

**TOWNSHIP OF MANSFIELD
COUNTY OF WARREN
NEW JERSEY**

**REPORT ON
EXAMINATION OF ACCOUNTS
FOR THE YEAR 2021**

**SAMUEL KLEIN AND COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS**

TOWNSHIP OF MANSFIELD
COUNTY OF WARREN, NEW JERSEY

CONTENTS

| <u>PART I</u> | <u>PAGE</u> |
|-----------------------------------|--------------------|
| Independent Auditor's Report..... | 2 |

FINANCIAL STATEMENTS

CURRENT FUND

EXHIBIT

| | | |
|------|---|----|
| A | Comparative Balance Sheet - Regulatory Basis | 5 |
| A-1 | Comparative Operations and Change in Fund Balance - Regulatory Basis | 7 |
| A-2 | Revenue - Regulatory Basis | 8 |
| A-2a | Revenue - Analysis of Miscellaneous Revenue - Regulatory Basis..... | 9 |
| A-2b | Revenue - Analysis of Fees and Permits - Regulatory Basis..... | 10 |
| A-2c | Revenue - Analysis of Realized Tax Revenue - Regulatory Basis | 11 |
| A-2d | Revenue - Analysis of Nonbudget Revenue - Regulatory Basis..... | 12 |
| A-3 | Expenditures - Regulatory Basis | 13 |

TRUST FUND

| | | |
|---|--|----|
| B | Comparative Balance Sheet - Regulatory Basis | 20 |
|---|--|----|

GENERAL CAPITAL FUND

| | | |
|-----|--|----|
| C | Comparative Balance Sheet - Regulatory Basis | 21 |
| C-1 | Fund Balance - Regulatory Basis | 22 |

CAPITAL FIXED ASSETS

| | | |
|---|--|----|
| F | Comparative Balance Sheet - Regulatory Basis | 23 |
|---|--|----|

| | |
|---|---------|
| <u>NOTES TO FINANCIAL STATEMENTS</u> | 24 - 52 |
|---|---------|

SUPPLEMENTARY INFORMATION

CURRENT FUND

| <u>EXHIBIT</u> | | <u>PAGE</u> |
|-----------------------|---|--------------------|
| A-4 | Cash Receipts and Disbursements - Treasurer | 53 |
| A-5 | Bank Reconciliation - December 31 2021 - Treasurer | 54 |
| A-6 | Cash Receipts and Disbursements - Tax Collector | 55 |
| A-7 | Cash Receipts, Disbursements and Reconciliation - Certificates of Deposit..... | 56 |
| A-8 | Change Funds | 57 |
| A-9 | Petty Cash Fund..... | 57 |
| A-10 | Due from State of New Jersey - Per Chapter 129, P.L. 1976 | 58 |
| A-11 | Taxes Receivable and Analysis of Property Tax Levy | 59 |
| A-12 | Tax Title Liens | 60 |
| A-13 | Property Acquired for Taxes (At Assessed Value) | 61 |
| A-14 | Sales Contracts Receivable | 61 |
| A-15 | Revenue Accounts Receivable..... | 62 |
| A-16 | Interfunds Receivable - Current Fund | 64 |
| A-17 | Interfunds Receivable - Federal and State Grant Fund..... | 65 |
| A-18 | Deferred Charges - N.J.S. 40A:4-53 Special Emergency - Tax Map..... | 66 |
| A-19 | Grants Receivable | 67 |
| A-20 | Appropriation Reserves | 68 |
| A-21 | Encumbrances Payable..... | 72 |
| A-22 | Reserve for Tax Appeals | 72 |
| A-23 | Accounts Payable | 73 |
| A-24 | Due to State of New Jersey | 74 |
| A-25 | Tax Overpayments | 75 |
| A-26 | Interfunds Payable - Current Fund | 76 |
| A-27 | Interfunds Payable - Federal and State Grant Fund | 77 |
| A-28 | Local School District Tax | 78 |
| A-29 | Regional High School Tax | 79 |
| A-30 | County Taxes..... | 80 |
| A-31 | Prepaid Taxes..... | 81 |
| A-32 | Unappropriated Federal and State Grants | 82 |
| A-33 | Appropriated Reserves for Federal and State Grants | 83 |

TRUST FUND

| | | |
|------|--|----|
| B-1 | Cash Receipts and Disbursements - Treasurer | 86 |
| B-2 | Bank Reconciliations - December 31, 2021 | 87 |
| B-3 | Cash Receipts and Disbursements - Tax Collector..... | 88 |
| B-4 | Due from Municipal Court..... | 89 |
| B-5 | Other Accounts Receivable | 90 |
| B-6 | Interfunds Receivable..... | 91 |
| B-7 | Due to State of New Jersey | 92 |
| B-8 | Special Deposits | 93 |
| B-9 | Premiums on Tax Sale | 94 |
| B-10 | Payroll Deductions Payable..... | 94 |
| B-11 | Municipal Open Space Trust Fund | 95 |

SUPPLEMENTARY INFORMATION
(Continued)

TRUST FUND
(Continued)

| <u>EXHIBIT</u> | | <u>PAGE</u> |
|-----------------------|---|--------------------|
| B-12 | Interfunds Payable..... | 96 |
| B-13 | Reserve for Animal Control Trust Fund Expenditures..... | 97 |
| B-14 | Reserve for State Unemployment Trust Fund Expenditures..... | 98 |

GENERAL CAPITAL FUND

| | | |
|------|---|-----|
| C-2 | Cash Receipts, Disbursements and Cash Reconciliation - December 31, 2021 | 99 |
| C-3 | Analysis of Cash and Investments | 100 |
| C-4 | Grants Receivable | 101 |
| C-5 | Interfunds Receivable | 102 |
| C-6 | Deferred Charges to Future Taxation - Funded | 103 |
| C-7 | Deferred Charges to Future Taxation - Unfunded..... | 104 |
| C-8 | Improvement Authorizations | 105 |
| C-9 | Encumbrances Payable..... | 107 |
| C-10 | Capital Improvement Fund | 107 |
| C-11 | Interfunds Payable..... | 108 |
| C-12 | Various Capital Reserves | 109 |
| C-13 | Bond Anticipation Notes | 110 |
| C-14 | Capital Lease Obligations..... | 111 |
| C-15 | Refunding Bonds | 112 |
| C-16 | Serial Bonds | 113 |

PART II

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING,
ROSTER OF OFFICIALS, GENERAL COMMENTS, FINDINGS AND RECOMMENDATIONS**

| | |
|---|-----|
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 115 |
| Roster of Officials and Certain Employees for the Year 2021 and Report on Surety Bonds | 117 |
| General Comments and Findings..... | 118 |
| Recommendations..... | 126 |

PART I
REPORT ON EXAMINATION
FINANCIAL STATEMENTS
NOTES TO FINANCIAL STATEMENTS
AND
SUPPLEMENTARY EXHIBITS
YEAR ENDED DECEMBER 31, 2021

SAMUEL KLEIN AND COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-9969
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Committee
Township of Mansfield
Mansfield, New Jersey 07865

Opinions

We have audited the financial statements - regulatory basis of the various funds and account groups of the Township of Mansfield, in the State of New Jersey, as of and for the year then ended December 31, 2021, and the related notes to the financial statements, as listed in the foregoing table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements - regulatory basis referred to above, present fairly, in all material respects, the financial position of the various funds of the Township of Mansfield at December 31, 2021, and the results of operations and changes in fund balance, where applicable, of such funds, thereof for the year then ended, in accordance with accounting principles on the basis of financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note 1.

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 - regulatory basis referred to in the first paragraph, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2021 and the results of its operations for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township of Mansfield, State of New Jersey, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

Prior Period Financial Statements

The financial statements of the Township of Mansfield as of and for the year ended December 31, 2020, were audited by other auditors whose report dated August 31, 2021 expressed an unmodified opinion on those financial statements prepared on the regulatory basis of accounting which differs from accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Mansfield, State of New Jersey's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Mansfield, State of New Jersey's ability to continue as a going concern for a reasonable period of time.

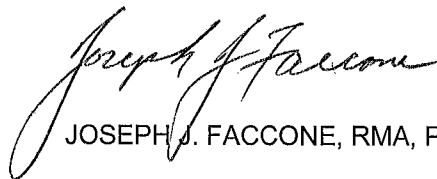
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2022, on our consideration of the Township of Mansfield, State of New Jersey's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Mansfield, State of New Jersey's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Mansfield, State of New Jersey's internal control over financial reporting and compliance.



SAMUEL KLEIN AND COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS



JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
July 27, 2022

TOWNSHIP OF MANSFIELD
CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A
Sheet #1

| <u>ASSETS AND DEFERRED CHARGES</u> | <u>Ref.</u> | <u>Balance</u> <u>Dec. 31, 2021</u> | <u>Balance</u> <u>Dec. 31, 2020</u> |
|--|-------------|--|--|
| <u>Regular Fund</u> | | | |
| Cash - Checking - Treasurer | A-4 | \$6,144,988.63 | \$5,853,776.15 |
| Cash - Certificates of Deposit | A-7 | 1,000,000.00 | |
| Change Funds | A-8 | 450.00 | 450.00 |
| | | 7,145,438.63 | 5,854,226.15 |
| Due from State of New Jersey per Chapter 129, P.L. 1976 | A-10 | 9,652.75 | 7,902.76 |
| | | 7,155,091.38 | 5,862,128.91 |
| | | | |
| Receivables and Other Assets with Full Reserves: | | | |
| Delinquent Taxes | A-11 | 438,442.19 | 383,981.74 |
| Tax Title Liens | A-12 | 393,050.40 | 1,221,278.48 |
| Property Acquired for Taxes at Assessed Valuation | A-13 | 241,200.00 | 2,232,600.00 |
| Sales Contracts Receivable | A-14 | 6,500.00 | |
| Revenue Accounts Receivable | A-15 | 11,859.52 | 2,805.35 |
| Interfunds Receivable | A-16 | 23,033.21 | 4,230.09 |
| | | 1,114,085.32 | 3,844,895.66 |
| | | | |
| Deferred Charges: | | | |
| Special Emergency Authorization (N.J.S. 40A:4-53) | A-18 | 125,000.00 | |
| | | 8,394,176.70 | 9,707,024.57 |
| | | | |
| <u>Federal and State Grant Fund</u> | | | |
| Interfunds Receivable | A-17 | 474,963.48 | 13,825.76 |
| Grants Receivable | A-19 | 110,986.03 | 182,352.58 |
| | | 585,949.51 | 196,178.34 |
| | | \$8,980,126.21 | \$9,903,202.91 |

TOWNSHIP OF MANSFIELD
CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

A
Sheet #2

| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | <u>Ref.</u> | <u>Balance</u> <u>Dec. 31, 2021</u> | <u>Balance</u> <u>Dec. 31, 2020</u> |
|--|-------------|--|--|
| <u>Regular Fund</u> | | | |
| Appropriation Reserves: | | | |
| Encumbered | A-3,20 | \$ 132,721.62 | \$ 111,306.58 |
| Unencumbered | A-3,20 | 760,756.72 | 783,459.52 |
| Reserve for Tax Appeals | A-22 | | 535.99 |
| Accounts Payable | A-23 | 102,409.52 | 12,882.74 |
| Due to State of New Jersey | A-24 | 1,025.00 | 700.00 |
| Tax Overpayments | A-25 | 53,158.20 | 36,925.30 |
| Interfunds Payable | A-26 | 404,900.01 | 13,825.76 |
| Local School District Taxes Payable | A-28 | 612,277.79 | 509,510.79 |
| Regional High School Taxes Payable | A-29 | 1,339,767.54 | 1,237,930.06 |
| County Taxes Payable | A-30 | 173,810.93 | 134,014.86 |
| Prepaid Taxes | A-31 | 118,412.33 | 174,766.99 |
| | | <u>3,699,239.66</u> | <u>3,015,858.59</u> |
| Reserves for Receivables and Other Assets | | 1,114,085.32 | 3,844,895.66 |
| Fund Balance | A-1 | 3,580,851.72 | 2,846,270.32 |
| | | <u>8,394,176.70</u> | <u>9,707,024.57</u> |
| <u>Federal and State Grant Fund</u> | | | |
| Encumbrances Payable | A-21 | | 2,832.80 |
| Unappropriated Federal and State Grants | A-32 | 385,232.61 | 6,475.00 |
| Appropriated Reserves for Federal and State Grants | A-33 | 200,716.90 | 186,870.54 |
| | | <u>585,949.51</u> | <u>196,178.34</u> |
| | | <u>\$8,980,126.21</u> | <u>\$9,903,202.91</u> |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

A-1

| | <u>Ref.</u> | <u>Year 2021</u> | <u>Year 2020</u> |
|--|-------------|------------------------|------------------------|
| <u>Revenue and Other Income</u> | | | |
| Fund Balance Utilized | A-2 | \$ 1,435,000.00 | \$ 855,000.00 |
| Miscellaneous Revenue Anticipated | A-2a | 1,978,091.13 | 1,780,262.94 |
| Receipts from Delinquent Taxes | A-2c | 977,616.95 | 451,861.67 |
| Receipts from Current Taxes | A-2c | 23,808,703.80 | 23,133,625.73 |
| Nonbudget Revenue | A-2d | 792,337.25 | 80,220.01 |
| Other Credits to Income: | | | |
| Interfund Credits | | | 69,766.25 |
| Reserve for Grant Expenditures Cancelled | A-16 | 8,085.40 | |
| Unexpended Balance of Appropriation Reserves | A-20 | 659,523.16 | 607,467.49 |
| Tax Overpayments Cancelled | A-25 | 986.77 | |
| Statutory Excess in Animal Control Trust | | | 982.15 |
| | | <u>29,660,344.46</u> | <u>26,979,186.24</u> |
| <u>Expenditures</u> | | | |
| Budget Appropriations: | | | |
| Operations | | 5,122,580.66 | 4,796,064.51 |
| Capital Improvements | | 1,077,000.00 | 655,800.00 |
| Debt Service | | 242,871.84 | 266,364.35 |
| Statutory Expenditures | | 739,760.00 | 670,883.00 |
| | A-3 | <u>7,182,212.50</u> | <u>6,389,111.86</u> |
| Prior Year Revenue Refunds | A-4 | 15,160.89 | |
| Senior Citizen Deductions Disallowed by Tax Collector | A-10 | 844.52 | |
| Interfund Charges | A-16 | 18,803.12 | 982.15 |
| Prior Year Paid Taxes Cancelled | A-25 | 503,833.99 | |
| Municipal Open Space Tax | A-26 | 138,819.14 | 136,563.59 |
| Local School District Tax | A-28 | 6,264,110.00 | 6,053,774.00 |
| Regional High School Tax | A-29 | 8,090,359.00 | 7,891,789.00 |
| County Taxes | A-30 | 5,401,619.90 | 5,330,237.26 |
| | | <u>27,615,763.06</u> | <u>25,802,457.86</u> |
| Excess in Revenue | | 2,044,581.40 | 1,176,728.38 |
| Adjustment to Income before Surplus: | | | |
| Expenditures Included Above Which Are by Statute Deferred Charges to Budget of Succeeding Year | A-3 | 125,000.00 | |
| Statutory Excess to Surplus | | 2,169,581.40 | 1,176,728.38 |
| <u>Fund Balance</u> | | | |
| Balance January 1 | A | 2,846,270.32 | 2,524,541.94 |
| | | <u>5,015,851.72</u> | <u>3,701,270.32</u> |
| Decreased by: | | | |
| Utilized as Anticipated Revenue | A-2 | 1,435,000.00 | 855,000.00 |
| Balance December 31 | A | <u>\$ 3,580,851.72</u> | <u>\$ 2,846,270.32</u> |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
CURRENT FUND

STATEMENT OF REVENUE - REGULATORY BASIS

A-2

| | <u>Ref.</u> | <u>Budget</u> | <u>Realized</u> | <u>Excess</u> |
|-------------------------------------|-------------|-----------------------------|-----------------------|-----------------------|
| Fund Balance Anticipated | A-1 | \$1,435,000.00 | \$1,435,000.00 | \$ |
| Miscellaneous Revenue | A-2a | 1,708,254.66 | 1,978,091.13 | 269,836.47 |
| Receipts from Delinquent Taxes | A-2c | 415,000.00 | 977,616.95 | 562,616.95 |
| Amount to be Raised by Taxes: | | | | |
| a. Local Tax for Municipal Purposes | A-2c,11 | <u>4,230,286.00</u> | <u>4,622,795.76</u> | <u>392,509.76</u> |
| Budget Totals | A-3 | 7,788,540.66 | 9,013,503.84 | 1,224,963.18 |
| Nonbudget Revenue | A-2d | <u> </u> | <u>792,337.25</u> | <u>792,337.25</u> |
| | | <u>\$7,788,540.66</u> | <u>\$9,805,841.09</u> | <u>\$2,017,300.43</u> |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF MISCELLANEOUS REVENUE - REGULATORY BASIS

A-2a

| | <u>Ref.</u> | <u>Budget</u> | <u>Realized</u> | <u>Excess or (Deficit)</u> |
|---|-------------|------------------------|------------------------|--------------------------------|
| <u>Miscellaneous Revenue</u> | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | A-15 | \$ 4,800.00 | \$ 5,931.60 | \$ 1,131.60 |
| Fees and Permits: | | | | |
| Other | A-2b | 13,000.00 | 14,790.00 | 1,790.00 |
| Fines and Costs: | | | | |
| Municipal Court | A-15 | 40,000.00 | 36,989.94 | (3,010.06) |
| Interest and Costs on Taxes | A-6 | 90,000.00 | 245,550.49 | 155,550.49 |
| Interest on Investments and Deposits | A-15 | 20,000.00 | 48,650.66 | 28,650.66 |
| Leasehold of Township-Owned Farmland | A-15 | 5,000.00 | 6,795.00 | 1,795.00 |
| Cellular Tower Rental | A-15 | 65,000.00 | 65,817.34 | 817.34 |
| Police Administration Fees | A-15 | 5,000.00 | 14,288.41 | 9,288.41 |
| Planning Board Fees | A-15 | 1,000.00 | 2,000.00 | 1,000.00 |
| Energy Receipts Tax | A-15 | 864,858.00 | 864,857.70 | (0.30) |
| Garden State Trust Fund | A-15 | 25,077.00 | 38,617.00 | 13,540.00 |
| Dedicated Uniform Construction Code Fees | | | | |
| Offset with Appropriations: | | | | |
| (N.J.S. 40A:4.36 and N.J.A.C. 5:23-4.17): | | | | |
| Uniform Construction Code Fees - | | | | |
| Washington Township, Morris County | A-15 | 15,000.00 | 62,892.00 | 47,892.00 |
| Interlocal Municipal Service Agreement: | | | | |
| Municipal Court - Oxford Township, Washington Borough | | | | |
| (Warren County) and Washington Township (Warren | | | | |
| County) | | | | |
| | A-15 | 379,000.00 | 380,146.00 | 1,146.00 |
| Special Items: | | | | |
| State and Federal Revenue Offset with Appropriations: | | | | |
| Clean Communities Program | A-19 | 22,013.86 | 22,013.86 | |
| Recycling Tonnage Grant | A-19 | 13,279.16 | 13,279.16 | |
| Body Armor Grant | A-19 | 1,420.74 | 1,420.74 | |
| Drunk Driving Enforcement Fund | A-19 | 6,361.90 | 6,361.90 | |
| Hepatitis B Grant | A-19 | 975.00 | 975.00 | |
| U Text, U Drive, U Pay Distracted Driver Grant | A-19 | 6,000.00 | 6,000.00 | |
| Drive Sober or Get Pulled Over | A-19 | 11,500.00 | 11,500.00 | |
| Body Worn Camera Grant Program | A-19 | 32,608.00 | 32,608.00 | |
| Elizabethtown Gas, 2021 Game on Grant Program | A-19 | 1,000.00 | 1,000.00 | |
| Other Special Items: | | | | |
| Hotel/Motel Occupancy Fee | A-15 | 17,000.00 | 22,652.16 | 5,652.16 |
| Cable TV Franchise Fee | A-15 | 24,654.00 | 24,654.17 | 0.17 |
| Recreation Fees | A-15 | 43,707.00 | 48,300.00 | 4,593.00 |
| | A-1,2 | <u>\$ 1,708,254.66</u> | <u>\$ 1,978,091.13</u> | <u>\$ 269,836.47</u> |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF FEES AND PERMITS - REGULATORY BASIS

A-2b

| | <u>Ref.</u> | | |
|-----------------------------------|-------------|--------------|---------------------------|
| <u>Clerk</u> | | | |
| Vacant Property | | \$13,500.00 | |
| Junk Yard License | | 550.00 | |
| Towing License | | 300.00 | |
| Road Opening Permit | | 200.00 | |
| Driveway Applications | | 150.00 | |
| Raffle License | | <u>30.00</u> | |
| | A-15 | | \$14,730.00 |
| <u>Treasurer</u> | | | |
| Council on Affordable Housing Fee | A-15 | | <u>60.00</u> |
| | A-2a | | <u><u>\$14,790.00</u></u> |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF REALIZED TAX REVENUE - REGULATORY BASIS

A-2c

| | <u>Ref.</u> | | |
|--|-------------|---------------------|------------------------|
| <u>Receipts from Delinquent Taxes</u> | | | |
| Collection of Delinquent Taxes: | | | |
| 2021 Collections: | | | |
| Taxes | A-11 | \$ 380,655.68 | |
| Tax Title Liens | A-12 | 596,711.27 | |
| Due from State of New Jersey | A-10 | <u>250.00</u> | |
| | A-1,2 | | <u>\$ 977,616.95</u> |
| <u>Allocation of Current Tax Collections</u> | | | |
| Revenue from Collections: | | | |
| 2021 Collections | A-11 | \$23,595,686.81 | |
| 2020 Collections | A-11 | 174,766.99 | |
| Due from State of New Jersey | A-10 | <u>38,250.00</u> | |
| | A-1 | | \$23,808,703.80 |
| Allocated to: | | | |
| Municipal Open Space Tax | A-26 | 138,819.14 | |
| Local School District Tax | A-28 | 6,264,110.00 | |
| Regional High School Tax | A-29 | 8,090,359.00 | |
| County Taxes | A-30 | <u>5,401,619.90</u> | |
| | | | <u>19,894,908.04</u> |
| | | | 3,913,795.76 |
| Plus: Appropriation for Reserve for | | | |
| Uncollected Taxes | A-3 | | <u>709,000.00</u> |
| Realized for Support of Municipal | | | |
| Budget | A-2 | | <u>\$ 4,622,795.76</u> |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
CURRENT FUND

STATEMENT OF REVENUE (Continued)
ANALYSIS OF NONBUDGET REVENUE - REGULATORY BASIS

A-2d

| | <u>Ref.</u> | |
|---|-------------|--------------|
| <u>Miscellaneous Revenue Not Anticipated</u> | | |
| Federal Government: | | |
| Federal Emergency Management Agency | | |
| Reimbursement | | \$42,476.70 |
| Coronavirus Relief Fund | | 18,174.19 |
| Sale of Township Assets | | 27,246.00 |
| Prior Year Appropriation Refunds | | 4,821.53 |
| Insurance Refunds and Reimbursements | | 2,878.51 |
| Appropriation Refunds | | 1,620.58 |
| State of New Jersey: | | |
| Administrative Fee for Senior Citizens | | |
| and Veterans | | 718.11 |
| Division of Motor Vehicles - Inspection Fines | | 300.00 |
| Miscellaneous | | 1,605.08 |
| | A-6 | \$ 99,840.70 |
| <u>Other Sources</u> | | |
| Sales Contracts Receivable | A-14 | 673,600.00 |
| Other Revenue Accounts Receivable | A-15 | 9,414.00 |
| Interfunds Receivable: | | |
| Statutory Excess in Animal Control | | |
| Trust Fund | A-16 | 4,296.43 |
| Escrow Deposits Cancelled | A-16 | 5,186.12 |
| | | 9,482.55 |
| | A-1,2 | \$792,337.25 |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
CURRENT FUND

A-3
Sheet #1

STATEMENT OF EXPENDITURES - REGULATORY BASIS

| Appropriation | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled | |
|---|-------------------|--------------------|--------------------|------------------|-------------------|------------------------------------|--------------|
| | Budget | Modified Budget | | Encumbered | Reserved | | Unencumbered |
| | | | | | | | |
| APPROPRIATIONS WITHIN "CAPS" | | | | | | | |
| GENERAL GOVERNMENT | | | | | | | |
| Administrative and Executive: | | | | | | | |
| Salaries and Wages | \$ 136,600.00 | \$ 136,600.00 | \$ 129,897.69 | | \$ 6,702.31 | \$ | |
| Other Expenses - General | 38,470.00 | 33,470.00 | 19,408.56 | 288.73 | 13,772.71 | | |
| Other Expenses - Clerk | 5,900.00 | 5,900.00 | 3,718.62 | 442.07 | 1,739.31 | | |
| Other Expenses - Governing Body | 29,000.00 | 29,000.00 | 20.30 | 25,000.00 | 3,979.70 | | |
| Financial Administration: | | | | | | | |
| Salaries and Wages | 15,000.00 | 15,000.00 | 14,999.92 | | 0.08 | | |
| Other Expenses | 24,600.00 | 24,600.00 | 19,004.38 | 2,689.58 | 2,906.04 | | |
| Audit | 36,000.00 | 36,000.00 | | | 36,000.00 | | |
| Computerized Data Processing: | | | | | | | |
| Other Expenses | 19,000.00 | 24,000.00 | 19,409.55 | 1,920.00 | 2,670.45 | | |
| Collection of Taxes: | | | | | | | |
| Salaries and Wages | 96,000.00 | 96,000.00 | 95,852.28 | | 147.72 | | |
| Other Expenses | 35,500.00 | 35,500.00 | 10,846.75 | 15,348.24 | 9,305.01 | | |
| Assessment of Taxes: | | | | | | | |
| Salaries and Wages | 25,000.00 | 25,000.00 | 24,408.00 | | 592.00 | | |
| Other Expenses | 18,365.00 | 18,365.00 | 643.56 | | 17,721.44 | | |
| Tax Maps | | 125,000.00 | | | 125,000.00 | | |
| Legal Services and Costs: | | | | | | | |
| Other Expenses | 75,000.00 | 85,000.00 | 70,380.30 | 9,486.19 | 5,133.51 | | |
| Engineering Services and Costs: | | | | | | | |
| Other Expenses | 35,000.00 | 35,000.00 | 10,667.85 | 16,792.15 | 7,540.00 | | |
| Economic Development: | | | | | | | |
| Other Expenses | 500.00 | 500.00 | | | 500.00 | | |
| Environmental Commission: | | | | | | | |
| Salaries and Wages | 1,500.00 | 1,500.00 | 1,323.63 | | 176.37 | | |
| Other Expenses | 975.00 | 975.00 | 375.00 | | 600.00 | | |
| Municipal Land Use Law (N.J.S.A. 40:55D-1): | | | | | | | |
| Planning Board: | | | | | | | |
| Other Expenses | 22,650.00 | 29,650.00 | 9,687.05 | 7,518.75 | 12,444.20 | | |
| Total | <u>615,060.00</u> | <u>757,060.00</u> | <u>430,643.44</u> | <u>79,485.71</u> | <u>246,930.85</u> | | |
| PUBLIC SAFETY | | | | | | | |
| Police: | | | | | | | |
| Salaries and Wages | 1,567,200.00 | 1,567,200.00 | 1,533,599.82 | | 33,600.18 | | |
| Other Expenses | 98,550.00 | 98,550.00 | 57,687.55 | 14,532.88 | 26,329.57 | | |

TOWNSHIP OF MANSFIELD
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #2

| Appropriation | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|---|---------------------|---------------------|---------------------|------------------|-------------------|------------------------------|
| | Budget | Modified Budget | | Encumbered | Reserved | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | | |
| <u>PUBLIC SAFETY</u> | | | | | | |
| Emergency Management Services: | | | | | | |
| Salaries and Wages | \$ 2,550.00 | \$ 2,550.00 | \$ 2,000.00 | \$ | \$ 550.00 | \$ |
| Other Expenses | 1,200.00 | 1,200.00 | 890.00 | | 310.00 | |
| Fire (Mansfield Township Fire Company): | | | | | | |
| Other Expenses | 34,311.00 | 34,311.00 | 25,733.25 | | 8,577.75 | |
| Fire (Tri County Fire Company): | | | | | | |
| Other Expenses | 41,023.00 | 41,023.00 | 41,023.00 | | | |
| Fire (Mount Bethel Fire Company): | | | | | | |
| Other Expenses | 26,531.00 | 26,531.00 | 26,531.00 | | | |
| Fire (General): | | | | | | |
| Fire Hydrant Services | 30,000.00 | 30,000.00 | 15,779.79 | 1.00 | 14,219.21 | |
| Fire Prevention Bureau: | | | | | | |
| Other Expenses | 1,000.00 | 1,000.00 | 566.25 | 414.80 | 18.95 | |
| First Aid Organization - Contribution | 53,409.00 | 53,409.00 | 53,409.00 | | | |
| | <u>1,855,774.00</u> | <u>1,855,774.00</u> | <u>1,757,219.66</u> | <u>14,948.68</u> | <u>83,605.66</u> | |
| <u>PUBLIC WORKS</u> | | | | | | |
| Road Repairs and Maintenance: | | | | | | |
| Salaries and Wages | 370,000.00 | 370,000.00 | 329,336.12 | | 40,663.88 | |
| Other Expenses | 110,000.00 | 110,000.00 | 78,242.23 | 6,823.32 | 24,934.45 | |
| Snow Removal: | | | | | | |
| Salaries and Wages | 46,500.00 | 41,500.00 | 15,858.66 | | 25,641.34 | |
| Other Expenses | 50,000.00 | 55,000.00 | 46,925.55 | 2,386.88 | 5,687.57 | |
| Garbage and Trash Removal | 3,000.00 | 3,000.00 | 1,677.32 | 154.12 | 1,168.56 | |
| Public Buildings and Grounds: | | | | | | |
| Other Expenses | 94,000.00 | 94,000.00 | 59,477.12 | 8,121.00 | 26,401.88 | |
| | <u>673,500.00</u> | <u>673,500.00</u> | <u>531,517.00</u> | <u>17,485.32</u> | <u>124,497.68</u> | |
| <u>HEALTH AND WELFARE</u> | | | | | | |
| Senior Citizen Activities: | | | | | | |
| Other Expenses | 8,000.00 | 8,000.00 | 2,920.66 | | 5,079.34 | |
| Recreation and Education: | | | | | | |
| Recreation: | | | | | | |
| Other Expenses | 50,217.00 | 60,217.00 | 42,768.95 | 2,275.66 | 15,172.39 | |
| | <u>58,217.00</u> | <u>68,217.00</u> | <u>45,689.61</u> | <u>2,275.66</u> | <u>20,251.73</u> | |

TOWNSHIP OF MANSFIELD
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #3

| Appropriation | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|--|---------------------|-------------------|-------------------|------------|------------------|------------------------------|
| | Budget | Modified Budget | | Encumbered | Reserved | |
| APPROPRIATIONS WITHIN "CAPS" | | | | | | |
| MUNICIPAL COURT | | | | | | |
| Municipal Court: | | | | | | |
| Other Expenses | \$ 10,000.00 | \$ 10,000.00 | \$ 10,000.00 | \$ | \$ | \$ |
| Prosecutor: | | | | | | |
| Other Expenses | 10,000.00 | 10,000.00 | | | 10,000.00 | |
| Public Defender: | | | | | | |
| Other Expenses | 500.00 | 500.00 | | | 500.00 | |
| | <u>20,500.00</u> | <u>20,500.00</u> | <u>10,000.00</u> | | <u>10,500.00</u> | |
| HEALTH AND HUMAN SERVICES | | | | | | |
| PEOSHA (N.J.S.A. 34:6a-25 et seq.): | | | | | | |
| Hepatitis B Shots | 400.00 | 400.00 | | | 400.00 | |
| PEOSHA Requirements: | | | | | | |
| Other Expenses | 800.00 | 800.00 | | | 800.00 | |
| | <u>1,200.00</u> | <u>1,200.00</u> | | | <u>1,200.00</u> | |
| UNIFORM CONSTRUCTION CODE - APPROPRIATIONS | | | | | | |
| OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17) | | | | | | |
| Construction Code Official: | | | | | | |
| Other Expenses | 750.00 | 750.00 | | | 750.00 | |
| RISK MANAGEMENT AND INSURANCE | | | | | | |
| Insurance (N.J.S.A. 40A:4-45.3 (00)): | | | | | | |
| General Liability | 119,000.00 | 119,000.00 | 116,081.00 | | 2,919.00 | |
| Worker's Compensation | 116,000.00 | 116,000.00 | 113,314.00 | | 2,686.00 | |
| Group Insurance Plan for Employees | 690,000.00 | 628,000.00 | 555,950.90 | | 72,049.10 | |
| Group Health Insurance Plan Waivers | 30,000.00 | 30,000.00 | 26,301.62 | | 3,698.38 | |
| Insurance Fund Commissioner | 1,500.00 | 1,500.00 | | | 1,500.00 | |
| Insurance Deductible | 13,000.00 | 13,000.00 | | | 13,000.00 | |
| Accrued Sick Leave and Other Compensation | 70,000.00 | 85,000.00 | 82,597.58 | | 2,402.42 | |
| | <u>1,039,500.00</u> | <u>992,500.00</u> | <u>894,245.10</u> | | <u>98,254.90</u> | |
| UNCLASSIFIED | | | | | | |
| Constructions and Inspection Fees | 50,000.00 | 50,000.00 | 3,539.00 | 619.40 | 45,841.60 | |
| Utilities: | | | | | | |
| Fuel Oil | 9,500.00 | 12,500.00 | 7,891.50 | 2,419.85 | 2,188.65 | |

TOWNSHIP OF MANSFIELD
CURRENT FUND

A-3
Sheet #4

STATEMENT OF EXPENDITURES - REGULATORY BASIS

| Appropriation | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|--|---------------------|---------------------|---------------------|-------------------|-------------------|------------------------------|
| | Budget | Modified Budget | | Encumbered | Reserved | |
| <u>UNCLASSIFIED</u> | | | | | | |
| Utilities: | | | | | | |
| Electricity | \$ 44,000.00 | \$ 49,000.00 | \$ 43,898.95 | \$ 1,006.07 | \$ 4,094.98 | \$ |
| Telephone | 21,500.00 | 21,500.00 | 20,949.28 | 318.09 | 232.63 | |
| Gasoline | 31,000.00 | 33,000.00 | 28,692.37 | 3,193.99 | 1,113.64 | |
| Fuel - Diesel | 20,000.00 | 20,000.00 | 14,563.52 | 1,510.86 | 3,925.62 | |
| Natural Gas | 3,200.00 | 3,200.00 | 2,293.66 | | 906.34 | |
| Water Testing | 5,000.00 | 5,000.00 | 1,895.00 | 155.00 | 2,950.00 | |
| | <u>184,200.00</u> | <u>194,200.00</u> | <u>123,723.28</u> | <u>9,223.26</u> | <u>61,253.46</u> | |
| <u>CONTINGENT</u> | 3,000.00 | 3,000.00 | | | 3,000.00 | |
| Total Operations | <u>4,451,701.00</u> | <u>4,566,701.00</u> | <u>3,793,038.09</u> | <u>123,418.63</u> | <u>650,244.28</u> | |
| Detail: | | | | | | |
| Salaries and Wages | 2,261,850.00 | 2,256,850.00 | 2,147,276.12 | | 109,573.88 | |
| Other Expenses | <u>2,189,851.00</u> | <u>2,309,851.00</u> | <u>1,645,761.97</u> | <u>123,418.63</u> | <u>540,670.40</u> | |
| <u>STATUTORY EXPENDITURES</u> | | | | | | |
| Contribution to: | | | | | | |
| Public Employees' Retirement System | 106,890.00 | 106,890.00 | 106,882.00 | | 8.00 | |
| Social Security System (OASI) | 182,000.00 | 192,000.00 | 185,666.89 | | 6,333.11 | |
| Police and Firemen's Retirement System | 420,870.00 | 420,870.00 | 420,866.00 | | 4.00 | |
| Unemployment Compensation Insurance | 15,000.00 | 15,000.00 | 15,000.00 | | | |
| Defined Contribution Retirement Plan | 5,000.00 | 5,000.00 | | | 5,000.00 | |
| | <u>729,760.00</u> | <u>739,760.00</u> | <u>728,414.89</u> | | <u>11,345.11</u> | |
| Total Appropriations Within "CAPS" | <u>5,181,461.00</u> | <u>5,306,461.00</u> | <u>4,521,452.98</u> | <u>123,418.63</u> | <u>661,589.39</u> | |
| <u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u> | | | | | | |
| <u>SHARED SERVICE AGREEMENTS</u> | | | | | | |
| Municipal Court: | | | | | | |
| Salaries and Wages | 308,090.00 | 308,090.00 | 245,596.41 | | 62,493.59 | |
| Other Expenses | <u>35,910.00</u> | <u>35,910.00</u> | <u>15,262.22</u> | <u>2,036.27</u> | <u>18,611.51</u> | |

TOWNSHIP OF MANSFIELD
CURRENT FUND

A-3
Sheet #5

STATEMENT OF EXPENDITURES - REGULATORY BASIS

| Appropriation | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|---|-------------------|-------------------|-------------------|-----------------|------------------|---------------------------------|
| | Budget | Modified Budget | | Encumbered | Reserved | |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Prosecutor: | 25,000.00 | 25,000.00 | 14,333.28 | 7,166.72 | 3,500.00 | |
| Other Expenses | | | | | | |
| Public Defender: | | | | | | |
| Other Expenses | 10,000.00 | 10,000.00 | 3,900.00 | 100.00 | 6,000.00 | |
| Chief Financial Officer - Borough of Bloomingdale: | | | | | | |
| Other Expenses | 58,400.00 | 58,400.00 | 58,365.00 | | 35.00 | |
| Planning Board Secretary - Washington Township: | | | | | | |
| Salaries and Wages | 9,884.00 | 9,884.00 | 9,884.00 | | | |
| Animal Control Officer Services - Township of Washington: | | | | | | |
| Other Expenses | 10,000.00 | 10,000.00 | 10,000.00 | | | |
| | <u>457,284.00</u> | <u>457,284.00</u> | <u>357,340.91</u> | <u>9,302.99</u> | <u>90,640.10</u> | |

APPROPRIATIONS EXCLUDED FROM "CAPS"

SHARED SERVICE AGREEMENTS

Prosecutor:
 Other Expenses
 Public Defender:
 Other Expenses
 Chief Financial Officer - Borough of Bloomingdale:
 Other Expenses
 Planning Board Secretary - Washington Township:
 Salaries and Wages
 Animal Control Officer Services - Township of Washington:
 Other Expenses

PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES

| | | | | | | |
|--|-------------------|-------------------|-------------------|-----------------|------------------|--|
| Clean Communities Act | 22,013.86 | 22,013.86 | 22,013.86 | | | |
| Municipal Alliance: | | | | | | |
| Local Share | 437.00 | 437.00 | 437.00 | | | |
| Matching Funds for Grants | 3,000.00 | 3,000.00 | 3,000.00 | | | |
| Hepatitis B Grant | 975.00 | 975.00 | 975.00 | | | |
| Elizabethtown Gas, 2021 Game on Grant Program | 1,000.00 | 1,000.00 | 1,000.00 | | | |
| Recycling Tonnage Grant | 13,279.16 | 13,279.16 | 13,279.16 | | | |
| Body Armor Grant | 1,420.74 | 1,420.74 | 1,420.74 | | | |
| Body Worn Camera Grant Program | 32,608.00 | 32,608.00 | 32,608.00 | | | |
| Drive Sober or Get Pulled Over | 11,500.00 | 11,500.00 | 11,500.00 | | | |
| Drunk Driving Enforcement Fund | 6,361.90 | 6,361.90 | 6,361.90 | | | |
| U Drive, U Text, U Pay Distracted Driver Grant | 6,000.00 | 6,000.00 | 6,000.00 | | | |
| | <u>98,595.66</u> | <u>98,595.66</u> | <u>98,595.66</u> | | | |
| Total Operations | 555,879.66 | 555,879.66 | 455,936.57 | 9,302.99 | 90,640.10 | |
| Detail: | | | | | | |
| Salaries and Wages | 317,974.00 | 317,974.00 | 255,480.41 | | 62,493.59 | |
| Other Expenses | <u>237,905.66</u> | <u>237,905.66</u> | <u>200,456.16</u> | <u>9,302.99</u> | <u>28,146.51</u> | |

TOWNSHIP OF MANSFIELD
CURRENT FUND

A-3
Sheet #6

STATEMENT OF EXPENDITURES - REGULATORY BASIS

| Appropriation | Appropriations | | Paid or Charged | Expended | | Unexpended Balance Cancelled |
|--|------------------------|------------------------|------------------------|----------------------|----------------------|------------------------------|
| | Budget | Modified Budget | | Encumbered | Reserved | |
| <u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u> | | | | | | |
| <u>CAPITAL IMPROVEMENTS</u> | | | | | | |
| Improvements to Streets and Roads | \$ 930,000.00 | \$ 930,000.00 | \$ 930,000.00 | \$ | \$ | \$ |
| Police Equipment | 35,000.00 | 35,000.00 | 35,000.00 | | | |
| Fire Gear | 27,000.00 | 27,000.00 | 27,000.00 | | | |
| Capital Lease | 85,000.00 | 85,000.00 | 76,472.77 | | 8,527.23 | |
| | <u>1,077,000.00</u> | <u>1,077,000.00</u> | <u>1,068,472.77</u> | | <u>8,527.23</u> | |
| <u>MUNICIPAL DEBT SERVICE</u> | | | | | | |
| Payment of Bond Principal | 135,000.00 | 135,000.00 | 122,463.00 | | | 12,537.00 |
| Payment of Bond Anticipation Notes and Capital Notes | 109,000.00 | 109,000.00 | 108,033.00 | | | 967.00 |
| Interest on Bonds | 18,000.00 | 18,000.00 | 9,196.52 | | | 8,803.48 |
| Interest on Notes | 3,200.00 | 3,200.00 | 3,179.32 | | | 20.68 |
| | <u>265,200.00</u> | <u>265,200.00</u> | <u>242,871.84</u> | | | <u>22,328.16</u> |
| Total Appropriations Excluded from "CAPS" | <u>1,898,079.66</u> | <u>1,898,079.66</u> | <u>1,767,281.18</u> | <u>9,302.99</u> | <u>99,167.33</u> | <u>22,328.16</u> |
| Sub-Total | 7,079,540.66 | 7,204,540.66 | 6,288,734.16 | 132,721.62 | 760,756.72 | 22,328.16 |
| Reserve for Uncollected Taxes | 709,000.00 | 709,000.00 | 709,000.00 | | | |
| Total Appropriations | <u>\$ 7,788,540.66</u> | <u>\$ 7,913,540.66</u> | <u>\$ 6,997,734.16</u> | <u>\$ 132,721.62</u> | <u>\$ 760,756.72</u> | <u>\$ 22,328.16</u> |

Reference

A-2

Sheet #Z

Sheet #Y

A

A

TOWNSHIP OF MANSFIELD
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3
Sheet #7

| | <u>Ref.</u> | <u>Modified Budget</u> | <u>Paid or Charged</u> |
|---|-------------|----------------------------|----------------------------|
| Adopted Budget | | \$7,720,556.90 | \$ |
| Added by N.J.S.A. 40A:4-87 | | 67,983.76 | |
| Emergency Authorization | A-1,18 | 125,000.00 | |
| Cash Disbursed: | | | |
| Salaries and Wages | | | 2,402,756.53 |
| Township's Matching Funds for Federal and State Grants | A-33 | | 3,437.00 |
| Other Expenditures | | | <u>2,795,381.97</u> |
| | A-4 | <u>7,913,540.66</u> | <u>5,201,575.50</u> |
| Interfunds Payable | A-26 | | 992,000.00 |
| Reserve for Grant Expenditures | A-33 | | 95,158.66 |
| Reserve for Uncollected Taxes | A-2c | | <u>709,000.00</u> |
| | Sheet #6 | <u>\$7,913,540.66</u> | <u>\$6,997,734.16</u> |
| | | | |
| Analysis of Expended Charges to <u>Fund Balance</u> | | | |
| Paid or Charged | Above | | \$6,997,734.16 |
| Less: Reserve for Uncollected Taxes | Above | | <u>709,000.00</u> |
| | | | 6,288,734.16 |
| Reserved: | | | |
| Encumbered | Sheet #6 | \$ 132,721.62 | |
| Unencumbered | Sheet #6 | <u>760,756.72</u> | |
| | | | <u>893,478.34</u> |
| | A-1 | | <u>\$7,182,212.50</u> |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

B

| <u>ASSETS</u> | <u>Ref.</u> | <u>Balance</u> <u>Dec. 31, 2021</u> | <u>Balance</u> <u>Dec. 31, 2020</u> |
|---|-------------|--|--|
| <u>Animal Control Trust Fund</u> | | | |
| Cash - Checking | B-1 | <u>\$ 16,076.38</u> | <u>\$ 12,064.75</u> |
| <u>General Trust Fund</u> | | | |
| Cash - Checking | B-1 | 1,345,342.21 | 1,845,841.63 |
| Other Accounts Receivable | B-5 | 54,433.21 | |
| | | <u>1,399,775.42</u> | <u>1,845,841.63</u> |
| <u>Municipal Open Space Trust Fund</u> | | | |
| Cash - Checking | B-1 | <u>499,480.58</u> | |
| | | <u>\$1,915,332.38</u> | <u>\$1,857,906.38</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| <u>Animal Control Trust Fund</u> | | | |
| Due to State of New Jersey | B-7 | \$ 4.20 | \$ 982.15 |
| Interfunds Payable | B-12 | 5,278.58 | 11,082.60 |
| Reserve for Animal Control Trust Fund Expenditures | B-13 | <u>10,793.60</u> | <u>11,082.60</u> |
| | | <u>16,076.38</u> | <u>12,064.75</u> |
| <u>General Trust Fund</u> | | | |
| Special Deposits | B-8 | 865,151.16 | 1,842,593.69 |
| Premiums on Tax Sale | B-9 | 412,400.00 | |
| Payroll Deductions Payable | B-10 | 58,165.11 | |
| Interfunds Payable | B-12 | 3,790.33 | 3,247.94 |
| Reserve for: State Unemployment Trust Fund Expenditures | B-14 | <u>60,268.82</u> | |
| | | <u>1,399,775.42</u> | <u>1,845,841.63</u> |
| <u>Municipal Open Space Trust Fund</u> | | | |
| Municipal Open Space Trust Fund | B-11 | 485,516.28 | |
| Interfunds Payable | B-12 | 13,964.30 | |
| | | <u>499,480.58</u> | |
| | | <u>\$1,915,332.38</u> | <u>\$1,857,906.38</u> |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

C

| <u>ASSETS AND DEFERRED CHARGES</u> | <u>Ref.</u> | Balance <u>Dec. 31, 2021</u> | Balance <u>Dec. 31, 2020</u> |
|---|-------------|---------------------------------|---------------------------------|
| Cash - Checking | C-2 | \$ 1,266,479.55 | \$ 860,492.62 |
| Grants Receivable | C-4 | 421,819.25 | 348,269.25 |
| Deferred Charges to Future Taxation: | | | |
| Funded | C-6 | 495,000.00 | 719,163.31 |
| Unfunded | C-7 | <u>210,785.00</u> | <u>318,818.00</u> |
| | | <u>\$ 2,394,083.80</u> | <u>\$ 2,246,743.18</u> |
| | | | |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Serial Bonds | C-16 | \$ | \$ 693,000.00 |
| Refunding Bonds | C-15 | 495,000.00 | |
| Capital Lease Obligations | C-14 | | 26,163.31 |
| Bond Anticipation Notes | C-13 | 210,785.00 | 318,818.00 |
| Improvement Authorizations: | | | |
| Funded | C-8 | 390,860.73 | 504,476.75 |
| Unfunded | C-8 | 276,603.44 | 45,968.22 |
| Encumbrances Payable | C-9 | | 44,810.00 |
| Capital Improvement Fund | C-10 | 116,120.28 | 151,120.28 |
| Interfunds Payable | C-11 | 70,063.47 | |
| Various Capital Reserves | C-12 | 799,609.63 | 427,587.37 |
| Fund Balance | C-1 | <u>35,041.25</u> | <u>34,799.25</u> |
| | | <u>\$ 2,394,083.80</u> | <u>\$ 2,246,743.18</u> |
| | | | |
| Bonds and Notes Authorized but Not Issued | | <u>\$ -</u> | <u>\$ -</u> |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

C-1

| | <u>Ref.</u> | |
|---------------------------|-------------|--------------------|
| Balance December 31, 2020 | C | \$34,799.25 |
| Increased by: | | |
| Premium on Sale of Notes | C-2 | <u>242.00</u> |
| Balance December 31, 2021 | C | <u>\$35,041.25</u> |

See accompanying notes to financial statements.

TOWNSHIP OF MANSFIELD
CAPITAL FIXED ASSETS

COMPARATIVE BALANCE SHEET - REGULATORY BASIS

D

| <u>ASSETS</u> | Balance <u>Dec. 31, 2021</u> | Balance <u>Dec. 31, 2020</u> |
|------------------------------------|---------------------------------|---------------------------------|
| Land | \$ 3,803,200.00 | \$ 4,098,100.00 |
| Buildings and Improvements | 1,235,400.00 | 1,570,000.00 |
| Vehicles | 1,433,938.00 | 1,431,557.00 |
| Other Furniture and Equipment | <u>947,201.00</u> | <u>935,765.00</u> |
| | <u>\$ 7,419,739.00</u> | <u>\$ 8,035,422.00</u> |
| <u>RESERVE</u> | | |
| Investment in Capital Fixed Assets | <u>\$ 7,419,739.00</u> | <u>\$ 8,035,422.00</u> |

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF MANSFIELD

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Mansfield is a Township Committee form of government. The Township Committee consists of five members elected-at-large for three-year terms. On January 1st of each year, the Township Committee holds an organization meeting where it elects a Mayor who serves as Mayor for a one-year term.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes certain standards for defining and reporting on the financial entity. In accordance with these standards, the reporting entity should include the primary government and those component units which are fiscally accountable to the primary government.

The financial statements of the Township of Mansfield include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by the provisions of N.J.S. 40A:5-5.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Description of Funds

The Governmental Accounting Standards Board (GASB) is the recognized standard setting body for establishing governmental accounting and financial reporting principles. The GASB establishes three fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The accounting policies of the Township of Mansfield conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. These principles are a "Modified Accrual Basis of Accounting" which differs from accounting principles generally accepted in the United States of America (GAAP) for governmental entities. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Mansfield accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP:

Current Fund - Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

Trust Funds - The records of receipts, disbursements and custodianship of monies in accordance with the purpose for which each account was created are maintained in Trust Funds. These include the Animal Control Trust Fund, General Trust Fund and Municipal Open Space Trust Fund.

General Capital Fund - The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund, are maintained in this Fund, as well as, related long-term debt accounts.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. **Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)**

Description of Funds (Continued)

Capital Fixed Assets - This account reflects estimated valuations of land, buildings and certain movable fixed assets of the Township as discussed under the caption of "Basis of Accounting".

Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, differ in certain respects from accounting principles generally accepted in the United States of America. The accounting system is maintained on the modified accrual basis with certain exceptions. Significant accounting policies in New Jersey are summarized as follows:

Property Taxes and Other Revenue

Property taxes and other revenue are realized when collected in cash or approved by regulation for accrual from certain sources of the State of New Jersey and the Federal Government. Accruals of taxes and other revenue are otherwise deferred as to realization by the establishment of offsetting reserve accounts. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenue

Federal and State grants, entitlements or shared revenue received for purposes normally financed through the Current Fund are recognized when anticipated in the Township of Mansfield budget. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual.

Expenditures

Expenditures for general operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been cancelled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

Grant appropriations are charged upon budget adoption to create spending reserves.

Budgeted transfers to the Capital Improvement Fund are recorded as expenditures to the extent permitted by law.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

Budget Appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. **Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)**

Basis of Accounting (Continued)

Encumbrances

As of January 1, 1986 all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division of Local Government Services, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at December 31st are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

Compensated Absences

Expenditures relating to obligations for unused vested accumulated sick, vacation and compensatory pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes

Property Acquired for Taxes (Foreclosed Property) is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the capital fixed assets at market value on the date of acquisition.

Self-Insurance Contributions

Contributions to self-insurance funds are charged to budget appropriations. GAAP requires that payments be accounted for as an operating transfer and not as an expenditure.

Interfunds Receivable

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfunds Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the opposite fund. GAAP does not require the establishment of an offsetting reserve.

Inventories of Supplies

Materials and supplies purchased by all funds are recorded as expenditures.

Materials and supplies of all funds are not inventoried nor included on their respective balance sheets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Basis of Accounting (Continued)

Capital Fixed Assets

General:

In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from GAAP, the Township of Mansfield has developed a fixed asset accounting and reporting system.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available.

Capital fixed assets used in governmental operations (general fixed assets) are accounted for in the Capital Fixed Assets. Public domain ("infrastructure") capital fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual capital fixed asset record.

Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established capital fixed assets are valued at cost.

Depreciation of assets is not recorded as an operating expense of the Township.

C. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township of Mansfield presents the financial statements listed in the table of contents which are required by the Division of Local Government Services and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

D. Recent Accounting Pronouncements Not Yet Effective

- *GASB Statement No. 87, Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The Township does not expect this Statement to impact its financial statements.

GASB Statement No. 95 was issued in May 2020, which postponed the effective date of this GASB by eighteen months.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Recent Accounting Pronouncements Not Yet Effective (Continued)

- *GASB Statement No. 91. Conduit Debt Obligations.* The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The Township does not expect this Statement to impact its financial statements.

GASB Statement No. 95 was issued in May 2020, which postponed the effective date of this GASB by one year.

- *GASB Statement No. 92. Omnibus 2020.* The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2020. Earlier application is encouraged. The Township does not expect this Statement to impact its financial statements.

GASB Statement No. 95 was issued in May 2020, which postponed the effective date of this GASB by one year.

- *GASB Statement No. 93. Replacement of Interbank Offered Rates.* The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR).

Effective Date: The removal of London Interbank Offered Rate (IBOR) as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Earlier application is encouraged. The Township does not expect this Statement to impact its financial statements.

GASB Statement No. 95 was issued in May 2020, which postponed the effective date of this GASB by one year.

- *GASB Statement No.94. Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The Township does not expect this Statement to impact its financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Recent Accounting Pronouncements Not Yet Effective (Continued)

- *GASB Statement No. 96. Subscription-Based Information Technology Arrangements.* This Statement provides guidance on the accounting and financial reporting for subscriptions-based information technology arrangements (SBITAs) for government end users (governments) This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The Township does not expect this Statement to impact its financial statements.

- *GASB Statement No. 97. Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.* The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged. The Township does not expect this Statement to impact its financial statements.

- *GASB Statement No. 98. The Annual Comprehensive Financial Report.* This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for Comprehensive Annual Financial Report sounds like a profoundly objectionable racial slur.

Effective Date: The requirements of this Statement are effective for fiscal years ending after December 15, 2021. Earlier application is encouraged. The Township does not expect this Statement to impact its financial statements.

- *GASB Statement No. 99. Summaries/Status.* The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

Effective Date: The requirements of this Statement that are effective are as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Recent Accounting Pronouncements Not Yet Effective (Continued)

- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The Township does not expect this Statement to impact its financial statements.

- *GASB Statement No.101. Compensated Absences.* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The Township does not expect this Statement to impact its financial statements.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Cash and Cash Equivalents

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 any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of Fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment management company, the Municipal Investors Service Corporation.

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey, ("GUDPA") public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

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 \$25,000,000.00.

The Township considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Cash and Cash Equivalents (Continued)

The Township of Mansfield has the following cash and cash equivalents at December 31, 2021:

| | <u>2021</u> |
|-------------------------------------|-------------------------|
| Unity Bank - Checking Accounts | \$ 9,092,170.55 |
| TD Bank - Checking Accounts | 82,257.69 |
| Regal Bank - Certificate of Deposit | 1,000,000.00 |
| Change Funds | <u>450.00</u> |
| Total Cash and Cash Equivalents | <u>\$ 10,174,878.24</u> |

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial risk other than those policies that adhere to the requirements of statute, which requires cash be deposited only in New Jersey based bank institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. As of December 31, 2021, of the cash balance in the bank, \$583,052.69 was covered by Federal Depository Insurance and \$9,710,529.86 was covered under the provisions of NJGUDPA.

Interest Rate Risk - This is the risk that changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to change in market interest rates. The Board's investment policy does not include limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of December 31, 2021, the Township had funds on deposit in checking and certificates of deposit. The amount on deposit of the Township's Cash and Cash Equivalents as of December 31, 2021 was \$10,293,582.55. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 40.

B. Investments

New Jersey P.L. 2017, c. 310 permits the Townships to purchase various investments in accordance with the Township's Cash Management Plan.

3. TAXES AND TAX TITLE LIENS RECEIVABLE

Property assessments are determined on true values and taxes are assessed based upon these values. The residential tax bill includes the levies for the Township, County and School purposes. Certified adopted budgets are submitted to the County Board of Taxation by each taxing district. The tax rate is determined by the board upon the filing of these budgets.

The tax bills are mailed by the Tax Collector annually in June and are payable in four quarterly installments due the first of August and November of the current year and a preliminary billing due the first of February and May of the subsequent year. The August and November billings represent the third and fourth quarter installments and are calculated by taking the total year tax levy less the preliminary first and second quarter installments due February and May. The preliminary levy is based on one-half of the current year's total tax.

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

Tax installments not paid by the above due dates are subject to interest penalties determined by a resolution of the governing body. The rate of interest in accordance with the aforementioned resolution is 8% per annum on the first \$1,500.00 of delinquency and 18% on any delinquency in excess of \$1,500.00. The resolution also sets a grace period of ten days before interest is calculated. In addition, any delinquency in excess of \$10,000.00 at the end of the calendar year is subject to a 6% penalty on the unpaid balance.

Taxes unpaid on the 11th day of the eleventh month in the fiscal year when the taxes become in arrears are subject to the tax sale provisions of the New Jersey statutes. The municipality may institute in rem foreclosure proceedings after six months from the date of the sale if the lien has not been redeemed.

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

Comparative Schedule of Tax Rates

| | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|----------------------------|----------------|----------------|----------------|----------------|----------------|
| Tax Rate | <u>\$3.513</u> | <u>\$3.478</u> | <u>\$3.424</u> | <u>\$3.365</u> | <u>\$3.294</u> |
| Apportionment of Tax Rate: | | | | | |
| Municipal | \$0.617 | \$0.621 | \$0.615 | \$0.612 | \$0.604 |
| County | 0.757 | 0.782 | 0.795 | 0.792 | 0.813 |
| School | 0.916 | 0.892 | 0.882 | 0.865 | 0.846 |
| Regional High School | 1.181 | 1.163 | 1.112 | 1.076 | 1.011 |
| County Open Space | 0.022 | | | | |
| Municipal Open Space | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 |

Assessed Valuations

| <u>Year</u> | <u>Amount</u> |
|-------------|-------------------|
| 2021 | \$ 684,582,350.00 |
| 2020 | 678,433,175.00 |
| 2019 | 673,450,875.00 |
| 2018 | 673,248,825.00 |
| 2017 | 675,600,360.00 |

Comparison of Tax Levies and Collections

| <u>Year</u> | <u>Tax Levy</u> | <u>Collections</u> | <u>Percentage of Collections</u> |
|-------------|------------------|--------------------|----------------------------------|
| 2021 | \$ 24,383,452.65 | \$ 23,808,703.80 | 97.64% |
| 2020 | 23,748,427.69 | 23,133,625.73 | 97.41 |
| 2019 | 23,278,943.57 | 22,609,040.28 | 97.12 |
| 2018 | 22,987,391.05 | 22,086,592.13 | 96.08 |
| 2017 | 22,303,658.77 | 21,600,388.38 | 96.84 |

3. TAXES AND TAX TITLE LIENS RECEIVABLE (Continued)

Delinquent Taxes and Tax Liens

| <u>Year</u> | <u>Amount of Tax Title Liens</u> | <u>Amount of Delinquent Taxes</u> | <u>Total Delinquent</u> | <u>Percentage of Tax Levy</u> |
|-------------|--|---|-----------------------------|---------------------------------------|
| 2021 | \$ 393,050.40 | \$438,442.19 | \$ 831,492.59 | 3.41% |
| 2020 | 1,221,278.48 | 383,981.74 | 1,605,260.22 | 6.76 |
| 2019 | 1,040,422.30 | 424,100.60 | 1,464,522.90 | 6.28 |
| 2018 | 611,352.26 | 813,710.05 | 1,425,062.31 | 6.19 |
| 2017 | 601,094.15 | 641,653.74 | 1,242,747.89 | 5.57 |

4. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2021 | \$ 241,200.00 |
| 2020 | 2,232,600.00 |
| 2019 | 2,232,600.00 |
| 2018 | 2,246,200.00 |
| 2017 | 2,116,700.00 |

5. FUND BALANCES APPROPRIATED

| | <u>Year</u> | <u>Balance December 31,</u> | <u>Utilized in Budgets of Succeeding Year</u> |
|---------------|-------------|---------------------------------|---|
| Current Fund: | 2021 | \$3,580,851.72 | \$1,025,000.00 |
| | 2020 | 2,846,270.32 | 1,435,000.00 |
| | 2019 | 2,524,541.94 | 855,000.00 |
| | 2018 | 2,394,116.85 | 650,000.00 |
| | 2017 | 2,210,781.84 | 500,000.00 |

6. PENSION PLANS

Information presented below is as of June 30, 2020 for PFRS. Additional information was not available as of the date of this audit.

Description of Systems

Substantially all of the Township's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Public Employees' Retirement System and the Police and Firemen's Retirement System are considered a cost-sharing multiple-employer plan.

6. PENSION PLANS (Continued)

Description of Systems (Continued)

The amount of the Township's contribution is certified each year by PERS and PFRS on the recommendation of the actuary, who makes an annual actuarial valuation. The valuation is based on a determination of the financial condition of the retirement system. It includes the computation of the present dollar value of benefits payable to former and present members and the present dollar value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal, former service, salary and interest. In accordance with State statute, the long-term expected rate of return on plan investments 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. Specific information on actuarial assumptions and rates of return can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS the employer contribution includes funding for post-retirement medical premiums.

| | PERS | | |
|--------------------------|--------------|-------------|-------------|
| | <u>2021</u> | <u>2020</u> | <u>2019</u> |
| Covered Employee Payroll | \$ 716,508 * | \$ * | \$ * |
| Total Payroll | 2,615,739 | 2,405,916 | * |
| Actuarial Contribution | | | |
| Requirements | 108,407 | 101,820 | * |
| Total Contributions | 164,111 * | * | * |
| Employer Share | 108,407 | 101,820 | * |
| % of Covered Payroll | 15.13% * | * | * |
| Employee's Share | 55,704 * | * | * |
| % of Covered Payroll | 7.77% * | * | * |

| | PFRS | | |
|--------------------------|-------------|-------------|-------------|
| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
| Covered Employee Payroll | \$ * | \$ * | \$ * |
| Total Payroll | 2,405,916 | * | * |
| Actuarial Contribution | | | |
| Requirements | 403,683 | * | * |
| Total Contributions | * | * | * |
| Employer Share | 403,683 | * | * |
| % of Covered Payroll | * | * | * |
| Employee's Share | * | * | * |
| % of Covered Payroll | * | * | * |

*Data was not provided by the Township.

Assumptions

The collective total PERS pension liability for June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020 using an actuarial experience study for the period July 1, 2014 to June 30, 2018 for PERS. The pension liability was rolled forward to June 30, 2021. The actuarial valuation used an inflation rate of 2.75% for price and 3.25% for wage, projected salary increases through 2026 of 2.00% to 6.00% for PERS and thereafter 3.00% to 7.00% based on years of service and an investment rate of return of 7.00%.

6. PENSION PLANS (Continued)

Assumptions (Continued)

The collective total PFRS pension liability for June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019 using an actuarial experience study for the period July 1, 2013 to June 30, 2018 for PFRS. The pension liability was rolled forward to June 30, 2020. The actuarial valuation used an inflation rate of 2.75% for price and 3.25% for wage, projected salary increases through all future years of 3.25% to 15.15% for PFRS based on years of service and an investment rate of return of 7.00%.

For PERS, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021 for PERS and 7.00% as of June 30, 2020 for PFRS. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% as of June 30, 2020 and 100% as of June 30, 2021 of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability. More information on mortality rates and other assumptions, and investment policies can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

Public Employees' Retirement System:

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

Significant Legislation

P.L. 2011, c. 78, effective June 28, 2011, made various changes to the manner in which PERS operates and to the benefit provisions of that system. Provisions impacting employee pension and health benefits include:

6. PENSION PLANS (Continued)

Public Employees' Retirement System: (Continued)

Significant Legislation (Continued)

- New members of PERS hired on or after June 28, 2011 (Tier 5 members), will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ to 1 percent for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 62 to 65 for Tier 5 members.
- Active member contribution rates will increase. PERS active member rates increase from 5.5 percent of annual compensation to 6.5 percent plus an additional 1 percent phased-in over 7 years. For Fiscal Year 2013, the member contribution rates increased in July 2013. The phase-in of the additional incremental member contributions for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

In addition, the method for amortizing the pension systems' unfunded accrued liability changed (from a level percent of pay method to a level dollar of pay).

The following presents the Township's proportionate share of the collective PERS net pension liability calculated using the discount rate of 7.00% and 7.00% as of June 30, 2021 and 2020, respectively, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed rate.

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

| | At 1% Decrease <u>(6.00%)</u> | At Current Discount Rate <u>(7.00%)</u> | At 1% Increase <u>(8.00%)</u> |
|------|-------------------------------------|--|-------------------------------------|
| 2021 | <u>\$ 1,517,551</u> | <u>\$ 1,108,288</u> | <u>\$ 768,003</u> |
| | | | |
| | At 1% Decrease <u>(6.00%)</u> | At Current Discount Rate <u>(7.00%)</u> | At 1% Increase <u>(8.00%)</u> |
| 2020 | <u>\$ 1,884,928</u> | <u>\$ 1,529,755</u> | <u>\$ 1,193,779</u> |

Special Funding Situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. Below is the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employers:

6. PENSION PLANS (Continued)

Public Employees' Retirement System: (Continued)

Special Funding Situation (Continued)

| | <u>2021</u> | <u>2020</u> |
|--|------------------------|------------------------|
| Employer Net Pension Liability | \$ 1,096,598.00 | \$ 1,517,819.00 |
| Nonemployer Proportional Share of the Net Pension Liability | <u>11,690.00</u> | <u>11,936.00</u> |
| | <u>\$ 1,108,288.00</u> | <u>\$ 1,529,755.00</u> |

Police and Firemen's Retirement System:

The Police and Firemen's Retirement System (PFRS) was established in July, 1944 under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police and firemen and State firemen appointed after June 30, 1944. Membership is mandatory for such employees. Members may opt for Service retirement if over age 55 or Special Retirement at any age if they have a minimum of 25 years of service or 20 years of service if enrolled in the PFRS as of January 18, 2000. Retirement benefits vary depending on age and years of service.

Chapter 428, Public Law of 1999, effective January 18, 2000, allows a member, age 55 and older with 20 or more years of service, to retire with a benefit equaling 50% of final compensation, in lieu of the regular retirement allowance available to the member. Final compensation means the compensation received by the member in the last twelve months of creditable service preceding retirement.

In addition, a member of the system as of the effective date of this law may retire with 20 or more years of service with a retirement allowance of 50% of final compensation, regardless of age, and if required to retire because of attaining the mandatory retirement age of 65, an additional 3% of final compensation for every additional year of creditable service up to 25 years.

P.L. 2011, c. 78, effective June 28, 2011, made various changes to the manner in which PFRS operates and to the benefit provisions of that system.

This new legislation's provisions impacting employee pension and health benefits include:

- . The annual benefit under special retirement for new PFRS members enrolled after June 28th, 2011 (Tier 3 members), will be 60 percent instead of 65 percent of the member's final compensation plus 1 percent for each year of creditable service over 25 years but not to exceed 30 years.

The following presents the Township's proportionate share of the collective PFRS net pension liability calculated using the discount rate of 7.00% and 6.85% as of June 30, 2020 and 2019, respectively, as well as what the PFRS net pension liability would be if it were calculated using a discount rate of one percentage point lower or one percentage point higher than the assumed rate.

6. PENSION PLANS (Continued)

Police and Firemen's Retirement System:

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

| | At 1% Decrease <u>(6.00%)</u> | At Current Discount Rate <u>(7.00%)</u> | At 1% Increase <u>(8.00%)</u> |
|------|-------------------------------------|--|-------------------------------------|
| 2020 | <u>\$ 7,172,451</u> | <u>\$ 5,393,655</u> | <u>\$ 3,916,229</u> |
| | At 1% Decrease <u>(5.85%)</u> | At Current Discount Rate <u>(6.85%)</u> | At 1% Increase <u>(7.85%)</u> |
| 2019 | <u>\$ 6,897,621</u> | <u>\$ 5,103,166</u> | <u>\$ 3,617,996</u> |

Special Funding Situation

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

| | <u>2020</u> | <u>2019</u> |
|--|------------------------|------------------------|
| Employer Net Pension Liability | \$ 4,669,041.00 | \$ 4,407,253.00 |
| Nonemployer Proportional Share of the Net Pension Liability | <u>724,614.00</u> | <u>695,914.00</u> |
| | <u>\$ 5,393,655.00</u> | <u>\$ 5,103,167.00</u> |

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups.

6. PENSION PLANS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedules of pension amount by employer. The allocation percentages for each group as of June 30, 2021 and 2020 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal years ended June 30, 2021 and 2020, respectively.

Following is the total of the Township's portion of the PERS and PFRS net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and the pension expense and expenditures for the fiscal year ended June 30, 2021 for PERS and June 30, 2020 for PFRS:

| | <u>PERS</u> | <u>PFRS</u> |
|--|--------------|--------------|
| Net Pension Liabilities | \$ 1,096,598 | \$ 4,669,041 |
| Deferred Outflow of Resources | 83,685 | 654,841 |
| Deferred Inflow of Resources | 974,875 | 1,268,499 |
| Pension Expense | (317,511) | 62,403 |
| Contributions Made After Measurement Date | 108,407 | 403,683 |

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collected deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented in the PERS schedule of employer allocations and applied to amounts presented in the PERS schedule of pension amounts by employer are based on the ratio of the contributions as an individual employer to total contributions to the PERS and PFRS during the years ended June 30, 2021 and 2020. The Township's proportionate share of the collective net pension liability as of June 30, 2021 and 2020 was .0093 and .0093% for PERS and as of June 30, 2020 and June 30, 2019 was .0361% and .0360% for PFRS, respectively.

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

At June 30, 2021, the amount determined as the Township's proportionate share of the PERS net pension liability was \$1,096,598. For the year ended June 30, 2021, the Township would have recognized PERS pension expense of \$(318,511). At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to the PERS pension are as follows:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Difference Between Expected and Actual Experience | \$ 17,295 | \$ 7,850 |
| Change of Assumptions | 5,711 | 390,396 |
| Net Difference Between Projected and Actual Investment Earnings | | 288,873 |
| Net Change in Proportions | 60,679 | 287,756 |
| Total Contributions and Proportionate Share of Contributions After the Measurement Date | <u>108,407</u> | |
| | <u>\$ 192,092</u> | <u>\$ 974,875</u> |

6. PENSION PLANS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

At June 30, 2020, the amount determined as the Township's proportionate share of the PFRS net pension liability was \$4,669,041. For the year ended June 30, 2020, the Township would have recognized PFRS pension expense of \$(62,403). At June 30, 2020, deferred outflows of resources and deferred inflows of resources related to the PFRS pension are as follows:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Difference Between Expected and Actual Experience | \$ 47,072 | \$ 16,757 |
| Change of Assumptions | 11,750 | 1,251,742 |
| Net Difference Between Projected and Actual Investment Earnings | 273,768 | |
| Net Change in Proportions | 322,251 | |
| Total Contributions and Proportionate Share of Contributions After the Measurement Date | <u>403,683</u> | |
| | <u>\$ 1,058,524</u> | <u>\$ 1,268,499</u> |

Long-Term Expected Rate of Return

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

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

6. PENSION PLANS (Continued)

Contributions Required and Made

Contributions made by employees for PERS and PFRS are currently 7.50% and 10.0% of their base wages, respectively. Employer contributions are actuarially determined on an annual basis by the Division of Pensions. Contributions to the plan for the past three years are as follows:

| <u>Year</u> | <u>Township</u> | <u>Employees</u> | <u>Township</u> | <u>Employees</u> |
|-------------|-----------------|------------------|-----------------|------------------|
| 2021 | \$ 106,882.00 | \$ 55,703.97 | \$ 420,866.00 | \$ 140,557.60 |
| 2020 | 93,667.00 | * | 380,941.00 | * |
| 2019 | 115,936.00 | * | 356,121.00 | * |

*Data was not provided by the Township.

During 2009, the Township of Mansfield, in accordance with the provisions of Public Law 2009, c. 19 (S21), elected by resolution of the governing body to defer the 50% of their 2009 normal and accrued pension liability for the PERS and PFRS pension retirement system obligation. This deferred pension liability will be repaid over a 15 year period and started in April 2012.

7. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

As of May 21, 2010, the municipal base salary required for eligibility in the DCRP was increased to \$5,000.00.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employees' Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Employees enrolled in the PERS on or after July 1, 2007 or employees enrolled in the PFRS after May 21, 2010 who earn salary in excess of established "maximum compensation" limits.
- Employees otherwise eligible to enroll in the PERS on or after November 2, 2008 who do not earn the minimum salary for PERS Tier 3, but who earn salary of at least \$5,000.00.

7. DEFINED CONTRIBUTION RETIREMENT PROGRAM (Continued)

Description of System (Continued)

- Employees otherwise eligible to enroll in the PERS after May 21, 2010, who do not work the minimum number of hours per week required for PERS Tier 4 or Tier 5 enrollment (32 hours per week) but who earn salary of at least \$5,000.00 annually.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

Contributions Required and Made

Contributions made by employees for DCRP are currently at 5.5% of their base wages. The employer contribution is 4.05%, which includes a member contribution match of 3.0%, Group Life Insurance is .74% of gross wages and Long-Term Disability is .31% of gross wages.

During the year 2021, there were no officials or employees enrolled in the DCRP.

8. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

In addition to the pension described in Note 6, the Township provides postemployment health care benefits as part of the State Health Benefits Local Government Retired Employees Plan.

General Information about the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

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

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

8. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

General Information about the OPEB Plan (Continued)

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 providing 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.

The Township of Mansfield shall provide to all Police Officers who retire with twenty-five years of service with the Township Police Department and their dependents medical benefits coverage. The Township shall provide to all Police Officers who retire with twenty years of service with the Township Police Department and twenty-five years in the Police and Firemen's Retirement System with medical benefits coverage for the Police Officer only, not including dependents. The Township shall pay 80% of the cost of medical benefit coverage to all Teamsters who retire with twenty-five years of service with the Township for the retiree only. The Township shall pay 70% of the cost of medical benefit coverage for the retiree only to all non-union employees who retire with twenty-five years of service with the Township.

Total OPEB Liability

Information presented below is as of June 30, 2020. Additional information was not available as of the date of this audit.

At December 31, 2020, the Township had a liability of \$4,822,614 for its proportionate share of the non-special funding net OPEB liability. The net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Township's proportion of the net OPEB liability was based on a projection of the Township's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers in the plan. At June 30, 2020, the Township's proportion was .026872% which was an increase of .001834% from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the Township would have recognized OPEB expense of \$(787,648). At December 31, 2020, deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Difference Between Expected and Actual Experience | \$ 127,024 | \$ 898,061 |
| Changes of Assumptions | 721,311 | 1,072,475 |
| Net Difference Between Projected and Actual Earnings on OPEB Plan Investments | 3,063 | |
| Changes in Proportion | <u>3,952,045</u> | <u>11,487</u> |
| Total | <u>\$ 4,803,443</u> | <u>\$ 1,982,023</u> |

8. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Total OPEB Liability (Continued)

Amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB (excluding changes in proportion) will be recognized in OPEB expense as follows:

| Year Ended June 30: | |
|---------------------|--------------|
| 2021 | \$ (259,240) |
| 2022 | (259,475) |
| 2023 | (259,855) |
| 2024 | (260,202) |
| 2025 | (177,425) |
| Thereafter | 97,057 |

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.87, 8.05, 8.14 and 8.04 years for the 2020, 2019, 2018 and 2017 amounts, respectively.

Actual Assumptions and Other Inputs

The total OPEB liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

| | |
|--|---|
| Inflation Rate | 2.50% |
| Salary Increases*: | |
| Public Employees' Retirement System (PERS): | |
| Initial Fiscal Year Applied: | |
| Rate Through 2026 | 2.00% to 6.00% |
| Rate Thereafter | 3.00% to 7.00% |
| Police and Firemen's Retirement System (PFRS): | |
| Rate for All Future Years | 3.25% to 15.25% |
| Mortality: | |
| PERS | Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020. |
| PFRS | Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020. |

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

Actuarial assumptions used in the July 1, 2019 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

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

8. OTHER POSTEMPLOYMENT BENEFITS (OPEB) Continued)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.00% and decreases to a 4.5% long-term trend rate after seven years.

Discount Rate

The discount rate for June 30, 2020 and 2019 was 2.21% and 3.50%, respectively. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Township's proportionate share of the net OPEB liability as of June 30, as well as what the Township's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| | June 30, 2020 | | |
|---|----------------|-----------------------------|----------------|
| | 1% Decrease | At Current Discount Rate | 1% Increase |
| | <u>1.21%</u> | <u>2.21%</u> | <u>3.21%</u> |
| Township's Proportionate Share of Net OPEB Liability | \$ 5,701,348 | \$ 4,822,614 | \$ 4,127,015 |
| | June 30, 2019 | | |
| | 1% Decrease | At Current Discount Rate | 1% Increase |
| | <u>2.50%</u> | <u>3.50%</u> | <u>4.50%</u> |
| Township's Proportionate Share of Net OPEB Liability | \$ 3,921,628 | \$ 3,391,665 | \$ 2,961,001 |

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rates

The following presents the Township's proportionate share of the net OPEB liability as of June 30, as well as what the Township's proportionate share of the net OPEB liability would be if it were calculated using a healthcare trend rate that is one percentage point lower or one percentage point higher than the current rate:

| | June 30, 2020 | | |
|---|----------------|-------------------------------|----------------|
| | 1% Decrease | Healthcare Cost Trend Rate | 1% Increase |
| Township's Proportionate Share of Net OPEB Liability | \$ 3,990,718 | \$ 4,822,614 | \$ 5,911,993 |
| | June 30, 2019 | | |
| | 1% Decrease | Healthcare Cost Trend Rate | 1% Increase |
| Township's Proportionate Share of Net OPEB Liability | \$ 2,862,148 | \$ 3,391,665 | \$ 4,067,154 |

8. OTHER POSTEMPLOYMENT BENEFITS (OPEB) Continued)

Special Funding Situation

Information presented below is as of June 30, 2020. Additional information was not available as of the date of this audit.

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation.

The Township as of June 30, 2021 had 17 members under the Special Funding Situation. The State proportionate share of the net OPEB liability attributed to the Township is \$3,822,301.00.

9. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Pursuant to N.J.S.A. 40A:2-8.1, bond anticipation notes, which are issued to temporarily finance capital projects, cannot be renewed past the third anniversary unless an amount equal to at least the first legal requirement is paid prior to each anniversary and must be paid off within ten years and five months or retired by the issuance of bonds.

Summary of Municipal Debt (Excluding Current and Operating Debt)

| | <u>Year 2021</u> | <u>Year 2020</u> | <u>Year 2019</u> |
|---|---------------------|-----------------------|-----------------------|
| <u>Issued</u> | | | |
| General: | | | |
| Bonds and Notes | \$705,785.00 | \$1,011,818.00 | \$1,330,851.00 |
| <u>Authorized but Not Issued</u> | | | |
| General: | | | |
| Bonds and Notes | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Debt | <u>705,785.00</u> | <u>1,011,818.00</u> | <u>1,330,851.00</u> |
| Net Bonds and Notes Issued and Authorized but Not Issued | <u>\$705,785.00</u> | <u>\$1,011,818.00</u> | <u>\$1,330,851.00</u> |

9. MUNICIPAL DEBT (Continued)

Bond Anticipation Notes (Continued)

Statutory requirements for providing sums equivalent to legally payable installments for the redemption of notes (Budget Appropriations) and permanent funding (Bond Issues) are summarized as follows:

| <u>Original Note Issued</u> | <u>Legal Installments Due</u> | <u>Permanent Funding Required as of May 1</u> |
|-------------------------------------|---------------------------------------|---|
| 2014 | 2017 - 2024 | 2025 |
| 2017 | 2020 - 2027 | 2028 |

A schedule of annual debt service for principal and interest for bonded debt is as follows:

| <u>Calendar Year</u> | <u>Total</u> | <u>General</u> | |
|--------------------------|----------------------|----------------------|---------------------|
| | | <u>Principal</u> | <u>Interest</u> |
| 2022 | \$ 117,820.50 | \$ 105,000.00 | \$ 12,820.50 |
| 2023 | 110,101.00 | 100,000.00 | 10,101.00 |
| 2024 | 107,511.00 | 100,000.00 | 7,511.00 |
| 2025 | 104,921.00 | 100,000.00 | 4,921.00 |
| 2026 | 92,331.00 | 90,000.00 | 2,331.00 |
| | <u>\$ 532,684.50</u> | <u>\$ 495,000.00</u> | <u>\$ 37,684.50</u> |

The interest reflected above is on the cash basis.

Bonds and Notes Authorized but Not Issued

| | <u>Balance Dec. 31, 2021</u> | <u>Balance Dec. 31, 2020</u> |
|-----------------------|----------------------------------|----------------------------------|
| General Capital Fund: | | |
| General Improvements | <u>\$ -</u> | <u>\$ -</u> |

10. CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2021 and 2020 was as follows:

| <u>Governmental Activities</u> | <u>Balance Dec. 31, 2020</u> | <u>Additions</u> | <u>Retirement</u> | <u>Balance Dec. 31, 2021</u> |
|--------------------------------|----------------------------------|----------------------|----------------------|----------------------------------|
| Land | \$ 4,098,100.00 | \$ | \$ 294,900.00 | \$ 3,803,200.00 |
| Building and Improvements | 1,570,000.00 | | 334,600.00 | 1,235,400.00 |
| Vehicles | 1,431,557.00 | 99,736.00 | 97,355.00 | 1,433,938.00 |
| Other Furniture and Equipment | 935,765.00 | 83,903.00 | 72,467.00 | 947,201.00 |
| Total | <u>\$ 8,035,422.00</u> | <u>\$ 183,639.00</u> | <u>\$ 799,322.00</u> | <u>\$ 7,419,739.00</u> |

| <u>Governmental Activities</u> | <u>Balance Dec. 31, 2019</u> | <u>Additions</u> | <u>Retirement</u> | <u>Balance Dec. 31, 2020</u> |
|--------------------------------|----------------------------------|---------------------|----------------------|----------------------------------|
| Land | \$ 4,098,100.00 | \$ | \$ | \$ 4,098,100.00 |
| Building and Improvements | 1,570,000.00 | | | 1,570,000.00 |
| Vehicles | 2,510,719.00 | 16,804.00 | 160,201.00 | 2,367,322.00 |
| Total | <u>\$ 8,178,819.00</u> | <u>\$ 16,804.00</u> | <u>\$ 160,201.00</u> | <u>\$ 8,035,422.00</u> |

11. INTERFUND RECEIVABLES AND PAYABLES

As of December 31, 2021, interfund receivables and payables that resulted from various interfund transactions were as follows:

| | <u>Due from Other Funds</u> | <u>Due to Other Funds</u> |
|---------------------------------|---------------------------------|-------------------------------|
| Current Fund | \$ 23,033.21 | \$ 404,900.01 |
| Federal and State Grant Fund | 474,963.48 | |
| General Trust Fund | | 3,790.33 |
| Municipal Open Space Trust Fund | | 13,964.30 |
| Animal Control Trust Fund | | 5,278.58 |
| General Capital Fund | | 70,063.47 |
| | <u>\$497,996.69</u> | <u>\$497,996.69</u> |

12. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS' BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2021, the following deferred charge is shown on the balance sheet of the Current Fund:

| | <u>Balance Dec. 31, 2021</u> | <u>2022 Budget Appropriation</u> | <u>To Be Raised in Subsequent Budget</u> |
|---------------------------------|----------------------------------|--------------------------------------|--|
| Current Fund: | | | |
| Special Emergency Appropriation | \$ 125,000.00 | \$ - | \$ 125,000.00 |

13. DEFERRED SCHOOL TAXES

The Local School District Tax and the Regional High School Tax were raised on the school year basis and liability deferred by statute, resulting in school taxes payable set forth in liabilities computed as follows:

| | <u>Local School District Balance Dec. 31, 2021</u> | <u>Regional High School Balance Dec. 31, 2021</u> |
|------------------------------|--|---|
| *Balance of Tax | \$ 3,342,686.83 | \$ 3,608,179.03 |
| Amount Deferred | <u>2,730,409.04</u> | <u>2,268,411.49</u> |
| Tax Payable (Cash Liability) | <u>\$ 612,277.79</u> | <u>\$ 1,339,767.54</u> |

*Required for school operations for the six month period following December 31st.

14. DEFERRED COMPENSATION PLAN

The Township of Mansfield offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

14. DEFERRED COMPENSATION PLAN (Continued)

Statutory and regulatory requirements governing the establishment and operation of Deferred Compensation Plans have been codified in the New Jersey Administrative Code under the reference N.J.A.C. 5:37.

The "Small Business Job Protective Act of 1996" revised several provisions of Section 457 of the Internal Revenue Code. A provision of the act required that all existing plans be modified to provide that the funds be held for the exclusive benefit of the participating employees and their beneficiaries.

The administrator for the Township of Mansfield's Deferred Compensation Plan is the Lincoln National Corporation.

The Plan was subject to a review only as defined by the New Jersey Division of Local Government Services and the American Institute of Certified Public Accountants. A review consists principally of inquiries of Township officials and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards. The audit of the program lies within the scope of the audit of the independent accountants of the Lincoln National Corporation.

15. RISK MANAGEMENT

The Township of Mansfield is a member of the Statewide Insurance Fund with respect to General Liability, Property, Workers' Compensation and Employer Liability.

Members may be subject to additional assessments and are also responsible for their respective share of the fund's liabilities, should the fund be dissolved.

16. CONTINGENT LIABILITIES

A. Compensated Absences

The Township permits employees to accrue unused vacation and sick pay which, if not taken as time off, will be paid at a later date at their regular rate of pay. Police Officers and non-union employees are permitted to carry over a maximum of five vacation days into the following year. Teamsters are not allowed to accumulate any vacation days.

Police Officers hired prior to January 1, 2010 are allowed to accumulate a maximum of 120 sick days for use at retirement. Police Officers hired after January 1, 2010 are allowed to accumulate a maximum of 60 sick days for use at retirement. Teamsters and non-union employees will not be paid for any accumulated sick days at retirement.

It is estimated that the sum of \$359,846.05 computed internally at 2021 salary rates would be payable to 18 officials and employees of the Township of Mansfield as of December 31, 2021 for accumulated vacation and sick days. This amount was not verified by audit.

Benefits paid in any future years will be charged to that year's budget.

Provisions for the above are not reflected on the Financial Statements of the Township, however, the Township has established a reserve of \$25,753.88 as of December 31, 2021.

B. Tax Appeals

As of June 8, 2022, there were thirteen (13) tax appeals pending before the New Jersey Tax Court with an assessed valuation of \$42,997,200.00. Potential liability was undeterminable.

Judgments favorable to the taxpayers generally extend to two years following the year judged and would also subject the Township to a liability for statutory interest based upon the amount of taxes refunded from the date of payment to the date of refund (R.S. 54:3-27.2).

16. CONTINGENT LIABILITIES (Continued)

C. Federal and State Awards

The Township participates in several federal and state grant programs which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the Township has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at December 31, 2021 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying statutory basis financial statements for such contingencies.

D. Arbitrage Rebate Calculation

In 1985, under the Tax Reform Act, the Arbitrage Rebate Law went into effect requiring issuers of tax exempt debt obligations to rebate to the Federal Government all of the earnings in excess of the yield on investments of proceeds of such debt issuances (the "Rebate Arbitrage"). The Rebate Regulations apply to obligations issued after August 31, 1986. The arbitrage rebate liability must be calculated every installment computation date (last day of the fifth bond year) or earlier if the bonds are retired, defeased or refunded and pay at least 90% of the rebatable arbitrage (plus any earnings thereon) within 60 days after such date.

E. Payments in Lieu of Taxes (PILOT)

Under N.J.S.A. 40A:20-12, each municipality is required to annually remit to the County five percent (5%) of the annual service charge for each long-term PILOT financial agreement entered into by the municipality.

F. Litigation

There is no litigation of any material matter or any contingent liabilities, unasserted claims or assessments or statutory violations which would materially affect the financial position or results of operations of the Township.

General liability claims pending against the Township are handled or managed by insurance carriers and that no such general liability claims involve material financial exposure to the Township.

17. SECONDARY MARKET DISCLOSURE

Solely for purposes of complying with Rule 15c2.12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the requirements in accordance with Paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the municipality shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof various financial documents relating to the financial conditions of the Municipal Securities Rulemaking Board through the Electronic Municipal Access Data Port (the "MSRB").

18. SUBSEQUENT EVENTS

The Township of Mansfield has evaluated subsequent events that occurred after the balance sheet date but before July 27, 2022. No items were determined to require disclosure.

TOWNSHIP OF MANSFIELD
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER

A-4

| | <u>Ref.</u> | <u>Regular Fund</u> | | <u>Federal and State Grant Fund</u> |
|---|-------------|-----------------------------|--|---|
| Balance December 31, 2020 | A | \$ 5,853,776.15 | | \$ |
| Increased by Receipts: | | | | |
| Turnovers from Tax Collector | A-6 | \$ 26,484,927.07 | | \$ |
| Petty Cash Funds | A-9 | 75.00 | | |
| Revenue Accounts Receivable | A-15 | 962,215.19 | | |
| Interfunds Receivable | A-16 | 25,291.46 | | |
| Grants Receivable | A-19 | | | 158,747.13 |
| Interfunds Payable | A-26 | 391,074.25 | | |
| Accumulated Revenue - Unappropriated | A-32 | | | 385,232.61 |
| Township Matching Funds for Grants | A-33 | <u> </u> | | <u>3,437.00</u> |
| | | <u>27,863,582.97</u> | | <u>547,416.74</u> |
| | | 33,717,359.12 | | 547,416.74 |
| Decreased by Disbursements: | | | | |
| Prior Year Revenue Refunds | A-1 | 15,160.89 | | |
| Budget Appropriation | A-3 | 5,201,575.50 | | |
| Certificates of Deposit Purchased | A-7 | 1,000,000.00 | | |
| Petty Cash Funds | A-9 | 75.00 | | |
| Interfunds Receivable | A-16,17 | 13,964.30 | | 461,137.72 |
| Appropriation Reserves | A-20 | 144,888.16 | | |
| Reserve for Tax Appeals | A-22 | 535.99 | | |
| Accounts Payable | A-23 | 828.00 | | |
| Due to State of New Jersey | A-24 | 625.00 | | |
| Tax Overpayments | A-25 | 552,210.16 | | |
| Interfunds Payable | A-26,27 | 1,130,819.14 | | 8,085.40 |
| Local School District Tax | A-28 | 6,161,343.00 | | |
| Regional High School Tax | A-29 | 7,988,521.52 | | |
| County Taxes | A-30 | 5,361,823.83 | | |
| Appropriated Reserves for Federal and State Grants | A-33 | <u> </u> | | <u>78,193.62</u> |
| | | <u>27,572,370.49</u> | | <u>547,416.74</u> |
| Balance December 31, 2021 | A | <u>\$ 6,144,988.63</u> | | <u>\$ -</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

BANK RECONCILIATION
DECEMBER 31, 2021
TREASURER

A-5

| | |
|-----------------------------|------------------------------|
| Balance per Statements: | |
| Unity Bank, | |
| #2170000620 Regular Account | \$6,158,204.64 |
| Plus: Deposit-in-Transit | <u>41,552.62</u> |
| | 6,199,757.26 |
| Less: Outstanding Checks | <u>54,768.63</u> |
| | <u><u>\$6,144,988.63</u></u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS
TAX COLLECTOR

A-6

| | <u>Ref.</u> | | |
|---------------------------------------|-------------|-------------------|----------------------|
| Increased by Receipts: | | | |
| Interest and Costs on Taxes | A-2a | \$ 245,550.49 | |
| Miscellaneous Revenue Not Anticipated | A-2d | 99,840.70 | |
| Due from State of New Jersey | A-10 | 35,905.49 | |
| Property Taxes Receivable | A-11 | 23,976,342.49 | |
| Tax Title Liens | A-12 | 596,711.27 | |
| Sales Contracts Receivable | A-14 | 673,600.00 | |
| Revenue Accounts Receivable | A-15 | 672,018.46 | |
| Due to State of New Jersey | A-24 | 950.00 | |
| Tax Overpayments | A-25 | 65,595.84 | |
| Prepaid Taxes | A-31 | <u>118,412.33</u> | |
| | | | \$26,484,927.07 |
| Decreased by Disbursements: | | | |
| Turnovers to Treasurer | A-4 | | <u>26,484,927.07</u> |
| | | | <u>\$ -</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION
CERTIFICATES OF DEPOSIT

A-7

| | <u>Ref.</u> | |
|---------------------------|-------------|------------------------------|
| Increased by: | | |
| Purchased | A-4 | <u>\$1,000,000.00</u> |
| Balance December 31, 2021 | A | <u><u>\$1,000,000.00</u></u> |

Analysis of Balance

| <u>Bank</u> | <u>Account Number</u> | <u>Maturity Date</u> | <u>Interest Rate</u> | <u>Amount</u> |
|-------------|-----------------------|----------------------|----------------------|------------------------------|
| Regal Bank | 936000066 | 1-14-22 | 3.00% | <u><u>\$1,000,000.00</u></u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

CHANGE FUNDS

A-8

| | <u>Ref.</u> | |
|--------------------------------|-------------|------------------------|
| Balance December 31, 2020 | A | <u>\$450.00</u> |
| Balance December 31, 2021 | A,Below | <u><u>\$450.00</u></u> |
| <u>Analysis of Balance</u> | | |
| Tax Collector | | \$ 50.00 |
| Municipal Court | | 300.00 |
| Clerk's Office | | 50.00 |
| Police Department | | <u>50.00</u> |
| | Above | <u><u>\$450.00</u></u> |

PETTY CASH FUND

A-9

| | | <u>Funds Established</u> | <u>Funds Returned</u> |
|------------------|------------------|------------------------------|---------------------------|
| Deputy Treasurer | | <u>\$ 75.00</u> | <u>\$ 75.00</u> |
| | <u>Reference</u> | <u>A-4</u> | <u>A-4</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

DUE FROM STATE OF NEW JERSEY
PER CHAPTER 129, P.L. 1976

A-10

| | <u>Ref.</u> | | |
|---------------------------------|-------------|------------------|--------------------|
| Balance December 31, 2020 | A | | \$ 7,902.76 |
| Increased by: | | | |
| Deductions per Tax Billings: | | | |
| Senior Citizens | | \$ 5,750.00 | |
| Veterans | | <u>30,500.00</u> | |
| | | 36,250.00 | |
| Plus: Deductions Allowed by | | | |
| Tax Collector: | | | |
| Senior Citizens | | \$ 500.00 | |
| Veterans | | <u>1,500.00</u> | |
| | | 2,000.00 | |
| | A-2d | <u>38,250.00</u> | |
| Prior Years' Deductions Allowed | | | |
| by Tax Collector: | | | |
| Veterans | A-2d | <u>250.00</u> | |
| | A-11 | | <u>38,500.00</u> |
| | | | 46,402.76 |
| Decreased by: | | | |
| Deductions Disallowed by Tax | | | |
| Collector - Prior Years' Taxes | | | |
| Collections | A-1 | 844.52 | |
| | A-6 | <u>35,905.49</u> | |
| | | | <u>36,750.01</u> |
| Balance December 31, 2021 | A | | <u>\$ 9,652.75</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

TAX TITLE LIENS

A-12

| | <u>Ref.</u> | | |
|--|-------------|-------------------|----------------------|
| Balance December 31, 2020 | A | | \$1,221,278.48 |
| Increased by: | | | |
| Transferred from Taxes Receivable | A-11 | \$117,813.04 | |
| Interest and Costs on Tax Sale of November 18, 2021 | Reserve | <u>356.51</u> | |
| | | | <u>118,169.55</u> |
| | | | <u>1,339,448.03</u> |
| Decreased by: | | | |
| Collections | A-2c,6 | 596,711.27 | |
| Transfers to Property Acquired for Taxes | A-13 | 42,410.77 | |
| Prior Year Adjustment | Reserve | <u>307,275.59</u> | |
| | | | <u>946,397.63</u> |
| Balance December 31, 2021 | A | | <u>\$ 393,050.40</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUE)

A-13

| | <u>Ref.</u> | | |
|--|-------------|-------------------|----------------------|
| Balance December 31, 2020 | A | | \$2,232,600.00 |
| Increased by: | | | |
| Transferred from: | | | |
| Tax Title Liens | A-12 | \$ 42,410.77 | |
| Plus: Adjustment to Assessed Valuation | | <u>191,789.23</u> | |
| | | | <u>234,200.00</u> |
| | | | <u>2,466,800.00</u> |
| Decreased by: | | | |
| Sales Contracts Receivable | A-14 | 680,100.00 | |
| Plus: Loss on Sales | | 582,500.00 | |
| Prior Year Adjustment | Reserve | <u>963,000.00</u> | |
| | | | <u>2,225,600.00</u> |
| Balance December 31, 2021 | A | | <u>\$ 241,200.00</u> |

SALES CONTRACTS RECEIVABLE

A-14

| | <u>Ref.</u> | | |
|---------------------------|-------------|--|--------------------|
| Increased by: | | | |
| 2021 Sales | A-13 | | \$ 680,100.00 |
| Decreased by: | | | |
| Collections | A-2d,6 | | <u>673,600.00</u> |
| Balance December 31, 2021 | A | | <u>\$ 6,500.00</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

A-15
Sheet #1

REVENUE ACCOUNTS RECEIVABLE

| <u>Source</u> | <u>Ref.</u> | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>2021</u> <u>Accruals</u> | <u>Collections</u> <u>2021</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|--|-------------|--|--------------------------------|-----------------------------------|--|
| <u>Budget Revenue</u> | | | | | |
| Clerk: | | | | | |
| ABC Licenses | A-2a | \$ | 5,931.60 | 5,931.60 | \$ |
| Leasehold of Township-Owned Farmland | A-2a | | 6,795.00 | 6,795.00 | |
| Fees and Permits | A-2b | | 14,730.00 | 14,730.00 | |
| Magistrate: | | | | | |
| Fines and Costs | A-2a | 2,805.35 | 36,820.61 | 36,989.94 | 2,636.02 |
| Planning Board: | | | | | |
| Fees and Permits | A-2a | | 2,000.00 | 2,000.00 | |
| Recreation Department: | | | | | |
| Recreation Fees | A-2a | | 48,300.00 | 48,300.00 | |
| State of New Jersey: | | | | | |
| Energy Receipts Tax | A-2a | | 864,857.70 | 864,857.70 | |
| Garden State Trust Fund | A-2a | | 38,617.00 | 38,617.00 | |
| Hotel/Motel Occupancy Fee | A-2a | | 22,652.16 | 22,652.16 | |
| Treasurer: | | | | | |
| Interest on Investments and Deposits | A-2a | | 48,650.66 | 48,650.66 | |
| Cellular Tower Rental | A-2a | | 65,817.34 | 65,817.34 | |
| Police Administration Fees | A-2a | | 14,288.41 | 14,288.41 | |
| Interlocal Agreements: | | | | | |
| Uniform Construction Code Fees - | | | | | |
| Washington Township, Morris County | A-2a | | 72,115.50 | 62,892.00 | 9,223.50 |
| Municipal Court - Oxford Township, | | | | | |
| Washington Borough (Warren County) and | A-2a | | 380,146.00 | 380,146.00 | |
| Washington Township (Warren County) | A-2a | | 24,654.17 | 24,654.17 | |
| Cable TV Franchise Fee | A-2b | | 60.00 | 60.00 | |
| Fees and Permits | | <u>2,805.35</u> | <u>1,646,436.15</u> | <u>1,637,381.98</u> | <u>11,859.52</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

A-15
Sheet #2

REVENUE ACCOUNTS RECEIVABLE

| <u>Source</u> | <u>Ref.</u> | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>2021</u> <u>Accruals</u> | <u>Collections</u> <u>2021</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|-----------------------------------|-------------|--|--------------------------------|-----------------------------------|--|
| <u>Nonbudget Revenue</u> | | | | | |
| Collector: | | | | | |
| Returned Check Fees | | \$ | 40.00 | \$ 40.00 | \$ |
| Tax Information - Duplicate Bills | | | 20.00 | 20.00 | |
| Duplicate Certificate | | | 100.00 | 100.00 | |
| Clerk: | | | | | |
| Zoning Permits | | | 6,590.00 | 6,590.00 | |
| Sale of Maps | | | 35.00 | 35.00 | |
| Board of Health: | | | | | |
| Marriage Licenses | | | 114.00 | 114.00 | |
| Certified Copies | | | 630.00 | 630.00 | |
| Police Department: | | | | | |
| Fees and Permits | | | 1,635.00 | 1,635.00 | |
| Assessor: | | | | | |
| Property Owner List | A-2d | | 250.00 | 250.00 | |
| | | | <u>9,414.00</u> | <u>9,414.00</u> | |
| | | <u>\$ 2,805.35</u> | <u>\$1,655,850.15</u> | <u>\$1,646,795.98</u> | <u>\$11,859.52</u> |
| <u>Reference</u> | <u>A</u> | | <u>Reserve</u> | <u>Below</u> | <u>A</u> |

Collections:

| | | |
|-----------------------|-----------------------|-------|
| Treasurer | \$ 962,215.19 | A-4 |
| Tax Collector | 672,018.46 | A-6 |
| Interfunds Receivable | 12,562.33 | A-16 |
| | <u>\$1,646,795.98</u> | Above |

TOWNSHIP OF MANSFIELD
CURRENT FUND

INTERFUNDS RECEIVABLE
CURRENT FUND

A-16

| Ref. | Total | Federal and State Grant Fund | Animal Control Trust Fund | General Trust Fund | Municipal Open Space Trust Fund | General Capital Fund | | | | |
|---|--------------------|------------------------------|---------------------------|--------------------|---------------------------------|----------------------|--|--|--|--|
| Balance December 31, 2020 | \$ 4,230.09 | \$ | \$ 982.15 | \$ 3,247.94 | \$ | \$ | | | | |
| Increased by: | | | | | | | | | | |
| Reserve for Grant Expenditures Cancelled | 8,085.40 | 8,085.40 | | | | | | | | |
| Escrows Cancelled | 5,186.12 | | | 5,186.12 | | | | | | |
| Statutory Excess in Animal Control Trust Fund | 4,296.43 | | 4,296.43 | | | | | | | |
| Advances | 13,964.30 | | | | 13,964.30 | | | | | |
| Interest on Investments and Deposits | 12,562.33 | | | 5,088.73 | | 7,473.60 | | | | |
| | <u>44,094.58</u> | <u>8,085.40</u> | <u>4,296.43</u> | <u>10,274.85</u> | <u>13,964.30</u> | <u>7,473.60</u> | | | | |
| | 48,324.67 | 8,085.40 | 5,278.58 | 13,522.79 | 13,964.30 | 7,473.60 | | | | |
| Decreased by: | | | | | | | | | | |
| Settlements | 25,291.46 | 8,085.40 | | 9,732.46 | | 7,473.60 | | | | |
| Balance December 31, 2021 | <u>\$23,033.21</u> | <u>\$ -</u> | <u>\$5,278.58</u> | <u>\$ 3,790.33</u> | <u>\$13,964.30</u> | <u>\$ -</u> | | | | |
| Analysis of Interfund Charge to Fund Balance | | | | | | | | | | |
| Originated in 2021 | \$44,094.58 | | | | | | | | | |
| Realized in 2021 | <u>25,291.46</u> | | | | | | | | | |
| Net Charge to Operations | <u>\$18,803.12</u> | | | | | | | | | |

TOWNSHIP OF MANSFIELD
CURRENT FUND

INTERFUNDS RECEIVABLE
FEDERAL AND STATE GRANT FUND

A-17

| | <u>Ref.</u> | <u>Total</u> | <u>Current Fund</u> | <u>General Capital Fund</u> |
|---------------------------|-------------|---------------------|-------------------------|---------------------------------|
| Balance December 31, 2020 | A | \$ 13,825.76 | \$ 13,825.76 | \$ |
| Increased by: | | | | |
| Advances | A-4 | <u>461,137.72</u> | <u>391,074.25</u> | <u>70,063.47</u> |
| Balance December 31, 2021 | A | <u>\$474,963.48</u> | <u>\$404,900.01</u> | <u>\$70,063.47</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

DEFERRED CHARGES
N.J.S. 40A:4-53 SPECIAL EMERGENCY - TAX MAP

A-18

| <u>Date</u> <u>Authorized</u> | <u>Purpose</u> | <u>Net Amount</u> <u>Authorized</u> | 1/5 of <u>Net Amount</u> <u>Authorized</u> | <u>Increase</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|----------------------------------|------------------|--|--|---------------------|--|
| 7-28-21 | Tax Map | <u>\$125,000.00</u> | <u>\$25,000.00</u> | <u>\$125,000.00</u> | <u>\$125,000.00</u> |
| | <u>Reference</u> | | | <u>A-3</u> | <u>A</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

GRANTS RECEIVABLE

A-19

| | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>2021 Grants</u> <u>Budget</u> <u>Revenue</u> | <u>Collections</u> | <u>Cancelled</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|---|--|---|----------------------|--------------------|--|
| State Grants: | | | | | |
| Clean Communities Act | \$ | \$ 22,013.86 | \$ 22,013.86 | \$ | \$ |
| Municipal Alliance on Alcoholism and Drug Abuse: | | | | | |
| 2014 | 5,522.00 | | | | 5,522.00 |
| Drunk Driving Enforcement Fund: | | | | | |
| 2021 | | 6,361.90 | 6,361.90 | | |
| Recycling Tonnage Grant: | | | | | |
| 2021 | | 13,279.16 | 13,279.16 | | |
| Body Armor Grant: | | | | | |
| 2021 | | 1,420.74 | 1,420.74 | | |
| Body Worn Camera Grant Program: | | | | | |
| 2021 | | 32,608.00 | 32,608.00 | | |
| N.J. Department of Transportation: | | | | | |
| Washburn Road | 946.41 | | | 946.41 | |
| Heiser Road | 26,250.00 | | | | 26,250.00 |
| N.J. Environmental Commission: | | | | | |
| Local Open Space Stewardship | 356.67 | | | 356.67 | |
| Highlands Plan Conference - 2009 | 29,852.50 | | | | 29,852.50 |
| Highlands Assessment - 2009 | 15,000.00 | | | | 15,000.00 |
| Hepatitis B Grant: | | | | | |
| Prior Year | 975.00 | | | | 975.00 |
| 2021 | | 975.00 | 975.00 | | |
| Federal Grants: | | | | | |
| Drive Sober or Get Pulled Over: | | | | | |
| 2017 | 5,000.00 | | | | 5,000.00 |
| 2021 | | 11,500.00 | 11,500.00 | | |
| Distracted Driver Grant | 5,500.00 | | | | 5,500.00 |
| U Text, U Drive, U Pay Distracted Driver Grant | | 6,000.00 | 6,000.00 | | |
| FEMA Hazard Mitigation Grant | 70,450.00 | | 70,063.47 | | 386.53 |
| Warren County: | | | | | |
| Mt. Bethel Church | 22,500.00 | | | | 22,500.00 |
| Other Grants: | | | | | |
| Elizabethtown Gas, 2021 Game on Grant Program | | 1,000.00 | 1,000.00 | | |
| | <u>\$ 182,352.58</u> | <u>\$ 95,158.66</u> | <u>\$ 165,222.13</u> | <u>\$ 1,303.08</u> | <u>\$ 110,986.03</u> |

Reference

A

A-2a

Below

A-33

A

Ref.

Cash Receipts

A-4

\$ 158,747.13

Unappropriated Reserves Applied

A-32

6,475.00

Above

\$ 165,222.13

TOWNSHIP OF MANSFIELD
CURRENT FUND

APPROPRIATION RESERVES

A-20
Sheet #1

| | Balance Dec. 31, 2020 | | Balance After Transfers | Decrease | Balance Lapsed |
|---|--------------------------|--------------|-------------------------------|-----------|-------------------|
| | Encumbered | Unencumbered | | | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | |
| <u>GENERAL GOVERNMENT</u> | | | | | |
| Administrative and Executive: | | | | | |
| Salaries and Wages | | \$ 844.43 | \$ 844.43 | | \$ 844.43 |
| Other Expenses - General | 298.59 | 13,109.96 | 13,408.55 | 298.59 | 13,109.96 |
| Other Expenses - Clerk | | 5,556.01 | 5,556.01 | 134.91 | 5,421.10 |
| Other Expenses - Governing Body | 6,000.00 | 3,963.23 | 9,963.23 | 6,000.00 | 3,963.23 |
| Financial Administration: | | | | | |
| Salaries and Wages | | 1,000.08 | 1,000.08 | | 1,000.08 |
| Other Expenses | 3,601.02 | 4,658.40 | 8,259.42 | 4,360.91 | 3,898.51 |
| Audit | | 19,970.00 | 19,970.00 | 16,012.50 | 3,957.50 |
| Computerized Data Processing: | | | | | |
| Other Expenses | 1,830.00 | 3,803.25 | 5,633.25 | 1,830.00 | 3,803.25 |
| Collection of Taxes: | | | | | |
| Salaries and Wages | | 1,351.32 | 1,351.32 | | 1,351.32 |
| Other Expenses | 21,453.55 | 477.07 | 21,930.62 | 13,221.43 | 8,709.19 |
| Assessment of Taxes: | | | | | |
| Salaries and Wages | | 70.90 | 70.90 | | 70.90 |
| Other Expenses | | 17,945.29 | 17,945.29 | | 17,945.29 |
| Legal Services and Costs: | | | | | |
| Other Expenses | 8,609.90 | 28,209.48 | 36,819.38 | 20,161.95 | 16,657.43 |
| Engineering Services and Costs: | | | | | |
| Other Expenses | | 35,370.00 | 35,370.00 | 5,880.00 | 29,490.00 |
| Economic Development: | | | | | |
| Other Expenses | | 500.00 | 500.00 | | 500.00 |
| Environmental Commission: | | | | | |
| Other Expenses | | 600.00 | 600.00 | | 600.00 |
| Municipal Land Use Law (N.J.S.A. 40:55D-1): | | | | | |
| Planning Board: | | | | | |
| Other Expenses | 500.00 | 21,585.00 | 22,085.00 | 650.00 | 21,435.00 |
| <u>PUBLIC SAFETY</u> | | | | | |
| Police: | | | | | |
| Salaries and Wages | | 72,880.17 | 37,880.17 | 6,292.91 | 31,587.26 |
| Other Expenses | 12,198.68 | 29,567.09 | 41,765.77 | 13,720.85 | 28,044.92 |
| Emergency Management Services: | | | | | |
| Salaries and Wages | | 550.00 | 550.00 | | 550.00 |
| Other Expenses | | 1,200.00 | 1,200.00 | | 1,200.00 |

TOWNSHIP OF MANSFIELD
CURRENT FUND

APPROPRIATION RESERVES

A-20
Sheet #2

| | Balance Dec. 31, 2020 | | Balance After Transfers | Decrease | Balance Lapsed |
|-------------------------------------|--------------------------|--------------|-------------------------------|-----------|-------------------|
| | Encumbered | Unencumbered | | | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | |
| <u>PUBLIC SAFETY</u> | | | | | |
| Fire (Tri County Fire Company): | | | | | |
| Other Expenses | | | | | |
| Fire (General): | | | | | |
| Fire Hydrant Services | | 280.00 | 280.00 | | 280.00 |
| Fire Prevention Bureau: | | | | | |
| Other Expenses | | 70.69 | 70.69 | | 70.69 |
| <u>PUBLIC WORKS</u> | | | | | |
| Road Repairs and Maintenance: | | | | | |
| Salaries and Wages | | 33,631.46 | 33,631.46 | 3,024.00 | 30,607.46 |
| Other Expenses | 7,480.61 | 13,804.16 | 21,284.77 | 12,549.39 | 8,735.38 |
| Snow Removal: | | | | | |
| Salaries and Wages | | 43,168.02 | 43,168.02 | 3,627.71 | 39,540.31 |
| Other Expenses | 18,881.04 | 35,875.20 | 54,756.24 | 1,082.50 | 53,673.74 |
| Garbage and Trash Removal | 150.12 | 1,178.96 | 1,329.08 | 150.12 | 1,178.96 |
| Public Buildings and Grounds: | | | | | |
| Other Expenses | 360.30 | 3,024.40 | 3,384.70 | 1,272.30 | 2,112.40 |
| <u>HEALTH AND WELFARE</u> | | | | | |
| Senior Citizen Activities: | | | | | |
| Other Expenses | | 8,000.00 | 8,000.00 | | 8,000.00 |
| Recreation and Education: | | | | | |
| Recreation: | | | | | |
| Other Expenses | | 1,237.83 | 1,237.83 | | 1,237.83 |
| <u>MUNICIPAL COURT</u> | | | | | |
| Municipal Court: | | | | | |
| Other Expenses | 87.13 | 8,954.44 | 9,041.57 | 87.13 | 8,954.44 |
| Prosecutor: | | | | | |
| Other Expenses | | 10,000.00 | 10,000.00 | | 10,000.00 |
| Public Defender: | | | | | |
| Other Expenses | | 500.00 | 500.00 | | 500.00 |
| <u>HEALTH AND HUMAN SERVICES</u> | | | | | |
| PEOSHA (N.J.S.A. 34:6a-25 et seq.): | | | | | |
| Hepatitis B Shots | | 400.00 | 400.00 | | 400.00 |

TOWNSHIP OF MANSFIELD
CURRENT FUND

A-20
Sheet #3

APPROPRIATION RESERVES

| | Balance Dec. 31, 2020 | | Balance After Transfers | Decrease | Balance Lapsed |
|--|--------------------------|---------------------|-------------------------------|-----------|-------------------|
| | <u>Encumbered</u> | <u>Unencumbered</u> | | | |
| <u>APPROPRIATIONS WITHIN "CAPS"</u> | | | | | |
| <u>HEALTH AND HUMAN SERVICES</u> | | | | | |
| PEOSHA Requirements: | | | | | |
| Other Expenses | \$ | \$ 800.00 | \$ 800.00 | \$ | \$ 800.00 |
| <u>UNIFORM CONSTRUCTION CODE - APPROPRIATIONS</u> | | | | | |
| <u>OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)</u> | | | | | |
| Construction Code Official: | | | | | |
| Other Expenses | | 941.07 | 941.07 | | 941.07 |
| <u>RISK MANAGEMENT AND INSURANCE</u> | | | | | |
| Insurance (N.J.S.A. 40A-4-45.3 (00)): | | | | | |
| General Liability | | 3,496.00 | 3,496.00 | | 3,496.00 |
| Worker's Compensation | | 3,250.00 | 3,250.00 | | 3,250.00 |
| Employee Group Health | | 151,088.67 | 151,088.67 | | 151,088.67 |
| Health Benefit Waiver | | 3,115.35 | 3,115.35 | | 3,115.35 |
| Insurance Deductible | | 2,000.00 | 2,000.00 | | 2,000.00 |
| Accrued Sick Leave and Other Compensation | | | | | |
| <u>UNCLASSIFIED</u> | | | | | |
| Constructions and Inspection Fees | | 48,968.00 | 83,968.00 | 83,728.00 | 240.00 |
| Utilities: | | | | | |
| Fuel Oil | 1,023.54 | 4,824.68 | 5,848.22 | 1,023.54 | 4,824.68 |
| Electricity | 2,800.03 | 11,491.83 | 14,291.86 | 2,990.36 | 11,301.50 |
| Telephone | 317.58 | 5,802.76 | 6,120.34 | 317.58 | 5,802.76 |
| Gasoline | 434.03 | 15,017.47 | 15,451.50 | 1,622.23 | 13,829.27 |
| Fuel - Diesel | 1,201.97 | 13,617.82 | 14,819.79 | 1,201.97 | 13,617.82 |
| Natural Gas | 238.15 | 1,276.18 | 1,514.33 | 787.18 | 727.15 |
| Water Testing | 155.00 | 2,605.00 | 2,760.00 | 155.00 | 2,605.00 |
| <u>CONTINGENT</u> | | 3,000.00 | 3,000.00 | | 3,000.00 |
| <u>STATUTORY EXPENDITURES</u> | | | | | |
| Contribution to: | | | | | |
| Social Security System (OAS) | | 6,551.00 | 6,551.00 | | 6,551.00 |
| Defined Contribution Retirement Plan | | 1,000.00 | 1,000.00 | | 1,000.00 |

TOWNSHIP OF MANSFIELD
CURRENT FUND

APPROPRIATION RESERVES

A-20
Sheet #4

| | Balance Dec. 31, 2020 | | Balance After Transfers | Decrease | Balance Lapsed |
|---|--------------------------|----------------------|-------------------------------|----------------------|----------------------|
| | Encumbered | Unencumbered | | | |
| <u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u> | | | | | |
| <u>OPERATIONS</u> | | | | | |
| Declared State of Emergency Costs for CORONA | | | | | |
| Virus Respiratory Other Expenses | \$ | \$ 1.00 | \$ 1.00 | \$ | \$ 1.00 |
| <u>SHARED SERVICE AGREEMENTS</u> | | | | | |
| Municipal Court | | | | | |
| Salaries and Wages | | 43,007.40 | 43,007.40 | | 43,007.40 |
| Other Expenses | 1,373.67 | 16,964.40 | 18,338.07 | 1,348.21 | 16,989.86 |
| Prosecutor: | | | | | |
| Other Expenses | 7,000.00 | 2,500.00 | 9,500.00 | 1,000.00 | 8,500.00 |
| Public Defender: | | | | | |
| Other Expenses | 300.00 | 3,400.00 | 3,700.00 | 300.00 | 3,400.00 |
| Chief Financial Officer - Borough of Bloomingdale: | | | | | |
| Other Expenses | | 2.00 | 2.00 | | 2.00 |
| Planning Board Secretary - Washington Township, Morris County: | | | | | |
| Salaries and Wages | 4,845.00 | | 4,845.00 | 4,845.00 | - |
| <u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u> | | | | | |
| Matching Funds for Grant | | 1.00 | 1.00 | | 1.00 |
| <u>CAPITAL IMPROVEMENTS</u> | | | | | |
| Capital Lease | | 15,401.05 | 15,401.05 | 15,400.00 | 1.05 |
| | <u>\$ 111,306.58</u> | <u>\$ 783,459.52</u> | <u>\$ 894,766.10</u> | <u>\$ 235,242.94</u> | <u>\$ 659,523.16</u> |
| Reference | A | A | | Below | A-1 |
| | | | Ref. | | |
| | | | A-4 | \$ 144,888.16 | |
| | | | A-23 | 90,354.78 | |
| | | | Above | \$ 235,242.94 | |

TOWNSHIP OF MANSFIELD
CURRENT FUND

ENCUMBRANCES PAYABLE

A-21

| | <u>Ref.</u> | |
|---------------------------|-------------|-----------------|
| Balance December 31, 2020 | A | \$ 2,832.80 |
| Decreased by: | | |
| Cancelled | A-33 | <u>2,832.80</u> |
| | | <u>\$ -</u> |

RESERVE FOR TAX APPEALS

A-22

| | <u>Ref.</u> | |
|---------------------------|-------------|---------------|
| Balance December 31, 2020 | A | \$ 535.99 |
| Decreased by: | | |
| Payments | A-4 | <u>535.99</u> |
| | | <u>\$ -</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

ACCOUNTS PAYABLE

A-23

| | <u>Ref.</u> | |
|---------------------------|-------------|----------------------------|
| Balance December 31, 2020 | A | \$ 12,882.74 |
| Increased by: | | |
| Appropriation Reserves | A-20 | <u>90,354.78</u> |
| | | 103,237.52 |
| Decreased by: | | |
| Payments | A-4 | <u>828.00</u> |
| Balance December 31, 2021 | A | <u><u>\$102,409.52</u></u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

DUE TO STATE OF NEW JERSEY

A-24

| | <u>Ref.</u> | <u>Marriage License Fees</u> |
|---------------------------|-------------|--------------------------------------|
| Balance December 31, 2020 | A | \$ 700.00 |
| Increased by: | | |
| Collections | A-6 | <u>950.00</u> |
| | | 1,650.00 |
| Decreased by: | | |
| Payments | A-4 | <u>625.00</u> |
| Balance December 31, 2021 | A | <u><u>\$1,025.00</u></u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

TAX OVERPAYMENTS

A-25

| | <u>Ref.</u> | | |
|---------------------------------|-------------|-------------------|---------------------|
| Balance December 31, 2020 | A | | \$ 36,925.30 |
| Increased by: | | | |
| Prior Year Paid Taxes Cancelled | A-1 | \$503,833.99 | |
| Collections | A-6 | <u>65,595.84</u> | |
| | | | <u>569,429.83</u> |
| | | | 606,355.13 |
| Decreased by: | | | |
| Cancelled | A-1 | 986.77 | |
| Refunds | A-4 | <u>552,210.16</u> | |
| | | | <u>553,196.93</u> |
| Balance December 31, 2021 | A | | <u>\$ 53,158.20</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

INTERFUNDS PAYABLE
CURRENT FUND

A-26

| | <u>Ref.</u> | <u>Total</u> | <u>Federal and State Grant Fund</u> | <u>Municipal Open Space Trust Fund</u> | <u>General Capital Fund</u> |
|---------------------------|-------------|----------------------|---|--|-------------------------------------|
| Balance December 31, 2020 | A | \$ 13,825.76 | \$ 13,825.76 | \$ | \$ |
| Increased by: | | | | | |
| Municipal Open Space Tax | A-1,2c,11 | 138,819.14 | | 138,819.14 | |
| Budget Appropriation | A-3 | 992,000.00 | | | 992,000.00 |
| Advances | A-4 | 391,074.25 | 391,074.25 | | |
| | | <u>1,521,893.39</u> | <u>391,074.25</u> | <u>138,819.14</u> | <u>992,000.00</u> |
| | | 1,535,719.15 | 404,900.01 | 138,819.14 | 992,000.00 |
| Decreased by: | | | | | |
| Settlements | A-4 | 1,130,819.14 | | 138,819.14 | 992,000.00 |
| Balance December 31, 2021 | A | <u>\$ 404,900.01</u> | <u>\$ 404,900.01</u> | <u>\$ -</u> | <u>\$ -</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

INTERFUNDS PAYABLE
FEDERAL AND STATE GRANT FUND

A-27

Federal
and State
Grant Fund
Current
Fund

Ref.

Increased by:

Reserve for Grant Expenditures
Cancelled

A-33

\$8,085.40

Decreased by:

Settlements

A-4

8,085.40

\$ -

TOWNSHIP OF MANSFIELD
CURRENT FUND

LOCAL SCHOOL DISTRICT TAX

A-28

| | <u>Ref.</u> | | |
|---|-------------|---------------------|-----------------------|
| Balance December 31, 2020: | | | |
| School Tax Payable | A | \$ 509,510.79 | |
| School Tax Deferred | Below | <u>2,730,409.04</u> | \$3,239,919.83 |
| | | | |
| Increased by: | | | |
| Levy - School Year July 1, 2021 to June 30, 2022 | A-1,2c,11 | | <u>6,264,110.00</u> |
| | | | <u>9,504,029.83</u> |
| | | | |
| Decreased by: | | | |
| Payments | A-4 | | <u>6,161,343.00</u> |
| | | | |
| Balance December 31, 2021: | | | |
| School Tax Payable | A | 612,277.79 | |
| School Tax Deferred | Below | <u>2,730,409.04</u> | <u>\$3,342,686.83</u> |
| | | | |
| <u>Analysis of Increase in Deferred School Tax</u> | | | |
| Deferred School Tax December 31, 2021 | Above | | \$2,730,409.04 |
| Deferred School Tax December 31, 2020 | Above | | <u>2,730,409.04</u> |
| | | | |
| Increase Credited to Operations | A-1 | | <u>\$ -</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

REGIONAL HIGH SCHOOL TAX

A-29

| | <u>Ref.</u> | | |
|---|-------------|---------------------|------------------------|
| Balance December 31, 2020: | | | |
| School Tax Payable | A | \$1,237,930.06 | |
| School Tax Deferred | Below | <u>2,268,411.49</u> | \$ 3,506,341.55 |
| | | | |
| Increased by: | | | |
| Levy - School Year July 1, 2021 to June 30, 2022 | A-1,2c,11 | | <u>8,090,359.00</u> |
| | | | <u>11,596,700.55</u> |
| | | | |
| Decreased by: | | | |
| Payments | A-4 | | <u>7,988,521.52</u> |
| | | | |
| Balance December 31, 2021: | | | |
| School Tax Payable | A | 1,339,767.54 | |
| School Tax Deferred | Below | <u>2,268,411.49</u> | <u>\$ 3,608,179.03</u> |
| | | | |
| <u>Analysis of Increase in Deferred School Tax</u> | | | |
| Deferred School Tax December 31, 2021 | Above | | \$ 2,268,411.49 |
| Deferred School Tax December 31, 2020 | Above | | <u>2,268,411.49</u> |
| | | | |
| Increase Credited to Operations | A-1 | | <u>\$ -</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

COUNTY TAXES

A-30

| | <u>Ref.</u> | | |
|---------------------------|-------------|---------------------|----------------------|
| Balance December 31, 2020 | A | | \$ 134,014.86 |
| Increased by: | | | |
| 2021 Levy | | \$4,794,173.75 | |
| County Library | | 383,288.00 | |
| County Open Space Tax | | 150,045.90 | |
| | A-11 | <u>5,327,507.65</u> | |
| Added Assessments | A-11 | 74,112.25 | |
| | A-1,2c | | <u>5,401,619.90</u> |
| | | | <u>5,535,634.76</u> |
| Decreased by: | | | |
| Payments | A-4 | | <u>5,361,823.83</u> |
| Balance December 31, 2021 | A | | <u>\$ 173,810.93</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

PREPAID TAXES

A-31

| | <u>Ref.</u> | |
|---------------------------------|-------------|----------------------------|
| Balance December 31, 2020 | A | \$174,766.99 |
| Increased by: | | |
| Collections - 2022 Taxes | A-6 | <u>118,412.33</u> |
| | | 293,179.32 |
| Decreased by: | | |
| Transferred to Taxes Receivable | A-11 | <u>174,766.99</u> |
| Balance December 31, 2021 | A | <u><u>\$118,412.33</u></u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

UNAPPROPRIATED FEDERAL AND STATE GRANTS

A-32

| | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|--|--|---------------------|-----------------------------|--|
| <u>Federal and State Grant Fund</u> | | | | |
| Hepatitis B Grant | \$ 975.00 | \$ | \$ 975.00 | \$ |
| Drive Sober or Get Pulled Over | 5,500.00 | | 5,500.00 | |
| State and Local Fiscal Recovery Funds | <u> </u> | <u>385,232.61</u> | <u> </u> | <u>385,232.61</u> |
| | <u>\$6,475.00</u> | <u>\$385,232.61</u> | <u>\$6,475.00</u> | <u>\$385,232.61</u> |
| <u>Reference</u> | <u>A</u> | <u>A-4</u> | <u>A-19</u> | <u>A</u> |

TOWNSHIP OF MANSFIELD
CURRENT FUND

APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

A-33
Sheet #1

| <u>Grant</u> | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>2021</u> <u>Budget</u> <u>Appropriations</u> | <u>Encumbrances</u> <u>Cancelled</u> | <u>Decrease</u> | <u>Cancelled</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|--|--|---|---|-----------------|------------------|--|
| <u>State Grants</u> | | | | | | |
| Clean Communities Act: | | | | | | |
| 2019 | \$ 194.17 | | | \$ 494.17 | | \$ 3,143.86 |
| 2020 | 20,631.63 | | \$ 300.00 | 17,487.77 | | 22,013.86 |
| 2021 | | 22,013.86 | | | | |
| Municipal Court Alcohol Rehabilitation Program: | | | | | | |
| 2017 | 590.79 | | | | | 590.79 |
| 2018 | 2,416.67 | | | | | 2,416.67 |
| 2019 | 482.25 | | | | | 482.25 |
| 2020 | 333.42 | | | | | 333.42 |
| Municipal Alliance on Alcoholism and Drug Abuse: | | | | | | |
| State Share: | | | | | | |
| 2014 | 5,705.47 | | | | | 5,705.47 |
| Local Share: | | | | | | |
| Prior Year | 7,465.25 | | | | | 7,465.25 |
| 2020 | 2,137.00 | | | | | 2,137.00 |
| 2021 | | 3,437.00 | | | | 3,437.00 |
| Drunk Driving Enforcement Fund: | | | | | | |
| 2018 | 3,383.69 | | | | | 3,383.69 |
| 2021 | | 6,361.90 | 419.00 | 1,098.58 | | 2,704.11 |
| Body Armor Grant: | | | | | | |
| 2016 | 1,469.35 | | | 1,469.35 | | 1,469.35 |
| 2017 | 1,705.18 | | | 1,705.18 | | 1,705.18 |
| 2019 | 1,864.98 | | | 261.07 | | 1,603.91 |
| 2020 | 1,759.02 | | | | | 1,759.02 |
| 2021 | | 1,420.74 | | | | 1,420.74 |
| Body Worn Camera Grant Program: | | | | | | |
| 2021 | | 32,608.00 | | 32,481.20 | | 126.80 |

TOWNSHIP OF MANSFIELD
CURRENT FUND

APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

A-33
Sheet #2

| <u>Grant</u> | <u>Balance</u> Dec. 31, 2020 | 2021 <u>Budget</u> <u>Appropriations</u> | <u>Encumbrances</u> <u>Cancelled</u> | <u>Decrease</u> | <u>Cancelled</u> | <u>Balance</u> Dec. 31, 2021 |
|--|---------------------------------|--|---|-----------------|------------------|---------------------------------|
| <u>State Grants</u> | | | | | | |
| Recycling Tonnage Grant: | | | | | | |
| 2017 | \$ 27,602.39 | \$ | \$ 2,113.80 | \$ 9,084.75 | \$ | \$ 20,631.44 |
| 2018 | 16,994.81 | | | | | 16,994.81 |
| 2019 | 10,631.05 | | | | | 10,631.05 |
| 2020 | 13,405.44 | | | | | 13,405.44 |
| 2021 | | 13,279.16 | | | | 13,279.16 |
| N.J. Department of Transportation: Washburn Road | 8,708.91 | | | | 8,708.91 | |
| N.J. Environmental Commission: Local Open Space Stewardship | 323.52 | | | | 323.52 | |
| Highlands Plan Conference - 2009 | 21,633.75 | | | | | 21,633.75 |
| Highlands Assessment - 2009 | 4,048.75 | | | | | 4,048.75 |
| Hepatitis B Grant: Prior Year | 975.00 | | | | | 975.00 |
| 2021 | | 975.00 | | | | 975.00 |
| Municipal Storm Water Regulation: 2006 | 822.56 | | | | | 822.56 |
| <u>Federal Grants</u> | | | | | | |
| Click It or Ticket: | | | | | | |
| 2016 | 1,000.00 | | | | | 1,000.00 |
| 2017 | 5,500.00 | | | | | 5,500.00 |
| 2018 | 5,500.00 | | | | | 5,500.00 |
| Drive Sober or Get Pulled Over: | | | | | | |
| 2017 | 1,100.00 | | | | | 1,100.00 |
| 2019 | 5,500.00 | | | | | 5,500.00 |
| 2021 | | 11,500.00 | | | | 11,500.00 |
| U Drive, U Text, U Pay Distracted Driver Grant | | 6,000.00 | | 6,000.00 | | 6,000.00 |

TOWNSHIP OF MANSFIELD
CURRENT FUND

APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

A-33
Sheet #3

| <u>Grant</u> | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>2021</u> <u>Budget</u> <u>Appropriations</u> | <u>Encumbrances</u> <u>Cancelled</u> | <u>Decrease</u> | <u>Cancelled</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|---|--|---|---|---------------------|--------------------|--|
| <u>Other Grants</u> | | | | | | |
| Warren County Conservancy Trust: | | | | | | |
| Mt. Bethel Church | \$ 11,017.89 | \$ | \$ | \$ | \$ | \$ 11,017.89 |
| Wal-Mart Environmental Grant - Local Share | 500.00 | | | | | 500.00 |
| NJLM Educational Foundation: | | | | | | |
| Sustainable Jersey Small Grant: Prior Year | 356.05 | | | | 356.05 | |
| Statewide Insurance Risk Control Grant: Prior Year | 1,111.55 | | | 1,111.55 | | |
| Elizabethtown Gas, 2021 Game on Grant Program | <u>1,000.00</u> | <u>1,000.00</u> | | <u>1,000.00</u> | | |
| | <u>\$ 186,870.54</u> | <u>\$ 98,595.66</u> | <u>\$ 2,832.80</u> | <u>\$ 78,193.62</u> | <u>\$ 9,388.48</u> | <u>\$ 200,716.90</u> |
| | <u>A</u> | <u>Below</u> | <u>A-21</u> | <u>A-4</u> | <u>Below</u> | <u>A</u> |
| | <u>Ref.</u> | | | | | |
| State and Federal Grants: | | | | | | |
| 2021 Grants | | \$ 95,158.66 | | | \$ | |
| Township's Matching Funds | | 3,437.00 | | | 1,303.08 | |
| Grants Receivable | | | | | <u>8,085.40</u> | |
| Interfunds Payable | | | | | <u>\$ 9,388.48</u> | |
| | | <u>\$ 98,595.66</u> | | | | |
| | <u>Above</u> | | | | | |

TOWNSHIP OF MANSFIELD
TRUST FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER

B-1

| <u>Ref.</u> | <u>Animal Control Trust Fund</u> | <u>General Trust Fund</u> | <u>Municipal Open Space Trust Fund</u> |
|---------------------------------------|----------------------------------|---------------------------|--|
| Balance December 31, 2020 | \$ 12,064.75 | \$ 1,845,841.63 | \$ |
| Increased by Receipts: | | | |
| Turnovers from Tax Collector | \$ 6,720.00 | \$ 180,911.19 | |
| Other Accounts Receivable | | 1,440,372.06 | |
| Interfunds Receivable | | | 575,781.27 |
| Special Deposits | | 18,223.62 | |
| Premiums on Tax Sale | | 160,400.00 | |
| Municipal Open Space Trust Fund | | | 2,893.41 |
| Interfunds Payable | | | 13,964.30 |
| Reserve for Animal Control Trust Fund | | 5,088.73 | |
| Expenditures | 102.44 | | |
| Reserve for State Unemployment Trust | | | |
| Fund Expenditures | | 15,295.59 | |
| Contra Item: | | | |
| Net Payroll | <u>6,822.44</u> | <u>1,441,605.27</u> | <u>592,638.98</u> |
| | 18,887.19 | 3,261,896.46 | 592,638.98 |
| | | <u>5,107,738.09</u> | |
| Decreased by Disbursements: | | | |
| Due to State of New Jersey | | | |
| Special Deposits | 993.60 | 302,628.81 | |
| Premiums on Tax Sale | | 134,300.00 | |
| Payroll Deductions Payable | | 1,433,124.95 | |
| Municipal Open Space Trust Fund | | | 93,158.40 |
| Interfunds Payable | | 446,694.59 | |
| Reserve for Animal Control Trust Fund | | | |
| Expenditures | 1,817.21 | | |
| Reserve for State Unemployment Trust | | | |
| Fund Expenditures | | 4,042.26 | |
| Contra Item | | <u>1,441,605.27</u> | |
| | <u>2,810.81</u> | <u>3,762,395.88</u> | <u>93,158.40</u> |
| Balance December 31, 2021 | <u>\$ 16,076.38</u> | <u>\$ 1,345,342.21</u> | <u>\$ 499,480.58</u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

BANK RECONCILIATIONS
DECEMBER 31, 2021

B-2

| | <u>Animal Control Trust Fund</u> | <u>General Trust Fund</u> | <u>Municipal Open Space Trust Fund</u> |
|---|--|-------------------------------|--|
| Balance per Statements: | | | |
| TD Bank, | | | |
| Mansfield, New Jersey: | | | |
| #0011980 - Developers Escrow | \$ | \$ 83,052.69 | \$ |
| Unity Bank, | | | |
| Mansfield, New Jersey: | | | |
| #2170000521 - Dog License Account | 16,351.38 | | |
| #2170002758 - Other Trust | | 125,666.08 | |
| #2170000646 - COAH | | 269,929.71 | |
| #2170000638 - Tax Premium Account | | 415,100.00 | |
| #2170000554 - Recreation Trust | | 29,317.01 | |
| #2170000596 - Unemployment | | 60,124.72 | |
| #2170001917 - Disposal Forfeited Properties Trust | | 4.39 | |
| #2170000588 - Escrow Outside Duty Account | | 6,090.32 | |
| #2170001404 - Green Team Account | | 491.00 | |
| #2170002048 - K-9 Donation | | 19,614.80 | |
| #2170000513 - Mandatory Fees | | 335,682.95 | |
| #2170004366 - Payroll Account | | 6,100.67 | |
| #2170000612 - Municipal Open Space Trust | | | 499,480.58 |
| | <u>16,351.38</u> | <u>1,351,174.34</u> | <u>499,480.58</u> |
| Less: Outstanding Checks | <u>275.00</u> | <u>5,832.13</u> | <u> </u> |
| | <u>\$16,076.38</u> | <u>\$1,345,342.21</u> | <u>\$499,480.58</u> |
| <u>Reference</u> | <u>B-1</u> | <u>B-1</u> | <u>B-1</u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

CASH RECEIPTS AND DISBURSEMENTS
TAX COLLECTOR

B-3

| | <u>Ref.</u> | <u>Animal Control Trust Fund</u> | <u>General Trust Fund</u> |
|-----------------------------|-------------|----------------------------------|---------------------------|
| Increased by Receipts: | | | |
| Due from Municipal Court | B-4 | \$ | \$ 252.00 |
| Due to State of New Jersey | B-7 | 993.60 | |
| Special Deposits | B-8 | | 180,659.19 |
| Reserve for Animal Control | | | |
| Trust Fund Expenditures | B-13 | <u>5,726.40</u> | |
| | | \$6,720.00 | <u>\$180,911.19</u> |
| Decreased by Disbursements: | | | |
| Turnovers to Treasurer | B-1 | <u>6,720.00</u> | <u>180,911.19</u> |
| | | <u>\$ -</u> | <u>\$ -</u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

DUE FROM MUNICIPAL COURT

B-4

| | <u>Ref.</u> | | |
|-----------------------------------|-------------|---------------|---------------|
| Increased by: | | | |
| Parking Offenses Adjudication Act | | \$ 2.00 | |
| Public Defender Application Fees | | <u>250.00</u> | |
| | B-8 | | \$ 252.00 |
| Decreased by: | | | |
| Collections | B-3 | | <u>252.00</u> |
| | | | <u>\$ -</u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

OTHER ACCOUNTS RECEIVABLE

B-5

| | <u>Ref.</u> | <u>General Trust Fund</u> |
|--------------------------------|-------------|-------------------------------|
| Increased by: | | |
| Payroll Deductions | B-10 | \$1,494,805.27 |
| Decreased by: | | |
| Collections | B-1 | <u>1,440,372.06</u> |
| Balance December 31, 2021 | B | <u>\$ 54,433.21</u> |
| <u>Analysis of Balance</u> | | |
| Due from Action Data Services | | <u>\$ 54,433.21</u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

INTERFUNDS RECEIVABLE

B-6

| | | <u>Total Municipal Open Space Trust Fund</u> | <u>Municipal Open Space Trust Fund</u> | |
|-----------------------------|------|--|--|-------------------------------|
| <u>Ref.</u> | | | <u>Current Fund</u> | <u>General Trust Fund</u> |
| Increased by: | | | | |
| Municipal Open Space Tax | B-11 | \$138,819.14 | \$138,819.14 | \$ |
| Transfer from General Trust | B-11 | 436,962.13 | | 436,962.13 |
| Fund | | <u>575,781.27</u> | <u>138,819.14</u> | <u>436,962.13</u> |
| Decreased by: | | | | |
| Settlements | B-1 | <u>575,781.27</u> | <u>138,819.14</u> | <u>436,962.13</u> |
| | | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

DUE TO STATE OF NEW JERSEY

B-7

| | <u>Ref.</u> | | |
|---------------------------|-------------|---------------|----------------|
| Increased by: | | | |
| Registration Fees | | \$553.00 | |
| Pilot Clinic Fund Fees | | 110.60 | |
| Population Control Fees | | <u>330.00</u> | |
| | B-3 | 993.60 | |
| Prior Year Adjustment | B-13 | <u>4.20</u> | |
| | | | \$997.80 |
| Decreased by: | | | |
| Payments | B-1 | | <u>993.60</u> |
| Balance December 31, 2021 | B | | <u>\$ 4.20</u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

SPECIAL DEPOSITS

B-8

| <u>Account</u> | <u>Balance</u> <u>Dec. 31, 2020</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|-----------------------------------|--|---------------------|------------------------|--|
| Escrow Deposits | \$ 108,693.42 | \$ 18,214.74 | \$ 46,528.09 | \$ 80,380.07 |
| Recreation | 33,572.27 | 150.00 | 4,542.39 | 29,179.88 |
| Parking Offenses Adjudication Act | 733.58 | 2.00 | | 735.58 |
| Public Defender | 2,220.00 | 250.00 | | 2,470.00 |
| Council on Affordable Housing | 269,929.71 | | | 269,929.71 |
| Mandatory Fees | 335,685.30 | 8,995.74 | 8,998.09 | 335,682.95 |
| Municipal Alliance | 2,084.89 | | | 2,084.89 |
| Accumulated Absences | 26,594.33 | | 840.45 | 25,753.88 |
| Outside Employment of Police | 29,417.14 | 123,415.24 | 148,506.18 | 4,326.20 |
| Snow Removal | 125,457.09 | | 52,099.53 | 73,357.56 |
| Fire Prevention | 11,903.22 | | | 11,903.22 |
| Green Team Donation | 487.99 | | | 487.99 |
| Forfeited Property | 899.11 | 8.88 | 903.60 | 4.39 |
| K-9 Donations | 19,493.89 | | | 19,493.89 |
| Video Surcharge | 1,450.00 | 150.00 | | 1,600.00 |
| Police Donations | 5,209.34 | 2,999.90 | 448.29 | 7,760.95 |
| Unemployment | 45,466.12 | | 45,466.12 | |
| Premiums on Tax Sale | 386,300.00 | | 386,300.00 | |
| Municipal Open Space Trust | 436,962.13 | | 436,962.13 | |
| Net Payroll | 0.68 | | 0.68 | |
| Payroll Agency | 33.48 | | 33.48 | |
| Redemption of Tax Title Liens | | 44,948.31 | 44,948.31 | |
| | <u>\$1,842,593.69</u> | <u>\$199,134.81</u> | <u>\$ 1,176,577.34</u> | <u>\$ 865,151.16</u> |

Reference

B

Below

Below

B

Ref.

Collections:

 Treasurer

B-1

\$ 18,223.62

\$

 Tax Collector

B-3

180,659.19

198,882.81

Cash Disbursed

B-1

302,628.81

Due from Municipal Court

B-4

252.00

Transfer to Premiums on Tax Sale

B-9

386,300.00

Transfer to Payroll Deductions

 Payable

B-10

34.16

Escrows Cancelled

B-12

5,186.12

Transfer to Municipal Open

 Space Trust Fund

B-12

436,962.13

Transfer to State Unemployment

 Trust Fund Expenditures

B-14

45,466.12

Above

\$199,134.81

\$ 1,176,577.34

TOWNSHIP OF MANSFIELD
TRUST FUND

PREMIUMS ON TAX SALE

B-9

| | <u>Ref.</u> | | |
|-----------------------------------|-------------|-------------------|-----------------------------|
| Increased by: | | | |
| Collections | B-1 | \$ 160,400.00 | |
| Transferred from Special Deposits | B-8 | <u>386,300.00</u> | |
| | | | \$ 546,700.00 |
| Decreased by: | | | |
| Payments | B-1 | | <u>134,300.00</u> |
| Balance December 31, 2021 | B | | <u><u>\$ 412,400.00</u></u> |

PAYROLL DEDUCTIONS PAYABLE

B-10

| | <u>Ref.</u> | | |
|--|-------------|-----------------|----------------------------|
| Increased by: | | | |
| Payroll Deductions | B-5 | \$ 1,494,805.27 | |
| Transferred from Special Deposits | B-8 | <u>34.16</u> | |
| | | | \$ 1,494,839.43 |
| Decreased by: | | | |
| Payments | B-1 | 1,433,124.95 | |
| Transfer to Reserve for State Unemployment Insurance Trust Fund Expenditures | B-14 | <u>3,549.37</u> | |
| | | | <u>1,436,674.32</u> |
| Balance December 31, 2021 | B | | <u><u>\$ 58,165.11</u></u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

MUNICIPAL OPEN SPACE TRUST FUND

B-11

| | <u>Ref.</u> | | |
|----------------------------------|-------------|-------------------|----------------------------|
| Increased by: | | | |
| Interest on Investments | B-1 | \$ 2,893.41 | |
| Municipal Open Space Tax | B-6 | 138,819.14 | |
| Transfer from General Trust Fund | B-6 | <u>436,962.13</u> | |
| | | | \$578,674.68 |
| Decreased by: | | | |
| Green Acres Loan Repayment: | | | |
| Principal | | 75,537.00 | |
| Interest | | 17,501.07 | |
| Other Expenditures | | <u>120.33</u> | |
| | B-1 | | <u>93,158.40</u> |
| Balance December 31, 2021 | B | | <u><u>\$485,516.28</u></u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

INTERFUNDS PAYABLE

B-12

| | <u>Ref.</u> | <u>Animal Control Trust Fund Current Fund</u> | <u>Total General Trust Fund</u> | <u>General Trust Fund Current Fund</u> | <u>Municipal Open Space Trust Fund</u> |
|---|-------------|---|---------------------------------|--|--|
| Balance December 31, 2020 | B | \$ 982.15 | \$ 3,247.94 | \$ 3,247.94 | \$ |
| Increased by: | | | | | |
| Advances | | | | | |
| Interest on Deposits | B-1 | | 5,088.73 | 5,088.73 | 13,964.30 |
| Escrows Cancelled | B-8 | | 5,186.12 | 5,186.12 | <u>13,964.30</u> |
| Transfer to Municipal Open Space Trust Fund | B-8 | | 436,962.13 | 436,962.13 | |
| Statutory Excess in Animal Control Trust Fund | B-13 | 4,296.43 | <u>447,236.98</u> | <u>10,274.85</u> | <u>13,964.30</u> |
| | | 5,278.58 | 450,484.92 | 13,522.79 | 13,964.30 |
| Decreased by: | | | | | |
| Settlements | B-1 | | 446,694.59 | 9,732.46 | <u>436,962.13</u> |
| Balance December 31, 2021 | B | <u>\$ 5,278.58</u> | <u>\$ 3,790.33</u> | <u>\$ 3,790.33</u> | <u>\$ 13,964.30</u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

B-13

| | <u>Ref.</u> | | |
|--|-----------------|------------|---------------------|
| Balance December 31, 2020 | B | | \$ 11,082.60 |
| Increased by: | | | |
| Dog License Fees | | \$4,866.40 | |
| Cat License Fees | | 602.00 | |
| Miscellaneous Revenue: | | | |
| Late Fees | | 258.00 | |
| Interest on Deposits | | 102.44 | |
| | Below | 5,828.84 | 16,911.44 |
| Decreased by: | | | |
| Expenditures Under N.J.S.A. 40A:4-39 | B-1 | 1,817.21 | |
| Prior Year Adjustment | B-7 | 4.20 | |
| Interfunds Payable | B-12 | 4,296.43 | |
| | | 6,117.84 | 6,117.84 |
| Balance December 31, 2021 | B | | <u>\$ 10,793.60</u> |
| <u>Analysis of Revenue</u> | | | |
| Collections: | | | |
| Treasurer | B-1 | | \$ 102.44 |
| Tax Collector | B-3 | | 5,726.40 |
| | Above | | <u>\$ 5,828.84</u> |
| <u>Animal Control Trust Fund Collections</u> | | | |
| | <u>Year</u> | | |
| | 2020 | | \$ 5,196.50 |
| | 2019 | | 5,597.10 |
| | Maximum Reserve | | <u>\$ 10,793.60</u> |

TOWNSHIP OF MANSFIELD
TRUST FUND

RESERVE FOR STATE UNEMPLOYMENT TRUST FUND EXPENDITURES

B-14

| | <u>Ref.</u> | | |
|--------------------------------|-------------|------------------|---------------------------|
| Increased by: | | | |
| Budget Appropriations | | \$15,000.00 | |
| Interest on Deposits | | <u>295.59</u> | |
| Transfer from Special Deposits | B-1 | <u>15,295.59</u> | |
| Payroll Deductions | B-8 | 45,466.12 | |
| | B-10 | <u>3,549.37</u> | |
| | | | \$64,311.08 |
| Decreased by: | | | |
| Claims | | 2,894.09 | |
| Township's Share of Disability | | <u>1,148.17</u> | |
| | B-1 | | <u>4,042.26</u> |
| Balance December 31, 2021 | B | | <u><u>\$60,268.82</u></u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

CASH RECEIPTS, DISBURSEMENTS AND RECONCILIATION
DECEMBER 31, 2021

C-2

| | <u>Ref.</u> | | |
|--|-------------|-------------------|------------------------------|
| Balance December 31, 2020 | C | | \$ 860,492.62 |
| Increased by Receipts: | | | |
| Premium on Sale of Notes | C-1 | \$ 242.00 | |
| Grants Receivable | C-4 | 220,650.00 | |
| Interfunds Receivable | C-5 | 992,000.00 | |
| Interfunds Payable | C-11 | <u>77,537.07</u> | |
| | | | <u>1,290,429.07</u> |
| | | | 2,150,921.69 |
| Decreased by Disbursements: | | | |
| Improvement Authorizations | C-8 | 223,230.80 | |
| Interfunds Payable | C-11 | 7,473.60 | |
| Various Capital Reserves | C-12 | <u>653,737.74</u> | |
| | | | <u>884,442.14</u> |
| Balance December 31, 2021 | C | | <u><u>\$1,266,479.55</u></u> |
| <u>Bank Reconciliation December 31, 2021</u> | | | |
| Balance per Statements: | | | |
| Unity Bank: | | | |
| Account #2170000604 | | | \$1,268,371.61 |
| Less: Outstanding Checks | | | <u>1,892.06</u> |
| | | | <u><u>\$1,266,479.55</u></u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

C-3

ANALYSIS OF CASH AND INVESTMENTS

| | Balance Dec. 31, 2020 | Receipts | | Disbursements | | Transfers | | Balance Dec. 31, 2021 |
|-----------------------------------|--------------------------|------------------------|------------------------|-------------------------------|----------------------|------------------------|------------------------|--------------------------|
| | | Other | | Improvement Authorizations | Other | From | To | |
| <u>Improvement Authorizations</u> | | | | | | | | |
| General Improvements: | | | | | | | | |
| #2011-11 | \$ 16,779.11 | \$ | \$ | | | | | \$ 16,779.11 |
| #2014-03 | 6,313.29 | | | | | | | 6,313.29 |
| #2015-02 | 6,335.22 | | | | | | | (14,154.03) |
| #2015-03 | 10,418.19 | | | | | 20,489.25 | | 10,418.19 |
| #2016-11 | 45,968.22 | | | | | | | 45,968.22 |
| #2017-01 | 18,698.15 | | | 600.00 | | | | 18,098.15 |
| #2017-09 | 22,878.79 | | | 5,500.00 | | | | 17,378.79 |
| #2018-01 | 32,900.00 | | | | | | | 32,900.00 |
| #2018-02 | 35,954.00 | | | | | | | 35,954.00 |
| #2019-04 | 78,200.00 | | | 11,050.00 | | | 11,050.00 | (21,030.00) |
| #2020-10 | 120,000.00 | | | 47,450.00 | | | | (156,000.00) |
| #2020-11 | 156,000.00 | | | 156,000.00 | | | | 32,369.20 |
| #2021-01 | | | | 2,630.80 | | | | 220,650.00 |
| #2021-05 | | | 220,650.00 | | | | | |
| <u>Other Accounts</u> | | | | | | | | |
| Grants Receivable | (348,269.25) | | | | | | | |
| Capital Improvement Fund | 151,120.28 | | | | | | 348,269.25 | 116,120.28 |
| Encumbrances Payable | 44,810.00 | | | | | | | |
| Current Fund Interfund | | | 999,473.60 | | 7,473.60 | | | |
| Federal and State Grant Fund | | | | | | | | |
| Interfund | | | 70,063.47 | | | | | |
| Various Capital Reserves | 427,587.37 | | | | 653,737.74 | | | 70,063.47 |
| Fund Balance | 34,799.25 | | 242.00 | | | | | 799,609.63 |
| | <u>\$ 860,492.62</u> | <u>\$ 1,290,429.07</u> | <u>\$ 1,290,429.07</u> | <u>\$ 223,230.80</u> | <u>\$ 661,211.34</u> | <u>\$ 1,420,079.25</u> | <u>\$ 1,420,079.25</u> | <u>\$ 1,266,479.55</u> |
| <u>Reference</u> | <u>C</u> | <u>Below</u> | <u>C-8</u> | <u>Below</u> | <u>Contra</u> | <u>Contra</u> | <u>C</u> | |
| <u>Ref.</u> | | | | | | | | |
| Fund Balance | | \$ 242.00 | | | | | | |
| Grants Receivable | | 220,650.00 | | | | | | |
| Interfunds Receivable | | 992,000.00 | | | | | | |
| Interfunds Payable | | 77,537.07 | | | 7,473.60 | | | |
| Various Capital Reserves | | | | | 653,737.74 | | | |
| | Above | <u>\$ 1,290,429.07</u> | | | <u>\$ 661,211.34</u> | | | |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

GRANTS RECEIVABLE

C-4

| <u>Ordinance Number</u> | <u>Balance Dec. 31, 2020</u> | <u>2021 Grants</u> | <u>Collections</u> | <u>Balance Dec. 31, 2021</u> |
|---|------------------------------|---------------------|---------------------|------------------------------|
| <u>State Grants</u> | | | | |
| Preserve New Jersey Historic Preservation Fund Grant | \$ 120,000.00 | \$ | \$ | \$ 120,000.00 |
| New Jersey Department of Transportation: Transportation Trust Fund: | | | | |
| Watters Road Preservation | 20,489.25 | | | 20,489.25 |
| Reconstruction of Airport Road | 156,000.00 | | | 156,000.00 |
| Reconstruction of Janes Chapel Road | | 294,200.00 | 220,650.00 | 73,550.00 |
| <u>Warren County</u> | | | | |
| Warren County Recreation and Open Space Trust Fund | 51,780.00 | | | 51,780.00 |
| | <u>\$348,269.25</u> | <u>\$294,200.00</u> | <u>\$220,650.00</u> | <u>\$421,819.25</u> |
| <u>Reference</u> | <u>C</u> | <u>C-8</u> | <u>C-2</u> | <u>C</u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

INTERFUNDS RECEIVABLE

C-5

| | <u>Ref.</u> | <u>Current Fund</u> |
|----------------------|-------------|---------------------|
| Increased by: | | |
| Budget Appropriation | C-12 | \$ 992,000.00 |
| Decreased by: | | |
| Settlements | C-2 | <u>992,000.00</u> |
| | | <u>\$ -</u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

C-6

| | <u>Ref.</u> | | |
|---|-------------|------------------|---------------------|
| Balance December 31, 2020 | C | | \$719,163.31 |
| Decreased by: | | | |
| 2021 Budget Appropriations to Pay Debt: | | | |
| Capital Lease Payments | C-14 | \$ 26,163.31 | |
| Refunding Bond Payments | C-15 | 105,000.00 | |
| Serial Bond Payments | C-16 | <u>93,000.00</u> | |
| | | | <u>224,163.31</u> |
| Balance December 31, 2021 | C | | <u>\$495,000.00</u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

C-7

| <u>Ordinance Number</u> | <u>Description</u> | <u>Balance Dec. 31, 2020</u> | <u>Notes Paid by Budget Appropriations</u> | <u>Balance Dec. 31, 2021</u> | <u>Analysis of Balance Notes Payable</u> |
|-----------------------------|--|----------------------------------|--|----------------------------------|--|
| 2013-14 | Improvements to Diamond Hills Road | \$ 86,824.00 | \$ 48,298.00 | \$ 38,526.00 | \$ 38,526.00 |
| 2016-11 | Acquisition of an Ambulance and the Refurbishment of a Fire Truck | <u>231,994.00</u> | <u>59,735.00</u> | <u>172,259.00</u> | <u>172,259.00</u> |
| | | <u>\$ 318,818.00</u> | <u>\$ 108,033.00</u> | <u>\$ 210,785.00</u> | <u>\$ 210,785.00</u> |
| | <u>Reference</u> | <u>C</u> | <u>C-13</u> | <u>C</u> | <u>C-13</u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

C-8
Sheet #1

IMPROVEMENT AUTHORIZATIONS

| General Improvements | Number | Ordinance Date | Amount | Balance Dec. 31, 2020 | | 2021 Authorizations | Encumbrances Cancelled | Expended | Balance Dec. 31, 2021 | |
|---|-----------|----------------|------------------|-----------------------|---------------------|----------------------|------------------------|----------------------|-----------------------|----------------------|
| | | | | Funded | Unfunded | | | | Funded | Unfunded |
| Various Capital Improvements | 2011-11 | 5-25-11 | \$ 273,326.60 | \$ 16,779.11 | \$ | \$ | \$ | \$ 16,779.11 | \$ | |
| Janes Chapel Road Improvements | 2014-03 | 10-12-14 | 90,000.00 | 6,313.29 | | | | 6,313.29 | | |
| Watters Road Preservation | 2015-02 | 7-22-15 | 155,000.00 | 6,335.22 | | | | | 6,335.22 | |
| Improvements to Various Streets and Roads | 2015-03 | 9-23-15 | 105,191.00 | 10,418.19 | | | | 10,418.19 | | |
| Acquisition of an Ambulance and the Refurbishment of a Fire Truck | 2016-11 | 9-14-16 | 368,246.00 | | 45,968.22 | | | | 45,968.22 | |
| Phase 2 of Mount Bethel Church | 2017-01 | 11-21-17 | 174,667.00 | 18,698.15 | | | 600.00 | 18,098.15 | | |
| Improvement to Municipal Building | 2017-09 | 8-23-17 | 37,096.39 | 22,878.79 | | | 5,500.00 | 17,378.79 | | |
| Municipal Building HVAC Planning and Design | 2018-01 * | 9-12-18 | 41,000.00 | 32,900.00 | | | | 32,900.00 | | |
| Improvements to Municipal Building | 2018-02 * | 9-12-18 | 63,000.00 | 35,954.00 | | | 11,050.00 | 35,954.00 | | |
| Phase 3 at the Mount Bethel Church | 2019-04 | 6-26-19 | 200,000.00 | 78,200.00 | | | 47,450.00 | | 30,750.00 | |
| Construction Work at the Mount Bethel Church | 2020-10 | 7-22-20 | 120,000.00 | 120,000.00 | | | | | 120,000.00 | |
| Reconstruction of Airport Road | 2020-11 | 8-12-20 | 156,000.00 | 156,000.00 | | | 156,000.00 | | | |
| Purchase of Police Department Body Cameras | 2021-01 * | 3-24-21 | 35,000.00 | | 35,000.00 | | | 32,369.20 | | |
| Reconstruction of Janes Chapel Road | 2021-05 | 5-12-21 | 294,200.00 | | 294,200.00 | | | 220,650.00 | 73,550.00 | |
| | | | | <u>\$ 504,476.75</u> | <u>\$ 45,968.22</u> | <u>\$ 329,200.00</u> | <u>\$ 11,050.00</u> | <u>\$ 223,230.80</u> | <u>\$ 390,860.73</u> | <u>\$ 276,603.44</u> |
| | | | <u>Reference</u> | <u>C</u> | <u>C</u> | <u>Sheet #2</u> | <u>C-9</u> | <u>C-2</u> | <u>C</u> | <u>C</u> |

* Fully Funded by the Capital Improvement Fund

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS

C-8
Sheet #2

Grants Receivable
Capital Improvement Fund

Ref.

2021
Authorizations

C-4
C-10

\$ 294,200.00
35,000.00

Sheet #1

\$ 329,200.00

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

ENCUMBRANCES PAYABLE

C-9

| | <u>Ref.</u> | | |
|----------------------------|-------------|------------------|------------------|
| Balance December 31, 2020 | C | | \$ 44,810.00 |
| Decreased by: | | | |
| Cancelled: | | | |
| Improvement Authorizations | C-8 | \$11,050.00 | |
| Various Capital Reserves | C-12 | <u>33,760.00</u> | |
| | | | <u>44,810.00</u> |
| | | | <u>\$ -</u> |

CAPITAL IMPROVEMENT FUND

C-10

| | <u>Ref.</u> | | |
|---|-------------|--|----------------------|
| Balance December 31, 2020 | C | | \$ 151,120.28 |
| Decreased by: | | | |
| Appropriated to Finance Improvement Authorizations: | | | |
| Ordinance #2021-01 | C-8 | | <u>35,000.00</u> |
| Balance December 31, 2021 | C | | <u>\$ 116,120.28</u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

INTERFUNDS PAYABLE

C-11

| | <u>Ref.</u> | <u>Total General Capital Fund</u> | <u>Current Fund</u> | <u>Federal and State Grant Fund</u> |
|---------------------------|-------------|---|-------------------------|---|
| Increased by: | | | | |
| Interest on Deposits | | \$ 7,473.60 | \$ 7,473.60 | \$ |
| Advances | | <u>70,063.47</u> | | <u>70,063.47</u> |
| | C-2 | <u>77,537.07</u> | <u>7,473.60</u> | <u>70,063.47</u> |
| Decreased by: | | | | |
| Settlements | C-2 | <u>7,473.60</u> | <u>7,473.60</u> | <u> </u> |
| Balance December 31, 2021 | C | <u><u>\$70,063.47</u></u> | <u><u>\$ -</u></u> | <u><u>\$70,063.47</u></u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

VARIOUS CAPITAL RESERVES

C-12

| <u>Description</u> | <u>Balance</u> | <u>Increase</u> | | <u>Balance</u> |
|--|----------------------|----------------------|---------------------|----------------------|
| | <u>Dec. 31, 2020</u> | <u>Budget</u> | <u>Encumbrances</u> | <u>Dec. 31, 2021</u> |
| | | <u>Appropriation</u> | <u>Cancelled</u> | |
| Renovation to Municipal Property - Sidewalks | \$ 5,011.00 | \$ | \$ | \$ |
| Municipal Improvements | 60.00 | | | 60.00 |
| Improvement to Streets and Roads | 389,174.97 | 930,000.00 | 13,760.00 | 720,604.91 |
| Office Equipment | 2,335.90 | | | 2,335.90 |
| Police Equipment | 1,670.50 | 35,000.00 | 20,000.00 | 22,876.72 |
| Fire Gear | 24,296.00 | 27,000.00 | | 51,296.00 |
| DPW Equipment | 2,011.26 | | | 2,011.26 |
| DPW Vehicle | 1,760.74 | | | 1,760.74 |
| Infoshare QED System | 1,000.00 | | | 1,000.00 |
| Finance Computer Software | 267.00 | | | |
| | | | 267.00 | |
| | <u>\$ 427,587.37</u> | <u>\$ 992,000.00</u> | <u>\$ 33,760.00</u> | <u>\$ 799,609.63</u> |
| <u>Reference</u> | <u>C</u> | <u>C-5</u> | <u>C-9</u> | <u>C</u> |
| | | | <u>C-2</u> | |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

C-13

BOND ANTICIPATION NOTES

| <u>Ordinance Number</u> | <u>Improvement Description</u> | <u>Date of Original Issue</u> | <u>Date of Issue</u> | <u>Date of Maturity</u> | <u>Interest Rate</u> | <u>Balance Dec. 31, 2020</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance Dec. 31, 2021</u> |
|-------------------------|---|-------------------------------|----------------------|-------------------------|----------------------|------------------------------|----------------------|----------------------|------------------------------|
| 2013-14 | Improvements to Diamond Hills Road | 5-22-14 | 5-11-20 5-07-21 | 5-10-21 5-06-22 | 1.00 % 1.00 | \$ 86,824.00 | \$ 38,526.00 | \$ 86,824.00 | \$ 38,526.00 |
| 2016-11 | Acquisition of an Ambulance and the Refurbishment of a Fire Truck | 5-17-17 | 5-11-20 5-07-21 | 5-10-21 5-06-22 | 1.00 1.00 | 231,994.00 | 172,259.00 | 231,994.00 | 172,259.00 |
| | | | | | | <u>\$ 318,818.00</u> | <u>\$ 210,785.00</u> | <u>\$ 318,818.00</u> | <u>\$ 210,785.00</u> |
| | | | | | <u>Reference</u> | <u>C</u> | <u>Below</u> | <u>Below</u> | <u>C</u> |
| | | | | | <u>Ref.</u> | | | | |
| | Redeemed: | | | | | | | | |
| | Budget Appropriation | | | | | \$ | \$ 108,033.00 | \$ 108,033.00 | |
| | Renewals | | | | | | 210,785.00 | 210,785.00 | |
| | | | | | | | <u>\$ 210,785.00</u> | <u>\$ 318,818.00</u> | <u>\$ 318,818.00</u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

CAPITAL LEASE OBLIGATIONS

C-14

| <u>Purpose</u> | <u>Original Issue</u> | | <u>Interest</u> | <u>Balance</u> | <u>Decrease</u> |
|-----------------------|-----------------------|---------------|-----------------|----------------------|--------------------|
| | <u>Date</u> | <u>Amount</u> | <u>Rate</u> | <u>Dec. 31, 2020</u> | |
| Seagrave Pumper Truck | 04-15-16 | \$ 340,000.00 | 5.06% | <u>\$26,163.31</u> | <u>\$26,163.31</u> |
| | | | | <u>C</u> | <u>C-6</u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

C-15

REFUNDING BONDS

| <u>Purpose</u> | <u>Date</u> | <u>Original Issue</u> <u>Amount</u> | <u>Date</u> | <u>Maturities of</u> <u>Bonds Outstanding</u> <u>Dec. 31, 2021</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> | <u>Increase</u> <u>Transferred</u> <u>from Serial</u> <u>Bonds</u> | <u>Decrease</u> <u>Budget</u> <u>Appropriation</u> | <u>Balance</u> <u>Dec. 31, 2021</u> |
|-----------------|-------------|--|------------------|---|--------------------------------|---|--|--|
| Refunding Bonds | 07-01-17 | \$ 1,000,000.00 | | | | | | |
| | | | 09-01-22 | \$ 105,000.00 | 2.59% | | | |
| | | | 09-01-23 | 100,000.00 | 2.59 | | | |
| | | | 09-01-24 | 100,000.00 | 2.59 | | | |
| | | | 09-01-25 | 100,000.00 | 2.59 | | | |
| | | | 09-01-26 | 90,000.00 | 2.59 | | | |
| | | | | | | <u>\$600,000.00</u> | <u>\$105,000.00</u> | <u>\$495,000.00</u> |
| | | | <u>Reference</u> | | | <u>C-16</u> | <u>C-6</u> | <u>C</u> |

TOWNSHIP OF MANSFIELD
GENERAL CAPITAL FUND

SERIAL BONDS

C-16

| <u>Purpose</u> | <u>Date</u> | <u>Original Issue Amount</u> | <u>Interest Rate</u> | <u>Balance Dec. 31, 2020</u> | <u>Decrease</u> | |
|------------------------------|-------------|----------------------------------|--------------------------|----------------------------------|---------------------------------|--|
| | | | | | <u>Budget Appropriation</u> | <u>Tranferred to Refunding Bonds</u> |
| General Improvement Bonds | 12-01-01 | \$ 1,481,000.00 | 5.20% | \$ 93,000.00 | \$ 93,000.00 | \$ |
| Refunding Bonds | 07-01-17 | 1,000,000.00 | | 600,000.00 | 600,000.00 | 600,000.00 |
| | | | | <u>\$ 693,000.00</u> | <u>\$ 93,000.00</u> | <u>\$ 600,000.00</u> |
| | | | | <u>C</u> | <u>C-6</u> | <u>C-15</u> |

PART II
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING
ROSTER OF OFFICIALS
GENERAL COMMENTS, FINDINGS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2021

SAMUEL KLEIN AND COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-9969
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

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

The Honorable Mayor and Members
of the Township Committee
Township of Mansfield
Mansfield, New Jersey 07865

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the various funds - regulatory basis of the Township of Mansfield, State of New Jersey as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township of Mansfield, State of New Jersey's basic financial statements, and have issued our report thereon dated July 27, 2022. These financial statements - regulatory basis have been prepared in conformity with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

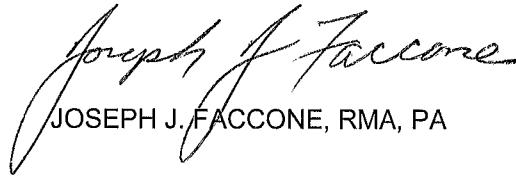
As part of obtaining reasonable assurance about whether the Township of Mansfield, State of New Jersey's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



SAMUEL KLEIN AND COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS



JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
July 27, 2022

**ROSTER OF OFFICIALS AND CERTAIN EMPLOYEES
FOR THE YEAR 2021 AND REPORT ON SURETY BONDS**

| <u>Name</u> | <u>Title</u> |
|---------------------|---|
| Joseph Watters | Mayor |
| Desiree Mora Dillon | Deputy Mayor |
| Joseph Farino | Committeeperson |
| Ronald Hayes | Committeeperson |
| Glenn McGuinness | Committeeperson |
| Dena Hrebenak | Township Clerk Assessment Search Officer |
| Donna M. Mollineaux | Chief Financial Officer |
| Joseph Guerin, Jr. | Tax Collector |
| Jason Laliker | Tax Assessor |
| William Mennen | Judge |
| Irene Brownell | Court Administrator |
| Michael Lavery | Township Attorney |

All employees were bonded by a public employee dishonesty bond issued by the Statewide Insurance Fund in the sum of \$2,000,000.00 per loss.

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

N.J.S. 40A:11-4a 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, 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."

It is pointed out that the Township Committee has the responsibility of determining whether the expenditures in any category will exceed the threshold set for the fiscal year and, where question arises as to whether any contract or agreement might result in violation of the statute, the opinion of the Township Attorney should be sought before a commitment is made.

The statutory bidding threshold effective July 1, 2020 was the sum of \$44,000.00 in accordance with the provisions of N.J.S.A. 40A:11-3a, based on the appointment of a qualified purchasing agent.

P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-20.5, known as the "Pay-to-Play Law", however, provides that a municipality is prohibited from executing any contract in excess of \$17,500.00, on or after January 1, 2006, to a business entity that made certain reportable contributions to any municipal committee of a political party if a member of that party is in office as a member of the governing body of the municipality when the contract is awarded unless proposals or qualifications are solicited through a fair and open process.

It is further noted that contracts between \$17,500.00 and the municipal bidding threshold, known as "window contracts", can be issued by resolution of the governing body without competitive bidding if a non-fair and open process is implemented which prohibits reportable contributions by the business entity.

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

Service and Construction Contracts:
Architectural Planning for the Mount Bethel Church
Airport Road Improvements
Janes Chapel Road Improvements

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 19:44A-20.5.

Collection of Interest on Delinquent Taxes and Assessments

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

The Governing Body, on January 1, 2021, adopted a resolution authorizing interest to be charged on delinquent taxes or assessments from which the following is quoted:

"NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Township Committee of the Township of Mansfield, County of Warren, State of New Jersey, as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of 6% shall be charged against the delinquency.
2. Effective January 1, 2021 there will be a ten (10) day grace period of quarterly tax payments made by cash, check or money order.

3. Any payments not made in accordance with paragraph two of this resolution shall be charged interest from the due date as set forth in paragraph one of this resolution.

Our test of interest on delinquent taxes indicated that interest was generally collected in accordance with the provisions of the foregoing resolution.

Delinquent Taxes

Delinquent taxes, in the sum of \$980.30, exclusive of 2021, are summarized as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|------------------|
| 2018 | \$ 155.01 |
| 2019 | 308.16 |
| 2020 | <u>517.13</u> |
| | <u>\$ 980.30</u> |

A tax sale was held on November 18, 2021 and was complete.

Tax Title Liens

The following comparison is made of the number of Tax Title Liens Receivable December 31st of the last three years:

| <u>Year</u> | <u>Number of Liens</u> |
|-------------|------------------------|
| 2021 | 156 |
| 2020 | 215 |
| 2019 | 183 |

Recourse to all means provided by the statutes should be taken to realize or eliminate tax title liens through collection or foreclosure in order to return such property to a tax paying basis.

Finding 2021-1:

The property owner of Block 1201, Lot 10, represented by tax title lien certificate #2001-024, is recorded in the tax duplicate as unknown.

Recommendation:

That effort be made to identify a certain unknown property owner as recorded on tax title lien certificate #2001-024.

Tax Office

Finding 2021-2:

Several errors were noted on the yearly reports prepared by the Tax Collector for allowed and disallowed senior citizen and veteran deductions as filed with the State of New Jersey.

Recommendation:

That reports filed with the State of New Jersey for senior citizen and veteran deductions be in agreement with the Tax Collector's records.

Revenue Collecting Officials

Township Clerk's Office:

Finding 2021-3:

The cash receipts book does not reflect the actual collection date.

Finding 2021-4:

The fee ordinance for raffle licenses was not available for audit review.

Finding 2021-5:

The fee collected for one ABC license was not in agreement with the fee ordinance adopted by the Township Committee.

Board of Health:

Finding 2021-6:

The cash receipts book does not reflect the actual collection date.

Police Department:

Finding 2021-7:

The cash receipts book does not reflect the actual collection date.

Finding 2021-8:

The fee ordinance for firearm permits was not available for audit review.

Recommendations:

That the date of collection be posted in the cash receipts book for the Township Clerk's Office, the Board of Health and the Police Department.

That the fee ordinances be available for all revenue collected by the Township Clerk's Office and the Police Department.

That the fee collected for the ABC licenses be in agreement with the fee ordinance adopted by the Township Committee.

Current Fund General Ledger

Finding 2021-9:

The Current Fund General Ledger does not maintain control accounts for taxes receivable. No journal entries were made for senior citizens and veterans allowed and disallowed, transfer to tax overpayments, transfer to tax title liens, County and State board judgments and taxes cancelled.

Recommendation:

That the General Ledger establish and maintain control accounts for taxes receivable.

Accounts Payable

Finding 2021-10:

A list of accounts payable was prepared by the Chief Financial Officer, however it was not in agreement with audit controls.

Recommendation:

That a complete detailed list of accounts payable be prepared and reconciled to audit controls.

County Taxes Payable

Finding 2021-11:

During our review, it was noted that County taxes payable in the sum of \$99,698.68 was not paid for several years.

Recommendation:

That County taxes payable be reviewed and appropriate action taken as to its disposition.

Federal and State Grants

Finding 2021-12:

During our review, it was noted that certain grant funds have not been realized or have not been fully expended as reflected on Exhibits "A-19", "A-33" and "C-4".

Recommendation:

That certain Federal and State Grants be reviewed and appropriate action taken as to their disposition.

Animal Control Trust Fund

Finding 2021-13:

The cash receipts book does not reflect the actual collection date.

Recommendation:

That the date of collection be posted in the cash receipts book for the Animal Control Trust Fund.

Finding 2021-14:

The fee ordinance for duplicate dog licenses and late fees for cat licenses was not available for audit review.

Recommendation:

That the fee ordinances be available for all revenue collected for the Animal Control Trust Fund.

Finding 2021-15:

The fee collected for dog licenses and late fees for dog licenses was not in agreement with the fee ordinance adopted by the Township Committee.

Recommendation:

That fees collected for dog licenses and late fees for dog licenses be in agreement with the fee ordinance adopted by the Township Committee.

Animal Control Trust Fund (Continued)

Finding 2021-16:

The applications for dog and cat licenses were not available for audit review.

Recommendation:

That all applications for dog and cat licenses be available for audit review.

Finding 2021-17:

Several unsold cat license tags were not available for audit review.

Recommendation:

That all unsold cat license tags be available for audit review.

Outside Employment of Off-Duty Police Officers

Finding 2021-18:

A cash receipts book is not maintained.

Recommendation:

That a cash receipts book be established and maintained for outside employment of off-duty police officers.

Finding 2021-19:

A detailed list of vendors requesting outside employment of off-duty police officers was not in agreement with audit controls.

Recommendation:

That a complete detailed list of vendors requesting outside employment of off-duty police officers be reconciled to audit controls on a monthly basis.

General Capital Fund

Finding 2021-20:

During our review, it was noted that the Township established a capital reserve in the General Capital Fund from money transferred from the Current Fund. The Township is expending funds directly against this capital reserve. This practice of transferring funds and expending them out of the General Capital Fund is not allowable in accordance with regulations promulgated by the Division of Local Government Services.

Recommendation:

That the capital reserve in the General Capital Fund be reviewed and appropriate action taken as to its disposition.

Finding 2021-21:

The State of New Jersey payment voucher for the Transportation Trust Fund grants was not available for audit review.

Recommendation:

That the State of New Jersey payment vouchers for the Transportation Trust Fund grants be available for audit review.

Payroll Fund

The Township of Mansfield contracted with a payroll service vendor to prepare the payroll and maintain certain payroll records. In addition, the vendor is required to pay all deductions on behalf of the Township from funds transferred by the Township to the payroll vendor's account.

An audit of the service provider's payroll account was not provided to the Township nor did our staff prepare such an audit. We did, however, review certain records provided to us by the payroll vendor. It should be noted however, that we could not verify required payments to Federal and State agencies made by the service provider.

The Local Finance Board has adopted rules and regulations regarding third-party vendors which are summarized in N.J.A.C. 5:30-17 and further provides authority for local governments to hire payroll service vendors to disburse funds to payroll agencies on behalf of the local unit.

In addition, Local Finance Notice 2009-18 has offered additional safeguards with respect to third-party payroll services.

Municipal Court

A statutory report on the operations of the Municipal Court has been prepared and copies filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Township Clerk.

Collections of the Court are summarized as follows:

| <u>Agency</u> | <u>Balance Dec. 31, 2020</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Balance Dec. 31, 2021</u> |
|-------------------------------|----------------------------------|---------------------|----------------------|----------------------------------|
| State of New Jersey | \$2,848.49 | \$ 43,087.06 | \$ 41,349.96 | \$ 4,585.59 |
| County | 1,243.50 | 24,439.50 | 22,799.00 | 2,884.00 |
| Municipality | 3,135.30 | 60,258.26 | 55,113.12 | 8,280.44 |
| Other Agencies and Sources | 200.00 | 860.22 | 960.22 | 100.00 |
| Cash Bail | <u>725.00</u> | <u>1,700.00</u> | <u>2,425.00</u> | <u>-</u> |
| | <u>\$8,152.29</u> | <u>\$130,345.04</u> | <u>\$122,647.30</u> | <u>\$15,850.03</u> |

Comments and resultant recommendations relating to the Municipal Court are detailed as follows:

Finding 2021-22:

A cash receipts book is not maintained by the Police Department for cash bail.

Recommendation:

That a cash receipts book be established and maintained by the Police Department for cash bail.

Finding 2021-23:

Municipal Court collections are not deposited within 48 hours in accordance with the provisions of N.J.S.A. 40A:5-15.

Recommendation:

That Municipal Court collections be deposited within 48 hours in accordance with the provisions of N.J.S.A. 40A:5-15.

Municipal Court (Continued)

Finding 2021-24:

The report "Tickets Assigned but Not Issued" listed eighty-six (86) unissued tickets in excess of six months.

Recommendation:

That Tickets Assigned but Not Issued in excess of six months be reviewed for proper disposition.

Finding 2021-25:

The report "Tickets Issued Monthly but Not Assigned" listed twelve (12) unassigned tickets.

Recommendation:

That follow-up procedures be implemented for tickets whether issued or assigned.

Corrective Action Plan

In accordance with the requirements of the Single Audit Act and regulations of the Division of Local Government Services, a corrective action plan must be prepared by the Chief Financial Officer, filed with the Division of Local Government Services within sixty days from the date the audit is received by the Governing Body and approved by resolution of the Township Committee.

A Corrective Action Plan for the year 2020 was prepared in accordance with the aforementioned regulations.

Status of Prior Years' Audit Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all with the exception of those recommendations marked with an asterisk.

Miscellaneous

Revenue and receipts were established and verified as to source and amount only insofar as the local records permitted.

In verifying expenditures, computations were made on a statistical sample of claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety or prices or receipt of materials, these elements being necessarily left to internal review in connection with approval of claims.

No responsibility for reporting is assumed for liabilities arising from matters in litigation, contingent liabilities or from projects funded by Federal, State or other sources that may not be included in the Township Budget as adopted or amended; not subjected to Township ordinance or resolution; and not recorded on the general books and records of the Township.

All sums of outstanding checks, shown in cash reconciliations herein, are in agreement with the adjusted records of the Township.

Individual payments of the Local School District Tax by the municipality were confirmed as received by the Secretary of the Board of Education for the year 2021.

A report summarizing collections of Dog License Fees and remittances of State Registration Fees was prepared and filed with the New Jersey Department of Health and the Division of Local Government Services for the year 2021.

The number of areas commented upon in this report, and the resulting recommendations, are for the purpose of attaining a more efficient and fiscally sound operation. It is urged that effort be initiated by the Governing Body to implement the resulting recommendations.

Miscellaneous (Continued)

One copy of this report was filed with the New Jersey Division of Local Government Services in the Department of Community Affairs.

A statutory synopsis of this report was prepared for publication and filed with the Township Clerk.

RECOMMENDATIONS

Page numbers refer to related comments and pertinent matters discussed herein.

Page
Number
Reference

General

That effort be made to identify a certain unknown property owner as recorded on tax title lien certificate #2001-024.

That reports filed with the State of New Jersey for senior citizen and veteran deductions be in agreement with the Tax Collector's records.

That the date of collection be posted in the cash receipts book for the Township Clerk's Office, the Board of Health, the Police Department and the Animal Control Trust Fund.

That the fees ordinances be available for all revenue collected by the Township Clerk's Office, the Police Department and the Animal Control Trust Fund.

That the fees collected for the ABC licenses, dog licenses, and late fees for dog licenses be in agreement with the fee ordinance adopted by the Township Committee.

That the General Ledger establish and maintain control accounts for taxes receivable.

That a complete detailed list of accounts payable be prepared and reconciled to audit controls.

That County taxes payable be reviewed and appropriate action taken as to its disposition.

- * That certain Federal and State Grants be reviewed and appropriate action taken as to their disposition.

That all applications for dog and cat licenses be available for audit review.

That all unsold cat license tags be available for audit review.

That a cash receipts book be established and maintained for outside employment of off-duty police officers.

That a complete detailed list of vendors requesting outside employment of off-duty police officers be reconciled to audit controls on a monthly basis.

That the capital reserve in the General Capital Fund be reviewed and appropriate action taken as to its disposition.

That the State of New Jersey payment voucher for the Transportation Trust Fund grants be available for audit review.

RECOMMENDATIONS
(Continued)

Page
Number
Reference

Municipal Court

That a cash receipts book be established and maintained by the Police Department for cash bail.

That Municipal Court collections be deposited with 48 hours in accordance with the provisions of N.J.S.A. 40A:5-15.

- * That Tickets Assigned but Not Issued in excess of six months be reviewed for proper disposition.

That follow-up procedures be implemented for tickets whether issued or assigned.

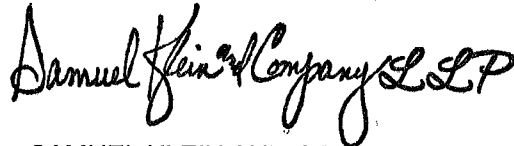
*Repeated from prior year.

The foregoing comments and resultant recommendations are not of sufficient materiality whereby they would affect our ability to express an opinion on the financial statements taken as a whole.

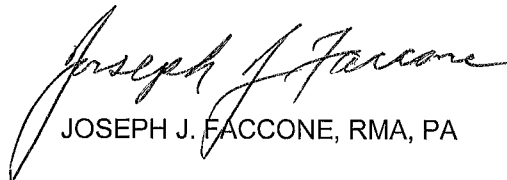
We shall be pleased to confer on any questions that might arise with respect to any matters in this report and to assist in the implementation of recommendations.

We desire to express our appreciation for the assistance and courtesies rendered by the Township officials and employees during the course of the examination.

Respectfully submitted,

A handwritten signature in cursive script that reads "Samuel Klein and Company LLP".

SAMUEL KLEIN AND COMPANY, LLP
CERTIFIED PUBLIC ACCOUNTANTS

A handwritten signature in cursive script that reads "Joseph J. Faccione".

JOSEPH J. FACCONI, RMA, PA

Newark, New Jersey
July 27, 2022

