prospective Assessments Funded		\$ 759,000.00	\$ 759,000.00
Animal Control Fund:			
Cash and Cash Equivalents	B-4	24,479.00	24,955.41
Other Trust Funds:			
Cash and Cash Equivalents	B-4	15,112,694.10	15,404,876.28
<b>TOTAL ASSETS</b>		<b>\$ 15,896,173.10</b>	<b>\$ 16,188,831.69</b>
	Ref.	December 31,	
		2019	2018
<b><u>LIABILITIES AND RESERVES</u></b>			
Assessment Trust Fund:			
Reserve for Assessments and Liens		\$ 759,000.00	\$ 759,000.00
Animal Control Fund:			
Due State of New Jersey		12.00	252.60
Due to Current Fund - Statutory Excess	A	1,941.00	356.81
Reserve for Animal Control Expenditures	B-6	22,526.00	24,346.00
		24,479.00	24,955.41
Other Trust Funds:			
Due to Current Fund	A	2,004.78	
Tax Sale Premiums		207,600.00	257,500.00
Third Party Lien Redemption			45,862.20
Escrow Funds		2,881,994.87	2,582,733.05
Reserve for:			
Special Duty Police Services		24,374.19	13,399.02
Affordable Housing - Revolving Loan Program		64,003.76	64,003.76
Drug Alliance Committee		945.00	945.00
Elevator Inspections		11,972.00	3,671.00
Forfeited Property Fund		15,741.75	15,159.76
Giving Tree Seniors		4,498.72	4,498.72
Mayor's Trust		11,169.33	12,005.33
Memorial Tree Grove Program		25.00	25.00
Community Garden Deposits		800.00	800.00
Donated Property Funds		25,000.00	25,000.00
Open Space Contribution		293,676.57	296,851.57
Parking Offense Adjudication Act		886.08	846.08
Public Defender Fees		9,756.23	5,733.78
Recreation Commission		235,003.95	201,935.58
Recreation Donations		293.00	293.00
Seniors' Program		2,062.18	1,962.18
Sick Leave		95,351.50	108,178.40
Tree Escrow		357,642.00	357,642.00
Affordable Housing		5,707,467.50	5,071,449.02
Administration & Vehicle Fees		939.48	690.77
Street Opening		3,000.00	3,000.00
Uniform Fire Safety Act Penalties		17,250.00	14,250.00
Tree Assessment		513.00	513.00
Off-Tract Improvements		5,138,723.21	6,315,928.06
		15,112,694.10	15,404,876.28
<b>TOTAL LIABILITIES AND RESERVES</b>		<b>\$ 15,896,173.10</b>	<b>\$ 16,188,831.69</b>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

**TOWNSHIP OF EAST WINDSOR**  
**ASSESSMENT TRUST FUND**  
**STATEMENT OF FUND BALANCE - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

**TOWNSHIP OF EAST WINDSOR**  
**ASSESSMENT TRUST FUND**  
**STATEMENT OF REVENUE - REGULATORY BASIS**  
**YEAR END 12/31/2019**

NOT APPLICABLE

**ASSESSMENT TRUST FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
GENERAL CAPITAL FUND

**TOWNSHIP OF EAST WINDSOR**  
**GENERAL CAPITAL FUND**  
**COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

	Ref.	December 31,	
		2019	2018
<b><u>ASSETS</u></b>			
Cash and Cash Equivalents	C-2	\$ 1,863,883.15	\$ 2,023,704.14
Grants Receivable		1,276,651.08	1,488,236.00
Prospective Assessments Raised by Taxation		20,472.00	20,472.00
Deferred Charges to Future Taxation:			
Funded		6,845,180.91	8,368,139.93
Unfunded	C-4	12,817,075.40	19,038,756.40
<b>TOTAL ASSETS</b>		<b><u>\$ 22,823,262.54</u></b>	<b><u>\$ 30,939,308.47</u></b>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Serial Bonds Payable	C-8	\$ 6,490,000.00	\$ 7,933,000.00
Green Trust Loans Payable	C-9	75,450.46	104,595.15
NJ Environmental Infrastructure Trust Loan Payable	C-9A	279,730.45	330,544.78
Bond Anticipation Notes Payable	C-7	10,200,000.00	10,200,000.00
Improvement Authorizations:			
Funded	C-5	366,368.70	378,807.50
Unfunded	C-5	3,807,079.03	10,171,917.02
Capital Improvement Fund	C-6	113,009.93	108,920.93
Reserve for:			
Purchase of Open Space		88.49	88.49
Sale of Assets		10,580.00	10,580.00
Ward Street Building		64,427.75	64,427.75
Installation of Traffic Light		6,050.00	6,050.00
Road Repair - Twin Rivers Drive North		820.60	820.60
Prospective Assessments Raised by Taxation		20,472.00	20,472.00
Encumbrances		1,004,401.21	1,182,144.08
Payment of Debt Service		4,130.17	4,130.17
Fund Balance	C-1	380,653.75	422,810.00
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<b><u>\$ 22,823,262.54</u></b>	<b><u>\$ 30,939,308.47</u></b>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

**TOWNSHIP OF EAST WINDSOR**  
**GENERAL CAPITAL FUND**  
**STATEMENT OF FUND BALANCE - REGULATORY BASIS**

	<u>Ref.</u>	
Balance December 31, 2018	C	\$ 422,810.00
Increased by:		
Premium on Sale of Notes	\$ 74,536.50	
Premium on Bond Refunding	<u>6,117.25</u>	<u>80,653.75</u>
		503,463.75
Decreased by:		
Appropriated as 2019 Budget Revenue - Current Fund	<u>122,810.00</u>	<u>122,810.00</u>
Balance December 31, 2019	C	<u>\$ 380,653.75</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
WATER UTILITY FUND

NOT APPLICABLE



TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
SEWER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
PUBLIC ASSISTANCE FUND

**TOWNSHIP OF EAST WINDSOR**  
**PUBLIC ASSISTANCE FUND**  
**COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

	<u>Ref.</u>	<u>December 31,</u>	
		<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	F-1	\$ 42,938.28	\$ 54,970.28
TOTAL ASSETS		<u>\$ 42,938.28</u>	<u>\$ 54,970.28</u>
 <u>LIABILITIES AND RESERVES</u>			
Prepaid State Aid		\$ 24,816.42	\$ 36,848.42
Reserve for Public Assistance Expenditures		18,121.86	18,121.86
TOTAL LIABILITIES AND RESERVES		<u>\$ 42,938.28</u>	<u>\$ 54,970.28</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
SPECIAL GARBAGE DISTRICT FUND

**TOWNSHIP OF EAST WINDSOR**  
**SPECIAL GARBAGE DISTRICT FUND**  
**COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

	Ref.	December 31,	
		<u>2019</u>	<u>2018</u>
<u>ASSETS</u>			
Cash and Cash Equivalents:	G-4	\$ 1,309,563.04	\$ 1,553,976.10
TOTAL ASSETS		<u>\$ 1,309,563.04</u>	<u>\$ 1,553,976.10</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves:			
Unencumbered	G-3;G-6	\$ 302,183.54	\$ 370,374.88
Encumbered	G-3;G-6	60,169.16	74,666.12
		<u>362,352.70</u>	<u>445,041.00</u>
Accounts Payable - Vendors		240.00	7,495.22
Fund Balance	G-1	946,970.34	1,101,439.88
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 1,309,563.04</u>	<u>\$ 1,553,976.10</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

**TOWNSHIP OF EAST WINDSOR**  
**SPECIAL GARBAGE DISTRICT FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN**  
**FUND BALANCE - REGULATORY BASIS**

	Ref.	Year Ended December 31,	
		2019	2018
<u>Revenue and Other Income Realized</u>			
Fund Balance Anticipated		\$ 395,000.00	\$ 395,000.00
District Tax		2,289,083.81	2,320,493.88
Nonbudget Revenue		15,366.58	7,744.69
Cancellation of Prior Year Accounts Payable		7,495.22	
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		214,701.85	296,313.34
		<u>2,921,647.46</u>	<u>3,019,551.91</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		2,615,117.00	2,608,657.00
Statutory Expenditures		66,000.00	63,000.00
		<u>2,681,117.00</u>	<u>2,671,657.00</u>
Excess in Revenues/Statutory Excess to Fund Balance		240,530.46	347,894.91
<u>Fund Balance</u>			
Balance January 1		1,101,439.88	1,148,544.97
		<u>1,341,970.34</u>	<u>1,496,439.88</u>
Decreased by:			
Utilized as Anticipated Revenue:		395,000.00	395,000.00
Balance December 31	G	<u>\$ 946,970.34</u>	<u>\$ 1,101,439.88</u>

**TOWNSHIP OF EAST WINDSOR**  
**SPECIAL GARBAGE DISTRICT FUND**  
**STATEMENT OF REVENUE - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**

	Budget	Realized	Excess
Fund Balance Anticipated	\$ 395,000.00	\$ 395,000.00	
Special District Tax	2,286,117.00	2,289,083.81	\$ 2,966.81
	2,681,117.00	2,684,083.81	2,966.81
Budget Totals			
Nonbudget Revenue		15,366.58	15,366.58
	\$ 2,681,117.00	\$ 2,699,450.39	\$ 18,333.39
	\$ 2,681,117.00	\$ 2,699,450.39	\$ 18,333.39

Analysis of Nonbudget Revenue

Interest on Investments and Deposits	\$ 12,761.62		
Sale of Recyclables	2,604.96		
		\$ 15,366.58	
		\$ 15,366.58	

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
 ARE AN INTEGRAL PART OF THIS STATEMENT

**TOWNSHIP OF EAST WINDSOR**  
**SPECIAL GARBAGE DISTRICT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2019**

	Appropriation		Expended By	
	Budget	Budget After Modification	Paid or Charged	Reserved
Operating:				
Salaries and Wages	\$ 977,332.00	\$ 977,332.00	\$ 877,302.63	\$ 100,029.37
Other Expenses	745,551.00	745,551.00	687,810.52	57,740.48
Contractual Services	139,600.00	139,600.00	139,573.58	26.42
Disposal Fees	734,634.00	734,634.00	605,415.76	129,218.24
Recycling Tax	18,000.00	18,000.00	14,976.78	3,023.22
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	60,000.00	60,000.00	48,754.48	11,245.52
Unemployment Compensation Insurance	6,000.00	6,000.00	5,099.71	900.29
	<u>\$ 2,681,117.00</u>	<u>\$ 2,681,117.00</u>	<u>\$ 2,378,933.46</u>	<u>\$ 302,183.54</u>
	<u>Ref.</u>			G
Cash Disbursed			\$ 2,359,071.35	
Encumbrances	G		60,169.16	
			<u>2,419,240.51</u>	
Less: Appropriation Refunds			40,307.05	
			<u>\$ 2,378,933.46</u>	

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT



TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
GENERAL FIXED ASSETS ACCOUNT GROUP

**TOWNSHIP OF EAST WINDSOR**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

<u>ASSETS</u>	December 31,	
	2019	2018
Land	\$ 1,092,084.00	\$ 1,092,084.00
Buildings and Improvements	6,184,430.00	6,184,430.00
Vehicles	5,208,037.00	5,208,037.00
Machinery and Equipment	3,599,425.00	3,515,179.00
<b>TOTAL ASSETS</b>	<b>\$ 16,083,976.00</b>	<b>\$ 15,999,730.00</b>
<u>RESERVES</u>		
Reserve for Fixed Assets	\$ 16,083,976.00	\$ 15,999,730.00
<b>TOTAL RESERVES</b>	<b>\$ 16,083,976.00</b>	<b>\$ 15,999,730.00</b>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Township of East Windsor include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of East Windsor, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Township of East Windsor do not include the operations of the volunteer fire and first aid squads.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

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

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

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

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
 (Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

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

Public Assistance Fund – Receipt and disbursement of funds that provide assistance to certain residents of the municipality pursuant to Title 44 of New Jersey Statutes.

Special Garbage District Fund – Collection of special district taxes for the cost of providing garbage collection.

General Fixed Assets Account Group – These accounts were established with assessed value of land, replacement value of buildings and cost of certain fixed assets of the Township as discussed in Note 1E “Other significant accounting policies”.

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The following is a summary of the significant accounting policies.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Grant revenue is realized in the operating funds when it is budgeted and in the capital funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations generally based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
 (Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Had the Township's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when budgeted in the Current Fund or when improvements are authorized in the Capital Fund; inventories would not be reflected as expenditures at the time of purchase; investments would generally be stated at fair value and the Township's net OPEB liability and net pension liability and related deferred inflows and outflows, where applicable, would be recorded.

The cash basis of accounting is followed in the Trust Funds.

D. Deferred Charges to Future Taxation – The Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded deferred charges represent improvement authorizations where permanent financing has been obtained. Unfunded deferred charges represent improvement authorizations where no or temporary financing has been obtained. A municipality can permanently finance unfunded deferred charges through budget appropriation, grant funds, or by issuing bonds, loans or capital lease purchase agreements.

E. Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments – Investments are stated at cost.

Grants Receivable – Grants receivable represent total grant awards less amounts collected to date. Because the amount of grants funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include: (Cont'd)

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

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

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

General Fixed Assets – General fixed assets are recorded at cost, except for land and buildings, which are recorded at estimated historical cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts: maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. The total value recorded for general fixed assets is offset by a “Reserve for Fixed Assets.” When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current and General Capital Funds. The values recorded in the General Fixed Assets Account Group and the Current and General Capital Funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

F. Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for Current operating and Special Garbage District Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Township during the year.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 2: Long-Term Debt

The Local Bond Law governs the issuance of bonds to finance general Township capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds. The Township's full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

Summary of Municipal Debt

	December 31,		
	2019	2018	2017
<u>Issued:</u>			
General:			
Bonds, Notes and Loans	\$ 17,045,181	\$ 18,568,140	\$ 19,554,253
Total Issued	<u>17,045,181</u>	<u>18,568,140</u>	<u>19,554,253</u>
Less:			
Bonds and Notes Authorized but not Issued		6,900,000	6,900,000
Funds Temporarily Held to Pay Debt Service	4,130	4,130	4,130
Net Debt Issued	<u>17,041,051</u>	<u>11,664,010</u>	<u>12,650,123</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	2,685,540	8,907,221	9,811,221
Total Authorized but not Issued	<u>2,685,540</u>	<u>8,907,221</u>	<u>9,811,221</u>
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 19,726,591</u>	<u>\$ 20,571,231</u>	<u>\$ 22,461,344</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .675%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District Debt	\$ 18,862,011	\$ 18,862,011	
General Debt	<u>19,730,721</u>	<u>4,130</u>	<u>\$ 19,726,591</u>
	<u>\$ 38,592,732</u>	<u>\$ 18,866,141</u>	<u>\$ 19,726,591</u>

Net Debt: \$19,726,591 divided by Average Equalized Valuations of \$2,922,869,683.67 of Real Property = .675%.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Statutory Debt Condition – Annual Debt Statement (Cont'd)

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

3-1/2% Average Equalized Valuation of Real Property	\$ 102,300,439
Net Debt	<u>19,726,591</u>
Remaining Borrowing Power	<u>\$ 82,573,848</u>

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

Summary of Municipal Debt Issued and Outstanding

	Balance 12/31/2018	Additions	Retirements	Balance 12/31/2019
Serial Bonds:				
General Capital Fund	\$ 7,933,000	\$ 6,585,000	\$ 8,028,000	\$ 6,490,000
Bond Anticipation Notes:				
General Capital Fund	10,200,000	\$10,200,000	10,200,000	10,200,000
Loans Payable:				
General Capital Fund:				
Green Trust	104,595		29,145	75,450
NJEIT	330,545		50,814	279,731
Total	<u>\$ 18,568,140</u>	<u>\$16,785,000</u>	<u>\$ 18,307,959</u>	<u>\$ 17,045,181</u>

	Balance 12/31/2017	Additions	Retirements	Balance 12/31/2018
Serial Bonds:				
General Capital Fund	\$ 9,088,000		\$ 1,155,000	\$ 7,933,000
Bond Anticipation Notes:				
General Capital Fund	9,915,000	\$10,200,000	9,915,000	10,200,000
Loans Payable:				
General Capital Fund:				
Green Trust	168,728		64,133	104,595
NJEIT	382,525		51,980	330,545
Total	<u>\$ 19,554,253</u>	<u>\$10,200,000</u>	<u>\$ 11,186,113</u>	<u>\$ 18,568,140</u>



TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 2: Long-Term Debt (Cont'd)

The Township's debt issued and outstanding on December 31, 2019 is described as follows:

<u>General Capital Serial Bonds</u>				
Purpose	<u>Maturities of Bonds Outstanding</u>		Interest	Balance
	Date	Amount	Rate	Dec. 31, 2019
General Obligation Refunding	7/1/2020	\$ 1,215,000	3.50%	
	7/1/2021	1,250,000	3.75%	
	7/1/2022	1,295,000	4.00%	
	7/1/2023	1,335,000	4.00%	
	7/1/2024	1,395,000	4.00%	<u>\$ 6,490,000</u>

<u>General Capital Bond Anticipation Notes</u>				
Purpose	Issue Date	Maturity Date	Interest	Balance
			Rate	Dec. 31, 2019
Capital Improvements	12/05/19	12/04/20	2.00%	<u>\$ 10,200,000</u>

<u>General Capital Green Acres Trust Loans</u>				
Purpose	Issue Date	Final	Interest	Balance
		Maturity Date	Rate	Dec. 31, 2019
East Windsor Open Space	12/25/02	06/25/22	2.00%	<u>\$ 75,450</u>

<u>General Capital NJ Environmental Infrastructure Trust Loan</u>				
Purpose	Issue Date	Final	Interest	Balance
		Maturity Date	Rate	Dec. 31, 2019
Acquisition of Land	08/01/06	08/01/25	4-4.375%	<u>\$ 279,731</u>

Total Debt Issued and Outstanding	<u>\$ 17,045,181</u>
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TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 2: Long-Term Debt (Cont'd)

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and  
Thereafter for Bonded Debt and Loans Issued and Outstanding

Calendar Year	General		Total
	Principal	Interest	
2020	\$ 1,294,379	\$ 215,167	\$ 1,509,546
2021	1,328,743	189,595	1,518,338
2022	1,357,608	150,829	1,508,437
2023	1,381,016	111,169	1,492,185
2024	1,439,817	57,113	
Thereafter:			
2025	43,617	656	44,273
Total	<u>\$ 6,845,180</u>	<u>\$ 724,529</u>	<u>\$ 6,072,779</u>

Green Trust Loans

The Township entered into two loan agreements with the NJ Department of Environmental Protection's Green Trust Loan Program. The Bear Brook Acquisition Loan in the amount of \$580,500 was finalized in June 1999 and the East Windsor Open Space Loan for \$500,000 was finalized in December 2002. The balance of the loans at December 31, 2019 was \$75,450. Payments of principal and interest on the loans commenced December 12, 1999 and June 25, 2003, respectively, and are to continue on a semi-annual basis over a period of 20 years. Interest on the loans is at the rate of 2% annually on the outstanding balance.

New Jersey Environmental Infrastructure Trust Loans

On November 10, 2005 the Township of East Windsor entered into two loan agreements with the State of New Jersey, acting by and through a NJ Department of Environmental Protection Fund (the "Fund"), and the NJ Environmental Infrastructure Trust (the "Trust"), in the aggregate amount of \$853,055, which represents direct obligations of the Township. The loan agreements were obtained to finance a portion of the cost of the acquisition of land for open space.

At December 31, 2019, the Township had borrowed or "drawn down" \$853,055 for this project and the balance of the loans was \$279,731. Principal payments to the Fund commenced on August 1, 2006, and will continue on a semiannual basis over 20 years at zero interest. Principal payments to the Trust commenced on February 1, 2007 and will continue on an annual basis over 19 years. It is expected that the interest will be paid from trust bond proceeds on deposit in the capitalized interest account (as defined in the bond resolution), and earnings on the debt service reserve fund (as defined in the bond resolution) will be transferred to such capitalized interest account. The Township will nonetheless be responsible for all such interest payments to the extent such trust bond proceeds and interest earnings are not available from the capitalized interest account.

Also, an annual administrative fee of fifteen one hundredths of one percent (.15%) of the initial principal amount of the loan or such lesser amount, if any, as the Trust may approve from time to time is payable on these loans.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
 (Continued)

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2019 which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2020 are as follows:

Current Fund	\$ 3,210,000
Special Garbage District Fund	283,030
General Capital Fund Balance Anticipated in Current Fund Budget	75,000

Note 4: Deferred Charges to be Raised in Succeeding Years

Certain expenditures are required to be deferred to budgets of the succeeding years. At December 31, 2019, the Township had no deferred charges.

Note 5: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Township of East Windsor has elected not to defer school taxes.

Note 6: Pension Plans

Township employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee's Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

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 the PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions/financial-reports.shtml](http://www.state.nj.us/treasury/pensions/financial-reports.shtml).

Benefits Provided

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.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
 (Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided (Cont'd)

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 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to 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.

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members.

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.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Contributions (Cont'd)

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 are adjusted by the rate of return on the actuarial value of assets.

Township contributions to PERS amounted to \$358,881 for 2019.

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

Pension Liabilities and Pension Expense

At June 30, 2019, the Township's liability was \$8,736,813 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the Township's proportion was 0.0482%, which was an increase of 0.0025% from its proportion measured as of June 30, 2018.

For the year ended December 31, 2019, the Township recognized actual pension expense in the amount of \$358,881.

Actuarial Assumptions

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

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

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019

(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Actuarial Assumptions (Cont'd)

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 a 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' 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 Management Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Market Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 6: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Discount Rate

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

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Township's proportionate share of the collective net pension liability as of June 30, 2019 calculated using the discount rate as disclosed below, 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 or 1-percentage-point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (5.28%)	At Current Discount Rate (6.28%)	At 1% Increase (7.28%)
Township's proportionate share of the Net Pension Liability	\$ 11,036,015	\$ 8,736,813	\$ 6,799,410

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

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 the PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at [www.state.nj.us/treasury/pensions/financial-reports.shtml](http://www.state.nj.us/treasury/pensions/financial-reports.shtml).

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 6: Pension Plans (Cont'd)

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except for disability benefits which vest after 4 years of service.

The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 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 of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. 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 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 amounts 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 the assets.

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 nonemployer contributing entity.



TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 6: Pension Plans (Cont'd)

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

Special Funding Situation (Cont'd)

Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specified financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. The June 30, 2019 State special funding situation net pension liability amount is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense for the fiscal year ended June 30, 2019 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2019. The pension expense is deemed to be a State administrative expense due to the special funding situation.

Township contributions to PFRS amounted to \$1,324,354 for the year ended December 31, 2019. During the fiscal year ended June 30, 2019, the State of New Jersey contributed \$172,050 to the PFRS for normal pension benefits on behalf of the Township, which is less than the contractually required contribution of \$296,691.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Pension Liabilities and Pension Expense

At June 30, 2019, the Township's liability for its proportionate share of the net pension liability was \$16,171,161. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the Township's proportion was 0.1321%, which was a decrease of 0.0031% from its proportion measured as of June 30, 2018.

Additionally, the State's proportionate share of the net pension liability attributable to the Township is \$2,553,457 as of June 30, 2019. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The State's proportionate share 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. At June 30, 2019, the State's proportion was 0.1321%, which was a decrease of 0.0031% from its proportion measured as of June 30, 2018 which is the same proportion as the Township's.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 6: Pension Plans (Cont'd)

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

Pension Liabilities and Pension Expense (Cont'd)

Township's Proportionate Share of the Net Pension Liability	\$ 16,171,161
State's Proportionate Share of the Net Pension Liability Associated with the Township	2,553,457
Total Net Pension Liability	\$ 18,724,618

For the year ended December 31, 2019, the Township recognized total pension expense of \$1,324,354.

Actuarial Assumptions

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

Inflation Rate:

Price	2.75%
Wage	3.25%

Salary Increases:

Through all future years	3.25 – 15.25% based on years of service
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Investment Rate of Return	7.00%
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Pre-retirement mortality rates were based on the RP-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 Retiree mortality table with a 96.7% adjustment for males and a 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.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 6: Pension Plans (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS' 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 Management Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Market Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 6: Pension Plans (Cont'd)

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

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 6.85% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer GO 20 Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on 70% of the actuarially 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 2076. Therefore, the long-term expected rate of return on pension 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 Total Net Pension Liability (including the State’s proportionate share of the net pension liability attributable to the Township) to Changes in the Discount Rate

The following presents the total net pension liability (including the State’s proportionate share of the net pension liability attributable to the Township) as of June 30, 2019 calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (5.85%)	At Current Discount Rate (6.85%)	At 1% Increase (7.85%)
Township's proportionate share of Net Pension Liability and the State's proportionate share of the Net Pension Liability associated with the Township	\$ 25,308,860	\$ 18,724,618	\$ 13,275,209

Pension Plan Fiduciary Net Position - PFRS

Detailed information about the PFRS's fiduciary net position is available in the separately issued PFRS financial statements.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019

(Continued)

Note 6: Pension Plans (Cont'd)

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the Township recognized pension expense of \$2,469 for the year ended December 31, 2019. Employee contributions to DCRP amounted to \$4,282 for the year ended December 31, 2019.

Note 7: Accrued Sick and Vacation Time

The Township policy allows employees to accrue sick and vacation time. The current cost of such unpaid compensation upon termination or separation from the Township would approximate \$1,058,118. This amount is not reported either as an expenditure or a liability. However, it is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditure in the year in which it is used. This amount is partially reserved in the Reserve for Sick Leave of \$95,352 on the Trust Fund balance sheet at December 31, 2019.

Note 8: Deferred Compensation Plan

The Township offers its employees deferred compensation plans (the "plans") created in accordance with Section 457 of the Internal Revenue Code. The plans, which are administered by ICMA-RC Corporation, are available to all Township employees and permit participants to defer a portion of their salary. The deferred compensation is not available to employees until termination, retirement, unforeseeable emergency or upon death to their beneficiaries.

Note 9: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019

(Continued)

Note 9: Selected Tax Information (Cont'd)

Comparative Schedule of Tax Rate Information

A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Tax Rate</u>	<u>\$ 3.379</u>	<u>\$ 3.335</u>	<u>\$ 3.332</u>

Apportionment of Tax Rate

Municipal	0.433	0.434	0.434
County	0.708	0.690	0.683
Regional School	2.114	2.087	2.091
Special District	0.124	0.124	0.124

Assessed Valuations

2019	<u>\$ 2,816,006,710</u>		
2018		<u>\$ 2,811,058,486</u>	
2017			<u>\$ 2,757,172,885</u>

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2019	\$ 94,090,205	\$ 93,469,807	99.34%
2018	93,785,647	93,145,463	99.32%
2017	91,911,810	91,362,878	99.40%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

Note 10: Cash and Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less. Investments are stated at cost. The Township classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 10: Cash and Cash Equivalents and Investments (Cont'd)

GASB requires disclosure of the level of custodial credit risk assumed by the Township in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Township ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Township limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed below.

Custodial Credit Risk – The Township's policy with respect to custodial credit risk requires that the Township ensures that Township funds are only deposited in financial institutions in which New Jersey municipalities are permitted to invest their funds.

Deposits:

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit, and

In addition to the above collateral requirement, if public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

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

Investments

New Jersey statutes permit the Township to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019

(Continued)

Note 10: Cash and Cash Equivalents and Investments (Cont'd)

Investments: (Cont'd)

New Jersey statutes permit the Township to purchase the following types of securities: (Cont'd)

- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.313 (C.40A:5A-1 et seq.);
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed.



TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 10: Cash and Cash Equivalents and Investments (Cont'd)

Investments: (Cont'd)

As of December 31, 2019, cash and cash equivalents of the Township of East Windsor consisted of the following:

<u>Fund</u>	<u>Cash on Hand</u>	<u>Checking Accounts</u>	<u>Total</u>
Current	\$ 1,535	\$ 13,323,788	\$ 13,325,323
Federal and State Grant		189,835	189,835
Animal Control		24,479	24,479
Other Trust	200	15,112,494	15,112,694
General Capital		1,863,883	1,863,883
Public Assistance		42,938	42,938
Special Garbage District		1,309,563	1,309,563
	<u>\$ 1,735</u>	<u>\$ 31,866,981</u>	<u>\$ 31,868,716</u>

During the period ended December 31, 2019, the Township did not hold any investments. The carrying amount of the Township's cash and cash equivalents at December 31, 2019, was \$31,868,716 and the bank balance was \$31,551,974.

Note 11: Interfund Receivables and Payables

The following interfund balances remain on the balance sheet at December 31, 2019:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 3,946	
Animal Control Fund		\$ 1,941
Other Trust Funds		2,005
	<u>\$ 3,946</u>	<u>\$ 3,946</u>

The Current Fund interfund receivable is due from the Animal Control Fund and Other Trust Funds. The interfund payable due from the Animal Control Fund represents the statutory excess in the reserve. The interfund payable due from the Other Trust Funds represents interest due to the Current Fund.

Note 12: 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. Health benefits are provided to employees through the State of New Jersey Health Benefits Plan.

Property and Liability

The Township of East Windsor is a member of the Middlesex County Municipal Joint Insurance Fund (the "Fund"). The Fund is both an insured and self-administered group of municipalities established for the purpose of insuring against general liability, property and workers' compensation in order to keep local property taxes at a minimum.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 12: Risk Management (Cont'd)

Property and Liability (Cont'd)

As a member of the Fund, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body.

The December 31, 2019, 2018, and 2017 audit reports of the Middlesex County Municipal Joint Insurance Fund are not available as of the date of this audit. Selected financial information for the Fund as of December 31, 2016 is as follows:

Total Assets	<u>\$ 21,825,130</u>
Net Position	<u>\$ (21,343,888)</u>
Total Revenue	<u>\$ 15,716,923</u>
Total Expenses	<u>\$ 21,176,491</u>
Member Dividends	<u>\$ -0-</u>
Change in Net Position	<u>\$ (5,459,568)</u>

Financial statements for the Fund are available at the Office of the Executive Director:

Middlesex County Municipal Joint Insurance Fund  
1 Jocama Boulevard, Suite 2B  
Old Bridge, New Jersey 08857-3513  
(732) 970-1001

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the Township is required to remit employee withholdings to the State on a quarterly basis. All of the Township's claims are paid by the State.

Note 13: Open Space Trust Fund

The Open Space Trust Fund is comprised of donations for the acquisition of open space.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 14: Economic Dependency

The Township receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Township's programs and activities.

Note 15: Fixed Assets

The following schedule is a summarization of general fixed assets for the years ended December 31, 2019 and 2018:

	Balance Dec. 31, 2018	Additions	Disposals	Balance Dec. 31, 2019
Land	\$ 1,092,084			\$ 1,092,084
Buildings and Improvements	6,184,430			6,184,430
Vehicles	5,208,037			5,208,037
Machinery and Equipment	3,515,179	\$ 84,246		3,599,425
	<u>\$ 15,999,730</u>	<u>\$ 84,246</u>	<u>\$ -0-</u>	<u>\$ 16,083,976</u>

  

	Balance Dec. 31, 2017	Additions	Disposals	Balance Dec. 31, 2018
Land	\$ 1,092,084			\$ 1,092,084
Buildings and Improvements	6,244,612	\$ 10,999	\$ 71,181	6,184,430
Vehicles	5,481,536	203,772	477,271	5,208,037
Machinery and Equipment	3,634,120	91,398	210,339	3,515,179
	<u>\$ 16,452,352</u>	<u>\$ 306,169</u>	<u>\$ 758,791</u>	<u>\$ 15,999,730</u>

Note 16: Contingencies

The Township is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Township vigorously contests these lawsuits and believes the ultimate resolution would not have a material adverse effect on their financial position.

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Township as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Township officials expect such amounts, if any, to be immaterial.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 17: Other Trust Fund – Reserve for Off-Tract Improvements

The following schedule is a summarization of the Other Trust Fund Reserve for Off-Tract Improvements:

Reserve for:	2019	2018
Transportation Improvements	\$4,905,128.26	\$6,082,333.11
Detention Basins	112,897.38	112,897.38
Sidewalks	14,911.98	14,911.98
Tree Assessments	38,664.93	38,664.93
Street Lighting	26,714.32	26,714.32
Traffic Signals	40,406.34	40,406.34
	\$5,138,723.21	\$6,315,928.06

Note 18: Tax Abatements

Governmental Accounting Standards Board requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

As of December 31, 2018, the Township provides a new tax abatement to a redeveloper for a commercial Redevelopment Area in the Township pursuant to N.J.S.A. 40A:12A-1 et seq., the Local Redevelopment and Housing Law, and a financial agreement between the Township and the redeveloper for constructing a building containing approximately 634,495 square feet of warehouse and office space with parking, landscaping and site improvements. The agreement is for a period of 35 years. Effective May 1, 2018 payments under this agreement were in effect. In consideration of the Township granting the redeveloper this tax abatement, the redeveloper will be required to pay to the Township an annual service charge of an amount equal to \$1.36 per square foot of gross floor area of the building, which shall not be less than 634,495 square foot, billed on a quarterly basis on February 1, May 1, August 1 and November 1. The Annual Service Charge shall be increased on each 5 year increment in the same proportion that the Township's general tax rate increased since the last Adjustment Date, but not less than 2% nor more than 5%. This amount will be readjusted on the 5<sup>th</sup> anniversary of the Annual Service Charge Start Date, and on each 5 year anniversary thereafter until the Agreement is terminated. Land Taxes shall be separately assessed and the redeveloper be entitled to a land tax credit against the Annual Service Charge for that amount in the last 4 preceding quarterly installments. The redeveloper shall also pay an Annual Administrative Fee to the Township in addition to the Annual Service Charge. This fee shall be computed as 2% of the Annual Service Charge and payable on or before December 31<sup>st</sup> of each year. Pursuant to N.J.S.A. 40A:20-12, the Township shall remit 5% of the Annual Service Charge to Mercer County.

In the event the redeveloper fails to make the required Annual Service Charge payment, the Township reserves the right to proceed against the Project in the manner provided by Applicable Law and shall have the right to In Rem Tax Foreclosure law. Upon termination or expiration of this agreement the tax exemption for this property shall expire and the Improvement shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the Township.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 18: Tax Abatements (Cont'd)

The Township recognized revenue in the amount of \$953,778 from these annual service charges or payments in lieu of taxes which is recorded as a miscellaneous revenue anticipated in the Current Fund. The taxes which would have been paid on these properties for 2019 without the abatements would have been \$2,007,111 of which \$266,998 would have been for the local municipal tax.

Note 19: Postemployment Benefits Other Than Pension (OPEB)

State Health Benefit Local Government Retired Employees Plan

General Information about the OPEB Plan

Plan Description

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>.

Benefits Provided

The Plan provides medical and prescription drug coverage 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.

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019

(Continued)

Note 19: Postemployment Benefits Other Than Pension (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Benefits Provided (Cont'd)

The Township offers the following plans to all full-time permanent employees and eligible dependents as well as to eligible retired employees to the extent that coverage can be negotiated with carriers. As authorized under N.J.S.A 40A: 10-23, retirees are eligible if (1) they have retired on a disability pension, after the original effective date (August 4, 1998) of this Policy #V-2 (adopted by Ordinance 1998-12), or (2) they have worked for the Township for at least 20 years, and have retired after 25 years or more of service credit in a State of locally administered retirement system, or (3) they have worked for the Township for at least 20 years, and have reached the age of 62 years or older, or (4) they were hired prior to October 30, 2009. Health benefits for retirees shall not be provided to employee hired on or after October 30, 2009.

Contributions

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.

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. For New Jersey local governments who report under the regulatory basis of accounting, the net OPEB liability and related deferred inflows are not recorded in the financial statements and there is only note disclosure of this information. 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 EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019

(Continued)

Note 19: Postemployment Benefits Other Than Pension (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

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 expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (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 were rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

OPEB Expense

The total OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.

At June 30, 2019, the Township had a liability of \$18,532,786 for its proportionate share of the net OPEB liability. At June 30, 2019, the Township's proportion was .136813% which was a decrease of .0061% from its proportion measured as of June 30, 2018. Additionally, the State's proportionate share of the net OPEB liability attributable to the Township at June 30, 2019 was \$7,784,798. At June 30, 2019, the State's proportion related to the Township was .140883%. This is the percentage of the total State Share of the net OPEB liability of the Plan.

For the year ended June 30, 2019 the Township's OPEB benefit as determined by the State of New Jersey Division of Pensions and Benefits was \$666,096. Additionally, during the year ended June 30, 2019, the State of New Jersey's OPEB expense related to the Township was \$103,189.

The Township's actual post retirement payments in 2019 for 8 retiree employees were \$75,140.26.

Actuarial Assumptions and Other Inputs

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

TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 19: Postemployment Benefits Other Than Pension (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Actuarial Assumptions and Other Inputs (Cont'd)

Inflation Rate	2.50%
Salary Increases*:	
Public Employees' Retirement System (PERS)	
Initial fiscal year applied	
Rate through 2026	2.00% - 6.00%
Rate thereafter	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 15.25%

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

Mortality:

PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially is 5.7% and decreases to a 4.5% long term trend rate after eight years. For post 65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 is reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long term rate after eight years.

Discount Rate

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



TOWNSHIP OF EAST WINDSOR  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2019  
(Continued)

Note 19: Postemployment Benefits Other Than Pension (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Sensitivity of the Net OPEB Liability Attributable to the Township to Changes in the Discount Rate

The following presents the net OPEB Liability of the Township as of June 30, 2019, calculated using the discount rate as disclosed in this note, as well as what the net OPEB Liability of the Township would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (2.50%)	Current Discount Rate (3.50%)	At 1% Increase (4.50%)
Net OPEB Liability Attributable to the Township	\$ 21,428,615	\$ 18,532,786	\$ 16,179,542

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

The following presents the net OPEB Liability of the Township as of June 30, 2019, calculated using the healthcare trend rate as disclosed in this note, as well as what the net OPEB Liability of the Township would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability Attributable to the Township	\$ 15,639,388	\$ 18,532,786	\$ 22,223,803

Note 20: Subsequent Event

The COVID-19 outbreak in the United States in 2020 and specifically in New Jersey has caused disruption of the Township's normal financial operations in 2020. Although COVID-19 will not have an impact on the 2019 financial results, accounting requirements include disclosing certain events subsequent to the balance sheet date that could impact future operations, 2020 and beyond, of the entity. Although, the impact on the Township's operations cannot be reasonably estimated at this date, it is likely that there will be an impact on revenues and possibly tax collections in the Operating Funds.

TOWNSHIP OF EAST WINDSOR

SUPPLEMENTARY DATA

**TOWNSHIP OF EAST WINDSOR**  
**OFFICIALS IN OFFICE AND SURETY BONDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

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

Name	Title	Amount of Bond
Janice S. Mironov	Mayor	
Marc Lippman	Deputy Mayor	
Denise A. Daniels	Councilwoman	
Alan Rosenberg	Councilman	
Perry M. Shapiro	Councilman	
Peter V. Yeager	Councilman	
John H. Zoller	Councilman	
Richard Brand	Township Manager	(B)
Laurie Finger	Chief Financial Officer	(A)
Anne M. Blake	Tax Collector	(A)
David Levy	Tax Assessor	(B)
Kelly Lettera	Township Clerk	
David Larkin	Director of Inspections/ Construction Official	(B)
David E. Orron	Township Attorney	
Robert Janzekovich	Township Prosecutor	
Edward H. Herman	Magistrate	(B)
Kelli Hand	Court Administrator	(B)
Jennifer Cortes	Deputy Court Administrator	(B)

(A) Surety bond coverage is provided as follows:

Municipal Excess Liability Joint Insurance Fund - \$1,000,000

(B) All employees, who are not specifically bonded, are covered under \$50,000 and \$950,000 Faithful Performance Bonds provided by Middlesex County Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund, respectively.

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
CURRENT FUND

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**SCHEDULE OF CASH**

	<u>Ref.</u>	
Balance December 31, 2018	A	\$ 12,778,697.65
Increased by Receipts:		
Tax Collector	\$ 95,576,964.16	
Revenue Accounts Receivable	5,820,956.38	
Miscellaneous Revenue Not Anticipated	236,703.67	
Petty Cash Returned	1,000.00	
Interest on Investments and Deposits	559,488.62	
Due Federal and State Grant Fund:		
Interfund Returned	5,011.05	
Due Other Trust Funds:		
Interest	23,291.27	
Due Animal Control Fund:		
Interfund Returned	356.81	
Due State of New Jersey:		
Senior Citizens' and Veterans' Deductions	79,568.51	
Marriage License Fees	4,000.00	
DCA Training Fees	44,995.00	
Appropriation Refunds	964,041.94	
	<hr/>	<hr/>
		103,316,377.41
		116,095,075.06
Decreased by Disbursements:		
2019 Appropriation Expenditures	19,463,908.66	
2018 Appropriation Reserve Expenditures	1,168,661.10	
Petty Cash Advanced	1,250.00	
Regional School Taxes	59,532,399.00	
County Taxes	20,178,753.54	
Special Garbage District Taxes	2,289,083.81	
Accounts Payable	86,177.57	
Due State of New Jersey:		
Marriage License Fees	3,900.00	
DCA Training Fees	42,577.00	
Refund of:		
Tax Overpayments	4,576.01	
	<hr/>	<hr/>
		102,771,286.69
Balance December 31, 2019	A	<u>\$ 13,323,788.37</u>

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**SCHEDULE OF CASH - COLLECTOR**  
**YEAR ENDED DECEMBER 31, 2019**

## Increased by Receipts:

Taxes Receivable	\$ 92,894,772.16	
Tax Title Liens	3,034.67	
Interest and Costs on Taxes	156,654.95	
2019 Prepaid Taxes	1,074,623.45	
Tax Overpayments	6,837.69	
Payment in Lieu of Taxes:		
Saint James Village Senior Citizen Complex	149,392.59	
Wheaton Pointe	24,743.87	
Exeter	779,641.92	
Prepaid Payment in Lieu of Taxes - Exeter	389,820.96	
Prepaid Payment in Lieu of Taxes Due County - Exeter	61,550.67	
Miscellaneous Revenue Not Anticipated	35,891.23	
		\$ 95,576,964.16
Tax Sale Premiums	123,900.00	
Outside Liens	353,409.28	
		477,309.28
		96,054,273.44
Decreased by:		
Payments to Municipal Treasurer	95,576,964.16	
Payments to Other Trust Fund	477,309.28	
		\$ 96,054,273.44

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**SCHEDULE OF CASH - GRANT FUNDS**

	<u>Ref.</u>		
Balance December 31, 2018	A		\$ 128,663.93
Increased by Receipts:			
Grants Receivable		\$ 343,095.52	
Unappropriated Grant Funds Received		30,771.60	
Appropriation Refunds		5,709.77	
			379,576.89
			508,240.82
Decreased by Disbursements:			
Current Year Expenditures		258,699.16	
Prior Year Encumbrances		54,695.42	
Due Current Fund:			
Grant Balances Cancelled, Net		5,011.05	
			318,405.63
Balance December 31, 2019	A		\$ 189,835.19

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

Year	Balance		2019 Levy		Collections		State of NJ Senior Citizens' and Veterans' Deductions	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2019
	Dec. 31, 2018	2018	2019	2019	2018	2019				
2018	\$ 566,255.74		\$ 94,090,205.39	\$ 1,057,209.13	\$ 568,382.63	\$ (3,810.95)	\$ 0.01	\$ 1,434.05	\$ 250.00	
2019			\$ 94,090,205.39	\$ 1,057,209.13	\$ 92,326,389.53	\$ 86,208.23	\$ 35,041.34	\$ 20,304.14	\$ 565,053.02	
	\$ 566,255.74	\$ 94,090,205.39	\$ 94,090,205.39	\$ 1,057,209.13	\$ 92,894,772.16	\$ 82,397.28	\$ 35,041.35	\$ 21,738.19	\$ 565,303.02	

A

Ref. A  
Analysis of 2019 Property Tax Levy

Tax Yield:	
General Purpose Tax	\$ 93,791,072.33
Business Personal Property Taxes	152,303.70
Added and Omitted Taxes	146,829.36
	<u>\$ 94,090,205.39</u>

Tax Levy:	
Regional School District Taxes	\$ 59,532,399.00
Special Garbage District Taxes	2,289,083.81
County Taxes:	
General Tax	\$ 17,427,739.85
Library Tax	1,751,791.71
Open Space Tax	741,043.11
Due County for Added and Omitted Taxes	31,261.39
	<u>19,951,836.06</u>
	<u>81,773,318.87</u>

Local Tax for Municipal Purposes Levied	12,190,584.00
Add: Additional Tax Levied	<u>126,302.52</u>
	<u>12,316,886.52</u>
	<u>\$ 94,090,205.39</u>



**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**SCHEDULE OF TAX TITLE LIENS**

	<u>Ref.</u>	
Balance December 31, 2018	A	\$ 236,953.82
Increased by:		
Transfer from Taxes Receivable		\$ 21,738.19
Municipal Utility Authority Lien		314.52
Interest and Costs Accrued at Tax Sale		351.93
		<hr/>
		22,404.64
		<hr/>
		259,358.46
Decreased by:		
Cash Collections		3,034.67
		<hr/>
		3,034.67
		<hr/>
Balance December 31, 2019	A	<u><u>\$ 256,323.79</u></u>

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

	Balance	Accrued in	Collected by		Balance
	Dec. 31, 2018	2019	Collector	Treasurer	Dec. 31, 2019
Licenses:					
Alcoholic Beverages		\$ 33,502.00		\$ 33,502.00	
Other		69,470.00		69,470.00	
Fees and Permits - Other		611,836.82		611,836.82	
Municipal Court:					
Fines and Costs	\$ 41,289.74	417,998.06		434,248.12	\$ 25,039.68
Energy Receipts Tax		3,517,385.00		3,517,385.00	
Uniform Construction Code Fees		438,078.00		438,078.00	
Shared Service Agreements - Animal Control		30,877.00		30,877.00	
Shared Service Agreements - Senior Center		54,356.78		54,356.78	
Shared Service Agreements - Dispatching		183,640.00		183,640.00	
Saint James Village Senior Citizen Complex		149,392.59	\$ 149,392.59		
Wheaton Pointe - In Lieu of Taxes		24,743.87	24,743.87		
Exeter - In Lieu of Taxes		779,641.92	779,641.92		
Life Hazard Use Payments		76,614.29		76,614.29	
General Capital Fund Surplus		122,810.00		122,810.00	
Hotel Tax		241,414.87		241,414.87	
Farm Leases		6,723.50		6,723.50	
	<u>\$ 41,289.74</u>	<u>\$ 6,758,484.70</u>	<u>\$ 953,778.38</u>	<u>\$ 5,820,956.38</u>	<u>\$ 25,039.68</u>

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**TOWNSHIP OF EAST WINDSOR**  
**FEDERAL AND STATE GRANT FUND**  
**SCHEDULE OF GRANTS RECEIVABLE**

Grant Description	Balance Dec. 31, 2018	Accrued in 2019	Received	Cancelled to Current Fund Operations	Balance Dec. 31, 2019
Drunk Driving Enforcement Fund		\$ 12,553.13	\$ 12,553.13		
Municipal Alliance on Alcoholism and Drug Abuse	\$ 21,844.00		21,404.00		\$ 440.00
Clean Communities Grant		53,739.84	53,739.84		
New Jersey Transit Operating Bus Shuttle	150,000.00	150,000.00	148,949.83	\$ 1,050.17	150,000.00
New Jersey Transit Operating Bus Shuttle - Local Match		28,000.00	28,000.00		
Recycling Tonnage Grant		31,365.87	31,365.87		
Bullet Proof Vest Partnership Grant	3,557.01	4,253.11	2,499.45		5,310.67
Drive Sober or Get Pulled Over	5,500.00	5,500.00	5,500.00		5,500.00
Body Armor Replacement Fund		8,697.06	4,503.94		4,193.12
Bus Grant Matching Share:					
Mercer County	10,400.00	10,400.00	10,400.00		10,400.00
Hightstown		2,180.00	2,180.00		
Small Cities Grant	38,445.00				38,445.00
Click It or Ticket		5,500.00	5,500.00		
Distracted Driving Crackdown		5,500.00	5,500.00		
Child Passenger Safety Grant		12,000.00	5,999.46		6,000.54
Sustainable NJ Etra Park		10,000.00	5,000.00		5,000.00
2019 Mercer Play Round 2		950,000.00			950,000.00
	<u>\$ 229,746.01</u>	<u>\$ 1,289,689.01</u>	<u>\$ 343,095.52</u>	<u>\$ 1,050.17</u>	<u>\$ 1,175,289.33</u>

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Original Budget	\$ 12,580.00
Added by NJS A 40A:4-87	1,249,109.01
Local Matching Funds	<u>28,000.00</u>
	<u>\$ 1,289,689.01</u>

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**SCHEDULE OF 2018 APPROPRIATION RESERVES**  
**YEAR ENDED DECEMBER 31, 2019**

	Balance Dec. 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
GENERAL GOVERNMENT:				
Manager's Office:				
Salaries & Wages	\$ 15,045.90	\$ 15,045.90		\$ 15,045.90
Other Expenses	43,426.98	43,426.98	\$ 17,387.43	26,039.55
Human Resources:				
Other Expenses	10,268.00	10,268.00	2,686.00	7,582.00
Township Council:				
Salaries & Wages	7.28	7.28		7.28
Other Expenses	1,212.34	1,212.34	490.00	722.34
Municipal Clerk:				
Salaries & Wages	23,562.27	23,562.27		23,562.27
Other Expenses	12,494.97	12,494.97	5,460.25	7,034.72
Elections:				
Salaries & Wages				
Other Expenses	1,925.00	1,925.00		1,925.00
Financial Administration:				
Salaries & Wages	706.39	706.39		706.39
Other Expenses	6,965.90	6,965.90	5,062.81	1,903.09
Annual Audit	23,500.00	23,500.00	23,500.00	
Data Processing:				
Other Expenses	30,400.59	30,400.59	20,637.18	9,763.41
Tax Collection (Revenue Administration):				
Salaries & Wages	3,292.32	3,292.32		3,292.32
Other Expenses	4,150.64	4,150.64	2,167.29	1,983.35
Tax Assessment Administration:				
Salaries & Wages	1.18	1.18		1.18
Other Expenses	1,065.12	1,065.12	290.04	775.08
Legal Services and Costs:				
Salaries & Wages	2,499.96	2,499.96		2,499.96
Other Expenses	51,315.50	51,315.50	4,062.50	47,253.00
Engineering Services and Costs:				
Salaries & Wages	0.02	0.02		0.02
Other Expenses	3,435.00	3,435.00	2,588.75	846.25
Economic Development:				
Other Expenses	4,925.00	4,925.00		4,925.00
Transportation Commission:				
Other Expenses	500.00	500.00		500.00
Land Use Administration:				
Planning Board:				
Salaries & Wages	886.20	886.20		886.20
Other Expenses	13,197.09	13,197.09	13,119.99	77.10
Board of Adjustment:				
Other Expenses	4,788.18	4,788.18	4,700.00	88.18
Insurance:				
Liability Insurance	15,063.44	15,063.44		15,063.44
Employee Group Insurance	484,927.03	484,927.03	167,871.32	317,055.71

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**SCHEDULE OF 2018 APPROPRIATION RESERVES**  
**YEAR ENDED DECEMBER 31, 2019**  
**(Continued)**

	Balance Dec. 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
<b>PUBLIC SAFETY:</b>				
Police:				
Salaries & Wages	\$ 362,550.07	\$ 362,550.07	\$ 179,222.83	\$ 183,327.24
Other Expense - Uniform Service	191,390.48	191,390.48	186,296.53	5,093.95
Other Expense - Investigative Service	12,769.49	12,769.49	4,756.75	8,012.74
Other Expense - Crime Prevention	4,410.00	4,410.00	4,410.00	
Other Expense - General Administration	45,004.69	45,004.69	30,481.82	14,522.87
Other Expense - Support Service	7,325.49	7,325.49	4,617.68	2,707.81
Other Expense - Training	48,112.76	48,112.76	24,057.46	24,055.30
Police Communications:				
Other Expense	5,216.24	5,216.24	3,306.50	1,909.74
Office of Emergency Management				
Other Expenses	625.00	625.00		625.00
Daytime EMS Services:				
Other Expenses	10,200.00	10,200.00	10,200.00	
Aid to Volunteer Fire Companies:				
Other Expenses	32,285.22	32,285.22	31,316.44	968.78
Aid to Volunteer Ambulance Companies:				
Other Expenses - Contributions				
Other Expenses - Miscellaneous	45,707.91	51,707.91	46,296.14	5,411.77
Fire Prevention:				
Salaries & Wages	138.11	2,638.11		2,638.11
Other Expenses	4,412.79	4,412.79	4,093.32	319.47
Fire:				
Other Expenses	27,420.03	27,420.03	26,709.49	710.54
Municipal Court:				
Salaries & Wages	1,324.29	1,324.29	1,323.86	0.43
Other Expenses	26,995.35	26,995.35	11,318.15	15,677.20
Public Defender:				
Salaries & Wages	4,500.00	4,500.00	4,500.00	
Municipal Prosecutor:				
Salaries & Wages	0.69	0.69		0.69
Juvenile Conference Bureau:				
Salaries & Wages	1,065.54	1,065.54	313.80	751.74
Other Expenses	325.00	325.00		325.00
<b>PUBLIC WORKS FUNCTIONS:</b>				
Road Repairs and Maintenance:				
Salaries & Wages	62,620.46	34,620.46	11,350.03	23,270.43
Other Expenses	35,528.20	37,028.20	35,110.54	1,917.66
Public Works Administration:				
Salaries & Wages	11,466.84	11,466.84		11,466.84
Other Expenses	7,667.46	7,667.46	1,453.30	6,214.16
Snow Operating Expenses	30,000.00	30,000.00	17,654.73	12,345.27
Public Building and Grounds - Ward Street:				
Other Expenses	738.00	738.00	713.40	24.60
Municipal Complex:				
Salaries & Wages	404.37	404.37		404.37
Other Expenses	13,244.95	13,244.95	4,952.73	8,292.22

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**SCHEDULE OF 2018 APPROPRIATION RESERVES**  
**YEAR ENDED DECEMBER 31, 2019**

(Continued)

	Balance Dec. 31, 2018	Balance After Modification		Balance Lapsed
<b>PUBLIC WORKS FUNCTIONS (Cont'd):</b>				
Police Building:				
Salaries & Wages	\$ 2,424.52	\$ 2,424.52		\$ 2,424.52
Other Expenses	18,184.40	18,184.40	\$ 14,419.90	3,764.50
Senior Center:				
Salaries & Wages	16,253.31	16,253.31		16,253.31
Other Expenses	14,394.05	14,394.05	2,697.75	11,696.30
<b>STREETS AND ROADS:</b>				
Vehicle Maintenance:				
Salaries & Wages	14,139.57	14,139.57		14,139.57
Other Expenses - Police Vehicles	60,390.70	60,390.70	12,906.45	47,484.25
Other Expenses - Administrative Vehicles	15,627.05	15,627.05	6,464.44	9,162.61
Other Expenses - Public Works Vehicles	2,047.66	2,047.66	1,784.29	263.37
Condominium Community Costs:				
Other Expenses	5,401.09	5,401.09	5,401.09	
<b>HEALTH AND HUMAN SERVICES:</b>				
Board of Health:				
Salaries & Wages - Regular	8,431.41	8,431.41		8,431.41
Other Expenses	22,145.03	22,145.03	17,189.79	4,955.24
Other Expenses - Education	400.00	400.00		400.00
Other Expenses - Public Health Nurse	18,280.90	18,280.90	12,602.30	5,678.60
Other Expenses - Communicable Diseases	9,000.00	9,000.00	6,000.00	3,000.00
Other Expenses - Environmental Services	322.00	322.00	235.50	86.50
Environmental Commission (N.J.S. 40:56A-1 et seq):				
Other Expenses	576.16	576.16	490.00	86.16
Animal Control:				
Other Expenses	3,427.55	3,427.55	1,082.42	2,345.13
Administration of Public Assistance:				
Salaries & Wages	0.42	0.42		0.42
Other Expenses	625.00	625.00		625.00
Contributions to Social Services Agencies:				
Other Expenses	32,250.00	32,250.00	32,250.00	
<b>PARK AND RECREATION FUNCTIONS:</b>				
Recreation Department:				
Salaries & Wages	1,837.68	1,837.68		1,837.68
Commission on Aging:				
Other Expenses	475.00	475.00		475.00
Senior Center:				
Salaries & Wages	2,223.10	2,223.10		2,223.10
Other Expenses	10,719.26	10,719.26	9,445.22	1,274.04
Maintenance of Parks:				
Salaries & Wages	39,749.37	39,749.37		39,749.37
Other Expenses	38,722.97	38,722.97	3,851.39	34,871.58
<b>UNIFORM CONSTRUCTION CODE:</b>				
State Uniform Construction Code:				
Salaries & Wages	28,338.58	18,338.58	3,964.98	14,373.60
Other Expenses	1,850.71	1,850.71	773.98	1,076.73

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**SCHEDULE OF 2018 APPROPRIATION RESERVES**  
**YEAR ENDED DECEMBER 31, 2019**

(Continued)

	Balance Dec. 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
UNCLASSIFIED:				
Health Benefit Waiver	\$ 15,010.18	\$ 15,010.18		\$ 15,010.18
Utilities:				
Electricity	7,107.44	35,107.44	\$ 30,153.43	4,954.01
Street Lighting	21,627.83	21,627.83	8,723.65	12,904.18
Telephone	13,521.45	13,521.45	8,420.02	5,101.43
Gas	23,387.00	23,387.00	10,059.90	13,327.10
Fuel Oil	3,298.01	3,298.01	430.06	2,867.95
Gasoline	53,250.38	53,250.38	34,489.69	18,760.69
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS":				
Statutory Expenditures:				
Contributions to:				
Public Employees' Retirement System	11,028.62	11,028.62	7,194.64	3,833.98
Social Security System (O.A.S.I.)	117,495.14	117,495.14	13,932.88	103,562.26
Police and Firemen's Retirement System	31,162.00	31,162.00	4,007.74	27,154.26
Defined Contribution Retirement Plan	2,440.63	2,440.63		2,440.63
NJ Unemployment Insurance	12,093.78	12,093.78	1,615.55	10,478.23
Operations Excluded from "CAPS":				
Length of Service Award Program:				
Other Expenses	75,000.00	75,000.00	67,850.00	7,150.00
SHARED SERVICE AGREEMENTS:				
Senior Center:				
Other Expenses	174.00	174.00		174.00
Animal Control:				
Salaries and Wages	2,802.92	2,802.92		2,802.92
Public and Private Programs Offset by Revenues Matching Funds for Grants	3,500.00	3,500.00		3,500.00
	<u>\$ 2,514,148.60</u>	<u>\$ 2,514,148.60</u>	<u>\$ 1,232,916.12</u>	<u>\$ 1,281,232.48</u>

Analysis of Balance December 31, 2018:

	<u>Ref.</u>	
Unencumbered	A	\$ 1,588,608.22
Encumbered	A	925,540.38
		<u>\$ 2,514,148.60</u>

Cash Disbursed	\$ 1,168,661.10
Accounts Payable	64,255.02
	<u>\$ 1,232,916.12</u>

**TOWNSHIP OF EAST WINDSOR**  
**CURRENT FUND**  
**SCHEDULE OF REGIONAL SCHOOL DISTRICT TAXES PAYABLE**  
**YEAR ENDED DECEMBER 31, 2019**

Increased by:		
Levy - Calendar Year 2019	\$	59,532,399.00
Decreased by:		
Payments to Regional School District	\$	<u>59,532,399.00</u>



**TOWNSHIP OF EAST WINDSOR  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF APPROPRIATED RESERVES**

Grant Description	Balance Dec. 31, 2018	Transferred from 2019 Budget Appropriations	Expended	Canceled to Current Fund Operations	Balance Dec. 31, 2019
Drunk Driving Enforcement Fund	\$ 21,812.49	\$ 12,553.13	\$ 9,074.83		\$ 25,290.79
Municipal Alliance on Alcoholism and Drug Abuse	11,404.00		11,404.00		
Clean Communities Grant	63,546.01	53,739.84	52,499.00		64,786.85
NJ Transit Operating Bus Shuttle:					
Grant Funds	62,736.58	150,000.00	154,591.85	\$ 6,061.22	52,083.51
Matching Funds	32,430.04	28,000.00	2,695.12		57,734.92
Recycling Tonnage Grant		31,365.87	31,365.00		0.87
Target NNO Grant	1,000.00		1,000.00		
Bullet Proof Vest Partnership Grant	26,921.68	4,253.11	12,614.38		18,560.41
Drive Sober or Get Pulled Over	2,983.17	5,500.00	5,318.11		3,165.06
Body Armor Replacement Fund	1,230.92	8,697.06	1,230.92		8,697.06
Bus Grant Matching Share:					
Mercer County	21,258.33	10,400.00	6,163.04		25,495.29
Hightstown	4,451.67	2,180.00	(57.09)		6,688.76
Small Cities Grant	38,445.00				38,445.00
Stormwater Management Grant	5,494.63				5,494.63
Click It or Ticket		5,500.00	5,500.00		
Distracted Driving Crackdown		5,500.00	5,500.00		
Child Passenger Safety Grant		12,000.00	5,999.46		6,000.54
Sustainable NJ Etra Park		10,000.00			10,000.00
2019 Mercer Play Round 2		950,000.00	201,605.00		748,395.00
Transportation Bus Grant - Mercer County	10,000.00				10,000.00
	<u>\$ 303,714.52</u>	<u>\$ 1,289,689.01</u>	<u>\$ 506,503.62</u>	<u>\$ 6,061.22</u>	<u>\$ 1,080,838.69</u>

	<u>Ref.</u>	A	A
Original Budget		\$ 12,580.00	
Added by NJSA 40A:4-87		1,249,109.01	
Local Matching Funds		<u>28,000.00</u>	
		<u>\$ 1,289,689.01</u>	
Cash Disbursed			\$ 258,699.16
Encumbrances Payable			<u>253,514.23</u>
			512,213.39
Less: Appropriation Refunds			<u>5,709.77</u>
			<u>\$ 506,503.62</u>

**TOWNSHIP OF EAST WINDSOR**  
**FEDERAL AND STATE GRANT FUND**  
**SCHEDULE OF UNAPPROPRIATED RESERVES**

Grant Description	Received	Balance Dec. 31, 2019
Recycling Tonnage Grant	\$ 30,771.60	\$ 30,771.60
	\$ 30,771.60	\$ 30,771.60
	<u>Ref.</u>	A

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
TRUST FUNDS

**TOWNSHIP OF EAST WINDSOR**  
**TRUST FUNDS**  
**SCHEDULE OF CASH - TREASURER**

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2018	B	\$ 24,955.41	\$ 15,404,876.28
Increased by Receipts:			
Animal Control License Fees:			
Dog License Fees		\$ 10,388.00	
State Dog License Fees		1,100.40	
Late, Impound and Boarding Fees		279.00	
Animal Shelter		100.00	
Due Current Fund:			
Interest Income			\$ 3,467.10
Municipal Escrow Interest			21,828.95
Deposits and Interest:			
Special Duty Police Services:			
Prepaid			114,209.21
Administration & Vehicle Fees			29,078.89
Escrow Funds			585,391.80
Elevator Inspections			14,893.00
Forfeited Property Fund			581.99
Mayor's Trust			1,164.00
Open Space Contribution			11,200.00
Municipal Court:			
Parking Offense Adjudication Act			934.50
Public Defender Fees			33,522.50
Tax Sale Premiums			123,900.00
Third Party Lien Redemption			353,409.28
Recreation Commission			475,778.00
Senior's Program			100.00
Sick Leave			150,000.00
Uniform Fire Safety Act Penalties			3,000.00
Affordable Housing			650,643.17
Off-Tract Improvements:			
Transportation Improvements			30,193.75
		<u>11,867.40</u>	<u>2,603,296.14</u>
		36,822.81	18,008,172.42

**TOWNSHIP OF EAST WINDSOR**  
**TRUST FUNDS**  
**SCHEDULE OF CASH - TREASURER**  
**(Continued)**

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Decreased by Disbursements:			
Administrative Expenses	\$	10,646.00	
Due to State of New Jersey		1,341.00	
Due Current Fund:			
Interest Income			\$ 3,467.10
Interfund Returned		356.81	
Municipal Escrow Interest			19,824.17
Refunds, Charges and Withdrawals:			
Special Duty Police Services:			
Prepaid			103,234.04
Administration & Vehicle Fees			28,830.18
Escrow Funds			286,129.98
Elevator Inspections			6,592.00
Mayor's Trust			2,000.00
Open Space Contribution			14,375.00
Municipal Court:			
Parking Offense Adjudication Act			894.50
Public Defender Fees			29,500.05
Tax Sale Premiums			173,800.00
Third Party Lien Redemption			399,271.48
Recreation Commission			442,709.63
Sick Leave			162,826.90
Affordable Housing			14,624.69
Off-Tract Improvements:			
Transportation Improvements			1,207,398.60
		<u>\$ 12,343.81</u>	<u>\$ 2,895,478.32</u>
Balance December 31, 2019	B	<u>\$ 24,479.00</u>	<u>\$ 15,112,694.10</u>

**TOWNSHIP OF EAST WINDSOR**  
**ASSESSMENT TRUST FUND**  
**ANALYSIS OF CASH**  
**YEAR ENDED DECEMBER 31, 2019**

NOT APPLICABLE

**TOWNSHIP OF EAST WINDSOR**  
**ANIMAL CONTROL FUND**  
**SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES**

	<u>Ref.</u>	
Balance December 31, 2018	B	\$ 24,346.00
Increased by:		
Animal Control Fees:		
Dog Licenses		\$ 10,388.00
Late, Impound and Boarding Fees		<u>379.00</u>
		<u>10,767.00</u>
		<u>35,113.00</u>
Decreased by:		
Animal Control Expenditures		10,646.00
Statutory Excess Due to Current Fund		<u>1,941.00</u>
		<u>12,587.00</u>
Balance December 31, 2019	B	<u><u>\$ 22,526.00</u></u>

License Fees Collected:

<u>Year</u>	
2017	\$ 11,858.00
2018	<u>10,668.00</u>
Maximum Allowable Reserve	<u><u>\$ 22,526.00</u></u>

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
GENERAL CAPITAL FUND



**TOWNSHIP OF EAST WINDSOR**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF CASH**

	<u>Ref.</u>	
Balance December 31, 2018	C	\$ 2,023,704.14
Increased by Receipts:		
Grants Receivable		\$ 1,012,584.92
Budget Appropriation - Capital Improvement Fund		75,000.00
Bond Anticipation Note Proceeds		400,000.00
Capital Fund Balance - Premium on Sale of Bond Anticipation Notes		74,536.50
Capital Fund Balance - Premium on Bond Refunding		6,117.25
		1,568,238.67
		3,591,942.81
Decreased by Disbursements:		
Improvement Authorization Expenditures		1,126,242.53
Prior Year Encumbrances		479,007.13
Anticipated in Current Fund:		
Capital Fund Balance		122,810.00
		1,728,059.66
Balance December 31, 2019	C	\$ 1,863,883.15

TOWNSHIP OF EAST WINDSOR  
GENERAL CAPITAL FUND  
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2018		Receipts		Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2019	
			Bond Anticipation Notes	Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
Fund Balance	\$	422,810.00		\$	80,653.75		\$			\$	380,653.75
Capital Improvement Fund		108,920.93		\$	75,000.00			70,911.00			113,009.93
Grants Receivable		(1,488,236.00)			1,012,584.92			801,000.00			(1,276,651.08)
Reserve for:											
Purchase of Open Space		88.49									88.49
Sale of Assets		10,580.00									10,580.00
Ward Street Building		64,427.75									64,427.75
Installation of Traffic Light		6,050.00									6,050.00
Road Repair - Twin Rivers Drive North		820.60									820.60
Encumbrances		1,182,144.08						47,795.38	\$	349,059.64	1,004,401.21
Payment of Debt Service		4,130.17									4,130.17
Ord. Date											
11/01/94											
05/05/98											
06/27/00;											
08/06/02											
03/06/01;											
03/12/02											
11/07/01											
06/05/02											
05/18/04											
12/07/04											
02/07/06											
04/10/07											
09/11/07											
02/12/08											
09/02/09											
07/26/11											
03/07/12;											
02/19/13											
05/01/12											
Various Capital Improvements and Purchases		25,090.03									25,090.03
Various Capital Improvements and Purchases		8,500.00									8,500.00
Acquisition of the Millstone and Bear Brook Site for Open Space		(0.65)									(0.65)
Various Capital Improvements		(0.61)									(0.61)
Various Capital Improvements		94,533.00									94,533.00
Acquisition of Land for Use as Open Space		(0.73)									(0.73)
Various Capital Improvements		33,332.97									33,332.97
Various Capital Improvements		0.25									0.25
Various Capital Improvements		73,821.50						12,438.80			73,821.50
Repair Bear Brook Pathway											
Various Capital Improvements		3,530.00									3,530.00
Various Capital Improvements		5,000.00									5,000.00
Various Capital Improvements		189,638.73									189,638.73
Various Capital Improvements		40,931.06									40,931.06
Acquisition of Open Space		135,000.00									135,000.00

**TOWNSHIP OF EAST WINDSOR**  
**GENERAL CAPITAL FUND**  
**ANALYSIS OF CASH**  
**(Continued)**

Ord. Date	Improvement Authorizations	Balance/ (Deficit) Dec. 31, 2017	Receipts			Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2018
			Bond Anticipation Notes	Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
06/11/13	Various Capital Improvements	\$ 474,813.84		\$		3,000.00					\$ 471,813.84
12/17/13	Various Capital Improvements	121,363.12				3,864.23					120,698.89
11/11/14	Various Capital Improvements	62,793.09								\$ 19,449.50	43,343.59
03/17/15	Parks and Playground Equipment	0.08	\$ 10,199.00			10,198.85				4,975.55	5,982.68
06/02/15	Various Road Improvements	41,296.00									41,296.00
10/13/15	HVAC Improvements	65,288.53									65,288.53
10/13/16	Various Capital Improvements	137,118.63	24,129.00			27,228.22					164,629.21
02/14/17	Various Capital Improvements	27,419.10				5,082.13				10,079.46	2,797.58
12/05/17	Various Road Improvements	172,500.18				286,356.21				60,535.23	(174,161.26)
02/12/19	Various Capital Improvements		365,672.00			790,512.89				241,581.10	205,489.01
		\$ 2,023,704.14	\$ 400,000.00	\$ 75,000.00	\$ 1,093,238.67	\$ 1,126,242.53	\$ 601,817.13	\$ 1,268,766.02	\$ 1,268,766.02	\$ 1,268,766.02	\$ 1,863,883.15

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

Ordinance Date	Improvement Description	Balance Dec. 31, 2018	2019 Improvement Authorizations	Notes Paid by Budget Appropriation	Bonds Issued	Improvement Authorizations Canceled	Balance Dec. 31, 2019	Analysis of Balance December 31, 2019	
								Financed by Bond Anticipation Notes	Unexpended Improvement Authorizations
06/27/00;	Improvement of the Millstone and Bear Brook Site for Open Space	\$ 135,712.65					\$ 135,712.65	\$ 135,712.00	\$ 0.65
08/06/02	Various Capital Improvements	610,150.61					610,150.61	610,150.00	0.61
03/06/01;	Acquisition of Land for Use as Open Space	108,788.73					108,788.73	108,788.00	0.73
05/18/04	Various Capital Improvements	66,849.77		\$ 43,312.00			23,537.77	20,703.00	0.75
02/07/06	Acquisition of Land	125,900.00		1,690.00			124,210.00	124,210.00	
11/28/06	Repair Bear Brook Pathway	42,650.00		3,684.00			38,966.00	38,966.00	
09/11/07	Various Capital Improvements	399,400.00		23,150.00			376,250.00	376,250.00	
07/26/11	Various Capital Improvements	886,640.64		81,156.00			805,484.64	783,096.00	22,388.64
03/07/12;									
02/19/13	Various Capital Improvements	980,650.00		80,630.00			900,020.00	929,371.00	(29,351.00)
05/01/12	Acquisition of Open Space	807,000.00				\$ 269,000.00	538,000.00	538,000.00	
06/11/13	Various Capital Improvements	492,630.00		30,590.00			462,040.00	462,040.00	
12/17/13	Various Capital Improvements	1,070,850.00		42,515.00			1,028,335.00	1,067,449.00	(39,114.00)
11/11/14	Various Capital Improvements	907,375.00		55,632.00			851,743.00	778,875.00	72,868.00
03/17/15	Parks and Playground Equipment	100,000.00		3,612.00			96,388.00	84,508.00	11,880.00
06/02/15	Various Road Improvements	556,520.00		24,772.00			531,748.00	449,244.00	82,504.00
10/13/15	HVAC Improvements	361,000.00		9,257.00			351,743.00	351,743.00	
07/19/16	Various Capital Improvements	2,826,039.00					2,826,039.00	2,486,463.00	339,576.00
02/14/17	Various Capital Improvements	948,100.00					948,100.00	831,982.00	116,118.00
12/05/17	Refunding Bond Ordinance	6,900,000.00			\$ 6,585,000.00				
12/05/17	Various Road Improvements	712,500.00				315,000.00	712,500.00	194,778.00	343,560.74
02/12/19	Various Capital Improvements		\$ 1,347,319.00				1,347,319.00	365,672.00	981,647.00
		\$ 19,038,756.40	\$ 1,347,319.00	\$ 400,000.00	\$ 6,585,000.00	\$ 584,000.00	\$ 12,817,075.40	\$ 10,200,000.00	\$ 174,164.00
									\$ 2,442,911.40

Ref:

C

Improvement Authorizations - Unfunded

\$ 3,807,079.03

Less: Unexpended Proceeds of Bond Anticipation Notes Issued:

- Ordinance Dated 07/26/11 - Various Capital Improvements 189,638.73
- Ordinance Dated 03/07/12; 02/19/13 - Various Capital Improvements 40,931.06
- Ordinance Dated 06/11/13 - Various Capital Improvements 471,813.84
- Ordinance Dated 12/17/13 - Various Capital Improvements 120,698.89
- Ordinance Dated 11/11/14 - Various Capital Improvements 43,344.59
- Ordinance Dated 03/17/15 - Parks and Playground Equipment 5,982.68
- Ordinance Dated 06/02/15 - Various Road Improvements 41,296.00
- Ordinance Dated 10/13/15 - HVAC Improvements 65,288.53
- Ordinance Dated 10/13/16 - Various Capital Improvements 164,629.21
- Ordinance Dated 2/14/17 - Various Capital Improvements 15,055.09

Ordinance Dated 12/05/17 - Various Road Improvements 205,489.01

1,364,167.63

\$ 2,442,911.40

**TOWNSHIP OF EAST WINDSOR  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Ord. No.	Improvement Description	Date	Ordinance	Balance Dec. 31, 2018		Capital Improvement Fund	Charges to Future Taxation - Unfunded	Other Sources	Improvement Authorizations Canceled	Encumbrances Payable Canceled	Paid or Charged	Balance Dec. 31, 2019	
				Funded	Unfunded							Funded	Unfunded
94-30	Various Capital Improvements and Purchases	11/01/94	\$ 1,360,800.00	\$ 25,090.03								\$ 25,090.03	
98-10	Various Capital Improvements and Purchases	05/05/98	983,722.00	8,500.00								8,500.00	
02-08	Various Capital Improvements	06/05/02	1,300,662.00	94,533.00								94,533.00	
04-19	Various Capital Improvements	12/07/04	1,419,505.00	33,332.97							\$ 12,438.80	20,894.17	
06-01	Various Capital Improvements	02/07/06	1,543,615.90		\$ 2,834.02								\$ 2,834.02
07-02	Various Capital Improvements	04/10/07	2,662,015.00	73,821.50								73,821.50	
08-03	Various Capital Improvements	02/12/08	1,672,300.00	3,530.00								3,530.00	
09-08	Various Capital Improvements	09/02/09	901,100.00	5,000.00								5,000.00	
11-17	Various Capital Improvements	07/26/11	1,308,100.00		212,027.37								212,027.37
12-03; 13-02	Various Capital Improvements	03/07/12; 02/19/13	1,416,860.00		11,580.06								11,580.06
12-06	Acquisition of Open Space	05/01/12	2,825,000.00	135,000.00					\$ 269,000.00			135,000.00	538,000.00
13-04	Various Capital Improvements	06/11/13	1,262,000.00	474,813.84						3,000.00			471,813.84
13-09	Various Capital Improvements	12/17/13	1,235,000.00	82,249.12					\$ 3,200.00				81,584.89
14-08	Various Capital Improvements	11/11/14	1,985,500.00	135,662.09						19,449.50			116,212.59
15-02	Parks and Playground Equipment	03/17/15	100,000.00	22,079.08					10,958.00				17,862.68
15-06	Various Road Improvements	06/02/15	900,000.00	123,800.00						15,174.40			123,800.00

TOWNSHIP OF EAST WINDSOR  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
(Continued)

Ord. No.	Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2018		Capital Improvement Fund	Other Sources	Improvement Authorizations Canceled	Encumbrances Payable Canceled	Paid or Charged	Balance Dec. 31, 2019	
				Funded	Unfunded						Funded	Unfunded
15-09	HVAC Improvements	10/13/15	\$ 380,000.00	\$ 65,288.53							\$	65,288.53
16-08	Various Capital Improvements	07/19/16	5,276,277.00	500,823.63				\$ 30,609.80		\$ 27,228.22		504,205.21
17-02	Various Capital Improvements	02/14/17	998,000.00	143,537.10				2,797.58		15,161.59		131,173.09
17-13	Bond Refunding	12/05/17	6,900,000.00	6,900,000.00			\$ 315,000.00			6,585,000.00		
17-15	Various Road Improvements	12/05/17	1,220,000.00	690,222.18				230.00		346,891.44		343,560.74
19-01	Various Capital Improvements	02/12/19	2,219,230.00		\$ 70,911.00	\$ 1,347,319.00	\$ 801,000.00			1,032,093.99		1,187,136.01
					\$ 378,807.50	\$ 10,171,917.02	\$ 801,000.00	\$ 584,000.00	\$ 47,795.38	\$ 8,060,302.17	\$ 366,368.70	\$ 3,807,079.03

Ref.	C	C
Deferred Charges to Future Taxation - Unfunded		
		\$ 584,000.00

Cash Disbursed	\$ 1,126,242.53
Bond Refunding	6,585,000.00
Encumbrances	349,059.64
	<u>\$ 8,060,302.17</u>

**TOWNSHIP OF EAST WINDSOR**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF CAPITAL IMPROVEMENT FUND**

	<u>Ref.</u>	
Balance December 31, 2018	C	\$ 108,920.93
Increased by:		
2019 Budget Appropriation		<u>75,000.00</u>
		183,920.93
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>70,911.00</u>
Balance December 31, 2019	C	<u><u>\$ 113,009.93</u></u>

**TOWNSHIP OF EAST WINDSOR**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE**

Ord. No.	Improvement Authorization	Date of				Interest Rate	Balance Dec. 31, 2018	Issued	Matured	Balance Dec. 31, 2019
		Issue	Maturity	Original Note	Issue					
02-02	Various Capital Improvements	12/06/18 12/05/19	12/06/19 12/04/20	12/07/17	3.500% 2.000%	\$ 610,150.00	\$ 610,150.00	\$ 610,150.00	\$ 610,150.00	
02-09	Acquisition of Millstone, Bear Brook, Old York Road and Conover Sites for Open Space	12/06/18 12/05/19	12/06/19 12/04/20	12/07/17	3.500% 2.000%	135,712.00	135,712.00	135,712.00	135,712.00	
04-08	Acquisition of Land for Open Space	12/06/18 12/05/19	12/06/19 12/04/20	12/07/17	3.500% 2.000%	108,788.00	108,788.00	108,788.00	108,788.00	
06-01	Various Capital Improvements	12/06/18 12/05/19	12/06/19 12/04/20	12/08/16	3.500% 2.000%	64,015.00	20,703.00	64,015.00	20,703.00	
06-15	Acquisition of Land	12/06/18 12/05/19	12/06/19 12/04/20	12/11/12	3.500% 2.000%	125,900.00	124,210.00	125,900.00	124,210.00	
07-08	Repair Bear Brook Pathway	12/06/18 12/05/19	12/06/19 12/04/20	12/11/12	3.500% 2.000%	5,450.00	1,766.00	5,450.00	1,766.00	
10-08	Various Capital Improvements	12/06/18 12/05/19	12/06/19 12/04/20	12/11/12	3.500% 2.000%	399,400.00	37,200.00	399,400.00	37,200.00	
11-17	Various Capital Improvements	12/06/18 12/05/19	12/06/19 12/04/20	12/11/12	3.500% 2.000%	842,175.00	761,019.00	842,175.00	761,019.00	
12-03;		12/06/18 12/05/19	12/06/19 12/04/20	12/11/12	3.500% 2.000%	965,250.00	884,620.00	965,250.00	884,620.00	
13-02	Various Capital Improvements	12/06/18 12/05/19	12/06/19 12/04/20	12/08/16	3.500% 2.000%	7,188.00	7,188.00	7,188.00	7,188.00	
12/07/17		12/06/18 12/05/19	12/06/19 12/04/20	12/07/17	3.500% 2.000%	37,563.00	37,563.00	37,563.00	37,563.00	



**TOWNSHIP OF EAST WINDSOR**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE**  
(Continued)

Ord. No.	Improvement Authorization	Issue of Original Note	Date of				Interest Rate	Balance Dec. 31, 2018	Issued	Matured	Balance Dec. 31, 2019
			Issue	Maturity	Rate	Balance Dec. 31, 2018					
13-04	Various Capital Improvements	12/11/13	12/06/18	12/06/19	3.500%	\$ 68,424.00	\$ 37,834.00	\$ 68,424.00	\$ 37,834.00		
		12/05/19	12/04/20	2.000%							
		12/06/18	12/06/19	3.500%	413,777.00	413,777.00					
13-09	Various Capital Improvements	12/08/16	12/06/18	12/06/19	3.500%	10,429.00	10,429.00	10,429.00	10,429.00		
		12/05/19	12/04/20	2.000%							
		12/06/18	12/06/19	3.500%	835,185.00	835,185.00					
14-08	Various Capital Improvements	12/08/16	12/06/18	12/06/19	3.500%	2,458.00	2,458.00	2,458.00	2,458.00		
		12/05/19	12/04/20	2.000%							
		12/06/18	12/06/19	3.500%	272,321.00	272,321.00					
15-02	Parks and Playground Equipment	12/07/17	12/06/18	12/06/19	3.500%	32,677.00	32,677.00	32,677.00	32,677.00		
		12/05/19	12/04/20	2.000%							
		12/06/18	12/06/19	3.500%	15,499.00	15,499.00					
15-06	Various Road Improvements	12/08/16	12/06/18	12/06/19	3.500%	68,629.00	68,629.00	68,629.00	68,629.00		
		12/05/19	12/04/20	2.000%							
		12/06/18	12/06/19	3.500%	9,292.00	9,292.00					
15-09	HVAC Improvements	12/05/19	12/05/19	12/04/20	2.000%	242,640.00	242,640.00	242,640.00	242,640.00		
		12/06/18	12/06/19	3.500%	214,541.00	214,541.00					
		12/07/17	12/06/18	12/06/19	3.500%	5,540.00	5,540.00				
15-09	HVAC Improvements	12/06/18	12/06/18	12/06/19	3.500%	11,295.00	11,295.00	11,295.00	11,295.00		
		12/05/19	12/04/20	2.000%							
		12/06/18	12/06/19	3.500%	361,000.00	361,000.00					
15-09	HVAC Improvements	12/08/16	12/06/18	12/06/19	3.500%	361,000.00	361,000.00	361,000.00	361,000.00		
		12/05/19	12/04/20	2.000%							
		12/06/18	12/06/19	3.500%	351,743.00	351,743.00					

**TOWNSHIP OF EAST WINDSOR**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE**  
(Continued)

Ord. No.	Improvement Authorization	Date of		Interest Rate	Maturity	Balance Dec. 31, 2018	Issued	Matured	Balance Dec. 31, 2019
		Issue	Original Note						
16-08	Various Capital Improvements	12/07/17	12/06/18	3.500%	12/06/19	\$ 2,371,191.00	\$ 2,371,191.00		\$ 2,371,191.00
		12/05/19	12/04/20	2.000%	12/04/20				
		12/06/18	12/06/18	3.500%	12/06/19	91,143.00	91,143.00		91,143.00
17-02	Various Capital Improvements	12/05/19	12/04/20	2.000%	12/04/20		24,129.00		24,129.00
		12/05/19	12/04/20	2.000%	12/04/20				
		12/07/17	12/06/18	3.500%	12/06/19	518,989.00	518,989.00		518,989.00
17-05	Various Capital Improvements	12/06/18	12/06/18	2.000%	12/04/20	312,993.00	312,993.00		312,993.00
		12/06/18	12/06/18	3.500%	12/06/19				
		12/05/19	12/04/20	2.000%	12/04/20				
19-01	Various Capital Improvements	12/06/18	12/06/18	3.500%	12/06/19	194,778.00	194,778.00		194,778.00
		12/05/19	12/04/20	2.000%	12/04/20				
		12/05/19	12/05/19	2.000%	12/04/20	365,672.00	365,672.00		365,672.00
						\$ 10,200,000.00	\$ 10,200,000.00	\$ 10,200,000.00	\$ 10,200,000.00
						\$ 10,200,000.00	\$ 10,200,000.00	\$ 10,200,000.00	\$ 10,200,000.00
						\$ 9,800,000.00	\$ 9,800,000.00	\$ 9,800,000.00	\$ 9,800,000.00
Renewals Issued for Cash						400,000.00	400,000.00	400,000.00	400,000.00
Paid by Budget Appropriation						\$ 10,200,000.00	\$ 10,200,000.00	\$ 10,200,000.00	\$ 10,200,000.00
						\$ 10,200,000.00	\$ 10,200,000.00	\$ 10,200,000.00	\$ 10,200,000.00

Ref. C C

**TOWNSHIP OF EAST WINDSOR  
GENERAL CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2018		Interest Rate	Balance Dec. 31, 2018	Issued	Matured	Defeased Bonds	Balance Dec. 31, 2019
			Date	Amount						
General Improvement Bonds	11/15/09	\$ 14,278,000				\$ 7,933,000.00	\$ 1,195,000.00		\$ 6,738,000.00	
General Improvement Refunding Bonds	5/2/19	\$ 6,585,000	7/1/20	\$ 1,215,000	3.50%					
			7/1/21	1,250,000	3.75%					
			7/1/22	1,295,000	4.00%					
			7/1/23	1,335,000	4.00%					
			7/1/24	1,395,000	4.00%		\$ 6,585,000.00	95,000.00	\$ 6,490,000.00	
						<u>\$ 7,933,000.00</u>	<u>\$ 6,585,000.00</u>	<u>\$ 1,290,000.00</u>	<u>\$ 6,738,000.00</u>	<u>\$ 6,490,000.00</u>

Ref. C

C

**TOWNSHIP OF EAST WINDSOR**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF GREEN TRUST LOANS PAYABLE**

	<u>Ref.</u>	
Balance December 31, 2018	C	\$ 104,595.15
Decreased by:		
Principal Matured		29,144.69
Balance December 31, 2019	C	\$ 75,450.46

Schedule of Principal and Interest Payments Outstanding December 31, 2019

<u>Payment Number</u>	<u>Due</u>	<u>Interest</u>	<u>Principal</u>	<u>Loan Balance</u>
				\$ 75,450.46
35	06/25/20	\$ 754.50	\$ 14,791.29	60,659.17
36	12/25/20	606.59	14,939.21	45,719.96
37	06/25/21	457.20	15,088.60	30,631.36
38	12/25/21	306.31	15,239.48	15,391.88
39	06/25/22	153.92	15,391.88	
		\$ 4,225.42	\$ 75,450.46	

**TOWNSHIP OF EAST WINDSOR**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOAN PAYABLE**

	<u>Ref.</u>	
Balance December 31, 2018	C	\$ 330,544.78
Decreased by:		
Principal Matured		50,814.33
Balance December 31, 2019	C	\$ 279,730.45

Schedule of Principal and Interest Payments Outstanding December 31, 2019

Payment Number	Due	Trust		Fund	Loan Balance
		Interest	Principal	Principal	
					\$ 279,730.45
28	2/1/2020	1,978.13		\$ 3,615.70	276,114.75
29	8/1/2020	1,978.13	\$ 15,000.00	31,033.38	230,081.37
30	2/1/2021	1,640.63		2,998.80	227,082.57
31	8/1/2021	1,640.63	15,000.00	30,416.48	181,666.09
32	2/1/2022	1,312.50		2,399.04	179,267.05
33	8/1/2022	1,312.50	15,000.00	29,816.72	134,450.33
34	2/1/2023	984.38		1,799.28	132,651.05
35	8/1/2023	984.38	15,000.00	29,216.96	88,434.09
36	2/1/2024	656.25		1,199.52	87,234.57
37	8/1/2024	656.25	15,000.00	28,617.19	43,617.38
38	2/1/2025	328.13		599.76	43,017.62
39	8/1/2025	328.13	15,000.00	28,017.62	
		\$ 18,393.80	\$ 90,000.00	\$ 189,730.45	

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

Ordinance No.	Improvement Description	Balance	2019	Bond	Bonds Issued	Improvement	Balance
		Dec. 31, 2018	Authorizations	Anticipation Notes Issued		Authorizations Canceled	Dec. 31, 2019
00-17;	Acquisition of the Millstone and Bear						
02-09	Brook Site for Open Space	\$ 0.65					\$ 0.65
01-04;							
02-02	Various Capital Improvements	0.61					0.61
04-08	Acquisition of Land for Use as Open Space	0.73					0.73
06-01	Various Capital Improvements	2,833.77					2,833.77
11-17	Various Capital Improvements	22,388.64					22,388.64
12-06	Acquisition of Open Space	807,000.00			\$ 269,000.00		538,000.00
14-08	Various Capital Improvements	72,869.00					72,869.00
15-02	Parks and Playground Equipment	22,079.00		\$ 10,199.00			11,880.00
15-06	Various Road Improvements	82,504.00		24,129.00			82,504.00
16-08	Various Capital Improvements	363,705.00					339,576.00
17-02	Various Capital Improvements	116,118.00					116,118.00
17-13	Bond Refunding	6,900,000.00			\$ 6,585,000.00		517,722.00
17-15	Various Road Improvements	517,722.00				315,000.00	981,647.00
19-01	Various Road Improvements		\$ 1,347,319.00	365,672.00			
		<u>\$ 8,907,221.40</u>	<u>\$ 1,347,319.00</u>	<u>\$ 400,000.00</u>	<u>\$ 6,585,000.00</u>	<u>\$ 584,000.00</u>	<u>\$ 2,685,540.40</u>

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
WATER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
SEWER UTILITY FUND

NOT APPLICABLE



TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
PUBLIC ASSISTANCE FUND

**TOWNSHIP OF EAST WINDSOR**  
**PUBLIC ASSISTANCE FUND**  
**SCHEDULE OF CASH - TREASURER**

	Ref.	Total	P.A.T.F. I	P.A.T.F. II	
				Treasurer	Director
Balance December 31, 2018	F	\$ 54,970.28	\$ 18,121.86	\$ 2,826.58	\$ 34,021.84
Increased by Receipts:					
Supplemental Security Income:					
Client Reimbursements		3,003.00			3,003.00
Due Current Fund - Interest Earned		575.34		52.13	523.21
		<u>3,578.34</u>		<u>52.13</u>	<u>3,526.21</u>
Decreased by Disbursements:					
Current Year Assistance (Reported):					
Maintenance		12,235.00			12,235.00
Temporary Rental Assistance		2,800.00			2,800.00
Due Current Fund - Interest Earned		575.34		52.13	523.21
		<u>15,610.34</u>		<u>52.13</u>	<u>15,558.21</u>
Balance December 31, 2019	F	<u>\$ 42,938.28</u>	<u>\$ 18,121.86</u>	<u>\$ 2,826.58</u>	<u>\$ 21,989.84</u>

TOWNSHIP OF EAST WINDSOR  
COUNTY OF MERCER  
2019  
SPECIAL GARBAGE DISTRICT FUND

**TOWNSHIP OF EAST WINDSOR**  
**SPECIAL GARBAGE DISTRICT FUND**  
**SCHEDULE OF CASH - TREASURER**

	<u>Ref.</u>	
Balance December 31, 2018	G	\$ 1,553,976.10
Increased by Receipts:		
Due Current Fund:		
District Taxes	\$ 2,289,083.81	
Miscellaneous Revenue	15,366.58	
Appropriation Refunds	40,307.05	
		2,344,757.44
		3,898,733.54
Decreased by Disbursements:		
2019 Appropriation Expenditures	2,359,071.35	
2018 Appropriation Reserve Expenditures	230,099.15	
		2,589,170.50
Balance December 31, 2019	G	\$ 1,309,563.04

**TOWNSHIP OF EAST WINDSOR**  
**SPECIAL GARBAGE DISTRICT FUND**  
**SCHEDULE OF DISTRICT TAXES RECEIVABLE**  
**YEAR ENDED DECEMBER 31, 2019**

Increased by:	
2019 Tax Levy	\$ 2,289,083.81
Decreased by:	
Received from Current Fund	2,289,083.81

**TOWNSHIP OF EAST WINDSOR**  
**SPECIAL GARBAGE DISTRICT FUND**  
**SCHEDULE OF 2018 APPROPRIATION RESERVES**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 56,974.45	\$ 56,974.45	\$ 4,412.34	\$ 52,562.11
Other Expenses	110,264.69	110,264.69	52,507.82	57,756.87
Contractual Services	11,915.90	11,915.90	11,497.00	418.90
Disposal Fees	253,788.41	253,788.41	157,692.66	96,095.75
Recycling Tax	5,490.70	5,490.70	3,906.66	1,584.04
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	6,606.85	6,606.85	322.67	6,284.18
	<u>\$ 445,041.00</u>	<u>\$ 445,041.00</u>	<u>\$ 230,339.15</u>	<u>\$ 214,701.85</u>

Ref.

Analysis of Balance December 31, 2018:

Appropriation Reserves:			
Unencumbered	G	\$ 370,374.88	
Encumbered	G	74,666.12	
		<u>\$ 445,041.00</u>	

Cash Disbursed	\$ 230,099.15
Accounts Payable	<u>240.00</u>
	<u>\$ 230,339.15</u>

TOWNSHIP OF EAST WINDSOR

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2019

TOWNSHIP OF EAST WINDSOR  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Funding Department/Cluster Title	Federal Program	CFDA Number	State Program Account Number	Grant Period		Grant Award Amount	Grant Receipts	Amount of Expenditures	Cumulative Expenditures	Amounts Provided to Subrecipients	
				From	To						
US Department of Justice	Bulletproof Vest Partnership Grant	16.607	N/A	01/01/14 1/1/2019	12/31/19 12/31/20	\$ 14,438.56 4,253.11	\$ 2,499.45	\$ 12,614.38	\$ 14,438.56		
Total US Department of Justice											
US Department of Housing and Urban Development:											
Passed through NJ Department of Law and Public Safety	Distracted Driving Crackdown	20.616	066-1160-100-158-031030	01/01/19	12/31/20	5,500.00	5,500.00	5,500.00	5,500.00		
	Child Passenger Safety Grant	20.600	N/A	01/01/19	12/31/20	12,000.00	5,999.46	5,999.46	5,999.46		
	Drive Sober or Get Pulled Over	20.601	N/A	01/01/18 01/01/19	12/31/19 12/31/20	5,500.00 5,500.00	5,500.00	2,983.17 2,334.94	5,500.00 2,334.94		
							5,500.00	5,318.11	7,834.94		
Passed through NJ Department of Transportation	Click It or Ticket	20.614	100-066-1160-116-6120	01/01/19	12/31/20	5,500.00	5,500.00	5,500.00	5,500.00		
Total US Department of Transportation											
TOTAL FEDERAL AWARDS							\$ 24,998.91	\$ 34,931.95	\$ 39,272.96	\$ -0-	

N/A - Not Available / Not Applicable.  
 \* - Expended in Prior Years.

SEE NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS



TOWNSHIP OF EAST WINDSOR  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

New Jersey Agency or Department	Name of Program	State Grant Account or Award Number	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
			From	To				
Department of the Treasury: Passed through Mercer County	Governor's Council on Alcoholism and Drug Abuse - Municipal Alliance Program	100-082-2000-044-995120	07/01/18	06/30/19	22,104.00	\$ 21,404.00	\$ 11,404.00	\$ 22,104.00
			07/01/19	06/30/20	21,404.00	21,404.00	11,404.00	22,104.00
Total Department of the Treasury								
Department of Environmental Protection	Clean Communities Program	765-042-4900-004-V42Y-6020	01/01/17	12/31/19	50,078.26		15,393.07	50,078.26
			01/01/18	12/31/20	48,152.94		37,105.93	37,105.93
			01/01/19	12/31/20	53,739.84	53,739.84		
					53,739.84	53,739.84	52,499.00	87,184.19
	Recycling Tonnage Grant	752-042-4900-004-178840	01/01/19	12/31/20	31,365.87	31,365.87	31,365.87	31,365.87
						31,365.87	31,365.87	31,365.87
Total Department of Environmental Protection								
Department of Law and Public Safety	Drunk Driving Enforcement Fund	100-078-6400-260-YYYY	01/01/16	12/31/19	9,375.29		173.87	9,375.29
			01/01/17	12/31/20	11,084.68		8,900.96	8,900.96
			01/01/18	12/31/20	10,553.94			
			01/01/19	12/31/20	12,553.13	12,553.13		
					12,553.13	12,553.13	9,074.83	18,276.25
	Body Armor Replacement Fund	718-066-1020-001-YCJS-6120	01/01/17	12/31/19	4,035.18		1,230.92	4,035.18
			01/01/19	12/31/20	8,697.06	4,503.94		
						4,503.94	1,230.92	4,035.18
						12,553.13	9,074.83	18,276.25
Total Department of Law and Public Safety								
<b>TOTAL STATE AWARDS</b>						<b>\$ 119,062.84</b>	<b>\$ 104,343.70</b>	<b>\$ 158,930.31</b>

SEE NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF EAST WINDSOR  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2019

A. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards (the "Schedules") include the federal and state grant activity of the Township of East Windsor under programs of the federal and state governments for the year ended December 31, 2019. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Township of East Windsor, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Township of East Windsor.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying Schedules of Expenditures of Federal and State Awards are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Township has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

C. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

D. STATE LOANS OUTSTANDING

The Township of East Windsor has the following loans outstanding as of December 31, 2019:

General Capital Fund:

NJ Green Trust Loan Program	\$ 75,450
NJ Environmental Infrastructure Loan	279,731

Currently, the Township is in the process of repaying the loan balances. There were no loan receipts or expenditures in the current year and the projects which relate to the loans are complete.



Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable Mayor and Members  
of the Township Council  
Township of East Windsor  
East Windsor, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements – *regulatory basis* - of the various funds of the Township of East Windsor, in the County of Mercer (the "Township") as of, and for the years ended, December 31, 2019 and 2018, and the related notes to the financial statements and have issued our report thereon dated September 10, 2020. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Our consideration of the 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.

The Honorable Mayor and Members  
of the Township Council  
Township of East Windsor  
Page 2

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

Mount Arlington, New Jersey  
September 10, 2020

NISIVOCCIA LLP

*Francis Jones of Nisivoccia LLP*  
Francis Jones  
Certified Public Accountant  
Registered Municipal Accountant No. 442

TOWNSHIP OF EAST WINDSOR  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2019

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the Township's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the Township which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Township was not subject to the single audit provisions of the Uniform Guidance and New Jersey's OMB Circular 15-08 for 2019 as both state and federal grant expenditures were less than the single audit thresholds of \$750,000 identified in the Uniform Guidance and NJOMB 15-08.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- Not Applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- Not Applicable since state expenditures were below the single audit threshold.

TOWNSHIP OF EAST WINDSOR  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2019

The Township had no prior year audit findings.

TOWNSHIP OF EAST WINDSOR

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2019

TOWNSHIP OF EAST WINDSOR  
COMMENTS AND RECOMMENDATIONS

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

N.J.S. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, C.198 (N.J.S. 40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, C.198 (N.J.S. 40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, C.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, C.198 (N.J.S. 40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S. 40A:11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective July 1, 2015 and thereafter, the bid threshold in accordance with N.J.S. 40A:11-3 and 40A:11-4 (as amended) is \$17,500 and with a qualified purchasing agent the bid threshold may be up to \$40,000.

The governing body of the Township of East Windsor has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the year and where question arises as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.



TOWNSHIP OF EAST WINDSOR  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4 (Cont'd)

The minutes indicated that bids were requested by public advertising per N.J.S. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services," per N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

Collection of Interest on Delinquent Taxes

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

On January 1, 2019, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED by the Township Council of the Township of East Windsor, Mercer County, New Jersey, that the rate of interest to be paid upon delinquent taxes for the year 2019 shall be fixed at the rate of 8% per annum to \$1,500 and any amount in excess of \$1,500 shall be fixed at the rate of 18% per annum. However, interest shall not be collected upon taxes that are not delinquent over ten (10) days. After the tenth day of "grace period", interest reverts back to the due date. An additional penalty of 6% will be imposed on delinquencies in excess of \$10,000 at December 31, 2019.

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

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 2, 2019 and all eligible properties were transferred to lien.

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

<u>Year</u>	<u>Number of Liens</u>
2019	12
2018	12
2017	12

As it is essential to good management, it is recommended that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis.

TOWNSHIP OF EAST WINDSOR  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Municipal Court

The report of the Municipal Court has been forwarded to the Division of Local Government Services and the Township's Magistrate under separate cover. Reflected below is a summary of receipts and disbursements for the year ended December 31, 2019.

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

<u>AGENCY</u>	<u>Balance</u> <u>12/31/2018</u>	<u>Cash</u> <u>Received</u>	<u>Cash</u> <u>Disbursed</u>	<u>Balance</u> <u>12/31/2019</u>
State of New Jersey	\$ 29,885.54	\$ 381,906.87	\$ 385,472.05	\$ 26,320.36
County of Mercer	16,378.52	183,688.54	188,829.25	11,237.81
Township of East Windsor:				
Fines and Costs	41,289.74	432,856.56	447,815.12	26,331.18
Parking Offense Adjudication				
Act - Fines	2.00		2.00	
Public Defender	455.00		455.00	
Transcript Fees				
Interest:				
Regular Account	40.75	1,487.10	1,398.72	129.13
Bail Account	5.73	232.56	223.17	15.12
Fish and Game				
Weights and Measures		30,100.00	30,100.00	
Conditional Discharge	98.00	422.00	520.00	
Conditional Dismissal		825.00	825.00	
Restitution	539.20	5,308.24	5,639.76	207.68
Bail	11,024.00	130,481.77	135,395.77	6,110.00
<b>TOTAL</b>	<b><u>\$ 99,718.48</u></b>	<b><u>\$ 1,167,308.64</u></b>	<b><u>\$ 1,196,675.84</u></b>	<b><u>\$ 70,351.28</u></b>

New Jersey Administrative Code Accounting Requirements

The Division of Local Government Services has established three (3) accounting requirements which are prescribed in the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. Fixed asset accounting and reporting system.
3. General ledger accounting system.

The Township is currently in compliance with the accounting requirements.

TOWNSHIP OF EAST WINDSOR  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Management Suggestions

Membership in Joint Insurance Fund

The Township has not received annual audited financial statements of the Middlesex County Municipal Joint Insurance Fund (the "JIF") for a number of years. As the Township is a member of the JIF and the financial position and results of operations of the JIF could affect the Township's financial position, we suggest that the Township obtain all previously issued financial statements of the JIF which the Township does not currently possess. In addition, we suggest that the Township develop a procedure to ensure receipt of future financial statements of the JIF.

Status of Prior Year Recommendations

The Township had no prior year audit findings.

TOWNSHIP OF EAST WINDSOR  
SUMMARY OF RECOMMENDATIONS

None

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