

# COUNTY OF SALEM



STATE OF NEW JERSEY

REPORT OF AUDIT

FOR THE YEAR ENDED

DECEMBER 31, 2019

**COUNTY OF SALEM**  
**TABLE OF CONTENTS**

**Exhibit No.****Page No.****PART I**

Independent Auditor's Report	2
------------------------------	---

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	5
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**CURRENT FUND**

A	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	7
A-1	Statements of Operations and Changes in Fund Balance--Regulatory Basis	8
A-2	Statement of Revenues--Regulatory Basis	9
A-3	Statement of Expenditures--Regulatory Basis	13

**TRUST FUND**

B	Statement of Assets, Liabilities and Reserves--Regulatory Basis	24
B-1	Open Space and Farmland Preservation--Statement of Revenues and Other Credits to Income--Regulatory Basis	26
B-2	Open Space and Farmland Preservation--Statement of Expenditures and Other Charges to Income--Regulatory Basis	27

**GENERAL CAPITAL FUND**

C	Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis	28
C-1	Statement of General Capital Fund Balance--Regulatory Basis	29

**GENERAL FIXED ASSETS ACCOUNT GROUP**

D	Statement of General Fixed Asset Groups of Account-- Regulatory Basis	30
	Notes to Financial Statements	31

**SUPPLEMENTAL EXHIBITS****CURRENT FUND**

SA-1	Statement of Current Cash Per N.J.S.40A:5-5--Treasurer	77
SA-2	Statement of County Taxes Receivable	78
SA-3	Statement of Revenue Accounts Receivable	79
SA-4	Statement of 2018 Appropriation Reserves	80
SA-5	Statement of Mortgages Receivable	84
SA-6	Statement of Reserve for Repair and Construction of Roads, Bridges, And Railroads	84
SA-7	Statement of Accounts Payable	84
SA-8	Federal & State Grant Fund--Statement of Due to Current Fund	85
SA-9	Federal & State Grant Fund--Statement of Federal and State Grant Receivable	86
SA-10	Federal & State Grant Fund--Statement of Reserve for Federal and State Grant Funds--Appropriated	88
SA-11	Federal & State Grant Fund--Statement of Reserve for Federal and State Grants--Unappropriated	91

**COUNTY OF SALEM**  
**TABLE OF CONTENTS (CONT'D)**

<b><u>Exhibit No.</u></b>		<b><u>Page No.</u></b>
 <b><u>TRUST FUND</u></b>		
SB-1	Statement of Trust Cash per N.J.S.40A:5-5--Treasurer	93
SB-2	Statement of Reserve for Trust Funds	94
SB-3	Statement of Taxes Receivable--Open Space/ Farmland Preservation	95
SB-4	Statement of Reserve for Future Use--Open Space/ Farmland Preservation	96
SB-5	Statement of Investments--Open Space/ Farmland Preservation	97
 <b><u>GENERAL CAPITAL FUND</u></b>		
SC-1	Statement of General Capital Cash per N.J.S.A.40:5-5--Treasurer	99
SC-2	Analysis of General Capital Cash	100
SC-3	Statement of Due from Current Fund	101
SC-4	Statement of Deferred Charges to Future Taxation--Funded	101
SC-5	Statement of Deferred Charges to Future Taxation--Unfunded	102
SC-6	Statement of Improvement of Authorizations	103
SC-7	Statement of Serial Bonds	104
SC-8	Statement of Capital Improvement Fund	108
SC-9	Schedule of New Jersey Dam Restoration Loan	109
SC-10	Statement of Bond Anticipation Notes	110
SC-11	Statement of Bonds and Notes Authorized But Not Issued	111
 <b><u>OTHER OFFICIALS AND INSTITUTIONS</u></b>		
SE	County Clerk--Statements of Assets, Liabilities and Reserves-- Regulatory Basis	113
SE-1	County Clerk--Statement of Cash	114
SF	Surrogate's Office--Statements of Assets, Liabilities and Reserves-- Regulatory Basis	115
SF-1	Surrogate's Office--Statement of Cash--Surrogate	116
SF-2	Surrogate's Office--Statement of Investment--Savings and Loan Association	117
SF-3	Surrogate's Office--Statement of Investment--Certificate of Deposit	117
SG	Sheriff's Office--Statements of Assets, Liabilities and Reserves-- Regulatory Basis	118
SG-1	Sheriff's Office--Statement of Cash	119
SG-2	Sheriff's Office--Statement of Sheriff's Fees Due County	119
SH	Jail Prisoners' Welfare Fund-- Statements of Assets, Liabilities and Reserves-- Regulatory Basis	120
SH-1	Jail Prisoners' Welfare Fund--Statements of Cash	121

**COUNTY OF SALEM**  
**TABLE OF CONTENTS (CONT'D)**

**Exhibit No.****Page No.**

**PART II**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

Schedule of Financial Statement Findings 123

Summary Schedule of Prior Year Audit Findings and Questioned Costs  
as Prepared by Management 124

**OFFICIALS IN OFFICE AND SURETY BONDS** 125

**APPRECIATION** 126

**COUNTY OF SALEM**  
**PART I**  
**REPORT OF AUDIT OF FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Director and  
Members of the County Board of Chosen Freeholders  
County of Salem  
Salem, New Jersey 08079

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

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the County of Salem, State of New Jersey, as of December 31, 2019 and 2018, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

## **Opinions**

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

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

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

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

In our opinion, because of the significance of the matter discussed in the “*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the County of Salem, State of New Jersey, as of December 31, 2019 and 2018, or the results of its operations and changes in fund balance for the years then ended.

### *Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the County of Salem, State of New Jersey, as of December 31, 2019 and 2018, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2019, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

## **Other Matters**

### *Other Information*

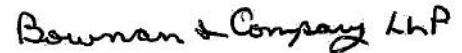
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2020 on our consideration of the County of Salem, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Henry J. Ludwigsen  
Certified Public Accountant  
Registered Municipal Accountant

Woodbury, New Jersey  
October 27, 2020



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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Director and  
Members of the County Board of Chosen Freeholders  
County of Salem  
Salem, New Jersey 08079

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the County of Salem, State of New Jersey, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 27, 2020. That report indicated that the County of Salem's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control over Financial Reporting**

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

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

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

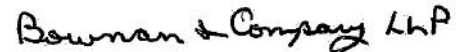
**Compliance and Other Matters**

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

**Purpose of this Report**

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Henry J. Ludwigsen  
Certified Public Accountant  
Registered Municipal Accountant

Woodbury, New Jersey  
October 27, 2020

**COUNTY OF SALEM**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis  
 As of December 31, 2019 and 2018

<u>ASSETS</u>	<u>Ref.</u>	<u>2019</u>	<u>2018</u>
Regular Fund:			
Cash	SA-1	\$ 16,708,759.50	\$ 13,585,669.90
Receivables and Other Assets with Full Reserves:			
Taxes Receivable	SA-2	2,178.81	200,314.40
Revenue Accounts Receivable	SA-3	97,337.57	96,200.00
Due from Federal and State Grant Fund	SA-8	1,142,628.08	2,286,115.51
Mortgages Receivable	SA-5	362,611.61	380,232.12
Total Receivables and Other Assets with Full Reserves		1,604,756.07	2,962,862.03
Total Regular Fund		18,313,515.57	16,548,531.93
Federal and State Grant Fund:			
Grants Receivable	SA-9	50,327,760.80	44,571,841.75
Total Federal and State Grant Fund		50,327,760.80	44,571,841.75
		<u>\$ 68,641,276.37</u>	<u>\$ 61,120,373.68</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves	A-3, SA-4	\$ 4,274,577.42	\$ 2,915,504.60
Reserve for Encumbrances	A-3, SA-4	1,285,501.53	1,924,380.44
Accounts Payable	SA-7	64,913.05	142,948.77
Due General Capital Fund	SC-3	903,576.93	4,110.31
Due Open Space Trust Fund	SB-4	1,444,335.17	1,987,300.49
Reserve for Reconstruction of Various County Roads	A	128,803.35	128,803.35
Transportation OOA Program	A	4,468.11	4,468.11
Reserve for Payment of Debt	A	46,906.16	46,906.16
Reserve for Repair and Reconstruction of Roads, Bridges and Railroads	SA-6	246,557.13	246,557.13
		8,399,638.85	7,400,979.36
Reserve for Receivables	A	1,604,756.07	2,962,862.03
Fund Balance	A-1	8,309,120.65	6,184,690.54
Total Regular Fund		18,313,515.57	16,548,531.93
Federal and State Grant Fund:			
Due Current Fund	SA-8	1,142,628.08	2,286,115.51
Reserve for Encumbrances	SA-10	6,406,766.32	5,041,083.14
Reserve for Appropriated Grants	SA-10	42,725,149.09	37,214,439.10
Reserve for Unappropriated Grants	SA-11	53,217.31	30,204.00
Total Federal and State Grant Fund		50,327,760.80	44,571,841.75
		<u>\$ 68,641,276.37</u>	<u>\$ 61,120,373.68</u>

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

**COUNTY OF SALEM**  
**CURRENT FUND**

Statements of Operations and Changes in Fund Balance -- Regulatory Basis  
For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>REVENUE AND OTHER INCOME REALIZED:</b>		
Fund Balance Realized	\$ 4,016,680.58	\$ 3,579,188.64
Miscellaneous Revenue Anticipated	32,081,338.02	41,062,806.79
Receipts from Current Taxes	58,653,268.22	58,157,686.32
Non-Budget Revenues	1,444,227.17	2,411,785.85
Other Credits to Income:		
Cancellation of Prior Year Payable	142,948.77	
Unexpended Balance of Appropriation Reserves	1,284,891.63	1,951,290.64
Interfunds Returned	1,143,487.43	12,987.36
Revenue Accounts Receivable:		
Constitutional Officers Salary Reimbursement	96,200.00	
Mortgage Receivable	17,620.51	30,388.88
	<u>98,880,662.33</u>	<u>107,206,134.48</u>
Total Income		
<b>EXPENDITURES:</b>		
Budget Appropriations:		
Operations:		
Salaries and Wages	30,690,050.00	29,344,125.00
Other Expenses	46,938,267.76	56,472,976.08
Capital Improvements	1,065,030.00	650,000.00
Debt Service	6,023,635.88	5,908,460.51
Deferred Charges and Statutory Expenditures	8,022,568.00	8,007,614.59
Other Debits to Income:		
Interfund Advances		1,501,816.85
	<u>92,739,551.64</u>	<u>101,884,993.03</u>
Total Expenditures		
Excess in Revenues	6,141,110.69	5,321,141.45
<b>FUND BALANCE:</b>		
Balance January 1	<u>6,184,690.54</u>	<u>4,442,737.73</u>
	12,325,801.23	9,763,879.18
Decreased by:		
Utilized as Revenue	<u>4,016,680.58</u>	<u>3,579,188.64</u>
Balance December 31	<u>\$ 8,309,120.65</u>	<u>\$ 6,184,690.54</u>

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

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2019

	Budget 2019	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Surplus Anticipated	\$ 4,016,680.58		\$ 4,016,680.58	
Miscellaneous Revenues:				
Local Revenues:				
County Clerk	453,000.00		453,000.00	
Surrogate	70,000.00		48,815.90	\$ (21,184.10)
Sheriff	59,000.00		59,000.00	
Office on Aging	10,000.00		12,575.60	2,575.60
SCIA	160,483.00		160,483.00	
Interest on Investments and Deposits	20,000.00		335,777.24	315,777.24
Refunds - Public Health Department	34,000.00		36,789.20	2,789.20
Planning Board - Development Review Fees	5,500.00		69,746.60	64,246.60
Due from Lower Alloways Creek Township	2,195,000.00		2,195,000.00	
One Stop Administration/Rent	41,275.00		40,455.03	(819.97)
Bail Forfeiture	14,000.00		6,900.00	(7,100.00)
Home Detention	12,000.00		13,706.22	1,706.22
Jail Miscellaneous	120,000.00		146,555.59	26,555.59
County Dispatch Services:				
Elmer Borough	10,700.00		10,700.00	
Woodstown Borough	32,000.00		32,000.00	
City of Salem	129,010.00		129,010.00	
Lower Alloways Creek	39,795.30		39,795.30	
Pennsville	135,000.00		137,700.00	2,700.00
Carneys Point	105,000.00		107,100.00	2,100.00
Penns Grove	155,000.00		155,000.00	
Inmate Health Reimbursement to Salem County	3,000.00		3,448.22	448.22
Jail Telephone	39,000.00		50,230.83	11,230.83
Fire School	50,000.00		79,385.00	29,385.00
Meals on Wheels Rent	6,000.00		10,200.00	4,200.00
State Prisoners	11,000.00		18,053.93	7,053.93
Lease for Farmland	100.00		6,800.00	6,700.00
County College Debt Contribution	412,256.00		270,718.63	(141,537.37)
State Aid:				
State Aid - County College Bonds (NJSA 18A:64A-22.6)	311,688.00		311,803.39	115.39
Public Health Priority Funding - 1977	62,500.00		108,994.25	46,494.25
Debt Service - State Aid (Type I) - Vocational Education Bonds	376,453.00		378,185.00	1,732.00
State Assumption of Costs of County Social & Welfare Service & Psychiatric Facilities				
Social and Welfare Services (c.66,P.L. 1990):				
Div Eco Assist SSI Costs	162,176.00		157,286.00	(4,890.00)

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2019

	Budget	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
	2019			
Special Items of General Revenue Anticipated with Prior Written Consent of Director of				
Local Government Services - Public and Private Revenues Offset with Appropriations				
Area Plan Grant	\$ 850,560.00	\$ 20,388.00	\$ 870,948.00	
Alcohol and Drug Abuse Services: #03-539-ADA-00-Comprehensive Program		230,347.00	230,347.00	
Alliance to Prevent Alcoholism and Drug Abuse		137,801.00	137,801.00	
Senior Citizen and Disabled Resident Transportation Program	346,318.00		346,318.00	
PASP - Personal Attendant Services	11,114.10		11,114.10	
Prosecutor's Insurance Fund	250,000.00		250,000.00	
Local Art Program	46,843.00		46,843.00	
Juvenile Justice Commission State/Community Partnership	200,966.00		200,966.00	
Juvenile Justice Commission Family Court Services	100,261.00		100,261.00	
Victims of Crime Act (VS-41B-17)		72,000.00	72,000.00	
Victims of Crime Act (VCS-60-15)	121,712.00		121,712.00	
Victims of Crime Act (VCS-60-15) SART/FNE	72,000.00		72,000.00	
VOCA Grant (V-17-17)		207,182.00	207,182.00	
JDAI Innovations	120,000.00		120,000.00	
Workforce Innovation and Opportunity Act (WIOA)		724,624.00	724,624.00	
Body Armor Fund (Sheriff)	20,064.72		20,064.72	
Body Armor Fund (Prosecutor)	2,410.97		2,410.97	
Bulletproof Vest Partnership	4,812.50	2,810.00	7,622.50	
NJ OEM	55,000.00		55,000.00	
FTA Small Urban & Rural Area Public Transportation (5311)	260,986.50		260,986.50	
Historical Commission Grant	14,310.00		14,310.00	
Help Americans Vote Act	51,216.08		51,216.08	
Transportation - County Aid		4,842,538.00	4,842,538.00	
Homeland Security Grant		161,093.68	161,093.68	
Community Service Program (DARE)		10,000.00	10,000.00	
2018 State Criminal Alien Assistance Program (SCAAP)		22,310.00	22,310.00	
Childhood Lead Exposure Prevention Project		200,000.00	200,000.00	
Emergency Services - Radio Emergency Response Plan (RERP)		262,062.84	262,062.84	
Small Cities CDBG 2018 - Mid Atlantic Facility		320,000.00	320,000.00	
State Health Insurance Assistance Program (SHIP)		33,000.00	33,000.00	
MIPPA Outreach & Enrollment	40,000.00	40,000.00	80,000.00	
County Environmental Health Act	131,350.00		131,350.00	
NJDOT Centerton Traffic Signal Improvements - Design	167,194.65		167,194.65	
NJDOT-Funds Exchange Program		100,000.00	100,000.00	
NJ DOT - CR 551 (Hook Rd) & E Pittsfield St to Rte 295-Phase I	1,152,218.00		1,152,218.00	
Hook Road, CR 551, Phase 2-Design		100,000.00	100,000.00	
Design of Hook Road, CR #551, Phase 3		69,197.00	69,197.00	
Senior Farmers Market Nutrition - Salem OAA		500.00	500.00	
2019 Healthy Salem-Healthy Body		20,000.00	20,000.00	
Work First New Jersey WFNJ		670,251.00	670,251.00	
SCIA - Clean Communities		500.00	500.00	
Subregional Transportation Planning		34,400.00	34,400.00	
Operation Helping Hand	58,824.00	100,000.00	158,824.00	
2019 Local Bridge Future Needs Program		1,262,004.00	1,262,004.00	
2019 Local Freight Impact Fund		221,487.00	221,487.00	
2017 Salem County Mill and Overlay Resurfacing Program	43,881.00		43,881.00	
2018 Salem County Mill and Overlay Resurfacing program		1,448,484.15	1,448,484.15	
Public Health Preparedness and Response to Bioterrorism		265,340.00	265,340.00	
Early Intervention - Case Management		41,018.00	41,018.00	
NJDHSS - Right to Know Program		8,786.00	8,786.00	
Veterans Transportation Grant	13,000.00		13,000.00	

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2019

	Budget <u>2019</u>	<u>Anticipated</u> Special N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	Excess or (Deficit)
Special Items of General Revenue Anticipated with Prior Written Consent of Director of				
Local Government Services - Other Special Items				
Added Assessments	\$ 174,000.00		\$ 378,549.94	\$ 204,549.94
Salem County Area Office on Aging	58,000.00		58,000.00	
Salem County Bus Service - NJ Transit Contract	1,526,449.21		1,486,140.88	(40,308.33)
Addl Rent - Social Services	45,000.00			(45,000.00)
Rent - Agriculture Building	92,925.00		92,925.00	
Board of Male Inmates in County Jail	5,975,000.00		5,572,019.85	(402,980.15)
Board of Federal Inmates in County Jail	350,000.00		2,026,333.67	1,676,333.67
Gloucester County Alternative Youth Shelter Beds	75,438.00		75,438.00	
Rent Communication Tower	18,000.00		18,000.00	
Title Section IV-D Reimbursement for State of NJ	301,976.73		301,976.73	
BOSS Reimbursements and Administrative Fees	243,356.04		233,783.77	(9,572.27)
Constitutional Officers - Increased Fees (P.L. 2001, c.370:				
County Clerk	111,700.00		397,129.43	285,429.43
Sheriff	100,000.00		92,659.63	(7,340.37)
Total Miscellaneous Revenues	<u>18,441,823.80</u>	<u>\$ 11,628,123.67</u>	<u>32,081,338.02</u>	<u>2,011,390.55</u>
Amount to Be Raised by Taxation - County Purpose Tax	<u>58,653,268.22</u>		<u>58,653,268.22</u>	
Budget Totals	<u>81,111,772.60</u>	<u>11,628,123.67</u>	<u>94,751,286.82</u>	<u>2,011,390.55</u>
Miscellaneous Revenue Not Anticipated			<u>1,444,227.17</u>	<u>1,444,227.17</u>
	<u>\$ 81,111,772.60</u>	<u>\$ 11,628,123.67</u>	<u>\$ 96,195,513.99</u>	<u>\$ 3,455,617.72</u>

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2019

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Analysis of Realized Revenue

Miscellaneous Revenue Not Anticipated:

State of New Jersey:	
Reimburse General Election	\$ 67,687.50
CEHA Indirect Costs	113,222.03
STNJ/Reimburse State Police Officers	4,512.50
Legal Settlements	55,648.50
Atlantic City Electric - Easements	37,092.00
Constitutional Officers Reimbursement	167,000.00
Revolving Loan Fund	3,435.41
Settlement	50,000.00
Insurance Refunds	132,091.67
Community Bus Retainage	170,501.86
Payment in Lieu of Taxes (PILOT)	11,830.00
Adult Literacy Instruction Space	12,032.00
Board of Social Services Reimbursement	10,000.00
Construction Bd Appeal Feels	100.00
Board of Elections / Copies & Supplies	16.10
County Auction	13,556.84
Garnishees	592.79
OPRA Fees	132.30
Prosecutor - County Fines	150.00
Prosecutor - Discovery	75.05
Prosecutor - Restitution	8,698.53
Jury Duty	5.00
Chemurs - Educational Services 2017 & 2018	15,700.00
Refunds and Reimbursements of Prior Year Expenses	400,063.41
Miscellaneous	170,083.68
	<hr/>
	\$ 1,444,227.17
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The accompanying Notes to Financial Statements are an integral part of this statement.



**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	<u>Appropriations</u>		<u>Paid or Charged</u>			<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Administrative Functions</u>						
Administrative and Executive						
Salaries and Wages	\$ 100,000.00	\$ 80,800.00	\$ 75,011.15		\$ 5,788.85	
Other Expenses	20,000.00	20,000.00	9,085.20	\$ 11.91	10,902.89	
Purchase Department and Inventory Control						
Salaries and Wages	131,500.00	131,500.00	122,134.60		9,365.40	
Other Expenses	5,000.00	5,000.00	4,544.69	360.69	94.62	
Clerk of the Board						
Salaries and Wages	110,000.00	110,000.00	104,843.93		5156.07	
Other Expenses	15,000.00	15,000.00	9,626.18	56.88	5,316.94	
Personnel/HR						
Salaries and Wages	230,000.00	237,000.00	226,142.04		10,857.96	
Other Expenses	210,000.00	210,000.00	176,242.26	18,289.00	15,468.74	
Grant Management						
Other Expenses	15,000.00	15,000.00			15,000.00	
Treasurer (Department of Finance)						
Salaries and Wages	200,000.00	209,000.00	192,578.20		16,421.80	
Other Expenses	90,000.00	90,000.00	19,322.57	5,833.97	64,843.46	
Bond Costs	30,000.00	30,000.00	8,535.08	2,500.00	18,964.92	
County Auditor	135,000.00	135,000.00	98,388.00		36,612.00	
Information Technology Center						
Other Expenses	688,000.00	688,000.00	649,558.90	31,754.30	6,686.80	
County Adjuster's Office						
Salaries and Wages	5,000.00	5,000.00	4,730.76		269.24	

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
Board of Taxation						
Salaries and Wages	\$ 137,100.00	\$ 138,850.00	\$ 133,474.62		\$ 5,375.38	
Other Expenses	24,680.00	22,930.00	18,768.70	\$ 179.61	3,981.69	
County Counsel						
Salaries and Wages	42,000.00	37,000.00	35,037.50		1,962.50	
Other Expenses	85,000.00	85,000.00	58,370.21	4,870.14	21,759.65	
Consultant Expenses	9,000.00	9,000.00	4,462.50		4,537.50	
Labor Counsel						
Other Expenses	135,000.00	135,000.00	94,729.86		40,270.14	
Special Counsel						
Other Expenses	200,000.00	200,000.00	198,746.55		1,253.45	
War Veterans Burial And Grave Decorations						
Other Expenses	13,900.00	13,900.00	11,355.30	385.10	2159.6	
Veteran's Service Bureau						
Salaries and Wages	48,000.00	48,000.00	45,498.08		2,501.92	
Other Expenses	850.00	850.00	833.54		16.46	
Printer Maintenance	15,000.00	15,000.00	9,624.50	1,347.00	4,028.50	
<b>Total General Government</b>	<b>2,695,030.00</b>	<b>2,686,830.00</b>	<b>2,311,644.92</b>	<b>65,588.60</b>	<b>309,596.48</b>	<b>-</b>
<u>Insurance</u>						
Workmen's Compensation	839,000.00	839,000.00	772,783.95	44,644.00	21,572.05	
Other Insurance Premiums	210,000.00	210,000.00	179,745.57	28,888.83	1,365.60	
Self-Insurance AL/GL	827,871.00	827,871.00	748,015.00		79,856.00	
Group Insurance Dental	215,000.00	212,500.00	211,178.11		1,321.89	
Group Insurance Hospitalization	10,505,000.00	10,512,000.00	10,208,444.98	205,283.71	98,271.31	
Post Retirement Health Benefits	181,500.00	189,000.00	181,629.12	5,589.47	1,781.41	
State Disability Insurance	99,000.00	99,000.00	38,156.35		60,843.65	
<b>Total Insurance</b>	<b>12,877,371.00</b>	<b>12,889,371.00</b>	<b>12,339,953.08</b>	<b>284,406.01</b>	<b>265,011.91</b>	<b>-</b>

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Public Safety Functions</u>						
Department of Emergency Services						
Salaries an Wages	\$ 313,000.00	\$ 313,000.00	\$ 269,898.59		\$ 43,101.41	
Other Expenses	31,600.00	31,600.00	25,226.46	\$ 5,761.89	611.65	
911 Center						
Salaries and Wages	2,126,000.00	2,126,000.00	1,876,139.10		249,860.90	
Other Expenses	100,000.00	100,000.00	86,865.40	1,256.70	11,877.90	
Sheriff's Office						
Salaries an Wages	3,100,000.00	3,100,000.00	2,875,675.53		224,324.47	
Other Expenses	200,000.00	200,000.00	68,695.11	104,548.91	26,755.98	
Jail						
Salaries an Wages	14,612,000.00	14,612,000.00	13,315,775.11		1,296,224.89	
Other Expenses	1,420,000.00	1,420,000.00	926,075.94	217,851.23	276,072.83	
Bail Forfeitures	15,000.00	15,000.00			15,000.00	
Inmate Medical	750,000.00	750,000.00	482,846.71	110,102.61	157,050.68	
Alternative Youth Shelter						
Other Expenses	579,072.50	579,072.50	530,816.44	48,256.06		
Prosecutor's Office						
Salaries an Wages	4,222,800.00	4,222,800.00	3,949,752.48		273,047.52	
Other Expenses	300,550.00	300,550.00	230,919.19	66,952.95	2,677.86	
County Medical Examiner						
Other Expenses	186,100.00	188,600.00	187,529.16	294.24	776.60	
Juvenile Detention and Domestic Relations Court						
Other Expenses	380,000.00	280,000.00	194,005.83	9,585.44	76,408.73	
Total Public Safety Functions	28,336,122.50	28,238,622.50	25,020,221.05	564,610.03	2,653,791.42	-

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Public Works Functions</u>						
Engineer						
Salaries and Wages	\$ 301,000.00	\$ 326,000.00	\$ 310,871.47		\$ 15,128.53	
Other Expenses	200,000.00	175,000.00	98,503.96	\$ 23,688.65	52,807.39	
County Planning Board						
Salaries and Wages	50,500.00	51,600.00	45,135.29		6,464.71	
Other Expenses	12,500.00	11,400.00	205.06	4,442.50	6,752.44	
Weights and Measures						
Salaries and Wages	70,500.00	70,500.00	67,342.31		3,157.69	
Other Expenses	100.00	100.00	9.50		90.50	
Roads and Bridges						
Salaries and Wages	1,450,000.00	1,512,000.00	1,452,003.80		59,996.20	
Other Expenses	220,000.00	220,000.00	165,397.18	40,017.09	14,585.73	
Snow Removal	100,000.00	100,000.00	96,853.83		3146.17	
Facilities Management						
Salaries and Wages	850,000.00	788,000.00	729,791.95		58,208.05	
Other Expenses	350,000.00	350,000.00	292,860.83	48,128.43	9,010.74	
Mosquito Extermination Commission						
Other Expenses	165,000.00	165,000.00	157,922.88	4,173.23	2,903.89	
Vehicle Maintenance						
Other Expenses	300,000.00	350,000.00	272,457.85	48,131.60	29,410.55	
Utilities	2,100,000.00	2,100,000.00	1,923,260.37	143,242.95	33,496.68	
Total Public Works Functions	6,169,600.00	6,219,600.00	5,612,616.28	311,824.45	295,159.27	-

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Health and Human Services</u>						
Office on the Disabled						
Other Expenses	\$ 2,000.00	\$ 2,000.00	\$ 1,813.30		\$ 186.70	
Office on Aging						
Salaries and Wage	84,000.00	84,000.00	81,352.01		2647.99	
Other Expenses	26,000.00	26,000.00	19,281.86	\$ 6,704.00	14.14	
County Welfare Board						
Administration	1,833,187.93	1,833,187.93	1,833,187.93			
Services	189,055.14	189,055.14	189,055.14			
Local: Temporary Assistance Needy Family	24,093.00	24,093.00	24,093.00			
State: Assistance to Supplemental Security Income Receipts	162,176.00	162,176.00	162,176.00			
Economic Development						
Salaries and Wage	26,500.00	27,150.00	26,026.98		1,123.02	
Other Expenses	35,000.00	33,700.00	32,048.79		1,651.21	
Consultant Expenses	50,000.00	50,000.00			50,000.00	
Health Department						
Salaries and Wage	555,500.00	555,500.00	487,803.17		67,696.83	
Other Expenses						
Nursing Services	43,850.00	43,850.00	34,597.13	8,915.07	337.80	
Administrative	123,800.00	123,800.00	94,782.96	1,226.28	27,790.76	
Environmental	10,550.00	10,550.00	8,476.98	688.64	1,384.38	
Maintenance of Patients in State Institutions - MTL ST (N.J.S.A. 30:4-79)						
Local	878,125.00	878,125.00	878,125.00			
Total Health and Human Services	4,043,837.07	4,043,187.07	3,872,820.25	17,533.99	152,832.83	-

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>Education Functions</u>						
Salem Community College	\$ 2,780,000.00	\$ 2,780,000.00	\$ 2,750,000.08		\$ 29,999.92	
Reimbursements for Residents						
Attending Out of County Two YR Colleges (N.J.S.A 18A:64A-23)	200,000.00	200,000.00	93,954.63		106,045.37	
Salem County Vocational Technical School	1,828,758.00	1,828,758.00	1,828,758.00			
Office of County Superintendent of Schools						
Salaries and Wage	83,000.00	83,000.00	69,232.91		13,767.09	
Other Expenses	5,500.00	8,000.00	5,475.23	\$ 1,658.50	866.27	
Total Education Functions	4,897,258.00	4,899,758.00	4,747,420.85	1,658.50	150,678.65	-
<u>Community Services</u>						
County Clerk						
Salaries	475,000.00	474,000.00	413,960.06		60,039.94	
Other Expenses	40,763.00	41,763.00	30,776.26	328.96	10,657.78	
Election Costs	152,500.00	152,500.00	146,387.15	248.75	5,864.10	
Board of Elections						
Salaries and Wage	240,000.00	240,000.00	231,381.97		8,618.03	
Other Expenses	167,900.00	167,900.00	104,422.94	23,965.23	39,511.83	
Commision on Women						
Other Expenses	1,350.00	1,350.00	1,350.00			
County Surrogate						
Salaries and Wage	312,000.00	319,200.00	306,568.90		12,631.10	
Other Expenses	34,470.00	34,470.00	25,385.24	8,656.60	428.16	
Total Community Services	1,423,983.00	1,431,183.00	1,260,232.52	33,199.54	137,750.94	-

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Transportation and Agricultural Services</u>						
Parks and Playgrounds						
Other Expenses	\$ 1,500.00	\$ 1,500.00	\$ 640.56	\$ 762.98	\$ 96.46	
Culture & Heritage						
Salaries and Wage	26,500.00	27,150.00	26,027.13		1,122.87	
Other Expenses	15,150.00	15,150.00	9,612.25	5,500.00	37.75	
County Extention Services						
Salaries and Wage	175,000.00	175,000.00	150,852.88		24,147.12	
Other Expenses	19,800.00	19,800.00	3,760.71	251.37	15,787.92	
Community Bus						
Salaries and Wage	560,000.00	586,000.00	560,664.38		25,335.62	
Other Expenses	140,000.00	152,000.00	150,892.09	166.06	941.85	
Total Transportation and Agricultural	937,950.00	976,600.00	902,450.00	6,680.41	67,469.59	-
<u>Unclassified</u>						
Accumulated Leave Compensation	140,000.00	140,000.00	140,000.00			
Total Unclassified:	140,000.00	140,000.00	140,000.00	-	-	-
Total Operations within "Caps"	61,521,151.57	61,525,151.57	56,207,358.95	1,285,501.53	4,032,291.09	-
Contingent	15,000.00	15,000.00	-	-	15,000.00	
Total Operations Including Contigent - within "Caps"	61,536,151.57	61,540,151.57	56,207,358.95	1,285,501.53	4,047,291.09	-

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Public &amp; Private Programs offset by Revenues</u>						
Area Plan Grant (N.J.S.A. 40A-87 - \$20,388.00)	\$ 850,560.00	\$ 870,948.00	\$ 870,948.00			
Alcohol and Drug Abuse Services (N.J.S.A. 40A-87 - \$230,347.00)		230,347.00	230,347.00			
Senior Citizen and Disabled Resident Transportation Program	346,318.00	346,318.00	346,318.00			
PASP - Personal Attendant Services	11,114.10	11,114.10	11,114.10			
Childhood Lead Exposure Prevention						
Project (N.J.S.A. 40A-87 \$200,000.00)		200,000.00	200,000.00			
Prosecutor's Insurance Fund	250,000.00	250,000.00	250,000.00			
Local Arts Program	46,843.00	46,843.00	46,843.00			
Juvenile Justice Commission State/Community Partnership	200,966.00	200,966.00	200,966.00			
Juvenile Justice Commission Family Court Services	100,261.00	100,261.00	100,261.00			
Public Health Preparedness and Response to Bioterrorism						
(N.J.S.A. 40A-87 - \$265,340.00)		265,340.00	265,340.00			
NJ OEM (EMAA)	55,000.00	55,000.00	55,000.00			
Emergency Services - Radio Emergency Response						
Plan (RERP) (N.J.S.A. 40A-87 - \$262,062.84)		262,062.84	262,062.84			
SCIA Clean Communities (N.J.S.A. 40A-87 - \$500.00)		500.00	500.00			
FTA Small Urban & Rural Area Public Transportation (5311)	260,986.50	260,986.50	260,986.50			
FY 2018 State Criminal Alien Assistance Program (SCAAP)						
(N.J.S.A. 40A-87 - \$22,310.00)		22,310.00	22,310.00			
Historical Commission Grant	14,310.00	14,310.00	14,310.00			
NJDHSS - Right to Know Program (N.J.S.A. 40A-87 - \$8,786.00)		8,786.00	8,786.00			
Salem County Mill and Overlay (N.J.S.A. 40A-87 - \$1,448,484.15)	43,881.00	1,492,365.15	1,492,365.15			
NJ DOT - CR 551 (Hook Rd) & E Pittsfield St to Rte 295	1,152,218.00	1,152,218.00	1,152,218.00			
2019 Local Bridges, Future Needs (N.J.S.A. 40A-87 - \$1,262,004.00)		1,262,004.00	1,262,004.00			
2019 Local Freight Impact Fund (N.J.S.A. 40A-87 - \$221,487.00)		221,487.00	221,487.00			
Matching Funds for Grants	325,000.00	325,000.00	283,627.20		\$ 41,372.80	
Transportation - County Aid (N.J.S.A. 40A-87 - \$4,842,538.00)		4,842,538.00	4,842,538.00			

(continued)



**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
Hook Road, CR 551, Phase 2-Design (N.J.S.A. 40A-87 - \$100,000.00)		\$ 100,000.00	\$ 100,000.00			
Design of Hook Road, Phase III (N.J.S.A. 40A-87 - \$69,197.00)		69,197.00	69,197.00			
State Homeland Security Grant Program (N.J.S.A. 40A-87 - \$161,093.68)		161,093.68	161,093.68			
Federal Aid - Centerton Traffic Signal	\$ 167,194.65	167,194.65	167,194.65			
NJ DOT - Funds Exchange Program (N.J.S.A. 40A-87 - \$100,000.00)		100,000.00	100,000.00			
Subregional Trans. Planning Program (N.J.S.A. 40A-87 - \$34,400.00)		34,400.00	34,400.00			
SART/FNE VS-418-17 (N.J.S.A. 40A-87 - \$72,000.00)	72,000.00	144,000.00	144,000.00			
JDAI Innovations	120,000.00	120,000.00	120,000.00			
Victims of Crime (V-17-17) (N.J.S.A. 40A-87 - \$207,182.00)		207,182.00	207,182.00			
Victims of Crime (VCS-60-15)	121,712.00	121,712.00	121,712.00			
Veterans Transportation Grant	13,000.00	13,000.00	13,000.00			
Operating Helping Hand (N.J.S.A. 40A-87 - \$100,000.00)	58,824.00	158,824.00	158,824.00			
N.J. Department of Environmental Protection - CEHA	131,350.00	131,350.00	131,350.00			
Alliance to Prevent Alcoholism & Drug Abuse (N.J.S.A. 40A-87 - \$137,801.00)		137,801.00	137,801.00			
Special Child Health and Early Intervention (N.J.S.A. 40A-87 - \$41,018.00)		41,018.00	41,018.00			
State Health Insurance Assistance Program (SHIP) (N.J.S.A. 40A-87 - \$33,000.00)		33,000.00	33,000.00			
MIPPA Outreach & Enrollment (N.J.S.A. 40A-87 - \$40,000.00)	40,000.00	80,000.00	80,000.00			
Body Armor Fund (Sheriff)	20,064.72	20,064.72	20,064.72			
Body Armor Fund (Prosecutor)	2,410.97	2,410.97	2,410.97			
Bulletproof Vest Partnership (N.J.S.A. 40A-87 - \$2,810.00)	4,812.50	7,622.50	7,622.50			
Help Americans Vote Act (HAVA)	51,216.08	51,216.08	51,216.08			
Work First New Jersey TANF (N.J.S.A. 40A-87 - \$670,251.00)		670,251.00	670,251.00			
Workforce Innovation and Opportunity Act (WIOA) (N.J.S.A. 40A-87 - \$724,624.00)		724,624.00	724,624.00			
Health and Wellness Foundation - Healthy Body (N.J.S.A. 40A-87 - \$20,000.00)		20,000.00	20,000.00			
Health and Wellness Foundation - Community Service Program (DARE) (N.J.S.A. 40A-87 - \$10,000.00)		10,000.00	10,000.00			
Senior Farmers' Market Nutrition Program (N.J.S.A. 40A-87 - \$500.00)		500.00	500.00			
Small Cities CDBG 2018-Mid Atlantic Facility (N.J.S.A. 40A-87 - \$320,000.00)		320,000.00	320,000.00			
Total Public and Private Programs offset by Revenue	4,460,042.52	16,088,166.19	16,046,793.39	-	\$ 41,372.80	-

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
Total Operations Including Contingent	\$ 65,996,194.09	\$ 77,628,317.76	\$ 72,254,152.34	\$ 1,285,501.53	\$ 4,088,663.89	-
Detail:						
Salary & Wages	30,636,900.00	30,690,050.00	28,185,706.90	-	2,504,343.10	-
Operating Expenses (Including Contingent)	35,359,294.09	46,938,267.76	44,068,445.44	1,285,501.53	1,584,320.79	-
Down Payments on Improvements						
Capital Improvement Fund	1,065,030.00	1,065,030.00	1,065,030.00		-	
County Debt Service						
Payment of Bond Principal						
County College Bonds	545,000.00	545,000.00	545,000.00			
Vocational School Bonds	259,000.00	259,000.00	259,000.00			
Other Bonds	1,645,200.00	1,645,200.00	1,645,200.00			
Bond Anticipation Notes	589,000.00	589,000.00	589,000.00			
Interest on Bonds						
County College Bonds	178,943.76	178,943.76	178,943.76			
Vocational School Bonds	82,485.00	82,485.00	82,485.00			
Other Bonds	501,921.75	501,921.75	501,921.75			
Interest on Notes	315,930.00	315,930.00	315,585.37			\$ 344.63
Salem County Improvement Authority						
County Jail	1,906,500.00	1,906,500.00	1,906,500.00			
Total County Debt Service	6,023,980.51	6,023,980.51	6,023,635.88	-	-	344.63

(continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2019

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>Statutory Expenditures:</u>						
Contributions to:						
Public Employees Retirement System	\$ 1,813,853.00	\$ 1,788,620.82	\$ 1,767,831.06		\$ 20,789.76	
Social Security System (O.A.S.I)	2,307,000.00	2,382,000.00	2,273,854.57		108,145.43	
DCRP Group Life and Disability Employer Share	37,000.00	37,000.00	26,256.27		10,743.73	
Police and Retirement System of NJ	3,682,715.00	3,707,947.18	3,682,715.00		25,232.18	
Unemployment Insurance	186,000.00	107,000.00	85,997.57		21,002.43	
Total Statutory Expenditures	8,026,568.00	8,022,568.00	7,836,654.47	-	185,913.53	-
Total General Appropriations	<u>\$ 81,111,772.60</u>	<u>\$ 92,739,896.27</u>	<u>\$ 87,179,472.69</u>	<u>\$ 1,285,501.53</u>	<u>\$ 4,274,577.42</u>	<u>\$ 344.63</u>
Original Budget		\$ 81,111,772.60				
Appropriated by N.J.S.A. 40A-87		11,628,123.67				
Reserve for Federal and State Grants Funds - Appropriated			\$ 16,046,793.39			
Due General Capital Fund			904,585.37			
Reimbursements			(2,831,272.74)			
Disbursed			73,059,366.67			
			<u>\$ 92,739,896.27</u>	<u>\$ 87,179,472.69</u>		

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

**COUNTY OF SALEM**  
**TRUST FUND**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2019 and 2018

	Ref.	Balance December 31, 2019	Balance December 31, 2018
<u>ASSETS</u>			
Trust Other Funds:			
Cash - Treasurer	SB-1	\$ 2,503,247.56	\$ 1,903,264.97
Open Space and Farmland Preservation Trust:			
Cash - Treasurer	SB-1	1,211,560.52	1,116,098.09
Investments	SB-5	575,121.03	497,650.76
Due Current Fund	SB-4	1,444,335.17	1,987,300.49
Taxes Receivable	SB-3	286.25	3,621.90
		<u>3,231,302.97</u>	<u>3,604,671.24</u>
Total Trust Funds		<u>\$ 5,734,550.53</u>	<u>\$ 5,507,936.21</u>
<u>LIABILITIES AND RESERVES</u>			
Trust Other Funds:			
Reserve for:			
Accumulated Absences Trust	SB-2	\$ 284,172.16	\$ 196,357.47
Commodities Resale Program	SB-2	348,969.58	49,265.05
County Auction	SB-2	3,552.92	3,552.92
County Clerk	SB-2	82,785.08	60,836.71
Revolving Fund	SB-2	2,568.88	
Engineering Escrow	SB-2	30,963.40	28,533.40
Environmental Enforcement	SB-2	282,339.46	322,697.61
First Responder Dinner	SB-2	7,392.46	2,630.95
Hospitalization	SB-2	1.38	1.38
Housing Revitalization	SB-2	73,590.45	72,643.12
Motor Vehicle Fines	SB-2	286,793.24	151,417.72
Net Payroll Account	SB-2	4,052.69	4,052.69
Parvin Bequest	SB-2	16,910.15	4,504.01
Payroll Agency	SB-2	382,503.70	378,294.87
Performance Bond - Woods Laurel Hills	SB-2	3,375.00	3,375.00
Prosecutor's Office:			
Asset Maintenance Account	SB-2	740.97	2,337.11
Auto Law Enforcement Trust Account	SB-2	7,416.24	7,253.79
County Law Enforcement Trust Account	SB-2	93,034.35	65,762.74
Federal County Law Enforcement Trust Account	SB-2	74,785.94	81,548.71
Municipal Law Enforcement Trust Account	SB-2	36,691.64	33,928.84
Seized Assets Trust Account	SB-2	36,840.91	24,488.38
Road Opening Deposits	SB-2	18,346.44	17,828.44

(Continued)

**COUNTY OF SALEM**  
**TRUST FUND**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>Balance</u> <u>December 31, 2019</u>	<u>Balance</u> <u>December 31, 2018</u>
Trust Other Funds (Cont'd):			
Reserves (Cont'd):			
SCAPG - Nutrition Program	SB-2	\$ 13,363.96	\$ 2,754.61
SCAPG - Parvin	SB-2	19,484.30	12,411.67
Self Insurance	SB-2	64,258.46	63,408.69
Sheriff's Trust	SB-2	51,773.78	45,242.08
Surrogate Fees	SB-2	81,867.91	75,986.46
Tax Appeals Filing Fees	SB-2	36,412.11	37,001.88
Unemployment Claims	SB-2	44.50	44.16
Veterans Donations	SB-2	19,673.30	17,033.41
Weights & Measures	SB-2	131,111.11	119,624.31
Worker's Compensation	SB-2	7,431.09	18,446.79
		<u>2,503,247.56</u>	<u>1,903,264.97</u>
Open Space and Farmland Preservation Trust:			
Reserve for Open Space and Farmland Preservation	SB-4	<u>3,231,302.97</u>	<u>3,604,671.24</u>
		<u>3,231,302.97</u>	<u>3,604,671.24</u>
		<u>\$ 5,734,550.53</u>	<u>\$ 5,507,936.21</u>

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

**COUNTY OF SALEM**  
**TRUST FUND - OPEN SPACE AND FARMLAND PRESERVATION**  
**Statement of Revenues and Other Credits to Income--Regulatory Basis**  
**For the Year Ended December 31, 2019**

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess (Deficit)
Amount to be Raised by Taxation	\$ 1,004,639.49	\$ 1,007,827.19	\$ 3,187.70
Reserve for Open Space Trust	425,113.76	425,246.47	
Miscellaneous	<u>4,000.00</u>	<u>2,512,687.04</u>	<u>2,508,687.04</u>
Total Open Space Revenues	<u>\$ 1,433,753.25</u>	<u>\$ 3,945,760.70</u>	<u>\$ 2,511,874.74</u>

Analysis of Realized Revenues

Amount to be Raised by Taxation:

Accrued Revenue:

Open Space Tax Levy	\$ 1,004,639.49
Added and Omitted Tax Levy	<u>3,187.70</u>

\$ 1,007,827.19

Miscellaneous:

Receipts:

Settlement Receipts	\$ 2,497,286.62
Interest on Deposits	<u>15,400.42</u>

\$ 2,512,687.04

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

**COUNTY OF SALEM**  
**TRUST FUND - OPEN SPACE AND FARMLAND PRESERVATION**  
**Statement of Expenditures and Other Charges to Income--Regulatory Basis**  
**For the Year Ended December 31, 2019**

	<u>Appropriations</u>		<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Cancelled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>			
Debt Service:					
Payment of Bond Principal	\$ 579,800.00	\$ 579,800.00	\$ 579,800.00		
Interest on Bonds	178,953.25	178,953.25	178,953.25		
Acquisition of Farmland	675,000.00	675,000.00	675,000.00		
	<u>\$ 1,433,753.25</u>	<u>\$ 1,433,753.25</u>	<u>\$ 1,433,753.25</u>	<u>-</u>	<u>-</u>

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

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis  
 As of December 31, 2019 and 2018

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2019</u>	<u>Balance</u> <u>Dec. 31, 2018</u>
<b><u>ASSETS</u></b>			
Cash	SC-1	\$ 11,175,626.07	\$ 9,470,752.97
Dam Restoration Loan Receivable	SC-2	1,300,000.00	1,300,000.00
Due from Current Fund	SC-3	903,576.93	4,110.31
Deferred Charges to Future Taxation:			
Funded	SC-4	39,430,000.00	31,524,000.00
Unfunded	SC-5	5,714,667.00	10,531,384.00
		<u>\$ 58,523,870.00</u>	<u>\$ 52,830,247.28</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>			
Reserve for County Aid Program	C	\$ 4,712.74	\$ 4,712.74
Accrued Interest on Bond Sale	C	158,547.15	158,547.15
Serial Bonds Payable	SC-7	38,130,000.00	30,224,000.00
Bond Anticipation Notes Payable	SC-10	5,714,000.00	10,531,000.00
Improvement Authorizations:			
Funded	SC-6	6,141,533.49	5,335,444.93
Unfunded	SC-6	3,065,004.66	3,112,361.55
Contracts Payable	SC-6	2,566,238.10	1,564,863.35
Dam Restoration Loan Payable	SC-9	1,300,000.00	1,300,000.00
Reserve for Payment of Debt	SC-2	111,628.60	111,628.60
General Capital Fund Fund Balance	C-1	173,955.53	108,752.23
Capital Improvement Fund	SC-8	1,158,249.73	378,936.73
		<u>\$ 58,523,870.00</u>	<u>\$ 52,830,247.28</u>

There were Bonds and Notes authorized, but not issued in the amount of \$667.00 and \$384.00 for the years ended December 31, 2019 and 2018, respectively.

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



**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Fund Balance - Regulatory Basis  
For the Year Ended December 31, 2019

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Balance Dec. 31, 2018		\$ 108,752.23
Increased by:		
Premium Received on Bond Sale	\$ 8,977.54	
Premium Received on Note Sale	<u>56,225.76</u>	
		<u>65,203.30</u>
Balance Dec. 31, 2019		<u><u>\$ 173,955.53</u></u>

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

**COUNTY OF SALEM**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
Statement of General Fixed Asset Groups of Accounts -- Regulatory Basis  
For the Year Ended December 31, 2019

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	Balance Dec. 31, 2018	Additions	Deletions	Balance Dec. 31, 2019
General Fixed Assets:				
Land and Buildings	\$ 22,110,931.36	\$ 134,200.00	\$ 64,600.00	\$ 22,180,531.36
Equipment and Vehicle	<u>13,579,782.43</u>	<u>1,953,725.43</u>	<u>638,130.57</u>	<u>14,895,377.29</u>
Total General Fixed Assets	<u>\$ 35,690,713.79</u>	<u>\$ 2,087,925.43</u>	<u>\$ 702,730.57</u>	<u>\$ 37,075,908.65</u>
Total Investment in General Fixed Assets	<u>\$ 35,690,713.79</u>	<u>\$ 2,087,925.43</u>	<u>\$ 702,730.57</u>	<u>\$ 37,075,908.65</u>

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

**COUNTY OF SALEM**  
Notes to Financial Statements  
For the Year Ended December 31, 2019

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

**Description of Financial Reporting Entity** - The County of Salem was incorporated on February 13, 1798. It is located in the southwest corner of New Jersey and covers approximately 350 square miles. The County of Gloucester is on the County's northern side and the County of Cumberland forms the eastern and southeastern border of the County.

The County's geographic makeup consists of State Parks, Fish and Wildlife Management Areas, Government Facilities, and meadows or low-lying areas. Forty-eight percent is devoted to agriculture, thirteen percent is developed for residential use (approximately 9,000 acres), and commercial and industrial use (approximately 6,500 acres). The New Jersey Turnpike travels through the County.

In Salem County there are fifteen political subdivisions, consisting of one city, eleven townships and three boroughs. The population of the County of Salem according to the official 2010 census is 66,083.

The County government operates under a five member Board of Chosen Freeholders, elected at-large by the voters of the County. A Freeholder, under old English rule, was a person who owned property outright, free of debt, and therefore was deemed to be a leading citizen, eligible for membership on the governing body. Under present form of government, the property rule as a qualification for holding office has been abolished. Each member is elected to a term of three years. A director and deputy director are selected from their membership at the first meeting of each year. The Freeholders have both administrative and policy-making powers.

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

Salem County Improvement Authority  
199 East Broadway  
Salem, NJ 08079

Salem Community College  
460 Hollywood Avenue  
Carneys Point, NJ 08069

Salem County Vocational-  
Technical Schools  
Salem-Woodstown Road  
Woodstown, New Jersey 08098

Special Services School  
District of the County of Salem  
328-B North Broadway  
Pennsville, New Jersey 08070

Pollution Control Financing Authority  
94 Market Street  
Salem, NJ 08079

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

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

**Measurement Focus, Basis of Accounting and Financial Statement Presentation** - The financial statements of the County contain all funds and account groups in accordance with the *Requirements of Audit* (the "*Requirements*") as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the *Requirements* are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these *Requirements*. In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this note.

In accordance with the *Requirements*, the County accounts for its financial transactions through the use of separate funds and an account group which are described as follows:

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

**Trust Funds** - The various trust funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

**General Capital Fund** - The general capital fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the current fund.

**General Fixed Asset Group of Accounts** - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

**Budgets and Budgetary Accounting** - The County must adopt an annual budget for its current and open space and farmland preservation trust in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual county budget no later than January 26 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the county. The public hearing must not be held less than eighteen days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the County budget may be granted by the Director of the Division of Local Government Services, with the permission of Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the County's financial statements.

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

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

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

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

**Inventories of Supplies** - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

**General Fixed Assets** - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The County has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The County is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the County's basic financial statements.

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

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

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

**Fund Balance** - Fund Balance included in the current fund represents an amount available for anticipation as revenue in future years' budgets, with certain restrictions.

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants are realized when anticipated as such in the County's budget. Other amounts that are due to the County which are susceptible to accrual are recorded as receivables with offsetting reserves and recorded as revenue when received.

**County Taxes** - Every municipality within the County is responsible for levying, collecting and remitting county taxes for the County of Salem. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations for every municipality is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations for every municipality are charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal and interest payments on outstanding general capital bonds and notes are provided on the cash basis.

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

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

**Long-Term Debt** - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital fund.

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

**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits might not be recovered. Although the County does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the County in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, bail funds, or funds that may pass to the County relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of December 31, 2019, the County had bank balances of \$33,092,008.42 that were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 32,661,555.05
Uninsured and Uncollateralized	<u>430,453.37</u>
Total	<u>\$ 33,092,008.42</u>

**Note 3: INVESTMENTS**

New Jersey municipal units are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey municipal units. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America; government money market mutual funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress; 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; bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units; local government investment pools; deposits with the State of New Jersey Cash Management Fund; and agreements for the purchase of fully collateralized securities with certain provisions. The County has no investment policy that would further limit its investment choices.

**Custodial Credit Risk Related to Investments** - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party if the counterparty to the transactions fails. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the County has no investment policy to limit its exposure to custodial credit risk. As of December 31, 2019, the County's investments were exposed to custodial credit risk as follows:

Uninsured and unregistered, with securities held by the the counterparty's trust department or agent in the County's name	\$ -
Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the County's name	<u>575,121.03</u>
Total	<u>\$ 575,121.03</u>

As of December 31, 2019, the County had the following investments:

<u>Investment</u>	<u>Maturities</u>	<u>Cost</u>	<u>Fair Value Hierarchy Level *</u>	<u>Fair Value</u>
US Treasury Strips	261.783 months average	<u>\$ 575,121.03</u>	Level 1	<u>\$ 824,520.42</u>

\* Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets that the government can access at the measurement date. Observable markets include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

The weighted average maturity of the County's investment portfolio was 261.78 months as of December 31, 2019.

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



**Note 3: INVESTMENTS (CONT'D)**

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As stated in note 1, investments are purchased in accordance with N.J.S.A. 40A:5-15.1. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the County has no investment policy that would further limit its exposure to credit risk. As of December 31, 2019, the County's investments had the following ratings:

<u>Investment</u>	<u>Standard &amp; Poor's</u>	<u>Moody's</u>
US Treasury Strips	AAA	Aaa

**Concentration of Credit Risk** - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the County's investment policies place no limit on the amount the County may invest in any one issuer. As of December 31, 2019, 100% of the County's investments are in US Treasury Strips.

**Note 4: PROPERTY TAXES**

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

**Comparative Schedule of Tax Rates**

	<u>Year Ended</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County Tax Rate	<u>\$ 1.187</u>	<u>\$ 1.164</u>	<u>\$ 1.141</u>	<u>\$ 1.066</u>	<u>\$ 0.980</u>
County Open Space and Farmland Preservation Tax Rate	<u>\$ 0.020</u>	<u>\$ 0.020</u>	<u>\$ 0.020</u>	<u>\$ 0.020</u>	<u>\$ 0.020</u>

**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2019	\$ 5,023,197,445
2018	5,034,771,435
2017	4,934,856,756
2016	5,057,825,714
2015	5,265,472,749

**Note 4: PROPERTY TAXES (CONT'D)**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (cont'd):

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Total Collections</u>	<u>Percentage of Collections</u>
2019	\$ 58,653,268	\$ 58,653,268	100.00%
2018	58,157,686	58,157,686	100.00%
2017	55,718,512	55,718,512	100.00%
2016	52,933,660	52,933,660	100.00%
2015	51,448,093	51,448,093	100.00%

**Note 5: FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2019	\$ 8,309,121	\$ 2,975,000	35.80%
2018	6,184,691	4,016,681	64.95%
2017	4,442,739	3,579,189	80.56%
2016	2,293,158	1,890,173	82.43%
2015	4,725,780	3,365,558	71.22%

**Note 6: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2019:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 1,142,628	\$ 2,347,912
Federal and State Grant		1,142,628
Open Space Trust	1,444,335	
General Capital	903,577	
	<u>\$ 3,490,540</u>	<u>\$ 3,490,540</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2020, the County expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 7: PENSION PLANS**

A substantial number of the County's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several County employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS and PFRS plans' fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

**General Information about the Pension Plans****Plan Descriptions**

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the County, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

**Police and Firemen's Retirement System** - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the County. The PFRS' Board of Trustees is primarily responsible for the administration of the PFRS.

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Note 7: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The following represents the membership tiers for PERS:

**Tier Definition**

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Police and Firemen's Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

**Tier Definition**

- 1 Members who were enrolled prior to May 22, 2010
- 2 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 3 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

**Note 7: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2019. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) was 10.0% in State fiscal year 2019. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

*Special Funding Situation Component* - Under N.J.S.A. 43:15A, 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 Chapter 366, P.L. 2001. This legislation established the Prosecutors Part of the PERS which provides enhanced retirement benefits for Prosecutors enrolled in the PERS. The State is liable for the increased pension costs to a County that resulted from the enrollment of Prosecutors in the Prosecutors Part. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a *special funding situation* as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The County's contractually required contribution rate for the year ended December 31, 2019 was 14.55% of the County's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2019, the County's contractually required contribution to the pension plan for the year ended December 31, 2019 is \$1,736,241.00, and was payable by April 1, 2020. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2018, the County's contractually required contribution to the pension plan for the year ended December 31, 2018 was \$1,802,833.00, which was paid on April 1, 2019. Employee contributions to the Plan during the year ended December 31, 2019 were \$907,393.40.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the County, for the year ended December 31, 2019 was .55% of the County's covered payroll.

**Note 7: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Public Employees' Retirement System (cont'd)** - Based on the most recent PERS measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the County, to the pension plan for the year ended December 31, 2019 is \$65,801.00, and was payable by April 1, 2020. Based on the PERS measurement date of June 30, 2018, the State's contractually required contribution, on-behalf of the County, to the pension plan for the year ended December 31, 2018 is not known.

**Police and Firemen's Retirement System** - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 10.0% in State fiscal year 2019. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability.

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

The County's contractually required contribution rate for the year ended December 31, 2019 was 29.03% of the County's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2019, the County's contractually required contribution to the pension plan for the year ended December 31, 2019 is \$3,101,859.00, and was payable by April 1, 2020. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2018, the County's contractually required contribution to the pension plan for the year ended December 31, 2018 was \$3,054,255.00, which was paid on April 1, 2019. Employee contributions to the Plan during the year ended December 31, 2019 were \$1,072,563.99.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the County, for the year ended December 31, 2019 was 3.74% of the County's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the County, to the pension plan for the year ended December 31, 2019 is \$399,826.00, and was payable by April 1, 2020. Based on the PFRS measurement date of June 30, 2018, the State's contractually required contribution, on-behalf of the County, to the pension plan for the year ended December 31, 2018 was \$340,079.00, which was paid on April 1, 2019.

**Note 7: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the County contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the year ended December 31, 2019, employee contributions totaled \$37,161.64, and the County's contributions were \$20,269.88. There were no forfeitures during the year.

**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

**Public Employees' Retirement System** - At December 31, 2019, the County's and State of New Jersey's proportionate share of the PERS net pension liability were as follows:

County's Proportionate Share of Net Pension Liability	\$ 32,162,284.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the County	1,207,774.00
	<u>\$ 33,370,058.00</u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2019 measurement date, the County's proportion was 0.1784960725%, which was a decrease of 0.0027520258% from its proportion measured as of June 30, 2018. The State of New Jersey's proportion, on-behalf of the County, was 0.9635279647% and the amount on-behalf of the County, measured as of June 30, 2018 is not known.

At December 31, 2019, the County's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is \$1,080,113.00. This (benefit) expense is not recognized by the County because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2019, the County's contribution to PERS was \$1,802,833.00, and was paid on April 1, 2019.

At December 31, 2019, the State's proportionate share of the PERS pension (benefit) expense, associated with the County, calculated by the Plan as of the June 30, 2019 measurement date is \$1,273,575.00. This on-behalf (benefit) expense is not recognized by the County because of the regulatory basis of accounting as described in note 1.

**Note 7: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Police and Firemen's Retirement System** - At December 31, 2019, the County's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

County's Proportionate Share of Net Pension Liability	\$ 37,580,032.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the County	<u>5,933,958.00</u>
	<u>\$ 43,513,990.00</u>

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2019 measurement date, the County's proportion was 0.3070811268%, which was a decrease of 0.0053275401% from its proportion measured as of June 30, 2018. Likewise, at June 30, 2019, the State of New Jersey's proportion, on-behalf of the County, was 0.3070811268%, which was a decrease of 0.0053275401% from its proportion, on-behalf of the County, measured as of June 30, 2018.

At December 31, 2019, the County's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2019 measurement date is \$4,656,164.00. This (benefit) expense is not recognized by the County because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2019, the County's contribution to PFRS was \$3,054,255.00, and was paid on April 1, 2019.

At December 31, 2019, the State's proportionate share of the PFRS pension (benefit) expense, associated with the County, calculated by the Plan as of the June 30, 2019 measurement date is \$689,477.00. This on-behalf (benefit) expense is not recognized by the County because of the regulatory basis of accounting as described in note 1.



**Note 7: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources** - At December 31, 2019, the County had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>			<u>Deferred Inflows of Resources</u>		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 577,271.00	\$ 317,224.00	\$ 894,495.00	\$ 142,079.00	\$ 237,926.00	\$ 380,005.00
Changes of Assumptions	3,211,522.00	1,287,697.00	4,499,219.00	11,163,427.00	12,145,522.00	23,308,949.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	507,694.00	509,197.00	1,016,891.00
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions	1,068,486.00	2,385,793.00	3,454,279.00	3,463,282.00	2,585,158.00	6,048,440.00
County Contributions Subsequent to the Measurement Date	868,121.00	1,550,930.00	2,419,051.00	-	-	-
	<u>\$ 5,725,400.00</u>	<u>\$ 5,541,644.00</u>	<u>\$ 11,267,044.00</u>	<u>\$ 15,276,482.00</u>	<u>\$ 15,477,803.00</u>	<u>\$ 30,754,285.00</u>

\$868,121.00 and \$1,550,930.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2020. These amounts were based on an estimated April 1, 2021 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2019 to the County's year end of December 31, 2019.

**Note 7: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - The County will amortize the above other deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

	<b>PERS</b>		<b>PFRS</b>	
	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2014	-	-	-	-
June 30, 2015	5.72	-	-	5.53
June 30, 2016	5.57	-	-	5.58
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
June 30, 2019	5.21	-	-	5.92
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	-	6.17	-
June 30, 2015	5.72	-	5.53	-
June 30, 2016	5.57	-	5.58	-
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
June 30, 2019	-	5.21	-	5.92
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2014	-	5.00	-	5.00
June 30, 2015	5.00	-	5.00	-
June 30, 2016	5.00	-	5.00	-
June 30, 2017	-	5.00	-	5.00
June 30, 2018	-	5.00	-	5.00
June 30, 2019	-	5.00	-	5.00
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions				
Year of Pension Plan Deferral:				
June 30, 2014	6.44	6.44	6.17	6.17
June 30, 2015	5.72	5.72	5.53	5.53
June 30, 2016	5.57	5.57	5.58	5.58
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73
June 30, 2019	5.21	5.21	5.92	5.92

**Note 7: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

<b><u>Year Ending</u></b> <b><u>Dec 31,</u></b>	<b><u>PERS</u></b>	<b><u>PFRS</u></b>	<b><u>Total</u></b>
2020	\$ (1,266,373.00)	\$ (1,233,607.00)	\$ (2,499,980.00)
2021	(3,632,530.00)	(4,117,193.00)	(7,749,723.00)
2022	(3,562,630.00)	(3,242,143.00)	(6,804,773.00)
2023	(1,802,842.00)	(1,953,865.00)	(3,756,707.00)
2024	(154,828.00)	(940,281.00)	(1,095,109.00)
	<u>\$ (10,419,203.00)</u>	<u>\$ (11,487,089.00)</u>	<u>\$ (21,906,292.00)</u>

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b><u>PERS</u></b>	<b><u>PFRS</u></b>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases (1):		
Through 2026	2.00% - 6.00%	
Thereafter	3.00% - 7.00%	
Through All Future Years		3.25% - 15.25%
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018	July 1, 2013 - June 30, 2018

(1) Based on Years of Service

**Note 7: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

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

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

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

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

**Note 7: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

**Discount Rate** - The discount rate used to measure the total pension liability at June 30, 2019 was 6.28% for PERS and 6.85% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plans' fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057 for PERS and 2076 for PFRS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 for PERS and 2076 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

**Public Employees' Retirement System (PERS)** - As previously mentioned, PERS has a special funding situation, where the State of New Jersey pays a portion of the County's annual required contribution. As such, the net pension liability as of June 30, 2019, the Plan's measurement date, for the County and the State of New Jersey, calculated using a discount rate of 6.28%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	<b>PERS</b>		
	<b>1% Decrease <u>(5.28%)</u></b>	<b>Current Discount Rate <u>(6.28%)</u></b>	<b>1% Increase <u>(7.28%)</u></b>
County's Proportionate Share of the Net Pension Liability	\$ 40,626,191.00	\$ 32,162,284.00	\$ 25,030,244.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the County	<u>1,525,615.00</u>	<u>1,207,774.00</u>	<u>939,948.00</u>
	<u><u>\$ 42,151,806.00</u></u>	<u><u>\$ 33,370,058.00</u></u>	<u><u>\$ 25,970,192.00</u></u>

**Note 7: PENSION PLANS (CONT'D)****Sensitivity of County's Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)**

**Police and Firemen's Retirement System (PFRS)** - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the County's annual required contribution. As such, the net pension liability as of June 30, 2019, the Plan's measurement date, for the County and the State of New Jersey, calculated using a discount rate of 6.85%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	<b>PFRS</b>		
	<b>1% Decrease <u>(5.85%)</u></b>	<b>Current Discount Rate <u>(6.85%)</u></b>	<b>1% Increase <u>(7.85%)</u></b>
County's Proportionate Share of the Net Pension Liability	\$ 50,794,509.00	\$ 37,580,032.00	\$ 26,643,148.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the County	<u>8,020,549.00</u>	<u>5,933,958.00</u>	<u>4,207,004.00</u>
	<u>\$ 58,815,058.00</u>	<u>\$ 43,513,990.00</u>	<u>\$ 30,850,152.00</u>

**Pension Plan Fiduciary Net Position**

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

**Note 7: PENSION PLANS (CONT'D)****Supplementary Pension Information**

In accordance with GASBS 68, the following information is also presented for the PERS and PFRS Pension Plans. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

***Schedule of the County's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Seven Plan Years)***

	<b>Measurement Date Ended June 30,</b>			
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
County's Proportion of the Net Pension Liability	0.1784960725%	0.1812480983%	0.1978902693%	0.2024000348%
County's Proportionate Share of the Net Pension Liability	\$ 32,162,284.00	\$ 35,686,847.00	\$ 46,065,692.00	\$ 59,945,085.00
State's Proportionate Share of the Net Pension Liability associated with the County	1,207,774.00	-	-	-
	<b><u>\$ 33,370,058.00</u></b>	<b><u>\$ 35,686,847.00</u></b>	<b><u>\$ 46,065,692.00</u></b>	<b><u>\$ 59,945,085.00</u></b>
County's Covered Payroll (Plan Measurement Period)	\$ 11,822,252.00	\$ 11,944,984.00	\$ 12,994,764.00	\$ 13,034,372.00
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	272.05%	298.76%	354.49%	459.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.27%	53.60%	48.10%	40.14%
	<b>Measurement Date Ended June 30,</b>			
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	
County's Proportion of the Net Pension Liability	0.1853809517%	0.1806080846%	0.1878411900%	
County's Proportionate Share of the Net Pension Liability	\$ 41,614,309.00	\$ 33,814,773.00	\$ 35,900,184.00	
State's Proportionate Share of the Net Pension Liability associated with the County	-	-	-	
	<b><u>\$ 41,614,309.00</u></b>	<b><u>\$ 33,814,773.00</u></b>	<b><u>\$ 35,900,184.00</u></b>	
County's Covered Payroll (Plan Measurement Period)	\$ 11,865,488.00	\$ 11,696,100.00	\$ 11,871,648.00	
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	350.72%	289.11%	302.40%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%	

**Note 7: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the County's Contributions - Public Employees' Retirement System (PERS) (Last Seven Years)***

	<u>Year Ended December 31,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
County's Contractually Required Contribution	\$ 1,736,241.00	\$ 1,802,833.00	\$ 1,833,242.00	\$ 1,798,093.00
County's Contribution in Relation to the Contractually Required Contribution	<u>\$ (1,736,241.00)</u>	<u>(1,802,833.00)</u>	<u>(1,833,242.00)</u>	<u>(1,798,093.00)</u>
County's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll (Calendar Year)	\$ 11,934,860.00	\$ 11,859,101.00	\$ 11,933,090.00	\$ 12,842,076.00
County's Contributions as a Percentage of Covered Payroll	14.55%	15.20%	15.36%	14.00%
	<u>Year Ended December 31,</u>			
	<u>2015</u>	<u>2014</u>	<u>2013</u>	
County's Contractually Required Contribution	\$ 1,593,779.00	\$ 1,488,907.00	\$ 1,415,345.00	
County's Contribution in Relation to the Contractually Required Contribution	<u>(1,593,779.00)</u>	<u>(1,488,907.00)</u>	<u>(1,415,345.00)</u>	
County's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
County's Covered Payroll (Calendar Year)	\$ 12,843,561.00	\$ 12,136,471.00	\$ 11,652,247.00	
County's Contributions as a Percentage of Covered Payroll	12.41%	12.27%	12.15%	



**Note 7: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the County's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Seven Plan Years)***

	<b>Measurement Date Ended June 30,</b>			
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
County's Proportion of the Net Pension Liability	0.3070811268%	0.3124086669%	0.3307208989%	0.3100319083%
County's Proportionate Share of the Net Pension Liability	\$ 37,580,032.00	\$ 42,274,043.00	\$ 51,056,913.00	\$ 59,224,025.00
State's Proportionate Share of the Net Pension Liability associated with the County	5,933,958.00	5,742,230.00	5,718,804.00	4,973,349.00
Total	<u>\$ 43,513,990.00</u>	<u>\$ 48,016,273.00</u>	<u>\$ 56,775,717.00</u>	<u>\$ 64,197,374.00</u>
County's Covered Payroll (Plan Measurement Period)	\$ 10,398,200.00	\$ 10,415,676.00	\$ 10,771,828.00	\$ 9,879,932.00
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	361.41%	405.87%	473.99%	599.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.00%	62.48%	58.60%	52.01%
	<b>Measurement Date Ended June 30,</b>			
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	
County's Proportion of the Net Pension Liability	0.3031406092%	0.2524046448%	0.2539736183%	
County's Proportionate Share of the Net Pension Liability	\$ 50,492,659.00	\$ 31,750,163.00	\$ 33,763,501.00	
State's Proportionate Share of the Net Pension Liability associated with the County	4,428,037.00	3,418,959.00	3,147,167.00	
Total	<u>\$ 54,920,696.00</u>	<u>\$ 35,169,122.00</u>	<u>\$ 36,910,668.00</u>	
County's Covered Payroll (Plan Measurement Period)	\$ 9,599,900.00	\$ 7,886,060.00	\$ 8,013,528.00	
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	525.97%	402.61%	421.33%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.31%	62.41%	58.70%	

**Note 7: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the County's Contributions - Police and Firemen's Retirement System (PFRS) (Last Seven Years)***

	<u>Year Ended December 31,</u>			
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
County's Contractually Required Contribution	\$ 3,101,859.00	\$ 3,054,255.00	\$ 2,926,941.00	\$ 2,527,816.00
County's Contribution in Relation to the Contractually Required Contribution	<u>(3,101,859.00)</u>	<u>(3,054,255.00)</u>	<u>(2,926,941.00)</u>	<u>(2,527,816.00)</u>
County's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll (Calendar Year)	\$ 10,684,652.00	\$ 10,478,405.00	\$ 10,185,316.00	\$ 10,643,108.00
County's Contributions as a Percentage of Covered Payroll	29.03%	29.15%	28.74%	23.75%

	<u>Year Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
County's Contractually Required Contribution	\$ 2,464,081.00	\$ 1,938,642.00	\$ 1,852,935.00
County's Contribution in Relation to the Contractually Required Contribution	<u>(2,464,081.00)</u>	<u>(1,938,642.00)</u>	<u>(1,852,935.00)</u>
County's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll (Calendar Year)	\$ 9,991,339.00	\$ 9,540,873.00	\$ 8,048,663.00
County's Contributions as a Percentage of Covered Payroll	24.66%	20.32%	23.02%

**Note 7: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)*****Changes in Benefit Terms**

None

**Changes in Assumptions**

The Discount Rate changed at June 30th over the following years: 5.39% 2014, 4.90% 2015, 3.98% 2016, 5.00% 2017, 5.66% 2018, and 6.28% 2019.

The Long-term Expected Rate of Return changed at June 30<sup>th</sup> over the following years: 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017, 2018 and 2019.

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2014 - June 30, 2018 Experience Study. For pre-retirement mortality, 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 was used. For healthy retirees and beneficiaries, 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 was used. For disabled retiree mortality, the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males, and a 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter.

***Police and Firemen's Retirement System (PFRS)*****Changes in Benefit Terms**

In 2017, Chapter 26, P.L. 2016 increased the accidental death benefit payable to children if there is no surviving spouse to 70% of final compensation.

**Changes in Assumptions**

The Discount Rate changed at June 30th over the following years: 6.32% 2014, 5.79% 2015, 5.55% 2016, 6.14% 2017, 6.51% 2018 and 6.85% 2019.

The Long-term Expected Rate of Return changed at June 30<sup>th</sup> over the following years: 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017, 2018 and 2019.

**Note 7: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information (Cont'd)*****Police and Firemen's Retirement System (PFRS) (Cont'd)*****Changes in Assumptions (Cont'd)**

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2013 - June 30, 2018 Experience Study. For pre-retirement mortality, the Pub-201 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 was used. For healthy retirees, 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 was used. For beneficiaries mortality, the Pub-2010 General Retiree Below-Median Income Weighted mortality table, unadjusted, and with future improvement from the base year of 2010 on a generational basis was used. For disabled mortality, 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 was used. For mortality improvement, Scale MP-2019 was used.

For 2016, the mortality improvement scale incorporated the plan actuary's modified 2014 projection scale. Further, salary increases were assumed to increase between 2.10% and 8.98% (based on age through fiscal year 2026 and 3.10% and 9.98% (based on age) for each fiscal year thereafter. For 2015, demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study.

**Note 8: COMPENSATED ABSENCES**

Under existing policies of the County, upon retirement employees will receive one-half of the accumulated unused sick leave to a maximum of \$15,000.00. Unused accumulated vacation is paid for at straight time. A maximum of ten vacation days may be carried over at the end of the year unless approval to carryover more is granted.

The accumulated cost of unused sick and vacation time has not been recorded in the financial statements as presented, however at December 31, 2019, it is calculated that accrued unused sick and vacation time payable are valued at \$1,136,202.01.

The County has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2019, the balance of the fund was \$284,172.16.

**Note 9: DEFERRED COMPENSATION SALARY ACCOUNT**

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

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

**Note 10: LEASE OBLIGATIONS**

At December 31, 2019, the County had lease agreements in effect for the following:

Operating:  
Eight (8) Copier Agreements

Future minimum lease payments under operating lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 42,923
2021	42,053
2022	41,620
2023	29,793

Rental payments under operating leases for the year 2019 were \$1,920,726.17.

**Note 11: CAPITAL DEBT****General Debt – Serial Bonds**

Governmental Obligation Bonds, Series 2011, - On May 18, 2011, the County issued \$6,300,000.00 with interest rates varying from 2.000% to 4.000%. The purpose of the bonds was to fund various capital projects in the County. The final maturity of bonds is May 1, 2026.

County College Bonds, Series 2012 - On March 15, 2012, the County issued \$2,100,000.00 of County College bonds with interest rates ranging from 2.000% to 3.000%. The purpose of the bonds was to fund improvements at the County College. The final maturity of the bonds is March 15, 2022.

County College Bonds, Series 2014 - On June 19, 2014, the County issued \$2,700,000.00 of County College bonds with interest rates ranging from 2.000% to 3.250%. The purpose of the bonds was to fund improvements at the County College. The final maturity of the bonds is March 15, 2029.

General Obligation Refunding Bonds, Series 2014, - On June 27, 2014, the County issued \$2,700,000.00 with interest rates varying from 2.000% to 5.000%. The purpose of the bonds was to refund debt issued in a prior period. The final maturity of bonds is April 1, 2025.

Special Services Refunding School Bonds, Series 2015 - On May 1, 2015, the County issued \$3,885,000.00 of Special Services Refunding School bonds with interest rates ranging from 1.000% to 3.500%. The purpose of the bonds was to refund debt issued in a prior period. The final maturity of the bonds is October 1, 2028.

General Obligation Refunding Bonds, Series 2016, - On September 20, 2016, the County issued \$6,035,000.00 with interest rates varying from 2.000% to 4.000%. The purpose of the bonds was to refund debt issued in a prior period. The final maturity of bonds is March 15, 2029.

Governmental Obligation Bonds, Series 2016, - On October 5, 2016, the County issued \$6,949,000.00 with interest rates varying from 2.000% to 4.000%. The purpose of the bonds was to fund various capital projects in the County and Vocational and Technical School. The final maturity of bonds is October 1, 2032.

County College Bonds, Series 2018 - On June 20, 2018, the County issued \$2,600,000.00 of County College bonds with interest rates ranging from 3.000% to 3.250%. The purpose of the bonds was to fund improvements at the County College. The final maturity of the bonds is March 15, 2033.

Governmental Obligation Bonds, Series 2019, - On June 18, 2019, the County issued \$9,942,000.00 with interest rates varying from 2.000% to 4.000%. The purpose of the bonds was to fund various capital projects in the County. The final maturity of bonds is June 15, 2034.

County College Bonds, Series 2019 - On June 18, 2019, the County issued \$1,500,000.00 of County College bonds with interest rates ranging from 2.000% to 4.000%. The purpose of the bonds was to fund improvements at the County College. The final maturity of the bonds is June 15, 2031.

**Note 11: CAPITAL DEBT (CONT'D)**

The following schedules represents the remaining debt service, through maturity, for the general improvement bonds and loans:

**General Debt - Serial Bonds**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 3,240,000	\$ 1,333,612	\$ 4,573,612
2021	3,410,000	1,046,516	4,456,516
2022	3,390,000	934,816	4,324,816
2023	3,240,000	817,203	4,057,203
2024	3,315,000	707,163	4,022,163
2025-2029	15,055,000	1,890,694	16,945,694
2030-2034	6,480,000	408,031	6,888,031
	<u>\$ 38,130,000</u>	<u>\$ 7,138,034</u>	<u>\$ 45,268,034</u>

**General Debt - Loans**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 31,205	\$ 13,000	\$ 44,205
2021	63,349	25,061	88,410
2022	64,622	23,787	88,410
2023	65,921	22,489	88,410
2024	67,246	21,164	88,410
2025-2029	357,057	84,991	442,048
2030-2034	394,413	47,635	442,048
2035-2037	256,188	9,041	265,229
	<u>\$ 1,300,000</u>	<u>\$ 247,168</u>	<u>\$ 1,547,168</u>

**Note 11: CAPITAL DEBT (CONT'D)**

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

**Summary of Debt**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b><u>Issued</u></b>			
General:			
Bonds, Loans and Notes	\$ 45,144,000	\$ 42,055,000	\$ 39,779,000
Total Issued	45,144,000	42,055,000	39,779,000
<b><u>Authorized but not Issued</u></b>			
General:			
Bonds, Loans and Notes	667	384	800,364
Total Authorized but not Issued	667	384	800,364
Total Issued and Authorized but not Issued	45,144,667	42,055,384	40,579,364
<b><u>Deductions</u></b>			
General:			
Open Space Funds Held to Pay Bonds and Notes	3,167,092	3,604,671	
Accounts Receivable Chapter 12 County College Debt	3,327,500	2,890,000	215,000
Total Deductions	6,494,592	6,494,671	215,000
<b>Net Debt</b>	<u>\$ 38,650,075</u>	<u>\$ 35,560,713</u>	<u>\$ 40,364,364</u>

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

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 0.777%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Debt Guaranteed by the County	\$ 7,882,873	\$ 7,882,873	
General Debt	45,144,667	6,494,592	\$ 38,650,075
	<u>\$ 53,027,540</u>	<u>\$ 14,377,464</u>	<u>\$ 38,650,075</u>

Net debt \$38,650,075.00 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$4,975,425,032.00, equals 0.777%.

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

2% of Equalized Valuation Basis (County)	\$ 99,508,501
Less: Net Debt	38,650,075
Remaining Borrowing Power	<u>\$ 60,858,425</u>



**Note 12: COUNTY GUARANTEES**

The County of Salem adopted resolutions in 2016 authorizing the guaranty for the Salem County Improvement Authority County Lease Revenue Refunding Bonds (County Glass Blowing Project). Bonds in the amount of \$1,380,000.00 were issued on December 21, 2016. At December 31, 2019, bonds in the amount of \$1,225,000.00 were outstanding. The final payment on these bonds is April 15, 2028.

The County of Salem adopted resolutions in 2016 authorizing the guaranty for the Salem County Improvement Authority New Jersey Environmental Infrastructure Trust loans for the construction of Cell 11 of the landfill. Loans in the amount of totaling \$7,565,088.00 were issued on May 25, 2017. At December 31, 2019, loans in the amount of \$6,657,872.69 were outstanding. The final payment on these loans is March 1, 2036.

**Note 13: OPEN SPACE AND FARMLAND PRESERVATION TRUST**

On November 5, 2002, pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of Salem County authorized the establishment of the Salem County Open Space and Farmland Preservation Trust Fund effective January 1, 2005, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. The County proposed to levy a tax not to exceed two cents per one hundred dollars of equalized valuation. Amounts raised by taxation are apportioned by the County Board of Taxation among the municipalities in accordance with N.J.S.A. 54:4-9 and are assessed, levied and collected in the same manner and at the same time as other County taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a Trust Fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Salem County Open Space and Farmland Preservation Trust Fund.

**Note 14: TAX ABATEMENTS**

Municipalities within the County are authorized to enter into property tax abatement agreements for commercial and industrial structures under N.J.S.A. 40A:21-1 (Chapter 441, P.L. 1991) known as the "Five Year Exemption and Abatement Law". Under this law, municipalities may grant property tax abatements for a period of five years from the date of completion of construction for the purpose of encouraging the construction of new commercial and industrial structures. The first calendar year following completion, 0 percent of taxes are due, and each subsequent calendar the percentage of taxes due increases by 20 percent. During the 6<sup>th</sup> calendar year, 100 percent of taxes are assessed and due. The property owner agrees that the payment in lieu of taxes shall be made to the municipality in quarterly installments on those dates when real estate tax payments are due. Failure to make timely payments shall result in interest being assessed at the highest rate permitted for unpaid taxes and a real property tax lien on the land.

For 2019, the Abstract of Ratables for Salem County indicated 1 of 15 municipalities abated property taxes under this program. The total assessed value abated was \$92,880.00. At a County tax rate of \$1.187, \$1,102.49 of taxes would be considered abated.

**Note 15: SERVICE AGREEMENT**

**Salem County Improvement Authority – Solid Waste Landfill Division** - In 1984, a service agreement was enacted between the County and the Salem County Utilities Authority. In 2009, the Salem County Utilities Authority was dissolved and all of its rights and obligations were transferred to the Salem County Improvement Authority. Section 301 of the 1984 agreement provides “Charges may and shall at all times be such that the receipts of the Authority shall be sufficient to pay or provide for expenses of operation, repair and maintenance of the system including insurance, renewals and replacements and the cost of all enlargements and alterations of the system not otherwise provided for to pay the principal of and interest on any and all bonds or other obligations of the Authority as the same become due, and to repay to the County any deficiencies advances made by the County to meet any deficits of the Authority by any participant or any other municipality, authority, county, person, partnership, firm, public or private corporation, or from any other cause, and to provide and maintain such reserves or sinking funds for any of the foregoing purpose as may be required by the terms of any contract or other obligation of the Authority.”

Section 401 provided “On or before January 15<sup>th</sup> next following the close of each fiscal year, the Authority shall make and deliver to the Board of Chosen Freeholders of the County, a certificate, signed by its Chairman or Vice-Chairman and its Registered Municipal Accountant, stating the receipts and expenses to the Authority for the current fiscal year and the estimated receipts and expenses to the Authority for the current fiscal year, and deficiency advances (if any) payable by the County to the Authority, for or with respect to the preceding and current fiscal year. Such deficiency advances shall be a sum of money equal to the excess (if any) of the expenses of the Authority for a fiscal year over the receipts of the Authority such fiscal year.”

Section 402 provides “On or before May 1<sup>st</sup> of each fiscal year, the County will pay to the Authority the deficiency advances (if any) stated in the certificate delivered to the Board of Chosen Freeholders pursuant to Section 401 of this Article.”

In 1984, prior year advances to the Authority of \$215,000.00 was repaid to the County of Salem.

Subsequent to 1984 through December 31, 2019 the Authority has not requested any advances resulting from deficiencies or for any other purpose.

**Note 16: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the County expects such amount, if any, to be immaterial.

**Litigation** - The County is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the County, from such litigation is either unknown or potential losses, if any, would not exceed applicable insurance coverages.

**Note 17: CONCENTRATIONS**

The County depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the County is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

**Note 18: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS****A. STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

**Plan Description and Benefits Provided** - The County provides postemployment benefits to its retirees, however, the State of New Jersey (the "State") provides benefits to certain County retirees and their dependents under a special funding situation as described below.

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

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under 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 18: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****A. STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****General Information about the OPEB Plan (Cont'd)**

**Contributions** - The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members.

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

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

Therefore, the County is 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 County does not contribute under this legislation directly to the Plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the County is required disclose:

- a) the State's proportion (percentage) of the collective net OPEB liability that is associated with the County,
- b) the State's proportionate share of the collective net OPEB liability that is associated with the County, and
- c) the State's proportionate share of the OPEB (benefit) expense that is associated with the County.

The amount of actual contributions to the OPEB Plan made by the State, on-behalf of the County, is not known, however, under the Special Funding Situation, the State's OPEB (benefit) expense, on-behalf of the County, is \$422,585.00 for the year ended December 31, 2019 representing 3.96% of the County's covered payroll.

**OPEB Liability and OPEB (Benefit) Expense**

**OPEB Liability** - At December 31, 2019 the State's proportionate Share of the Net OPEB liability associated with the County is \$31,880,579.00. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.

**Note 18: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****A. STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Liability and OPEB (Benefit) Expense (Cont'd)**

**OPEB Liability (Cont'd)** - The State's proportion of the net OPEB liability, on-behalf of the County, was based on the ratio of the plan members of an individual employer to the total members of the Plan's special funding situation during the measurement period July 1, 2018 through June 30, 2019. For the June 30, 2019 measurement date, the State's proportion on-behalf of the County was 0.576949% which was a decrease of 0.038901% from its proportion measured as of the June 30, 2018 measurement date.

**OPEB (Benefit) Expense** - At December 31, 2019, the State's proportionate share of the OPEB (benefit) expense, associated with the County, calculated by the Plan as of the June 30, 2019 measurement date, is \$422,585.00. This on-behalf (benefit) expense is not recognized by the County because of the regulatory basis of accounting as described in note 1.

**Actuarial Assumptions**

The actuarial assumptions vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2019 used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases *	
PERS:	
Not Applicable Under Special Funding Situation	
PFRS:	
Rate for all Years	3.25% to 15.25%

\* Salary Increases are Based on Years of Service  
Within the Respective Plan

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

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

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

All of the Plan's investments are in the State of New Jersey Cash Management Fund ("CMF"). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, *Certain Investments and External Investment Pools*. The CMF invests in U.S. Government and Agency Obligations, Commercial Paper, Corporate Obligations and Certificates of Deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) are the unit cost of value of \$1.00. Participant shares are valued on a fair value basis. The CMF pay interest to participants on a monthly basis.

**Note 18: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****A. STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****Actuarial Assumptions (Cont'd)**

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

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

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

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

	<b>1% Decrease (2.50%)</b>	<b>Current Discount Rate (3.50%)</b>	<b>1% Increase (4.50%)</b>
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the County	<u>\$ 36,862,060.00</u>	<u>\$ 31,880,579.00</u>	<u>\$ 27,832,469.00</u>

**Sensitivity of the net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

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

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the County	<u>\$ 26,903,281.00</u>	<u>\$ 31,880,579.00</u>	<u>\$ 38,229,963.00</u>

**Note 18: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****A. STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Plan Fiduciary Net Position**

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

**Supplementary OPEB Information**

In accordance with GASB No. 75, the following information is also presented for the State Health Benefits Local Government Retired Employees Plan. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

***Schedule of the State's Proportionate Share of the net OPEB Liability Associated with the County (Last Three Plan Years)***

	<b>Measurement Date Ended June 30,</b>		
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
County's Proportion of the Net OPEB Liability	0.000000%	0.000000%	0.000000%
State's Proportion of the Net OPEB Liability Associated with the County	<u>100.000000%</u>	<u>100.000000%</u>	<u>100.000000%</u>
	<u>100.000000%</u>	<u>100.000000%</u>	<u>100.000000%</u>
County's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the County	<u>31,880,579.00</u>	<u>38,267,961.00</u>	<u>52,794,114.00</u>
Total	<u>\$ 31,880,579.00</u>	<u>\$ 38,267,961.00</u>	<u>\$ 52,794,114.00</u>
County's Covered Payroll (Plan Measurement Period)	\$ 10,752,018.00	\$ 10,135,752.00	\$ 10,441,485.00
County's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%
State's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	296.508%	377.554%	505.619%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.97%	1.03%

**Note 18: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****A. STATE HEALTH BENEFITS LOCAL GOVERNMENT RETIRED EMPLOYEES PLAN (CONT'D)****Supplementary OPEB Information (Cont'd)*****Schedule of the State's Contributions Associated with the County (Last Three Years)***

The amount of actual contributions that the State made on-behalf of the County is not known.

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

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

**Changes in Assumptions**

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

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

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



**Note 18: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****B. COUNTY OF SALEM POSTEMPLOYMENT BENEFIT PLAN**

**Plan Description and Benefits Provided** - The County provides postretirement health care benefits through a health plan for retirees, which includes a medical and prescription plan. The County's plan provides a single employer post-employment healthcare plan, which is not administered through a trust that meets the criteria in paragraph 4 of the GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*, and covers the following retiree population: 1) retirement on a disability pension, 2) retirement with 25 years or more of service credit in a state or locally-administered retirement system and at least 15 years of service with the County, 3) retirement at age 62 or older with at least 15 years of service with the County (adopted 1/17/2007, revised 7/17/2013), 4) retirement with 25 years or more of service credit in a state or locally-administered retirement system, provided the retiring employee was employed by the County as of August 1, 1991. Years of service are calculated based upon elapsed time. The plan is administered by the County; therefore, premium payments are made directly to the insurance carriers.

**Employees Covered by Benefit Terms** - As of December 31, 2019, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	209
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	-
Active Employees	421
	<hr/>
	630
	<hr/>

**Total OPEB Liability**

The County's total OPEB liability of \$465,171,703.00 was measured as of December 31, 2019 and was determined by an actuarial valuation as of December 31, 2019.

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

Inflation	
Salary Increases	3.00%
Discount Rate	2.90%
Healthcare Cost Trend Rates	Year 1 Trend - 8.0%
	Ultimate Trend - 5.0%
	Grading Per Year - 0.5%
Retirees' Share of Benefit-Related Costs	0% - the County pays 100% of the benefit cost for retirees and their dependents.

The discount rate was based on the average of the S&P Municipal Bond 20 year HG Bond index rate, Bond Buyer 20-Bond GO, and Fidelity GO AA – 20 years.

An experience study was not performed on the actuarial assumptions used in the December 31, 2019 valuation since the Plan had insufficient data to produce a study with credible results. Mortality rates, termination rates and retirement rates were based on standard tables issued by Society of Actuaries. The actuary has used their professional judgement in applying these assumptions to this Plan.

**Note 18: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****B. COUNTY OF SALEM POSTEMPLOYMENT BENEFIT PLAN (CONT'D)****Changes in Total OPEB Liability**

Balance at December 31, 2018		\$351,467,531.00
Changes for the Year:		
Service Cost	\$6,451,154.00	
Interest Cost	12,995,450.00	
Benefit Payments	(4,787,736.00)	
Changes in Assumptions	99,045,304.00	
Difference between Expected and Actual Experience	-	
Net Changes		<u>113,704,172.00</u>
Balance at December 31, 2019		<u><u>\$465,171,703.00</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.80% at December 31, 2018 to 2.90% at December 31, 2019.

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

	<b><u>December 31, 2019</u></b>		
	<b><u>1.00% Decrease (1.90%)</u></b>	<b><u>Current Discount Rate (2.90%)</u></b>	<b><u>1.00% Increase (3.90%)</u></b>
Total OPEB Liability	<u>\$628,638,764.00</u>	<u>\$465,171,703.00</u>	<u>\$356,196,648.00</u>

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b><u>December 31, 2019</u></b>		
	<b><u>1.00% Decrease</u></b>	<b><u>Healthcare Cost Trend Rates</u></b>	<b><u>1.00% Increase</u></b>
Total OPEB Liability	<u>\$337,469,104.00</u>	<u>\$465,171,703.00</u>	<u>\$651,667,971.00</u>

**Note 18: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****B. COUNTY OF SALEM POSTEMPLOYMENT BENEFIT PLAN (CONT'D)**

**OPEB (Benefit) Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** - For the year ended December 31, 2019, the County recognized OPEB (benefit) expense of \$28,450,723.00. As of December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Changes of Assumptions	\$ 90,041,185.00	\$ -
Difference Between Expected and Actual Experience	-	-
	<u>\$ 90,041,185.00</u>	<u>\$ -</u>

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

<b>Year Ending Dec 31,</b>	
2020	\$ 9,004,119.00
2021	9,004,119.00
2022	9,004,119.00
2023	9,004,119.00
2024	9,004,119.00
Thereafter	<u>45,020,590.00</u>
	<u>\$ 90,041,185.00</u>

**Supplementary OPEB Information**

In accordance with GASB No. 75, the following information is also presented for the County's OPEB Plan. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**Note 18: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****B. COUNTY OF SALEM POSTEMPLOYMENT BENEFIT PLAN (CONT'D)****Supplementary OPEB Information (Cont'd)*****Schedule of Changes in the County's Total OPEB Liability and Related Ratios (Last Two Plan Years)***

	<u>Plan Measurement Date December 31,</u>	
	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>		
Service Cost	\$ 6,451,154.00	\$ 5,207,943.00
Interest Cost	12,995,450.00	12,761,378.00
Benefit Payments	(4,787,736.00)	(4,655,033.00)
Changes in Assumptions	99,045,304.00	-
Difference Between Expected and Actual Experience	-	-
Net Change in Total OPEB Liability	113,704,172.00	13,314,288.00
Total OPEB Liability - Beginning of Fiscal Year	351,467,531.00	338,153,243.00
Total OPEB Liability - End of Fiscal Year	<u>\$ 465,171,703.00</u>	<u>\$ 351,467,531.00</u>
Covered-Employee Payroll	\$ 26,734,753.00	\$ 26,734,753.00
Total OPEB Liability as a Percentage of Covered Payroll	1739.95%	1314.65%

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

None

**Changes in Assumptions**

The discount rate changed from 3.80% as of December 31, 2018 to 2.90% as of December 31, 2019.

**Note 19: RISK MANAGEMENT**

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

**Property and Liability Insurance** - The County maintains commercial insurance coverage for property, general liability, automobile liability, automobile physical damage, cyber liability, excess worker's compensation, pollution, storage tanks, railroad, blanket surety bonds, accident and health, excess and umbrella (GL/LEL/PEML/PEEPL) etc.

**New Jersey Unemployment Compensation Insurance** - The County has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the County 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 County is billed quarterly for amounts due to the State.

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

<u>Year</u>	<u>Trust Fund</u>			<u>Current Fund</u>
	<u>County Contributions</u>	<u>Interest Earnings</u>	<u>Ending Balance</u>	<u>Amount Reimbursed</u>
2019	-	\$ 0.34	\$ 44.50	\$ 27,245.73
2018	-	0.12	44.16	37,788.35
2017	-	0.04	44.04	138,299.59

**Self-Insurance Plan** - The County has adopted a plan of self-insurance for workers' compensation, automobile, police professional liability, and general liability insurance. The Joint Insurance Fund Policy covers individual claims in excess of \$250,000 for automobile, general liability claims, and workers' compensation claims.

At December 31, 2019, the estimated payable for the workers' compensation insurance was \$125,915, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported. Such liability at this time is not known.

The estimated payable for the general liability/police professional insurance was \$537,500, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported, at December 31, 2019. Such liability at this time is not known.

The estimated payable for the auto liability insurance was \$0, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported, at December 31, 2019. Such liability at this time is not known.

The estimated payable for workers' compensation, auto liability and general liability police professional insurance do not include any provision for claims incurred but not reported.

Any additional funds required for claims in excess of the amounts reserved and recorded in trust funds below as a liability will be paid and charged to the 2020 or future budgets. At December 31, 2019, the balances of the plans were as follows:

<u>Insurance Plan</u>	<u>Amount</u>
Reserve for Worker's Compensation - Trust Fund	\$ 7,431.09
Reserve for Self Insurance - Trust Fund	64,258.46
Hospitalization - Trust Fund	1.38

**Note 20: CHANGE ORDERS**

During the year 2019, the County amended contracts by approving the following change orders that resulted in the total amount of change orders executed for these projects to exceed the originally awarded contract price by more than twenty percent (20%):

<u>Resolution Number</u>	<u>Description</u>
Resolution #2019-149	Change Order #1 County Engineer Professional Service Contract
Resolution #2019-246	Change Order #1 Contract for Architectural Building Expert for Salem County
Resolution #2019-268	Change Order #2 Contract for Housekeeping Services- Puerto Rican Action Committee
Resolution #2019-282	Change Order #2 Emergency Repairs to sluice gates in Elsinboro, NJ
Resolution #2019-286	Change Order #1 County Engineer Professional Service Contract
Resolution #2019-287	Change Order #2 County Engineer Professional Service Contract
Resolution #2019-288	Change Order #2 County Engineer Professional Service Contract
Resolution #2019-354	Change Order #4 Contract for Transportation Services- Puerto Rican Action Committee
Resolution #2019-380	Change Order #1 County Engineer Professional Service Contract
Resolution #2019-455	Change Order #1 County Professional Service Contract for Farmland Preservation Surveys

N.J.A.C. 5:30-11.3 (a) 9 and 10 states that the total number of change orders executed for a particular contract shall not cause the originally awarded contract price to be exceeded by more than twenty percent (20%) unless otherwise authorized, and that if proposed change orders do exceed that twenty percent limitation, no work shall be performed or purchases made until the procedures of N.J.A.C. 5:30-11.9 have been completed.

N.J.A.C. 5:30-11.9 delineates the required procedures for change orders, which exceed the twenty percent (20%) limitation. The County has complied with all provisions of N.J.A.C. 5:30-11.9.

**Note 21: SUBSEQUENT EVENTS**

**Authorization of Debt** – Subsequent to December 31, the County authorized additional bond or notes as follows:

<u>Purpose</u>	<u>Date</u>	<u>Authorization</u>
Capital Improvements to Salem County Career and Technical High School	2/5/2020	\$ 8,000,000
Improvements to the Courthouse and the Administration Building and the Construction of an Adjoining Addition	6/3/2020	38,095,000

**COVID-19** - On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the County's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the County is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for calendar year 2020.

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**



**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Current Cash  
Per N.J.S.A. 40A:5-5--Treasurer  
For the Year Ended December 31, 2019

Balance December 31, 2018		\$	13,585,669.90
Increased by Receipts:			
County Taxes Receivable	\$	59,031,818.16	
Revenue Accounts Receivable		16,030,703.14	
Miscellaneous Revenue Not Anticipated		1,444,227.17	
Federal and State Grants Receivable		10,030,260.45	
Mortgages Receivable		17,620.51	
Reimbursements:			
2019 Appropriations		<u>2,831,272.74</u>	
			<u>89,385,902.17</u>
			102,971,572.07
Decreased by Disbursements:			
2019 Budget Appropriations		73,059,366.67	
2018 Budget Appropriation Reserves		3,474,713.36	
Accounts Payable		15,367.00	
Due from Open Space Trust		542,965.32	
Reserve for Federal and State Grants - Appropriated		<u>9,170,400.22</u>	
			<u>86,262,812.57</u>
Balance December 31, 2019		\$	<u><u>16,708,759.50</u></u>

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of County Taxes Receivable  
For the Year Ended December 31, 2019

	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>2019</u> <u>Tax Levy</u>	<u>Added/Omitted</u> <u>County Taxes</u>	<u>Received</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
Alloway Township	\$ 34,176.91	\$ 3,464,030.42	\$ 20,755.76	\$ 3,518,963.09	
Carneys Point Township	92,845.22	7,633,372.23	35,566.64	7,761,784.09	
Elmer Borough	3,499.92	1,257,297.50	1,844.47	1,260,797.42	\$ 1,844.47
Elsinboro Borough		1,225,551.85	2,820.56	1,228,372.41	
Lower Alloways Creek Township		3,290,522.44	9,498.84	3,300,021.28	
Mannington Township		2,303,397.66	7,558.89	2,310,956.55	
Oldmans Township		2,947,731.11	12,982.24	2,960,713.35	
Penns Grove Borough		1,630,641.19	21,993.33	1,652,634.52	
Pennsville Township		11,033,605.85	12,048.50	11,045,654.35	
Pilesgrove Township	17,433.49	5,371,637.34	11,272.00	5,400,342.83	
Pittsgrove Township	52,358.86	7,821,982.13	18,019.89	7,892,360.88	
Quinton Township		2,043,611.26	2,426.41	2,046,037.67	
Salem City		1,698,033.55	334.34	1,698,033.55	334.34
Upper Pittsgrove Township		3,755,974.98	22,922.48	3,778,897.46	
Woodstown Borough		3,175,878.71	370.00	3,176,248.71	
	<u>\$ 200,314.40</u>	<u>\$ 58,653,268.22</u>	<u>\$ 180,414.35</u>	<u>\$ 59,031,818.16</u>	<u>\$ 2,178.81</u>
County Taxes				\$ 58,653,268.22	
County Added and Omitted Taxes				378,549.94	
				<u>\$ 59,031,818.16</u>	

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Revenue Accounts Receivable  
For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Accrued	Collected	Due General Capital Fund	Balance Dec. 31, 2019
Miscellaneous Revenues Anticipated:					
Local Revenues:					
County Clerk		\$ 453,000.00	\$ 453,000.00		
Surrogate		76,052.04	48,815.90		\$ 27,236.14
Sheriff		59,000.00	59,000.00		
Office on Aging		12,575.60	12,575.60		
SCIA		160,483.00	160,483.00		
Interest on Investments and Deposits		335,777.24	335,777.24		
Constitutional Officers Salary Reimbursement	\$ 96,200.00		96,200.00		
Refunds - Public Health Department		36,789.20	36,789.20		
Planning Board - Development Review Fees		69,746.60	69,746.60		
Due from Lower Alloways Creek Township		2,195,000.00	2,195,000.00		
One Stop Administration/Rent		40,455.03	40,455.03		
Bail Forfeiture		6,900.00	6,900.00		
Home Detention		13,706.22	13,706.22		
Jail Miscellaneous		146,555.59	146,555.59		
County Dispatch Services:					
Elmer Borough		10,700.00	10,700.00		
Woodstown Borough		32,000.00	32,000.00		
City of Salem		129,010.00	129,010.00		
Lower Alloways Creek		39,795.30	39,795.30		
Pennsville		137,700.00	137,700.00		
Carneys Point		107,100.00	107,100.00		
Penns Grove		155,000.00	155,000.00		
Inmate Health Reimbursement to Salem County		3,448.22	3,448.22		
Jail Telephone		50,230.83	50,230.83		
Fire School		79,385.00	79,385.00		
Meals on Wheels Rent		10,200.00	10,200.00		
State Prisoners		18,053.93	18,053.93		
Lease for Farmland		6,800.00	6,800.00		
County College Debt Contribution		270,718.63	270,718.63		
State Aid:					
State Aid - County College Bonds (NJSA 18A:64A-22.6)		311,803.39	306,684.64	\$ 5,118.75	
Public Health Priority Funding - 1977		108,994.25	108,994.25		
Debt Service - State Aid (Type I) - Vocational Education Bonds		378,185.00	378,185.00		
State Assumption of Costs of County Social & Welfare Service & Psychiatric Facilities					
Social and Welfare Services (c.66,P.L. 1990):					
Supplemental Social Security Income		157,286.00	157,286.00		
Special Items of General Revenue Anticipated with Prior Written Consent of Director of					
Local Government Services - Other Special Items					
Salem County Area Office on Aging		58,000.00	58,000.00		
Salem County Bus Service - NJ Transit Contract		1,486,140.88	1,486,140.88		
Rent - Agriculture Building		92,925.00	92,925.00		
Board of Male Inmates in County Jail		5,572,019.85	5,572,019.85		
Board of Federal Inmates in County Jail		2,026,333.67	2,026,333.67		
Gloucester County Alternative Youth Shelter Beds		75,438.00	75,438.00		
Rent Communication Tower		18,000.00	18,000.00		
Title Section IV-D Reimbursement for State of NJ		301,976.73	301,976.73		
BOSS Reimbursements and Administrative Fees		233,783.77	233,783.77		
Additional Fees:					
County Clerk		467,112.86	397,129.43		69,983.43
County Sheriff		92,777.63	92,659.63		118.00
	<u>\$ 96,200.00</u>	<u>\$ 16,036,959.46</u>	<u>\$ 16,030,703.14</u>	<u>\$ 5,118.75</u>	<u>\$ 97,337.57</u>

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of 2018 Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance Dec. 31, 2018</u>			<u>Balance After</u>	<u>Paid or</u>	<u>Balanced</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Transfers</u>	<u>Transfers</u>	<u>Charged</u>	<u>Lapsed to</u> <u>Fund Balance</u>
<b>General Government</b>						
Administrative and Executive						
Board of Chosen Freeholders						
Salaries and Wages		\$ 6,274.42	\$ (2,311.58)	\$ 3,962.84	\$ 3,962.84	
Other Expenses	\$ 1,400.97	16,233.43		17,634.40	3,258.02	\$ 14,376.38
Purchase Department and Inventory Control						
Salaries and Wages		774.79	3,753.06	4,527.85	4,527.85	
Other Expenses		4.69		4.69		4.69
Clerk of the Board						
Salaries and Wages			3,335.07	3,335.07	3,335.07	
Other Expenses	2,573.67	3,596.14		6,169.81	3,467.05	2,702.76
Grant Management						
Other Expenses		14,850.00		14,850.00		14,850.00
Personnel/HR						
Salaries and Wages		2,893.48	5,737.46	8,630.94	8,630.94	
Other Expenses	30,003.54	3,785.00		33,788.54	16,999.64	16,788.90
County Clerk						
Salaries and Wages		2,902.82	12,881.33	15,784.15	15,784.15	
Other Expenses	1,000.00	1,264.06		2,264.06	2,045.27	218.79
Election Costs		0.01		0.01		0.01
Board of Elections						
Salaries and Wages		12,813.80	(4,908.38)	7,905.42	7,905.42	
Other Expenses	4,140.35	2,911.30		7,051.65	4,799.68	2,251.97
Treasurer (Department of Finance)						
Salaries and Wages		4,265.75	2,765.40	7,031.15	7,031.15	
Other Expenses	1,525.63	27,561.83		29,087.46	13,461.86	15,625.60
Bond Cost		22,144.95		22,144.95	7,537.50	14,607.45
County Auditor		9,700.00	15,300.00	25,000.00	25,000.00	
Information Technology Center						
Other Expenses		31,348.61		31,348.61	22,994.72	8,353.89
County Adjuster's Office						
Salaries and Wages			384.62	384.62	384.62	
Board of Taxation						
Salaries and Wages		2,593.86	2,650.14	5,244.00	5,244.00	
Other Expenses	354.97	763.06		1,118.03	264.91	853.12
County Counsel						
Salaries and Wages		7,504.47	(1,050.66)	6,453.81	6,453.81	
Other Expenses	1,178.10	1,785.92		2,964.02		2,964.02
Consultant Expenses		53,090.43		53,090.43	18,591.93	34,498.50
County Surrogate						
Salaries and Wages		1,690.10	10,499.93	12,190.03	12,190.03	
Other Expenses	6,043.46	98.76		6,142.22	6,051.36	90.86
Engineer						
Salaries and Wages		5,595.59	5,897.19	11,492.78	11,492.78	
Other Expenses	12,427.06	1,363.45		13,790.51	13,456.89	333.62
Economic Development Office						
Salaries and Wages		944.87	73.78	1,018.65	1,018.65	
Other Expenses	5,005.00	14,039.76		19,044.76	5,005.00	14,039.76

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of 2018 Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance Dec. 31, 2018</u>			<u>Balance After</u>	<u>Paid or</u>	<u>Balanced</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Transfers</u>	<u>Transfers</u>	<u>Charged</u>	<u>Lapsed to</u> <u>Fund Balance</u>
<u>General Government</u>						
Labor Counsel						
Other Expenses		\$ 8,585.02		\$ 8,585.02	\$ 6,521.14	\$ 2,063.88
Special Counsel						
Other Expenses	\$ 12,356.21	1,507.75		13,863.96	10,856.21	3,007.75
Cultural Heritage Commission						
Salaries and Wages		944.87	\$ 73.78	1,018.65	1,018.65	
Other Expenses	145.00	147.52		292.52	60.00	232.52
<u>Land Use Administration</u>						
County Planning Board (R.S. 40:27-3)						
Salaries and Wages		1,770.33	179.52	1,949.85	1,949.85	
Other Expenses	50.00	847.53		897.53	25.00	872.53
<u>Code Enforcement and Administration</u>						
Weights and Measures						
Salaries and Wages		837.00	1,856.69	2,693.69	2,693.69	
Other Expenses	3.00	138.00		141.00	5.00	136.00
<u>Insurance</u>						
Workmen's Compensation		11,740.83		11,740.83		11,740.83
Other Insurance Premiums		3,839.86		3,839.86	3,839.86	
Self-Insurance AL/GL	78.00	50,553.28		50,631.28	78.00	50,553.28
Group Insurance Dental	1,551.50	1,752.39		3,303.89		3,303.89
Group Insurance Hospitalization	913,572.35	25,573.11	104,000.00	1,043,145.46	1,042,750.64	394.82
Post Retirement Health Benefits	14,499.95	1,687.46		16,187.41	14,673.95	1,513.46
Contribution to:						
State Disability Insurance		6,379.87		6,379.87		6,379.87
<u>Public Safety Functions</u>						
"9-1-1"						
Salaries and Wages		279,493.11	(196,816.22)	82,676.89	82,676.89	
Other Expenses	5,052.40	450.74		5,503.14	2,952.91	2,550.23
Department of Emergency Services						
Salaries and Wages		82,841.82	(13,814.35)	69,027.47	12,031.95	56,995.52
Other Expenses:						
Miscellaneous Other Expenses	1,684.14	35.17		1,719.31	1,418.26	301.05
Sheriff's Office						
Salaries and Wages		131,350.64	(16,799.93)	114,550.71	114,550.71	
Other Expenses	85,766.61	6,830.08		92,596.69	87,743.58	4,853.11
Jail						
Salaries and Wages		449,163.53	106,630.57	555,794.10	555,794.10	
Other Expenses	238,351.67	268,626.24		506,977.91	295,692.72	211,285.19
Bail Forfeitures		700.00		700.00		700.00
Inmate Medical	112,167.62	126,348.06		238,515.68	81,741.63	156,774.05
Alternative Youth Shelter						
Other Expenses	48,709.40			48,709.40	48,709.40	
Prosecutor's Office						
Salaries and Wages		36,227.75	130,000.00	166,227.75	160,893.54	5,334.21
Other Expenses	69,447.74	13,876.56		83,324.30	69,272.96	14,051.34
County Medical Examiner						
Other Expenses:						
Miscellaneous		1,038.72		1,038.72	1,038.72	
Juvenile Detention and Domestic Relations Court						
Other Expenses	45,716.56	1,105.25		46,821.81	21,603.52	25,218.29

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of 2018 Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance Dec. 31, 2018</u>			<u>Balance After</u>	<u>Paid or</u>	<u>Balanced</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Transfers</u>	<u>Transfers</u>	<u>Charged</u>	<u>Lapsed to</u>
						<u>Fund Balance</u>
<u>Public Works Functions</u>						
Street and Road Maintenance						
Roads and Bridges						
Salaries and Wages		\$ 5,348.18	\$ 47,495.97	\$ 52,844.15	\$ 52,844.15	
Other Expenses	\$ 11,383.14	89.51		11,472.65	11,010.42	\$ 462.23
Facilities Management						
Salaries and Wages		53,959.15	(25,199.66)	28,759.49	28,759.49	
Other Expenses	29,303.43	38,483.22		67,786.65	46,928.57	20,858.08
Mosquito Extermination Commission (R.S. 26:9-13 et seq)	24,016.02	1,566.48		25,582.50	17,551.77	8,030.73
Vehicle Maintenance	25,010.93	14,198.75		39,209.68	33,513.92	5,695.76
<u>Health and Human Services</u>						
War Veterans Burial And Grave Decorations						
Other Expenses	422.39			422.39	326.39	96.00
Office on the Disabled						
Other Expenses		326.26		326.26		326.26
Office of Aging						
Salaries and Wages			2,521.69	2,521.69	2,521.69	
Other Expenses	1,556.20			1,556.20	1,549.38	6.82
Health Department						
Salaries and Wages		59,364.04	(28,000.00)	31,364.04	7,294.04	24,070.00
Nursing Services	5,852.83	592.39		6,445.22	4,171.12	2,274.10
Administration	11,677.81	3,288.20		14,966.01	11,511.44	3,454.57
Environmental	951.65	5,647.76		6,599.41	5,417.52	1,181.89
Commission on Women						
Other Expenses		2,000.00		2,000.00	2,000.00	
<u>Parks and Recreation</u>						
Parks and Playgrounds						
Other Expenses		556.34		556.34	82.83	473.51
<u>Educational</u>						
Reimbursements for Residents Attending Out-of- County Two Year Colleges (N.J.S.18A:64A-23)	379.30	64,496.57		64,875.87	3,016.94	61,858.93
County Extension Service - Farm and Home Demonstrations						
Salaries and Wages		4,667.74	179.85	4,847.59	4,847.59	
Other Expenses	1,060.46	14,352.60		15,413.06	361.91	15,051.15
Office of County Superintendent of Schools						
Salaries and Wages		1,027.33	3,118.35	4,145.68	4,145.68	
Other Expenses	298.51	135.32		433.83	293.90	139.93

(Continued)

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of 2018 Appropriation Reserves  
For the Year Ended December 31, 2019

	<u>Balance Dec. 31, 2018</u>			<u>Balance After</u>	<u>Paid or</u>	<u>Balanced</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Transfers</u>	<u>Transfers</u>	<u>Charged</u>	<u>Lapsed to</u>
						<u>Fund Balance</u>
<u>Unclassified</u>						
Veterans' Service Bureau						
Salaries and Wages		\$ 609.86	\$ 1,210.06	\$ 1,819.92	\$ 1,819.92	
Other Expenses	\$ 1,820.25	75.99		1,896.24	1,842.25	\$ 53.99
Community Bus Service						
Salaries and Wages		55,561.45	(34,527.04)	21,034.41	21,034.41	
Other Expenses	1,856.53	845.71		2,702.24	1,846.53	855.71
Printer Maintenance						
Other Expenses	600.00	6,740.93		7,340.93	1,200.00	6,140.93
Utilities	193,386.09	396,659.85		590,045.94	310,144.17	279,901.77
<u>State and Federal Programs Off-set by Revenues:</u>						
Matching Funds for Grants		129,689.00		129,689.00	116,554.00	13,135.00
<u>Deferred Charges and Statutory Expenditures:</u>						
Prior Year Bills		45,000.00		45,000.00		45,000.00
Contribution to:						
Public Employees Retirement System		8,775.45		8,775.45	8,775.45	
Social Security System (O.A.S.I.)		91,763.14	(69,498.92)	22,264.22		22,264.22
DCRP		2,699.13		2,699.13	1,222.31	1,476.82
Unemployment Insurance		139,796.41	(67,617.72)	72,178.69	917.60	71,261.09
<b>TOTAL</b>	<b>\$ 1,924,380.44</b>	<b>\$ 2,915,504.60</b>	<b>-</b>	<b>\$ 4,839,885.04</b>	<b>\$ 3,554,993.41</b>	<b>\$ 1,284,891.63</b>
Cash Disbursed by Current Fund					\$ 3,474,713.36	
Accounts Payable					80,280.05	
					<u>\$ 3,554,993.41</u>	

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Mortgages Receivable  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 380,232.12
Decreased by:	
Receipts	<u>17,620.51</u>
Balance December 31, 2019	<u><u>\$ 362,611.61</u></u>

## Exhibit SA-6

**COUNTY OF SALEM**  
**CURRENT FUND**  
Schedule of Reserve for Repair and Reconstruction of Roads, Bridges and Railroads  
As of December 31, 2019

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Balance December 31, 2019 and December 31, 2018	<u><u>\$ 246,557.13</u></u>
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## Exhibit SA-7

**COUNTY OF SALEM**  
**CURRENT FUND**  
Statement of Accounts Payable  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 142,948.77
Increased by:	
Transfer from 2018 Appropriation Reserves	<u>80,280.05</u>
	223,228.82
Decreased by:	
Cancellation	\$ 142,948.77
Disbursements	<u>15,367.00</u>
	<u>158,315.77</u>
Balance December 31, 2019	<u><u>\$ 64,913.05</u></u>



**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Due to Current Fund  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$	2,286,115.51
Increased by:			
Grant Fund Expenditures Paid by Current Fund			<u>9,170,400.22</u>
			11,456,515.73
Decreased by:			
Receipts Deposited in Current Fund:			
Federal and State Grants Receivable	\$	10,030,260.45	
Grant Matching Funds		<u>283,627.20</u>	
			<u>10,313,887.65</u>
Balance December 31, 2019		\$	<u><u>1,142,628.08</u></u>

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal and State Grants Receivable  
For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Accrued	Received	Balance Dec. 31, 2019
Federal Grants:				
Salem County Area Plan Grant	\$ 880,143.00		\$ 258,565.00	\$ 621,578.00
Salem County Area Plan Grant 2019		\$ 428,953.00	337,164.00	91,789.00
Sandy	7,500.00			7,500.00
Public Health Preparedness & Response for Bioterrorism	479,307.68	265,340.00	251,250.00	493,397.68
Multijurisdictional Narcotics Task Force Grant (Edward Byrne)	22,413.94			22,413.94
Victims of Crime Act Grant Program (VOCA)	38,312.25	279,182.00		317,494.25
Design of Hook Road	150,005.14			150,005.14
US Department of Agriculture - Rural Development - Enterprise Grant	10,841.00			10,841.00
Small Cities Housing Rehab	16,100.00			16,100.00
State Homeland Security Program (SHSP)	36,946.57	161,093.68	170,441.26	27,598.99
SJTPO - Salem Hancock's Bridge Road (CR 658)	2,711.00			2,711.00
NJDCA - County-Wide Code Enforcement	250,000.00			250,000.00
New Jersey DOT - Cohansey Friesburg Road	1,067,152.67		441,073.13	626,079.54
New Jersey DOT - Woodstown Road	1,220,000.00		516,615.25	703,384.75
New Jersey DOT - Pennsville Auburn Road, County Road #551, Phase II	283,625.00			283,625.00
New Jersey DOT - Pennsville Auburn Road, County Road #551, Phase III	588,039.00		105,022.10	483,016.90
New Jersey DOT - Replacement of Centerton Bridge	1,000,000.00			1,000,000.00
New Jersey DOT - Hammersville- Pecks Road CR 667, Phase II (ARRA)	286,085.00			286,085.00
New Jersey DOT - CR 551 (Hook Rd) & E Pittsfield St to Rte 295		1,152,218.00		1,152,218.00
New Jersey DOT - Fund Exchange Program		100,000.00		100,000.00
New Jersey DOT - Hook Road, CR 551, Phase 2 - Design		100,000.00		100,000.00
New Jersey DOT - Design of Hook Road, CR #551, Phase 3		69,197.00		69,197.00
SJTPO - Salem County Roadway Striping Program, Phase II	243,830.00			243,830.00
SJTPO - Salem County Safety Projects in Penns Grove Township	65,686.00			65,686.00
Small Cites - ARC Parking Lot	21,088.54			21,088.54
Small Cities CDBG - Mid Atlantic Facility		320,000.00		320,000.00
HMEP Planning & Training	10,783.03			10,783.03
Senior Farmer Market Nutrition Program		500.00		500.00
Design Mill and Overlay	3,737,429.85	1,492,365.15	1,068,494.02	4,161,300.98
Federal Aid - Commissioner's Pike, CR #581, Phase IV	535,564.06			535,564.06
Federal Aid - Centerton Traffic Signal	36,406.99	167,194.65	35,539.71	168,061.93
CDBG Disaster Recovery (Greenville Bridge)	38,126.00			38,126.00
Wastewater Management Plan	83,795.10			83,795.10
Subregional Transportation Planning Program	131,542.62	34,400.00	18,109.50	147,833.12
Title IV-D	534,944.80		5,195.35	529,749.45
Bulletproof Vest Partnership	9,914.36	7,622.50	2,850.00	14,686.86
Crop Insurance Education		17,817.96	17,817.96	
Tiger III	10,970.25			10,970.25
Victims of Crime (SART/SANE)	108,004.77	193,712.00	209,495.36	92,221.41
Operation Helping Hands		158,824.00	78,533.95	80,290.05
New Freedom (Section 5317)	1,168.00			1,168.00
Help Americans Vote Act		51,216.08		51,216.08
New Jersey Transit Section 5311 (Section 5317)	261,832.00			261,832.00
Total Federal Grants	12,170,268.62	4,999,636.02	3,516,166.59	13,653,738.05

(continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Federal and State Grants Receivable  
For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Accrued	Received	Balance Dec. 31, 2019
State Grants:				
Alcoholic Treatment Program:				
#15-539-ADA-01	\$ 10,534.00			\$ 10,534.00
#16-539-ADA-01	27,700.00			27,700.00
#18-539-ADA-01	28,941.00	\$ 230,347.00	\$ 128,375.00	130,913.00
Social Services for the Aging - Area Plan		441,995.00	419,831.00	22,164.00
NJ Dept of Health - Right to Know	6,590.90	8,786.00	8,786.00	6,590.90
SCBG - ADA Grant Agreement #08-2115-00 - Johnson Building	73,618.00			73,618.00
Short Line Track Rehabilitation	9,146.89			9,146.89
County Environmental Health Act (CEHA)	4,000.00	131,350.00		135,350.00
N.J. Transit Dept. of Transportation - Short Line Track Rehab. Phase VI	1,891,127.00			1,891,127.00
Senior Citizen and Disabled Resident Transportation Program	442,761.22	346,318.00	493,215.84	295,863.38
FTA Small Urban & Rural Area Public Transportation (5311)	212,998.47	260,986.50	268,359.52	205,625.45
Municipal Alliance to Prevent Alcoholism & Drug Abuse	365,669.31	137,801.00	105,558.24	397,912.07
Alcohol & Drug Abuse Services	233,916.00			233,916.00
Early Intervention Program	20,407.00			20,407.00
Early Intervention Program	9,983.00			9,983.00
Special Child Health and Early Intervention	42,007.00	41,018.00	62,835.00	20,190.00
Childhood Lead Exposure Prevention	157,034.00	200,000.00	155,664.00	201,370.00
Mental Health Administration	42,009.00			42,009.00
Juvenile Justice Commission Family Court Services	94,807.64	100,261.00	40,124.30	154,944.34
Juvenile Justice Commission State/Community Partnership	145,096.05	200,966.00		346,062.05
Prosecutor Insurance Fraud Reimbursement	74,578.04	250,000.00	256,092.34	68,485.70
Local Arts Program	4,685.00	46,843.00	46,843.00	4,685.00
MIPPA Outreach & Enrollment		80,000.00	40,000.00	40,000.00
State Health Insurance Assistance Program (SHIP)	28,353.00	33,000.00	28,438.00	32,915.00
Local Bridges, Future Needs - Kings Highway, CR #620	568,836.61			568,836.61
2014 Co Aid Improvement (Willow Grove Dam)	1,009,669.82			1,009,669.82
State Rail Plan	7,456.83			7,456.83
NJ Dept of Transportation - County Aid - ATP	10,352,047.81	4,842,538.00	2,077,435.83	13,117,149.98
Local Freight Impact Fund	950,000.00	221,487.00		1,171,487.00
Local Bridges, Future Needs	3,259,308.00	1,262,004.00		4,521,312.00
NJ Transportation Trust Fund Authority - Murphy's Bridge	250,000.00			250,000.00
NJ Transportation Trust Fund Authority - Jesse's Bridge	2,000,000.00			2,000,000.00
State Aid Highway Project - 2017 County Aid Improvement Program	2,399,200.00			2,399,200.00
Emergency Housing Repair Fund	4,995.00			4,995.00
2018 State Criminal Alien Assistance Program (SCAAP)		22,310.00		22,310.00
One Stop / WIA	279,535.72	724,624.00	1,004,159.72	
NJ Dept of Emergency Management - RERP	118,612.34	262,062.84	227,180.50	153,494.68
NJ OEM		55,000.00	55,000.00	
Mosquito Identification and Control Activities	293.13			293.13
Work First New Jersey - TANF	468,829.90	670,251.00	327,394.62	811,686.28
Clean Communities		500.00	500.00	
Salem County Railroad Rehabilitation Program	6,014,192.49		434,758.10	5,579,434.39
Workforce Development Partnership Program	707,027.00		201,569.11	505,457.89
Veterans Transportation Program	7,583.68	13,000.00	13,000.00	7,583.68
Body Armor Replacement - Prosecutor		2,410.97	2,410.97	
Body Armor Replacement - Sheriff		25,260.07	20,064.72	5,195.35
PASP - Personal Assistance Services	926.28	11,114.10	12,040.28	0.10
JDAI Innovations		120,000.00	40,147.77	79,852.23
Historical Commission Grant	2,146.50	14,310.00	14,310.00	2,146.50
<b>Total State Grants</b>	<b>32,326,623.63</b>	<b>10,756,543.48</b>	<b>6,484,093.86</b>	<b>36,599,073.25</b>
Other Grants:				
Health & Wellness Foundation - Community Service Program (DARE)		10,000.00	10,000.00	
Health & Wellness Foundation - 5311	74,949.50	20,000.00	20,000.00	74,949.50
<b>Total Other Grants</b>	<b>74,949.50</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>74,949.50</b>
<b>Total All Grants</b>	<b>\$ 44,571,841.75</b>	<b>\$ 15,786,179.50</b>	<b>\$ 10,030,260.45</b>	<b>\$ 50,327,760.80</b>

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants--Appropriated  
For the Year Ended December 31, 2019

Program	Balance Dec. 31, 2018		Transferred from 2019 Budget Appropriation	Transferred from 2019 Budget By 40A:4-87	Refunds	Matching Contribution	Disbursed	Encumbered	Balance Dec. 31, 2019
	Appropriated	Encumbered							
Federal Grants:									
Salem County Area Plan Grant	\$ 749,637.86	\$ 138,480.49					\$ 133,184.78	\$ 4,454.72	\$ 750,478.85
Salem County Area Plan Grant 2019			\$ 428,953.00		\$ 3,493.53		323,432.38	96,764.26	12,249.89
Public Health Preparedness & Response for Bioterrorism	229,421.46						124,783.76		104,637.70
Public Health Preparedness & Response for Bioterrorism 2019				\$ 265,340.00			65,654.35	3,594.79	196,090.86
Multijurisdictional Task Force									
Grant #DE 2-18-17	6.94								6.94
Victims of Crime Act Grant Program (VOCA)	80,332.85		121,712.00			\$ 105,526.00	4,927.81		302,643.04
Victims of Crime Act Grant Program (VOCA) 2019				207,182.00			83,698.59		123,483.41
CDBG Disaster Recovery (Greenville Bridge)	28,502.00								28,502.00
Small Cities CDBG MidAtlantic				320,000.00	8,000.00			43,000.00	285,000.00
Cancer Education & Early Detection Program	83.97	6.92							90.89
Small Cities Housing Rehab	7,456.00								7,456.00
State Homeland Security Program (SHSP)	163,377.63	14,484.50					153,885.66	7,812.40	16,164.07
State Homeland Security Program (SHSP) 2019				161,093.68			1,524.77	33,630.09	125,938.82
SJTPO - Salem Hancock's Bridge Road, PE (CR 658)	40,572.00								40,572.00
New Jersey DOT - Replacement of Centerton Bridge	1,069,675.02								1,069,675.02
New Jersey DOT - Pennsville-Auburn Rd, County Road #551, Phase II	286,674.00								286,674.00
New Jersey DOT - Cohansey Friesburg Road	249,957.34	190,202.08					99,647.17	109,289.81	231,222.44
New Jersey DOT - Woodstown Road	525,594.73	120,388.33					33,511.69	86,876.64	525,594.73
New Jersey DOT - Hook Road	74,631.00	1,246.24					30,894.20		44,983.04
New Jersey DOT - Design of Hook Road - Phase 2				100,000.00					100,000.00
New Jersey DOT - Design of Hook Road - Phase 3				69,197.00					69,197.00
New Jersey DOT - SC Mill & Overlay	626,680.46	162,471.80	43,881.00	1,448,484.15			38,689.90		2,242,827.51
New Jersey DOT - Pennsville Auburn Road, County Road #551, Phase III	588,038.64								588,038.64
New Jersey DOT - E. Pittsfield St to 295, County Road #551 (Hook Road)			1,152,218.00					1,071,860.18	80,357.82
New Jersey DOT - Hammersville- Pecks Road Cr 667, Phase II (ARRA)	286,085.00								286,085.00
New Jersey DOT Fund Exchange Program				100,000.00					100,000.00
New Jersey DOT - Salem County Mill and Overlay Resurfacing Program	1,837,971.50						85,107.31	1,740,376.67	12,487.52
SJTPO - Salem County Roadway Striping Program, Phase II	243,830.00								243,830.00
SJTPO - Salem County Safety Projects in Penn Grove Township	65,686.00								65,686.00
Federal Aid - Commissioner's Pike, CR #581, Phase III	535,565.59								535,565.59
Federal Aid - Centerton Traffic Signal	866.94		167,194.65					123,559.21	44,502.38
Subregional Transportation Planning Program (SJTPO)	159,300.92	833.11					17,690.16		142,443.87
Subregional Transportation Planning Program 2019 (SJTPO)				34,400.00			7,748.02	26,355.18	296.80
Tiger III	49,876.57	585,156.75							635,033.32
Crop Insurance Education	72,082.54						63,464.89		8,617.65
Title IV-D	534,029.97								534,029.97
Victims of Crime (SART/SANE)	95,188.23					37,249.00			132,437.23
Victims of Crime (SART/SANE) 2019			72,000.00	72,000.00			54,669.21		89,330.79
HMEP Planning & Training	2,052.77								2,052.77
Bulletproof Vest Partnership	21,840.00						2,619.00	1,324.00	17,897.00
Senior Farmer Market Nutrition Program 2019				500.00			500.00		
Operation Helping Hands OHH			58,824.00				55,964.46		2,859.54
Operation Helping Hands OHH 2019				100,000.00			7,784.37	7,657.51	84,558.12
HAVA Section 261 2019			51,216.08				5,550.00	22,244.58	23,421.50
Small Cities - ARC Parking Lot	42,830.04								42,830.04
Wastewater Management Plan	33,562.00								33,562.00
Stormwater Management	19,613.00								19,613.00
Total Federal Grants	8,721,022.97	1,213,270.22	2,095,998.73	2,878,196.83	11,493.53	142,775.00	1,394,932.48	3,378,800.04	10,289,024.76

(Continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants--Appropriated  
For the Year Ended December 31, 2019

Program	Balance Dec. 31, 2018		Transferred from 2019 Budget	Transferred from 2019 Budget	Refunds	Matching Contribution	Disbursed	Encumbered	Balance
	Appropriated	Encumbered	Appropriation	By 40A:4-87					Dec. 31, 2019
State Grants:									
Comprehensive Alcohol:									
#13-582-ADA-00	\$ 10,389.68								\$ 10,389.68
#14-582-ADA-00	12,005.29								12,005.29
#15-582-ADA-00	21,595.59								21,595.59
#16-582-ADA-00	27,699.71								27,699.71
#17-582-ADA-00	111,686.08								87,420.74
#18-582-ADA-00	28,065.36	\$ 77,927.00			\$ 5,226.00		\$ 24,265.34		64,226.61
#19-582-ADA-00				\$ 230,347.00		\$ 18,274.00	46,982.25	\$ 9.50	124,656.42
Veterans Transportation	7,565.00	1,087.00					74,714.58	49,250.00	
Veterans Transportation 2019			\$ 13,000.00				7,565.00	1,087.00	
Social Services for the Aging - Area Plan			421,657.00	20,338.00			4,348.00	1,087.00	7,565.00
NJ Dept of Health - Right to Know	5,386.39						391,547.98		50,447.02
NJ Dept of Health - Right to Know 2019				8,786.00			5,226.13		160.26
Mosquito Identification and Control Activities	4,443.40						3,969.93		4,816.07
New Jersey Department of Correction - MAT Grant	156,001.31								4,443.40
SCBG - ADA Grant Agreement #08-2115-00 Johnson Building	95,801.33						156,001.31		
Short Line Track Rehabilitation Phase VI 2014	964,610.42	184,437.93					41,452.49	142,985.44	95,801.33
County Environmental Health Act (CEHA)	83,215.66								964,610.42
County Environmental Health Act (CEHA) 2019			131,350.00			131,350.00	262,632.00		83,215.66
County Environmental Health Act (CEHA) 2020						118,123.20	72,324.34		68.00
Senior Citizen and Disabled Resident Transportation Program	219,517.06	40,083.88			625.00		163,486.24	2,768.63	45,798.86
Senior Citizen and Disabled Resident Transportation Program 2019			346,318.00				233,512.65	50,174.47	93,971.07
FTA Small Urban & Rural Area Public Transportation (5311)	429,262.84	9,750.00					9,736.56		62,630.88
FTA Small Urban & Rural Area Public Transportation (5311) 2019			260,986.50				214,996.38	19,175.00	429,276.28
Municipal Alliance to Prevent Alcoholism & Drug Abuse	213,513.91	4,823.71			5,557.02	36,595.00	91,158.93	5,700.00	26,815.12
Municipal Alliance to Prevent Alcoholism & Drug Abuse 2019				137,801.00			36,173.43	2,960.31	163,630.71
Clean Communities	25.00	25.00							98,667.26
SCIA Clean Communities 2019				500.00			485.00		50.00
Childhood Lead Exposure Prevention Project	118,902.99	4,235.50			6,523.44		129,661.93		15.00
Childhood Lead Exposure Prevention Project 2019				200,000.00			67,603.18	3,643.56	128,753.26
Special Child Health and Early Intervention	50,984.77					15,880.00			66,864.77
Special Child Health and Early Intervention 2019				41,018.00		15,880.00	19,330.83		37,567.17
Juvenile Justice Commission Family Court Services	94,807.64						21,076.85		73,730.79
Juvenile Justice Commission Family Court Services 2019			100,261.00				19,047.45		81,213.55
Juvenile Justice Commission State/Community Partnership	171,544.89						68,230.51		103,314.38
Juvenile Justice Commission State/Community Partnership 2019			200,966.00				118,338.60		82,627.40
JDAI Innovations 2019			120,000.00				40,529.58		79,470.42
Prosecutor Insurance Fraud Reimbursement	20,943.04						4,508.14		16,434.90
Prosecutor Insurance Fraud Reimbursement 2019			250,000.00				197,224.95		52,775.05
Prosecutor Victim Witness Advocacy	55,789.24								55,789.24
Local Arts Program	15,018.00	2,993.00					9,836.00	1,100.00	7,075.00
Local Arts Program 2019			46,843.00		2,625.00		33,005.00	750.00	15,713.00
State Health Insurance Assistance Program (SHIP)	13,101.70					61.00	13,102.03		60.67
State Health Insurance Assistance Program (SHIP) 2019				33,000.00			14,733.85	16,179.37	2,086.78
MIPPA Outreach & Enrollment	0.35		40,000.00	40,000.00			40,000.00		40,000.35
Body Armor Replacement - Sheriff	0.40	21,484.37	20,064.72		803.00		21,484.37	13,676.80	7,191.32
Body Armor Replacement - Prosecutor			2,410.97				2,410.97		
Medical Reserve Support	615.34								615.34
USDOC - State Criminal Alien Assistance Program (SCAAP)	2,885.35	9,332.50		22,310.00			9,332.50		25,195.35
State Aid Highway Projects - County Aid improvement Program:									
2012		182,169.52					182,169.52		
2013		431,587.48					166,217.05	128,839.69	136,530.74
2014	1,053,320.78	1,426,947.88					871,916.32	412,669.56	1,195,682.78
2017	1,934,394.35	347,574.41					305,896.26	41,678.15	1,934,394.35
2018	4,842,538.00						914,678.81	1,851,847.17	2,076,012.02
2019				4,842,538.00					4,842,538.00

(Continued)

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants--Appropriated  
For the Year Ended December 31, 2019

Program	Balance Dec. 31, 2018 Appropriated	Encumbered	Transferred from 2019 Budget Appropriation	Transferred from 2019 Budget By 40A:4-87	Refunds	Matching Contribution	Disbursed	Encumbered	Balance Dec. 31, 2019
State Grants (cont'd):									
NJ Transportation Trust Fund Authority - Murphy's Bridge		\$ 399,424.82					\$ 399,424.82		
Local Freight Impact Fund	\$ 950,000.00								\$ 950,000.00
Local Freight Impact Fund 2019				\$ 221,487.00					221,487.00
NJDCA - Countywide Code Enforcement	250,000.00								250,000.00
NJ Transportation Trust Fund Authority - Jesse's Bridge	2,000,000.00								2,000,000.00
Salem County Railroad Rehabilitation Program	6,014,192.49								6,014,192.49
Local Bridges, Future Needs - Kings Highway, CR #620	136,867.85	192.79							137,060.64
Local Bridges, Future Needs - Lake Palantine 2012	364,920.84								364,920.84
Local Bridges, Future Needs	3,195,970.69				\$ 32,546.29		476,447.32	\$ 221,750.34	2,530,319.32
Local Bridges, Future Needs 2019				1,262,004.00					1,262,004.00
One Stop / WIA	71,198.75								71,198.75
Work First New Jersey - TANF	710,960.12			1,394,875.00	5,475.28		1,324,205.85		787,104.55
NJ Dept of Emergency Management - RERP	191,189.69				50.40		191,240.09		0.00
NJ Dept of Emergency Management - RERP - 2019				262,062.84			168,954.15	50,457.62	42,651.07
Emergency Management Agency EMAA			\$ 55,000.00				55,000.00		
State Rail Plan	38,206.75								38,206.75
Workforce Development Partnership Program	707,027.00								707,027.00
PASP - Personal Assistance Services	0.10								0.10
PASP - Personal Assistance Services 2019			11,114.10				10,187.85		926.25
Historical Commission Grant	3,560.00						2,810.00		750.00
Historical Commission Grant 2019			14,310.00				8,250.00		6,060.00
NJ Dept of Transportation - County Aid - ATP	2,664,272.05	675,817.13							3,340,089.18
Surface Water Quality Monitoring	20,000.00								20,000.00
Bulletproof Vest Partnership 2019			4,812.50	2,810.00					7,622.50
Right to Farm Activities Grant	8,452.15								8,452.15
County Match	195,311.00					\$ (195,311.00)			
<b>Total State Grants</b>	<b>28,287,760.35</b>	<b>3,819,893.92</b>	<b>2,039,093.79</b>	<b>8,719,876.84</b>	<b>59,431.43</b>	<b>140,852.20</b>	<b>7,747,433.32</b>	<b>3,017,789.61</b>	<b>32,301,685.60</b>
Other Grants:									
Atlantic City Electric - Family Tour 2018	2.30								2.30
Project Lifesaver	146.35						70.70		75.65
Healthy Communities Initiative	14,946.48						304.42	2,006.42	12,635.64
Healthy Salem Healthy Body	10,562.23	1,094.88					11,283.31		373.80
Healthy Salem Healthy Body 2019				20,000.00			9,866.36		10,133.64
Health & Wellness Foundation - Rec Park	45.63								45.63
Health & Wellness Foundation - Healthy Community Development	3,834.19	3,574.12					5,103.63	1,795.25	509.43
Health & Wellness Foundation - Community Service 2019 (DARE & Triad)				10,000.00					10,000.00
Health & Wellness Foundation - Alcohol & Drug Residential Services	23,434.00						5,900.00		17,534.00
Health & Wellness Foundation - Specialized Transportation	77,718.42	3,250.00					66,430.96	6,375.00	8,162.46
Health & Wellness Foundation - Preparedness	16.68								16.68
Health & Wellness Foundation - 5311	74,949.50								74,949.50
<b>Total Other Grants</b>	<b>205,655.78</b>	<b>7,919.00</b>	<b>-</b>	<b>30,000.00</b>	<b>-</b>	<b>-</b>	<b>98,959.38</b>	<b>10,176.67</b>	<b>134,438.73</b>
<b>Total All Grants</b>	<b>\$ 37,214,439.10</b>	<b>\$ 5,041,083.14</b>	<b>\$ 4,135,092.52</b>	<b>\$ 11,628,073.67</b>	<b>\$ 70,924.96</b>	<b>\$ 283,627.20</b>	<b>\$ 9,241,325.18</b>	<b>\$ 6,406,766.32</b>	<b>\$ 42,725,149.09</b>

**COUNTY OF SALEM**  
**FEDERAL AND STATE GRANT FUND**  
Statement of Reserve for Federal and State Grants--Unappropriated  
For the Year Ended December 31, 2019

	Balance Dec. 31, 2018	Federal and State Grants Receivable	Anticipated as Budgeted Revenue	Balance Dec. 31, 2019
Federal Grants:				
Salem County Area Plan Grant 2019		\$ 428,953.00	\$ 428,953.00	
Public Health Preparedness & Response for Bioterrorism		265,340.00	265,340.00	
Victims of Crime Act Grant Program (VOCA)		279,182.00	279,182.00	
Victims of Crime Act Grant Program (VOCA) SART/FNE		193,712.00	193,712.00	
State Homeland Security Program (SHSP)		161,093.68	161,093.68	
NJDOT - Salem County Mill and Overlay Resurfacing Program		1,492,365.15	1,492,365.15	
NJDOT - CR 551 (Hook Rd) & E Pittsfield St to Rte 295		1,152,218.00	1,152,218.00	
NJDOT - Fund Exchange Program		100,000.00	100,000.00	
NJDOT - Hook Road, CR 551, Phase 2 - Design		100,000.00	100,000.00	
NJDOT - Design of Hook Road, CR #551, Phase 3		69,197.00	69,197.00	
SJTPO - Subregional Planning Program		34,400.00	34,400.00	
Help Americans Vote Act		51,216.08	51,216.08	
Small Cities CDBG - Mid Atlantic Facility		320,000.00	320,000.00	
Federal Aid - Centerton Traffic Signal		167,194.65	167,194.65	
Crop Insurance Education		17,817.96		\$ 17,817.96
Total Federal Grants	-	4,832,689.52	4,814,871.56	17,817.96
State Grants:				
DCJ - Victims Witness Advocacy	\$ 26,204.00			26,204.00
Alcoholic Treatment Program		230,347.00	230,347.00	
Veterans Transportation		13,000.00	13,000.00	
Social Services for the Aging - Area Plan		441,995.00	441,995.00	
NJ Dept of Health - Right to Know		8,786.00	8,786.00	
Senior Citizen and Disabled Resident Transportation Program		346,318.00	346,318.00	
FTA Small Urban & Rural Area Public Transportation (5311)		260,986.50	260,986.50	
Municipal Alliance to Prevent Alcoholism & Drug Abuse		137,801.00	137,801.00	
Clean Communities		500.00	500.00	
Special Child Health and Early Intervention		41,018.00	41,018.00	
Childhood Lead Exposure Prevention Project		200,000.00	200,000.00	
Juvenile Justice Commission Family Court Services		100,261.00	100,261.00	
Juvenile Justice Commission State/Community Partnership		200,966.00	200,966.00	
Prosecutor Insurance Fraud Reimbursement		250,000.00	250,000.00	
Local Arts Program		46,843.00	46,843.00	
State Health Insurance Assistance Program (SHIP)		33,000.00	33,000.00	
County Aid - 2018		4,842,538.00	4,842,538.00	
Local Freight Impact Fund		221,487.00	221,487.00	
Local Bridges, Future Needs		1,262,004.00	1,262,004.00	
One Stop / WIA		724,624.00	724,624.00	
Work First New Jersey - TANF		670,251.00	670,251.00	
NJ Dept of Emergency Management - RERP		262,062.84	262,062.84	
PASP - Personal Assistance Services		11,114.10	11,114.10	
Historical Commission Grant		14,310.00	14,310.00	
Senior Farmer Market Nutrition Program		500.00	500.00	
MIPPA Outreach & Enrollment		80,000.00	80,000.00	
2018 State Criminal Alien Assistance Program (SCAAP)		22,310.00	22,310.00	
JDAI Innovations		120,000.00	120,000.00	
Body Armor Fund (Sheriff)		25,260.07	20,064.72	5,195.35
Body Armor Fund (Prosecutor)		2,410.97	2,410.97	
Bulletproof Vest Partnership		7,622.50	7,622.50	
NJ OEM		55,000.00	55,000.00	
County Environmental Health Act		131,350.00	131,350.00	
Operation Helping Hand		158,824.00	158,824.00	
Total State Grants	26,204.00	10,923,489.98	10,918,294.63	31,399.35
Other Grants:				
Atlantic City Electric Family Tour Grant	4,000.00			4,000.00
Health & Wellness Foundation - 5311		20,000.00	20,000.00	
Health & Wellness Foundation - Community Service Program (DARE)		10,000.00	10,000.00	
Total Other Grants	4,000.00	30,000.00	30,000.00	4,000.00
Total All Grants	\$ 30,204.00	\$ 15,786,179.50	\$ 15,763,166.19	\$ 53,217.31

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**



**COUNTY OF SALEM**  
**TRUST FUND**  
 Statement of Trust Cash  
 Per N.J.S.40A:5-5--Treasurer  
 For the Year Ended December 31, 2019

	<u>Trust Other Fund</u>	<u>Open Space and Farmland Presevation</u>
Balance December 31, 2018	\$ 1,903,264.97	\$ 1,116,098.09
Increased by Receipts:		
Open Space Tax Levy		\$ 1,004,639.49
Added & Omitted Taxes		6,523.35
Interest Earned on Investments	\$ 26,911.75	15,400.42
Reserve for Trust Funds	<u>40,930,206.75</u>	<u>2,497,286.62</u>
	<u>40,957,118.50</u>	<u>3,523,849.88</u>
	42,860,383.47	4,639,947.97
Decreased by Disbursements:		
Principal and Interest on Open Space Debt		215,787.93
Reserve for Trust Funds	<u>40,357,135.91</u>	<u>3,212,599.52</u>
	<u>40,357,135.91</u>	<u>3,428,387.45</u>
Balance December 31, 2019	<u><u>\$ 2,503,247.56</u></u>	<u><u>\$ 1,211,560.52</u></u>

**COUNTY OF SALEM**  
**TRUST OTHER FUND**  
Statement of Reserve for Trust Funds  
For the Year Ended December 31, 2019

		Increased by		Decreased by		
		Receipts				
	Balance	Trust				Balance
	December 31, 2018	Designation	Interest	Disbursements		December 31, 2019
Reserve for:						
Accumulated Absences Trust	\$ 196,357.47	\$ 140,000.00	\$ 2,102.46	\$ 54,287.77	\$	284,172.16
Commodities Resale Program	49,265.05	303,436.42		3,731.89		348,969.58
County Auction	3,552.92					3,552.92
County Clerk	60,836.71	35,778.75	957.83	14,788.21		82,785.08
Custodian Interest			11,796.23	11,796.23		
Revolving Fund		35,015.79		32,446.91		2,568.88
Document Preservation Fees		172,798.80		172,798.80		
Engineering Escrow	28,533.40	3,000.00		570.00		30,963.40
Environmental Enforcement	322,697.61	124,033.34		164,391.49		282,339.46
First Responder Dinner	2,630.95	11,700.00		6,938.49		7,392.46
Hospitalization	1.38					1.38
Housing Revitalization	72,643.12		947.33			73,590.45
Motor Vehicle Fines	151,417.72	200,779.70		65,404.18		286,793.24
Net Payroll Account	4,052.69	18,461,743.39	987.61	18,462,731.00		4,052.69
Parvin Bequest	4,504.01	14,471.93	203.78	2,269.57		16,910.15
Payroll Agency	378,294.87	19,841,886.28		19,837,677.45		382,503.70
Performance Bond - Woods Laurel Hills	3,375.00					3,375.00
Prosecutor's Office:						
Asset Maintenance Account	2,337.11	690.94	22.92	2,310.00		740.97
Auto Law Enforcement Trust Account	7,253.79	64.77	97.68			7,416.24
County Law Enforcement Trust Account	65,762.74	49,333.00	1,023.71	23,085.10		93,034.35
Federal County Law Enforcement Trust Account	81,548.71		1,037.23	7,800.00		74,785.94
Municipal Law Enforcement Trust Account	33,928.84	11,406.90	456.90	9,101.00		36,691.64
Seized Assets Trust Account	24,488.38	84,996.00	758.78	73,402.25		36,840.91
Realty Transfer Fees		1,208,307.85		1,208,307.85		
Road Opening Deposits	17,828.44	518.00				18,346.44
SCAPG - Nutrition Program	2,754.61	12,199.35		1,590.00		13,363.96
SCAPG - Parvin	12,411.67	11,981.54		4,908.91		19,484.30
Self Insurance	63,408.69		849.77			64,258.46
Sheriff's Trust	45,242.08	6,716.00	2,290.17	2,474.47		51,773.78
Surrogate Fees	75,986.46	7,348.00	1,060.45	2,527.00		81,867.91
Tax Appeals Filing Fees	37,001.88	10,225.00	544.31	11,359.08		36,412.11
Unemployment Claims	44.16		0.34			44.50
Veterans Donations	17,033.41	10,840.00		8,200.11		19,673.30
Weights & Measures	119,624.31	13,339.58	1,573.56	3,426.34		131,111.11
Worker's Compensation	18,446.79	157,595.42	200.69	168,811.81		7,431.09
Totals	\$ 1,903,264.97	\$ 40,930,206.75	\$ 26,911.75	\$ 40,357,135.91	\$	2,503,247.56

**COUNTY OF SALEM**  
**TRUST FUND - OPEN SPACE AND FARMLAND PRESERVATION**  
Statement of Taxes Receivable  
For the Year Ended December 31, 2019

Balance December 31, 2018		\$	3,621.90
Increased by:			
2019 Tax Levy:			
Open Space	\$	1,004,639.49	
Added and Omitted		3,187.70	
			<u>1,007,827.19</u>
			1,011,449.09
Decreased by:			
Received:			
Open Space		1,004,639.49	
Added and Omitted		6,523.35	
			<u>1,011,162.84</u>
Balance December 31, 2019		\$	<u><u>286.25</u></u>

**COUNTY OF SALEM**  
**TRUST FUND - OPEN SPACE AND FARMLAND PRESERVATION**  
Statement of Reserve for Future Use  
For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 3,604,671.24
Increased by:		
2019 Tax Levy	\$ 1,004,639.49	
2019 Added and Omitted Tax Levy	3,187.70	
Settlement Receipts	2,497,286.62	
Investment Earnings	77,470.27	
Interest on Deposits	<u>15,400.42</u>	
		<u>3,597,984.50</u>
		7,202,655.74
Decreased by:		
Reserve Disbursements	3,212,599.52	
Principal and Interest on Open Space Debt	215,787.93	
Open Space Debt Service Paid by Current Fund	<u>542,965.32</u>	
		<u>3,971,352.77</u>
Balance December 31, 2019		<u><u>\$ 3,231,302.97</u></u>
Analysis of Balance:		
Cash		\$ 1,211,560.52
Investments		575,121.03
Taxes Receivable		286.25
Due Current Fund		<u>1,444,335.17</u>
Reserve for Future Use		<u><u>\$ 3,231,302.97</u></u>

**COUNTY OF SALEM**  
**TRUST FUND - OPEN SPACE AND FARMLAND PRESERVATION**  
**Statement of Investments**  
**For the Year Ended December 31, 2019**

Balance December 31, 2018	\$ 497,650.76
Increased by:	
Investments Earnings	<u>77,470.27</u>
Balance December 31, 2019	<u><u>\$ 575,121.03</u></u>

Schedule of Long Term Investment as December 31, 2019

	<u>Cost</u>	<u>Market</u>
U.S. Treasury Strips DTD 0.00% 02/15/41	\$ 126,338.02	\$ 212,572.20
U.S. Treasury Strips DTD 0.00% 11/15/41	<u>448,783.01</u>	<u>611,948.22</u>
	<u><u>\$ 575,121.03</u></u>	<u><u>\$ 824,520.42</u></u>

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash Per N.J.S. 40A:5-5 - Treasurer  
For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 9,470,752.97
Increased by:		
Proceeds from Issuance of Bond Anticipation Notes	\$ 5,714,000.00	
Proceeds from Issuance of General Obligation Bonds:		
Statement of Serial Bonds	10,935,000.00	
Funded by Bond Issuance Premium	80,000.00	
Improvement Authorization Reimbursements	111,588.79	
2019 Budget Appropriation:		
Capital Improvement Fund	1,065,030.00	
Premium Received on Bond Sale	8,977.54	
Premium Received on Note Sale	56,225.76	
Due Current Fund:		
Interest Earned on Deposits	144,093.04	
State Aid - County College Bonds (NJSA 18A:64A-22.6)	5,118.75	
		<u>18,120,033.88</u>
		27,590,786.85
Decreased by:		
Improvement Authorizations	5,851,482.37	
Bond Anticipation Notes Payable	10,104,000.00	
Due from Current Fund:		
Interest Earned on Deposits	144,093.04	
Current Fund Expenditures Paid by General Capital Fund	315,585.37	
		<u>16,415,160.78</u>
Balance December 31, 2019		<u><u>\$ 11,175,626.07</u></u>

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
 Analysis of General Capital Cash  
 For the Year Ended December 31, 2019

	Balance (Deficit) Dec. 31, 2018	Receipts				Disbursements			Transfers		Balance (Deficit) Dec. 31, 2019
		Budget Appropriation	Bonds	Notes	Miscellaneous	Improvement Authorizations	Notes	Miscellaneous	From	To	
Fund Balance	\$ 108,752.23				\$ 65,203.30						\$ 173,955.53
Capital Improvement Fund	378,936.73	\$ 1,065,030.00							\$ 285,717.00		1,158,249.73
Reserve for County Aid	4,712.74										4,712.74
Due from Current Fund	(4,110.31)				149,211.79		\$ 589,000.00	\$ 459,678.41			(903,576.93)
Contracts Payable	1,564,863.35								1,564,863.35	\$ 2,566,238.10	2,566,238.10
Accrued Interest on Bond Sale	158,547.15										158,547.15
Dam Restoration Loan Receivable	(1,300,000.00)										(1,300,000.00)
Reserve for Payment of Debt	111,628.60										111,628.60
Improvement Authorizations:											
Ordinance											
Number											
96-01 Acquisition of Various Pieces of Equipment and Construction of Various Capital Improvements	114,805.73					\$ 12,616.50			65,928.00	27,689.50	63,950.73
99-01 Renovation of Salem County Emergency Operations Center	880.50										880.50
04-03 Acquisition of Easement and/or Development Rights to Various Parcels of Real Property	593,186.81					43,555.27			14,291.50	5850.00	541,190.04
06-05 Reserve for Reconstruction of Various County Roads	62.60										62.60
07-07 Construction of Improvements to the Camp Karney Dam Structure and Spillway	1,111,945.25								172,287.25	43,742.25	983,400.25
08-03 Reserve for Interest Earned for County Aid Improvement Program Reconstruction of Various County Roads	9,729.28								64,573.92	291,198.20	236,353.56
08-06 Acquisition of Various Pieces of Equipment and Construction of Various Improvements	472,900.02					65,233.10			56,961.70	23,786.65	374,491.87
09-02 Reconstruction and Maintenance of Various County Roads, Bridges and Dams	1,138.08										1,138.08
11-02 Reconstruction and Maintenance of Various County Roads, Bridges and Dams					32,546.29						32,546.29
11-03 Interest Earned for County Aid Improvement Grant	7,591.87										7,591.87
11-04 Repair and Reconstruction of Roads, Bridges and Railroads Damaged by Floods	10,985.05		\$ 3,461,000.00			149,017.66	3,461,000.00		62,197.02	291,354.71	91,125.08
12-02 Various Improvements to Roadways, Bridges, Railroads and Other Public Property Damaged by Hurricane Irene			2,254,000.00			88,000.00	2,254,000.00			88,000.00	
12-04 Recon & Maint of Various County Roads, Bridges and Dams	36.28										36.28
12-05 Internet County Aid Improvement Grant	3,028.36										3,028.36
13-02 Interest Earned for County Aid Improvement Grant	1,258.32										1,258.32
13-04 Information Technology Upgrade	2,257.04										2,257.04
14-03 Various Improvements to Salem Co. Vocational Technical High School	(364.00)										(364.00)
16-05 Various Capital Improvements	216,536.91				68,642.50	489,224.44			288,696.57	654,123.89	161,382.29
17-01;											
18-04 Various County Short Line Railroad Port Area Improvements	3,101,356.50		3,800,000.00			188,681.30	3,800,000.00		50,528.15	128,718.15	2,990,865.20
18-02 Various Capital Improvements and the Acquisition of Various Capital Equipment for Salem County Community College	2,535,752.88					2,535,752.88					
18-03 Various Capital Improvements and the Acquisition of Various Capital Improvement	264,335.00				10,400.00	263,554.09			9,919.56	10,400.00	11,661.35
19-02 Various 2019 Capital Improvements				\$ 5,714,000.00		1,154,160.91			1,780,854.43	285,717.00	3,064,701.66
19-03 Undertaking of SFY 2019-2020 Capital Improvements at and for Certain Facilities os Salem Community College			1,420,000.00		80,000.00	861,686.22					638,313.78
	<u>\$ 9,470,752.97</u>	<u>\$ 1,065,030.00</u>	<u>\$ 10,935,000.00</u>	<u>\$ 5,714,000.00</u>	<u>\$ 406,003.88</u>	<u>\$ 5,851,482.37</u>	<u>\$ 10,104,000.00</u>	<u>\$ 459,678.41</u>	<u>\$ 4,416,818.45</u>	<u>\$ 4,416,818.45</u>	<u>\$ 11,175,626.07</u>



**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Statement of Due from Current Fund  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 4,110.31
Increased by:	
Disbursed to Current Fund:	
Interest Earned on Deposits	\$ 144,093.04
Current Fund Expenditures Paid by General Capital Fund	315,585.37
2019 Budget Appropriation due General Capital Fund:	
Bond Anticipation Notes Payable	<u>589,000.00</u>
	<u>1,048,678.41</u>
	1,052,788.72
Decreased by:	
Receipts:	
Interest Earned on Deposits	144,093.04
State Aid - County College Bonds (NJSA 18A:64A-22.6)	<u>5,118.75</u>
	<u>149,211.79</u>
Balance December 31, 2019	<u><u>\$ 903,576.93</u></u>

## Exhibit SC-4

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Funded  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 31,524,000.00
Increased by:	
Issuance of General Obligation Bonds, Series 2019	\$ 9,515,000.00
Issuance of County College Bonds, Series 2019	<u>1,420,000.00</u>
	<u>10,935,000.00</u>
	42,459,000.00
Decreased by:	
Payment of Bond Principal:	
2019 Budget Appropriations	2,449,200.00
Open Space Trust Fund	<u>579,800.00</u>
	<u>3,029,000.00</u>
Balance December 31, 2019	<u><u>\$ 39,430,000.00</u></u>

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Unfunded  
For the Year Ended December 31, 2019

Ordinance Number	Improvement Description	Balance Dec. 31, 2018	2019 Authorizations	Funded by Budget Appropriation	Funded by Bond Issuance Premium	Transferred to Future Taxation- Funded	Balance Dec. 31, 2019	Analysis of Balance December 31, 2019		
								Financed by Notes	Expended	Unexpended Improvement Authorizations
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	\$ 20.00					\$ 20.00			\$ 20.00
11-04	Repair and Reconstruction of Roads, Bridges and Railroads Damanged by Floods	4,050,000.00		\$ 410,000.00	\$ 157,990.00	\$ 3,482,010.00				
12-02	Repair and Reconstruction of Roads, Bridges and Railroads Damaged by Floods	2,681,000.00		179,000.00	106,750.00	2,395,250.00				
14-03	Various Improvements to Salem County Vocational Technical High School	364.00					364.00		\$ 364.00	
17-01; 18-04	Various County Short Line Railroad Port Area Improvements	3,800,000.00			162,260.00	3,637,740.00				
19-02	Various 2019 Capital Improvements		\$ 5,714,283.00				5,714,283.00	\$ 5,714,000.00	283.00	
19-03	Undertaking of SFY 2019-2020 Capital Improvements at and for Certain Facilities os Salem Community College		1,500,000.00		80,000.00	1,420,000.00				
		<u>\$10,531,384.00</u>	<u>\$ 7,214,283.00</u>	<u>\$ 589,000.00</u>	<u>\$ 507,000.00</u>	<u>\$10,935,000.00</u>	<u>\$ 5,714,667.00</u>	<u>\$ 5,714,000.00</u>	<u>\$ 647.00</u>	<u>\$ 20.00</u>
Improvement Authorizations-Unfunded										\$ 3,065,004.66
Less: Unexpended Proceeds of Bond Anticipation Notes Issued for Ordinance No. 19-02										3,064,984.66
										<u>\$ 20.00</u>

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Statement of Improvement of Authorizations  
For the Year Ended December 31, 2019

Ordinance Number	Improvement Description	Date	Ordinance Amount		Balance Dec. 31, 2018		2019 Authorizations	Liquidation of Prior Year Contracts Payable	Paid or Charged / Reimbursed	Balance Dec. 31, 2019	
					Funded	Unfunded				Funded	Unfunded
96-01	Acquisition of Various Pieces of Equipment and Construction of Various Capital Improvements	07-17-96	\$ 2,500,000.00		\$ 114,805.73			\$ 27,689.50	\$ 78,544.50	\$ 63,950.73	
99-01	Renovation of Salem County Emergency Operations Center	02-03-99	810,000.00		880.50					880.50	
04-03	Acquisition of Easement and/or Development Rights to Various Parcels of Real Property	08-18-04	9,000,000.00		593,186.81			5,850.00	57,846.77	541,190.04	
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	08-18-04	3,000,000.00			\$ 20.00					\$ 20.00
06-05	Reserve for Reconstruction of Various County Roads	11-15-06	1,400,000.00		62.60					62.60	
07-07	Construction of Improvements to the Camp Karney Dam Structure and Spillway	07-18-07	1,300,000.00		1,111,945.25			43,742.25	172,287.25	983,400.25	
08-03	Reserve for Interest Earned for County Aid Improvement Program Reconstruction of Various County Roads	05-21-08	404,253.85		9,729.28			291,198.20	64,573.92	236,353.56	
08-06	Acquisition of Various Pieces of Equipment and Construction of Various Improvements	08-20-08	9,854,000.00		472,900.02			23,786.65	122,194.80	374,491.87	
09-02	Reconstruction and Maintenance of Various County Roads, Bridges and Dams	10-07-09	2,982,000.00		1,138.08					1,138.08	
11-02	Reconstruction and Maintenance of Various County Roads, Bridges and Dams	05-04-11	1,200,000.00						(32,546.29)	32,546.29	
11-03	Interest Earned for County Aid Improvement Grant	05-04-11	7,591.87		7,591.87					7,591.87	
11-04	Repair and Reconstruction of Roads, Bridges and Railroads Damaged by Floods	12-07-11	8,200,000.00			10,985.05		291,354.71	211,214.68	91,125.08	
12-02	Various Improvements to Roadways, Bridges, Railroads and Other Public Property Damaged by Hurricane Irene	05-14-12	3,400,000.00					88,000.00	88,000.00		
12-04	Recon & Maint of Various County Roads, Bridges and Dams	07-18-12	430,000.00		36.28					36.28	
12-05	Interest County Aid Improvement Grant	07-18-12	3,028.00		3,028.36					3,028.36	
13-02	Interest County Aid Improvement	07-17-13	1,258.00		1,258.32					1,258.32	
13-04	Information Technology Upgrade	12-04-13	1,750,000.00		2,257.04					2,257.04	
16-05	Various Capital Improvements	08-03-16	4,000,000.00		216,536.91			654,123.89	709,278.51	161,382.29	
17-01;		09-06-17									
18-04	Various County Short Line Railroad Port Area Improvements	12-5-18	3,800,000.00			3,101,356.50		128,718.15	239,209.45	2,990,865.20	
18-02	Various Capital Improvements and the Acquisition of Various Capital Equipment for Salem County Community College	05-16-18	2,600,000.00		2,535,752.88				2,535,752.88		
18-03	Various Capital Improvements and the Acquisition of Various Capital Improvement	10-03-18	275,000.00		264,335.00			10,400.00	263,073.65	11,661.35	
19-02	Various 2019 Capital Improvements	05-01-19	6,000,000.00				\$ 6,000,000.00		2,935,015.34		3,064,984.66
19-03	Undertaking of SFY 2019-2020 Capital Improvements at and for Certain Facilities os Salem Community College	05-01-19	1,500,000.00				1,500,000.00		861,686.22	638,313.78	
					<u>\$ 5,335,444.93</u>	<u>\$ 3,112,361.55</u>	<u>\$ 7,500,000.00</u>	<u>\$ 1,564,863.35</u>	<u>\$ 8,306,131.68</u>	<u>\$ 6,141,533.49</u>	<u>\$ 3,065,004.66</u>
Capital Improvement Fund							\$ 285,717.00				
Deferred Charges to Future Taxation-Unfunded							7,214,283.00				
Cash Disbursements								\$ 5,851,482.37			
Reimbursements								(111,588.79)			
Contracts Payable								2,566,238.10			
							<u>\$ 7,500,000.00</u>	<u>\$ 8,306,131.68</u>			

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
**Statement of Serial Bonds**  
**For the Year Ended December 31, 2019**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2019</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>
			<u>Date</u>	<u>Amount</u>					
General Obligation Refunding Bonds, Series 2007	3/29/07	\$ 4,285,000.00				\$ 500,000.00		\$ 500,000.00	
Governmental Loan Revenue Bonds, Series 2009	3/18/09	9,854,000.00				455,000.00		455,000.00	
Governmental Obligation Bonds, Series 2011	5/18/11	6,300,000.00	05-01-2020	\$ 435,000.00	2.750%				
			05-01-2021	455,000.00	3.000%				
			05-01-2022	475,000.00	3.000%				
			05-01-2023	495,000.00	3.250%				
			05-01-2024	500,000.00	3.500%				
			05-01-2025	500,000.00	4.000%				
			05-01-2026	500,000.00	4.000%	3,780,000.00		420,000.00	\$ 3,360,000.00
County College Bonds, Series 2012	3/15/12	2,100,000.00	03-15-2020	260,000.00	2.130%				
			03-15-2021	260,000.00	2.750%				
			03-15-2022	260,000.00	3.000%	1,040,000.00		260,000.00	780,000.00
County College Bonds, Series 2014	6/19/2014	2,700,000.00	03-15-2020	175,000.00	2.000%				
			03-15-2021	175,000.00	2.130%				
			03-15-2022	180,000.00	2.500%				
			03-15-2023	180,000.00	3.000%				
			03-15-2024	195,000.00	3.000%				
			03-15-2025	200,000.00	3.000%				
			03-15-2026	210,000.00	3.000%				
			03-15-2027	220,000.00	3.000%				
			03-15-2028	220,000.00	3.130%				
			03-15-2029	220,000.00	3.250%	2,140,000.00		165,000.00	1,975,000.00
									(continued)

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
**Statement of Serial Bonds**  
**For the Year Ended December 31, 2019**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2019</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>
			<u>Date</u>	<u>Amount</u>					
General Obligation Refunding Bonds, Series 2014	6/27/14	\$ 2,700,000.00	04-01-2020	\$ 470,000.00	3.000%				
			04-01-2021	490,000.00	3.000%				
			04-01-2022	505,000.00	3.000%				
			04-01-2023	520,000.00	3.000%				
			04-01-2024	535,000.00	5.000%				
			04-01-2025	540,000.00	5.000%	\$ 3,515,000.00		\$ 455,000.00	\$ 3,060,000.00
Special Services Refunding School Bonds, Series 2015	5/1/2015	3,885,000.00	10-01-2020	340,000.00	4.000%				
			10-01-2021	355,000.00	2.000%				
			10-01-2022	360,000.00	4.000%				
			10-01-2023	375,000.00	4.000%				
			10-01-2024	385,000.00	3.000%				
			10-01-2025	395,000.00	3.000%				
			10-01-2026	405,000.00	3.250%				
			10-01-2027	410,000.00	3.500%				
			10-01-2028	405,000.00	3.500%	3,760,000.00		330,000.00	3,430,000.00
General Obligation Refunding Bonds, Series 2016	9/20/16	6,035,000.00	03-15-2020	500,000.00	4.000%				
			03-15-2021	520,000.00	4.000%				
			03-15-2022	540,000.00	4.000%				
			03-15-2023	570,000.00	4.000%				
			03-15-2024	590,000.00	4.000%				
			03-15-2025	615,000.00	4.000%				
			03-15-2026	635,000.00	3.500%				
			03-15-2027	655,000.00	2.000%				
			03-15-2028	665,000.00	2.000%				
			03-15-2029	670,000.00	2.000%	5,985,000.00		25,000.00	5,960,000.00
General Obligation Bonds, Series 2016	10/5/16	6,949,000.00	10-01-2020	440,000.00	4.000%				
			10-01-2021	440,000.00	4.000%				
			10-01-2022	440,000.00	4.000%				
			10-01-2023	450,000.00	2.000%				
			10-01-2024	450,000.00	2.000%				
			10-01-2025	450,000.00	2.000%				
			10-01-2026	480,000.00	2.000%				
			10-01-2027	500,000.00	2.000%				
			10-01-2028	500,000.00	2.000%				
			10-01-2029	500,000.00	2.125%				
			10-01-2030	500,000.00	2.250%				
			10-01-2031	500,000.00	2.375%				
			10-01-2032	500,000.00	2.500%	6,449,000.00		299,000.00	6,150,000.00
									(continued)

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
**Statement of Serial Bonds**  
**For the Year Ended December 31, 2019**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2019</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2019</u>
			<u>Date</u>	<u>Amount</u>					
County College Bonds, Series 2018	6/20/18	\$ 2,600,000.00	03-15-2020	\$ 145,000.00	3.000%				
			03-15-2021	150,000.00	3.125%				
			03-15-2022	155,000.00	3.125%				
			03-15-2023	155,000.00	3.125%				
			03-15-2024	160,000.00	3.125%				
			03-15-2025	165,000.00	3.125%				
			03-15-2026	170,000.00	3.125%				
			03-15-2027	180,000.00	3.125%				
			03-15-2028	185,000.00	3.125%				
			03-15-2029	190,000.00	3.125%				
			03-15-2030	195,000.00	3.125%				
			03-15-2031	205,000.00	3.125%				
			03-15-2032	210,000.00	3.125%				
			03-15-2033	215,000.00	3.250%	\$ 2,600,000.00		\$ 120,000.00	\$ 2,480,000.00
General Obligation Bonds, Series 2019	6/18/19	9,942,000.00	06-15-2020	400,000.00					
			06-15-2021	490,000.00					
			06-15-2022	400,000.00					
			06-15-2023	400,000.00					
			06-15-2024	400,000.00					
			06-15-2025	400,000.00					
			06-15-2026	795,000.00					
			06-15-2027	795,000.00					
			06-15-2028	790,000.00					
			06-15-2029	790,000.00					
			06-15-2030	790,000.00					
			06-15-2031	770,000.00					
			06-15-2032	765,000.00					
			06-15-2033	765,000.00					
			06-15-2034	765,000.00			\$ 9,515,000.00		9,515,000.00 (continued)

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
**Statement of Serial Bonds**  
**For the Year Ended December 31, 2019**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2019		Interest Rate	Balance Dec. 31, 2018	Issued	Paid by Budget Appropriation	Balance Dec. 31, 2019	
			Date	Amount						
County College Bonds, Series 2019	6/18/19	\$ 1,500,000.00	06-15-2020	\$ 75,000.00						
			06-15-2021	75,000.00						
			06-15-2022	75,000.00						
			06-15-2023	95,000.00						
			06-15-2024	100,000.00						
			06-15-2025	100,000.00						
			06-15-2026	150,000.00						
			06-15-2027	150,000.00						
			06-15-2028	150,000.00						
			06-15-2029	150,000.00						
			06-15-2030	150,000.00						
			06-15-2031	150,000.00						
							\$ 1,420,000.00		\$ 1,420,000.00	
							\$ 30,224,000.00	\$ 10,935,000.00	\$ 3,029,000.00	\$ 38,130,000.00

COUNTY OF SALEM  
GENERAL CAPITAL FUND  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2019

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Balance December 31, 2018	\$ 378,936.73
Increased by:	
2019 Budget Appropriation	<u>1,065,030.00</u>
	1,443,966.73
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>285,717.00</u>
Balance December 31, 2019	<u><u>\$ 1,158,249.73</u></u>



**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Schedule of State of New Jersey Dam Restoration Loan  
As of December 31, 2019

Ordinance Number	Improvement Description	Date of Issue	Amount of Original Loan	Outstanding Loan Maturities Dec. 31, 2019		Interest Rate	Balance Dec. 31, 2018 and 2019
				Year	Amount		
2007-07	Construction of Improvements to the Camp Karney Dam Structure and Spillway, together with the acquisition of all materials and equipment and completion of all work necessary therefor and related thereto	07-18-07	\$ 1,300,000.00	2020	\$ 31,204.79		
				2021	63,348.83		
				2022	64,622.15		
				2023	65,921.05		
				2024	67,246.06		
				2025-2029	357,056.66		
				2030-2034	394,412.67		
				2035-2037	256,187.79	2.0%	\$ 1,300,000.00
							<u>\$ 1,300,000.00</u>

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2019

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Amount of Original Issue</u>	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2018</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2019</u>
2011-04	Repair and Reconstruction of Roads, Bridges and Railroads Damaged by Floods	06/29/12	\$ 7,790,000.00	06/20/18	06/19/19	3.00%	\$ 4,050,000.00		\$ 4,050,000.00	
2012-02	Repair and Reconstruction of Roads, Bridges and Railroads Damaged by Floods	06/29/12	3,400,000.00	06/20/18	06/19/19	3.00%	2,681,000.00		2,681,000.00	
2017-01	Various County Short Line Railroad Port Area Improvements	06/20/18	3,800,000.00	06/20/18	06/19/19	3.00%	3,800,000.00		3,800,000.00	
2019-02	Various 2019 Capital Improvements	06/18/19	5,714,000.00	06/18/19	06/18/20	2.50%		\$ 5,714,000.00		\$ 5,714,000.00
							<u>\$ 10,531,000.00</u>	<u>\$ 5,714,000.00</u>	<u>\$ 10,531,000.00</u>	<u>\$ 5,714,000.00</u>
								\$ 5,714,000.00		
									\$ 9,515,000.00	
									427,000.00	
									589,000.00	
								<u>\$ 5,714,000.00</u>	<u>\$ 10,531,000.00</u>	

**COUNTY OF SALEM**  
**GENERAL CAPITAL FUND**  
Statement of Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2019

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2018</u>	<u>2019 Authorizations</u>	<u>Bonds Issued</u>	<u>Notes Issued</u>	<u>Funded by Bond Premium</u>	<u>Balance Dec. 31, 2019</u>
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	\$ 20.00					\$ 20.00
14-03	Various Improvements to Salem County Vocational Technical High School	364.00					364.00
19-02	Various 2019 Capital Improvements		\$ 5,714,283.00		\$ 5,714,000.00		283.00
19-03	Undertaking of SFY 2019-2020 Capital Improvements at and for Certain Facilities os Salem Community College		1,500,000.00	\$ 1,420,000.00		\$ 80,000.00	
		<u>\$ 384.00</u>	<u>\$ 7,214,283.00</u>	<u>\$ 1,420,000.00</u>	<u>\$ 5,714,000.00</u>	<u>\$ 80,000.00</u>	<u>\$ 667.00</u>

**SUPPLEMENTAL EXHIBITS**  
**OTHER OFFICIALS AND INSTITUTIONS**

**COUNTY OF SALEM**  
**COUNTY CLERK**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2019 and 2018

	Balance Dec. 31, 2019	Balance Dec. 31, 2018
<u>ASSETS</u>		
Cash	\$ 122,580.23	\$ 101,155.94
<u>LIABILITIES AND RESERVES</u>		
Reserve for Trust Fund	\$ 2,702.50	\$ 2,449.50
Due State of New Jersey	50,894.30	56,027.85
Due County Treasurer	68,983.43	42,678.59
	\$ 122,580.23	\$ 101,155.94

**COUNTY OF SALEM**  
**COUNTY CLERK**  
**Statement of Cash**  
**For the Year Ended December 31, 2019**

Balance December 31, 2018		\$ 101,155.94
Increased by Receipts:		
County Recording Fees	\$ 569,150.11	
Millionaires 1% NJ RTF	55,250.00	
State Realty Transfer Tax Fees	1,155,003.10	
County Realty Transfer Tax Fees	192,808.00	
Administration Fee to County	1,100.00	
Public Health Priority Fund	110,016.50	
State Trade Names	774.00	
Trust	36,031.75	
Preservation Fund	165,720.00	
Tax Relief	110,480.00	
Interest Earned on Deposits	1,873.91	
Miscellaneous	42.00	
		<u>2,398,249.37</u>
		2,499,405.31
Decreased by Disbursements:		
Interest Paid to County Finance Officer	\$ 1,833.12	
Recording Fees	540,478.11	
County Realty Tax Fees	191,519.00	
County Tax Relief	115,199.20	
Administration Fee to County	1,100.00	
		<u>850,129.43</u>
Turned over to Treasurer:		
Trust Fund	35,778.75	
Millionaires 1% NJ RTF	55,250.00	
State Realty Tax Fees	1,153,057.85	
Preservation Fund	172,798.80	
Public Health Priority Fund	108,994.25	
State Trade Names	774.00	
Miscellaneous	42.00	
		<u>2,376,825.08</u>
Balance December 31, 2019		<u><u>\$ 122,580.23</u></u>

**COUNTY OF SALEM**  
**SURROGATE'S OFFICE**  
 Statements of Assets, Liabilities and Reserves--Regulatory Basis  
 As of December 31, 2019 and 2018

<u>ASSETS</u>	Balance Dec. 31, 2019	Balance Dec. 31, 2018
Cash - Surrogate	\$ 32,967.31	\$ 19,426.11
Investments - Probate Division:		
Savings and Loan Association	2,377,164.60	2,791,386.85
Certificates of Deposit	25,002.90	151,275.90
	<u>\$ 2,435,134.81</u>	<u>\$ 2,962,088.86</u>
 <u>LIABILITIES AND RESERVES</u>		
Salem County Court Probate Division	\$ 2,402,167.50	\$ 2,942,662.75
Attorneys' Deposits	5,731.17	8,412.18
Due County Treasurer	27,236.14	11,013.93
	<u>\$ 2,435,134.81</u>	<u>\$ 2,962,088.86</u>

**COUNTY OF SALEM**  
**SURROGATE'S OFFICE**  
Statement of Cash - Surrogate  
For the Year Ended December 31, 2019

Balance December 31, 2018		\$	19,426.11
Increased by Receipts:			
Wills	\$	41,397.00	
Letters of Administration		9,062.00	
Guardianship		453.00	
Affadavits		6,906.00	
Copies		2,626.00	
Research		1,260.00	
Superior Court Fees		15,126.34	
Surrogate's Court Trust		875.00	
Attorney Escrow Receipts		9,250.48	
Miscellaneous		130.00	
Interest Earned on Deposits		185.77	
STIF Withdrawal Fees		1,215.00	
			<u>88,486.59</u>
			107,912.70
Decreased by Disbursements:			
Interest Paid to County Financial Officer		54.00	
Due Treasurer:			
Current Fund Anticipated Revenue		48,815.90	
Trust Fund		7,348.00	
Refunds		6,848.00	
Attorney Escrow Payments		11,879.49	
			<u>74,945.39</u>
Balance December 31, 2019		\$	<u><u>32,967.31</u></u>
<u>Analysis of Balance</u>			
Attorneys' Deposits		\$	5,731.17
Due County Treasurer			<u>27,236.14</u>
		\$	<u><u>32,967.31</u></u>



**COUNTY OF SALEM**  
**SURROGATE'S OFFICE**  
Statement of Investment - Savings and Loan Association  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 2,791,386.85
Increased by Receipts:		
Monthly Deposits	\$ 144,941.00	
Interest transferred from Statement of Investment - Certificate of Deposit	252.89	
Interest Earned on Deposits	<u>87,812.61</u>	
		<u>233,006.50</u>
		3,024,393.35
Decreased by Disbursements:		
Monthly Withdrawals	645,433.00	
Income Tax Withholdings	<u>1,795.75</u>	
		<u>647,228.75</u>
Balance December 31, 2019		<u><u>\$ 2,377,164.60</u></u>

## Exhibit SF-3

**COUNTY OF SALEM**  
**SURROGATE'S OFFICE**  
Statement of Investment - Certificate of Deposit  
For the Year Ended December 31, 2019

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Balance December 31, 2018		\$ 151,275.90
Increased by Receipts:		
Interest Earned on Deposits		<u>252.89</u>
		151,528.79
Decreased by Disbursements:		
Redemption of Certificates of Deposits	\$ 126,273.00	
Interest Transferred to Minor's Account	<u>252.89</u>	
		<u>126,525.89</u>
Balance December 31, 2019		<u><u>\$ 25,002.90</u></u>

**COUNTY OF SALEM**  
**SHERIFF'S OFFICE**  
Statements of Assets, Liabilities and Reserves--Regulatory Basis  
As of December 31, 2019 and 2018

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<u>ASSETS</u>	Balance Dec. 31, 2019	Balance Dec. 31, 2018
Cash - Sheriff	\$ 46,010.15	\$ 81,615.54
<u>LIABILITIES AND RESERVES</u>		
Fees and Executions	\$ 45,892.15	\$ 81,497.54
Due County	118.00	118.00
	\$ 46,010.15	\$ 81,615.54

**COUNTY OF SALEM**  
**SHERIFF'S OFFICE**  
Statement of Cash  
For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 81,615.54
Increased by Receipts:		
Sales and Executions	\$ 1,614,167.05	
County Fees	151,659.63	
Sheriffs Trust	6,716.00	
Miscellaneous	211.72	
Interest Earned on Deposits	<u>1,654.54</u>	
		<u>1,774,408.94</u>
		1,856,024.48
Decreased by Disbursements:		
Interest Paid to County Finance Officer	1,654.54	
Turned over to Treasurer:		
Current Fund Anticipated Revenue	151,659.63	
Trust Fund	6,716.00	
Sales & Executions and Miscellaneous	<u>1,649,984.16</u>	
		<u>1,810,014.33</u>
Balance December 31, 2019		<u><u>\$ 46,010.15</u></u>

## Exhibit SG-2

**COUNTY OF SALEM**  
**SHERIFF'S OFFICE**  
Statement of Sheriff's Fees Due County  
For the Year Ended December 31, 2019

Balance December 31, 2018		\$ 118.00
Increased by Receipts:		
Fees Collected	\$ 151,659.63	
Trust Fund	6,716.00	
Interest Earned on Deposits	<u>1,654.54</u>	
		<u>160,030.17</u>
		160,148.17
Decreased by Disbursements:		
Interest Paid to County Finance Officer	1,654.54	
Turned over to Treasurer:		
Current Fund Anticipated Revenue	151,659.63	
Trust Fund	<u>6,716.00</u>	
		<u>160,030.17</u>
Balance December 31, 2019		<u><u>\$ 118.00</u></u>

**COUNTY OF SALEM**  
Jail Prisoner's Welfare Fund  
Statements of Assets, Liabilities and Reserves--Regulatory Basis  
As of December 31, 2019 and 2018

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	Balance Dec. 31, 2019	Balance Dec. 31, 2018
<u>ASSETS</u>		
Cash - Prisoner's Welfare Fund	\$ 320,278.38	\$ 268,084.93
<u>LIABILITIES AND RESERVES</u>		
Reserve for Jail Prisoner's Welfare	\$ 320,278.38	\$ 268,084.93

**COUNTY OF SALEM**  
**JAIL PRISONER'S WELFARE FUND**  
**Statements of Cash**  
**For the Year Ended December 31, 2019**

	<u>Receipts</u>			<u>Disbursements</u>		
	<u>Balance</u> <u>Dec. 31, 2018</u>	<u>Interest</u>	<u>Other</u>	<u>County</u> <u>Treasurer</u>	<u>Other</u>	<u>Balance</u> <u>Dec. 31, 2019</u>
Warden:						
Inmate Account	\$ 63,634.58	\$ 924.55	\$ 705,685.91	\$ 898.68	\$ 700,643.15	\$ 68,703.21
Welfare Account	203,089.35	3,035.18	287,471.17		242,928.67	250,667.03
Bail Account	4.27	97.78	541,324.86	96.86	541,074.36	255.69
Miscellaneous	339.37		215,576.90	200,234.64	15,196.26	485.37
Home Detention	910.57	11.03	12,905.50	13,706.22	40.00	80.88
	<u>267,978.14</u>	<u>4,068.54</u>	<u>1,762,964.34</u>	<u>214,936.40</u>	<u>1,499,882.44</u>	<u>320,192.18</u>
Work Release	<u>106.79</u>	<u>1.41</u>	<u>22.00</u>		<u>44.00</u>	<u>86.20</u>
	<u>\$ 268,084.93</u>	<u>\$ 4,069.95</u>	<u>\$ 1,762,986.34</u>	<u>\$ 214,936.40</u>	<u>\$ 1,499,926.44</u>	<u>\$ 320,278.38</u>

Analysis of Revenue Turned Over to Treasurer

Miscellaneous Account:

Anticipated Revenue:

Inmate Health Reimbursement	\$ 3,448.22
Interest Earned on Deposits	995.54
Home Detention	13,706.22
Jail Telephone	50,230.83
Jail Miscellaneous Revenue	<u>146,555.59</u>

\$ 214,936.40

**PART II**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**COUNTY OF SALEM**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2019

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***Schedule of Financial Statement Findings***

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

None.

**COUNTY OF SALEM**  
Summary Schedule of Prior Year Audit Findings  
and Recommendations as Prepared by Management

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This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**FINANCIAL STATEMENT FINDINGS**

None.



**COUNTY OF SALEM**  
**Officials in Office and Surety Bonds**

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>	
Benjamin H. Laury	Director of the Board of Chosen Freeholders	\$ 5,000,000	(A)
R. Scott Griscom	Deputy Director of the Board of Chosen Freeholders	5,000,000	(A)
Gordon Ostrum, Jr	Freeholder	50,000	(B)
Lee R. Ware	Freeholder	5,000,000	(A)
Charles Hassler	Freeholder	5,000,000	(A)
Jeffrey T. Ridgway Sr.	Administrator	50,000	(B)
Stacy L Pennington	Clerk of the Board	50,000	(B)
Kelly A. Hannigan	Chief Financial Officer/Treasurer	568,000	(B)
Gilda T. Gill	County Clerk	50,000	(B)
Donna Secaur	Temporary Deputy County Clerk	50,000	(B)
Nicki A. Burke	Surrogate	35,000	(B)
Charles Miller	Sheriff	50,000	(B)
Warren Mabey	Undersheriff	50,000	(B)
John Cuzzupe	Undersheriff / Warden	50,000	(B)
Robert Reilly	Undersheriff / Deputy Warden	N/A	
Michael Mulligan	County Adjuster	5,000,000	(A)
John T. Lenahan	Prosecutor	5,000,000	(A)
Joseph DiNicola, Jr.	Labor Counsel		
Archer	Bond Counsel		
Karin Wood	County Counsel		
Alaimo	Engineer		

(A) Covered by Public Employees Liability Policy in the Amount of \$5,000,000 with Travelers Casualty and Surety Company.

(B) RLI Insurance Company

18200

**APPRECIATION**

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

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

A handwritten signature in black ink, appearing to read "Henry J. Ludwigsen". The signature is fluid and cursive, with a prominent initial "H" and a long, sweeping underline.

Henry J. Ludwigsen  
Certified Public Accountant  
Registered Municipal Accountant