PRELIMINARY OFFICIAL STATEMENT DATED MAY 17, 2023

NEW ISSUE – BOOK-ENTRY-ONLY

RATING: Moody's: "Aa3"
(See "RATING" herein.)

In the opinion of McManimon, Scotland & Baumann, LLC, Bond Counsel, assuming compliance by the County (as defined herein) with certain tax covenants described herein, under existing law, interest on the Bonds (as defined herein) is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax; however, for tax years beginning after December 31, 2022, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to alternative minimum tax under Section 55 of the Code. Based upon existing law, interest on the Bonds and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act. See "TAX MATTERS" herein.

COUNTY OF CUMBERLAND, NEW JERSEY

$3,308,000*
GENERAL OBLIGATION BONDS
(COUNTY COLLEGE BONDS)
(COUNTY COLLEGE BOND ACT, P.L. 1971, c.12, AS AMENDED)
(BANK QUALIFIED) (NON-CALLABLE)

Dated: Date of Delivery **Due: May 15, as shown on the inside front cover**

The $3,308,000* General Obligation Bonds (County College Bonds) (County College Bond Act, P.L. 1971, c.12, as Amended) (the "Bonds"), of the County of Cumberland, New Jersey (the "County"), will be issued in the form of one certificate for the aggregate principal amount of the Bonds maturing in each year and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository. See "THE BONDS – Book-Entry-Only System" herein.

Interest on the Bonds will be payable semiannually on May 15 and November 15 in each year until maturity, commencing on May 15, 2024. Principal of and interest due on the Bonds will be paid to DTC by the County or its designated paying agent. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of each next preceding May 1 and November 1 (the "Record Dates" for the payment of interest on the Bonds). Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day calendar months.

The Bonds are not subject to redemption prior to their stated maturities. See "THE BONDS – Redemption" herein.

The Bonds are valid and legally binding obligations of the County and, unless paid from other sources, are payable from *ad valorem* taxes levied upon all the taxable property within the County for the payment of the Bonds and the interest thereon without limitation as to rate or amount.

This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement, including the appendices, to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued and delivered to the Underwriter (as defined herein), subject to prior sale, to withdrawal or modification of the offer without notice and to the approval of legality by the law firm of McManimon, Scotland & Baumann, LLC, Roseland, New Jersey, and certain other conditions described herein. Phoenix Advisors, LLC, Bordentown, New Jersey, has served as Municipal Advisor in connection with the issuance of the Bonds. Delivery is anticipated to be via DTC in New York, New York, on or about June 20, 2023.

ELECTRONIC SUBMISSIONS FOR THE BONDS WILL BE RECEIVED VIA PARITY UNTIL 11:00 A.M. ON MAY 24, 2023. FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY, VIEW THE NOTICE OF SALE POSTED AT WWW.MUNIHUB.COM.

* Preliminary, subject to change.

COUNTY OF CUMBERLAND
STATE OF NEW JERSEY

$3,308,000*
GENERAL OBLIGATION BONDS
(COUNTY COLLEGE BONDS)
(COUNTY COLLEGE BOND ACT, P.L. 1971, c.12, AS AMENDED)
(BANK QUALIFIED) (NON-CALLABLE)

Dated: Date of Delivery
Due: May 15, as shown below

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS

Year (May 15)	Amount*(1)	Interest Rate	Yield	CUSIP Number**
2024	$238,000	%	%	
2025	290,000			
2026	300,000			
2027	315,000			
2028	325,000			
2029	350,000			
2030	350,000			
2031	365,000			
2032	375,000			
2033	400,000			

(1) Fifty percent of the debt service is expected to be paid by the State of New Jersey pursuant to the County College Bond Act (P.L. 1971, c.12). The Bonds themselves are not being offered for sale with that security.

* Preliminary, subject to change.
** Registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by Standard Poor's Global Market Intelligence. The CUSIP numbers listed above are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds, and the County does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

COUNTY OF CUMBERLAND, NEW JERSEY
164 West Broad Street
Bridgeton, New Jersey 08302

BOARD OF COUNTY COMMISSIONERS

Douglas Albrecht.. Commissioner Director
Antonio Romero .... Commissioner Deputy Director
Donna Pearson .... Commissioner
John Capizola Jr. .... Commissioner
Victoria Groetsch-Lods .... Commissioner
Carol Musso .... Commissioner
Joseph Sileo .... Commissioner

COUNTY OFFICIALS

Harold U. Johnson
County Administrator

Luz Vasquez
Deputy County Administrator

Kimberly Codispoti
Clerk of the Board of County Commissioners

Jeffrey T. Ridgway, Jr.
County Treasurer/Chief Financial Officer

John G. Carr, Esq.
County Counsel

AUDITOR

Bowman & Company LLP
Voorhees, New Jersey

BOND COUNSEL

McManimon, Scotland & Baumann, LLC
Roseland, New Jersey

MUNICIPAL ADVISOR

Phoenix Advisors, LLC
Bordentown, New Jersey

No broker, dealer, salesperson or other person has been authorized by the County to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the foregoing. The information contained herein has been provided by the County and other sources deemed reliable; however, no representation or warranty is made as to its accuracy or completeness and such information is not to be construed as a representation or warranty by the Underwriter or, as to information from sources other than itself, by the County. The information and the expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof or since the date as of which such information is given, if earlier.

References in this Official Statement to laws, rules, regulations, resolutions, agreements, reports and documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein, and copies of which may be inspected at the offices of the County during normal business hours.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by the County from time to time (collectively, the "*Official Statement*"), may be treated as a "final official statement" with respect to the Bonds described herein that is deemed final as of the date hereof (or of any such supplement or amendment) by the County.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be used, in whole or in part, for any other purpose.

IN CONNECTION WITH THE OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT PRIOR NOTICE.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE OFFERING OF THE BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

Neither McManimon, Scotland & Baumann, LLC, Phoenix Advisors, LLC nor the Underwriter have participated in the preparation of the financial or statistical information contained in this Official Statement nor have they verified the accuracy or completeness thereof, and, accordingly, they express no opinion with respect thereto.

TABLE OF CONTENTS

OFFICIAL STATEMENT

RELATING TO

COUNTY OF CUMBERLAND, NEW JERSEY

$3,308,000*
GENERAL OBLIGATION BONDS
(COUNTY COLLEGE BONDS)
(COUNTY COLLEGE BOND ACT, P.L. 1971, c.12, AS AMENDED)
(BANK QUALIFIED) (NON-CALLABLE)

INTRODUCTION

This Official Statement, which includes the cover page, the inside front cover page and the appendices attached hereto, has been prepared by the County of Cumberland (the "County"), New Jersey (the "State"), in connection with the sale and issuance of its $3,308,000* General Obligation Bonds (County College Bonds) (the "Bonds"). This Official Statement has been executed by and on behalf of the County by its County Treasurer/Chief Financial Officer and may be distributed in connection with the sale of the Bonds described herein.

This Official Statement contains specific information relating to the Bonds, including their general description, certain matters affecting the financing, certain legal matters, historical financial information and other information pertinent to this issue. This Official Statement should be read in its entirety. All financial and other information presented herein has been provided by the County from its records, except for information expressly attributed to other sources.

THE BONDS

General Description

The Bonds will be dated their date of delivery, will bear interest from their dated date and will mature on May 15 in each of the years and in the principal amounts set forth on the inside front cover page hereof. Interest on the Bonds will be payable semiannually on May 15 and November 15 in each year until maturity, commencing on May 15, 2024, at the rates set forth on the inside front cover page hereof. Principal of and interest due on the Bonds will be paid to DTC (as defined herein) by the County or its designated paying agent. Interest on the Bonds will be credited to the participants of DTC as listed on the records of DTC as of each next preceding May 1 and November 1 (the "Record Dates" for the payment of interest on the Bonds). Interest on the Bonds shall be calculated on the basis of a 360-day year of twelve 30-day calendar months.

The Bonds are issuable as fully registered book-entry bonds in the form of one certificate for each maturity of each series of the Bonds and in the principal amount of such maturity. The Bonds may be purchased in book-entry-only form in the principal amount of $5,000 or any integral multiple of $1,000 in excess thereof through book-entries made on the books and records of The Depository Trust Company, New York, New York ("DTC"), and its participants. So long as DTC or its nominee, Cede & Co. (or any successor or assign), is the registered owner for the Bonds, payments of the principal of and interest on the Bonds will be made by the County directly to Cede & Co. (or any successor or assign), as nominee for DTC.

* Preliminary, subject to change.

Book-Entry-Only System*

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each year of maturity of the Bonds, in the aggregate principal amount of each maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks and trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co., or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

* Source: The Depository Trust Company.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, if any, and principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the paying agent, if any, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and shall be the responsibility of such Participant and not of DTC or its nominee, the paying agent, if any, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the paying agent, if any, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the County or the paying agent, if any. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

THE INFORMATION CONTAINED IN THIS SUBSECTION "BOOK-ENTRY-ONLY SYSTEM" HAS BEEN PROVIDED BY DTC. THE COUNTY MAKES NO REPRESENTATIONS AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO BOND HOLDERS; (III) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST DUE ON THE BONDS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY CEDE & CO., AS NOMINEE OF DTC AND THE REGISTERED OWNER OF THE BONDS. THE RULES APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE PROCEDURES OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

Discontinuation of Book-Entry-Only System

If the County, in its sole discretion, determines that DTC is not capable of discharging its duties, or if DTC discontinues providing its services with respect to the Bonds at any time, the County will attempt to locate another qualified securities depository. If the County fails to find such a securities depository, or if the County determines, in its sole discretion, that it is in the best interest of the County or that the interest of the Beneficial Owners might be adversely affected if the book-entry-only system of transfer is continued (the County undertakes no obligation to make an investigation to determine the occurrence of any events that would permit it to make such determination), the County shall notify DTC of the termination of the book-entry-only system.

AUTHORIZATION AND PURPOSE OF THE BONDS

The Bonds have been authorized by and are being issued pursuant to the laws of the State, including the Local Bond Law (constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended) (the "Local Bond Law"), the bond ordinance finally adopted by the County Board of County Commissioners referred to in the chart below and by a resolution duly adopted by the County Board of County Commissioners on March 28, 2023 (the "Resolution"). The County College Bonds are also issued pursuant to the Local Bond Law, Title 18A, Education of the New Jersey Statutes.

Proceeds of the Bonds will be used to: (i) provide new money in the amount of $3,308,000 to finance the project described below; and (ii) provide funds for the costs incurred in connection with the authorization, sale and issuance of the County College Bonds.

Bond Ordinance Number	Description of Improvement and Date of Adoption of Ordinance	Amount Funded from Bond Proceeds
2022-04	For Renovation and Rehabilitation of Certain Buildings of the Cumberland County Campus of Rowan College of South Jersey, finally adopted May 24, 2022.	$3,308,000
	Total:	**$3,308,000**

SECURITY AND SOURCE OF PAYMENT

The Bonds are valid and legally binding obligations of the County, and the County has pledged its full faith and credit for the payment of the principal of and interest on the Bonds. The County is required by law to levy *ad valorem* taxes upon all the taxable real property within the County for the payment of the principal of and interest on the Bonds without limitation as to rate or amount.

County College Bond Act

The County received a certification from the State Treasurer that the State will provide support for the Bonds (as defined herein), together with interest on that amount, under the provisions of the County College Bond Act, P.L. 1971, c.12, as amended (the “County College Bond Act”). Payments from the New Jersey Department of Treasury for fifty percent (50%) of the principal and interest when due on such Bonds are made to the County, upon the County’s certification of amounts due, on or before the dates when such amounts are payable by the County. The support the County receives from the State for the Bonds is dependent upon appropriations by the State Legislature from time to time. The Bonds which are issued under the provisions of the County College Bond Act, shall not be deemed to constitute a debt or liability of the State, or a pledge of the full faith and credit of the State. Regardless of whether payments are received by the County from the State, such Bonds are general obligations of the County. Fifty percent of the debt service is expected to be paid by the State pursuant to the County College Bond Act (P.L. 1971, c.12). The Bonds themselves are not being offered for sale with that security.

INFECTIOUS DISEASE OUTBREAK – COVID-19

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, President Trump declared a national emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. Governor Phil Murphy (the "Governor") of the State of New Jersey declared a state of emergency and a public health emergency on March 9, 2020 due to the outbreak of COVID-19, which has spread throughout the State and to all counties within the State. The Governor has also instituted mandatory measures via various executive orders to contain the spread of the virus. These measures, which alter the behavior of businesses and people, have had and may continue to have impacts on regional, state and local economies. Throughout the COVID-19 pandemic, the Governor has signed multiple executive orders instituting mitigation protocols limiting certain activities as well as permitting the resumption of certain activities, based on the evolution of the COVID-19 pandemic within this State.

The County cannot reasonably predict how long the COVID-19 pandemic in New Jersey will last, how the outbreak may impact the financial condition or operations of the County, whether there will be any impact on the assessed values of property within the County or unexpected deferrals of tax payments to the County or the costs associated with this or any other potential infectious disease outbreak, including whether there will be any reduction in State funding or an increase in operational costs of the County. As the County's financial information appearing in Appendix "B" indicates, the COVID-19 pandemic has not had a material impact on the County's finances through the end of fiscal year 2021.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by President Biden on March 12, 2021, comprises $1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic.

The Plan includes various forms of financial relief including up to $1,400 increase in direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes $350 billion in relief funds to public entities, such as the County.

The County received $14,521,933.50 in May of 2021 and $14,521,933.50 in June of 2022. The deadline to spend the funds is December 31, 2024. Generally, according to the Plan, the allowable use of the funds distributed under the Plan include the following categories: (a) to respond to the public health emergency with respect to COVID-19 or its negative economic impacts; (b) to respond to workers performing essential work during the COVID-19 public health emergency; (c) for the provision of government services to the extent permitted by the Plan; and (d) to make necessary investments in water, sewer or broadband infrastructure.

MARKET PROTECTION

The County does not anticipate selling additional bonds or notes during calendar year 2023.

MUNICIPAL FINANCE – FINANCIAL REGULATION OF COUNTIES AND MUNICIPALITIES

Local Bond Law (N.J.S.A. 40A:2-1 *et seq*.)

The Local Bond Law governs the issuance of bonds and notes to finance certain general municipal and utility capital expenditures. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects bonded and that bonds be retired in serial installments. A 5% cash down payment is generally required toward the financing of expenditures for municipal purposes. All bonds and notes issued by the County are general full faith and credit obligations.

The authorized bonded indebtedness of the County for municipal purposes is limited by statute, subject to the exceptions noted below, to an amount equal to 2% of its average equalized valuation basis. The average for the last three years of the equalized value of all taxable real property and improvements and certain Class II railroad property within the boundaries of County, as annually determined by the State Director of Taxation is shown in Appendix "A". Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit, including school bonds that do not exceed the school bond borrowing margin and certain debt that may be deemed self-liquidating. The County has not exceeded its statutory debt limit.

The County may exceed its debt limit with the approval of the Local Finance Board, a State regulatory agency, and as permitted by other statutory exceptions. If all or any part of a proposed debt authorization would exceed its debt limit, the County may apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the credit of the County or substantially reduce the ability of the County to meet its obligations or to provide essential public improvements and services, or if it makes certain other statutory determinations, approval is granted. In addition, debt in excess of the statutory limit may be issued by the County to fund certain notes, to provide for self-liquidating purposes and, in each fiscal year, to provide for purposes in an amount not exceeding 2/3 of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of utility and assessment obligations).

The County may sell short-term "bond anticipation notes" to temporarily finance a capital improvement or project in anticipation of the issuance of bonds if the bond ordinance or a subsequent resolution so provides. Bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount specified in the ordinance creating such capital expenditure, as it may be amended and supplemented. A local unit's bond anticipation notes may be issued for periods not greater than one year. Generally, bond anticipation notes may not be outstanding for longer than ten years. An additional period may be available following the tenth anniversary date equal to the period from the notes' maturity to the end of the tenth fiscal year in which the notes mature plus 4 months (May 1) in the next following fiscal year from the date of original issuance. Beginning in the third year, the amount of notes that may be issued is decreased by the minimum amount required for the first year's principal payment for a bond issue.

Local Budget Law (N.J.S.A. 40A:4-1 *et seq*.)

The foundation of the New Jersey local finance system is the annual cash basis budget. Every local unit must adopt a budget in the form required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "*Division*"). Certain items of revenue and appropriation are regulated by law and the proposed budget must be certified by the Director of the Division (the "*Director*") prior to final adoption. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service, and the Director is required to review the adequacy of such appropriations.

The local unit is authorized to issue emergency notes and special emergency notes pursuant to the Local Budget Law. Tax anticipation notes are limited in amount by law and must be paid off in full within 120 days of the close of the fiscal year.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review functions focusing on anticipated revenues serve to protect the solvency of all local units.

The cash basis budgets of local units must be in balance, *i.e.*, the total of anticipated revenues must equal the total of appropriations (N.J.S.A. 40A:4-22). If in any year a local unit's expenditures exceed its realized revenues for that year, then such excess must be raised in the succeeding year's budget.

The Local Budget Law (N.J.S.A. 40A:4-26) provides that no miscellaneous revenues from any source may be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director determines that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and certifies that determination to the local unit.

No budget or budget amendment may be adopted unless the Director shall have previously certified his approval of such anticipated revenues except that categorical grants-in-aid contracts may be included for their face amount with an offsetting appropriation. The fiscal years for such grants rarely coincide with the municipality's calendar year. However, grant revenue is generally not realized until received in cash.

The same general principle that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to property taxes. The maximum amount of delinquent taxes that may be anticipated is limited by a statutory formula, which allows the local unit to anticipate collection at the same rate realized for the collection of delinquent taxes in the previous year. Also, the local unit is required to make an appropriation for a "reserve for uncollected taxes" in accordance with a statutory formula to provide for a tax collection in an amount that does not exceed the percentage of taxes levied and payable in the preceding fiscal year that was received in cash by December 31 of that year. The budget also must provide for any cash deficits of the prior year.

Emergency appropriations (those made after the adoption of the budget and the determination of the tax rate) may be authorized by the governing body of a local unit. However, with minor exceptions, such appropriations must be included in full in the following year's budget.

The exceptions are certain enumerated quasi-capital projects ("*special emergencies*") such as ice, snow and flood damage to streets, roads and bridges, which may be amortized over three years, and tax map preparation, re-evaluation programs, revision and codification of ordinances, master plan preparation, drainage map preparation for flood control purposes and contractually required severance liabilities, which may be amortized over five years. Of course, emergency appropriations for capital projects may be financed through the adoption of a bond ordinance and amortized over the useful life of the project.

Under legislation recently enacted to address the COVID-19 emergency, P.L. 2020, c. 74 (A3971), a local unit may adopt an emergency appropriation to fund certain deficits resulting from COVID-19 with approval of the Director and may either fund it as a deferred charge or issue special emergency notes to fund it payable by 1/5 each year beginning in the year after the year in which the deferred charge appears in the financial statements so it is paid off no later than the last day of the sixth fiscal year following the end of the fiscal year in which the application is made. If there is a showing of fiscal distress, that may be extended to ten years. The Director may also promulgate guidelines modifying the standard for anticipated revenues when the amount realized in cash from the same source during the next preceding fiscal year experienced reductions due to COVID-19.

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between appropriation accounts may be made only during the last two months of the year. Appropriation reserves may also be transferred during the first three months of the year to the previous year's budget. Both types of transfers require a 2/3 vote of the full membership of the governing body; however, transfers cannot be made from either the down payment account or the capital improvement fund. Transfers may be made between sub-account line items within the same account at any time during the year, subject to internal review and approval. In a "CAP" budget, no transfers may be made from excluded from "CAP" appropriations to within "CAP" appropriations nor can transfers be made between excluded from "CAP" appropriations.

A provision of law known as the New Jersey "Cap Law" (N.J.S.A. 40A:4-45.1 *et seq.)* imposes limitations on increases in municipal appropriations, subject to various exceptions. The payment of debt service is an exception from this limitation. The Cap formula is somewhat complex, but basically it permits a municipality to increase its overall appropriations by the lesser of 2.5% or the "Index Rate". The "Index Rate" is the rate of annual percentage increase, rounded to the nearest one-half percent, in the Implicit Price Deflator for State and Local Government purchases of goods and services computed by the U.S. Department of Commerce. Exceptions to the limitations imposed by the Cap Law also exist for other things including capital expenditures; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law. Counties are also prohibited from increasing their tax levies by more than the lesser of 2.5% or the Index Rate, subject to certain exceptions. Municipalities by ordinance approved by a majority of the full membership of the governing body may increase appropriations up to 3.5% over the prior year's appropriation and counties by resolution approved by a majority of the full membership of the governing body may increase the tax levy up to 3.5% over the prior year's tax levy in years when the Index Rate is 2.5% or less.

Additionally, legislation constituting P.L. 2010, c. 44, approved July 13, 2010, limits tax levy increases for those local units to 2% with exceptions only for capital expenditures including debt service, increases in pension contributions and accrued liability for pension contributions in excess of 2%, certain healthcare increases, extraordinary costs directly related to a declared emergency and amounts approved by a simple majority of voters voting at a special election.

Neither the tax levy limitation nor the "Cap Law" limits the obligation of the County to levy *ad valorem* taxes upon all taxable property within the County to pay debt service on its bonds or notes, including the Bonds.

In accordance with the Local Budget Law, each local unit must adopt and may from time to time amend rules and regulations for capital budgets, which rules and regulations must require a statement of capital undertakings underway or projected for a period not greater than over the next ensuing six years as a general improvement program. The capital budget, when adopted, does not constitute the approval or appropriation of funds, but sets forth a plan of the possible capital expenditures that the local unit may contemplate over the six years. Expenditures for capital purposes may be made either by ordinances adopted by the governing body setting forth the items and the method of financing or from the annual operating budget if the terms were detailed.

Tax Levy Cap (N.J.S.A. 40A:4-45.44, *et seq*.)

Chapter 62 of P.L. 2007 imposes limitations on increases in the tax levies of counties subject to various exclusions. Beginning with the preparation of Fiscal 2008 budget, the amount to be raised by taxation by a local unit shall not exceed the sum of new ratables, the adjusted tax levy, and the total of waivers approved by the Local Finance Board in the Division of Local Government Services in the State Department of Community Affairs ("Local Finance Board") pursuant to section 11 of P.L. 2007, c.62 (C.40A:4-45.46). "New Ratables" means the product of the taxable value of any new construction or improvements times the tax rate of the local unit for its previous tax year. "Adjusted tax levy" means an amount not greater than the amount to be raised by taxation of the previous fiscal year, less any waivers from a prior fiscal year multiplied by 1.04, to which the sum of exclusions defined in subsection b. of section 10 of P.L. 2007, c.62 (C:40A:4-45.45) shall be added. The following exclusions shall be added to the calculation of the adjusted tax levy: increases in amounts required to be raised by taxation for capital expenditures, including debt service as defined by law; increases in pension contributions and accrued liability for pension contributions in excess of 2.0%; increases in health care costs equal to that portion of the actual increase in total health care costs for the budget year that is in excess of 2.0% of the total health care costs in the prior year, but is not in excess of the product of the total health care costs in the prior year and the average percentage increase of the State Health Benefits Program, P.L. 1961, c.49 (C.52:14-17.25 et seq.), as annually determined by the Division of Pensions and Benefits in the Department of the Treasury; and extraordinary costs incurred by a local unit directly related to a declared emergency, as defined by regulation promulgated by the Commissioner of the Department of Community Affairs, in consultation with the Commissioner of Education, as appropriate. If there are no exclusions, then the amount of the difference shall reduce the adjusted tax levy by that amount. Any cancelled or unexpended appropriations for any exclusion pursuant to this subsection or waiver, also shall be deducted from the sum of the exclusions listed above or directly reduce the adjusted tax levy if there are no exclusions.

Levy Cap of 1977

A provision of law known as the New Jersey "Cap Law" (N.J.SA 40A:4-45.1 et seq.) imposes limitations on increases in county tax levy subject to various exceptions. The payment of debt service is an exception from this limitation. The Cap formula is somewhat complex, but basically, it permits a county to increase its tax levy by the lesser of 2.5% or the "Index Rate" if the index rate is greater than 2.5%. The "Index Rate" is the rate of annual percentage increase, rounded to the nearest one-half percent, in the Implicit Price Deflator for State and Local Government purchases of goods and services computed by the U.S. Department of Commerce. Exceptions to the limitations imposed by the Cap Law also exist for other things including capital expenditures; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law. Counties by ordinance approved by a majority of the full membership of the governing body may increase the tax levy up to 3.5% over the prior years' tax levy in years when the Index Rate is 2.5% or less.

Levy Cap of 2010

Additionally, legislation constituting P.L. 2010, c. 44, effective July 13, 2010, imposes a two percent (2%) cap on the tax levy of a county, with certain exceptions and subject to a number of adjustments. The exclusions from the limit include increases required to be raised for capital expenditures, including debt service, increases in pension contributions in excess of 2%, certain increases in health care over 2%, and extraordinary costs incurred by a local unit directly related to a declared emergency. The governing body of a local unit may request approval, through a public question submitted to the legal voters residing in its territory, to increase the amount to be raised by taxation, and voters may approve increases above 2% not otherwise permitted under the law by an affirmative vote of 50%.

Neither of the tax levy limitations limits the obligation of the County to levy ad valorem taxes upon all taxable property within the jurisdiction of the County to pay debt service on its bonds or notes, including the Bonds.

Tax Assessment and Collection Procedure

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the result of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners, but it often results in a divergence of the assessment ratio to true value. Because of the changes in property resale values, annual adjustments could not keep pace with the changing values.

County taxes are collected by the municipalities located within a particular county, and paid to its County Treasurer. The municipal levy includes all county, school and municipal taxes.

Each municipality is required to pay to its County Treasurer its share of the purpose taxes by no later than the 15th day of February, May, August and November of each year. Every county is required by law to receive its shares of the taxes collected from the first taxes collected by each municipality. Consequently, counties in the State experience a 100% tax collection rate.

Tax Appeals

The New Jersey statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. Prior to February 1 in each year, the assessor of each municipality located in the County must mail to each property owner a notice of the current assessment and taxes on the property. The taxpayer has a right to petition the County Tax Board on or before April 1 for review. The County Board of Taxation has the authority after a hearing to decrease or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as canceled or remitted taxes for that year. If the taxpayer feels his petition was unsatisfactorily reviewed by the County Board of Taxation, appeal may be made to the Tax Court of New Jersey for further hearing. Some State Tax Court appeals may take several years prior to settlement and any losses in tax collections from prior years are charged directly to operations.

Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 *et seq*.)

This law regulates the non-budgetary financial activities of local governments. The chief financial officer of every local unit must file annually, with the Director, a verified statement of the financial condition of the local unit and all constituent boards, agencies or commissions.

An independent examination of each local unit's accounts must be performed annually by a licensed registered municipal accountant. The audit, conforming to the Division of Local Government Services' "Requirements of Audit", includes recommendations for improvement of the local unit's financial procedures and must be filed with the report, together with all recommendations made, and must be published in a local newspaper within 30 days of its submission. Audits for at least the last 10 years, are available online at the County's website: www.cumberlandcountynj.gov available for inspection by anybody at any time**.**

TAX MATTERS

Exclusion of Interest on the Bonds From Gross Income for Federal Tax Purposes

The Internal Revenue Code of 1986, as amended (the "*Code*"), imposes certain requirements that must be met on a continuing basis subsequent to the issuance of the Bonds in order to assure that interest on the Bonds will be excluded from gross income for federal income tax purposes under Section 103 of the Code. Failure of the County to comply with such requirements may cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes, retroactive to the date of issuance of the Bonds. The County will make certain representations in its Arbitrage and Tax Certificates, which will be executed on the date of issuance of the Bonds, as to various tax requirements. The County has covenanted to comply with the provisions of the Code applicable to the Bonds and has covenanted not to take any action or fail to take any action that would cause interest on the Bonds to lose the exclusion from gross income under Section 103 of the Code. Bond Counsel (as defined herein) will rely upon the representations made in the Arbitrage and Tax Certificates and will assume continuing compliance by the County with the above covenants in rendering its federal income tax opinions with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes and with respect to the treatment of interest on the Bonds for the purposes of alternative minimum tax; however, for tax years beginning after December 31, 2022, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to alternative minimum tax under Section 55 of the Code.

Assuming the County observes its covenants with respect to compliance with the Code, McManimon, Scotland & Baumann, LLC ("Bond Counsel") is of the opinion that, under existing law, interest on the Bonds is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code, and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing the alternative minimum tax. The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and enforcement of the Code or those regulations by the IRS.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the County or the owners of the Bonds regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Bonds, under current IRS procedures, the IRS will treat the County as the taxpayer and the beneficial owners of the Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including, but not limited to, selection of the Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Bonds.

Payments of interest on tax-exempt obligations, including the Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Original Issue Discount

Certain maturities of the Bonds may be sold at an initial offering price less than the principal amount payable on such Bonds at maturity (the "*Discount Bonds*"). The difference between the initial public offering price of the Discount Bonds at which a substantial amount of each of the Discount Bonds was sold and the principal amount payable at maturity of each of the Discount Bonds constitutes the original issue discount. Bond Counsel is of the opinion that the appropriate portion of the original issue discount allocable to the original and each subsequent owner of the Discount Bonds will be treated for federal income tax purposes as interest not includable in gross income under Section 103 of the Code to the same extent as stated interest on the Discount Bonds. Under Section 1288 of the Code, the original issue discount on the Discount Bonds accrues on the basis of economic accrual. The basis of an initial purchaser of a Discount Bond acquired at the initial public offering price of the Discount Bonds will be increased by the amount of such accrued discount. Owners of the Discount Bonds should consult their own tax advisors with respect to the determination for federal income tax purposes of the original issue discount properly accruable with respect to the Discount Bonds and the tax accounting treatment of accrued interest.

Original Issue Premium

Certain maturities of the Bonds may be sold at an initial offering price in excess of the amount payable at the maturity date (the "Premium Bonds"). The excess, if any, of the tax basis of the Premium Bonds to a purchaser (other than a purchaser who holds such Premium Bonds as inventory, as stock-in-trade or for sale to customers in the ordinary course of business) over the amount payable at maturity is amortizable bond premium, which is not deductible from gross income for federal income tax purposes. Amortizable bond premium, as it amortizes, will reduce the owner's tax cost of the Premium Bonds used to determine, for federal income tax purposes, the amount of gain or loss upon the sale, redemption at maturity or other disposition of the Premium Bonds. Accordingly, an owner of a Premium Bond may have taxable gain from the disposition of the Premium Bond, even though the Premium Bond is sold, or disposed of, for a price equal to the owner's original cost of acquiring the Premium Bond. Bond premium amortizes over the term of the Premium Bonds under the "constant yield method" described in regulations interpreting Section 1272 of the Code. Owners of the Premium Bonds should consult their own tax advisors with respect to the calculation of the amount of bond premium that will be treated for federal income tax purposes as having amortized for any taxable year (or portion thereof) of the owner and with respect to other federal, state and local tax consequences of owning and disposing of the Premium Bonds.

Additional Federal Income Tax Consequences of Holding the Bonds

Prospective purchasers of the Bonds should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Bonds, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations.

Bond Counsel expresses no opinion regarding any federal tax consequences other than its opinion with regard to the exclusion of interest on the Bonds from gross income pursuant to Section 103 of the Code and interest on the Bonds not constituting an item of tax preference under Section 57 of the Code. Prospective purchasers of the Bonds should consult their tax advisors with respect to all other tax consequences (including, but not limited to, those listed above) of holding the Bonds.

Bank-Qualification

The Bonds **will** be designated as qualified under Section 265 of the Code by the County for an exemption from the denial of deduction for interest paid by financial institutions to purchase or to carry tax-exempt obligations.

The Code denies the interest deduction for certain indebtedness incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations. The denial to such institutions of 100% of the deduction for interest paid on funds allocable to tax-exempt obligations applies to those tax-exempt obligations acquired by such institutions after August 7, 1986. For certain issues, which are eligible to be designated and which are designated by the issuer as qualified under Section 265 of the Code, 80% of such interest may be deducted as a business expense by such institutions.

Changes in Federal Tax Law Regarding the Bonds

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State of New Jersey. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Bonds will not have an adverse effect on the tax status of interest on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax) or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

State Taxation

Bond Counsel is of the opinion that, based upon existing law, interest on the Bonds and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act.

THE OPINIONS EXPRESSED BY BOND COUNSEL WITH RESPECT TO THE BONDS ARE BASED UPON EXISTING LAWS AND REGULATIONS AS INTERPRETED BY RELEVANT JUDICIAL AND REGULATORY CHANGES AS OF THE DATE OF ISSUANCE OF THE BONDS, AND BOND COUNSEL HAS EXPRESSED NO OPINION WITH RESPECT TO ANY LEGISLATION, REGULATORY CHANGES OR LITIGATION ENACTED, ADOPTED OR DECIDED SUBSEQUENT THERETO. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE POTENTIAL IMPACT OF ANY PENDING OR PROPOSED FEDERAL OR STATE TAX LEGISLATION, REGULATIONS OR LITIGATION.

FINANCIAL STATEMENTS

An excerpt of the Unaudited Financial Statements for the year ending December 31, 2022 and an excerpt of the Report of Audit of Financial Statements for the years ending December 31, 2021, 2020, 2019, 2018 and 2017 is included in Appendix "B" to this Official Statement. The audited financial data was provided by Bowman & Company LLP, Voorhees, New Jersey, and is included herein in reliance upon the authority of such firm. Bowman & Company LLP, New Jersey, has consented to the inclusion of their report in this Official Statement. Copies of the complete Reports of Audit may be obtained upon request to the office of the County Treasurer/Chief Financial Officer of the County.

LITIGATION

To the knowledge of the County Attorney, John G. Carr, Esq., Bridgeton, New Jersey (the "County Attorney"), there is no litigation of any nature now pending or threatened restraining or enjoining the issuance or delivery of the Bonds, or the levy or collection of any taxes to pay the principal of or interest on the Bonds, or in any manner questioning the authority or the proceedings for the issuance of the Bonds or for the levy or collection of taxes, or contesting the corporate existence or boundaries of the County or the title of any of the present officers. Moreover, to the knowledge of the County Attorney, no litigation is presently pending or threatened that, in the opinion of the County Attorney, would have a material adverse impact on the financial condition of the County if adversely decided.

SECONDARY MARKET DISCLOSURE

The County, pursuant to the Resolution, has covenanted for the benefit of the Bondholders and the beneficial owners of the Bonds to provide certain secondary market disclosure information pursuant to Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"). Specifically, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the County shall provide:

(a) On or prior to September 30 of each year, beginning September 30, 2024, electronically to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system or such other repository designated by the Securities and Exchange Commission to be an authorized repository for filing secondary market disclosure information, if any, annual financial information with respect to the County consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the County and certain financial information and operating data consisting of (i) the County and overlapping indebtedness, including a schedule of outstanding debt issued by the County, (ii) the County's property valuation information and (iii) tax rate, levy and collection data. The audited financial information will be prepared in accordance with generally accepted accounting principles as modified by governmental accounting standards as may be required by New Jersey law.

(b) In a timely manner not in excess of ten business days after the occurrence of the event, to EMMA, notice of any of the following events with respect to the Bonds (the "*Disclosure Events*"):

(1) Principal and interest payment delinquencies;
(2) Non-payment related defaults, if material;
(3) Unscheduled draws on debt service reserves reflecting financial difficulties;
(4) Unscheduled draws on credit enhancements reflecting financial difficulties;
(5) Substitution of credit or liquidity providers, or their failure to perform;
(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
(7) Modifications to the rights of holders of the Bonds, if material;
(8) Bond calls, if material, and tender offers;
(9) Defeasances;
(10) Release, substitution or sale of property securing repayment of the Bonds, if material;
(11) Rating changes;
(12) Bankruptcy, insolvency, receivership or similar event of the County;
(13) The consummation of a merger, consolidation or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
(15) Incurrence of a Financial Obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation, any of which affect holders of the Bonds, if material; and
(16) Default, event of acceleration, termination event, modification of terms or other similar events under a Financial Obligation of the County, if any such event reflects financial difficulties.

The term "Financial Obligation" as used in subparagraphs (b)(15) and (b)(16) above means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation or (iii) guarantee of (i) or (ii); provided, however, that the term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

(c) In a timely manner to EMMA, notice of failure of the County to provide required annual financial information on or before the date specified in the Resolution.

If all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided pursuant to the County's undertaking, insofar as the provision of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

The County Treasurer/Chief Financial Officer shall determine, in consultation with Bond Counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the County prior to their offering. Such officer is authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth in the Resolution, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule.

In the event that the County fails to comply with the above-described undertaking and covenants, the County shall not be liable for any monetary damages, remedy of the beneficial owners of the Bonds being specifically limited in the undertaking to specific performance of the covenants.

The County has previously entered into written undertakings to provide ongoing disclosure pursuant to the requirements of the Rule. Within the five years immediately preceding the date of this Official Statement, the County previously failed to file, in accordance with the Rule, in a timely manner, under previous filing requirements, with respect to all or some of the affected issues its adopted budget for fiscal year ending December 31, 2018. The County has subsequently filed its adopted budget for fiscal year ending December 31, 2018. Additionally, in certain instances, the County may not have associated all filings with all outstanding issues for which such filings may have been required. The County has also failed to timely file a notice regarding its failure to file certain financial information, but the County has subsequently filed such notice. The County appointed Phoenix Advisors, LLC in October of 2014 to serve as continuing disclosure agent.

MUNICIPAL BANKRUPTCY

The undertakings of the County should be considered with reference to Chapter IX of the Bankruptcy Act, 11 U.S.C. §901 *et seq*., as amended by Public Law 94-260, approved April 8, 1976, and as further amended on November 6, 1978 by the Bankruptcy Reform Act of 1978, effective October 1, 1979, as further amended by Public Law 100-597, effective November 3, 1988, and as further amended and other bankruptcy laws affecting creditors' rights and municipalities in general. The amendments of P.L. 94-260 replace former Chapter IX and permit the State or any political subdivision, public agency or instrumentality that is insolvent or unable to meet its debts to file a petition in a court of bankruptcy for the purpose of effecting a plan to adjust its debts; directs such a petitioner to file with the court a list of petitioner's creditors; provides that a petition filed under said chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; grants priority to debt owed for services or material actually provided within three months of the filing of the petition; directs a petitioner to file a plan for the adjustment of its debts; and provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds in amount or more than one-half in number of the listed creditors. The 1976 Amendments were incorporated into the Bankruptcy Reform Act of 1978 with only minor changes.

Reference should also be made to N.J.S.A. 52:27-40 *et seq*., which provides that a municipality has the power to file a petition in bankruptcy provided the approval of the Municipal Finance Commission has been obtained. The powers of the Municipal Finance Commission have been vested in the Local Finance Board. The Bankruptcy Act specifically provides that Chapter IX does not limit or impair the power of a state to control, by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Act.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Bond Counsel, whose approving legal opinions will be delivered with the Bonds substantially in the forms set forth in Appendix C attached hereto. Certain legal matters will be passed upon for the County by its County Attorney.

UNDERWRITING

The Bonds have been purchased from the County at a public sale by ______________________ (the "Underwriter") at a price of $ ___________ (consisting of the par amount of the Bonds plus a bid premium of $ ________________). The Underwriter has purchased the Bonds in accordance with the Notice of Sale.

The Underwriter intends to offer the Bonds to the public initially at the offering yields set forth on the inside front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investments trusts) at yields higher than the public offering yields set forth on the inside front cover page of this Official Statement, and such yields may be changed, from time to time, by the Underwriter without prior notice.

RATING

Moody’s Investors Service, Inc. (the "Rating Agency"), has assigned a rating of "Aa3" to the Bonds.

The rating reflects only the views of the Rating Agency and an explanation of the significance of such rating may only be obtained from the Rating Agency. The County furnished to the Rating Agency certain information and materials concerning the Bonds and the County. There can be no assurance that the rating will be maintained for any given period of time or that it may not be raised, lowered or withdrawn entirely if, in the Rating Agency's judgment, circumstances so warrant. Any downward change in or withdrawal of such rating may have an adverse effect on the marketability or market price of the Bonds.

MUNICIPAL ADVISOR

Phoenix Advisors, LLC, Bordentown, New Jersey, has served as municipal advisor to the County with respect to the issuance of the Bonds (the "Municipal Advisor"). The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement or in the Appendices hereto. The Municipal Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

PREPARATION OF OFFICIAL STATEMENT

The County hereby states that the descriptions and statements herein, including financial statements, are true and correct in all material respects, and it will confirm to the Underwriter by certificates signed by its County Treasurer/Chief Financial Officer that, to his knowledge, such descriptions and statements, as of the date of this Official Statement, are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading.

Bowman & Company LLP assisted in the preparation of information contained in Appendix "A" to the Official Statement and has reviewed certain financial and statistical information contained in the Official Statement and compared it to the County’s audited financial statements, as applicable. They have not verified the accuracy of other information or the completeness and fairness of that and other information contained herein, and accordingly express no opinion with respect thereto. However, they take responsibility for the compiled and audited financial statements to the extent specified in the Independent Accountant’s Compilation Report and Independent Auditor’s Report appearing in Appendix "B".

All other information has been obtained from sources that the County considers to be reliable, and it makes no warranty, guaranty or other representation with respect to the accuracy and completeness of such information.

Neither Bond Counsel nor the Municipal Advisor has participated in the preparation of the financial or statistical information contained in this Official Statement nor has it verified the accuracy, completeness or fairness thereof and, accordingly, express no opinion with respect thereto.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to Jeffrey T. Ridgway, Jr., the County Treasurer/Chief Financial Officer at the

Administration Building, 164 West Broad Street, Bridgeton, New Jersey 08302, telephone number (856) 453-2136 or by e-mail at jeffri@cumberlandcountynj.gov or to the Municipal Advisor, Phoenix Advisors, LLC, at 625 Farnsworth Avenue, Bordentown, New Jersey 08505, telephone (609) 291-0130.

MISCELLANEOUS

This Official Statement is not to be construed as a contract or agreement among the County, the Underwriter and the holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs (financial or otherwise) of the County since the date hereof. The information contained in this Official Statement is not guaranteed as to accuracy or completeness.

COUNTY OF CUMBERLAND

By: _______________________
Jeffrey T. Ridgway, Jr.
County Treasurer/Chief Financial Officer

Dated: May __, 2023

APPENDIX A

CERTAIN FINANCIAL AND DEMOGRAPHIC INFORMATION CONCERNING THE COUNTY OF CUMBERLAND

GENERAL INFORMATION ON THE COUNTY

Cumberland County (the "County") is located in the southwestern corner of the State of New Jersey, equidistant from New York City and Baltimore-Washington (120 miles) and 35 miles from the Philadelphia-Camden area and Atlantic City. Its 489.3 square miles are bordered by Salem, Gloucester, Atlantic and Cape May Counties. The County is within 300 miles of 1/3 of the nation's population.

The County, for census taking and reporting purposes, is classified as a Metropolitan Statistical Area (MSA) It is one of three MSA's comprising the Philadelphia-Camden-Vineland, PA-NJ-DE-MD Combined Statistical Area (CSA). Cumberland County had a 2020 population of approximately 154,152 persons (US Census 2020), and exerts a major influence on the County's economic and social systems. The County has 14 incorporated areas. These municipalities consist of three cities, one borough and ten townships. For statistical purposes, all are considered a part of the MSA. The NJ Department of Labor estimates that the 2021 population in Cumberland County declined very slightly to 153,627 in 2021.

Rowan College of South Jersey-Cumberland Campus, the Cumberland County Technical Education Center, the County Department of Workforce Development, and the Cumberland County Economic Development Board provide programs offered by state and federal agencies to sustain a constant supply of skilled industrial, commercial, and service workers. Most programs are of little or no cost to employers. The County's commercial and industrial job opportunities are centered in the cities of Bridgeton, Millville and Vineland. The remainder of the County supports jobs in the sectors of agriculture, construction, health sciences, advanced manufacturing, transportation/warehousing, hospitality, and retail enterprises.

Population

Bridgeton, Millville and Vineland are the urban core of the County. Vineland is the largest city in the state in land area (69.5 square miles) with a 2020 population of 58,610. Neighboring Millville (43.0 square miles) has a population of 27,349. Bridgeton, the County seat, has a population of 25,439. Upper Deerfield is the largest Township with a population of 7,660; Maurice River is the second largest of the Townships with a population of 7,976; and Fairfield is the third largest Township with a population of 6,295.

Demographic information in this Appendix is from both the U.S. Census Decennial counts through 2020 and American Community Survey 2015-2021. Labor information is taken from NJ Department of Labor, and ESRI, one of the nation's largest demographic and economic forecasting clearing houses, and JobsEQ data analytics.

2020 Decennial Census	154,152
2010 Decennial Census	156,898
2000 Decennial Census	146,438
1990 Decennial Census	138,053
1980 Decennial Census	132,866
1970 Decennial Census	121,374
1960 Decennial Census	106,850

Labor Force [1]

The most recent estimates from the NJ Department of Labor indicate that the unemployment rate of the County reflects a strong recovery from the global pandemic is well underway. The average unemployment rate of 5.1% is the lowest rate in the last ten years (2012's average being 13.2%), and well below the ten-year average of 8.8%. Just over 72% of employment is within the private sector.

	2022	**2021**	**2020**	**2019**	**2018**
Labor Force	67,800	68,900	68,600	67,900	67,100
Employment	64,400	63,700	61,500	64,300	62,900
Unemployment	3,400	5,300	7,100	3,500	4,200
Unemployment Rate	5.1%	7.7%	10.4%	5.2%	6.2%

[1] Source: State of New Jersey Department of Labor, Dec. 2022 (Annual Averages)

COUNTY AGE CHARACTERISTICS – 2020

The median age of the population in 2021 was 37.7 years which is lower than the state average of 40.3 and the national average of 38.1. The prime age labor force segment of the population (ages 25-54) has been increasing over the last decade. The percentage of the population aged 65 or greater is 15.9%.

AGE/YEARS	PERCENTAGE OF POPULATION 2**010**	PERCENT OF POPULATION **2020**
Under 15	19.9	21.2
15-24	13.7	12.9
25-34	14.4	15.1
35-44	14.2	16.1
45-54	14.2	13.2
55-64	11.1	8.7
65+	12.5	13.0
TOTAL POP	100.0	100

Source: U.S. Census

Transportation

The County is located less than one hour's drive from Philadelphia, Wilmington and Atlantic City, and is situated in the Delaware Valley and the Northeast corridor.

Eighty-four miles of state highways, including Routes #47, #49, #77 and #55 (a four-lane freeway) bisect the County, east-west and north-south. These routes make connections with U.S. Highway #40 as well as the New Jersey Turnpike, Interstate #295 and Interstate #42 (the Atlantic City Expressway). The County-maintained roads, totaling 556 miles, provide much of the highway transportation.

The connection of Route #55 from Port Elizabeth in the southern part of the County to the Route #42 Freeway stretch in southern Gloucester County is the main artery into and out of the County. This uninterrupted road link to the Philadelphia metropolitan area has added a valuable dimension to the County's transportation network. The County's historic geographic isolation from urban population centers of the East Coast has ended, enabling the County's businesses to gain speedy access to those markets.

NJ Transit runs four fixed bus routes through several municipalities in the County:

- **Route # 313** Cape May to Philadelphia runs through Maurice River Township, Millville and Vineland;
- **Route # 408** Millville to Philadelphia runs through Millville and Vineland;
- **Route # 410** Bridgeton to Philadelphia runs through Bridgeton and Upper Deerfield;
- **Route # 553** Upper Deerfield to Atlantic City runs through Upper Deerfield, Bridgeton, Fairfield, Millville and Vineland.

The County operates the Cumberland Area Transit Service (CATS), a demand-response service for the elderly and disabled, veterans and, with limitations, for the general public in small buses.

Five commercially licensed airfields are located in the County, including Millville Executive Airport, the second largest in the state with its two 6,000 lf runways and visual aids capable of handling large jets. The Millville Executive Airport is managed by the Delaware River and Bay Authority under a long-term lease with the City of Millville.

Rail service is handled by Conrail and OmniTrax, the recent purchaser of the Winchester & Western–shortlines in the County. These lines, provide freight transportation to most of the County's municipalities. The Winchester and Western Railroad, a short-line carrier, grew steadily in the number of annual carloads since taking over much of Conrail's local freight service in 1987, and OmniTrax has pursued an aggressive growth strategy of both rail and adjoining developable land.

As required by the Federal government, transportation planning and decision-making for urbanized areas is carried out through Metropolitan Planning Organizations (MPO). On July 1, 1993, the South Jersey Transportation Planning Organization (SJTPO) was designated the MPO for the southern New Jersey counties of Atlantic, Cape May, Cumberland and Salem. The SJTPO was formed to allow a stronger regional approach to solving transportation problems and brings new opportunities to southern New Jersey. MPOs coordinate the planning activities of participating agencies in the region. The MPOs have become partners with state government in deciding how available federal transportation dollars are spent and bring transportation decisions closer to those served. The County prepares yearly revisions to the Transportation Improvement Program for the next five year period.

Industries/Economic Development

The growth of industrial activity in the County in the twenty-first Century has been marked by an increase in the number of advanced manufacturing establishments and workers, total wages paid to employees of manufacturers and a many fold increase in the "value added" to manufactured products. The fact that average family income in the County is well below state average is attributable to the seasonality of much of the area's industrial employment.

It should be noted that the County’s reliance on manufacturing jobs (12.65% of all jobs) was responsible for less disruption than in surrounding counties during the COVID-19 pandemic. The

County's food manufacturing, glass and other advanced manufacturing plants were deemed essential operations, avoiding shutdowns and productivity declines. In addition, many plants were able to shift to in-demand, pandemic products such as sanitizer and plexiglass, for distribution to health care and educational facilities. Small businesses have been able to utilize state and federal pandemic relief programs to sustain their businesses and strengthen them for long term success.

Industry Breakdown

The largest employment sector in the County is health care and social assistance (10,900 workers or 16.62%), followed by manufacturing (8,300 or 12.65%) and then retail trade (7,500 or 11.43%). Health care is projected to continue to increase in employment opportunities as the population ages and new medical facilities in the area are established. The location of Rowan College of SJ-Cumberland campus within 30 miles of Rowan University Medical School and Rowan University has created an eds/meds corridor expected to increase occupations in the health care field. The highest average wages are found in the Utilities sector ($105,623) and in the health care sector ($95,600). Overall, the data analytics firm Jobs EQ projects that employment is projected to stay steady, with possibly a small 300 job loss. Healthcare is projected to have the largest gains in the coming year.

The average worker in the County earned annual wages of $53,971 as of the third quarter of 2022. This information is compiled from the Quarterly Census of Employment and Wages as reported by the Bureau of Labor Statistics. Average annual wages per worked increased 4.7% in the region over the preceding four quarters.

Gross Domestic Product (GDP) is the total value of goods and services provided by a region. In 2021, the GDP in the County had an expansion of 7.7%. This timeframe incorporates the economic recovery underway since the reduction of active Covid cases. As of 2021, the GDP in the County was $6,172,473,000. Manufacturing by far contributed the largest portion of GDP in 2021 $1.1 billion), followed by Health Care ($885.2 million), retail trade ($594.3 million), and wholesale trade ($543.3 million). These figures were available from the JobsEQ database (www.jobseq.eqsuite.com .

Industrial Employment

Industry	**Employment**	**Current Annual Average Wages**
Health Care/Social Ass't	11,087	$58,179
Manufacturing	8,585	62,742
Retail Trade	7,809	35,157
Educational Services	5,114	60,981
Public Administration	3,430	78,798
Wholesale Trade	3,804	67,262
Construction	3,118	74,252

Source: JobsEQ, derived from Quarterly Census of Employment and Wages, 3rd Q2022

In 2004, Inspira Health Network's regional hospital opened in a central location near Rowan College of South Jersey in Vineland. This hospital has expanded health services as well as the economic profile of the County. The hospital currently employs nearly 3,600 persons in a diverse range of professions. Its workforce has expanded significantly since its inception and is the County's largest employer. Adjacent to the hospital is a private rehabilitation clinic and other medical offices, making the interchange at Route 55/Sherman Avenue one of the employment and medical hubs of the eastern part of the County. The hospital system has recently added several urgent care centers in the County and hosts a residency program, training young physicians across the medical field.

Agriculture continues to be an important part of the County's economy, representing 5% of all jobs. The latest (2017) US Census of Agriculture ranked the County as New Jersey's highest grossing county with a market value of agricultural products sold totaling over $212.6 million. This is $92 million higher than the next closest county. There are 560 farms in the County, totaling 66,256 acres, and accounting for nearly 20% of the entire state agricultural market value. The County is the largest producer of greenhouse, nursery, sod and horticulture products in the state, producing nearly $100 million worth (wholesale) of plants annually. The County also has higher sales of vegetables than any other county in the state. In total, agriculture employs better than 5,000 people in the County and contributes roughly $2 billion to the County economy in sales, payroll and expenditures.

The fertile land and active rural work force has led to the establishment of major food processing, freezing, storage and distribution plants bearing the names of Seabrook Brothers & Sons, F & S Produce, Omni and Bridor Bakeries, Lassonte Pappas, Cumberland Dairy (now Dairy Farmers of America) and Dannone North America. Cumberland Dairy, for instance, employs 100 people making the milkshake blends used by hundreds of fast food establishments within a 150-mile radius. Dannone North America operates a processing plant in Bridgeton that produces the product known as "Silk" milk. Vineland is the home of the largest farmers' cooperative produce auction east of the Mississippi. The Swedish oat milk company, Oatly, recently opened an eastern North America headquarters in Cumberland County in Millville, NJ two years after opening and is completing a $45 million expansion.

The Rutgers Agricultural Research and Extension Center in Upper Deerfield generates and dispenses research applicable to the production of high-quality vegetable crops, ornamentals, field crops, and tree and small fruits, with special emphasis on crop protection and integrated pest management. The center stimulates the production of crops with maximum benefit to the New Jersey economy and minimum risk to the environment.

Another Rutgers facility in the County is The Rutgers Food Innovation Center (FIC), a unique food business incubation and economic development accelerator program. FIC is a distinctive food industry resource focused on developing, commercializing, marketing and selling food and beverage products. The Rutgers Training Center has assisted over 200 businesses since opening.

As a companion project to the FIC, a new, 30,000 sf. food specialization center was recently constructed by the Cumberland County Improvement Authority ("The Authority"). The center provides a location for food business startups as well as established food companies opening new production lines or needing a temporary location. Three food-based tenants currently operate within the facility, with expansions planned in 2023.

The glass industry is still present in the County. Durand/Arc International, the largest family-owned glass manufacturer in France, constructed their first American Manufacturing facility in the City of Millville in 1982. Durand specializes in fine quality crystal tableware and gift items. Durand currently employs 750 people and is one of the County's top five private employers.

Other glass manufacturing plants, many making scientific glass, continue to report generally satisfactory conditions. They are divided between bottle manufacturing and specialty glassware production, especially laboratory and medical paraphernalia. Comar Glass completed the construction of a 169,000 sf facility in Vineland for scientific glass which employs an additional 100 people. Northeast Precast continues to expand its 250-acre, heavy industrial site, making precast concrete products for the construction industry and employing over 400 people. This company is expected to continue to expand as its construction products diversity to satisfy demand. Numerous cold storage facilities are being constructed to meet the demand of storing food-based products made within the County's plants. In the last three years, 2020-2022, over 3.6 million square feet of private development projects were approved by the Cumberland County Planning Board, representing total private investment of over $1 billion The county's tax base increased by over 8% ($700 million in the last year as a result of this level of private investment. Additionally, 2.4 million square feet is currently proposed for construction.

The County has many advantages for distribution centers. With 70 million people living within an overnight truck drive, a vast consumer and industrial market can be reached easily. Extensive cold storage (frozen) facilities are located in the Seabrook and Vineland areas. Cold Storage continues to expand in multiple locations in the Vineland Industrial Parks, as well as the western side of the county.

Ten Largest Non-Governmental Employers

The 10 largest non-governmental employers in the County, as of October 2021, employed approximately 10,000 people.

Employer	Employees	Nature of Business	Location
Inspira Health Network	3,600	Health Care	Various
F & S Produce	1,208	Food Processing	Vineland
Wal-Mart	820	Retail Sales	Various
Wawa	775	Food & Beverage Provider	Various
Durand Glass/ARC International	750	Glass Manufacturing	Millville
ShopRite	742	Retail Grocer	Vineland
Sheppard Bus Service	602	Transportation	Fairfield Twp.
AJM Packaging	498	Paper Manufacturing	Vineland
Americold	495	Cold Storage	Vineland
Northeast Precast	461	Construction Manufacturing	Vineland

Source: Cumberland County government, September 2022

Industrial Parks

The County's three largest cities each have designated industrial parks with both development and redevelopment options. Having sold all available city-owned industrial property, Vineland has one tenant in a new industrial park in the western side of the city, Northeast Precast. This company, which makes prefabricated concrete panels, is expanding exponentially and will eventually occupy most of the 250-acre property. The city is pursuing opportunities to acquire additional industrially zoned property.

Millville's airport is a substantial and expanding industrial complex open to industries associated with the aviation field. Two paved 6,000 lf runways are operational at Millville Airport and can handle large jets, making it one of the largest aviation centers in New Jersey. Since 1999, the airport has been operated by the Delaware River and Bay Authority, under a 30 year lease with the City of Millville, with two options for renewal. Jet East, an international jet maintenance company owned by Gamma Aviation of the UK, now occupies hangar space at the airport. Net Jets is its single, largest customer. A $5 million expansion into a new hangar, and an aviation school is being considered as the company ramps up to create 200 skilled jobs for airplane technicians, avionics, and management. The United States Department of Commerce has designated Millville's Municipal Airport as a Foreign Trade Zone (FTZ). Companies operating in the zone can receive, store or assemble foreign goods without being subject to full United States Customs duties or federal excise taxes, which helps these companies to compete against foreign manufacturers.

The New Jersey Motorsports Park (NJMP) in Millville was established in 2008. On over 700 acres adjacent to the airport, NJMP offers an incredible amount of diverse and dynamic motorsports attractions. Phase I included two road courses (Thunderbolt and Lightning), an exclusive motorsports country club known as the Drivers Club, VIP Suites, a first class karting facility, concessions and Shade Tree Garages. Phase II includes unique trackside Villa homes, a commercial corner (retail, restaurants and commercial services), driving/training school, two restaurant pads, Trackside Raceplex and Research Development Campus (approximately 400,000 square feet) and much more.

The County was one of the first four sites throughout the State that created a one-stop career center. The career center houses the County's social services and job training offices, the State employment and unemployment offices, and a child care services office of Tri-County Community Action Agency. Workforce New Jersey, a one-stop career center system, provides New Jersey employers, workers, students and job seekers with simple, direct and comprehensive access to all employment, training, education and human services programs, as well as a variety of information to the business community.

To attract and support twenty-first Century industries, in 2016, the Cumberland County Technical Education Center opened the doors on its new $70,000,000 full-time four year high school adjacent to the Rowan College of South Jersey - Cumberland Campus. This project brought 107 new full-time professional jobs to the County and is estimated to have had a $295,000,000 direct and indirect impact on the County economy. CCTEC graduated its first full-time, four year class of 240 students in 2020. Classes of approximately 300 students are anticipated for future.

In late 2021 the construction of a new 50,000 sf wing was completed to accommodate a new medical academic pathway. Known as the Health, Science and Medical Academy, this state-of-the-art addition will lead to additional linkages with Rowan University Medical School and Engineering School and prepare students for further education and stem careers in the health care field.

In late 2022, the County awarded contracts for the construction of a 15,000 square foot facility on the Rowan College of South Jersey – Cumberland Campus. The building is designated to be occupied by Rowan University (for which a lease agreement has already been executed), where the University will partner with the College in its mental health and behavioral sciences curriculum – creating greater opportunities for students, increasing the County health care workforce, and providing much needed clinical services to residents in need.

Economic Development

The Cumberland County Improvement Authority ("The Authority") is the County's designated economic development entity. The Authority provides technical and financial assistance to the County's municipalities as needed to develop projects and properties generating new tax ratables and jobs. The Authority has been active as a redevelopment entity, as well, assisting with several downtown redevelopment projects, including the construction of a new police headquarters in Vineland, and assembling land for the construction of two 30,000 sf health care facilities in downtown Bridgeton and Millville. Their construction management services have been sought by the counties of Cape May and Salem for large scale redevelopment projects.

The Authority is also the one-stop agency for the five Opportunity Zones that are designated in the County. There are two zones each in Vineland and Bridgeton and one zone in Millville. All of the Opportunity Zones include downtown redevelopment sites with the proper zoning for commercial or industrial development. Opportunity Zones are one way of attracting private capital as equity into projects, with the investors gaining significant tax advantages for a ten year period.

The Authority has leveraged and bundled state and federal dollars, to develop a wide range of projects throughout the County. Since 2015, the Authority has been a catalyst in the funding and development of 54 projects, representing a total investment of $448.7 million. These projects have created over 6,000 full and part time jobs and have had an overall economic impact of $907 million in the region. By providing shared services to county communities, the Authority saves the county and local taxpayers $4.3 million annually.

During the Covid-19 pandemic, the Authority has served as the one stop source for up-to-date information, technical and financial assistance. During the first 12 months, a core of 40+ professionals and leaders from across the County held a conference call with federal and state officials bi-weekly for direct information and guidance on all existing and potential programs for business assistance. Since that time, the Authority has worked directly with businesses to determine the best financial recovery strategies to utilize and has distributed over $782,000 in small business grants to 82 small businesses as part of the County's Covid relief financial assistance program.

Finally, the Authority has been instrumental in encouraging and executing shared services agreements across the County's departments and partners. These agreements create a tangible savings for County taxpayers and promote efficient operations. Some of the ways the Authority participates in generating County savings are: economic development administration and marketing, fleet maintenance, contributions to the County and Deerfield Township as the host community for the landfill, and the County health department, and in shared equipment, services and personnel. In 2022, the actual, realized County savings from shared services agreements was $4.3 million.

Economic Development Designations

A Bridgeton Urban Enterprise Zone (UEZ) was initiated in 1985. The joint Millville/Vineland UEZ was designated in April 1986. Urban Enterprise Zones are designed to promote private capital investment and attract new business in selected areas of New Jersey through the use of tax incentives, thereby creating new employment opportunities. Both the Bridgeton and Millville Urban Enterprise Zones were extended by an act of the New Jersey Legislature in late 2001. This extension has provided millions of dollars in additional revenue to these cities to help with industrial development, infrastructure investments, and community revitalization.

The Cumberland Empowerment Zone Corporation (CEZ) was established in 1999 following Round II Empowerment Zone designation by the U.S. Department of Housing & Urban

Development. The CEZ is unique in that it is the only county-based Empowerment Zone in the nation. It was spawned through a cooperative effort of four municipalities (Bridgeton, Millville, Vineland and Commercial Township), the County, and the State of New Jersey.

The goal of the Empowerment Zone program is to expand economic opportunity in targeted communities and neighborhoods in the County. A number of important local projects and initiatives have been funded by the CEZ. These include expansion of industrial parks, neighborhood redevelopment projects, transportation and infrastructure investment, small business training and support, business loan and incentive programs and many other community development projects.

The CEZ has been recognized as one of the top performing empowerment zones in the nation. During the last 10 years, the CEZ has funded over 130 job-creating projects throughout the County. The CEZ has leveraged $25.6 million in federal dollars with $223.8 million in public and private funding to fund and support the creation of over 1,400 present and anticipated job opportunities for residents of the most distressed communities in the County. The CEZ has been a demonstrated catalyst for change, committed to improving the quality of life for County residents.

The Strategic Plan for Economic Development 2020-2030 was adopted in February 2021. The Plan emphasizes the potential of innovation and creative thinking to change the narrative of the County and promote a new way of thinking about economic development. Harnessing technology will lead the County into the next wave of development known as the knowledge economy. Through this plan, Cumberland County identifies ways it can transition its economy to a 21st century paradigm and a competitive advantage. The plan has five principles: 1) Provide a competitive economic infrastructure; 2) develop a stronger economy through innovation; 3) be the best version of ourselves promoting our assets and amenities; 4) create and support an innovative culture and 5) lead with strong governance and management.

Cumberland County offers a substantial incentive package, accessible and affordable sites, and the region's most available and hardworking labor force. A Federal Empowerment Zone designation, two Urban Enterprise Zones, five Opportunity Zones, flexible financing, and low business costs make the County competitive with all areas of the country. In addition, there is some of the finest executive housing at very reasonable costs. Lastly, a quality educational system, which produces highly trained and capable students, employees and citizens, makes the County a great place to do business. An outstanding partnership between the Cumberland County Technical Education School, Rowan College of South Jersey, and the Cumberland-Salem-Cape May Workforce Investment Board affords the County one of the top workforce training programs in the State.

Cumberland County Improvement Authority

The Authority is a public body corporate and politic of the State and was created by a resolution of the Board of County Commissioners of the County of Cumberland, New Jersey (the "County") adopted on December 30, 1980, pursuant to the Act.

The Authority has broad powers under the Act including, among others, the following: to sue and be sued; to enter into leases and contracts; to acquire property by any lawful means, including the exercise of the power of eminent domain; to hold, operate and administer its property; to issue its negotiable bonds and to secure their payment and the rights of holders thereof under a bond resolution; to enter into contracts; to charge and collect charges for use of its facilities and to revise such charges which the Act requires to be charged such that the revenues of the Authority will at all times be adequate to pay all administrative expenses, to pay punctually the principal of and interest on any bonds and to maintain reserves and sinking funds therefor, as may be required by the terms of any contracts with Bondholders; and to make and enforce rules and regulations for the management of its business and affairs.

The Authority was established as an instrumentality of the State for, among other purposes, the purpose of providing for the construction of public buildings, transportation facilities, the acquisition of equipment and the acquisition of property owned by the federal government. Subsequent amendments to the Act permit the Authority to provide for the construction of convention halls, solid waste disposal facilities, recreational/entertainment centers, low- and moderate-income housing, to plan, initiate and carry out redevelopment projects and to provide financing on behalf of certain non-profit entities. The Authority currently is the implementing agency for the County's Solid Waste Management Plan and develops and administers solid waste and recycling facilities and programs in the County, including a 75-acre landfill and a pretreatment facility.

Since its inception, the Authority's primary responsibility has been to maintain the financial stability and operating efficiencies of the solid waste facility in a deregulated atmosphere while continuing to offer and expand the environmentally beneficial programs to its constituency. The Authority's Solid Waste Complex is the home of the Sanitary Landfill and related solid waste and recycling initiatives. In recent years the Authority has completed capital infrastructure projects including a landfill expansion projected to accommodate the County until 2041, expansion and upgrade projects for the leachate purification system and continual expansion of methane gas capture capabilities. The benefit of these projects is to decrease processing costs, provide a long-term accommodation of solid waste and reduce the use of fossil fuels and greenhouse emissions. The Authority offers truck wash services and a compressed natural gas fueling station to serve its customers and the community.

Economic Impact and Redevelopment Initiatives of the Improvement Authority

Since 2014, the Authority has become the County's designated economic and redevelopment entity and has undertaken a significant portfolio for County, State, Local, and not-for-profit entities with services consisting of the acquisition, construction, leasing, and facility management. Other activities include advocating for local businesses and assisting in relocating new business and industry to Cumberland County. Services also include a "Conduit Bond Financing Program", a government equipment lease program, alternative energy projects, and real estate transactions on behalf of the County. Beyond the county's boundaries, the Authority has also partnered with the Atlantic County Utilities Authority to provide more affordable waste disposal services in Vineland, Millville, and Bridgeton.

At the request of Cape May County, the Authority renovated an old shopping project called County Commons and is currently overseeing the rehabilitation of the Franklin Street school as a library. The Authority is the construction manager for numerous Salem County projects, including the Salem County Courthouse. Other major projects include the Bridgeton Fire Station; Vineland Police Station; Health Sciences addition to the Technical High School; Vineland Board of Education Bus Depot; Energy HUB/Micro-Grid; ; County Board of Social Services and Office of Employment and Training; Center for Workforce and Economic Development; Arts and Innovation Center and Phase I Technical Education Center.

The Authority remains committed to continue its work to enhance education, promote new workforce development initiatives, foster shared services with municipal government, invest in new projects that broaden the structure of the economy, and develop partnerships with business and industry to leverage investment and increase employment.

Outstanding Improvement Authority Bonds

In August 2006, the Authority issued its Solid Waste System Revenue Bonds (Series 2006), in the initial aggregate principal amount of $24,485,000 (the "Series 2006 Bonds"), to finance improvements to the Authority's solid waste complex and disposal system, along with other improvements. A portion of the Series 2006 Bonds were advance refunded by the Authority's $14,595,000 County Guaranteed Solid Waste System Revenue Refunding Bonds, Series 2015A (the "Series 2015A Bonds"). No Series 2006 Bonds remain outstanding. The payment of the principal of and the interest on the Series 2015A Bonds is guaranteed by the County pursuant to a guaranty agreement executed and delivered by the County and the Authority in connection with the issuance of the Series 2015A Bonds. As of December 31, 2022 $7,260,000 principal amount of Series 2015A Bonds remained outstanding.

In May 2014, the Authority issued its County-Guaranteed Revenue Bonds (Facilities Acquisition Project), Series 2014, in the initial aggregate principal amount of $17,955,000 (the "Series 2014 Lease Revenue Bonds"), to finance the construction of an employment and training facility and the acquisition of an office building. The Series 2022 County-Guaranteed Lease Revenue Refunding Bonds will effectuate the advance refunding of a portion of the 2014 Lease Revenue Bonds. The payment of the principal of and the interest on the Series 2014 Lease Revenue Bonds is guaranteed by the County pursuant to a guaranty agreement executed and delivered by the County and the Authority in connection with the issuance of the Series 2014 Lease Revenue Bonds. As of December 31, 2022, $14,165,000 principal amount of Series 2014 Lease Revenue Bonds remained outstanding.

In October 2014, the Authority issued its County General Obligation Revenue Bonds (Technical High School Project), Series 2014, in the aggregate principal amount of $63,890,000 (the "Series 2014 Technical School Bonds"), to finance the construction of a new County technical school. The Series 2014 Technical School Bonds are not secured by the Indenture or the Pledged Property. The payment of the principal of and the interest on the Series 2014 Technical School Bonds is secured by loan repayments to be made by the County to the Authority pursuant to a loan agreement executed and delivered by the County and the Authority in connection with the issuance of the Series 2014 Technical School Bonds, which loan agreement is secured by an unconditional general obligation bond of the County issued by the County to the Authority. As of December 31, 2022, $25,220,000 principal amount of Series 2014 Technical School Bonds remained outstanding.

In August 2015, the Authority issued its Revenue Bonds (State Office Buildings Project), Series 2015, in the initial aggregate principal amount of $3,975,000 (the "Series 2015 State Office Building Bonds"), to finance the renovation of a portion of an existing facility in the County to be utilized through a lease by certain state agencies. As of December 31, 2022, $2,675,000 principal amount of Series 2015 State Office Building Bonds remained outstanding.

In May 2017, the Authority issued indebtedness in connection with a financing involving the New Jersey Environmental Infrastructure Trust to finance a solid waste project (the "Series 2017A NJEIT Bonds" and the "Series 2017B NJEIT Bonds"). The Authority's Series 2017A NJEIT Bonds and Series 2017B NJEIT Bonds were initially issued in the aggregate principal amount of $10,185,515. As of December 31, 2022, $7,464,706 principal amount of the Series 2017A/B NJEIT Bonds remained outstanding.

In October 2017, the Authority issued its Revenue Bonds (Office Building Acquisition Project), Series 2017 (Federally Taxable) in the principal amount of $12,000,000 (the "Series 2017 Office Building Bonds") to finance the acquisition of an existing industrial/office complex in the City of Vineland. The payment of the principal of and the interest on the Series 2017 Office Building Bonds is derived from lease payments made to the Authority by the tenants that rent space in the industrial/office complex. As of December 31, 2022, $4,496,000 principal amount of Series 2017 Office Building Bonds remained outstanding.

In December 2017, the Authority issued its City General Obligation Lease Revenue Bonds (Vineland Public Safety Building Project), Series 2017, in the initial aggregate principal amount of $21,935,000 (the "Series 2017 Vineland Public Safety Facility Bonds"), to finance the acquisition of property and the development and construction of a public safety facility in the City of Vineland. The payment of the principal of and the interest on the Series 2017 Vineland Public Safety Facility Bonds is derived from lease payments made by the City to the Authority. As of December 31, 2022, $20,685,000 principal amount of Series 2017 Vineland Public Safety Facility Bonds remained outstanding.

On September 13, 2018, the Authority issued its Revenue Bonds (Facilities Renovation Project), Series 2018, in the principal amount of $3,200,000 (the "Series 2018 Facilities Renovation Project Bonds") to finance various renovations and improvements to the existing industrial/office complex in the City of Vineland for use by the City of Vineland. The payment of the principal of and the interest on the Series 2018 Facilities Renovation Project is secured by lease payments to be made to the Authority by the City of Vineland. As of December 31, 2022, $2,549,000 principal amount of Series 2018 Facilities Renovation Project Bonds remained outstanding.

On December 13, 2018, the Authority issued its County Guaranteed Lease Revenue Bonds (County Correctional Facility Project), Series 2018, in the aggregate principal amount of $64,990,000 (the "Series 2018 Correctional Facility Project Bonds"), to finance the acquisition of property and construction of a holding center and criminal courtroom facility for use by the County. The Series 2018 Correctional Facility Project Bonds are not secured by the Indenture or the Pledged Property. The payment of the principal of and the interest on the Series 2018 Correctional Facility Project Bonds are secured by: (i) lease payments to be made to the Authority by the County of Cumberland; and (ii) a guaranty by the County pursuant to a guaranty agreement executed and delivered by the County and the Authority in connection with the issuance of the Series 2018 Correctional Facility Project Bonds. As of December 31, 2022, $63,070,000 principal amount of Series 2018 Correctional Facility Project Bonds remained outstanding.

In January 2019, the Authority issued its County General Obligation Revenue Bonds (Technical High School Project), Series 2019, in the aggregate principal amount of $21,035,000 (the "Series 2019 Technical School Bonds"), to finance the construction of improvements and renovations to the County technical school. The Series 2019 Technical School Bonds are not secured by the Indenture or the Pledged Property. The payment of the principal of and the interest on the Series 2019 Technical School Bonds is secured by loan repayments to be made by the County to the Authority pursuant to a loan agreement executed and delivered by the County and the Authority in connection with the issuance of the Series 2019 Technical School Bonds, which loan agreement is secured by an unconditional general obligation bond of the County issued by the County to the Authority. As of December 31, 2022, $19,310,000 principal amount of Series 2019 Technical School Bonds remained outstanding.

In March, 2019, the Authority issued its County Guaranteed Revenue Bonds (Authority Administration Building Project), Series 2019, in the aggregate principal amount of $4,970,000 (the "Series 2019 Administration Building Bonds"), to finance the acquisition of real property and construction of a new Authority administration building thereon. The Series 2019 Administration Building Bonds are not secured by the Indenture or the Pledged Property. The payment of the principal of and the interest on the Series 2019 Administration Building Bonds is secured by loan repayments to be made by the County to the Authority pursuant to a loan agreement executed and delivered by the County and the Authority in connection with the issuance of the Series 2019

Administration Building Bonds, which loan agreement is secured by an unconditional general obligation bond of the County issued by the County to the Authority. As of December 31, 2022, $4,710,000 principal amount of Series 2019 Administration Building Bonds remained outstanding.

In April 2020, the Authority issued its Lease Revenue Bonds (Vineland Board of Education Project), Series 2020, in the principal amount of $3,165,000 (the "Series 2020 Vineland BOE Bonds"), to finance the expansion of the Vineland City School District's bus depot. The payment of the principal of and the interest on the Series 2020 Vineland BOE Bonds is derived from lease payments made by the Vineland City School District to the Authority. As of December 31, 2022, $1,925,000 principal amount of Series 2020 Vineland Board of Education Project Bonds remained outstanding.

In July 2020, the Authority issued its General Obligation Revenue Refunding Bonds (Technical High School Project), Series 2020, in the principal amount of $31,335,000, for the purpose of advance refunding a portion of the outstanding principal amount of the Authority's County General Obligation Revenue Bonds (Technical High School Project), Series 2014 and paying the cost of issuance and delivery of the Series 2020 Bonds. As of December 31, 2022, $30,110,000 principal amount of Series 2020 Technical High School Project Bonds remained outstanding.

In December 2021, the Authority issued its General Obligation Lease Revenue Bonds (Bridgeton Fire Station Project), Series 2021, in the principal amount of $7,495,000, to provide funds which will be used to finance a 30,000 square foot fire station for use by the City fire department and emergency medical services ("Facility") to be located at 168 East Commerce Street in the City. As of December 31, 2022, the entire principal amount of Series 2021 Bridgeton Fire State Project remained outstanding.

In February 2022, the Authority issued its County Guaranteed Lease Revenue Bonds (Technical School Facility Acquisition Project), Series 2022, in the principal amount of $1,990,000 (the "Series 2022 Technical School Facility Acquisition Project Bonds"), to provide funds which will be used to finance the acquisition of a building for use by the Cumberland County Board of Vocational Education (CCBVE). The payment of principal and interest is derived from lease payments made by CCBVE to the Authority. As of December 31, 2022, $1,920,000 principal amount of the Series 2022 Technical School Facility Acquisition Project Bonds remained outstanding.

In addition to the indebtedness described above, the Authority has other indebtedness, including certain capital leases.

Solid Waste Flow Enforcement

Prior to the United States Supreme Court's denial of a petition for certiorari on November 10, 1997 in Atlantic Coast Demolition & Recycling, Inc. v. Board of Chosen Freeholders of Atlantic County, et al. 112 F.3d 652 (3d Cir.), cert. denied, 118 S. Ct. 412-413, 139L. Ed. 2d 316 (1997) ("Atlantic Coast"), all solid waste generated in New Jersey was directed to be delivered to designated facilities. The power to direct waste and enforce direction stemmed from three regulatory mechanisms: solid waste management plans, DEP regulations (N.J.A.C. 7:26-6.5) codifying waste flow directives included in each solid waste management plan, and through the issuance of solid waste disposal franchises. In Atlantic Coast, the United States Court of Appeals for the Third Circuit affirmed a United States District Court's finding that the State's system of regulatory flow control was unconstitutional to the extent that facilities designated in district solid waste management plans to receive waste were not selected in a manner permitting competition from out-of-state facilities.

As a result, no district may implement a solid waste management plan that discriminates against out of state competition. The County's response to the demise of flow control regulations was to propose in December 1997, Amendment 14 of the Plan which provides that the Authority will seek to operate its landfill in a competitive marketplace by voluntarily contracting with municipalities, collectors and generators to secure solid waste and generate necessary revenues to pay debt service and operating expenses. Amendment 14 was approved by the DEP Commissioner and became effective on April 24, 1998. Amendment 26, formally approved on March 6, 2019, further enhances the Authority's flow control requirement by prohibiting the delivery of non-recyclable material to out-of-state waste facilities.

Solid Waste Operations

Solid waste in Cumberland County is managed by The Cumberland County Improvement Authority ("The Authority"). They operate a state of the art, innovative facility on Jesse's Bridge Road in Deerfield Township. The solid waste complex includes the landfill, a micro electric grid, truck wash, compressed natural gas facility, and a fleet management operation. The landfill is one of the most modern and technologically advanced facilities in the State of NJ, recycling leachate and generating electricity onto its own micro grid from captured methane gas. Continue upgrades have led to increased operating efficiencies. These upgrades include: landfill infrastructure (side slope restoration and rain cover replacement); leachate collection and control system; soil erosion and sediment control, and equipment replacement.

The entire landfill operation is part of an energy micro-grid, which generates enough electricity to maintain operations of all equipment, buildings, and processes on the solid waste complex. Methane gas is captured to power three generators producing the electricity through infrastructure owned by The Authority. A closed-loop system has been created through an evaporation system that turns all potential energy sources into a power source. A compressed natural gas (CNG) station is housed at the solid waste complex providing the fuel for all vehicles and equipment, including trash trucks.

The total tipping fee for bulk waste, construction and demolition debris and asbestos is $90.60 per ton. The Authority's revenues, including reserve and surplus balances, are sufficient to fund operating and debt service payments for the foreseeable future.

Farmland & Open Space Preservation

To provide stable funding for the Farmland Preservation Program, the Board of County Commissioners authorized the Farmland and Open Space Preservation Trust Fund referendum on the November 1994 ballot. As of December 2021, the County has preserved 23,016 acres of farmland.

The Cumberland County Agriculture Development Board (CCADB) continues to work on issues related to the economic viability of agriculture. The CCADB developed the Agricultural Enterprise District concept, modeled on the successful Urban Enterprise Zone Program, to enhance the economic climate for farmers and related agricultural industries. Innovative techniques to preserve farmland and the farming industry, such as the transfer of development rights, installment purchases and development of a twenty-year easement option, are aggressively pursued. In addition, the County secured its first Green Acres Grant from the New Jersey Department of Environmental Protection ("NJDEP") in 2013 and a second Green Acres Grant in 2015 to assist municipalities acquire and preserve recreational open space. These grants are secured through a revolving Planning Incentive Grant Agreement between the County of Cumberland and New Jersey's Department of Environmental Protection. Currently the County is completing a strategic master plan for the County Park in Millville, NJ.

Housing

The County offers the advantages of life in or near the three urban centers without the drawbacks of impacted metropolitan areas. The City of Vineland has experienced the most consistent construction of housing inventory. There is a total of 57,119 housing units across Cumberland County. Home ownership stands at 65.4% of year-round, occupied units, with a vacancy rate of 7.8%. Median value of owner- occupied units was $196,400,500 in in 2021 (American Communities Survey). Moderate priced housing of many types is available. The 2021 average sales price of homes in the County was $214,483 according to Zillow (a major real estate and home sales network.) Zillow indicates that home values have increased 9.9% during the one-year period of Spring 2021 to Spring 2022.

Public ordinances play a major role in improving and maintaining good housing conditions. Federal tax incentives and depreciation allowances applicable to commercial structures in National Historic Districts of Bridgeton, Millville, and Greenwich have been used to bring existing structures up to acceptable standards. Several communities are using Abandoned Properties Ordinances to quickly demolish or rehabilitate code deficient homes.

Household Income

The 2021 median household income in the County is $58,389, below the state average of $89,703. Per capital income for the County is $29,227 compared to $47,338 for the State as a whole. The poverty rate for the County has decreased to 13.3% according to the 2021 American Communities Survey by the US Census.

Pinelands

The legislative mandate to protect the Pinelands is set forth in the National Parks and Recreation Act of 1978, signed by President Carter on November 10, 1978. The Act established the Pinelands National Reserve, encompassing parts of seven southern New Jersey counties and all or parts of 56 municipalities. This includes parts of two County municipalities, Maurice River Township and Vineland City, totaling 55,700 acres. It also authorizes the establishment of a planning agency responsible for preparing a Comprehensive Management Plan for the reserve.

To comply with the federal statute, Governor Brendan T. Byrne issued Executive Order 71 on February 8, 1979, providing for the establishment of the Pinelands Planning Commission and making development in the Pinelands area subject to Commission approval during the planning period. In June, 1979, the New Jersey Legislature passed the Pineland Protection Act, thereby endorsing the planning restrictions on development. An amendment to this statute divided the Pinelands area into two planning segments, the Preservation and Protection Areas. New Jersey Pinelands Comprehensive Management Plan takes its directions from the acts which recognize the unique natural, physical, and cultural qualities of the Pinelands and the pressure for residential, commercial and industrial development.

Following its work program and legislative mandates, the Commission adopted a plan for the Pinelands, including 45,400 acres in the Protection Area in the County. There is no County acreage in the Preservation Areas.

Shopping Facilities

Shopping facilities in the County are varied and well located. In addition to the stores of the central business districts of the three cities and surrounding neighborhoods, a number of national and regional retail chains have located in the County, which has enhanced the retail service marketplace.

There are several major retail centers, including the "Cumberland Mall," at the intersection of S. Delsea Drive (Rt. 47) and Route 55 in Vineland contains one million square feet of retail space with several anchor stores, including a newly renovate Home Goods Store, Petco, and Dick's Sporting Goods. A 3,596-seat movie complex and several chain restaurants are located on the property as well.

Also in Vineland near the Rt 55 interchange with Landis Ave (Rt 56) are a super Walmart, ShopRite, Lidl. A newly constructed Planet Fitness is open. This corridor is rapidly becoming one of the city's busiest commercial strips.

Another retail center is on the Vineland-Millville border at the intersection of S. Delsea Drive and Route 55 (Millville) is the Cumberland Crossing shopping center. The Cumberland Crossings Mall provides 300,000 square feet of commercial shopping space and features a variety of specialty stores, as well as the major retail chain Wal-Mart. Union Lake Crossing opened in 2006 with Target, Kohl's, Shop Rite, Staples, PETSMART, Lowe's and many other smaller stores.

Downtown Millville has developed as an arts district, and Rowan College of South Jersey, the former Cumberland County College, built and operates the Arts & Innovation Center: approximately 21,000 square feet of downtown educational, retail and innovative space. Complete Care has recently completed construction and reconstruction of a patient care center anchoring the northern end of the district. This was a $5.6 million dollar investment in the downtown. In addition, the Holly City Development Corporation has been aggressively pursuing funding to redevelop housing in the City Center and provide entrepreneurial and workforce assistance through its recently opened Creative Enterprise Center.

On the west side of the County a retail location has developed in Carll's Corner, Upper Deerfield Township north of Bridgeton at the junction of State Highways 77 and 56. Located here are a Wal-Mart, Super Wawa, Tractor Supply, and Aldi Grocery. This area of the county is a designated Redevelopment Area with full public utilities and has been experiencing commercial and industrial development pressures.

Recreation and Tourism

The County provides a wealth of recreational opportunities for residents and visitors alike. Each of the cities offers urban playfields, parks and swimming areas with lifeguards. Bridgeton's park includes the Cohanzick Zoo, one of only two municipal zoos in New Jersey. Millville boasts two-mile long Union Lake and water related recreation. The County fairgrounds feature a great variety of outdoor events. The State government, the largest landowner in the County, provides fish and game and state forest holdings earmarked for non-intensive natural use through its expansive Wildlife Management Areas and Stow Creek State Park.

Facing directly on Delaware Bay, this "Other Jersey Shore" offers many water related activities, including fishing, hunting, and boating. Fortescue, Newport, and Greenwich offer complete boating facilities and marinas, fine fishing on the Bay, bird-watching sites or just dining.

Greenwich is a town rich in history. In fact many of its buildings have been standing since the Revolutionary War. The entire historic town is on the National Register. Bridgeton's 2,200 homes from the Colonial, Federalist and Victorian periods also are on the National Register. The unique town features brick walkways, scenic Riverfront Promenade and Fountain Plaza.

The NJDEP issued an environmental permit to Public Service Electric and Gas ("PSE&G") in July, 1994. The permit requires the restoration and preservation of up to 14,500 acres of degraded wetlands and adjacent upland buffer areas along the Delaware Estuary. Included is a tract of approximately 4,500 acres of sensitive wetlands and uplands located in Greenwich Township in the County, which is commonly referred to as the Bayside Tract. PSE&G is developing the Estuary Enhancement Program in cooperation with scientists, environmentalists, public officials, and concerned citizens to ensure the successful implementation of these and other permit requirements.

Mauricetown is an 18th Century Sailing Village nestled along picturesque Maurice River which was also designated as historic district on the National Register of Historic Places in 2018. Port Norris, also in Commercial Township, was known historically as the Oyster Capital of the World. It is home to the A.J. Meerwald, New Jersey's official tall ship, and the Bay Shore Center at Bivalve – one of the County's premier ecotourism attractions.

Glass making history and the tranquil lifestyles of 1888 South Jersey captured in wooded surroundings are found in Millville. WheatonArts & Cultural Center features the elegant Museum of American Glass, a working 1888 Glass Factory with demonstrations, crafts, charming shops, special events and the Down Jersey Folk Life Center. Also worthy of note is Millville's Maurice River waterfront revitalization. Among the projects completed is the Maurice River Waterfront Plaza, a carefully landscaped park that affords adequate seating for visitors to sit and enjoy the scenic river.

The County is within a short distance (40 miles) of some of the finest seashore bathing beaches in the East. Atlantic City's famous boardwalk and casino development adds to nearby attractions.

In December 1993, a bill was signed into law designating the Maurice River and its tributaries – the Manumuskin River and the Menantico and Muskee creeks - as protected under the Wild and Scenic River Act. Under the law more than 35 miles of the four waterways are protected from adverse dam development, contamination/pollution threats and federal condemnation of land. The Maurice River management plan was written by local municipalities, with the guidance of the Cumberland County Department of Planning and Development.

In 2013 a site signage and podcast interpretation program was launched for fifteen of the most historic sites in the County. This project, offset by grant funds provided by the New Jersey State Council for the Humanities, includes site signage containing quick response codes which direct visitors to a dedicated website, www.cumberlandnjart.org/cumberland-historic-sites/.

A comprehensive Ecotourism Plan was prepared and adopted by the County Planning Board for the County. Ecotourism allows visitors the opportunity to enjoy the natural resources and the environment of the area. It includes only those activities with a direct link to the natural environment. It is noted that the County already has many tourist attractions. Ecotourism would provide both economic development opportunities and preserve the County's natural heritage.

Planning

The State Planning Commission released its Draft State Strategic Plan in November, 2011. With the assistance of the NJ Department of State, Office of the Lt. Governor, the Commission provided a vision for New Jersey through the next 20 years. The plan attempts to determine the best way New Jersey can accommodate new residents and additional jobs expected by 2020 in a manner that the state's taxpayers will be able to afford. The Plan offers a cooperative process in which each level of government can plan together, and through which the public sector can work with the private sector. This planning process is one of the most comprehensive State policy incentives undertaken within recent memory.

The County government, its 14 municipalities, various interest groups and the general citizenry have worked together to reach a consensus on how to manage our growth in ways it can afford. The process, called "cross acceptance", was completed and submitted to the Commission.

Municipalities continue the process of plan endorsement, working directly with the New Jersey Department of State, Office of Planning Advocacy.

Health Care

Inspira Health Network provides virtually all major inpatient services in the County. It also provides many outpatient services, including same day surgery, x-rays, lab and therapy. The Frank and Edith Scarpa Regional Cancer Pavilion provides access to the latest technologies and treatments at a regional facility. CompleteCare also provides healthcare services across the County as the largest Federally Qualified Health Center in South Jersey. This organization provides low-income and otherwise health disparate people with high-quality, affordable and accessible health services. CompleteCare also offers patients Medicaid and Health Insurance Marketplace enrollment assistance.

The Cumberland County Department of Health and the Department of Health of the City of Vineland provide a variety of health care services. The Health Department has coordinated the County’s response to the Covid-19 pandemic and managed the distribution of vaccines.

There are four certified Home Health Agencies authorized to operate in the County. Alcohol and drug counseling are available. Psychological and psychiatric evaluations are provided by the Cumberland County Guidance Center and private care providers. Prenatal care is provided through two low cost clinics and private physicians. Overall, there are a number of public and private organizations providing a range of serves from skilled nursing for senior citizens to intermediate care facilities for medical day care clients and others with disabilities or challenged capacities.

Industrial Pollution Control Financing Authority of Cumberland County

Pursuant to the New Jersey Industrial Pollution Control Financing Law (L.1973, c.376), the County, by resolution of the Board of County Commissioners, adopted on July 12, 1974, has created the Industrial Pollution Control Financing Authority of the County. The Pollution Control Financing Authority has not undertaken any projects or financing permissible under said law.

Compensated Absences

Under the existing policies of the County, employees upon retirement will receive one-half of the accumulated unused sick leave to a maximum of $9,000. Several unions have negotiated payouts higher than that of the general County policy. All employees receive one-half of the accumulated unused sick leave. The maximum payout for the various unions is as follows

United Auto Workers Union (UAW) Local #2327	
General Labor =	$9,000
Workforce Development =	$10,000
Social Services =	$17,000
Social Services Supervisors =	$20,000
Council 18 – Social Services =	$18,000
Communication Workers of America (CWA) Local #1036	
General Labor supervisory employees =	$9,000
Prosecutor's Assistants (attorneys) =	$9,000
Association of Superior Assistant Prosecutors (ASAP) =	$9,000
United Public Service Employees Union (UPSEU)	
Prosecutor's administrative staff =	$9,000
Fraternal Order of the Police (FOP), Local #194	
Corrections – Superior Officers Association =	$12,000
Police Benevolent Association (PBA)	
Local #231 County Correction Officers =	$9,000
Local #299 Sheriff Officers	
Line-Officers =	$9,000
Superior Officer's Association =	$12,000
Local #396 Prosecutor Investigators	
Line-Officers =	$15,000
Superior Officer's Association =	$17,500

Unused accumulated vacation can carry forward only one year subsequent to the year it is earned and is paid at straight time.

The County does not record accrued expenses related to compensated absences. However, it is estimated that at December 31, 2021, accrued benefits for compensated absences are valued at $3,344,881. The charges for accumulated sick leave will be included in the year the employee retires. The charges for accrued vacation benefits will be included in the year the employee retires or terminates employment with the County. The County has established a Reserve for Accumulated Sick Leave in the Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2021 the balance of the fund was $1,245,672.

Pension Plans

Those County employees who are eligible for pension coverage are enrolled in one of two pension systems established by acts of the State Legislature. Benefits, contribution, means of the funding and the manner of administration are determined by the state. For additional information regarding pension plans, see Appendix B - "2021 Audited Financial Statements of the County of Cumberland".

County Employees	**2022**	**2021**	**2020**	**2019**	**2018**
County Tax Levy	543	569	647	646	622
Board of Health Tax Levy	40	40	40	40	40
County Library	17	12	12	12	12
Workforce Development Grants	45	45	45	45	45
Aging Grants	40	40	40	40	40
Social Services Grants	200	198	198	230	230
Other Grants	30	30	30	30	30
TOTAL	915	934	1,012	1,043	1,019

Labor Contracts

The County has labor contracts with the following labor unions. There are currently four expired contracts.

United Auto Workers Union (UAW) Local #2327
- General Labor, representing 296 employees, expires December 31, 2025
- Workforce Development, representing 35 employees, expires December 31, 2026
- Social Services Staff, representing 178 employees, expired December 31, 2019*
  - Supervisors, representing 17 supervisory employees, expires December 31, 2026

Council 18
- Social Services, representing 3 supervisory employees expired December 31, 2022*

Communication Workers of America (CWA) Local #1036
- General Labor, representing 34 supervisory employees expires December 31, 2025
- Prosecutor’s Assistants (attorneys), representing 10 employees expires December 31, 2025

* In negotiations

Association of Superior Assistant Prosecutors (ASAP),
Prosecutor’s Assistants, representing 9 employees expires on December 31, 2025

United Public Service Employees Union (UPSEU)
Prosecutor’s administrative staff, representing 33 employees expires December 31, 2023

Fraternal Order of the Police (FOP), Local #194
Corrections Superior Officers, 19 employees expired December 31, 2022*

Police Benevolent Association (PBA)
- Local #231 Correction Officers, representing 72 employees expired December 31, 2019*
- Local #299 Sheriff Officers
  - Line-Officers, representing 39 expires December 31, 2026
  - Superior Officer's, representing 9 expires December 31, 2023
- Local #396 Prosecutor Investigators
  - Line-Officers, representing 28 employees expires December 31, 2023
  - Superior Officer's, representing 11 employees expires December 31, 2023

* In negotiations

EDUCATION

Primary and Secondary Education

The public school systems in the County are operated by the Boards of Education in each municipality as Type II school districts. They function independently through nine-member boards, three members of which are elected annually to serve three-year terms.

Each Board of Education prepares annually an operating and maintenance, capital outlay and debt service budget. The amounts to be raised by taxation for operating and maintenance expenses and capital outlay projects are submitted to the voters of the municipality for approval. If the amounts are disapproved, the governing body of the municipality fixes an amount and certifies same to the Board of Education and to the County Board of Taxation. If the Board of]Education determines that the amount certified by the municipality is insufficient to operate a thorough and efficient school system, the Board of Education may appeal to the State Commissioner of Education to restore the local funds eliminated.

Bridgeton City, Millville City and Vineland City each have junior and senior high schools. The remaining school districts in the County send their students to one of these districts or to Cumberland Regional High School. Students may also attend the Cumberland County Technical Education Center.

COUNTY OF CUMBERLAND SCHOOL DISTRICTS
SCHOOL ENROLLMENTS

	October 15, 2022 Estimated
Bridgeton City	6,047
Commercial Township	473
Technical Education Center	1,128
Cumberland Regional	1,049
Deerfield Township	288
Downe Township	173
Fairfield Township	481
Greenwich Township	79
Hopewell Township	506
Lawrence Township	478
Maurice River Township	404
Millville City	5,192
Shiloh Borough	*
Stow Creek Township	123
Upper Deerfield Township	979
Vineland City	10,366

* School was closed in 2006 and students are sent to Hopewell.

HIGHER EDUCATION FACILITIES

Rowan College of South Jersey

Rowan College of South Jersey formed on July 1, 2019 as the result of a historic jointure of two community colleges – Cumberland County College and Rowan College at Gloucester. It is fully accredited by the Middle States Commission on Higher Education, and is an open door, comprehensive, two-year public institution, dedicated to meeting the needs of area residents and employers for educational advancement and career training. It is the first partnership of its kind in New Jersey, with more than 100 years of combined experience in delivering affordable, quality education to students throughout the region.

Rowan College of South Jersey provides students with more choices, including the option to pursue advanced degrees at Rowan University and other four-year universities, without ever leaving the Rowan College of South Jersey campuses. It serves more than 10,000 full- and part-time students with degree and workforce development programs on campuses in Cumberland and Gloucester Counties. Together these two campuses offer more than 120 unique degrees and certificates, combining 100 years of experience to provide a variety of degree selections, cost-saving initiatives, and scholarship and internship opportunities, at one of the lowest tuition rates in the State.

The merger of these two community colleges, in conjunction with an expanded 10-year premier partnership agreement with Rowan University, leads the way to a future filled with diverse and one-of-a-kind educational opportunities. Students seeking can take classes and save money with high school dual enrollment programs, including "Rowan High School Start" and the High School Option Program (HSOP); two successful collaborations between Rowan College of South Jersey and local high schools. Through exclusive programs like Rowan Choice and "3+1" degree offerings, the education cost savings are substantial and students can easily transition to Rowan University for a bachelor's degree. Academic and workforce-training programs ensure the availability of skilled employees, answering both professional and community needs.

The exciting connection between education, business and labor also extends into the medical field. The 27 miles along Route 55 between Rowan College of South Jersey's Gloucester and Cumberland campuses integrates education, medical services and commerce to establish South Jersey's first EDs, MEDs & Commerce Corridor. The premier partnership with Rowan University — a research university with two medical schools — and future campus construction intended to house both public and private medical, labor and business entities, will continue to increase the academic advantages for students while benefitting economic development in the South Jersey region.

Cumberland County Technical Education Center

The Cumberland County Board of Vocational Education was created by the Cumberland County Board of County Commissioners in 1969.

Land was purchased at a location centrally located for busing of the four County public high schools and one parochial high school. An attractive functional building was constructed and, in September 1972, classes were opened at the Cumberland County Technical Educational Center located in Bridgeton, NJ.

In May of 2014, The Cumberland County Board of County Commissioners expanded upon their initial vocational school offerings and approved a $70 million bond ordinance with the State of NJ shouldering 69% of the cost to construct a 204,000 sq. ft. full-time Technical Education Center.

The facility opened in 2016 adjacent to the campus of Cumberland County College. The location enables the College, Technical Education Center, and Center for Workforce and Economic Development to all be housed on one campus to work together to create a well trained workforce.

The Cumberland County Technical Education Center (TEC) is in its fourth year of enrolling full time students. The interest in attending the new school has exceeded the expectations of those involved in its creation. Each year over 1,000 students apply for 240 available seats. When fully enrolled, the new school will hold over 1,100 students in grade 9-12.

In October 2018, the Cumberland County Board of County Commissioners approved a $23 million bond ordinance with the State of New Jersey incurring 72.1% of the cost of to construct a 55,000 sq. ft. expansion of the current facility that will be home to our Health Science and Medicine Program. Historically, Health Science and Medicine has been the most enrolled program. Currently there are four applicants for every one seat. This consistent enrollment, coupled with a health system that serves as Cumberland County's top employer, provides the rationale for the expansion that will serve as an anchor for quality medical training for a variety of populations. Additionally, Adult Education classes are held on the entire campus.

Interest in Engineering programs continues to increase. The District has applied for and been awarded funding through the Securing Our Children's Future Bond Act – CTE Expansion Grant. Utilizing $2,250,000 of grant and $750,000 of the District's Capital Reserve funds, renovations to locations within the facility for the expansion of the Engineering program were completed in the Winter of 2023.

As of October 2022 there are approximately 1,055 full time students (grades 9-12) and 31 STRIVE students for a total of enrollment of 1,086 students.

2023 BUDGET(1)

Anticipated Revenues:	
Fund Balance	$ 12,500,000.00
Miscellaneous Revenues:	
Local Revenue (Fees, Permits, Licenses, etc.)	18,508,515.00
State Aid (without offsetting appropriation)	5,665,616.00
Special Item of Revenue With Approval of the Director--Public and Private Revenues	9,167,652.06
Special Item of Revenue With Approval of the Director--Other Special Items	5,735,243.00
State Assumed Social Service Program Costs	22,224,917.00
Local Tax for County Purposes	103,700,000.00
Total Revenues	$ 177,501,943.06
Appropriations:	
General Government	$ 7,882,900.00
Facilities and Central Expenses	9,161,650.00
Personnel Costs - Employee Benefits	32,341,629.00
Land Use Administration	780,800.00
Judicial and Corrections	43,837,550.00
Public Safety	2,860,870.00
Public Works	4,421,160.00
Parks, Recreation, Culture and Education	11,929,000.00
Human Services	9,345,578.00
State Assumed Social Service Programs	22,709,917.00
Unclassified and Deferred Charges	175,000.00
Matching Funds for Grants	427,989.00
Federal and State Grants	10,279,663.06
Capital	260,000.00
Debt	21,088,237.00
Total Appropriations	$ 177,501,943.06

(1) As introduced

CAPITAL PROGRAM (1)
PROJECTS SCHEDULED FOR THE YEARS 2023 - 2028

Project	Estimated Total Cost	Capital Improvement Fund	Grants-in-Aid and Other Funds	Bonds and Notes General
Technology	$ 3,300,000	$ 165,000		$ 3,135,000
Public Safety (911, Sheriff, Prosecutor)	1,125,000	56,250		1,068,750
Veterans Cemetery	240,000	12,000		228,000
Buildings and Grounds	14,123,000	706,150		13,416,850
Bridges, Culverts and Dams	10,085,000	504,250		9,580,750
Small Equipment and Light Trucks	1,595,000	79,750		1,515,250
Heavy Equipment and Large Trucks	7,932,000	396,600		7,535,400
TOTALS--ALL PROJECTS	$ 38,400,000	$ 1,920,000	$ -	$ 36,480,000

(1) As introduced

CERTAIN TAX INFORMATION
TWENTY LARGEST TAXPAYERS (1)

Name	Nature of Business	2023 Assessed Valuation
Cumberland Mall Realty Holding LLC #212	Shopping Mall	$58,000,000
27 East 131 ST LLC	Developer/Cell Tower	35,349,700
Wal-Mart	Real Estate Business Trust Real Estate	31,500,000
Wawa Inc.	Convenience Store	27,402,300
SPBH I LLC	Residential/Apt/Commercial	24,079,600
Durand Glass	Glass Manufacturing Distributor	22,388,900
Lucca Freezer & Cold Storage LLC	Real Estate	21,635,400
United Mobile Homes of Vineland	Real Estate	19,895,200
Roth 2134 Realty LLC	Real Estate	18,909,200
LBW Vineland LLC	Real Estate	18,854,300
T-Fal Corporation C/O Groupe SEB USA	Manufacturer of Kitchen Products	17,630,100
ACP Cumb Assoc %American Cont Prop	Real Estate	17,067,300
Verizon – New Jersey	Telephone/Communications	16,801,918
Target Millville Urban Renewal LLC	Commercial	15,733,100
Lassonde Pappas & Co Inc	Industrial	13,377,000
Rosemar Prop	Apartments	13,100,000
Landis Ave Properties LLC	Real Estate	12,768,700
HSD Developers LLC	Real Estate	12,768,100
BDGS Inc	Real Estate	12,595,200
Levari Brothers Realty Co LLC	Real Estate	11,601,400

TAX COLLECTIONS (1)

		Collection Year of Levy	
Year	Tax Levy	Amount	Percentage
2022	$ 103,700,000	$103,700,000	100%
2021	101,485,000	101,485,000	100%
2020	101,485,000	101,485,000	100%
2019	99,485,000	99,485,000	100%
2018	97,335,000	97,335,000	100%

EQUALIZED VALUATION ON WHICH COUNTY TAXES ARE APPORTIONED AND ANNUAL COUNTY TAX RATE

Equalized Year	County Valuations	County Tax Rate (2)	Farmland Preservation Tax Rate
2022	$ 9,439,622,813	$ 1.1016	$ 0.0100
2021	8,739,097,194	1.1660	0.0100
2020	8,683,101,433	1.1731	0.0100
2019	8,819,168,622	1.1356	0.0100
2018	8,823,433,400	1.1151	0.0100

(1) Source: County Board of Taxation. County Taxes are levied and collected directly from the constituent municipalities.
(2) Source: County Board of Taxation. Rate per $100 of equalized value.

LOCAL HEALTH SERVICES TAX

The County has a County Local Health Board for which there is a separate tax rate based upon equalized valuation for those Municipalities that participate.

Year	Tax Levy	Tax Rate (1)
2022	$ 3,000,000	$ 0.0591
2021	2,815,000	0.0606
2020	2,700,000	0.0580
2019	2,450,000	0.0530
2018	2,450,000	0.0529

REAL PROPERTY CLASSIFICATION

Year	Total Assessed Value Improvements	Land	Residential	Farm	Commercial	Industrial	Apartments
2023	$8,490,021,100	$181,039,400	$5,953,950,900	$285,512,200	$1,401,485,000	$494,440,600	$173,593,000
2022	8,426,957,800	182,144,500	5,930,802,800	282,918,200	1,387,308,100	469,796,200	173,988,000
2021	8,359,824,900	177,912,500	5,895,066,200	287,071,800	1,370,761,000	448,464,300	180,549,100
2020	8,380,017,600	176,606,800	5,893,905,800	290,398,500	1,398,641,000	439,938,500	180,527,000
2019	8,394,274,920	179,520,300	5,888,733,700	290,240,700	1,419,898,420	433,867,300	182,014,500

STATEMENT OF EQUALIZED VALUATION FOR CONSTITUENT MUNICIPALITIES

	2023 (2)			2022 (2)		
	Equalized Value - Land and Improvements	Net Valuation on which County Taxes are Apportioned	Percentage (3)	Equalized Value - Land and Improvements	Net Valuation on which County Taxes are Apportioned	Percentage (3)
Bridgeton	$ 606,911,845	$ 624,599,421	5.84%	$ 565,436,656	$ 582,148,436	6.17%
Commercial Twp.	279,303,730	280,738,728	2.62%	252,162,667	253,564,472	2.69%
Deerfield Twp.	241,786,069	243,712,325	2.28%	228,733,072	230,426,979	2.44%
Downe Twp.	151,758,063	153,008,351	1.43%	141,165,893	142,365,771	1.51%
Fairfield Twp	319,379,734	320,839,999	3.00%	306,282,193	307,696,499	3.26%
Greenwich Twp.	81,950,787	82,913,870	0.77%	75,362,254	76,418,607	0.81%
Hopewell Twp.	378,212,703	380,027,189	3.55%	324,922,653	326,824,249	3.46%
Lawrence Twp.	247,594,522	249,695,801	2.33%	232,597,334	234,687,666	2.49%
Maurice Twp.	323,870,875	326,666,907	3.05%	298,383,970	301,069,582	3.19%
Millville	1,990,454,298	2,015,523,542	18.84%	1,749,197,217	1,771,147,140	18.76%
Shiloh Boro	38,640,220	38,926,925	0.36%	38,000,000	38,273,765	0.41%
Stow Creek Twp.	141,852,259	142,961,235	1.34%	122,190,509	123,344,160	1.31%
Upper Deerfield Twp.	808,445,413	814,608,728	7.61%	700,012,861	707,049,834	7.49%
Vineland	4,938,830,551	5,026,060,479	46.97%	4,263,725,655	4,344,605,653	46.03%
Total	$ 10,548,991,069	$ 10,700,283,500	100.00%	$ 9,298,172,934	$ 9,439,622,813	100.00%

(1) The Local Health Service Tax became effective for the year 1978 and included all Municipalities in the County except Vineland. Rate is per $100 of equalized value.
(2) Sources: Equalization Table and Abstract of Ratables.
(3) Represents portion of county taxes levied on constituent municipalities.

COUNTY OF CUMBERLAND
STATEMENT OF INDEBTEDNESS
AS OF DECEMBER 31, 2022

The following table summarizes the direct debt of the County as of December 31, 2022 in accordance with the requirements of the Local Bond Law of the State of New Jersey (N.J.S.A. 40A:2-2- et. seq.). The gross debt comprises short and long-term debt issued and debt authorized but not issued, including General, County College, Vocational School and Bonds Issued by Another Public Body. Deductions from gross debt to arrive at net debt include deductible Bonds issued and Bonds authorized but not issued-capital projects for county college debt and Bonds Issued by Another Public Body. The resulting net debt of $93,661,798 represents 0.992% of the average of equalized valuations for the County for the last three years, which is within the 2.0% limit imposed by N.J.S.A. 40A:2-6.

	Debt Issued Bonds	Debt Auth. But Not Issued	Gross Debt	Deduction Reserves/Fund Balance County College/ Guaranteed Debt	Net Debt
General	$40,320,000	$27,822,455	$68,142,455	$14,152,958	$53,989,498
County College	20,430,000		20,430,000	12,106,500	8,323,500
Vo-Tech High School	74,640,000		74,640,000	43,291,200	31,348,800
Bonds Issued by Another Public Body Guaranteed by the County		109,379,706	109,379,706	109,379,706	
	$135,390,000	$137,202,161	$272,592,161	$178,930,364	$93,661,798

Source: County Annual Debt Statement

DEBT RATIOS AND VALUATIONS(1)

Average of Equalized Valuations of Real Property with Improvements for 2020, 2021 and 2022	$	9,437,716,320
Statutory Net debt as a Percentage of the Average of Equalized Valuations of Real Property with Improvements for 2020, 2021 and 2022		0.992%
2022 Net Valuation Taxable	$	8,441,494,955
2022 Equalized Valuation of Real Property and Taxable Personal Property Used in Communications	$	9,312,710,089
Gross Debt (2)		
As a percentage of 2022 Net Valuation Taxable		3.23%
As a percentage of 2022 Equalized Valuation of Real Property and Taxable Personal Property Used in Communications		2.93%
Net Debt (2)		
As a percentage of 2022 Net Valuation Taxable		1.11%
As a percentage of 2022 Equalized Valuation of Real Property and Taxable Personal Property Used in Communications		1.01%
Gross Debt Per Capita (3)		$1,768
Net Debt Per Capita (3)		$608

(1) As of December 31, 2022
(2) Excluding overlapping debt
(3) Based on the 2020 Census of 154,152

Source: Cumberland County

COUNTY OF CUMBERLAND
BORROWING CAPACITY

Statutory Borrowing Capacity:		
2.0% of Average (2020-22) Equalized Valuation of Real Property		
including Improvements ($9,437,716,320)	$	188,754,326
Net Debt		93,661,798
Remaining Borrowing Capacity Available Under N.J.S.A. 40A:2-6	$	95,092,529

OVERLAPPING DEBT(1)

Gross Debt of Constituent Municipalities	$	296,419,496
Municipal Utilities and Sewerage Authority Debt of Constituent Municipalities (2)		26,337,888
	$	270,081,608

SCHEDULE OF MUNICIPAL UTILITY AND SEWERAGE AUTHORITY DEBT OF CONSTITUENT MUNICIPALITIES(1)

Landis Sewerage Authority (Vineland) (2)	$	23,343,653
Cumberland County Utilities Authority (2)		2,994,235
	$	26,337,888

(1) As of December 31, 2022
(2) Source Authority Auditor, as of December 31, 2022 (unaudited)

SCHEDULE OF COUNTY DEBT SERVICE
(BONDED DEBT ONLY) (1)

Year	GENERAL	COLLEGE	Vo-TECH	TOTAL PRINCIPAL	TOTAL INTEREST	TOTAL PRINCIPAL AND INTEREST
2023	$ 7,135,000	$ 2,550,000	$ 3,185,000	$ 12,870,000	$ 4,693,436	$ 17,563,436
2024	6,650,000	2,575,000	3,310,000	12,535,000	4,123,403	16,658,403
2025	6,315,000	2,115,000	3,455,000	11,885,000	3,581,563	15,466,563
2026	6,065,000	2,025,000	3,610,000	11,700,000	3,118,755	14,818,755
2027	4,305,000	2,315,000	3,770,000	10,390,000	2,688,340	13,078,340
2028	2,045,000	1,030,000	3,865,000	6,940,000	2,428,946	9,368,946
2029	2,130,000	1,030,000	3,965,000	7,125,000	2,224,514	9,349,514
2030	2,130,000	1,030,000	4,090,000	7,250,000	1,992,739	9,242,739
2031	2,130,000	785,000	4,215,000	7,130,000	1,771,929	8,901,929
2032	940,000	545,000	4,345,000	5,830,000	1,580,381	7,410,381
2033		545,000	4,480,000	5,025,000	1,418,597	6,443,597
2034		545,000	4,450,000	4,995,000	1,280,696	6,275,696
2035		545,000	4,500,000	5,045,000	1,107,246	6,152,246
2036		545,000	4,460,000	5,005,000	954,966	5,959,966
2037		545,000	4,440,000	4,985,000	786,519	5,771,519
2038		545,000	4,395,000	4,940,000	618,244	5,558,244
2039		545,000	4,380,000	4,925,000	450,169	5,375,169
2040		545,000	1,125,000	1,670,000	281,231	1,951,231
2041		545,000	1,150,000	1,695,000	209,066	1,904,066
2042			1,150,000	1,150,000	143,750	1,293,750
2043			1,150,000	1,150,000	86,250	1,236,250
2044			1,150,000	1,150,000	28,750	1,178,750
	$ 39,845,000	$ 20,905,000	$ 74,640,000	$135,390,000	$35,569,488	$170,959,488

(1) As of December 31, 2022
Source: County

APPENDIX B

EXCERPTS FROM FINANCIAL STATEMENTS OF THE COUNTY OF CUMBERLAND, NEW JERSEY

FOR THE YEAR ENDED 2022

COMPILED FINANCIAL STATEMENTS

BOWMAN & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

The Honorable Director and
Members of the Board of Commissioners
County of Cumberland
Bridgeton, New Jersey 08302

Management is responsible for the accompanying financial statements of the County of Cumberland, New Jersey, which comprise the statement of assets, liabilities, reserves and fund balance--regulatory basis of the various funds as of December 31, 2022 and the related statements of operations and changes in fund balances--regulatory basis for the year then ended, in accordance with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and for determining that this regulatory basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures required by these regulatory accounting practices. If the omitted disclosures were included in the financial statements, they might influence the user’s conclusions about the County’s assets, liabilities, reserves, fund balance, revenues and expenditures. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Respectfully submitted,

/s/ BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

/s/ Carol A. McAllister
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
March 21, 2023

COUNTY OF CUMBERLAND
CURRENT FUND
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2022

Assets		
Cash	$	39,575,370.37
Cash - Change Funds		340.00
Total Cash		39,575,710.37
Accounts Receivable		
NJ - State Elections Reimbursement		144,382.22
Total Receivables without Reserves		144,382.22
Receivables with Full Reserves		
Commodity Billing Receivable - Gasoline		61,002.44
Due Grant Fund		3,198,026.86
Total Receivables with Full Reserves		3,259,029.30
Total Assets	$	42,979,121.89
Liabilities, Reserves and Fund Balance		
Appropriation Reserves	$	5,127,082.33
Appropriation Reserves - Encumbrances		8,454,880.61
Accounts Payable		900,878.94
Due to State of New Jersey, School Debt Aid		126,084.00
Reserve - Fuel Facility Charges		20,825.09
Total Cash Laibilities		14,629,750.97
Reserve for Accounts Receivable		3,259,029.30
Fund Balance		25,090,341.62
Total Liabilities, Reserves and Fund Balance	$	42,979,121.89

See Independent Accountant's Compilation Report and selected notes.

COUNTY OF CUMBERLAND

CURRENT FUND

Statement of Operations And Changes In Fund Balance - Regulatory Basis

For the Year Ended December 31, 2022

Revenue and Other Realized Income		
Fund Balance Utilized	$	12,000,000.00
Miscellaneous Revenues Anticipated		
Current Tax Levy		103,700,000.00
Operations		26,746,145.64
Federal and State Grants		62,942,960.87
Non Budget Revenue (MRNA)		1,035,458.10
Unexpended Balance of Appropriation Reserves		7,278,415.68
Canceled Grants		55,562.79
Prior Year Adjustments		
Salary Refund		55,791.09
Total Revenue and Realized Income		213,814,334.17
Expenditures		
Budget Appropriations		
Current Fund Salaries		37,356,000.00
Current Fund Other Expenses		49,081,964.78
Current Fund Fringe Benefits & Payroll Taxes		31,289,862.00
Current Fund Capital & Debt		21,731,982.00
Federal and State Grants		64,444,539.09
Total Expenditures		203,904,347.87
Interfunds Liquidated / (Created)		(29,565.08)
Statutory Excess		9,880,421.22
Decreased by Fund Balance Utilized		(12,000,000.00)
Excess (Deficit) in Revenue		(2,119,578.78)
Fund Balance, Beginning of Year		27,209,920.40
Fund Balance, End of Year	$	25,090,341.62

See Independent Accountant's Compilation Report and selected notes.

COUNTY OF CUMBERLAND
FEDERAL AND STATE GRANT FUND
Statement of Assets and Liabilities - Regulatory Basis
As of December 31, 2022

Assets

Cash	$	30,085,593.34
Area Plan Grants Receivable		1,291,817.21
Grant Awards Receivable		67,711,246.24
Total Assets	$	99,088,656.79

Liabilities

Due Current Fund	$	3,198,026.86
Unappropriated Reserves		260,462.92
Area Plan Grant:		
Appropriated Reserves		864,499.64
Encumbrances		542,071.38
Appropriated Reserves		64,853,601.45
Encumbrances		29,369,994.54
Total Liabilities	$	99,088,656.79

See Independent Accountant's Compilation Report and selected notes.

COUNTY OF CUMBERLAND
FEDERAL AND STATE GRANT FUND
Statement Of Operations And Changes In Fund Balance - Regulatory Basis
For the Year Ended December 31, 2022

Revenue and Other Realized Income		
Grant Awards Realized		
Original Budget	$	10,524,778.99
Amendments		29,975,817.88
Total Grant Awards Realized		40,500,596.87
Expenditures		
Grant Awards Appropriated		
Original Budget		10,524,778.99
Amendments		29,975,817.88
Local Matching Share Appropriated		
Original Budget		1,247,345.00
Amendments		254,233.22
Total Grant Awards Appropriated with Match		42,002,175.09
Deficit		(1,501,578.22)
Received from Current Fund Appropriation		1,501,578.22
Excess (Deficit) in Revenue		
Fund Balance, Beginning of Year		
Fund Balance, End of Year	$	-

See Independent Accountant's Compilation Report and selected notes.

COUNTY OF CUMBERLAND
SOCIAL SERVICES GRANT FUND
Statement of Assets, Liabilities and Reserves - Regulatory Basis
As of December 31, 2022

Assets			
Cash………..			$ 16,925,034.77
Total Assets………………………………………………………..			$ 16,925,034.77
Liabilities and Reserves			
Due to the State of New Jersey			
Temporary Assistance to Needy Families………………	Note 1	$	32,934.65
Child Support……………………………………………	Note 1		7,620.00
Reserve for Assistance Accounts			
Temporary Assistance for Needy Families………………	Note 1		6,446,200.61
Supplemental Security Income…………………………	Note 1		460,361.35
Child Support Program…………………………………	Note 1		9,333.48
General Assistance…………………………………………………………			5,432.18
SNAP Grant Funds…...			19,137.81
Clearing Funds…………………………………………………….			48,317.85
Child Support and Paternity Fund…………………………………….			218,747.28
REACH Account			
Reserve for REACH……………………………………………….			(360.31)
Advanced Payment for REACH Expenses…………………………………			55,000.00
Operating Account			
Accounts Payable……………………………………………………..			1,072,584.65
Unemployment Trust Fund………………..……………………………			461,841.20
Restricted Fund Balance…………………………………………………			8,087,884.02
Total Liabilities………………………………………………………………..			$ 16,925,034.77

Note 1 -
Assistance for Clients with Dependents (Families) is reported for the period December 1 2021 through November 30, 2022

See Independent Accountant's Compilation Report and selected notes.

COUNTY OF CUMBERLAND
TRUST FUNDS
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2022

Assets

Cash	$ 11,606,058.19
Total	$ 11,606,058.19

Liabilities, Reserves and Fund Balance

Farmland/Open Space Preservation	$ 1,310,727.74
Miscelaneous Trust Reserves	8,102,351.32
Prosecutor's Law Enforcement	1,248,711.91
County Clerk	373,145.12
Payroll Withholding Liabilities	
Reserve Balances	18,349.02
Encumbrances	552,773.08
Total	$ 11,606,058.19

See Independent Accountant's Compilation Report and selected notes.

COUNTY OF CUMBERLAND

GENERAL CAPITAL FUND

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis

As of December 31, 2022

Assets

Cash	$	19,080,252.55
Investments		57,854.98
Grant Receivable		2,000,000.00
Amount to be Provided for Retirement of		
Obligations under Capital Lease		63,070,000.00
Deferred Charges to Future Taxation		
Funded		135,390,000.00
Unfunded		27,822,455.33
Total	$	247,420,562.86

Liabilities, Reserves and Fund Balance

Outstanding Debt:		
Serial Bonds Payable	$	60,750,000.00
Obligations under Capital Loan Agreement		74,640,000.00
Obligations under Capital Lease		63,070,000.00
Improvement Authorizations:		
Funded		10,078,462.47
Unfunded		25,876,529.37
Reserve for Encumbrances		12,511,925.26
Reserve to Retire Debt		101,289.49
Reserve to Retire Debt, Manor		81,733.92
Capital Improvement Fund		310,622.35
Total	$	247,420,562.86

Bonds & Notes Authorized not Issued	$	27,822,455.33

See Independent Accountant's Compilation Report and selected notes.

COUNTY OF CUMBERLAND
Selected Information - Substantially All Disclosures Required
By the Regulatory Basis of Accounting Have Been Omitted
For the Year Ended December 31, 2022

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The County of Cumberland, New Jersey (the “County”), formerly part of Salem County, New Jersey was established in 1748. The County, approximately 500 square miles in area, is in the southwestern corner of the State of New Jersey and has over 40 miles of Delaware Bay coastline. The Counties of Salem, Gloucester, Atlantic and Cape May border the County on, respectively, the northwest, north, northeast and southeast, with the Delaware Bay forming the southern border of the County. The population of the County, according to the 2020 census, was 154,152.

The County operates under the commissioner form of government. The Board of County Commissioners of the County (the “Board”) consists of seven Commissioner members elected at-large for three-year terms on a staggered basis. Each year, the Board elects one of the Commissioners to serve as Commissioner Director. The Commissioner Director appoints Commissioners to be in charge of various committees. The Board, operating through the committee system, is charged with both executive and legislative responsibilities for: (i) formulating policies; (ii) developing new programs; (iii) appointing members of the various County commissions, authorities and boards; (iv) approving the County’s operating and capital budgets; and (v) appropriating the funds required to maintain County services.

The County Administrator, appointed by the Board, oversees the daily governmental operations of the County. Each major department is headed by an administrator who acts as liaison to the Commissioner overseeing such department’s operations. Financial matters are under the supervision of the County’s Chief Financial Officer, who is appointed by the Board.

Component Units - The financial statements of the component units of the County 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:

Cumberland County Board of Health
309 Buck Street
Millville, New Jersey 08332

Cumberland County Library
800 East Commerce Street
Bridgeton, New Jersey 08302

Cumberland County Improvement Authority
745 Lebanon Road
Millville, New Jersey 08332

Cumberland County Technical Education Center
3400 College Drive
Vineland, New Jersey 08360

Cumberland County Insurance Commission
164 West Broad Street
Bridgeton, New Jersey 08302

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

Note 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)</u>

<u>Measurement Focus, Basis of Accounting and Financial Statement Presentation</u> - 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:

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

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

<u>General Capital Fund</u> - 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.

<u>Federal, State and Other Grant Fund</u> - The federal, state, and other grant fund accounts for resources and expenditures restricted by various outside agencies.

<u>General Fixed Asset Group of Accounts</u> - 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.

<u>Budgets and Budgetary Accounting</u> - The County must adopt an annual budget for its current fund and its county farmland and open space preservation fund in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than 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 municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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

Budgets are adopted on the same basis of accounting utilized for the preparation of the 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 authorities 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 balances included in the current fund and federal, state and other grant fund represent amounts 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 is realized when anticipated as such in the County's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the County's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the County which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

County Taxes - Every municipality in the county is responsible for levying, collecting, and remitting county taxes for the County of Cumberland. 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 the amount due to the County for the year, based upon the ratables certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 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, loans and notes are provided on the cash basis.

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be 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.

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

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

Compensated Absences 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.

FOR THE YEARS ENDED 2021, 2020, 2019, 2018

AND 2017 AUDITED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

The Honorable Director and
Members of the Board of County Commissioners
County of Cumberland
Bridgeton, New Jersey 08302

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the County of Cumberland, in the State of New Jersey, as of December 31, 2021, 2020, 2019, 2018 and 2017, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the County of Cumberland, in the State of New Jersey, as of December 31, 2021, 2020, 2019, 2018 and 2017, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, 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.

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* section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the County of Cumberland, in the State of New Jersey, as of December 31, 2021, 2020, 2019, 2018 and 2017, or the results of its operations and changes in fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions on Regulatory Basis of Accounting

We conducted our audit in accordance with auditing standards generally accepted in the United States of America;; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on 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 and pervasive.

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Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

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

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Carol A McAllister

Carol A McAllister
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 18, 2022

COUNTY OF CUMBERLAND - CURRENT FUND
Statements of Assets, Liabilities, Reserves and
Fund Balance -- Regulatory Basis

	As of December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Assets					
Regular Fund:					
Cash	$ 43,135,759	$ 45,058,510	$ 38,963,926	$ 34,846,836	$ 33,651,051
Accounts Receivable - NJ Office on Aging Subsidy	$ 58,000				
Accounts Receivable - Grants		1,128,189			
Total Receivables without Reserves	58,000	1,128,189			
Shared Service Receivable					
East Point Lighthouse				12,011	108,982
Receivables with Full Reserves:					
Commodity Billing Receivable--Gasoline	33,700	23,231	42,150	33,857	15,719
Added and Omitted Taxes	784,011	461,139	455,500	294,258	379,130
Due from Improvement Authority	53,300				
Due Federal and State Grant Fund	3,142,464	2,853,853	2,795,729	2,469,960	2,232,808
Due General Capital Fund				4,974	
Revenue Accounts Receivable	178,642	194,160	127,658	121,792	117,793
Total Assets	$ 47,385,877	$ 49,719,082	$ 42,384,963	$ 37,783,688	$ 36,505,483
Liabilities, Reserves and Fund Balance					
Regular Fund:					
Liabilities					
Appropriation Reserves	$ 8,794,579	$ 11,771,186	$ 9,940,831	$ 7,712,480	$ 6,834,526
Reserve for Encumbrances	3,439,350	3,191,287	2,370,918	3,632,587	4,424,072
Reserve for Encumbrances COVID-19		1,640,348			
Accounts Payable	716,061	286,020	284,235	350,073	50,073
Due to State of New Jersey, School Debt Aid	126,084				
East Point Lighthouse				12,011	12,011
Due General Capital Fund					4,129
Other Liabilities and Special Funds	2,907,765	3,938,435	2,623,780	2,740,512	2,892,431
Total Liabilities	15,983,839	20,827,276	15,219,764	14,447,663	14,217,242
Reserve for Receivables	4,192,118	3,532,383	3,421,037	2,924,841	2,745,450
Fund Balance	27,209,920	25,359,422	23,744,162	20,411,184	19,542,791
Total Regular Fund	$ 47,385,877	$ 49,719,082	$ 42,384,963	$ 37,783,688	$ 36,505,483

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

COUNTY OF CUMBERLAND - CURRENT FUND
Statements of Operations and Changes
in Fund Balance -- Regulatory Basis

	For the Years Ended December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Revenue Realized:					
Current Tax Collections	$ 101,485,000	$ 101,485,000	$ 99,485,000	$ 97,335,000	$ 94,760,000
Miscellaneous Revenues:					
State and Federal Programs	85,169,576	65,573,473	52,201,227	57,854,324	60,701,146
Other	28,317,888	27,214,162	27,245,514	24,873,705	26,897,934
Other Income	10,859,386	9,163,364	8,485,021	5,563,293	7,115,286
Fund Balance Utilized	10,500,000	7,500,000	6,400,000	5,680,000	5,400,000
Total Income	236,331,849	210,935,999	193,816,762	191,306,322	194,874,366
Expenditures and Encumbrances:					
Operating	138,566,433	136,346,217	134,874,307	132,626,169	129,280,172
Operating-State and Federal Programs	64,495,963	44,868,741	31,327,079	35,203,547	37,832,406
Prior Period Expense					3,214
Capital Improvement Fund	400,000	400,000	385,000	400,000	400,000
East Point Lighthouse Restoration					200,000
Other Capital Projects				155,000	1,739,000
Debt Service	20,166,575	20,166,575	17,168,311	16,095,652	16,416,882
Deferred Charges and Statutory Expenditures				17,296	15,000
Other Expenditures	352,380	39,206	329,087	260,265	121,366
Total Expenditures and Encumbrances	223,981,351	201,820,739	184,083,784	184,757,929	186,008,040
Statutory Excess to Fund Balance	12,350,498	9,115,260	9,732,978	6,548,393	8,866,326
Fund Balance, January 1	25,359,422	23,744,162	20,411,184	19,542,791	16,076,465
	37,709,920	32,859,422	30,144,162	26,091,184	24,942,791
Decreased by:					
Utilized by Revenue	10,500,000	7,500,000	6,400,000	5,680,000	5,400,000
Fund Balance, December 31	$ 27,209,920	$ 25,359,422	$ 23,744,162	$ 20,411,184	$ 19,542,791

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

COUNTY OF CUMBERLAND - FEDERAL, STATE AND OTHER GRANT FUND
Statements of Assets, Liabilities, Reserves and
Fund Balance -- Regulatory Basis

	As of December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Assets					
Federal, State and Other Grant Fund:					
Cash and Investments	$ 18,146,298	$ 7,530,053	$ 88,095	$ 4,501,237	$ 2,187,544
Cash--Division of Social Services	15,060,123	12,663,733	9,708,849	8,605,032	7,928,119
Federal and State Grants Receivable	73,381,470	50,574,976	42,338,760	39,744,218	35,035,231
	$ 106,587,890	$ 70,768,762	$ 52,135,704	$ 52,850,487	$ 45,150,894
Liabilities, Reserves and Fund Balance					
Federal, State and Other Grant Fund:					
Due to Current Fund	$ 3,142,464	$ 2,853,853	$ 2,795,729	$ 2,469,960	$ 2,232,808
Unappropriated Reserves	132,837	104,815	169,340	248,534	155,169
Appropriated Reserves	63,693,137	43,852,370	28,945,141	30,485,540	27,712,199
Reserve for Encumbrances	24,559,330	11,293,990	10,516,645	11,041,420	7,122,599
Division of Social Services:					
Due State of New Jersey--					
Temporary Assistance to Needy Families (TANF)	32,448	7,857	9,281	8,424	10,481
Child Support	6,840	9,103	7,161	9,111	7,498
Accounts Payable	425,187	395,771	410,408	380,990	228,418
Payroll Liabilities				87,119	87,119
Advance Payable--Reach	55,000	55,000	55,000	55,000	55,000
Unemployment Trust Fund	461,813	461,832	461,936	461,936	461,812
Appropriated Grant Reserves	6,110,827	5,102,556	3,942,055	3,406,065	2,641,164
Reserve for Clearing Fund	43,389	42,735	55,728	19,822	346,141
Reserve for Child Support and Paternity Fund	140,183	236,434	135,421	119,785	98,155
Restricted Reach Account	(24)	(14)	2,605	(1,261)	(198)
Restricted Fund Balance	7,784,460	6,352,460	4,629,254	4,058,042	3,992,529
	$ 106,587,890	$ 70,768,762	$ 52,135,704	$ 52,850,487	$ 45,150,894

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

COUNTY OF CUMBERLAND - TRUST FUND
Statements of Assets, Liabilities and Reserves--
Regulatory Basis

	As of December 31,				
	2021	**2020**	**2019**	**2018**	**2017**
Assets					
Trust Fund:					
Cash	$ 10,638,190	$ 10,492,029	$ 11,321,132	$ 10,560,254	$ 8,086,762
	10,638,190	10,492,029	11,321,132	10,560,254	8,086,762
County Open Space Fund:					
Cash	384,591	641,784	1,056,391	458,811	283,663
Due NJ DEP - Green Acres					300,000
	384,591	641,784	1,056,391	458,811	583,663
Audio-Visual Aid Fund:					
Cash				21,275	21,275
	$ 11,022,781	$ 11,133,813	$ 12,377,523	$ 11,040,340	$ 8,691,700
Liabilities and Reserves					
Trust Fund:					
Encumbrances	$ 676,316	$ 584,113	$ 553,944	$ 565,342	$ 546,686
Reserve for Payroll Payables	16,822	19,237	18,162	14,738	23,460
Trust Fund Reserves	8,203,017	8,080,926	8,949,834	8,280,417	6,012,302
County Clerk	384,507	438,690	485,770	536,235	535,892
Reserve for County Prosecutor's Law Enforcement Trust Account	670,953	681,411	755,898	605,482	413,686
Reserve for County Prosecutor's Seized Asset Trust Account	589,365	592,879	448,557	433,752	439,390
Reserve for Motor Vehicle Theft	1,440	1,437	1,434	1,431	1,428
Reserve for Federal Law Enforcement Trust Account	80,026	78,799	94,936	111,318	102,987
Reserve for County Prosecutor's Asset Maintenance Account	15,744	14,537	12,597	11,539	10,931
	10,638,190	10,492,029	11,321,132	10,560,254	8,086,762
County Open Space Fund:					
Reserve for Farmland Preservation	384,591	641,784	1,056,391	458,811	283,663
Due NJ DEP - Green Acres					300,000
	384,591	641,784	1,056,391	458,811	583,663
Audio-Visual Aid Fund:					
Reserve for Audio-Visual Aid Commission Expenditures				21,275	21,275
	$ 11,022,781	$ 11,133,813	$ 12,377,523	$ 11,040,340	$ 8,691,700

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

COUNTY OF CUMBERLAND - GENERAL CAPITAL FUND
Statements of Assets, Liabilities, Reserves and
Fund Balance -- Regulatory Basis

	As of December 31,				
	2021	2020	2019 (Restated)	2018	2017
Assets					
Cash and Investments	$ 21,236,200	$ 31,248,447	$ 36,284,412	$ 18,563,262	$ 16,044,829
Due Current Fund					4,129
Grant Receivable	2,000,000				
Deferred Charges to Future Taxation:					
Funded	135,275,000	131,718,084	138,026,410	128,336,443	121,664,244
Unfunded	32,845,464	35,112,917	18,178,238	33,665,000	20,217,295
Accounts Receivable for the Repayment of Debt	13,995,464	15,141,000			
Amount to be Provided for Reetirement of Obligations Under Capital Lease	63,740,000	64,380,000	64,990,000		
	$ 269,092,127	$ 277,600,448	$ 257,479,060	$ 180,564,705	$ 157,930,497
Liabilities, Reserves and Fund Balance					
Reserve for Encumbrances	$ 6,245,660	$ 3,045,023	$ 2,446,815	$ 2,124,232	$ 3,888,941
Bond Anticipation Notes	8,305,000	20,440,000	13,060,000	6,365,000	17,600,000
General Serial Bonds	57,560,000	50,515,000	60,130,000	69,555,000	60,990,000
Obligations Under Capital Lease Agreement	63,740,000	64,380,000	64,990,000		
Obligations Under Capital Loan Agreement	77,715,000	80,685,000	77,855,000	58,670,000	60,465,000
State Agency Loans Payable		518,084	41,410	111,443	209,244
Improvement Authorizations:					
Funded	11,535,990	14,797,452	22,640,991	8,452,165	4,776,058
Unfunded	28,403,798	24,854,453	12,765,136	31,758,934	8,178,722
Due Current Fund				4,974	
Capital Improvement Fund	370,622	375,622	295,622	265,622	200,622
Reserve for Payment of Debt	15,216,057	17,989,815	3,254,086	3,257,335	1,621,910
	$ 269,092,127	$ 277,600,448	$ 257,479,060	$ 180,564,705	$ 157,930,497

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

COUNTY OF CUMBERLAND
Notes to Financial Statements
For the Year Ended December 31, 2021

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The County of Cumberland, New Jersey (the "County"), formerly part of Salem County, New Jersey was established in 1748. The County, approximately 500 square miles in area, is in the southwestern corner of the State of New Jersey and has over 40 miles of Delaware Bay coastline. The Counties of Salem, Gloucester, Atlantic and Cape May border the County on, respectively, the northwest, north, northeast and southeast, with the Delaware Bay forming the southern border of the County. The population of the County, according to the 2020 census, was 154,152.

The County operates under the commissioner form of government. The Board of County Commissioners of the County (the "Board") consists of seven Commissioner members elected at-large for three-year terms on a staggered basis. Each year, the Board elects one of the Commissioners to serve as Commissioner Director. The Commissioner Director appoints Commissioners to be in charge of various committees. The Board, operating through the committee system, is charged with both executive and legislative responsibilities for: (i) formulating policies; (ii) developing new programs; (iii) appointing members of the various County commissions, authorities and boards; (iv) approving the County's operating and capital budgets; and (v) appropriating the funds required to maintain County services.

The County Administrator, appointed by the Board, oversees the daily governmental operations of the County. Each major department is headed by an administrator who acts as liaison to the Commissioner overseeing such department's operations. Financial matters are under the supervision of the County's Chief Financial Officer, who is appointed by the Board.

Component Units - The financial statements of the component units of the County 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:

Cumberland County Board of Health
309 Buck Street
Millville, New Jersey 08332

Cumberland County Library
800 East Commerce Street
Bridgeton, New Jersey 08302

Cumberland County Improvement Authority
745 Lebanon Road
Millville, New Jersey 08332

Cumberland County Technical Education Center
3400 College Drive
Vineland, New Jersey 08360

Cumberland County Insurance Commission
164 West Broad Street
Bridgeton, New Jersey 08302

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.

Federal, State and Other Grant Fund - The federal, state, and other grant fund accounts for resources and expenditures restricted by various outside agencies.

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 fund and its county farmland and open space preservation fund in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than 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 municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

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

Budgets are adopted on the same basis of accounting utilized for the preparation of the 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 authorities 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 balances included in the current fund and federal, state and other grant fund represent amounts 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 is realized when anticipated as such in the County's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the County's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the County which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

County Taxes - Every municipality in the county is responsible for levying, collecting, and remitting county taxes for the County of Cumberland. 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 the amount due to the County for the year, based upon the ratables certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 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, loans and notes are provided on the cash basis.

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be 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.

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

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

Compensated Absences 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 municipality 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 municipality relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of December 31, 2021, the County's entire bank balance of $110,735,374.36 was insured by FDIC and GUDPA.

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.

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

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, 2021, all of the County's investments were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent, but not in the County's name.

As of December 31, 2021, the County had the following investments:

Investment	Maturity	Fair Value Hierarchy Level *	Credit Rating	Cost	Fair Value
U.S. Government Asset Backed/CMO Securities	5/20/2040	Level 1	AAA	$ 31,866.57	$ 25,597.81
U.S. Government Asset Backed/CMO Securities	2/20/2041	Level 1	AAA	44,888.42	39,503.79
U.S. Treasury Notes	4/30/2022	Level 1	AAA	405,372.00	402,272.00
U.S. Treasury Notes	3/15/2022	Level 1	AAA	355,472.88	351,578.50
U.S. Treasury Notes	1/15/2022	Level 1	AAA	506,205.13	500,400.00
Federal Farm Credit Banks Debt Securities	4/1/2022	Level 1	AAA	31,017.63	30,340.80
Federal Home Loan Mortgage Corporation	1/13/2022	Level 1	AAA	547,453.23	540,351.00
Federal Home Loan Banks	6/10/2022	Level 1	AAA	330,708.99	327,684.50
Federal National Mortgage Association	1/11/2022	Level 1	AAA	507,415.00	500,285.00
Total				$ 2,760,399.85	$ 2,718,013.40

* 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.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation.

Level 3 inputs are unobservable inputs for the asset; they should be used only when the relevant Level 1 and Level 2 inputs are unavailable.

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.

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, 2021, the County's investments were designated an AAA credit rating.

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. 18A:20-37, the County's investment policies place no limit on the amount the County may invest in any one issuer. As of December 31, 2021, more than 5% of the County's investments were with the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank, and the Federal National Mortgage Association. These investments represent 19.83%, 11.98% and 18.38%, respectively, of the County's investments.

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 Tax Information

Year	Net Valuation on which County Taxes are Apportioned	Board of Health Tax Rate	Farmland Preservation Tax Rate	County Tax Rate
2021	$8,739,097,194.00	$0.0606	$0.0100	$1.1660
2020	8,683,101,433.00	0.0580	0.0100	1.1731
2019	8,819,168,622.00	0.0530	0.0100	1.1356
2018	8,823,433,400.00	0.0529	0.0100	1.1151
2017	8,737,489,589.00	0.0524	0.0100	1.0969

Comparison of Tax Levies and Collections

Year	Tax Levy	Collections	Percentage of Collections
2021	$ 101,485,000.00	$ 101,485,000.00	100.00%
2020	101,485,000.00	101,485,000.00	100.00%
2019	99,485,000.00	99,485,000.00	100.00%
2018	97,335,000.00	97,335,000.00	100.00%
2017	94,760,000.00	94,760,000.00	100.00%

Note 5: FUND BALANCES APPROPRIATED

The following schedules detail 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:

Current Fund

Year	Balance December 31,	Utilized in Budget of Succeeding Year	Percentage of Fund Balance Used
2021	$ 27,209,920.40	$ 12,000,000.00	44.10%
2020	25,359,422.40	10,500,000.00	41.40%
2019	23,744,161.99	7,500,000.00	31.59%
2018	20,411,184.13	6,400,000.00	31.36%
2017	19,542,790.73	5,680,000.00	29.06%

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, 2021:

Fund	Interfunds Receivable	Interfunds Payable
Current	$ 3,142,464.07	
Federal, State and Other Grant		$ 3,142,464.07
	$ 3,142,464.07	$ 3,142,464.07

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2022, the County expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 7: PENSION PLANS

In June of 2022, the New Jersey Division of Local Government Services issued Local Finance Notice 2022-12 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASBS No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27*. As of the date of this report, the information for the measurement period ended June 30, 2021 was not available; therefore, the information from the measurement period June 30, 2020 is disclosed below.

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.

Note 7: PENSION PLANS (CONT'D)

General Information about the Pension Plans (Cont'd)

Plan Descriptions (Cont'd)

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.

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 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 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.

Note 7: PENSION PLANS (CONT'D)

General Information about the Pension Plans (Cont'd)

Vesting and Benefit Provisions (Cont'd)

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.

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 is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. 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

Note 7: PENSION PLANS (CONT'D)

General Information about the Pension Plans (Cont'd)

Contributions (Cont'd)

Public Employees' Retirement System (Cont'd) - 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, 2020 was 15.54% 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, 2020, the County's contractually required contribution to the pension plan for the year ended December 31, 2020 is $5,173,939.00, and was paid by April 1, 2021. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2019, the County's contractually required contribution to the pension plan for the year ended December 31, 2019 was $4,558,688.00, which was paid on April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were $2,573,430.36.

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, 2020 was .46% of the County's covered payroll.

Based on the most recent PERS measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the County, to the pension plan for the year ended December 31, 2020 is $151,943.00, and was payable by April 1, 2021. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior 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 was $122,996.00.

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 is currently 10.0% of base salary. 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.

Note 7: PENSION PLANS (CONT'D)

General Information about the Pension Plans (Cont'd)

Contributions (Cont'd)

Police and Firemen's Retirement System (Cont'd) - The County's contractually required contribution rate for the year ended December 31, 2020 was 33.54% 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, 2020, the County's contractually required contribution to the pension plan for the year ended December 31, 2020 is $4,282,295.00, and was paid by April 1, 2021. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2019, the County's contractually required contribution to the pension plan for the year ended December 31, 2019 was $3,993,555.00, which was paid on April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were $1,283,458.09.

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, 2020 was 4.63% of the County's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the County, to the pension plan for the year ended December 31, 2020 was $591,492.00, and was payable by April 1, 2021. For the prior year 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 was $514,765.00, which was paid on April 1, 2020.

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, 2021, employee contributions totaled $110,562.07, and the County's contributions were $50,971.19. 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

Pension Liability - At December 31, 2020, 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	$ 77,127,328.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the County	2,400,296.00
	$ 79,527,624.00

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)

Public Employees' Retirement System (Cont'd)

Pension Liability (Cont'd) - The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. 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, 2020 measurement date, the County's proportion was .4729595159%, which was an increase of .0042988665% from its proportion measured as of June 30, 2019. Likewise, at June 30, 2020, the State of New Jersey's proportion, on-behalf of the County, was 1.8718446674%, which was an increase of .070801923% from its proportion, on-behalf of the County, measured as of June 30, 2019.

Pension Expense - For the year ended December 31, 2020, the County's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was $1,777,998.00. 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, 2020, the County's contribution to PERS was $4,558,688.00, and was paid on April 1, 2020.

At December 31, 2020, the State's proportionate share of the PERS pension (benefit) expense, associated with the County, calculated by the Plan as of the June 30, 2020 measurement date is $205,898.00. This on-behalf (benefit) expense is not recognized by the County because of the regulatory basis of accounting as described in note 1.

Police and Firemen's Retirement System

Pension Liability - As of December 31, 2020, 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	$ 49,529,487.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the County	7,686,751.00
	$ 57,216,238.00

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. 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, 2020 measurement date, the County's proportion was .3833160331%, which was a decrease of .0120421599% from its proportion measured as of June 30, 2019. Likewise, at June 30, 2020, the State of New Jersey's proportion, on-behalf of the County, was .3833160331%, which was a decrease of .0120421599% from its proportion, on-behalf of the County, measured as of June 30, 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)

Police and Firemen's Retirement System (Cont'd)

Pension Expense - For the year ended December 31, 2020, the County's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was $2,894,218.00 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, 2020, the County's contribution to PFRS was $3,993,555.00, and was paid on April 1, 2020.

For the year ended December 31, 2020, the State's proportionate share of the PFRS pension (benefit) expense, associated with the County, calculated by the Plan as of the June 30, 2020 measurement date, was $871,140.00 This on-behalf (benefit) expense is not recognized by the County because of the regulatory basis of accounting as described in note 1.

Deferred Outflows of Resources and Deferred Inflows of Resources - As of December 31, 2020, the County had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	$ 1,404,362.00	$ 499,341.00	$ 1,903,703.00	$ 272,756.00	$ 177,756.00	$ 450,512.00
Changes of Assumptions	2,502,097.00	124,640.00	2,626,737.00	32,293,943.00	13,278,560.00	45,572,503.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	2,636,274.00	2,904,146.00	5,540,420.00	-	-	-
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions	4,296,295.00	934,680.00	5,230,975.00	3,087,755.00	3,132,808.00	6,220,563.00
County Contributions Subsequent to the Measurement Date	2,586,970.00	2,141,148.00	4,728,118.00	-	-	-
	$ 13,425,998.00	$ 6,603,955.00	$ 20,029,953.00	$ 35,654,454.00	$ 16,589,124.00	$ 52,243,578.00

Deferred outflows of resources in the amounts of $2,586,970.00 and $2,141,148.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability during the year ending December 31, 2021. These amounts were based on an estimated April 1, 2022 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2020 to the County's year end of December 31, 2020.

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 other deferred outflows of resources and deferred inflows of resources related to pensions over the following number of years:

	PERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
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
June 30, 2020	5.16	-	5.90	-
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
June 30, 2020	-	5.16	-	5.90
Net Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
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	-
June 30, 2020	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
June 30, 2020	5.16	5.16	5.90	5.90

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:

Year Ending Dec 31,	PERS	PFRS	Total
2021	$ (9,629,670.00)	$ (5,182,235.00)	$(14,811,905.00)
2022	(8,521,643.00)	(3,789,234.00)	(12,310,877.00)
2023	(4,381,076.00)	(1,615,582.00)	(5,996,658.00)
2024	(1,860,052.00)	(832,529.00)	(2,692,581.00)
2025	(422,985.00)	(706,737.00)	(1,129,722.00)
	$(24,815,426.00)	$(12,126,317.00)	$(36,941,743.00)

Actuarial Assumptions

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. 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, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	PERS	PFRS
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)

Public Employees' Retirement System

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

Police and Firemen's Retirement System

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-2020.

For both PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2020) 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, 2020 are summarized in the table that follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	100.00%	

Note 7: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd)

Discount Rate -

Public Employees' Retirement System - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of the June 30, 2020 measurement date 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 would be based on 78% of the actuarially determined contributions for the State and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Police and Firemen's Retirement System - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020 measurement date 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 78% of the actuarially determined contributions for the State and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

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

Public Employees' Retirement System (PERS) - The following presents the County's proportionate share of the net pension liability as of the June 30, 2020 measurement date, calculated using a discount rate of 7.00%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	PERS		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's Proportionate Share of the Net Pension Liability	$ 97,090,440.00	$ 77,127,328.00	$ 60,188,083.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the County	3,021,573.00	2,400,296.00	1,873,126.00
	$ 100,112,013.00	$ 79,527,624.00	$ 62,061,209.00

Note 7: PENSION PLANS (CONT'D)

Sensitivity of Fire District'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 the June 30, 2020 measurement date, for the County and the State of New Jersey, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	PFRS		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's Proportionate Share of the Net Pension Liability	$ 65,864,023.00	$ 49,529,487.00	$ 35,962,407.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the County	10,221,796.00	7,686,751.00	5,581,202.00
	$ 76,085,819.00	$ 57,216,238.00	$ 41,543,609.00

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.

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 Eight Plan Years)

	Measurement Date Ended June 30,			
	2020	**2019**	**2018**	**2017**
County's Proportion of the Net Pension Liability	0.4729595159%	0.4686606494%	0.4613902175%	0.4521746847%
County's Proportionate Share of the Net Pension Liability	$ 77,127,328.00	$ 84,445,539.00	$ 90,845,431.00	$105,259,038.00
State's Proportionate Share of the Net Pension Liability associated with the County	2,400,296.00	2,257,592.00	-	-
	$ 79,527,624.00	$ 86,703,131.00	$ 90,845,431.00	$105,259,038.00
County's Covered Payroll (Plan Measurement Period)	$ 33,779,646.00	$ 32,709,900.00	$ 32,209,724.00	$ 31,175,573.00
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	2.354306022	2.6506694	2.820434941	3.376330501
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%

	Measurement Date Ended June 30,			
	2016	**2015**	**2014**	**2013**
County's Proportion of the Net Pension Liability	0.4781525176%	0.4641797320%	0.4655072678%	0.4903429915%
County's Proportionate Share of the Net Pension Liability	$141,615,061.00	$104,199,049.00	$ 87,155,692.00	$ 93,714,288.00
State's Proportionate Share of the Net Pension Liability associated with the County	-	-	-	-
	$141,615,061.00	$104,199,049.00	$ 87,155,692.00	$ 93,714,288.00
County's Covered Payroll (Plan Measurement Period)	$ 32,826,692.00	$ 32,222,136.00	$ 32,433,104.00	$ 32,965,480.00
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	4.314021681	3.233772243	2.687244859	2.842800651
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	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 Eight Years)

	Year Ended December 31,			
	2020	2019	2018	2017
County's Contractually Required Contribution	$ 5,173,939.00	$ 4,558,688.00	$ 4,589,342.00	$ 4,188,916.00
County's Contribution in Relation to the Contractually Required Contribution	$ (5,173,939.00)	$ (4,558,688.00)	(4,589,342.00)	(4,188,916.00)
County's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
County's Covered Payroll (Calendar Year)	$ 33,299,428.00	$ 33,739,151.50	$ 32,898,862.00	$ 32,192,036.00
County's Contributions as a Percentage of Covered Payroll	15.54%	13.51%	13.95%	13.01%

	Year Ended December 31,			
	2016	2015	2014	2013
County's Contractually Required Contribution	$ 4,247,839.00	$ 3,990,701.00	$ 3,837,575.00	$ 3,694,634.00
County's Contribution in Relation to the Contractually Required Contribution	(4,247,839.00)	(3,990,701.00)	(3,837,575.00)	(3,694,634.00)
County's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
County's Covered Payroll (Calendar Year)	$ 31,191,762.00	$ 32,655,433.00	$ 32,256,793.00	$ 32,133,023.00
County's Contributions as a Percentage of Covered Payroll	13.62%	12.22%	11.90%	11.50%

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 Eight Plan Years)

	Measurement Date Ended June 30,			
	2020	**2019**	**2018**	**2017**
County's Proportion of the Net Pension Liability	0.3833160331%	0.3953581930%	0.3964496060%	0.3958841726%
County's Proportionate Share of the Net Pension Liability	$ 49,529,487.00	$ 48,383,219.00	$ 53,646,167.00	$ 61,116,862.00
State's Proportionate Share of the Net Pension Liability associated with the County	7,686,751.00	7,639,802.00	7,286,944.00	6,845,604.00
Total	$ 57,216,238.00	$ 56,023,021.00	$ 60,933,111.00	$ 67,962,466.00
County's Covered Payroll (Plan Measurement Period)	$ 12,920,564.00	$ 12,983,660.00	$ 12,802,608.00	$ 12,663,888.00
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	383.34%	372.65%	419.03%	482.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.52%	65.00%	62.48%	58.60%

	Measurement Date Ended June 30,			
	2016	**2015**	**2014**	**2013**
County's Proportion of the Net Pension Liability	0.4160213571%	0.3927864532%	0.3606708197%	0.3494647436%
County's Proportionate Share of the Net Pension Liability	$ 79,470,721.00	$ 65,424,532.00	$ 45,369,044.00	$ 46,458,185.00
State's Proportionate Share of the Net Pension Liability associated with the County	6,673,569.00	5,737,512.00	4,885,484.00	4,330,467.00
Total	$ 86,144,290.00	$ 71,162,044.00	$ 50,254,528.00	$ 50,788,652.00
County's Covered Payroll (Plan Measurement Period)	$ 13,208,504.00	$ 12,318,944.00	$ 11,270,164.00	$ 10,914,296.00
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	601.66%	531.09%	402.56%	425.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	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 Eight Years)

	Year Ended December 31,			
	2020	**2019**	**2018**	**2017**
County's Contractually Required Contribution	$ 4,282,295.00	$ 3,993,555.00	$ 3,875,879.00	$ 3,503,648.00
County's Contribution in Relation to the Contractually Required Contribution	(4,282,295.00)	(3,993,555.00)	(3,875,879.00)	(3,503,648.00)
County's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
County's Covered Payroll (Calendar Year)	$ 12,767,955.00	$ 12,911,038.00	$ 12,704,966.00	$ 12,698,331.00
County's Contributions as a Percentage of Covered Payroll	33.54%	30.93%	30.51%	27.59%

	Year Ended December 31,			
	2016	**2015**	**2014**	**2013**
County's Contractually Required Contribution	$ 3,391,991.00	$ 3,192,768.00	$ 2,770,201.00	$ 2,549,617.00
County's Contribution in Relation to the Contractually Required Contribution	(3,391,991.00)	(3,192,768.00)	(2,770,201.00)	(2,549,617.00)
County's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
County's Covered Payroll (Calendar Year)	$ 12,742,588.00	$ 13,311,422.00	$ 12,329,444.00	$ 11,466,250.00
County's Contributions as a Percentage of Covered Payroll	26.62%	23.99%	22.47%	22.24%

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

The June 30, 2020 measurement date included two changes to the plan provisions. Chapter 157, P.L. 2019 expanded the definition of regular or assigned duties for purposes of accidental disability. The Division of Pension and Benefits (DPB) also adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions.

Changes in Assumptions

The discount rate used as of June 30 measurement date is as follows:

Year	Rate	Year	Rate
2020	7.00%	2016	3.98%
2019	6.28%	2015	4.90%
2018	5.66%	2014	5.39%
2017	5.00%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

Year	Rate	Year	Rate
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

Police and Firemen's Retirement System (PFRS)

Changes in Benefit Terms

None

Changes in Assumptions

The discount rate used as of June 30 measurement date is as follows:

Year	Rate	Year	Rate
2020	7.00%	2016	5.55%
2019	6.85%	2015	5.79%
2018	6.51%	2014	6.32%
2017	6.14%		

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)

The long-term expected rate of return used as of June 30 measurement date is as follows:

Year	Rate	Year	Rate
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

A. State Health Benefits Local Government Retired Employees Plan

In June of 2022, the New Jersey Division of Local Government Services issued Local Finance Notice 2022-12 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASBS No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. As of the date of this report, the information for the measurement period ended June 30, 2021 was not available; therefore, the information from the measurement period June 30, 2020 is disclosed below.

General Information about the State Health Benefit Local Government Retired Employees Plan

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

The State, 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") annual financial statements, which can be found at https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

A. State Health Benefits Local Government Retired Employees Plan (Cont'd)

General Information about the State Health Benefit Local Government Retired Employees Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd) - 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.

Special Funding Situation Component - The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1997. 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.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

A. State Health Benefits Local Government Retired Employees Plan (Cont'd)

General Information about the State Health Benefit Local Government Retired Employees Plan (Cont'd)

Special Funding Situation Component (Cont'd) - Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer. The participating employer is required to disclose in their respective notes to the financial statements, an expense and corresponding revenue, and their proportionate share of the OPEB expense allocated to the State under the special funding situation.

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 expense, on-behalf of the County, is ($2,563,123.00) for the year ended December 31, 2020, representing -20.07% of the County's covered payroll.

OPEB Liability

OPEB Liability - At December 31, 2020, the State's proportionate share of the net OPEB liability associated with the County was $51,488,762.00. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020.

The State's proportion of the net OPEB liability, associated with 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, 2019 through June 30, 2020. For the June 30, 2020 measurement date, the State's proportion on-behalf of the County was .942620%, which was an increase of .174473% from its proportion measured as of the June 30, 2019 measurement date.

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 *	
PFRS:	
Rate for all Future 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 morality improvement projections from the central year using Scale MP-2020.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

A. State Health Benefits Local Government Retired Employees Plan (Cont'd)

Actuarial Assumptions (Cont'd)

Actuarial assumptions used in the June 30, 2019 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 (the "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.

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

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

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

The net OPEB liability, calculated using a discount rate of 2.21%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used, is as follows:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the County	$ 60,870,595.00	$ 51,488,762.00	$ 44,062,188.00

Note 8: **POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**

A. State Health Benefits Local Government Retired Employees Plan (Cont'd)

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

The net OPEB liability, using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the County	$ 42,607,004.00	$ 51,488,762.00	$ 63,119,546.00

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.

Supplementary OPEB Information

In accordance with GASBS 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.

Note 8: 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 Proportionate Share of the Net OPEB Liability Associated with the County (Last Four Plan Years)

	Measurement Date Ended June 30,			
	2020	2019	2018	2017
County's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net OPEB Liability Associated with the County	100.00%	100.00%	100.00%	100.00%
Total	100.00%	100.00%	100.00%	100.00%
County's Proportionate Share of the Net OPEB Liability	$ -	$ -	$ -	$ -
State's Proportionate Share of the Net OPEB Liability Associated with the County	51,488,762.00	42,445,643.00	52,044,427.00	71,850,025.00
Total	$ 51,488,762.00	$ 42,445,643.00	$ 52,044,427.00	$ 71,850,025.00
County's Covered Payroll (Plan Measurement Period)	$ 13,165,183.00	$ 12,702,747.00	$ 12,640,138.00	$ 12,829,776.00
County's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	391.10%	334.15%	411.74%	560.03%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.91%	1.98%	1.97%	1.03%

Other Notes to Supplementary OPEB Information

Changes in Benefit Terms - The actuarial valuation as of June 30, 2019 included updates to the provisions of Chapter 48, along with newly adopted changes in different levels of subsidy for employers.

Changes in Assumptions - The discount rate used as of the June 30 measurement date is as follows:

Year	Rate	Year	Rate
2020	2.21%	2018	3.87%
2019	3.50%	2017	3.58%

The expected investment rate of return is based on guidance provided by the State. These expected rates of return are the same as the discount rates listed above.

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included changes in the trend, repealment of the excise tax, and updated mortality improvement assumptions.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

A. State Health Benefits Local Government Retired Employees Plan (Cont'd)

Other Notes to Supplementary OPEB Information (Cont'd)

Changes in Assumptions (Cont'd) - The health care trend assumption is used to project the growth of the expected claims over the lifetime of the health care recipients. Medical and prescription drug trend rates are determined by utilizing experience data, industry experience which includes surveys and Aon trend guidance. These rates are adjusted further to be appropriate with respect to the plan provisions. For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage rates for Plan Years 2019 through 2022 are reflected. For Plan Year 2023 the Medicare Advantage trend rate includes an assumed increase in the premiums based on recent experience and discussions with the Medicare Advantage vendor. The assumed post-65 medical trend is 4.50% for all future years. For prescription drug benefits, the initial trend rate is 7.00% decreasing to a 4.50% long-term trend rate after seven years.

On October 21, 2020, the Society of Actuaries (SOA) released an updated set of life expectancy mortality improvement assumptions, Scale MP-2020. The MP-2020 scale reflects more recent mortality data for the U.S. population.

B. County of Cumberland Postemployment Health Benefits Plan

Plan Description and Benefits Provided - The County provides postretirement health care benefits through a health plan for retirees, which includes a medical, dental, and prescription plan. The County 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: retiring employees, and their eligible dependents, who retire on or after age 55 with 25 years of service credit (20 years for veterans) with Cumberland County and who retire from active employment, working a minimum of 20 hours per week. This provision is provided in accordance with the County's policy and various collective bargaining agreements. The Plan is administered by the County; therefore, premium payments are made directly to the insurance carriers. Reimbursements by the retirees are paid in monthly installments after the County provides the retirees with a detailed accounting of the costs.

Employees Covered by Benefit Terms - As of December 31, 2021, the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	263
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	-
Active Employees	684
	948

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

B. County of Cumberland Postemployment Health Benefits Plan (Cont'd)

Total OPEB Liability

The County's total OPEB liability of $137,035,592.00 was measured as of December 31, 2021 and was determined by a projection of the January 1, 2021 actuarial valuation.

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

Inflation	1.50% Annually
Salary Increases	1.50% Annually
Discount Rate	1.50%
Healthcare Cost Trend Rates	8.00% for Retirees at December 31, 2021. Decreasing 1.00% per Year until December 31, 2023 to an Ultimate Rate of 5.00% for December 31, 2024 and Later Years
Retirees' Share of Benefit-Related Costs	Retirees eligible for the 20% Co-Pay Plan pay 20% of the monthly cost. Retirees eligible for the Full Pay Plan pay 100% of the monthly cost. Eligible DoSS retirees do not make any copayments for the dental coverage

The assumed discount rate for unfunded plans is based on the index rate for 20-year tax-exempt high quality municipal bonds with average rating of AA/Aa or higher. For funded plans, the expected long-term rate of return of the segregated trust assets may be used as long as assets remain in the trust.

The following RP-2014 Mortality Tables (Male/Female) are used:

(a) Pre-retirement – RP-2014 Employee Mortality Table with a one-year age setback to reflect expected mortality improvement.
(b) Post-retirement – Not disabled: RP-2014 Healthy Annuitant Mortality Table with a one-year setback to reflect expected mortality improvement.

Disabled lives: RP-2014 Disabled Retiree Mortality Table.

An experience study was not performed on the actuarial assumptions used in the January 1, 2021 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 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

B. County of Cumberland Postemployment Health Benefits Plan (Cont'd)

Changes in Total OPEB Liability

Balance at December 31, 2020 (As Reported)		$ 315,684,609.00
Adjustment for Change in Sharing Percentage		(1,500,380.00)
Balance at December 31, 2020 (As Adjusted)		314,184,229.00
Changes for the Year:		
Service Cost	$ 5,070,248.00	
Interest Cost	2,042,138.00	
Benefit Payments	(2,507,086.00)	
Changes of Other Inputs	12,424,336.00	
Actuarial Gains/Losses	(182,060,705.00)	
Assumption Changes	(12,117,568.00)	
Net Changes		(177,148,637.00)
Balance at December 31, 2021		$ 137,035,592.00

Changes of benefit terms reflect no increase in the retirees' share of health insurance premiums.

Changes of assumptions and other inputs reflect a change in the discount rate from 2.00% as of December 31, 2020 to 1.50% as of December 31, 2021.

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:

	December 31, 2021		
	1.00% Decrease (0.50%)	Current Discount Rate (1.50%)	1.00% Increase (2.50%)
Total OPEB Liability	$168,776,962.00	$137,035,592.00	$113,392,627.00

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:

	December 31, 2021		
	1.00% Decrease	Healthcare Cost Trend Rates	1.00% Increase
Total OPEB Liability	$ 113,419,401.00	$ 137,035,592.00	$ 167,911,325.00

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

B. County of Cumberland Postemployment Health Benefits 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, 2021, the County recognized OPEB (benefit) expense of ($28,177,411.00). As of December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Actuarial Gains/Losses	$ -	$ 177,244,252.00
Assumption Changes	-	52,257,565.00
Change in Other Input (Discount Rate)	48,055,362.00	-
	$ 48,055,362.00	$ 229,501,817.00

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

Year Ending Dec 31,	
2022	$ (35,289,797.00)
2023	(35,289,797.00)
2024	(35,289,797.00)
2025	(35,289,797.00)
2026	(35,289,797.00)
Thereafter	(4,997,470.00)
	$ (181,446,455.00)

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

B. County of Cumberland Postemployment Health Benefits Plan (Cont'd)

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.

Schedule of Changes in the County's Total OPEB Liability and Related Ratios (Last Four Years):

	Plan Measurement Date December 31,			
	2021	**2020**	**2019**	**2018**
Total OPEB Liability				
Service Cost	$ 5,070,248.00	$ 11,579,213.00	$ 11,352,170.00	$ 10,917,140.00
Interest Cost	2,042,138.00	6,228,124.00	5,956,950.00	9,770,980.00
Benefit Payments	(2,507,086.00)	(4,254,059.00)	(3,650,394.00)	(3,939,660.00)
Actuarial Gains/Losses	(182,060,705.00)	-	(41,837,794.00)	-
Assumption Changes	(12,117,568.00)	-	(60,176,945.00)	-
Changes of Other Inputs	12,424,336.00	-	56,822,689.00	-
Net Change in Total OPEB Liability	(177,148,637.00)	13,553,278.00	(31,533,324.00)	16,748,460.00
Total OPEB Liability - Beginning of Year (As Reported)	315,684,609.00	302,131,331.00	333,664,655.00	316,916,195.00
Adjustment for Change in Sharing Percentage	(1,500,380.00)	-	-	-
Total OPEB Liability - Beginning of Year (As Adjusted)	314,184,229.00	-	-	-
Total OPEB Liability - End of Year	$137,035,592.00	$315,684,609.00	$302,131,331.00	$333,664,655.00
Covered-Employee Payroll	$ 54,868,869.15	$ 56,258,737.73	$ 57,614,122.00	$ 56,583,369.00
Total OPEB Liability as a Percentage of Covered Payroll	249.75%	561.13%	524.40%	589.69%

Other Notes to Supplementary OPEB Information

Change of Benefit Terms:
None

Change of Assumptions:
The discount rate and salary scale assumptions were reduced from 2.00% per year to 1.50%.

The implicit rate subsidy for prescription drug coverage under age 65 was reduced from 210.8% to the medical rate of 192.4%.

The initial medical trend rate was reduced from 10% to 8% and the select period was reduced from 5 years to 3 years.

Note 9: COMPENSATED ABSENCES

Under the existing policy of the County, full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year. The County of Cumberland compensates employees for unused sick leave upon retirement. The current policy for most employee contracts provides one compensated day for every two days accumulated up to a maximum of $9,000.00. Other employee contracts with the County, which include the Prosecutor's Office and Department of Corrections, follow the same compensation for the days, but their maximum payout range is between $12,000.00 and $17,500.00 which is based on a range of 15 to 25+ years employed by the County.

Employees may also carry forward five vacation days to the subsequent year. Additional days may be carried forward with approval up to a maximum of twelve. However, an employee may not have more than twenty-five vacation days accrued at any one time. These accumulated vacation days are paid with the employee's last paycheck upon termination or retirement. Part-time employees who do not have scheduled hours are not entitled to compensated absences.

The County does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2021, accrued benefits for compensated absences are valued at $3,344,881.24. The charges for accumulated sick leave will be included in the year the employee retires. The charges for accrued vacation benefits will be included in the year the employee retires or terminates employment with the County. The County has established a Reserve for Accumulated Sick Leave in the Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2021 the balance of the fund was $1,245,672.27.

Note 10: 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 11: LEASE OBLIGATIONS

At December 31, 2021, the County had lease agreements in effect for the following:

Capital:
- Ford F-150
- County Correctional Facility Project

Operating:
- Land and Building (6 sites)
- Copiers (approximately 77 units)
- Mailing Machine (1 unit)

Note 11: LEASE OBLIGATIONS (CONT'D)

Capital Leases - The following is an analysis of the County's capital leases:

Description	Balance at December 31, 2021
Ford F-150	$ 21,853.28
2019 Correctional Facilities	63,740,000.00

The following schedule represents the remaining principal and interest payments, through maturity, for capital leases:

Year	Principal	Interest	Total
2022	$ 676,536.56	$ 2,853,785.36	$ 3,530,321.92
2023	711,701.50	2,820,120.42	3,531,821.92
2024	746,870.61	2,784,701.31	3,531,571.92
2025	781,744.61	2,747,560.87	3,529,305.48
2026	815,000.00	2,708,550.00	3,523,550.00
2027-2031	4,765,000.00	12,869,050.00	17,634,050.00
2032-2036	6,085,000.00	11,547,750.00	17,632,750.00
2037-2041	7,715,000.00	9,914,350.00	17,629,350.00
2042-2046	9,435,000.00	8,193,200.00	17,628,200.00
2047-2051	11,480,000.00	6,148,600.00	17,628,600.00
2052-2056	13,995,000.00	3,632,400.00	17,627,400.00
2057-2061	6,555,000.00	495,500.00	7,050,500.00
Total	$ 63,761,853.28	$ 66,715,567.96	$ 130,477,421.24

Operating Leases - Future minimum lease payments under operating lease agreements are as follows:

Year	Amount
2022	$ 1,530,535.79
2023	1,549,057.57
2024	1,568,401.12
2025	463,383.51
2026	491,914.96
2027-2031	2,429,312.36
2032-2036	2,101,971.08

Rental payments under operating leases for the year 2021 were $1,481,602.28.

Note 12: CAPITAL DEBT

General Improvement Bonds

County College Bonds, Series 2012 - On June 29, 2012, the County issued $8,500,000.00 of County College Bonds, with interest rates ranging from 2.750% to 3.125%. The Bonds were issued to provide for the permanent financing of capital improvement ordinance 2012-4 and for the acquisition of related capital equipment at and for certain facilities of Cumberland County College. The final maturity of the bonds is March 15, 2027.

General Obligation Bonds, Series 2014 - On June 26, 2014, the County issued $19,550,000.00 General Obligation Bonds, consisting of $16,675,000.00 of General Improvement Bonds and $2,875,000.00 of County College Bonds, with interest rates ranging from 2.00% to 5.00%. The bonds funded various capital ordinances, specifically 2012-5, 2013-6, 2014-4, and 2014-6. The final maturity of the bonds is February 15, 2026.

County College Bonds, Series 2015 - On June 29, 2015, the County issued $3,200,000.00 of County College Bonds, with interest rates ranging from 2.50% to 3.00%. The bonds funded capital ordinance 2013-2, as supplemented by 2014-16. The final maturity of the bonds is February 15, 2030.

Refunding Bonds, Series 2015 - On September 16, 2015, the County issued $12,910,000.00 of General Improvement Refunding Bonds and $3,850,000.00 of County College Refunding Bonds, with interest rates ranging from 1.00% to 4.00%. The Bonds were issued to advance refund several bond issues including $2,400,000.00 of the outstanding principal amount of the County's General Improvement Bonds, Series 2006, $4,000,000.00 of the outstanding principal amount of the County's College Bonds, Series 2006, and $10,600,000.00 of the outstanding principal amount of the County's General Improvement Bonds, Series 2007. The final maturity of the bonds is August 15, 2023.

Refunding Bonds, Series 2015 - On September 16, 2015, the County issued $4,150,000.00 of State Aid County College Refunding Bonds, with interest rates ranging from 1.50% to 2.50%. The Bonds were issued to advance refund $4,000,000.00 of the outstanding principal amount of the County's State Aid County College Bonds, Series 2006. The final maturity of the bonds was August 15, 2021.

County College Bonds, Series 2016 - On March 24, 2016, the County issued $3,000,000.00 of General Obligation Bonds (County College Bond Series), with interest rates ranging from 3.00% to 3.50%. The bonds funded capital ordinance 2015-7, as amended by 2015-9. The final maturity of the bonds is February 15, 2031.

Refunding Bonds, Series 2016 - On July 13, 2016, the County issued $7,400,000.00 of General Improvement Refunding Bonds, with interest rates ranging from 2.00% to 5.00%. The Bonds were issued to advance refund $7,467,000.00 of the outstanding principal amount of the County's General Improvement Bonds, Series 2009. The final maturity of the bonds is December 15, 2024.

County College Bonds, Series 2017 – On June 1, 2017, the County issued $2,600,000.00 of General Obligation Bonds (County College Bond Series), with interest rates ranging from 2.00% to 4.00%. The bonds funded capital ordinance 2016-4. The final maturity of the bonds is May 15, 2027.

General Obligation Bonds, Series 2018 - On March 14, 2018, the County issued $17,400,000.00 General Obligation Bonds, consisting of $16,035,000.00 of General Improvement Bonds and $1,365,000.00 of County College Bonds, with interest rates ranging from 4.00% to 5.00%. The bonds funded various capital ordinances, specifically 2015-5, 2016-3, 2017-2, and 2017-3. The final maturity of the bonds is February 15, 2027.

Note 12: CAPITAL DEBT (CONT'D)

General Improvement Bonds (Cont'd)

General Obligation Bonds, Series 2021 - On July 15, 2021, the County issued $16,735,000.00 General Obligation Bonds, consisting of $11,115,000.00 of General Improvement Bonds and $5,620,000.00 of County College Bonds, with interest rates ranging from 2.00% to 4.00%. The bonds funded various capital ordinances, specifically 2018-1, 2019-2, 2019-5, and 2021-1. The final maturity of the bonds is May 15, 2041.

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

Year	Principal	Interest	Total
2022	$ 9,795,000.00	$ 2,010,781.00	$ 11,805,781.00
2023	9,085,000.00	1,506,506.00	10,591,506.00
2024	8,075,000.00	1,123,850.00	9,198,850.00
2025	7,230,000.00	791,775.00	8,021,775.00
2026	7,400,000.00	535,038.00	7,935,038.00
2027-2031	12,975,000.00	900,838.00	13,875,838.00
2032-2036	1,500,000.00	230,625.00	1,730,625.00
2037-2041	1,500,000.00	79,687.00	1,579,687.00
	$ 57,560,000.00	$ 7,179,100.00	$ 64,739,100.00

General Debt – County Capital Loan Agreement

See Note 16 for information regarding the County Capital Loan Agreements for County Guaranteed Revenue Bonds, Series 2014, Series 2019 and Series 2020. The following schedule represents the remaining debt service, through maturity, for the County Capital Loan Agreements:

Year	Principal	Interest	Total
2022	$ 3,075,000.00	$ 2,784,848.78	$ 5,859,848.78
2023	3,185,000.00	2,647,298.78	5,832,298.78
2024	3,310,000.00	2,503,671.28	5,813,671.28
2025	3,455,000.00	2,352,656.28	5,807,656.28
2026	3,610,000.00	2,193,836.28	5,803,836.28
2027-2031	19,905,000.00	9,057,598.86	28,962,598.86
2032-2036	22,235,000.00	5,781,110.64	28,016,110.64
2037-2041	15,490,000.00	2,156,975.00	17,646,975.00
2042-2046	3,450,000.00	258,750.00	3,708,750.00
	$ 77,715,000.00	$ 29,736,745.90	$ 107,451,745.90

Note 12: CAPITAL DEBT (CONT'D)

General Debt - New Jersey Environmental Infrastructure Loans

On May 15, 2018, the County closed on an interim loan from the New Jersey Infrastructure Bank (NJIB) in the amount of $1,000,000.00 at no interest, under the Planning and Design Loan Program. The maturity date of the loan was June 30, 2021 or the date of closing of an anticipated permanent financial program of the NJIB. The loan proceeds held by NJIB are being used to fund the Downe County Sewer Infrastructure Project under a Memorandum of Agreement between the County of Downe, the County of Cumberland, the New Jersey Department of Environmental Protection and the New Jersey Environmental Infrastructure Trust. On June 15, 2021, the County paid off the $518,084.00 short term loan.

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

	2021	2020	2019
Issued			
General:			
Bonds, Loans and Notes	$ 65,865,000.00	$ 71,473,084.00	$ 73,231,410.06
Authorized by Another Public Body Guaranteed by the County -- Capital Loan Agreement	77,715,000.00	80,685,000.00	77,855,000.00
Bonds Issued by Another Public Body Guaranteed by the County -- Bonds and Notes	100,113,613.00	103,412,520.00	107,111,427.00
Total Issued	243,693,613.00	255,570,604.00	258,197,837.06
Authorized but not Issued			
General:			
Bonds, Loans and Notes	24,540,464.30	14,672,916.72	2,375,000.72
Bonds Issued by Another Public Body Guaranteed by the County -- Bonds and Notes	8,100,000.00		2,743,237.15
Total Authorized but not Issued	32,640,464.30	14,672,916.72	5,118,237.87
Total Issued and Authorized but not Issued	276,334,077.30	270,243,520.72	263,316,074.93
Deductions			
General:			
Bonds Issued by Another Public Body Public Body Guaranteed by the County	108,213,613.00	103,412,520.00	107,111,427.00
Funds Temporarily Held to Pay Bonds	1,151,458.69	2,492,150.85	3,149,788.92
Accounts Receivable from Other Public Authorities	70,755,163.58	70,425,800.00	58,340,114.38
Total Deductions	180,120,235.27	176,330,470.85	168,601,330.30
Net Debt	$ 96,213,842.03	$ 93,913,049.87	$ 94,714,744.63

Note 12: CAPITAL DEBT (CONT'D)

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 1.093%.

	Gross Debt	Deductions	Net Debt
General	$ 276,334,077.30	$ 180,120,235.27	$ 96,213,842.03

Net debt $96,213,842.03 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, $8,804,822,659.33, equals 1.093%.

Note 13: ARBITRAGE REBATE

The Tax Reform Act of 1986 placed restriction on investments of the proceeds of certain tax-exempt bonds issued after December 31, 1986. Specifically, investment earnings which are above arbitrage bond yield are required to be rebated to the United States Treasury Department within sixty days of the end of the fifth bond year. A bond year is defined, at the option of the issuing entity, as either the date of the first anniversary of bond settlement or the issuing entity's year end.

The County has multiple bonds outstanding as of December 31, 2021 that are subject to rebate calculations. Rebate calculations on these bonds are required to be made at least once every five years. The County prepares rebate calculations for purposes of determining any contingent liability for rebate in accordance with the requirements. As of December 31, 2021, the County has determined that no arbitrage rebate liability exists. The amount of contingent liability for rebate may change as a result of future events; and the County has not recorded an arbitrage rebate amount that is required to be paid or accrued at December 31, 2021.

Note 14: CHANGE ORDERS

During the year 2021, 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%):

Resolution Number	Project Description
2021-69	Providing grant writing and related consultant services
2021-78	Rent, Security Deposit, Mortgage, Utility Assistance, and Case Management Services
2021-245	Providing preventative maintenance & repair services for the security door systems at the Cumberland County Jail
2021-265	Providing vaccination services for The County Of Cumberland Health Department
2021-282	Provision of servers and additional scope of work for the Avaya CMR 8 telephone system
2021-340	To amend the contract related to the Elder Luncheon Program
2021-349	To allocate Coronavirus Response and Relief Supplemental Appropriations Act of 2021 funds for adult protective services to respond to the needs and challenges brought about by COVID-19
2021-360	Additional survey services due to the increased volume of roads, bridges, and culvert projects taking place during the contract year
2021-411	Providing various services for the Cumberalnd County Youth Services Advisory council
2021-439	To allow for an emergency air conditioner program element to the minor home repair program for senior and disabled with chronic respiratory conditions
2021-468	To add rates and hours for clerical staff and EMTs that are necessary to continue the COVID-19 vaccination efforts in Cumberland County
2021-603	Providing grant writing and related consultant services
2021-746	Providing various social services for the homeless
2021-826	Providing plumbing repair services

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 15: 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.

Surety Bonds - The County maintains commercial insurance coverage for surety bonds for selected employees and officials.

Joint Insurance Pool - The County is a member of the Cumberland County Insurance Commission (the "Commission"). The Commission is operated in accordance with regulations of the Division of Local Governmental Services of the Department of Community Affairs for the purpose of securing significant savings in insurance cost as well as providing stability in coverage. It is governed by three County officials who serve as commissioners and are appointed by the Board. Coverage in excess of the Commission's self-insured retention limit is provided through the Commission's membership in the New Jersey Counties Excess Joint Insurance Fund established in March 2010. The Commission provides its members with the following coverage:

General Liability, Auto Liability and Law Enforcement Liability
Worker's Compensation / Employer's Liability
Property, including Equipment Breakdown

Through membership in the New Jersey Counties Excess Joint Insurance Fund, the Commission offers the following ancillary insurance coverage to its members:

Public Officials Liability/ Employment Practices Liability
Crime
Employed Lawyers Liability
Medical Professional Liability
Pollution Liability
Non-Owned Aircraft Liability
Volunteer Accident
Above / Underground Storage Tank
Auto and Excess Auto Liability – CATS
Disability – Volunteer Fire Instructors
Professional Liability – Trainers
Cyber Liability

Contributions to the Commission, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Commission's actuary. The Commissioner of Insurance may order additional assessments to supplement the Commission's claim, loss retention or administrative accounts to assure the payment of the Commission's obligations.

The Commission provides coverage on a self-insured basis and secures excess insurance in a form and an amount from an insurance company acceptable to the Commissioner of Insurance. The Commission publishes its own financial report for the year ended December 31, 2021, which can be obtained from:

Cumberland County Insurance Commission
164 West Broad Street
Bridgeton, New Jersey 08302

Self-Insurance Plan - The County is self-insured for all claims incurred prior to October 3, 2012, which is the date of initial membership in the Commission. Subsequent to that date, all claims are processed and paid through the Commission. It has established the Reserve for Workers' Compensation in the Trust -- Other Fund to account for and finance its related uninsured risks of loss up to $250,000.00 per any one accident. Inservco acts as administrator of the plan. The County purchases insurance for claims in excess of $250,000.00 through the Commission. Settled claims have not exceeded this commercial coverage in any of the past three years.

Note 15: RISK MANAGEMENT (CONT'D)

Self-Insurance Plan (Cont'd) - At December 31, 2021, the balance estimated to be payable for the workers' compensation insurance was $849,414.68, which is the amount that the records of the administrator of the plan show as potential claims reported. The balance estimated to be payable for the County general liability was $40,125.00, which is the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported at December 31, 2021. The estimated payable for workers' compensation and county general liability 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 as a liability will be paid and charged to the 2021 or future budgets.

The following is a summary of the claims liability of the County's trust fund for self-insured workers' compensation, liability insurance, and property and equipment for the current year:

	Balance Dec. 31, 2020	Incurred Claims	Payment of Claims	Balance Dec. 31, 2021
Workers Compensation	$ 705,570.52	$ 1,370,445.93	$ 1,546,734.71	$ 529,281.74
Liability Insurance	1,769,332.43	2,011,726.13	1,810,287.05	1,970,771.51
Property and Equipment	846,257.03	717,255.58	581,733.07	981,779.54
	$ 3,321,159.98	$ 4,099,427.64	$ 3,938,754.83	$ 3,481,832.79

Cyber Security - The County relies on a large and complex technology environment to conduct its various operations. As a result, the County faces certain cyber security threats at various times including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and digital networks and systems. To mitigate the risks of business operations impact and/or damage from cybersecurity incidents or cyber-attacks, the County has invested in multiple forms of cybersecurity and operational safeguards. Specifically, the County has an extensive security system in place, including network firewalls and established administrative rights and restrictions, with varying level of approvals, implemented entity-wide, for access to network drives and applications that are reviewed regularly to ensure proper internal control and protections and provide relevant employees and staff with cyberattack training. The County also utilizes secure Cloud based software solutions and offsite encrypted backups along with multi factor authentication for secure remote access. In addition, the County maintains insurance coverage for cyberattacks and related events.

Note 16: COUNTY GUARANTEES

The following information applies to the Cumberland County Improvement Authority ("CCIA") and it should be noted that the CCIA does not have the power to levy or collect taxes. The debt issued by the CCIA is neither a debt nor a liability of the State, the County (except to the extent of any deficiency agreement or guarantee), nor any political subdivision of the State, except the Cumberland County Improvement Authority.

Cumberland County Improvement Authority
The Cumberland County Improvement Authority is a public body corporate and politic of the State of New Jersey and was created by a resolution of the County Board of Chosen Freeholders ("the County Board"). The CCIA operates under the supervision of a five member Board who are appointed for five year staggered terms by the County Board. The CCIA has from time to time issued its revenue bonds for projects involving the County and for which the County has a repayment obligation or guaranty.

Note 16: COUNTY GUARANTEES (CONT'D)

Cumberland County Improvement Authority
Outstanding Debt Issued Under a Lease/Loan Agreement with the County
Or Guaranteed by the County
As of December 31, 2021

	Purpose	Interest Rate	Date of Issue	Final Maturity	Amount Outstanding	Amount Guaranteed by County
(1)	County Guaranteed Lease Revenue Bonds, Series 2014	2.00-5.00%	5-29-14	5-1-39	$14,745,000.00	$14,745,000.00
(2)	County Guaranteed Revenue Bonds, Series 2014	2.00-5.00%	10-30-14	9-1-39	$27,320,000.00	$27,320,000.00
(3)	County Guaranteed Solid Waste System Revenue Refunding Bonds, Series 2015A	3.00-5.00%	6-4-15	1-1-26	$8,870,000.00	$8,870,000.00
(4)	New Jersey Environmental Infrastructure Trust Bonds, Series 2017A	3.00-5.00%	5-25-17	9-1-36	$2,125,000.00	$2,125,000.00
(4)	New Jersey Environmental Infrastructure Fund Loan, Series 2017B	No Interest	5-25-17	9-1-36	$5,833,613.00	$5,833,613.00
(5)	County Guaranteed Lease Revenue Bonds, Series 2018	5.00%	12-13-18	10-1-58	$63,740,000.00	$63,740,000.00
(6)	County Guaranteed Revenue Bonds, Series 2019	3.125-5.00%	1-16-19	12-31-44	$19,885,000.00	$19,885,000.00
(7)	County Guaranteed Revenue Bonds, Series 2019	3.00-5.00%	4-1-19	3-15-39	$4,800,000.00	$4,800,000.00
(8)	County Guaranteed Revenue Refunding Bonds, Series 2020	0.85%-3.00%	7-15-20	9-1-39	$30,510,000.00	$30,510,000.00

Note 16: COUNTY GUARANTEES (CONT'D)

2006 Agreement

On June 29, 2006, the Cumberland County Board of Chosen Freeholders by ordinance, authorized the guarantee ("2006 Guaranty Agreement") of the punctual payment of the principal of and the interest on the Solid Waste System Revenue Bonds, Series 2006 (the "Bonds") of the Cumberland County Improvement Authority (the "Authority") to be issued in the aggregate principal amount not exceeding $25,000,000.00 pursuant to a resolution of the Authority to provide for the financing of (i) the construction of (a) a Commercial Convenience Center, (b) the Phase II improvements of the Leachate System Improvements, (c) Stage 1 of the Aerobic/Anaerobic Landfill RD & D Project, and (d) an Equipment Storage Maintenance Building; (ii) the renovation of the Administration Building at the Solid Waste Complex; (iii) the relocation of the MSF Floor Improvements and Tire Shredder; (iv) funding the Bond Reserve Fund to ensure that the amount on deposit therein after the issuance of the Series 2006 Bonds equals the Bond Reserve Requirement, (v) paying capitalized interest on the 2006 Bonds; and (vi) paying the costs of issuance of the 2006 Bonds. Any of the Bonds that are no longer considered outstanding under the resolution of the Authority authorizing the Bonds shall not be considered outstanding for the purpose of this guarantee.

The ordinance further states that: "The principal amount of the Series 2006 Bonds included in the gross debt of the County shall be deducted from the gross debt of the County under and for all the purposes of the Local Bond Law (a) from and after the time of issuance of the Bonds until the end of the fiscal year beginning next after the completion of the Refunding Project to be financed from the proceeds of the Bonds and (b) in any Annual Debt Statement filed pursuant to the Local Bond Law as of the end of such fiscal year or any subsequent fiscal year if the revenues or other receipts or moneys of the Authority in such year are sufficient to pay its expenses of operation and maintenance in such year and all amounts payable in such year on account of the principal of and the interest on all such Bonds, all bonds of the County issued as provided under N.J.S.A. 40:37A-79 and all bonds of the Authority issued under the County Improvement Authorities Law."

The Series 2006 Solid Waste System Revenue Bonds were part of a refunding in 2015. See item (3) below regarding the 2015 agreement.

(1) 2014 Agreement

On May 29, 2014, the Cumberland County Board of Chosen Freeholders by ordinance, authorized the guarantee ("2014 Guaranty Agreement") of the punctual payment of the principal of and the interest on the County-Guaranteed Lease Revenue Bonds (Board of Social Services/Employment and Training Facilities Project), Series 2014 (the "Series 2014 Bonds") of the Authority to be issued in the aggregate principal amount not exceeding $18,500,000.00 pursuant to a resolution of the Authority to provide for the financing of (i) the construction of a new facility for the Cumberland County Center for Workforce and Economic Development to be located on property in the City of Vineland currently owned by Cumberland County College; (ii) the acquisition and renovation of an existing facility in the City of Vineland for the Cumberland County Board of Social Services; (iii) the completion of such other improvements and work and acquisition of equipment and materials as may be necessary or appropriate for the completion of the capital improvements described above; (iv) capitalized interest on the Series 2014 Bonds (as hereinafter defined); and (v) the costs and expenses incurred by the Authority and the County in connection with the issuance and delivery of the Series 2014 Bonds, including the payment of a municipal bond insurance premium, if any (collectively, the "2014 Project". Any of the Bonds that are no longer considered outstanding under the resolution of the Authority authorizing the Bonds shall not be considered outstanding for the purpose of this guarantee.

Note 16: COUNTY GUARANTEES (CONT'D)

(1) 2014 Agreement (Cont'd)
The ordinance further states that: "The principal amount of the Series 2014 Bonds included in the gross debt of the County shall be deducted from the gross debt of the County under and for all the purposes of the Local Bond Law (a) from and after the time of issuance of the Bonds until the end of the fiscal year beginning next after the completion of the Refunding Project to be financed from the proceeds of the Bonds and (b) in any Annual Debt Statement filed pursuant to the Local Bond Law as of the end of such fiscal year or any subsequent fiscal year if the revenues or other receipts or moneys of the Authority in such year are sufficient to pay its expenses of operation and maintenance in such year and all amounts payable in such year on account of the principal of and the interest on all such Bonds, all bonds of the County issued as provided under N.J.S.A. 40:37A-79 and all bonds of the Authority issued under the County Improvement Authorities Law."

(2) 2014 Agreement
In October 2014, the Authority issued its County General Obligation Revenue Bonds (Technical High School Project), Series 2014, in the initial aggregate principal amount of $63,890,000.00 (the "Series 2014 Bonds"), to make a loan to the County to finance the purchase of real property and the construction and equipping of a Technical High School. The payment of the principal and the interest on the Series 2014 Bonds is guaranteed by the County pursuant to a guaranty agreement executed and delivered by the County and the Authority in connection with the issuance of the Series 2014 Bonds. A portion of these bonds were defeased in 2020. Refer to (8) 2020 Agreement within this Note.

(3) 2015 Agreement
In June 2015, the Cumberland County Board of Chosen Freeholders by ordinance, authorized the issuance of refunding bonds by the Cumberland County Improvement Authority and the issuance of a guaranty up to $17,000,000.00 principal amount by the County for such refunding bonds. The Authority has previously issued its Cumberland County Improvement Authority County Guaranteed Solid Waste System Revenue Bonds, Series 2006 (the "Existing Bonds") under a bond resolution and the County has guaranteed the payment of principal and interest on the Existing Bonds (the "Existing County Guaranty") and the Authority now wishes to authorize the issuance of Additional Bonds in the form of refunding bonds under the Bond Resolution for the purpose of (i) advance refunding all or a portion of the Existing Bonds and (ii) paying the costs associated with the issuance of the Refunding Bonds.

The ordinance further states that: "The principal amount of the Refunding Bonds included in the gross debt of the County shall be deducted from the gross debt of the County under and for all the purposes of the Local Bond Law (a) from and after the time of issuance of the Bonds until the end of the fiscal year beginning next after the completion of the Refunding Project to be financed from the proceeds of the Bonds and (b) in any Annual Debt Statement filed pursuant to the Local Bond Law as of the end of such fiscal year or any subsequent fiscal year if the revenues or other receipts or moneys of the Authority in such year are sufficient to pay its expenses of operation and maintenance in such year and all amounts payable in such year on account of the principal of and the interest on all such Bonds, all bonds of the County issued as provided under N.J.S.A. 40:37A-79 and all bonds of the Authority issued under the County Improvement Authorities Law."

(4) 2017 Agreement
In May 2017, the Authority issued indebtedness in connection with financing involving the New Jersey Environmental Infrastructure Trust to finance a solid waste project (the "Series 2017A NJEIT Bonds" and the "Series 2017B NJEIT Bonds"). The Authority's Series 2017A NJEIT Bonds were issued in the principal amount of $2,510,000.00, with interest rates ranging from 3.00% to 5.00% and serial maturities ranging from $90,000.00 in 2019 to $175,000.00 in 2036. The Series 2017B NJEIT Bonds were issued in the principal amount of $7,648,515.00 at zero interest with an initial principal payment of $259,272.00 in 2017 and annual principal payments in the amount of $388,908.00 from 2019 through 2036.

Note 16: COUNTY GUARANTEES (CONT'D)

(5) 2018 Agreement

In December 2018, the Cumberland County Board of Chosen Freeholders, by ordinance, authorized the issuance of one or more series of its County Guaranteed Lease Revenue Bonds, Series 2018, by the Cumberland County Improvement Authority and the issuance of a guaranty up to $65,000,000.00 principal amount by the County for such bonds for the purpose of (i) the acquisition of the Project Site; (ii) the costs of the development and construction of (a) an approximately 100,000 square foot, approximately 408-bed, County correctional facility (the “Correctional Facility”) and (b) an approximately 25,000 square foot, three-story holding center and criminal courtroom facility (the “Holding Center Facility” and together with the Correctional Facility, the "Facility") on the Project Site, for use by the County; (iii) the costs of demolition of the existing County correctional facility currently located on the Project Site; (iv) capitalized interest on any bonds, notes or other debt obligations issued by the Authority to finance the costs thereof, including the Bonds (as hereinafter defined); (v) all other costs and expenses necessary for or related to the development, construction and equipping of the Facility; and (vi) the costs of issuance with respect to the Bonds (collectively, the "2018 Project").

The ordinance further states that: "The principal amount of Bonds guaranteed pursuant to this Guaranty Ordinance and included in the gross debt of the County shall be deducted from, and is deemed to be a deduction from, such gross debt under and for all purposes of the Local Bond Law (a) from and after the time of issuance of the Bonds until the end of the fiscal year beginning next after the completion of the 2018 Project being financed from the proceeds of the Bonds, and (b) in any annual debt statement filed pursuant to the Local Bond Law, as of the end of said fiscal year or any subsequent fiscal year if the revenues or other receipts or moneys of the Authority relative to the 2018 Project in such year are sufficient to pay its expenses, including the expenses of administration of the 2018 Project, in such year and all amounts which are payable in such year on account of the principal of and interest on all such guaranteed Bonds, all bonds of the County or any municipality issued as provided in N.J.S.A. 40:37A-79, and all bonds of the Authority issued under the Act, or shall be deducted as otherwise provided by law, are duly and timely paid in accordance with their terms.

(6) 2019 Agreement

In January 2019, the Authority issued its County General Obligation Revenue Bonds (Technical High School Project), Series 2019, in the initial aggregate principal amount of $21,035,000.00 (the “Series 2019 Technical School Bonds”), to make a loan to the County to finance the development and construction of an approximately 55,000 square foot educational facility, including classrooms, offices and administrative space for the Technical School (the “Facility”), the acquisition of certain real property in the County on which the Facility will be constructed, the equipping of the Facility, all other costs and expenses necessary for or related to the development, construction, and equipping of the Facility, and the costs and expenses incurred by the Authority and the County in connection with the issuance and delivery of the Series 2019 Technical School Bonds. The payment of the principal and the interest on the Series 2019 Technical School Bonds is guaranteed by the County pursuant to a guaranty agreement executed and delivered by the County and the Authority in connection with the issuance of the Series 2019 Technical School Bonds.

(7) 2019 Agreement

In April 2019, the CCIA issued its County Guaranteed Revenue Bonds (Authority Administration Building Project), Series 2019, in the initial aggregate principal amount of $4,970,000.00 (the "Series 2019 Bonds"), to finance the costs of acquisition of certain real property located in the County of Deerfield, County of Cumberland, New Jersey (the "Project Site"); the costs of the development and construction of an approximately 15,000 square foot CCIA administration building, which will be utilized to create office space for the CCIA’s officers and employees (the "Facility") on the Project Site; the completion of such other improvements and work and acquisition of equipment and materials as may be necessary or appropriate in connection with the construction of the Facility; and the costs of issuance with respect to the issuance and sale of the Series 2019 Bonds. The payment of the principal of and the interest on the Series 2019 Bonds is guaranteed by the County pursuant to a guaranty agreement executed and delivered by the County and the CCIA in connection with the issuance of the Series 2019 Bonds.

Note 16: COUNTY GUARANTEES (CONT'D)

(8) 2020 Agreement

In July 2020, the Authority issued its County General Obligation Revenue Refunding Bonds (Technical High School Project), Series 2020, in the initial aggregate principal amount of $31,335,500.00 (the "Series 2020 Technical School Bonds"), to make a loan to the County for the purpose of advance refunding of a portion of outstanding aggregate principal amount of the Authority's County General Obligation Revenue Bonds (Technical High School Project), Series 2014, maturing serially on September 1 in the years 2027, 2028, and 2033, and a term bond maturing on September 1, 2039 and paying the costs of issuance and delivery of the Series 2020 Bonds. The proceeds of the Refunded Bonds were used by the County, on behalf of the Technical School, to permanently finance the costs of the acquisition of real property and the construction and equipping of a new education facility.

2021 Agreements

Two additional bond guaranty ordinances were adopted in 2021, however, the debt has not yet been issued: Ordinance 2021-2 $6,000,000.00 solid waste bonds and 2021-6 $2,100,000.00 TEC Administration Building.

Non-Guaranteed CCIA Debt

On September 2, 2009, the Cumberland County Freeholder Board consented to the Cumberland County Improvement Authority undertaking the Project and issuing the Loan Unit Program Bonds, Series 2009 in an amount not to exceed $60,000,000.00 for (i) purchase of general obligation bonds of the City of Vineland which were previously authorized to finance the costs of the acquisition and installation of a new simple cycle turbine generator at the Howard M. Down Generating Station and (ii) the financing of the Project through the issuance of the Authority's Local Unit Program Bonds (Vineland Municipal Electric Utility Project), Series 2009, in the aggregate principal amount not to exceed $60,000,000.00 (the "Local Unit Program Bonds, Series 2009").

The amounts outstanding under the Series 2009 Bonds and Local Unit Program Bonds are not covered under the County Guaranty.

Note 17: FARMLAND PRESERVATION TRUST

The Board of Chosen Freeholders authorized the Farmland and Open Space Preservation Trust Fund referendum on the November, 1994 ballot. With a 58% majority, voters authorized the dedication of one cent of the County tax rate for Farmland and Open Space Preservation. The revenue is to be used for the acquisition of lands and interests in lands for conservation of farmland or open space. In proposing the issue, the Freeholders earmarked the first three to five years of revenue exclusively for farmland preservation. Future changes to the tax rate or levy 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 purpose stated. Interest earned on the investment of these funds is credited to the Farmland Preservation Trust Fund. As of December 31, 2021, the Reserve for Farmland Preservation had a balance of $384,591.44.

Note 18: 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 be material to the financial statements.

Note 19: 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 20: 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 6th 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. The County receives 100% of its tax levy from each of the municipalities within the County and does not have any reduction in revenue as a result of these tax abatement programs.

The 2021 Equalization Tables for Cumberland County indicated 5 of 14 municipalities abated property taxes under this program. The total assessed value for properties participating in this program was $136,951,000.00 and the total assessed value abated was $86,174,220.00.

Note 21: SUBSEQUENT EVENTS

Authorization of Debt - Subsequent to December 31, 2021, the County authorized additional bonds and notes as follows:

Purpose	Adoption	Authorization
Bond guaranty ordinance of the County of Cumberland authorizing (I) the issuance of bonds by the Cumberland County Improvement Authority and (II) the issuance of a Guaranty by the County for such bonds	03/22/22	$ 14,250,000.00
Various capital improvements	05/24/22	6,080,000.00
Renovation and rehabilitation of certain buildings	05/24/22	3,308,000.00
Bond guaranty ordinance of the County of Cumberland authorizing (I) the issuance of bonds by the Cumberland County Improvement Authority and (II) the issuance of a Guaranty by the County for such bonds	05/24/22	6,300,000.00

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 2022.

APPENDIX C

FORM OF APPROVING LEGAL OPINION OF BOND COUNSEL

MS&B McMANIMON • SCOTLAND • BAUMANN 75 Livingston Avenue, Roseland, NJ 07068 (973) 622-1800

__________, 2023

County Board of Commissioners of the
County of Cumberland, New Jersey

Dear Board of Commissioners:

We have acted as bond counsel to the County of Cumberland (the "County"), New Jersey (the "State") in connection with the issuance by the County of the $3,308,000 General Obligation County College Bonds (County College Bond Act, P.L. 1971, c.12, as Amended) (the "Bonds"). In order to render the opinions herein, we have examined laws, documents and records of proceedings, or copies thereof, certified or otherwise identified to us, as we have deemed necessary.

The Bonds are issued pursuant to the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the State of New Jersey, a resolution of the County duly adopted March 28, 2023 pursuant to N.J.S.A. 40A:2-26(f), in all respects duly approved, and the bond ordinance referred to therein, in all respects duly approved and published as required by law.

In our opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws or application by a court of competent jurisdiction of legal or equitable principles relating to the enforcement of creditors' rights, the Bonds are valid and legally binding general obligations of the County, the County has the power and is obligated to levy *ad valorem* taxes upon all the taxable property within the County for the payment of the Bonds and the interest thereon without limitation as to rate or amount and are secured by the County College Bond Act, P.L. 1971, c. 12, as amended and supplemented (N.J.S.A. 18A:64A-22.1 *et seq*.)

On the date hereof, the County has covenanted in its Arbitrage and Tax Certificate (the "Certificate") to comply with certain continuing requirements that must be satisfied subsequent to the issuance of the Bonds in order to preserve the tax-exempt status of the Bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Pursuant to Section 103 of the Code, failure to comply with these requirements could cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. In the event that the County continuously complies with its covenants and in reliance on representations, certifications of fact and statements of reasonable expectations made by the County in the Certificate, it is our opinion that, under existing law, interest on the Bonds is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code, and interest on the Bonds is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax; however, for tax years beginning after December 31, 2022, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to alternative minimum tax under Section 55 of the Code. We express no opinion regarding other federal tax consequences arising with respect to the Bonds. Further, in our opinion, based upon existing law, interest on the Bonds and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act. These opinions are based on existing statutes, regulations, administrative pronouncements and judicial decisions.

This opinion is issued as of the date hereof. We assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law or interpretations thereof that may occur after the date of this opinion or for any reason whatsoever.

Very truly yours