

*Report of Audit*  
*on the*  
*Financial Statements*  
*of the*  
*Township of Cranford*  
*in the*  
*County of Union*  
*New Jersey*  
*for the*  
*Year Ended*  
*December 31, 2021*

TOWNSHIP OF CRANFORD

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TOWNSHIP OF CRANFORD

PART I

INDEPENDENT AUDITOR'S REPORT ON  
AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES AND DATA

REPORTS ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
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FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2021 AND 2020



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and Members  
of the Township Council  
Township of Cranford  
County of Union  
Cranford, New Jersey 07016

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

#### ***Adverse and Unmodified Opinions***

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Township of Cranford (the "Township"), as of and for the years ended December 31, 2021 and 2020, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements as listed in the table of contents.

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

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to Adverse Opinion" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Township as of December 31, 2021 and 2020, or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2021.

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

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2021 and 2020, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2021 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1.

# **SUPLEE, CLOONEY & COMPANY**

## ***Basis for Adverse and Unmodified Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

### ***Matter Giving Rise to Adverse Opinion***

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

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

Management is responsible for the preparation and fair presentation of the regulatory financial statements in accordance with the regulatory basis of accounting prescribed by the Division, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of regulatory financial statements that are free from material misstatement, whether due to fraud or error. In preparing the regulatory financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the regulatory 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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division 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.



## SUPLEE, CLOONEY & COMPANY

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division, we:

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's regulatory financial statements. The supplementary information, and data listed in the table of contents as required by the Division are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

## SUPLEE, CLOONEY & COMPANY

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2022 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Township's internal control over financial reporting and compliance.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 419

June 20, 2022



# SUPLEE, CLOONEY & COMPANY

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

The Honorable Mayor and Members  
of the Township Committee  
Township of Cranford  
County of Union  
Cranford, New Jersey 07016

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Township of Cranford, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon dated June 20, 2022. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Cranford prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

***Internal Control Over Financial Reporting***

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

## SUPLEE, CLOONEY & COMPANY

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

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

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct 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*. However, we noted a matter of noncompliance which is discussed in Part III, General Comments and Recommendations Section of the report.

### ***Purpose of This Report***

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 419

June 20, 2022

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CURRENT FUND

TOWNSHIP OF CRANFORD

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u>
<u>ASSETS</u>			
Cash	A-4	\$ 13,258,446.55	\$ 12,493,673.83
Cash - Change Fund	A-5	1,130.00	1,130.00
Due State of New Jersey - Chapter 20, P.L.1971	A-16	1,069.18	721.23
Grants Receivable	A-19	<u>149,074.82</u>	<u>388,468.56</u>
		\$ <u>13,409,720.55</u>	\$ <u>12,883,993.62</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	\$ 468,059.39	\$ 810,519.92
Tax Title Liens Receivable	A-8	7,255.11	136,501.00
Delinquent Sewer Taxes Receivable	A-30	34,880.17	54,770.43
Sewer Charge Liens Receivable	A-31	9.44	569.44
Property Acquired for Taxes - Assessed Valuation	A-26	3,765,400.00	3,765,400.00
Revenue Accounts Receivable	A-9	14,652.72	13,385.66
Interfunds Receivable	A-10	<u>29,292.03</u>	<u>66,291.90</u>
	A	\$ <u>4,319,548.86</u>	\$ <u>4,847,438.35</u>
Deferred Charges:			
Emergency Appropriations	A-12	\$ <u>500,000.00</u>	\$ <u>                    </u>
		\$ <u>500,000.00</u>	\$ <u>                    </u>
		\$ <u>18,229,269.41</u>	\$ <u>17,731,431.97</u>

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

TOWNSHIP OF CRANFORD

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2021</u>	<u>BALANCE DECEMBER 31, 2020</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Liabilities:			
Appropriation Reserves	A-3:A-13	\$ 1,142,167.28	\$ 2,691,830.56
Prepaid Taxes	A-17	755,420.26	721,079.27
Encumbrances Payable	A-6	1,228,922.76	989,351.46
County Taxes Payable	A-14	197,198.75	173,968.77
Reserve For:			
Grants - Unappropriated	A-23	1,258,848.70	
Grants - Appropriated	A-24	401,211.30	675,181.94
DCA Fees Due State of New Jersey	A-28	12,574.00	22,355.00
Marriage Licenses Due State of New Jersey	A-29	850.00	1,150.00
Elevator Inspections	A-20	31,750.00	
Sale of Municipal Assets	A-22	268,000.00	268,000.00
Tax Appeals	A-25	493,135.86	505,177.88
Prepaid Sewer Charges	A-12	1,352.54	91.04
Outside Liens	A-27	358.30	358.30
Maintenance of Free Public Library	A-21	23,502.11	11,086.11
Library	A-32	354,573.77	186,002.51
		\$ 6,169,865.63	\$ 6,245,632.84
Reserve for Receivables and Other Assets	A	4,319,548.86	4,847,438.35
Fund Balance	A-1	7,739,854.92	6,638,360.78
		\$ 18,229,269.41	\$ 17,731,431.97

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



"A-1"

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENTS OF OPERATIONS AND CHANGE  
IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2021</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2020</u>
<u>REVENUE AND OTHER INCOME</u>			
Fund Balance Utilized	A-2	\$ 3,300,000.00	\$ 2,950,000.00
Miscellaneous Revenue Anticipated	A-2	9,326,650.23	9,908,032.74
Receipts from Delinquent Taxes	A-2	955,134.93	706,789.85
Receipts from Current Taxes	A-2	110,452,502.81	109,319,080.09
Non-Budget Revenue	A-2	418,141.62	287,788.39
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-13	2,784,292.88	1,763,961.49
Interfunds Returned		36,999.87	
Accounts Payable Canceled	A-20		489.45
<u>Total Income</u>		<u>\$ 127,273,722.34</u>	<u>\$ 124,936,142.01</u>
<u>EXPENDITURES</u>			
Budget Appropriations:			
Operations Within "CAPS":			
Operating	A-3	\$ 26,260,141.13	\$ 25,536,773.69
Deferred Charges and Statutory Expenditures	A-3	3,799,029.00	3,616,091.92
Operations Excluded From "CAPS":			
Operating	A-3	4,423,321.07	4,986,101.71
Capital Improvements	A-3	215,000.00	200,000.00
Municipal Debt Service	A-3	3,533,626.49	4,042,604.01
Deferred Charges	A-3	250,000.00	250,000.00
County Taxes	A-14	23,016,812.76	23,953,067.42
County Share of Added Taxes	A-14	197,198.75	173,968.77
Local District School Tax	A-15	61,498,245.00	60,296,714.00
Special District Tax	A-11	178,854.00	174,298.53
Refund of Prior Year's Revenue			1,395.00
Interfunds Advanced			40,601.33
<u>Total Expenditures</u>		<u>\$ 123,372,228.20</u>	<u>\$ 123,271,616.38</u>
Excess in Revenue		\$ 3,901,494.14	\$ 1,664,525.63
Adjustments to Income Before Fund Balance:			
Expenditures Included above which are Deferred			
Charges to Budget of Succeeding Year		500,000.00	
Regulatory Excess to Fund Balance		\$ 4,401,494.14	\$ 1,664,525.63
<u>Fund Balance</u>			
Balance, January 1	A	6,638,360.78	7,923,835.15
		\$ 11,039,854.92	\$ 9,588,360.78
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	3,300,000.00	2,950,000.00
Fund Balance, December 31	A	<u>\$ 7,739,854.92</u>	<u>\$ 6,638,360.78</u>

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	REF.	BUDGET	ANTICIPATED SPECIAL NJS 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	A-1	\$ 3,300,000.00		\$ 3,300,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-9	\$ 25,704.00		\$ 25,606.00	(198.00)
Other	A-2	2,200.00		16,111.50	13,911.50
Fees and Permits:					
Construction Code Official	A-2	1,442,000.00		973,532.90	(468,467.10)
Other	A-2	154,375.00		124,048.74	(30,326.26)
Fines:					
Municipal Court	A-9	240,000.00		213,370.75	(26,629.25)
Interest and Cost on Taxes	A-9	235,900.00		272,525.17	36,625.17
Parking Meters and Permits	A-9	660,000.00		540,568.29	(119,441.71)
Interest on Investments and Deposits	A-9	88,000.00		2,254.14	(85,745.86)
Cable TV Franchise Tax	A-9	360,000.00		353,890.97	(6,109.03)
Energy Receipts Tax	A-9	2,900,712.00		2,900,712.00	
Clean Communities Program	A-19		44,477.98	44,477.98	
Recycling Tonnage Grant	A-19	20,760.91		20,760.91	
DDEF	A-19	7,372.06		7,372.06	
2021 UC Preservation Open Space	A-19		13,348.81	13,348.81	
Elizabethtown Gas 2021 First Responder	A-19		4,485.00	4,485.00	
Municipal Alliance	A-19	10,348.25		10,348.25	
Body-Worn Camera Grant	A-19		32,608.00	32,608.00	
Drive Sober or Get Pulled Over	A-19		6,000.00	6,000.00	
Click it or Ticket	A-19		6,000.00	6,000.00	
U Drive U text u Pay	A-19		5,820.00	5,820.00	
County of Union - Greening Union County	A-19	4,500.00		4,500.00	
Union County Kids Recreation	A-19	65,000.00		65,000.00	
General Capital Fund Balance	A-9	300,000.00		300,000.00	
Uniform Fire Safety Act	A-9	42,871.28		74,023.40	31,152.12
NJ Housing Finance Agency - P.I.L.O.T.	A-9	152,700.00		158,450.00	5,750.00
Cranford Lincoln Associates - P.I.L.O.T.	A-9	51,900.00		51,241.00	(659.00)
Library Cost Allocation	A-9	30,000.00		30,000.00	
Developer Debt	A-9	119,000.00		122,066.50	3,066.50
Ambulance Fees	A-2	318,000.00		305,580.77	(12,419.23)
Hotel Tax	A-9	98,300.00		107,617.71	9,317.71
Sewer Flow Use Charge		2,294,000.00		2,324,448.46	30,448.46
Conservation Center Fees	A-9	183,520.00		167,340.00	(16,180.00)
Cell Tower Lease	A-9	38,000.00		42,650.92	4,650.92
	A-1	\$ 9,845,163.50	\$ 112,739.79	\$ 9,326,650.23	\$ (631,253.06)
Receipts from Delinquent Taxes	A-1	\$ 790,000.00		\$ 955,134.93	\$ 165,134.93
Amount to be Raised by Taxation for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2:A-7	\$ 23,814,363.91		\$ 25,438,039.30	\$ 1,623,675.39
Minimum Library Tax	A-2:A-7	1,563,353.00		1,563,353.00	
		25,377,716.91		27,001,392.30	1,623,675.39
<u>Budget Totals</u>		\$ 39,312,880.41	\$ 112,739.79	\$ 40,583,177.46	\$ 1,157,557.26
Non-Budget Revenue	A-1:A-2			418,141.62	418,141.62
		\$ 39,312,880.41	\$ 112,739.79	\$ 41,001,319.08	\$ 1,575,698.88
	REF.	A-3	A-3		

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

REF.

Allocation of Current Tax Collections:		
Revenue From Collections	A-1:A-7	\$ 110,452,502.81
Allocated to:		
School and County Taxes		84,712,256.51
Special District Taxes		178,854.00
		\$ 25,561,392.30
Add: Appropriation - "Reserve for Uncollected Taxes"	A-3	1,440,000.00
Amount for Support of Municipal Budget Appropriations	A-2	\$ 27,001,392.30
Receipts from Delinquent Taxes:		
Delinquent Tax Collections	A-7	\$ 810,519.92
Tax Title Liens	A-8	144,615.01
	A-2	\$ 955,134.93
Licenses - Other:		
Clerk	A-9	\$ 2,179.00
Board of Health	A-9	13,932.50
	A-2	\$ 16,111.50
Fees and Permits - Other:		
Board of Health	A-9	\$ 15,180.00
Engineer	A-9	17,558.00
Police	A-9	13,676.00
Recreation	A-9	14,195.00
Board of Adjustment	A-9	36,977.62
Planning Board	A-9	11,214.12
Fire Department	A-9	14,758.00
Assessor	A-9	490.00
	A-2	\$ 124,048.74
Uniform Construction Code Fees	A-9	\$ 1,081,193.00
Less: Refunds	A-4	107,660.10
	A-2	\$ 973,532.90
Ambulance Fees	A-9	\$ 307,065.95
Less: Refunds	A-4	1,485.18
	A-2	\$ 305,580.77
<u>Analysis of Non-Budget Revenues</u>		
Senior Citizen and Veterans Administration Fee		\$ 2,485.47
Union County Tonnage Rebate		32,950.80
Swim Pool Appropriation Reserves		29,292.03
Administrative Fee Police Outside Duty		120,334.30
Birchwood PILOT		151,591.04
Prior Year Reimbursements		70,114.35
Miscellaneous		11,373.63
	A-2:A-4	\$ 418,141.62

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	APPROPRIATIONS		PAID OR CHARGED	EXPENDED	UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION			
<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>OPERATIONS WITHIN "CAPS"</b>					
<b>GENERAL GOVERNMENT</b>					
Administrative and Executive:					
Salaries and Wages	324,221.00	304,221.00	295,473.69	8,747.31	
Other Expenses	318,250.00	338,250.00	309,886.86	28,363.14	
Channel 35:					
Salaries and Wages	88,100.00	93,100.00	86,487.42	6,612.58	
Other Expenses	37,500.00	37,500.00	31,618.59	5,881.41	
Elections:					
Other Expenses	20,000.00	20,000.00	20,000.00		
Township Committee:					
Salaries and Wages	15,000.00	15,000.00	13,046.00	1,954.00	
Other Expenses	28,000.00	28,000.00	27,502.52	497.48	
Township Clerk:					
Salaries and Wages	259,000.00	228,999.50	217,358.21	11,641.29	
Other Expenses	86,500.00	76,500.00	55,964.28	20,535.72	
Financial Administration:					
Salaries and Wages	387,000.00	370,000.50	364,169.52	5,830.98	
Other Expenses	126,000.00	66,000.00	54,613.84	11,386.16	
Audit	41,400.00	41,400.00	41,400.00		
Assessment of Taxes:					
Salaries and Wages	142,000.00	142,000.00	136,318.27	5,681.73	
Other Expenses	32,300.00	22,300.00	6,261.75	16,038.25	
Collection of Taxes:					
Salaries and Wages	115,000.00	115,000.00	112,648.86	2,351.14	
Other Expenses	40,482.00	40,482.00	33,605.64	6,876.36	
Legal Services and Costs:					
Other Expenses	500,000.00	520,000.00	494,891.44	25,108.56	
Insurance:					
General Liability	470,000.00	470,000.00	467,458.00	2,542.00	
Workers' Compensation	345,000.00	345,000.00	342,075.00	2,925.00	
Employee Group Health	3,800,000.00	3,810,000.00	3,675,748.34	134,251.66	
Group Insurance - Health Benefit Waiver	100,000.00	100,000.00	87,289.27	12,710.73	

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<u>GENERAL GOVERNMENT (CONTINUED)</u>					
Engineering Services and Costs:					
Salaries and Wages	\$ 30,000.00	\$ 10,000.00	\$ 8,295.00	\$ 1,705.00	\$
Other Expenses	155,250.00	198,250.00	173,071.64	25,178.36	
Public Buildings and Grounds:					
Other Expenses	523,200.00	523,200.00	446,151.92	77,048.08	
Municipal Land Use Law - Planning Board (N.J.S. 40:55D-1):					
Salaries and Wages	10,402.14	11,402.14	10,434.08	968.06	
Other Expenses	72,250.00	72,250.00	50,309.19	21,940.81	
Zoning Board of Adjustment:					
Salaries and Wages	10,402.14	11,402.14	10,434.09	968.05	
Other Expenses	27,050.00	27,050.00	21,548.39	5,501.61	
Zoning/Planning Board of Adjustment:					
Salaries and Wages	150,836.40	125,836.40	117,656.17	8,180.23	
Other Expenses	23,650.00	23,650.00	6,586.10	17,063.90	
<u>PUBLIC SAFETY</u>					
Police:					
Salaries and Wages	6,713,683.00	6,653,683.00	6,563,869.04	89,813.96	
Other Expenses	290,000.00	290,000.00	287,255.29	2,744.71	
Fire:					
Salaries and Wages	3,490,629.23	3,550,629.23	3,539,215.08	11,414.15	
Other Expenses	558,500.00	528,500.00	525,118.55	3,381.45	
Uniform Fire Safety Act:					
Other Expenses	42,871.28	42,871.28	39,202.67	3,668.61	
Emergency Management Services:					
Salaries and Wages	215,000.00	216,000.00	212,114.12	3,885.88	
Other Expenses	45,000.00	55,000.00	52,885.32	2,114.68	
Emergency Management:					
Other Expenses	10,000.00	10,000.00	2,573.05	7,426.95	

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	APPROPRIATIONS		EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED
<b>STREET'S AND ROADS</b>					
Road Repairs and Maintenance:					
Salaries and Wages	1,815,000.00 \$	1,791,000.00 \$	1,709,485.83 \$	81,514.17 \$	
Other Expenses	392,950.00	652,950.00	648,652.04	4,297.96	
Communications:					
Other Expenses	150,000.00	150,000.00	149,286.20	713.80	
Conservation Center:					
Salaries and Wages	45,000.00	30,000.00	16,935.38	13,064.62	
Other Expenses	165,460.00	165,460.00	142,257.02	23,202.98	
Recycling:					
Other Expenses	617,400.00	617,400.00	617,400.00		
Tropical Storm Ida					
Other Expenses		500,000.00	500,000.00		
<b>HEALTH AND WELFARE (BOARD OF HEALTH - LOCAL HEALTH AGENCY)</b>					
Board of Health:					
Salaries and Wages	143,242.00	143,242.00	126,969.64	16,272.36	
Other Expenses	150,900.00	170,900.00	127,901.83	42,998.17	
Environmental Commission:					
Other Expenses	3,500.00	3,500.00	703.97	2,796.03	
Animal Control:					
Other Expenses	52,200.00	52,200.00	42,425.00	9,775.00	
<b>RECREATION AND EDUCATION</b>					
Recreation:					
Salaries and Wages	296,359.00	291,359.00	277,633.46	13,725.54	
Salaries and Wages - Youth Services	36,656.00	31,656.00	21,215.29	10,440.71	
Other Expenses	60,500.00	60,500.00	51,548.80	8,951.20	
Celebration of Public Events:					
Other Expenses	8,500.00	8,500.00	8,259.09	240.91	
Senior Citizens' Bus Transportation Program:					
Salaries and Wages	36,956.00	36,956.00	23,292.00	13,664.00	
Other Expenses	4,000.00	4,000.00	2,000.00	2,000.00	
Municipal Court:					
Salaries and Wages	260,957.00	255,957.00	239,270.73	16,686.27	
Other Expenses	16,295.00	16,295.00	12,099.63	4,195.37	

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>UNEXPENDED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>	<u>BALANCE CANCELED</u>
<u>STATE UNIFORM CONSTRUCTION CODE</u> <u>(N.J.S.A. 52:270-120 ET. SEQ.)</u>					
Construction Official:					
Salaries and Wages	\$ 629,125.00 \$	609,125.00 \$	601,636.13 \$	7,488.87 \$	
Other Expenses	76,300.00	76,300.00	63,377.69	12,922.31	
<u>UNCLASSIFIED:</u>					
Salary Adjustment	121,363.94	363.94		363.94	
Accumulated Absences	5,000.00	5,000.00	5,000.00		
<u>UTILITIES:</u>					
Motor Oils and Fuels:					
Other Expenses	214,000.00	214,000.00	202,626.27	11,373.73	
Street Lighting:					
Other Expenses	240,000.00	275,000.00	274,363.10	636.90	
Utilities - All	565,000.00	565,000.00	485,841.15	79,158.85	
<u>TOTAL OPERATIONS WITHIN "CAPS"</u>	<u>25,751,141.13</u>	<u>26,260,141.13</u>	<u>25,290,717.45</u>	<u>969,423.68</u>	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES-</u> <u>MUNICIPAL WITHIN "CAPS"</u>					
Statutory Expenditures:					
Contribution to:					
Public Employee's Retirement System	757,051.00	757,051.00	757,051.00		
Social Security System	550,000.00	540,000.00	492,230.70	47,769.30	
Police and Firemen's Retirement System	2,482,978.00	2,482,978.00	2,482,978.00		
Defined Contribution Retirement Program	18,000.00	19,000.00	17,027.62	1,972.38	
<u>TOTAL DEFERRED CHARGES AND STATUTORY</u> <u>EXPENDITURES-MUNICIPAL WITHIN "CAPS"</u>	<u>3,808,029.00</u>	<u>3,799,029.00</u>	<u>3,749,287.32</u>	<u>49,741.68</u>	

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	APPROPRIATIONS		EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>	\$ 29,559,170.13	\$ 30,059,170.13	\$ 29,040,004.77	\$ 1,019,165.36	\$
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>					
Rahway Valley Sewerage Authority:					
Operating Expenses	2,251,522.00	2,251,522.00	2,251,522.00		
Maintenance Free Public Library	1,563,353.00	1,563,353.00	1,464,310.57	99,042.43	
Other Expenses					
Communications - 911:	375,138.00	375,138.00	351,178.51	23,959.49	
Salaries and Wages	10,000.00	10,000.00	10,000.00		
LOSAP					
<b>PUBLIC AND PRIVATE PROGRAMS OFF-SET BY REVENUES</b>					
County of Union - Greening Union County:					
Other Expenses	4,500.00	4,500.00	4,500.00		
Clean Communities Program (N.J.S.A. 40A:4-87 \$44,477.98)		44,477.98	44,477.98		
Recycling Tonnage Grant	20,760.91	20,760.91	20,760.91		
Drive Sober or Get Pulled Over (N.J.S.A. 40A:4-87 \$6,000.00)		6,000.00	6,000.00		
Union County Kids Recreation	65,000.00	65,000.00	65,000.00		
Drunk Driving Enforcement Fund	7,372.06	7,372.06	7,372.06		
Click It Or Ticket (N.J.S.A. 40A:4-87 \$6,000.00)		6,000.00	6,000.00		
Municipal Alliance	10,348.25	10,348.25	10,348.25		
Municipal Alliance - Match	2,587.06	2,587.06	2,587.06		
Distracted Driving-U DRIVE U TEXT U PAY (N.J.S.A. 40A:4-87 \$5,820.00)		5,820.00	5,820.00		
Body-Worn Camera Grant Program (N.J.S.A. 40A:4-87 \$32,608.00)		32,608.00	32,608.00		
Elizabethtown Gas 2021 First Responder (N.J.S.A. 40A:4-87 \$4,485.00)		4,485.00	4,485.00		
2021 UC Preservation Open Space Grant (N.J.S.A. 40A:4-87 \$13,348.81)		13,348.81	13,348.81		
<b>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</b>	4,310,581.28	4,423,321.07	4,300,319.15	123,001.92	

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



TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	APPROPRIATIONS		EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED
\$	215,000.00	215,000.00	215,000.00	\$	\$
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u> Capital Improvement Fund					
<u>TOTAL CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"</u>	215,000.00	215,000.00	215,000.00		
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>					
Payment of Bond Principal	1,735,000.00	1,735,000.00	1,735,000.00		
Payment of Bond Anticipation Notes and Capital Notes	440,506.00	365,196.00	365,196.00		
Interest on Bonds	559,892.00	484,142.00	482,142.00		2,000.00
Interest on Notes	290,192.00	441,252.00	440,917.69		334.31
Green Trust Loan Program:					
Loan Repayments for Principal and Interest	13,993.00	13,993.00	13,991.22		1.78
NJ Infrastructure Loan Program					
Loan Repayments for Principal and Interest	498,546.00	498,546.00	496,379.58		2,166.42
<u>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>	3,538,129.00	3,538,129.00	3,533,626.49		4,502.51
<u>DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</u>					
Deferred Charges to Future Taxation Unfunded - Ordinance 01-38/03-27/05-47/06-28/7-35/11-31	250,000.00	250,000.00	250,000.00		
<u>TOTAL DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</u>	250,000.00	250,000.00	250,000.00		

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

TOWNSHIP OF CRANFORD

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL	\$ 8,313,710.28	\$ 8,426,450.07	\$ 8,298,945.64	\$ 123,001.92	\$ 4,502.51
SUB-TOTAL GENERAL APPROPRIATIONS	37,872,880.41	38,485,620.20	37,338,950.41	1,142,167.28	4,502.51
RESERVE FOR UNCOLLECTED TAXES	1,440,000.00	1,440,000.00	1,440,000.00		
TOTAL GENERAL APPROPRIATIONS	\$ 39,312,880.41	\$ 39,925,620.20	\$ 38,778,950.41	\$ 1,142,167.28	\$ 4,502.51
REF.	A-2		A-1	A-A-1	
Budget Appropriations		\$ 39,312,880.41			
Emergency Authorizations		500,000.00			
Appropriation by 40A-4-87		112,739.79			
		\$ 39,925,620.20			
Encumbrances Payable			\$ 1,188,010.42		
Reserve for Uncollected Taxes			1,440,000.00		
Reserve for Grants-Appropriated			223,308.07		
Cash Disbursements			36,986,281.17		
			\$ 39,837,599.66		
Less: Refunds			1,058,649.25		
			\$ 38,778,950.41		

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

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TRUST FUND

"B"

TOWNSHIP OF CRANFORD

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash	B-1	\$ 13,626.24	\$ 18,795.13
		\$ 13,626.24	\$ 18,795.13
Other Funds:			
Cash	B-1	\$ 2,905,326.16	\$ 2,799,417.98
Community Development Block Grants Receivable	B-4	17,250.00	17,250.00
Interfund Receivable	B-11		265,000.00
		\$ 2,922,576.16	\$ 3,081,667.98
		\$ 2,936,202.40	\$ 3,100,463.11
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Animal Control Fund:			
Reserve for Expenditures	B-3	\$ 13,160.64	
Due State of New Jersey	B-2	465.60	469.20
Interfunds Payable	B-7		18,325.93
		\$ 13,626.24	\$ 18,795.13
Other Funds:			
Reserve for:			
Miscellaneous Reserves	B-10	\$ 2,012,645.59	\$ 2,205,122.81
Payroll Deductions Payable	B-8	153,183.44	146,356.49
Escrow Deposits	B-9	732,881.56	701,623.30
District Management Corporation	B-6	6,615.57	11,315.38
Community Development Block Grant	B-5	17,250.00	17,250.00
		\$ 2,922,576.16	\$ 3,081,667.98
		\$ 2,936,202.40	\$ 3,100,463.11

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

GENERAL CAPITAL FUND

"C"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u>
<u>ASSETS</u>			
Cash	C-2	\$ 4,380,051.02	\$ 3,862,980.63
Deferred Charges to Future Taxation:			
Funded	C-5	25,976,176.73	15,840,507.68
Unfunded	C-6	26,196,926.29	35,222,183.14
Grants Receivable	C-7	2,554,322.50	2,831,657.10
Local Homeowners Receivable	C-13	135,756.51	135,756.51
Due From Cranford Board of Education	C-4	24,153.00	24,153.00
Due From State of NJ - Infrastructure Temporary Note Receivable	C-17		2,578,383.00
		<u>\$ 59,267,386.05</u>	<u>\$ 60,495,621.06</u>

LIABILITIES, RESERVES AND FUND BALANCE

General Serial Bonds	C-10	\$ 21,538,000.00	\$ 13,573,000.00
Bond Anticipation Notes	C-9	18,206,589.00	27,859,726.00
Green Trust Loans Payable	C-12	72,527.84	84,882.87
NJ Infrastructure Loan Payable	C-16	4,365,648.89	2,182,624.81
Reserve for:			
Storm Damage	C-21	60,872.46	
NJ Infrastructure Temporary Note Payable	C-19		2,578,383.00
Improvement Authorizations:			
Funded	C-8	2,312,027.64	2,478,248.66
Unfunded	C-8	7,433,618.24	8,796,292.22
Contracts Payable	C-14	5,055,273.26	2,572,135.91
Capital Improvement Fund	C-11	13,749.00	36,749.00
Reserve for Debt Service	C-18	6,062.67	6,062.67
Fund Balance	C-1	<u>203,017.05</u>	<u>327,515.92</u>
		<u>\$ 59,267,386.05</u>	<u>\$ 60,495,621.06</u>

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

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2020	C	\$	327,515.92
Increased by:			
Premium on Sale of Notes	C-2	\$	<u>175,501.13</u>
			<u>175,501.13</u>
		\$	<u>503,017.05</u>
Decreased by:			
Payment to Current Fund as Anticipated Revenue	C-2	<u>300,000.00</u>	
			<u>300,000.00</u>
Balance, December 31, 2021	C	\$	<u><u>203,017.05</u></u>

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



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SWIM POOL UTILITY FUND

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TOWNSHIP OF CRANFORD

SWIM POOL UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

			BALANCE DECEMBER 31, 2021	BALANCE DECEMBER 31, 2020
<u>ASSETS</u>	<u>REF.</u>			
Operating Fund:				
Cash	D-4	\$	845,793.86	\$ 25,226.92
Cash - Change Fund	D-7		150.00	150.00
			<u>845,943.86</u>	<u>25,376.92</u>
Special Emergency-COVID	D-21		<u>1,098,312.42</u>	<u>1,098,312.42</u>
			<u>1,098,312.42</u>	<u>1,098,312.42</u>
<u>Total Operating Fund</u>		\$	<u>1,944,256.28</u>	<u>\$ 1,123,689.34</u>
Capital Fund:				
Cash	D-4	\$	127,478.75	\$ 231,264.42
Fixed Capital	D-10		5,467,928.34	5,467,928.34
Fixed Capital Authorized and Uncompleted	D-9		<u>1,500,000.00</u>	<u>1,500,000.00</u>
<u>Total Capital Fund</u>		\$	<u>7,095,407.09</u>	<u>\$ 7,199,192.76</u>
		\$	<u>9,039,663.37</u>	<u>\$ 8,322,882.10</u>

LIABILITIES, RESERVES AND FUND BALANCE

Operating Fund:				
Liabilities:				
Appropriation Reserves	D-3:D-12	\$	95,611.59	\$ 777,177.97
Encumbrances Payable	D-13		41,702.33	22,312.60
Special Emergency Note Payable	D-20		1,098,000.00	
Due Trust Other Fund	D-18			265,000.00
Due Current Fund	D-19		29,292.03	47,965.97
Accrued Interest on Notes	D-14		<u>14,787.46</u>	<u>9,715.48</u>
		\$	<u>1,279,393.41</u>	<u>\$ 1,122,172.02</u>
Fund Balance	D-1		<u>664,862.87</u>	<u>1,517.32</u>
<u>Total Operating Fund</u>		\$	<u>1,944,256.28</u>	<u>\$ 1,123,689.34</u>
Capital Fund:				
Bond Anticipation Notes	D-6	\$	1,193,411.00	\$ 1,240,274.00
Improvement Authorizations:				
Unfunded	D-15		95,067.45	198,502.42
Capital Improvement Fund	D-11		6,840.00	6,840.00
Contracts Payable	D-8		25,571.30	25,922.00
Reserve for Deferred Amortization	D-17		800,589.00	753,726.00
Reserve for Amortization	D-16		<u>4,973,928.34</u>	<u>4,973,928.34</u>
<u>Total Capital Fund</u>		\$	<u>7,095,407.09</u>	<u>\$ 7,199,192.76</u>
		\$	<u>9,039,663.37</u>	<u>\$ 8,322,882.10</u>

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

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY FUND

STATEMENTS OF OPERATIONS  
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2021</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2020</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Membership Fees	D-2	\$ 974,250.84	\$ 528,369.06
Miscellaneous	D-2	180,113.98	33,718.52
Non-Budget Revenue	D-2:D-4	15,601.13	
Other Credits to Income:			
Special Emergency - COVID 19			1,098,312.42
Accrued Interest Canceled			5,124.83
Unexpended Balance of Appropriation Reserves	D-12	<u>748,286.01</u>	<u>42,841.14</u>
<u>TOTAL INCOME</u>		<u>\$ 1,918,251.96</u>	<u>\$ 1,708,365.97</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operating	D-3	\$ 1,114,419.00	\$ 1,585,413.00
Municipal Debt Service	D-3	70,487.41	75,745.00
Deferred Charges and Statutory Expenditures	D-3	70,000.00	75,551.83
Deficit in Operations		<u></u>	<u>948.17</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 1,254,906.41</u>	<u>\$ 1,737,658.00</u>
Excess in Revenue		\$ 663,345.55	\$
Deficit in Revenue		<u></u>	<u>948.17</u>
Operating Deficit to be Raised in Budget of Succeeding Year		<u></u>	<u>948.17</u>
Regulatory Excess to Surplus		\$ 663,345.55	\$
<u>Fund Balance</u>			
Balance, January 1	D	<u>1,517.32</u>	<u>1,517.32</u>
		<u>\$ 664,862.87</u>	<u>\$ 1,517.32</u>
Balance, December 31	D	<u>\$ 664,862.87</u>	<u>\$ 1,517.32</u>

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

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS/ (DEFICIT)</u>
Membership Fees	D-1:D-4	\$ 950,000.00	\$ 974,250.84	\$ 24,250.84
Miscellaneous	D-1:D-4	305,835.00	180,113.98	(125,721.02)
Miscellaneous Revenue Not Anticipated	D-1:D-4	<u>                    </u>	<u>15,601.13</u>	<u>15,601.13</u>
	D-3	<u>\$ 1,255,835.00</u>	<u>\$ 1,169,965.95</u>	<u>\$ (85,869.05)</u>

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

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

**STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2021**

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
Operating:					
Salaries and Wages	\$ 760,919.00 \$	750,919.00 \$	689,623.85 \$	61,295.15 \$	
Other Expenses	353,500.00	363,500.00	347,341.41	16,158.59	
<b>Total Operating</b>	<b>\$ 1,114,419.00 \$</b>	<b>1,114,419.00 \$</b>	<b>1,036,965.26 \$</b>	<b>77,453.74 \$</b>	
Debt Service:					
Payment of Notes	\$ 46,863.00 \$	46,863.00 \$	46,863.00 \$	\$	928.59
Interest on Notes	24,553.00	24,553.00	23,624.41		
	<b>\$ 71,416.00 \$</b>	<b>71,416.00 \$</b>	<b>70,487.41 \$</b>	<b>\$</b>	<b>928.59</b>
Statutory Expenditures:					
Contributions to:					
Social Security System	\$ 70,000.00 \$	70,000.00 \$	51,842.15 \$	18,157.85 \$	
	<b>\$ 70,000.00 \$</b>	<b>70,000.00 \$</b>	<b>51,842.15 \$</b>	<b>18,157.85 \$</b>	
<b>Total Statutory Expenditures</b>	<b>\$ 1,255,835.00 \$</b>	<b>1,255,835.00 \$</b>	<b>1,159,294.82 \$</b>	<b>95,611.59 \$</b>	<b>928.59</b>
REF.	D-2		D-1	D:D-1	
Cash Disbursements		\$	1,112,536.87		
Encumbrances Payable			41,702.33		
Accrued Interest on Notes			5,071.98		
			1,159,311.18		
Less: Refunds			16.36		
		\$	1,159,294.82		

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

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GENERAL FIXED ASSETS ACCOUNT GROUP



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TOWNSHIP OF CRANFORD

GENERAL FIXED ASSET ACCOUNT GROUP

BALANCE SHEETS - REGULATORY BASIS

	BALANCE DECEMBER <u>31, 2021</u>	BALANCE DECEMBER <u>31, 2020</u>
General Fixed Assets:		
Land	\$ 39,249,984.00	\$ 39,249,984.00
Buildings	26,291,200.00	26,291,200.00
Machinery and Equipment	<u>13,500,084.87</u>	<u>12,926,246.34</u>
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 79,041,268.87</u>	<u>\$ 78,467,430.34</u>
Investment in General Fixed Assets:	<u>\$ 79,041,268.87</u>	<u>\$ 78,467,430.34</u>
	<u>\$ 79,041,268.87</u>	<u>\$ 78,467,430.34</u>

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

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF CRANFORD

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2021 AND 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Cranford is an instrumentality of the State of New Jersey, established to function as a municipality. The Township Committee consists of elected officials and is responsible for the fiscal control of the Township.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Township is obligated for the debt of the organization. Except as noted below, the financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township do not include the operations of the local school district, first aid organization, volunteer fire organization or library, inasmuch as their activities are administered by a separate board.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds, as well as government-wide financial reporting that must be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

The accounting policies of the Township of Cranford 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. 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 financial transactions and accounts of the Township of Cranford are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account group:

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

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

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

Swim Pool Utility Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally owned Swim Pool Utility.

General Fixed Asset Account Group - utilized to account for property, land, buildings and equipment that has been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenues when anticipated in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenues when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances, at December 31<sup>st</sup>, are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance.

Appropriation reserves covering unexpended appropriation balances are automatically created at December 31<sup>st</sup> of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis, interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders, at December 31, are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as revenue in a future budget. GAAP requires such proceeds to be recorded as revenue in the year of sale.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General Fixed Assets are defined as nonexpendable personal and real property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit. Public domain ("infrastructure") general 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.

General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Asset Account Group rather than in a governmental fund. No depreciation has been provided on General Fixed Assets or reported in the financial statements.

The Township has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an outside appraiser. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital has not been accounted for separately.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Swim Pool Utility - Accounting for utility fund "fixed capital" remains uncharged under the requirements of NJAC 5:30-5.6.

Property and equipment purchased by the Swim Pool Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property, equipment and improvements. The utility does not record depreciation on fixed assets.

Accounting and Financial Reporting for Pensions

Governmental Accounting Standards Board (GASB) Statement No. 68 Accounting and financial reporting for pensions administered by state and local government employers improves accounting and financial reporting state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

Under GAAP, municipalities are required to recognize the pension liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 68. The liability required to be displayed by GASB 68 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

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 to disclose GASB 68 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 68.

The New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions & Benefits' reporting on GASB 68. As of the date of this report the information for the period ended June 30, 2021 was not available, therefore the information dated June 30, 2020 is disclosed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB) (Continued)

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions.

It also requires the State of New Jersey to calculate and allocate to each participating member, for note disclosure purposes only, the OPEB net liability of New Jersey Health Benefits Local Government Retiree Plan (the Plan). The statement does not alter the amount of funds that must be budgeted for OPEB payment under existing state law.

Under GAAP, municipalities are required to recognize the OPEB liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 75. The liability required to be displayed by GASB 75 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

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 OPEB liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 75 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 75.

The New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions & Benefits' reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2021 was not available, therefore the information dated June 30, 2020 is disclosed.

D. 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 held in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.



NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks, and Certificates of Deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank 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 of Cranford had the following cash and cash equivalents at December 31, 2021:

<u>Fund Type</u>	<u>Bank Balance</u>	<u>Reconciling Items</u>		<u>Reconciled Balance</u>
		<u>Additions</u>	<u>Deletions</u>	
Current Fund	\$13,798,113.39	\$75,490.15	\$615,156.99	\$13,258,446.55
Animal Control Trust Fund	13,626.24			13,626.24
Other Trust Fund	3,074,580.83	\$7,878.42	177,133.09	2,905,326.16
General Capital Fund	4,392,011.02		11,960.00	4,380,051.02
Swim Pool Utility:				
Operating	848,260.92		2,467.06	845,793.86
Capital	127,478.75			127,478.75
	<u>\$22,254,071.15</u>	<u>\$83,368.57</u>	<u>\$806,717.14</u>	<u>\$21,530,722.58</u>

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

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 credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2021, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$349,194.40 was covered by Federal Depository Insurance, \$21,904,876.75 was covered under the provisions of NJGUDPA.

B. Investments

The purchase of investments by the Township is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Local Government Services of the Department of Community Affairs for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Township of Cranford's investment activities during the year were in accordance with the above New Jersey Statute. As of December 31, 2021, the Township had no investment in any securities as described above. Based upon the limitation set forth by New Jersey Statute 40A:5-15.1, the Township is generally not exposed to credit risky custodial risks, concentration of credit risks, and internal note risks for its investments nor is it exposed to foreign currency for its deposits and investments.

**NOTE 3: MUNICIPAL DEBT**

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years of financed by the issuance of bonds.

**SUMMARY OF MUNICIPAL DEBT**

	<u>YEAR 2021</u>	<u>YEAR 2020</u>	<u>YEAR 2019</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 44,182,765.73	\$ 46,278,616.68	\$ 47,574,043.08
Swim Pool Utility:			
Bonds and Notes	<u>1,193,411.00</u>	<u>1,240,274.00</u>	<u>1,287,137.00</u>
Net Debt Issued	<u>45,376,176.73</u>	<u>47,518,890.68</u>	<u>48,861,180.08</u>
Less: Reserve for Debt Service	6,062.67	6,062.67	6,061.67
Less: Cash on Hand to Pay Notes	<u>45,000.59</u>	<u>162,743.59</u>	<u>207,743.59</u>
	\$ <u>45,325,113.47</u>	\$ <u>47,350,084.42</u>	\$ <u>48,647,374.82</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	<u>8,035,337.88</u>	<u>4,946,817.73</u>	<u>6,118,165.78</u>
Total Authorized but not Issued	<u>8,035,337.88</u>	<u>4,946,817.73</u>	<u>6,118,165.78</u>
Net Bonds and Notes Issued and and Authorized but not issued	\$ <u><u>53,360,451.35</u></u>	\$ <u><u>52,296,902.15</u></u>	\$ <u><u>54,765,540.60</u></u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF STATUTORY DEBT CONDITION (ANNUAL DEBT STATEMENT)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.122%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$ 5,478,000.00	\$ 5,478,000.00	\$ -0-
Utility Debt	1,193,411.00		1,193,411.00
General Debt	<u>52,218,103.61</u>	<u>51,063.26</u>	<u>52,167,040.35</u>
	<u>\$ 58,889,514.61</u>	<u>\$ 5,529,063.26</u>	<u>\$ 53,360,451.35</u>

NET DEBT \$53,360,451.35 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, AS AMENDED, \$4,756,191,132.00 EQUALS 1.122%.

BORROWING POWER UNDER N.J.S.A. 40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2021	\$4,756,191,132.00
3-1/2 of Equalized Valuation Basis	166,466,689.62
Net Debt	<u>53,360,451.35</u>
Remaining Borrowing Power	<u>\$113,106,238.27</u>

\*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Railroad Property of the Township of Cranford for the last three (3) preceding years.

CALCULATION OF "SELF-LIQUIDATING PURPOSE" SWIM POOL UTILITY  
PER N.J.S.A. 40A:2-45

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year	\$	1,169,965.95
Deductions:		
Operating and Maintenance Cost	\$	1,184,419.00
Debt Service		<u>70,487.41</u>
Total Deductions		<u>1,254,906.41</u>
(Deficit) in Revenue (Not Self-Liquidating)	\$	<u>(84,940.46)</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG TERM DEBT

General Serial Bonds:

	OUTSTANDING BALANCE DECEMBER <u>31, 2021</u>
\$1,603,000.00 in General Improvement Bonds dated August 15, 2006, due in remaining annual installments ranging between \$45,000.00 and \$123,000.00 beginning August 15, 2022 and ending August 15, 2037 with interest ranging between 6.25% and 6.30%	\$1,268,000.00
\$9,700,000.00 in General Improvement Bonds dated January 15, 2018, due in remaining annual installments of \$970,000.00 beginning August 15, 2022 and ending August 15, 2028 with interest ranging between 2.00% and 3.00%	\$6,790,000.00
\$4,870,000.00 in Refunding Bonds dated May 24, 2018, due in remaining annual installments ranging between \$105,000.00 and \$415,000.00 beginning August 15, 2022 and ending August 15, 2037 with interest at 4.00%	\$4,380,000.00
\$9,700,000.00 in General Improvement Bonds dated May 1, 2021, due in remaining annual installments ranging between \$600,000.00 and \$1,000,000.00 beginning November 1, 2022 and ending November 1, 2032 with interest ranging between 1.00% and 2.00%	<u>\$9,100,000.00</u>
	<u>\$21,538,000.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR BONDED DEBT ISSUED AND OUTSTANDING DECEMBER 31, 2021

CALENDAR	<u>GENERAL CAPITAL</u>		
<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2022	\$1,760,000.00	\$511,491.50	\$2,271,491.50
2023	1,835,000.00	477,479.00	2,312,479.00
2024	1,915,000.00	441,854.00	2,356,854.00
2025	1,980,000.00	404,529.00	2,384,529.00
2026	2,045,000.00	365,991.50	2,410,991.50
2027-2031	8,220,000.00	1,243,095.00	9,463,095.00
2032-2036	3,245,000.00	459,030.00	3,704,030.00
2037	538,000.00	35,609.50	573,609.50
	<u>\$21,538,000.00</u>	<u>\$3,939,079.50</u>	<u>\$25,477,079.50</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR GREEN LOAN TRUST PAYABLE DECEMBER 31, 2021

CALENDAR			
<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2022	\$12,603.36	\$1,387.86	\$13,991.22
2023	12,856.68	1,134.53	13,991.21
2024	13,115.11	876.11	13,991.22
2025	13,378.72	612.50	13,991.22
2026	13,647.64	343.58	13,991.22
2027	6,926.34	69.27	6,995.61
	<u>\$72,527.85</u>	<u>\$4,423.85</u>	<u>\$76,951.70</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST  
FOR INFRASTRUCTURE LOAN PAYABLE DECEMBER 31, 2021

CALENDAR YEAR	TOTAL	TRUST LOAN		FUND LOAN
		PRINCIPAL	INTEREST	PRINCIPAL
2022	\$585,843.75	\$223,706.88	\$92,011.32	\$270,125.55
2023	600,263.19	242,761.80	62,572.44	294,928.95
2024	532,852.29	251,411.06	52,977.72	228,463.51
2025	335,784.71	191,139.84	39,974.70	104,670.17
2026	158,119.67	29,072.00	24,377.50	104,670.17
2027-2031	690,118.46	140,851.00	102,976.00	446,291.46
2032-2036	509,644.35	100,000.00	75,255.30	334,389.05
2037-2041	518,194.35	125,000.00	58,805.30	334,389.05
2042-2046	508,881.87	130,000.00	44,492.82	334,389.05
2047-2051	508,632.15	145,000.00	29,242.80	334,389.35
	<u>\$4,948,334.79</u>	<u>\$1,578,942.58</u>	<u>\$582,685.90</u>	<u>\$2,786,706.31</u>

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2021, the Township has authorized but not issued bonds and notes as follows:

General Capital Fund \$8,035,337.88

SHORT TERM DEBT

BOND ANTICIPATION NOTES

	Interest Rate	Maturity Dates	Amount
General Capital Fund	1.00%	6/26/2022	\$8,506,589.00
General Capital Fund	0.28%	10/21/2022	9,700,000.00
Swim Pool Utility Capital Fund	1.00%	6/26/2022	1,193,411.00
			<u>\$19,400,000.00</u>



NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2021 which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2022 were as follows:

Current Fund	\$4,500,000.00
Swim Pool Utility Fund	\$550,679.00

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also taxes for the County and local school district. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

Taxes Collected in Advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER 31, <u>2021</u>	BALANCE DECEMBER 31, <u>2020</u>
Prepaid Taxes	<u>\$755,420.26</u>	<u>\$721,079.27</u>

NOTE 6: PENSION PLANS

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Police, Firemen's Retirement System (PFRS) or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, Police and Firemen's Retirement System and Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at [www.nj.gov/treasury/pensions/annrpts.shtml](http://www.nj.gov/treasury/pensions/annrpts.shtml).

*Public Employees' Retirement System (PERS)* - 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 PERS 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 pension fund or local jurisdiction's pension fund.

*Police and Firemen's Retirement System (PFRS)* - The Police and Firemen's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A, to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

*Defined Contribution Retirement Program (DCRP)* - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

*Vesting and Benefit Provisions*

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit, in which case, benefits would begin the first day of the month after the member attains normal retirement age.

NOTE 6: PENSION PLANS

Vesting and Benefit Provisions (Continued)

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:36. All benefits vest after ten years of service, except for disability benefits, which vest after four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

Newly elected or appointed officials that have an existing DCRP account, or are a member of another State-administered retirement system are immediately vested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully vested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

Funding Policy

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group life insurance benefits is based on actual claims paid. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. During 2021, PERS provides for employee contributions of 7.50% of employees' base salary.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. For the fiscal year 2021, the State contributed an amount less than the actuarially determined amount. During 2021, PFRS provides for employee contributions of 10.00% of employees' base salary.

The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$3,240,029.00 for 2021, \$3,016,458.12 for 2020 and \$2,953,736.00 for 2019.

NOTE 6: PENSION PLANS (CONTINUED)

Certain Township employees are also covered by the Federal Insurance Contribution Act.

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) of the participating municipality as of December 31, 2020. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at December 31, 2020.

Public Employees Retirement System (PERS)

At June 30, 2020, the State reported a net pension liability of \$11,285,260.00 for the Township's proportionate share of the total net pension liability. The total pension 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 Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the Township's proportion was 0.0692033733 percent, which was an decrease of 0.0064107103 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the State recognized an actuarially determined pension expense of \$327,073.00 for the Township's proportionate share of the total pension expense. The pension expense recognized in the Township's financial statements based on the April 1, 2020 billing was \$730,899.00.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 205,486.00	\$ 39,910.00
Changes of assumptions	366,107.00	4,725,245.00
Net difference between projected and actual earnings on pension plan investments	385,739.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	<u>365,248.00</u>	<u>1,080,094.00</u>
	<u>\$ 1,322,580.00</u>	<u>\$ 5,845,249.00</u>

Other local amounts reported by the State as the Township's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2021	(\$1,559,063.20)
2022	(1,434,016.20)
2023	(880,769.20)
2024	(441,323.20)
2025	<u>(207,497.20)</u>
	<u>(\$4,522,669.00)</u>

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. These actuarial valuations used the following assumptions:

	<u>June 30, 2020</u>
Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	2.00-6.00%
Thereafter	3.00-7.00%
	Based on
	Years of Service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at both June 30, 2020 and June 30, 2019) 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 PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasury's	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% and 6.28% as of June 30, 2020 and June 30, 2019, respectively. 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% 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.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Sensitivity of the Township's proportionate share of net pension liability to changes in the discount rate

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2020 respectively, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2020		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Township's proportionate share of the pension liability	\$14,206,260.00	\$11,285,260.00	\$8,806,712.00

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>

Police and Firemen's Retirement System (PFRS)

At June 30, 2020, the State reported a net pension liability of \$28,718,392.00 for the Township's proportionate share of the total PFRS net pension liability. The total pension 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 Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.



NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

At June 30, 2020, the Township's proportion was 0.2222558878 percent, which was an decrease of 0.0010021404 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the State recognized an actuarially determined pension expense of \$1,509,615.00. The pension expense recognized in the Township's financial statements based on the April 1, 2020 billing was \$2,255,153.00.

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

		Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$	289,530.00	\$ 103,067.00
Changes of assumptions		72,270.00	7,699,229.00
Net difference between projected and actual earnings on pension plan investments		1,683,894.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions		1,874,923.00	2,180,205.00
	\$	<u>3,920,617.00</u>	\$ <u>9,982,501.00</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended		Amount
<u>June 30</u>		
2021	\$	(2,747,464.40)
2022		(1,874,056.40)
2023		(799,141.40)
2024		(339,878.40)
2025		<u>(301,343.40)</u>
	\$	<u>(6,061,884.00)</u>

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. This actuarial valuation used the following assumptions:

June 30, 2020

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases	
Through all future years	3.25-15.25%
	Based on years of Service
Investment Rate of Return	7.00%

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 actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00 percent at June 30, 2020 and June 30, 2019) 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 PFRS's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasury's	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% and 6.85% as of June 30, 2020 and June 30, 2019, respectively. 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% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Township's proportionate share of the net pension liability to changes in the discount rate

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2020 respectively, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2020		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Township's proportionate share of the PFRS pension liability	\$38,189,550.00	\$28,718,392.00	\$20,851,872.00

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.c. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.c. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed by the State on behalf of the Township 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 Township does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Township related to this legislation.

At June 30, 2020 and 2019, the State's proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$4,456,964.00 and \$4,314,182.00, respectively.

At June 30, 2020, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$28,718,392.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Township	<u>4,456,964.00</u>
	<u>\$33,175,356.00</u>

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

**NOTE 7: COMPENSATED ABSENCES**

Under the terms of various contracts, employees are compensated for unused sick and vacation time. The accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented but is estimated by the Township to be \$1,622,338.13. The Township appropriates annually the amounts required to be paid in any fiscal year in that year's budget and no liability is accrued at December 31, 2021. The Township has \$10,000.00 reserved in the Trust Other Fund to provide for costs at December 31, 2021.

**NOTE 8: LITIGATION**

The Township is involved in a pending legal proceeding. The impact of this proceeding on the financial statements, in the opinion of the Township's legal counsel could potentially be material should there be an unfavorable outcome for the Township. As this case has not gone to trial no liability has been accrued or recognized in the financial statements.

**NOTE 9: TAX APPEALS**

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for the year 2021. Any reduction in assessed valuation will result in a refund of prior years' taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51. The Township has reserved \$493,135.86 to provide for tax appeals.

**NOTE 10: CONTINGENT LIABILITIES**

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. The state and federal grants received and expended in 2021 were subject to the Single Audit Act Amendments of 1996, which mandates that grant revenues and expenditures be audited in conjunction with the Township's annual audit. Findings and questioned costs, if any, relative to federal and state financial assistance programs will be discussed in detail in Part II, Schedule of Findings and Questioned Costs. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2021, the Township does not believe that any material liabilities will result from such audits.

NOTE 11: RISK MANAGEMENT

The Township is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township is a member of the Statewide Insurance Fund (the "Fund"), which was formed in accordance with P.L. 1983, C. 372 entitled "An Act Concerning Joint Insurance Funds for Local Government Units of Government." The Fund provides insurance coverage covering each of the above-mentioned risks of loss. The Township's contribution to the Fund is based on actuarial assumptions determined by the Fund's actuary. The Fund also purchases commercial insurance for claims in excess of coverage provided by the Fund.

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

<u>Year</u>	<u>Township Contributions</u>	<u>Employee Contributions and Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021	\$ -0-	\$ 23,414.71	\$ 13,084.42	\$ 445,332.52
2020	-0-	31,708.19	187.25	435,002.23
2019	-0-	27,312.89	23.98	403,481.29

NOTE 12: DEFERRED COMPENSATION

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all Township employees, permits them to defer a portion of their salaries until future years. The Township does not make any contribution to the Plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships. In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Township's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of Plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts. All assets of the Plan are held by one of two independent administrators, ICMA and Lincoln National Life Insurance Company.

The accompanying financial statements do not include the Township's Deferred Compensation Plan activities.

**NOTE 13: LENGTH OF SERVICE AWARDS PROGRAM**

The Township of Cranford adopted an ordinance establishing a Length of Service Awards Program for the members of the Cranford Volunteer Fire Department and the Cranford Volunteer Rescue Squad pursuant to N.J.S.A. 40A:14-183 *et seq.*

All assets of the plan are held by an independent administrator, the Lincoln National Life Insurance Company.

Under this program, each volunteer that performs the minimum amount of service will have an annual amount of \$1,150.00 deposited into a tax deferred income account that will earn interest for the volunteer. The cost is anticipated to be \$8,000.00 in 2022.

The accompanying financial statements do not include the Township's Length of Service Awards Program's activities.

**NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75**

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. OPEB obligations are non-pension benefits that the municipality has contractually or otherwise agreed to provide employees once they have retired and, in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the municipality is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or to accrue funds, create a trust or issue debt to finance their other post-employment benefit liability. Additionally, the municipality is not required to recognize any long-term obligations resulting from OPEB on their financial statements.

**Plan Description and Benefits Provided**

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*; therefore, assets are accumulated to pay associated benefits.



NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT  
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

The Plan provides medical and prescription drug coverage 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.

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

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT  
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Contributions

The Township contributions to the Plan for the years ended December 31, 2020, 2019, and 2018, were \$1,312,642.86, \$1,240,758.04 and \$1,897,068.58, respectively, which equaled the required contributions for each year.

Total OPEB Liability

At June 30, 2020, the Plan reported a liability of \$36,341,173.00 for the Township's proportionate share of the collective Net OPEB Liability. The total Net OPEB Liability measured as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020.

The Township's proportion of the Net OPEB Liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2019 through June 30, 2020.

At June 30, 2020, the Township's proportion was 0.202496 percent, which was an increase of 0.002194 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the State reported OPEB benefit of \$309,277.00. This OPEB benefit was based on the OPEB plans June 30, 2020 measurement date.

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$957,199	\$6,767,404
Changes of assumptions	5,435,496	8,081,716
Net difference between projected and actual earnings on OPEB plan investments	23,079	
Changes in proportion	<u>1,363,715</u>	<u>4,034,287</u>
	<u>\$7,779,489</u>	<u>\$18,883,407</u>

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT  
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Other local amounts reported by the State as the Township's proportionate share of deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the State's actuarially calculated OPEB (benefit)/expense as follows:

Year Ended	
<u>June 30,</u>	<u>Amount</u>
2021	(\$2,487,633)
2022	(2,489,405)
2023	(2,492,267)
2024	(2,494,883)
2025	(1,871,110)
Total Thereafter	<u>731,382</u>
	<u>(\$11,103,918)</u>

Actuarial Assumptions and Other Inputs

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

	<u>2020</u>	<u>2019</u>
Inflation rate	2.50%	2.50%
Salary Increases:		
Public Employees Retirement System (PERS):		
Initial fiscal Year Applied		
Rate through 2026	2.00% to 6.00%	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS):		
Rate for all future years	3.25% to 15.25%	3.25% to 15.25%

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT  
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs (Continued)

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 the defined benefit plan that the member is enrolled in and his or her age.

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.

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 was 2.21%. 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.

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT  
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

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

The following presents the Net OPEB Liability associated with the Township as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the Net OPEB liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2020		
	1.00% <u>Decrease (1.21%)</u>	At Discount Rate (2.21%)	1.00% <u>Increase (3.21%)</u>
Township's proportionate share of the Net OPEB Liability	\$42,962,945	\$36,341,173	\$31,099,43

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability to  
Changes in Healthcare Trends

The following presents the total Net OPEB Liability associated with the Township as of June 30, 2020, calculated using the healthcare trend rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2020		
	1.00% <u>Decrease</u>	Healthcare Cost Trend Rate	1.00% <u>Increase</u>
Township's proportionate share of the Net OPEB Liability	\$30,072,358	\$36,341,173	\$44,550,272

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT  
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Special Funding Situation

The Township, by resolution of the governing body, has elected to provide postretirement medical coverage to certain employees under the provisions of Chapter 330, P.L. 1997.

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.

At June 30, 2020 and 2019, the State's proportionate share of the net OPEB liability attributable to the Township for the special funding situation is \$18,661,849.00 and \$14,086,770.00 respectively.

At June 30, 2020, the Township's and State of New Jersey's proportionate share of the Net OPEB Liability were as follows:

Township's proportionate share of the Net OPEB Liability	\$36,341,173
State of New Jersey's proportionate share of Net OPEB Liability associated with the Township	<u>18,661,849</u>
	<u>\$55,003,022</u>

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey State Health Benefits Local Government Retired Employees Plan. The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>

NOTE 15: DEFERRED CHARGES

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2021, the following deferred charges are shown on the Balance Sheets of the Township:

	BALANCE DECEMBER 31, <u>2021</u>	2022 BUDGET APPROPRIATION
Current Fund:		
Emergency Appropriations	\$ <u>500,000.00</u>	\$ <u>500,000.00</u>
Swim Pool Utility Operating Fund:		
Special Emergency-COVID	\$ <u>1,098,312.42</u>	<u>1,098,312.42</u>
	\$ <u><u>1,598,312.42</u></u>	\$ <u><u>1,598,312.42</u></u>

NOTE 16: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets at December 31, 2021:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 29,292.03	
Swim Pool Utility Operating Fund		\$ 29,292.03
	\$ <u><u>\$29,292.03</u></u>	\$ <u><u>\$29,292.03</u></u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were made.

NOTE 17: FIXED ASSETS

Below is a summary of the General Fixed Assets Account Group for the year ended December 31, 2021:

	Balance December 31, <u>2020</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2021</u>
Land	\$39,249,984.00			\$39,249,984.00
Buildings	26,291,200.00			26,291,200.00
Machinery and Equipment	<u>12,926,246.34</u>	<u>\$647,716.53</u>	<u>\$73,878.00</u>	<u>13,500,084.87</u>
	<u><u>\$78,467,430.34</u></u>	<u><u>\$647,716.53</u></u>	<u><u>\$73,878.00</u></u>	<u><u>\$79,041,268.87</u></u>

**NOTE 18: SUBSEQUENT EVENTS**

The Township has evaluated subsequent events occurring after the financial statement date through June 20, 2022 which is the date the financial statements were available to be issued. Based upon this evaluation, the Township has determined that there are no subsequent events to be disclosed.



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TOWNSHIP OF CRANFORD  
SUPPLEMENTARY SCHEDULES - ALL FUNDS  
YEAR ENDED DECEMBER 31, 2021

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF CASH-COLLECTOR-TREASURER

	<u>REF.</u>		
Balance, December 31, 2020	A	\$	12,493,673.83
Increased by Receipts:			
Taxes Receivable	A-7	\$	110,414,874.28
Tax Title Liens	A-8		144,615.01
Revenue Accounts Receivable	A-9		6,890,626.04
Miscellaneous Revenue Not Anticipated	A-2		418,141.62
Interfunds	A-10		1,143,579.44
Outside Liens	A-27		324,244.26
DCA Fees Due State of New Jersey	A-28		62,196.00
Marriage Licenses Due State of New Jersey	A-29		3,200.00
Maintenance of Free Public Library	A-21		12,416.00
Elevator Inspections	A-20		31,750.00
P.I.L.O.T. Fees Payable	A-33		454,773.14
Senior Citizens Disallowed	A-16		2,447.95
Sewer Liens	A-31		630.00
Tax Overpayments	A-18		40,491.72
Prepaid Taxes	A-17		755,420.26
Prepaid Sewer	A-12		1,352.54
State of New Jersey-Chapter 20,P.L.1971	A-16		124,273.28
Grants - Unappropriated	A-23		1,258,848.70
Sewer Charges Receivable	A-30		2,323,727.42
Appropriation Refunds	A-3		1,058,649.25
Grants Receivable	A-19		342,290.13
			<u>125,808,547.04</u>
		\$	138,302,220.87
Decreased by Disbursements:			
Appropriations	A-3	\$	36,986,281.17
Appropriation Reserves	A-13		714,017.91
County Taxes	A-14		23,190,781.53
Local District School Tax	A-15		61,498,245.00
Refund of Tax Overpayments	A-18		40,491.72
Interfunds	A-10		1,106,579.57
DCA Fees Due State of New Jersey	A-28		71,977.00
Marriage Licenses Due State of New Jersey	A-29		3,500.00
P.I.L.O.T. Fees Payable	A-33		454,773.14
Refund of Construction Code Fees	A-2		107,660.10
Refund of Ambulance Fees	A-2		1,485.18
Outside Liens	A-27		324,244.26
DMC Levy Payable	A-11		178,854.00
Grants - Appropriated	A-24		352,841.72
Tax Appeals	A-25		12,042.02
			<u>125,043,774.32</u>
Balance, December 31, 2021	A	\$	<u>13,258,446.55</u>

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TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF CHANGE FUNDS

REF.

Balance, December 31, 2021 and December 31, 2020	A	\$ <u>1,130.00</u>
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SCHEDULE OF ENCUMBRANCES PAYABLE

Balance, December 31, 2020	A	\$ 989,351.46
Increased by:		
2021 Appropriations	A-3	\$ 1,188,010.42
Federal and State Grants Appropriated	A-24	<u>40,912.34</u>
		<u>1,228,922.76</u>
		\$ 2,218,274.22
Decreased by:		
Transferred to Appropriation Reserves	A-13	\$ 975,051.49
Transferred to Federal and State Grants Appropriated	A-24	<u>14,299.97</u>
		<u>989,351.46</u>
Balance, December 31, 2021	A	\$ <u>1,228,922.76</u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2020	2021 LEVY	COLLECTED		CANCELLED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2021
			IN 2020	IN 2021			
2020 and Prior	\$ 810,519.92	\$	\$	\$ 810,519.92	\$	\$	\$
2021		111,019,675.90	721,079.27	109,731,423.54	83,744.58	15,369.12	468,059.39
	<u>\$ 810,519.92</u>	<u>\$ 111,019,675.90</u>	<u>\$ 721,079.27</u>	<u>\$ 110,541,943.46</u>	<u>\$ 83,744.58</u>	<u>\$ 15,369.12</u>	<u>\$ 468,059.39</u>
REF.	A		A-2-A-17	A-2		A-8	A
Collector				\$ 110,414,874.28			
State of New Jersey				<u>127,069.18</u>			
				<u>\$ 110,541,943.46</u>			

ANALYSIS OF 2021 PROPERTY TAX LEVY

<u>TAX YIELD</u>	
General Purpose Tax	\$ 109,900,724.14
Added Taxes (54:4-63.1 et seq.)	940,037.76
District Management Corporation	178,854.00
	<u>\$ 111,019,675.90</u>

<u>TAX LEVY</u>	
Local District School Tax (Abstract)	\$ 61,498,245.00
County Taxes:	
County Tax (Abstract)	\$ 23,016,812.76
Due County for Added Taxes	
(54:4-63.1 et seq.)	<u>197,198.75</u>

<u>Total County Taxes</u>	23,214,011.51
District Management Corporation	
Local Tax for Municipal Purposes (Abstract)	\$ 178,854.00
Minimum Library Tax	23,814,363.91
Add: Additional Tax Levied	1,563,353.00
	<u>750,848.48</u>
	<u>26,307,419.39</u>
	<u>\$ 111,019,675.90</u>

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TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2020	A	\$	136,501.00
Increased by:			
Transfers From Taxes Receivable	A-7	\$	<u>15,369.12</u>
			15,369.12
		\$	<u>151,870.12</u>
Decreased by:			
Cash Receipts	A-4		<u>144,615.01</u>
Balance, December 31, 2021	A	\$	<u><u>7,255.11</u></u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>ACCRUED IN 2021</u>	<u>COLLECTED BY COLLECTOR- TREASURER</u>	<u>BALANCE DECEMBER 31, 2021</u>
Alcoholic Beverage Licenses	A-2	\$	\$ 25,506.00	\$ 25,506.00	\$
Clerk:					
Licenses-Other	A-2		2,179.00	2,179.00	
Board of Health:					
Licenses-Other	A-2		13,932.50	13,932.50	
Fees and Permits	A-2		15,180.00	15,180.00	
Engineer:					
Fees and Permits	A-2		17,558.00	17,558.00	
Police Department:					
Fees and Permits	A-2		13,676.00	13,676.00	
Recreation Department:					
Fees and Permits	A-2		14,195.00	14,195.00	
Board of Adjustment					
Fees and Permits	A-2		36,977.62	36,977.62	
Planning Board :					
Fees and Permits	A-2		11,214.12	11,214.12	
Assessor					
Fees and Permits	A-2		490.00	490.00	
Fire Department:					
Fees and Permits	A-2		14,758.00	14,758.00	
Municipal Court:					
Fines and Costs	A-2	13,385.66	214,637.81	213,370.75	14,652.72
Construction Code Fees	A-2		1,081,193.00	1,081,193.00	
Interest and Costs on Taxes	A-2		272,525.17	272,525.17	
Parking Meters	A-2		540,558.29	540,558.29	
Interest on Investments and Deposits	A-2		2,254.14	2,254.14	
Energy Receipts Tax	A-2		2,900,712.00	2,900,712.00	
Cable T.V. Franchise Tax	A-2		353,890.97	353,890.97	
Hotel Tax	A-2		107,617.71	107,617.71	
Conservation Center Fees	A-2		167,340.00	167,340.00	
Ambulance Fees	A-2		307,065.95	307,065.95	
Uniform Fire Safety Act	A-2		74,023.40	74,023.40	
NJ Housing Finance Agency - P.I.L.O.T	A-2		158,450.00	158,450.00	
Cranford Lincoln Associates - P.I.L.O.T	A-2		51,241.00	51,241.00	
Developer Debt	A-2		122,066.50	122,066.50	
Library Cost Allocation	A-2		30,000.00	30,000.00	
Cell Tower Lease	A-2		42,650.92	42,650.92	
Capital Fund Balance	A-2		300,000.00	300,000.00	
		<u>\$ 13,385.66</u>	<u>\$ 6,891,893.10</u>	<u>\$ 6,890,626.04</u>	<u>\$ 14,652.72</u>
<u>REF.</u>		<u>A</u>		<u>A-4</u>	<u>A</u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>SWIM POOL OPERATING FUND</u>	<u>ANIMAL CONTROL TRUST FUND</u>	<u>TRUST OTHER FUND</u>	<u>GENERAL CAPITAL FUND</u>
Balance, December 31, 2020:						
Due From	A	\$ 66,291.90	\$ 47,965.97	\$ 18,325.93	\$	\$
Cash Receipts	A-4	1,143,579.44	47,965.97	18,325.93	420,280.00	657,007.54
Cash Disbursements	A-4	1,106,579.57	29,292.03		420,280.00	657,007.54
Balance, December 31, 2021:						
Due From	A	\$ 29,292.03	\$ 29,292.03			



TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF YEAR 2020 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2020	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES</u>				
Administrative and Executive	\$ 36,964.96	\$ 36,964.96	\$	\$ 36,964.96
Channel 35	9,507.78	9,507.78		9,507.78
Township Committee	1,954.00	1,954.00		1,954.00
Township Clerk	16,032.44	16,032.44		16,032.44
Financial Administration	25,811.66	25,811.66		25,811.66
Assessment of Taxes	9,719.31	9,719.31	9,719.31	
Collection of Taxes	14,328.35	14,328.35		14,328.35
Engineering Services and Costs	20,000.00	20,000.00		20,000.00
Municipal Land Use Law (N.J.S. 40:55d-1):				
Planning Board	0.10	0.10		0.10
Zoning Board of Adjustment	0.10	0.10		0.10
Zoning/Planning Board of Adjustment	12,617.77	12,617.77		12,617.77
Police	151,560.68	151,560.68		151,560.68
Fire	195,363.52	195,363.52		195,363.52
Emergency Management Services	24,910.38	24,910.38		24,910.38
Road Repair and Maintenance	375,432.76	375,432.76	28,017.61	347,415.15
Communications - 911	23,708.16	23,708.16	2,553.98	21,154.18
Conservation Center	19,016.55	19,016.55	456.00	18,560.55
Board of Health	35,373.95	35,373.95	872.60	34,501.35
Recreation	246,451.48	246,451.48		246,451.48
Youth Services	4,833.47	4,833.47		4,833.47
Senior Citizen Bus Transportation	32,849.00	32,849.00		32,849.00
Construction Code Official	49,340.28	49,340.28	1,540.01	47,800.27
Municipal Court	51,118.45	51,118.45	289.24	50,829.21
<u>OTHER EXPENSES</u>				
Administrative and Executive	58,586.09	124,900.25	15,690.45	109,209.80
Channel 35	9,002.47	16,520.67	6,567.37	9,953.30
Township Committee	3,433.63	10,812.22	5,246.42	5,565.80
Township Clerk	33,062.20	49,959.72	11,788.63	38,171.09
Financial Administration	28,278.07	68,862.94	37,458.75	31,404.19
Audit		43,650.00	40,650.00	3,000.00
Assessment of Taxes	22,429.81	22,429.81		22,429.81
Collection of Taxes	8,515.36	9,735.83	940.24	8,795.59
Legal Services and Costs	16,127.50	162,433.15	74,418.51	88,014.64
Engineering Services and Costs	15,100.00	37,027.50	20,866.10	16,161.40
Public Buildings and Grounds	170,467.92	241,284.78	61,416.99	179,867.79
Municipal Land Use Law (N.J.S. 40:55d-1):				
Planning Board	79.41	28,161.50	2,074.68	26,086.82
Zoning Board of Adjustment	5,770.34	9,790.67	811.48	8,979.19
Zoning/Planning Board of Adjustment	8,284.11	14,278.74	5,994.63	8,284.11
Group Insurance-Health Benefit Waiver	6,036.87	6,036.87		6,036.87
Employee Group Health	213,347.60	214,221.40	68,872.14	145,349.26
General Liability Insurance	19,911.00	19,911.00		19,911.00
Workers' Compensation	2,148.00	2,148.00		2,148.00
Police	11,653.34	71,875.69	63,567.25	8,308.44
Fire	186.51	86,456.71	62,197.97	24,258.74
Uniform Fire Safety Act	30,545.92	57,905.79	27,259.87	30,645.92
Emergency Management Services	6,910.16	9,625.06		9,625.06
Emergency Management		6,076.16	6,076.16	
Road Repair and Maintenance	58,741.09	97,269.47	31,871.91	65,397.56

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF YEAR 2020 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2020	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>OTHER EXPENSES (CONTINUED)</u>				
Communications	\$ 4,806.97	\$ 15,046.72	\$ 10,052.64	\$ 4,994.08
Conservation Center	23,043.69	59,864.96	29,249.30	30,615.66
Recycling	53,997.05	57,480.00	3,482.95	53,997.05
Board of Health	4,178.59	34,494.99	30,316.40	4,178.59
Environmental Commission	2,245.00	2,675.00	430.00	2,245.00
Animal Control	41,000.00	41,000.00		41,000.00
Celebration of Public Events: Anniversary or Holiday	5,198.13	5,976.51	578.38	5,398.13
Recreation	7,753.02	13,380.19	4,570.22	8,809.97
Senior Citizen Bus Transportation	2,403.15	2,403.15	39.21	2,363.94
Construction Code Official	31,389.98	36,201.83	4,252.67	31,949.16
Municipal Court	9,958.94	11,194.84	1,225.37	9,969.47
Motor Oils and Fuels	31,077.18	125,663.60	15,161.85	110,501.75
Street Lighting	54,550.78	79,788.62	25,237.84	54,550.78
Utilities-ALL	75,775.88	134,312.73	53,698.13	80,614.60
Contribution to:				
Police and Firemen's Retirement System	0.88	0.88		0.88
Social Security System	57,776.11	57,776.11	3,139.37	54,636.74
Defined Contribution Retirement Program	8,516.30	8,516.30		8,516.30
Maintenance of Free Public Library	93,746.36	113,936.54	113,936.54	
Salary Adjustment	98,900.00	98,900.00		98,900.00
	<u>\$ 2,691,830.56</u>	<u>\$ 3,666,882.05</u>	<u>\$ 882,589.17</u>	<u>\$ 2,784,292.88</u>
REF.	A			A-1
Balance, December 31, 2020	A	\$ 2,691,830.56		
Encumbrances Payable	A-6	<u>975,051.49</u>		
		<u>\$ 3,666,882.05</u>		
Cash Disbursements	A-4		\$ 714,017.91	
Reserve for Library	A-32		<u>168,571.26</u>	
			<u>\$ 882,589.17</u>	

"A-14"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

REF.

Balance, December 31, 2020	A	\$	173,968.77
Increased by:			
2021 Tax Levy:			
County Taxes	A-1:A-7	\$	23,016,812.76
County Share of Added Taxes	A-1:A-7		<u>197,198.75</u>
			23,214,011.51
		\$	<u>23,387,980.28</u>
Decreased by:			
Cash Disbursements	A-4		<u>23,190,781.53</u>
Balance, December 31, 2021	A	\$	<u><u>197,198.75</u></u>

"A-15"

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Increased by:			
2021 Tax Levy	A-1:A-7	\$	<u>61,498,245.00</u>
Decreased by:			
Cash Disbursements	A-4	\$	<u><u>61,498,245.00</u></u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY  
PER CHAPTER 20, P.L. 1971

	<u>REF.</u>		
Balance, December 31, 2020 (Due from)	A	\$	721.23
Increased by:			
Deductions per Tax Duplicate:			
Senior Citizens		\$	12,000.00
Veterans			113,250.00
Senior Citizens and Veterans Allowed by Collector			<u>3,500.00</u>
			128,750.00
		\$	<u>129,471.23</u>
Decreased by:			
Senior Citizens Disallowed by Collector			
Current Year		\$	1,680.82
Senior Citizens Disallowed by Collector	A-4		2,447.95
Received From State of New Jersey	A-4		<u>124,273.28</u>
			128,402.05
Balance, December 31, 2021 (Due from)	A	\$	<u><u>1,069.18</u></u>

SUMMARY OF 2021 EXEMPTIONS

Senior Citizens and Veterans Exemptions			
Per Tax Billings		\$	125,250.00
Senior Citizens and Veterans Exemptions			
Allowed by Tax Collector			<u>3,500.00</u>
		\$	128,750.00
Senior Citizens and Veterans Exemptions			
Disallowed by Tax Collector			<u>1,680.82</u>
	A-7	\$	<u><u>127,069.18</u></u>

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

GRANT	BALANCE DECEMBER 31, 2020	BALANCE AFTER TRANSFERS	2021 BUDGET APPROPRIATION	DECREASED	BALANCE DECEMBER 31, 2021
Clean Communities Program	\$ 7,816.26	\$ 7,971.26	\$ 44,477.98	\$ 42,205.62	\$ 10,243.62
Alcohol Education Rehabilitation Fund	10,129.24	10,129.24	0.00	1,645.72	8,483.52
Federal Bulletproof Vest Program	14,539.71	14,539.71	0.00	4,719.31	9,820.40
Body Armor Replacement Fund	7,400.45	7,400.45	0.00	7,400.45	0.00
Drive Sober or Get Pulled Over	0.00	0.00	6,000.00	660.00	5,340.00
Sustainable Jersey Grant	11,900.00	11,900.00	0.00	1,342.89	10,557.11
CARES Act Grant	362,727.18	362,727.18	0.00	362,727.18	0.00
Cranford Soccer Club Memorial Field	19,262.50	19,262.50	0.00	0.00	19,262.50
Union County Kids Trust Grant Program	117,379.08	127,460.08	65,000.00	18,290.12	174,169.96
U Text U Drive U Lose	0.00	0.00	5,820.00	5,820.00	0.00
Click it or Ticket	0.00	0.00	6,000.00	6,000.00	0.00
Drunk Driving Enforcement Fund	2,650.77	2,650.77	7,372.06	7,372.06	2,650.77
Recycling Tonnage Grant	81,754.52	81,754.52	20,780.91	0.00	102,515.43
Municipal Alliance	6,802.00	6,802.00	10,348.25	6,802.00	10,348.25
Municipal Alliance-Match	1,700.50	1,700.50	2,587.06	1,531.37	2,756.19
DOT South Union Ave	2,561.82	2,561.82	0.00	0.00	2,561.82
River Clearing Project	10,390.76	14,454.73	0.00	4,063.97	10,390.76
Union County Senior Focus	136.28	136.28	0.00	0.00	136.28
Union County Green Communities	9,081.39	9,081.39	4,500.00	8,389.99	5,191.40
2021 UC Preservation Open Space	0.00	0.00	13,348.81	0.00	13,348.81
Body-Worn Camera Grant	0.00	0.00	32,608.00	32,608.00	0.00
The Allstate Foundation	0.01	0.01	0.00	0.00	0.01
Union County Level the Playing Field	3,254.75	3,254.75	0.00	0.00	3,254.75
PEG Technology	5,694.72	5,694.72	0.00	0.00	5,694.72
Elizabethtown Gas 2021 First Responder	0.00		4,485.00		4,485.00
	\$ 675,181.94	\$ 689,481.91	\$ 223,308.07	\$ 511,578.68	\$ 401,211.30

A

A-3

A

REF.

Balance, December 31, 2020

Encumbrances Payable

\$ 675,181.94

14,298.97

\$ 689,481.91

Cash Disbursements

Cancelled

Encumbrances Payable

\$ 352,841.72

117,824.62

40,912.34

\$ 511,578.68

"A-25"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX APPEALS

	<u>REF.</u>	
Balance, December 31, 2020	A	\$ 505,177.88
Decreased by:		
Cash Disbursements	A-4	<u>12,042.02</u>
Balance, December 31, 2021	A	\$ <u><u>493,135.86</u></u>

"A-26"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
AT ASSESSED VALUATION

Balance, December 31, 2021 and December 31, 2020	A	\$ <u><u>3,765,400.00</u></u>
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"A-27"

SCHEDULE OF RESERVE FOR OUTSIDE LIENS

Balance, December 31, 2020	A	\$ 358.30
Increased by:		
Cash Receipts	A-4	<u>324,244.26</u>
		\$ <u><u>324,602.56</u></u>
Decreased by:		
Cash Disbursements	A-4	<u>324,244.26</u>
Balance, December 31, 2021	A	\$ <u><u>358.30</u></u>

"A-28"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF DCA FEES DUE STATE OF NEW JERSEY

	<u>REF.</u>	
Balance, December 31, 2020	A	\$ 22,355.00
Increased by:		
Cash Receipts	A-4	62,196.00
		\$ <u>84,551.00</u>
Decreased by:		
Cash Disbursements	A-4	<u>71,977.00</u>
Balance, December 31, 2021	A	\$ <u><u>12,574.00</u></u>

"A-29"

SCHEDULE OF MARRIAGE LICENSES DUE STATE OF NEW JERSEY

Balance, December 31, 2020	A	\$ 1,150.00
Increased by:		
Cash Receipts	A-4	3,200.00
		\$ <u>4,350.00</u>
Decreased by:		
Cash Disbursements	A-4	<u>3,500.00</u>
Balance, December 31, 2021	A	\$ <u><u>850.00</u></u>

"A-30"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF SEWER CHARGES RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2020	A	\$	54,770.43
Increased by:			
Sewer Billing			<u>2,303,998.20</u>
		\$	2,358,768.63
Decreased by:			
Cash Receipts	A-4	\$	2,323,727.42
Prepayments Applied	A-12		91.04
Sewer Lien	A-31		<u>70.00</u>
			<u>2,323,888.46</u>
Balance, December 31, 2021	A	\$	<u>34,880.17</u>

"A-31"

SCHEDULE OF SEWER CHARGE LIENS RECEIVABLE

Balance, December 31, 2020	A	\$	569.44
Increased by:			
Transferred from Sewer Tax Receivable	A-30	\$	<u>70.00</u>
			<u>70.00</u>
			639.44
Decreased by:			
Cash Receipts	A-4		<u>630.00</u>
Balance, December 31, 2021	A	\$	<u>9.44</u>



"A-32"

TOWNSHIP OF CRANFORD

CURRENT FUND

SCHEDULE OF RESERVE FOR LIBRARY

REF.

Balance, December 31, 2020	A	\$	186,002.51
Increased by:			
Transferred from Appropriation Reserves	A-13	\$	<u>168,571.26</u>
			<u>168,571.26</u>
Balance, December 31, 2021	A	\$	<u><u>354,573.77</u></u>

"A-33"

SCHEDULE OF P.I.L.O.T. FEES PAYABLE

Increased by:			
Cash Receipts	A-4	\$	454,773.14
Dereased by:			
Cash Disbursements	A-4	\$	<u><u>454,773.14</u></u>

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF CASH-TREASURER

REF.	ANIMAL CONTROL	OTHER
B	\$ 18,795.13	\$ 2,799,417.98
Balance, December 31, 2020		
Increased by Receipts:		
License Fees Collected	\$ 25,643.90	\$
Due State of New Jersey	1,852.80	
Interfunds		385,200.00
Community Development Block Grants		17,250.00
Payroll Deductions		10,500,021.52
Miscellaneous Trust Deposits		1,835,023.73
Escrow Deposits		123,116.68
District Management Corporation		190,699.50
	27,496.70	13,051,311.43
	\$ 46,291.83	\$ 15,850,729.41
Decreased by Disbursements:		
Expenditures Under R.S. 4:19-15.11		
Due State of New Jersey	12,483.26	
District Management Corporation	1,856.40	195,399.31
Payroll Deductions		10,493,194.57
Interfunds	18,325.93	120,200.00
Miscellaneous Trust Deposits		2,027,500.95
Escrow Deposits		91,858.42
	32,665.59	12,945,403.25
Balance, December 31, 2021	\$ 13,626.24	\$ 2,905,326.16

"B-2"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF DUE STATE OF NEW JERSEY  
ANIMAL CONTROL FUND

	<u>REF.</u>	
Balance, December 31, 2020	B	\$ 469.20
Increased by:		
Cash Receipts	B-1	1,852.80
		<u>\$ 2,322.00</u>
Decreased by:		
Cash Disbursements	B-1	1,856.40
		<u>1,856.40</u>
Balance, December 31, 2021	B	<u><u>\$ 465.60</u></u>

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Increased by:			
Dog/Cat License Fees Collected	B-1	\$ <u>25,643.90</u>	\$ <u>25,643.90</u>
			<u>25,643.90</u>
Decreased by:			
Cash Disbursements	B-1	<u>12,483.26</u>	<u>12,483.26</u>
Balance, December 31, 2021	B		\$ <u><u>13,160.64</u></u>

LICENSE FEES COLLECTED

<u>YEAR</u>	<u>AMOUNT</u>
2020	\$ 24,444.96
2019	<u>27,047.93</u>
	\$ <u><u>51,492.89</u></u>

"B-4"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK  
GRANTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2020	B	\$	17,250.00
Increased by:			
Grants Received	B-5		17,250.00
		\$	<u>34,500.00</u>
Decreased by:			
Cash Receipts	B-1		<u>17,250.00</u>
Balance, December 31, 2021	B	\$	<u><u>17,250.00</u></u>

"B-5"

SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK  
GRANTS RESERVE

Balance, December 31, 2020	B	\$	17,250.00
Increased by:			
Grants Received	B-4		17,250.00
		\$	<u>34,500.00</u>
Decreased by:			
Cash Disbursements	B-1	\$	<u>17,250.00</u>
			<u>17,250.00</u>
Balance, December 31, 2021	B	\$	<u><u>17,250.00</u></u>

"B-6"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF RESERVE FOR DISTRICT MANAGEMENT CORPORATION

	<u>REF.</u>		
Balance, December 31, 2020	B	\$	11,315.38
Increased by:			
Levy	B-1	\$	178,854.00
Miscellaneous Receipts	B-1		<u>11,845.50</u>
			190,699.50
		\$	<u>202,014.88</u>
Decreased by:			
Cash Disbursements	B-1		<u>195,399.31</u>
Balance, December 31, 2021	B	\$	<u><u>6,615.57</u></u>

"B-7"

SCHEDULE OF DUE CURRENT FUND-ANIMAL CONTROL FUND

Balance, December 31, 2020 (Due To)	B	\$	18,325.93
Decreased by:			
Cash Disbursements	B-1		<u><u>18,325.93</u></u>

"B-8"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF RESERVE FOR PAYROLL DEDUCTIONS

	<u>REF.</u>	
Balance, December 31, 2020	B	\$ 146,356.49
Increased by:		
Cash Receipts	B-1	<u>10,500,021.52</u>
		\$ 10,646,378.01
Decreased by:		
Cash Disbursements	B-1	<u>10,493,194.57</u>
Balance, December 31, 2021	B	\$ <u>153,183.44</u>

"B-9"

SCHEDULE OF ESCROW DEPOSITS

Balance, December 31, 2020	B	\$ 701,623.30
Increased by:		
Cash Receipts	B-1	<u>123,116.68</u>
		\$ 824,739.98
Decreased by:		
Cash Disbursements	B-1	<u>91,858.42</u>
Balance, December 31, 2021	B	\$ <u>732,881.56</u>

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF RESERVE FOR MISCELLANEOUS DEPOSITS

	BALANCE DECEMBER 31, 2020	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE DECEMBER 31, 2021
Police Outside Overtime	\$ 34,638.73	\$ 423,909.45	\$ 455,332.18	\$ 3,216.00
Medical Reimbursement	9,028.14	4,730.55	4,884.93	8,873.76
Developer's Deposits	280,124.51	117,174.11	159,231.38	238,067.24
State Unemployment Insurance	435,002.23	23,414.71	13,084.42	445,332.52
Forfeiture Accounts	17,580.25	4,376.49		21,956.74
Public Defender	34,781.41	4,943.00	10,250.00	29,474.41
Sign Fund	436.30			436.30
Tax Sale Premiums	909,900.00	406,100.00	711,100.00	604,900.00
POAA	6,606.45	1,312.00	2,677.72	5,240.73
Cable TV Donations	4,492.85	810.00		5,302.85
Enrichment	194,379.51	223,608.14	120,224.90	297,762.75
Recycling	3,160.51	13,042.86	4,400.62	11,802.75
DMC Donations	8,559.21	59,525.00	67,566.85	517.36
Body Armor Donations	5,091.16	500.00		5,591.16
Fire Penalties	1,263.51	1.10		1,264.61
LOSAP	17,397.25	21,673.80	18,400.00	20,671.05
Post Office Donations	16,906.14			16,906.14
Municipal Alliance Donations	2,322.70			2,322.70
Fire Donations	3,685.00	26,925.00	3,500.00	27,110.00
Police Donations	6,332.82	11,600.00	8,566.94	9,365.88
C.O.A.H.	85,043.41	44,736.24	12,813.15	116,966.50
Tree Replacement	4,500.00			4,500.00
Accumulated Absences	5,000.00	5,000.00		10,000.00
Public Events Recreation Donations		5,000.00		5,000.00
Celebration Public Events Donations		1,867.00	568.99	1,298.01
Snow Removal(Storm Recovery)	118,890.72	434,774.28	434,898.87	118,766.13
	<u>\$ 2,205,122.81</u>	<u>\$ 1,835,023.73</u>	<u>\$ 2,027,500.95</u>	<u>\$ 2,012,645.59</u>

REF.

B

B-1

B-1

B



"B-11"

TOWNSHIP OF CRANFORD

TRUST FUND

SCHEDULE OF INTERFUNDS - TRUST OTHER FUND

	<u>REF.</u>	<u>TOTAL</u>	SWIM POOL UTILITY OPERATING <u>FUND</u>	CURRENT <u>FUND</u>
Balance, December 31, 2020:				
Due From	B	\$ 265,000.00	\$ 265,000.00	
Cash Receipts	B-1	\$ <u>385,200.00</u>	\$ <u>385,000.00</u>	\$ <u>200.00</u>
Cash Disbursements	B-1	\$ <u>120,200.00</u>	\$ <u>120,000.00</u>	\$ <u>200.00</u>

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2020	C	\$	3,862,980.63
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	C-11	\$	215,000.00
Grants Receivable	C-7		788,256.54
Bond Anticipation Notes	C-9		18,206,589.00
Loan Receivable	C-20		2,624,042.00
Interfunds	C-15		1,978,684.13
Deferred Charges to Future Taxation Unfunded			316,347.00
Bonds Issued	C-10		9,700,000.00
Reserve for Ida	C-21		60,872.46
Premium on Sale of Notes	C-1		<u>175,501.13</u>
			34,065,292.26
		\$	<u>37,928,272.89</u>
Decreased by Disbursements:			
Contracts Payable	C-14	\$	3,775,007.74
Bond Anticipation Notes	C-9		27,494,530.00
Interfunds	C-15		1,978,684.13
Capital Fund Balance Utilized in Current Fund	C-1		<u>300,000.00</u>
			<u>33,548,221.87</u>
Balance, December 31, 2021	C:C-3	\$	<u><u>4,380,051.02</u></u>

"C-3"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

ANALYSIS OF CASH

BALANCE  
DECEMBER  
31, 2021

Fund Balance	\$ 203,017.05
Improvement Authorizations Funded Set Forth on "C-8"	2,312,027.64
Improvement Authorizations Expended As Set Forth on Exhibit "C-6"	(3,847,613.55)
Improvement Authorizations Unfunded - Unexpended Proceeds of Notes "C-6"	3,245,893.91
Grants Receivable	(2,554,322.50)
Local Homeowners Receivable	(135,756.51)
Capital Improvement Fund	13,749.00
Contracts Payable	5,055,273.26
Reserve for Debt Service	6,062.67
Resere for Ida	60,872.46
Cash on Hand to Pay Notes Various Ordinances "C-6"	45,000.59
Due From Cranford Board of Education	<u>(24,153.00)</u>
	<u>\$ 4,380,051.02</u>

REF.

C-2

"C-4"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF DUE FROM CRANFORD BOARD OF EDUCATION

REF.

Balance, December 31, 2021 and  
December 31, 2020

C

\$ 24,153.00

"C-5"

SCHEDULE OF DEFERRED CHARGES  
TO FUTURE TAXATION - FUNDED

Balance, December 31, 2020

C

\$ 15,840,507.68

Increased by:

Loans Issued

C-16

\$ 2,624,042.00

Bonds Issued

C-10

9,700,000.00

12,324,042.00

\$ 28,164,549.68

Decreased by:

Budget Appropriation to Pay Bonds

C-10

1,735,000.00

Budget Appropriation to Pay Infrastructure Loans

C-16

441,017.92

Budget Appropriation to Pay Green Trust Loans

C-12

12,355.03

2,188,372.95

Balance, December 31, 2021

C

\$ 25,976,176.73



"C-7"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2020	C	\$	2,831,657.10
Increased by:			
Grants Awarded	C-8		530,000.00
		\$	<u>3,361,657.10</u>
Decreased by:			
Cash Receipts	C-2	\$	788,256.54
Canceled	C-8		<u>19,078.06</u>
			<u>807,334.60</u>
Balance, December 31, 2021	C	\$	<u>2,554,322.50</u>



TOWNSHIP OF CRANFORD  
GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2020	INCREASE	DECREASE	BALANCE DECEMBER 31, 2021
12-15	Reconstruction of Lower Level Municipal Building	5/23/13	5/15/20	5/14/21	1.75%	\$ 1,559,675.00	\$	\$ 1,559,675.00	\$
12-19	Various Improvements	5/23/13	5/15/20	5/14/21	1.75%	155,125.00		155,125.00	
12-21	Multi-Purpose	5/23/13	5/15/20	5/14/21	1.75%	847,383.00		847,383.00	
13-03	Purchase of Computer Equipment	5/23/14	5/15/20	5/14/21	1.75%	36,663.00		36,663.00	
13-15	Various Improvements	5/23/14	5/15/20	5/14/21	1.75%	410,976.00		410,976.00	
13-16	Multi-Purpose	5/23/14	5/15/20	5/14/21	1.75%	1,023,440.00		1,023,440.00	
14-06	Various Public Improvements	5/23/14	5/15/20	5/14/21	1.75%	621,960.00		621,960.00	
14-14	Various Public Improvements	5/22/15	5/15/20	5/14/21	1.75%	1,619,518.00		1,619,518.00	
15-24	Various Public Improvements	5/20/16	5/15/20	5/14/21	1.75%	476,161.00		476,161.00	
15-24	Various Public Improvements	5/20/17	5/15/20	5/14/21	1.75%	537,519.00		537,519.00	
16-12	Multi-Purpose	5/20/17	5/15/20	5/14/21	1.75%	190,963.00		190,963.00	
17-05	Multi-Purpose	5/18/18	5/15/20	5/14/21	1.75%	1,130,224.00		1,130,224.00	
17-05	Multi-Purpose	5/17/19	5/15/20	5/14/21	1.75%	632,934.00		632,934.00	
14-14	Various Public Improvements	11/30/15	6/25/20	6/25/21	1.50%	842,602.00	627,393.00	842,602.00	627,393.00
14-14	Various Public Improvements	11/30/15	6/25/21	6/24/22	1.00%				
15-24	Various Public Improvements	6/30/16	6/25/20	6/25/21	1.50%	896,906.00	845,359.00	896,906.00	845,359.00
15-24	Various Public Improvements	6/30/16	6/25/21	6/24/22	1.00%				
15-27	Various Public Improvements	12/8/16	6/25/20	6/25/21	1.50%	1,177,530.00	1,177,530.00	1,177,530.00	
15-27	Various Public Improvements	12/8/16	6/25/21	6/24/22	1.00%				
15-31	Acq. Of Real Property	11/30/15	6/25/20	6/25/21	1.50%	1,154,430.00	1,133,295.00	1,154,430.00	1,133,295.00
15-31	Acq. Of Real Property	11/30/15	6/25/21	6/24/22	1.00%		1,139,240.00		1,139,240.00



TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2020	INCREASE	DECREASE	BALANCE DECEMBER 31, 2021
16-12	Multi-Purpose	12/8/16	6/26/20	6/25/21	1.50%	\$ 2,692,622.00	\$	2,692,622.00	\$
16-12	Multi-Purpose	12/8/16	6/25/21	6/24/22	1.00%		2,538,933.00		2,538,933.00
16-12	Multi-Purpose	6/30/17	6/26/20	6/25/21	1.50%	63,307.00		63,307.00	
16-12	Multi-Purpose	6/30/17	6/25/21	6/24/22	1.00%		59,889.00		59,889.00
16-13	Turf Field	6/30/17	6/26/20	6/25/21	1.50%	230,848.00		230,848.00	
16-13	Turf Field	6/30/17	6/25/21	6/24/22	1.00%		220,996.00		220,996.00
17-05	Multi-Purpose	6/30/17	6/26/20	6/25/21	1.50%	304,329.00		304,329.00	
17-05	Multi-Purpose	6/30/17	6/25/21	6/24/22	1.00%		286,083.00		286,083.00
17-05	Multi-Purpose	6/30/18	6/26/20	6/25/21	1.50%	292,656.00		292,656.00	
17-05	Multi-Purpose	6/30/18	6/25/21	6/24/22	1.00%		276,103.00		276,103.00
17-05	Multi-Purpose	6/28/19	6/26/20	6/25/21	1.50%	363,990.00		363,990.00	
17-05	Multi-Purpose	6/28/19	6/25/21	6/24/22	1.50%		697,346.00		697,346.00
17-05	Multi-Purpose	10/24/19	10/23/20	10/22/21	0.28%				
17-05	Multi-Purpose	10/24/19	10/22/21	10/21/22	0.28%	3,619,000.00		3,619,000.00	
18-191	Multi-Purpose	10/24/19	10/23/20	10/22/21	1.50%				
18-191	Multi-Purpose	10/24/19	10/22/21	10/21/22	0.28%		3,619,000.00		3,619,000.00
19-05	Multi-Purpose	10/24/19	10/23/20	10/22/21	1.50%	3,683,654.00		3,683,654.00	
19-05	Multi-Purpose	10/24/19	10/22/21	10/21/22	0.28%				
19-05	Multi-Purpose	5/15/20	5/15/20	5/14/21	1.75%	457,459.00		457,459.00	
19-05	Multi-Purpose	6/26/20	6/26/20	6/25/21	1.50%	440,506.00		440,506.00	
19-05	Multi-Purpose	6/26/20	6/25/21	6/24/22	1.00%		440,506.00		440,506.00
19-05	Multi-Purpose	10/23/20	10/23/20	10/22/21	1.50%	1,147,381.00		1,147,381.00	
19-05	Multi-Purpose	10/23/20	10/22/21	10/21/22	0.28%				
20-06	Multi-Purpose	10/23/20	10/23/20	10/22/21	1.50%	552,619.00		552,619.00	
20-06	Multi-Purpose	10/23/20	10/22/21	10/21/22	0.28%		552,619.00		552,619.00
20-06	Multi-Purpose	6/25/21	6/25/21	6/24/22	1.00%		574,802.00		574,802.00
						\$ 27,859,726.00	\$ 18,206,589.00	\$ 27,859,726.00	\$ 18,206,589.00
						C	C-2		C-C-6
						Notes Paid by Budget			
						Cash Disbursements			
						\$	\$	\$	\$
							365,196.00		
							27,494,530.00		
						\$	\$	\$	\$
							27,859,726.00		

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>MATURITIES OF BONDS OUTSTANDING</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>ISSUED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2021</u>
			<u>DATE</u>	<u>AMOUNT</u>					
General Improvements	08/15/06	\$ 1,603,000.00	08/15/22-37	\$ 1,268,000.00	Various	\$ 1,308,000.00	\$	\$ 40,000.00	\$ 1,268,000.00
General Improvements	01/15/18	9,700,000.00	01/15/22-26	970,000.00	2.000%				
			01/15/27	970,000.00	2.250%				
			01/15/28	970,000.00	3.000%	7,760,000.00		970,000.00	6,790,000.00
Refunding Bonds	5/24/18	4,870,000.00	8/15/22	145,000.00	4.000%				
			8/15/23	165,000.00	4.000%				
			8/15/24	195,000.00	4.000%				
			8/15/25	205,000.00	4.000%				
			8/15/26	215,000.00	4.000%				
			8/15/27	225,000.00	4.000%				
			8/15/28	240,000.00	4.000%				
			8/15/29	260,000.00	4.000%				
			8/15/30	280,000.00	4.000%				
			8/15/31	300,000.00	4.000%				
			8/15/32	305,000.00	4.000%				
			8/15/33	325,000.00	4.000%				
			8/15/34	345,000.00	4.000%				
			8/15/35	370,000.00	4.000%				
			8/15/36	390,000.00	4.000%				
			8/15/37	415,000.00	4.000%	4,505,000.00		125,000.00	4,380,000.00
General Improvements	5/1/2021	9,700,000.00	11/1/22	600,000.00	1.000%				
			11/1/23	650,000.00	1.000%				
			11/1/24	700,000.00	1.000%				
			11/1/25	750,000.00	1.000%				
			11/1/26	800,000.00	1.000%				
			11/1/27	800,000.00	1.000%				
			11/1/28	800,000.00	1.000%				
			11/1/29	1,000,000.00	1.250%				
			11/1/30	1,000,000.00	1.500%				
			11/1/31	1,000,000.00	2.000%				
			11/1/32	1,000,000.00	2.000%				
							9,700,000.00	600,000.00	9,100,000.00
						\$ 13,573,000.00	\$ 9,700,000.00	\$ 1,735,000.00	\$ 21,538,000.00
						C	C-2-C-5	C-5	C
					REF.				

"C-11"

TOWNSHIP OF CRANFORD  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2020	C	\$ 36,749.00
Increased by:		
Budget Appropriation	C-2	215,000.00
		<u>\$ 251,749.00</u>
Decreased by:		
Appropriation to Finance Improvement Authorizations	C-8	238,000.00
		<u>238,000.00</u>
Balance, December 31, 2021	C	<u>\$ 13,749.00</u>

"C-12"

SCHEDULE OF GREEN TRUST LOANS PAYABLE

Balance, December 31, 2020	C	\$ 84,882.87
Decreased by:		
Loans Paid by Budget	C-5	12,355.03
		<u>12,355.03</u>
Balance, December 31, 2021	C	<u>\$ 72,527.84</u>

"C-13"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF LOCAL HOMEOWNERS RECEIVABLE

REF.

Balance, December 31, 2021 and  
December 31, 2020

C

\$ 135,756.51

"C-14"

SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2020

C

\$ 2,572,135.91

Increased by:

Improvement Authorizations Charged

C-8

6,326,449.34

8,898,585.25

Decreased by:

Cash Disbursements

C-2

\$ 3,775,007.74

Canceled

C-8

68,304.25

3,843,311.99

Balance, December 31, 2021

C

\$ 5,055,273.26

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	SWIM POOL OPERATING <u>FUND</u>	CURRENT <u>FUND</u>
Cash Receipts	C-2 \$	1,978,684.13 \$	1,163,415.43 \$	815,268.70
Cash Disbursements	C-2 \$	1,978,684.13 \$	1,163,415.43 \$	815,268.70

"C-16"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF NJ INFRASTRUCTURE LOANS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2020	C	\$	2,182,624.81
Increased by:			
Loan	C-5:C-19		<u>2,624,042.00</u>
		\$	<u>4,806,666.81</u>
Decreased by:			
Loans Paid by Budget	C-5	\$	<u>441,017.92</u>
			<u>441,017.92</u>
Balance, December 31, 2021	C	\$	<u><u>4,365,648.89</u></u>

"C-17"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF INFRASTRUCTURE TEMPORARY NOTE RECEIVABLE

REF.

Balance, December 31, 2020	C	\$ 2,578,383.00
Decreased by:		
Canceled	C-19	\$ <u>2,578,383.00</u>

"C-18"

SCHEDULE OF RESERVE FOR DEBT SERVICE

Balance, December 31, 2021 and December 31, 2020	C	\$ <u>6,062.67</u>
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"C-19"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF INFRASTRUCTURE TEMPORARY NOTE PAYABLE

	<u>REF.</u>	
Balance, December 31, 2020	C	\$ 2,578,383.00
Decreased by:		
Canceled	C-19	\$ <u>2,578,383.00</u>

"C-20"

SCHEDULE OF NJ INFRASTRUCTURE LOANS RECEIVABLE

Increased by:		
Loan Issued	C-16	\$ 2,624,042.00
Decreased by:		
Cash Receipts	C-2	<u>2,624,042.00</u>



"C-21"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR STORM DAMAGE

REF.

Increased by:

Cash Receipts

C-2

\$ 60,872.46

Balance, December 31, 2021

C

\$ 60,872.46

"C-22"

TOWNSHIP OF CRANFORD

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2021</u>
01-38/03-27/05-47/06-28/07-35/11-31	Parking Garage	\$ 14,833.59
15-31	Acquisition of Real Property	57,986.14
16-18	Storm Drainage & Flood Mgmt.	77,939.15
20-06	Multi-Purpose	3,127,579.00
21-10	Multi-Purpose	<u>4,757,000.00</u>
		<u>\$ 8,035,337.88</u>

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2020	D	\$ 25,226.92	\$ 231,264.42
Increased by Receipts:			
Due Trust Other Fund	D-18	\$ 120,000.00	
Bond Anticipation Notes	D-6		\$ 1,193,411.00
Appropriation Refunds	D-3	16.36	
Membership	D-2	974,250.84	
Special Emergency Note Payable	D-20	1,098,000.00	
Miscellaneous	D-2	180,113.98	
Miscellaneous Revenue Not Anticipated	D-2	15,601.13	
		<u>2,387,982.31</u>	<u>1,193,411.00</u>
		\$ 2,413,209.23	\$ 1,424,675.42
Decreased by Disbursements:			
2021 Appropriations	D-3	\$ 1,112,536.87	
2020 Appropriation Reserves	D-12	21,912.53	
Due Current Fund	D-19	47,965.97	
Due Trust Other Fund	D-18	385,000.00	
Bond Anticipation Notes	D-6		1,193,411.00
Contracts Payable	D-8		103,785.67
		<u>1,567,415.37</u>	<u>1,297,196.67</u>
Balance, December 31, 2021	D:D-5	\$ 845,793.86	\$ 127,478.75

"D-5"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY FUND

SCHEDULE OF SWIM POOL UTILITY CAPITAL CASH

		BALANCE DECEMBER <u>31, 2021</u>
Capital Improvement Fund	\$	6,840.00
Contracts Payable		25,571.30
Improvement Authorizations 15-26		9,288.72
Improvement Authorizations 16-17		<u>85,778.73</u>
	\$	<u><u>127,478.75</u></u>

REF.

D-4

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ISSUE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>BALANCE DECEMBER 31, 2021</u>
15-26	Various Pool Improvements	12/8/16	6/25/21	6/24/22	1.00%	\$ 797,102.00	\$ 766,653.00	\$ 797,102.00	\$ 766,653.00
16-17	Various Pool Improvements	12/8/16	6/25/21	6/24/22	1.00%	443,172.00	426,758.00	443,172.00	426,758.00
						<u>\$ 1,240,274.00</u>	<u>\$ 1,193,411.00</u>	<u>\$ 1,240,274.00</u>	<u>\$ 1,193,411.00</u>
			<u>REF.</u>			D	D-4		D
	Cash Disbursements		D-4				\$ 1,193,411.00		
	Notes Paid by Budget		D-17				<u>46,863.00</u>		
							<u>\$ 1,240,274.00</u>		

"D-7"

TOWNSHIP OF CRANFORD  
SWIM POOL UTILITY OPERATING FUND  
SCHEDULE OF CHANGE FUND

REF.

Balance, December 31, 2021 and  
December 31, 2020

D

\$ 150.00

"D-8"

SWIM POOL UTILITY CAPITAL FUND  
SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2020

D

\$ 25,922.00

Increased by:

Improvement Authorizations

D-15

103,434.97

\$ 129,356.97

Decreased by:

Cash Disbursements

D-4

\$ 103,785.67

103,785.67

Balance, December 31, 2021

D

\$ 25,571.30

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE AMOUNT</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>BALANCE DECEMBER 31, 2019</u>
General Improvements:				
15-26	Various Pool Improvements	1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00
16-17	Various Pool Improvements	500,000.00	500,000.00	500,000.00
			<u>\$ 1,500,000.00</u>	<u>\$ 1,500,000.00</u>
	<u>REF.</u>		D	D

"D-10"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

	BALANCE DECEMBER <u>31, 2021</u>	BALANCE DECEMBER <u>31, 2020</u>
Swim Pool Facilities:		
Orange Avenue	\$ 1,242,525.00	\$ 1,242,525.00
Centennial Avenue	2,000,449.00	2,000,449.00
Pool Improvements	1,450,000.00	1,450,000.00
General Equipment	<u>774,954.34</u>	<u>774,954.34</u>
	<u>\$ 5,467,928.34</u>	<u>\$ 5,467,928.34</u>
<u>REF.</u>	D	D



"D-11"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

REF.

Balance, December 31, 2021 and  
December 31, 2020

D

\$ 6,840.00

"D-12"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

SCHEDULE OF 2020 APPROPRIATION RESERVES

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u>	<u>BALANCE</u> <u>AFTER</u> <u>TRANSFERS</u>	<u>CASH</u> <u>DISBURSED</u>	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>
Operating:					
Salaries and Wages	\$ 524,472.87	\$ 524,472.87	\$	0.00	\$ 524,472.87
Other Expenses	220,685.55	242,998.15	21,912.53	21,912.53	221,085.62
Statutory Expenditures:				0.00	
Social Security	<u>32,019.55</u>	<u>32,019.55</u>		<u>0.00</u>	<u>32,019.55</u>
	\$ <u>777,177.97</u>	\$ <u>799,490.57</u>	\$ <u>21,912.53</u>	\$ <u>21,912.53</u>	\$ <u>777,578.04</u>
REF.	D:D-12			D-4	D-1
Balance, December 31, 2020	D-12	\$ 777,177.97			
Encumbrances Payable	D-13	<u>22,312.60</u>			
		\$ <u>799,490.57</u>			
Due Current Fund	D-19	0.00		\$	29,292.03
Operations	D-1				<u>748,286.01</u>
				\$	<u>777,578.04</u>

"D-13"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>	
Balance, December 31, 2020	D	\$ 22,312.60
Increased by:		
Charges to Appropriations	D-3	41,702.33
		<u>\$ 64,014.93</u>
Decreased by:		
Transferred to Appropriation Reserves	D-12	<u>22,312.60</u>
Balance, December 31, 2021	D	<u><u>\$ 41,702.33</u></u>

"D-14"

SCHEDULE OF ACCRUED INTEREST ON NOTES

Balance, December 31, 2020	D	\$ 9,715.48
Increased by:		
Budget Appropriation	D-3	<u>5,071.98</u>
Balance, December 31, 2021	D	<u><u>\$ 14,787.46</u></u>

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE AMOUNT	BALANCE		PAID OR CHARGED	BALANCE	
			DECEMBER 31, 2020	UNFUNDED		DECEMBER 31, 2021	UNFUNDED
General Improvements:							
15-26	Various Pool Improvements	\$ 1,000,000.00	\$ 38,429.62	\$	29,140.90	\$ 9,288.72	
16-17	Various Pool Improvements	500,000.00	160,072.80		74,294.07	85,778.73	
			<u>\$ 198,502.42</u>	<u>\$</u>	<u>103,434.97</u>	<u>\$ 95,067.45</u>	
	REF.		D		D-8		D

"D-16"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

REF.

Balance, December 31, 2021 and  
December 31, 2020

D

\$ 4,973,928.34

"D-17"

SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION

Balance, December 31, 2020

D

\$ 753,726.00

Increased by:

Notes Paid by Budget

D-6

46,863.00

Balance, December 31, 2021

D

\$ 800,589.00

"D-18"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

SCHEDULE OF DUE TRUST OTHER FUND

	<u>REF.</u>		
Balance, December 31, 2020 (Due To)	D	\$	265,000.00
Cash Receipts	D-4		120,000.00
Cash Disbursements	D-4	\$	<u>385,000.00</u>

"D-19"

SCHEDULE OF DUE CURRENT FUND

Balance, December 31, 2020 (Due To)	D	\$	47,965.97
Unexpended Balance of Appropriation Reserves	D-12	\$	<u>29,292.03</u>
			29,292.03
Cash Disbursements	D-4		<u>47,965.97</u>
Balance, December 31, 2021 (Due To)	D	\$	<u>29,292.03</u>

"D-20"

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE

	<u>REF.</u>		
Increased by:			
Cash Receipts	D-4	\$	1,098,000.00
Balance, December 31, 2021	D	\$	<u>1,098,000.00</u>

TOWNSHIP OF CRANFORD

SWIM POOL UTILITY OPERATING FUND

SCHEDULE OF DEFERRED CHARGES

PURPOSE

Emergency Authorization (N.J.S.A. 40A:4-53)

	BALANCE DECEMBER 31, 2020	BALANCE DECEMBER 31, 2021
	1,098,312.42	1,098,312.42
	<u>1,098,312.42</u>	<u>1,098,312.42</u>
\$	<u>1,098,312.42</u>	<u>1,098,312.42</u>

REF.

D

D



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PART II

TOWNSHIP OF CRANFORD

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2021

COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE - CURRENT FUND

	YEAR 2021		YEAR 2020	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 3,300,000.00	2.59%	\$ 2,950,000.00	2.36%
Miscellaneous - From Other Than Local				
Property Tax Levies	12,566,084.60	9.87%	11,960,272.07	9.57%
Collection of Delinquent Taxes and				
Tax Title Liens	955,134.93	0.75%	706,789.85	0.57%
Collection of Current Tax Levy	110,452,502.81	86.78%	109,319,080.09	87.50%
<u>TOTAL INCOME</u>	<u>127,273,722.34</u>	<u>100.00%</u>	<u>124,936,142.01</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	38,481,117.69	31.19%	38,631,571.33	31.34%
County Taxes	23,214,011.51	18.82%	24,127,036.19	19.57%
Local School Taxes	61,498,245.00	49.85%	60,296,714.00	48.91%
Other Expenditures	178,854.00	0.14%	216,294.86	0.18%
<u>TOTAL EXPENDITURES</u>	<u>123,372,228.20</u>	<u>100.00%</u>	<u>123,271,616.38</u>	<u>100.00%</u>
Excess in Revenue	3,901,494.14		1,664,525.63	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above Which are Deferred				
Charges to Budget of Succeeding Year	500,000.00			
Regulatory Excess to Fund Balance	4,401,494.14		1,664,525.63	
Fund Balance, January 1	6,638,360.78		7,923,835.15	
	1,435,000.00		9,588,360.78	
Less: Utilization as Anticipated Revenue	3,300,000.00		2,950,000.00	
Fund Balance, December 31	\$ <u>7,739,854.92</u>		\$ <u>6,638,360.78</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE  
IN FUND BALANCE - SWIM POOL UTILITY FUND

	YEAR 2021		YEAR 2020	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Collection of Membership Fees	974,250.84	51.20%	528,369.06	30.93%
Miscellaneous	180,113.98	9.47%	33,718.52	1.97%
Miscellaneous-From Other Than Pool Receipts	748,286.01	39.33%	1,146,278.39	67.10%
<u>TOTAL INCOME</u>	<u>1,902,650.83</u>	<u>100.00%</u>	<u>1,708,365.97</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	1,114,419.00	88.80%	1,585,413.00	91.29%
Municipal Debt Service	70,000.00	5.58%	75,551.83	4.35%
Deferred Charges and Statutory Expenditures	70,487.41	5.62%	75,745.00	4.36%
<u>TOTAL EXPENDITURES</u>	<u>1,254,906.41</u>	<u>100.00%</u>	<u>1,736,709.83</u>	<u>100.00%</u>
Excess in Revenue	663,345.55			
Deficit in Revenue			948.17	
Operating Deficit to be raised in Budget of Succeeding Year			948.17	
Regulatory Excess to Surplus	663,345.55			
Fund Balance, January 1	1,517.32		1,517.32	
	664,862.87		1,517.32	
Fund Balance, December 31	\$ 664,862.87		\$ 1,517.32	

### COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Tax Rate	<u>\$6.583</u>	<u>\$6.562</u>	<u>\$6.520</u>
Apportionment of Tax Rate:			
Municipal	1.427	1.408	1.408
Library	0.094	0.095	0.093
County	1.378	1.438	1.463
Local School	3.684	3.621	3.556

### Assessed Valuation:

2021	<u>\$1,669,462,418.00</u>	
2020	<u>\$1,665,559,717.00</u>	
2019		<u>\$1,663,106,811.00</u>

### COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH</u> <u>COLLECTION</u>	<u>PERCENTAGE OF</u> <u>COLLECTIONS</u>
2021	\$111,019,675.90	\$110,452,502.81	99.48%
2020	110,284,671.85	109,319,080.09	99.12%
2019	109,004,621.79	108,155,100.51	99.22%

### DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last three years.

<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	\$7,255.11	\$468,059.39	\$475,314.50	0.43%
2020	136,501.00	810,519.92	947,020.92	0.86%
2019	104,799.16	706,796.77	811,595.93	0.74%

### COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE DECEMBER 31,</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2021	\$7,739,854.92	\$4,500,000.00
	2020	6,638,360.78	3,300,000.00
	2019	7,923,835.15	2,950,000.00
	2018	7,148,316.64	2,950,000.00
	2017	5,960,801.88	2,850,000.00

	<u>YEAR</u>	<u>BALANCE DECEMBER 31,</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Swim Pool Utility Fund	2021	\$664,862.87	\$550,679.00
	2020	1,517.32	-0-
	2019	1,517.32	-0-
	2018	47,628.32	46,111.00
	2017	85,572.29	75,839.05

## OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Kathleen Miller Prunty	Mayor	*
Brian Andrews	Deputy Mayor	*
Jason Gareis	Commissioner	*
Mary O'Connor	Commissioner	*
Thomas Hannen	Commissioner	*
Jamie Cryan	Township Administrator	*
Lavona Patterson	CFO	*
Karyn Kinane	Tax Collector	*
Patricia Donahue	Township Clerk	*
Ashley Kurbanoglu	Deputy Township Clerk	*
Paul Kobliska	Electrical Subcode Official	*
Ryan Cooper	Township Attorney	*
Richard Belluscio	Construction Official (to 5/4/21)	*
Frank Genova	Construction Official (from 7/16/21)	*
Jason Bottcher	Zoning Officer	*
Christian Jessen	Plumbing Subcode Official	*
Bryan Flynn	Tax Assessor	*
Stephen Robertazzi	Director of Parks/Recreation	*
Mark Cassidy	Magistrate	*
Lorraine Powell	Court Administrator	*
Beth Ann Marotta	Deputy Court Administrator	*
Norman Albert Esq.	Prosecutor	*
Ryan Greco	Police Chief	*
Daniel Czeh	Fire Chief	*

\*Covered by \$1,000,000.00 under Statewide Insurance Fund

GENERAL COMMENTS AND RECOMMENDATIONS



## GENERAL COMMENTS

### CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4

"Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to Section 3 P.L. 1971 C. 198 (C. 40A:11-3), except by contract or agreement."

Effective July 1, 2020, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00 or up to \$44,000.00 if the entity has a Qualified Purchasing Agent. The Township appointed a Qualified Purchasing Agent and has elected to increase its bid threshold to \$44,000.00.

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

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

- Vehicles
- Road/Sidewalk Improvements
- Pool Services
- Renovations
- Recycling
- Drainage Improvements

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

The minutes indicate that resolutions authorizing contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5 were advertised during 2020 for the following professional services:

- Auditor
- Attorney/Legal
- Architect
- Engineer
- Planning

## GENERAL COMMENTS (CONTINUED)

### COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body on January 4, 2021 adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

"BE IT RESOLVED by the Governing Body of the Township of Cranford that the rate of interest on delinquent taxes and assessments owed to the said Township of Cranford, be and it hereby is set at eight percent (8%) on the first One Thousand Five Hundred Dollars (\$1,500.00) of taxes due and eighteen percent (18%) of any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00). Such interest shall not be charged, however, on payments made within ten (10) days from the due date."

"BE IT FURTHER RESOLVED there will be a six percent (6%) penalty on delinquency of Ten Thousand Dollars (\$10,000.00) or more at the end of the calendar year."

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

### DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on November 17, 2021 and was complete.

Inspection of Tax Sale Certificates on file revealed that all Tax Sale Certificates were available for audit.

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

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2021	1
2020	3
2019	3

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

## GENERAL COMMENTS (CONTINUED)

### VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, consisting of the mailing of verification notices as follows:

<u>TYPE</u>	
Payments of 2022 Taxes	25
Payments of 2021 Taxes	25
Delinquent Taxes	25

### OTHER COMMENTS

#### Interfunds

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out as of the end of the year.

It is the Township's policy to review and liquidate all interfund balances on a periodic basis.

#### Purchasing

We noted that several purchase orders are processed as confirming orders. This is where goods have been received or services have been rendered prior to the issuance of a purchase order.

#### Departments

We noted that the Board of Health department did keep an adequate cash receipts ledger for for three months and did not always turn over receipts to the Treasurer within 48 hours of receipt as required by N.J.S.A. 40A:5-15.

## RECOMMENDATIONS

That the practice of issuing confirming purchase orders be discontinued.

\*That the Board of Health department keep an accurate cash receipts ledger and turn over receipts to the Treasurer within 48 hours of receipt as required by N.J.S.A. 40A:5-15.

\*Prior Year Recommendation